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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, March 20, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Grant us, O God, patience to hear what others may say; honesty to judge our own motives; forgiveness when we have offended; and thanksgiving and grace to You, O gracious God, for the gifts and opportunities of this new day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa; and

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON HUNGER

The SPEAKER. Pursuant to the provisions of section 3 of House Resolution 20, 99th Congress, the Chair appoints as members of the Select Committee on Hunger the following Members of the House:

Mr. LELAND of Texas, chairman;
Mr. HALL of Ohio;
Mr. TRAXLER of Michigan;
Mr. PANETTA of California;
Mr. DASCHLE of South Dakota;
Mr. FAZIO of California;
Mr. GEJDENSON of Connecticut;
Mr. KOSTMAYER of Pennsylvania;
Mrs. BURTON of California;
Mr. DORGAN of North Dakota;
Mrs. ROUKEMA of New Jersey;
Mr. EMERSON of Missouri;
Mr. MORRISON of Washington;
Mr. GILMAN of New York;
Mr. EVANS of Iowa;
Mr. ROBERT F. SMITH of Oregon; and
Mr. BEREUTER of Nebraska.

APPOINTMENT AS MAJORITY MEMBERS OF SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

The SPEAKER. Pursuant to section 3 of House Resolution 25, 99th Congress, the Chair appoints as majority members of the Select Committee on Children, Youth, and Families the following Members of the House:

Mr. MILLER of California, chairman;
Mr. LEHMAN of Florida;
Mrs. SCHROEDER of Colorado;
Mrs. BOGGS of Louisiana;
Mr. MCHUGH of New York;
Mr. WEISS of New York;
Mr. ANTHONY of Arkansas;
Mrs. BOXER of California;
Mr. LEVIN of Michigan;
Mr. MORRISON of Connecticut;
Mr. ROWLAND of Georgia;
Mr. SIKORSKI of Minnesota;
Mr. WHEAT of Missouri;
Mr. MARTINEZ of California; and
Mr. EVANS of Illinois.

APPOINTMENT AS MAJORITY MEMBERS OF TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92-484, the Chair appoints as majority members of the Technology Assessment Board the following Members on the part of the House:

Mr. UDALL of Arizona;
Mr. BROWN of California; and
Mr. DINGELL of Michigan.

APPOINTMENT AS MEMBER OF NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

The SPEAKER. Pursuant to the provisions of 44 U.S.C. 2501, as amended, the Chair appoints as a member of the National Historical Publications and Records Commission the gentlewoman from Louisiana, Mrs. BOGGS.

APPOINTMENT AS MEMBERS OF BOARD OF TRUSTEES OF JOHN F. KENNEDY CENTER FOR PERFORMING ARTS

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 85-874, as amended, the Chair appoints as members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House:

Mr. YATES of Illinois;
Mr. WILSON of Texas; and
Mr. MCDADE of Pennsylvania.

APPOINTMENT AS MEMBERS OF BOARD OF TRUSTEES OF HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-642, the Chair appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House:

Mr. SKELTON of Missouri; and
Mr. TAYLOR of Missouri.

APPOINTMENT AS MEMBERS OF MIGRATORY BIRD CONSERVATION COMMISSION

The SPEAKER. Pursuant to the provisions of 16 U.S.C. 715a, the Chair appoints as members of the Migratory Bird Conservation Commission the following Members on the part of the House:

Mr. DINGELL of Michigan; and
Mr. CONTE of Massachusetts.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, DC, March 7, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, House of Representatives, H-205, the Capitol, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Public Law 453 of the 96th Congress, as amended, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as Members of the Board of Visitors to the United States Merchant Marine Academy for the year 1985:

The Honorable Mario Biaggi of New York.
The Honorable Roy Dyson of Maryland.
The Honorable Gene Snyder of Kentucky.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

With warmest personal regards, I am,
Sincerely,

WALTER B. JONES,
Chairman.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, DC, March 7, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, House of Representatives, H-205, the Capitol, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as Members of the Board of Visitors to the United States Coast Guard Academy for the year 1985:

The Honorable Gerry E. Studds of Massachusetts.
The Honorable William J. Hughes of New Jersey.
The Honorable Robert W. Davis of Michigan.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an ex officio member of the Board.

With warm regards, I am,
Sincerely,

WALTER B. JONES,
Chairman.

APPOINTMENT AS MEMBERS OF COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-191, the Chair appoints as majority members of the House Commission on Congressional Mailing Standards the following Members of the House:

Mr. UDALL of Arizona, chairman;
Mr. SOLARZ of New York; and
Mr. FORD of Michigan.

WELCOME TO THE PRESIDENT OF ARGENTINA

(Mr. DOWNEY of New York asked and was given permission to address the House of 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, we will have as this body convenes at 11 o'clock a marvelous opportunity to listen to one of the truly great statesmen on this planet, President Raul Alfonsin. What he has done in Argentina is already legendary, bringing democracy to that troubled land and attempting to straighten out an economy that to say the least is a tremendous problem.

More importantly, he is not afraid to tackle the difficult international issues of peace in Central America and most recently he has been involved in an effort with five other Presidents and Prime Ministers in Delhi on January 28 to try to bring the world together to stop the arms race in space and to prevent the explosion of nuclear weapons on Earth.

This is an extraordinary man and I hope that Members will take time to listen to his message of peace this morning at 11 o'clock.

A MIND IS A TERRIBLE THING TO WASTE

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, I think we all agree that a mind is a terrible thing to waste. Yet the administration proposes to waste 800,000 of them.

I know that this is a hard statement, but by the administration's proposal to cut the Pell Grant Program by $644 million they would see to it that 800,000 students, or 28 percent of all current recipients, would no longer qualify for these grants. The door of education would be shut in the faces of lower income students, for these are the students the Pell Grant Program serves. Those who remain eligible would be forced to pay 40 percent of the cost of going to college, or a minimum of $800—a cost they or their families can little afford.

The intellect of our Nation's youth is a terrible resource to waste. Low income is a matter of circumstance, not ignorance. I urge you not to trap another generation to lives of little hope or progress. Instead, join with me in the fight to free them to better lives for themselves, their children, and thereby, our Nation.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

The Chair announces that on today, during the joint meeting to receive the President of the Argentine Republic, only the doors immediately opposite the Speaker and those on his left and right will be open.

RECESS

The SPEAKER. Pursuant to the order of the House of March 7, 1985, the House will stand in recess subject to the call of the Chair. The Chair will call the Members when he understands the Senate is on its way.

Accordingly (at 10 o'clock and 8 minutes a.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE HONORABLE RAUL ALFONSIN, PRESIDENT OF THE ARGENTINE REPUBLIC

The SPEAKER of the House presided.

The Doorkeeper (Hon. James T. Molloy) announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to conduct the President of the Argentine Republic into the Chamber:

The gentleman from Texas, Mr. WRIGHT;
The gentleman from Florida, Mr. FASCELL;
The gentleman from Arkansas, Mr. ALEXANDER;
The gentlewoman from Ohio, Ms. OAKAR;
The gentleman from New York, Mr. DOWNEY;
The gentleman from Illinois, Mr. MICHEL;
The gentleman from Mississippi, Mr. LOTT;
The gentleman from Michigan, Mr. BROOMFIELD; and
The gentleman from California, Mr. LEWIS.

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the Argentine Republic into the House Chamber:

The Senator from Kansas, Mr. DOLE;
The Senator from Wyoming, Mr. SIMPSON;
The Senator from South Carolina, Mr. THURMOND;

The Senator from Indiana, Mr. LUGAR;

The Senator from Connecticut, Mr. DODD;

The Senator from Colorado, Mr. HART;

The Senator from Maryland, Mr. SARBANES; and

The Senator from Massachusetts, Mr. KENNEDY.

The Doorkeeper announced the ambassadors, ministers, and charges d'affaires of foreign governments.

The ambassadors, ministers, and charges d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 11 o'clock and 3 minutes a.m., the Doorkeeper announced the President of the Argentine Republic.

The President of the Argentine Republic, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the great honor of presenting to you the President of the Argentine Republic.

[Applause, the Members rising.]

ADDRESS BY THE HONORABLE RAUL ALFONSIN, PRESIDENT OF THE ARGENTINE REPUBLIC

(President ALFONSIN addressed the joint meeting in Spanish. The English translation of his address follows:)

President ALFONSIN. Thank you for your warm welcome. As former Deputy of the Argentine Congress, I cannot but express the emotion I feel addressing the honorable Congress of the United States, a symbol of the republican, federal and democratic system of government.

In the name of the Argentine nation I salute the representatives of the American people and offer my heartfelt homage to this institution that manifests the ideals and interests of the American people, their desire for freedom and their respect for human rights.

The people of the United States should expect from a democratic Argentina sincerity, perseverence and solidarity to sustain from the South of America those fundamental ideals which our countries share: justice and freedom. As well as rationality and maturity expressed in predictable attitudes.

Since our independence we Argentines have always believed that we have inherited a culture and a body of ideals centered on the dignity of the human being.

But we also belong irreversibly to Latin America, that great differentiated reality of the West. From this region of the world, together with other Latin countries, we have been developing a universe of values and aspirations that define a particular way of belonging in the world.

This is what drives us to avoid that the negative consequences of the strategic contradictions that are germane to the East-West struggle be added to the problems of underdevelopment. Nonetheless we do not live outside of history or beyond geography. We share with you the same ideals and we feel associated in the common enterprise of sustaining the ideals and forms of social and political organization that are found in our countries.

We are democratic because democracy presupposes the freedom of the human being and makes him the ultimate end of all politics and the master of his destiny.

We are democratic because democracy works on behalf of human dignity, that is to say for freedom and justice.

We are democratic because democracy presupposes love and peace, while dictatorship and war propose hate.

We are democratic because we are moral and that is why our political project is a moral enterprise.

Let me state clearly: I hold democracy to be the only form of social organization that allows man his dignity because democratic government is based on ethical values.

Here in the United States, the most advanced society of the world, politics is an ethical struggle. And so it is today in Argentina, a nation once again proud of itself. This is what we definitively share.

Toqueville knew that a country could be strong only if it was based on the liberty and well-being of its people and that peace is a prerequisite for greatness and prosperity. We Argentines as do all Latin Americans, perceive these words to be a precise statement of our predicament. We know only too well of our own efforts to consolidate democracy and dissipate the suspicion and mistrust of one another that, in the past, have given way to sterile and artificial disputes.

With the aim of attaining these objectives, and with the help of his holiness Pope John Paul II, Argentina has recently resolved, in a peaceful way, a century old territorial dispute with the Republic of Chile. This is how our country demonstrates to the international community that its commitment to peace is manifested by concrete and decisive facts in our national life.

I want to emphasize the fact that this solution was not the result of an isolated decision made by my government, it was ratified overwhelmingly by the Argentine people in a democratic consultation.

Our government and our people desire to resolve in peace the country's conflicts. This same resolution motivates us with respect to the issue of the Malvinas, South Sandwich and South Georgia Islands.

The delay in solving this controversy produces international intranquility for it nourishes a situation of tension, it creates a critical focal point in the South Atlantic and the danger that both our territory as well as the area in general will find itself involved in strategic plans alien to our region.

Our conviction about the rights of the Argentine republic will not diminish with the passage of time.

Our will to resolve the question of sovereignty by means of a frank and complete dialog with the government of the United Kingdom—which will include the legitimate interests of the island population—will not be altered, despite the reiterated British refusals to engage in negotiations on the substance of the issue.

The peace that we are attempting to strengthen in the region and in the world is a peace that not only eradicates conflicts and wars, it also seeks to avoid the waste of important resources so necessary to our battered economies that otherwise would nourish an arms race and spread distrust. Within this perspective peace and disarmament are necessary to consolidate our institutions and to assure that the efforts of our peoples strengthen both liberty and prosperity.

But this regional effort will not be enough. It must be accompanied by distension among the great nations of the world. Latin America is not an island. And just as we are committed by our ideals and convictions which constitute western civilization, we are also committed to materialize the often frustrated hopes of our peoples.

Without greater justice in the distribution of the world's resources, without establishing more equitable relations in international commerce and without a common effort to strengthen free societies, that international peace which we all desire will be at risk.

This is one more reason why we are committed to peace and disarmament, which added to the essential demand for survival has inspired my government to: formulate a recent international call, together with five other nations in New Dehli.

Our America needs democracy, development and security. Two fundamental causes conspire today against achieving these objectives: the situation in Central America and the social and economic conditions in Latin America. According to our conception,

and I wish to emphasize this fact, these difficulties cannot be faced in isolation nor resolved in a unilateral manner. Peace, development, democracy, and security are today at risk because of the Central American crisis. You all are aware of the mediate causes that give rise to this situation; authoritarianism, flagrant social injustices, misery. In summary, the absence of political and economic participation has generated the inevitable sequel of violence, war and insecurity.

The Jackson report presents the issue with precision:

"The people of Central America have lived too long with poverty, deprivation and violence. The current turmoil must not be allowed to shatter their hopes for a brighter future. They have endured too many generations of misrule to let their aspirations for democratic political development be dashed in this generation on the rocks of fear, division and violence. Not least their own security and ours must no longer be threatened by hostile powers which seek expansion of influence through exploitation of misery."

We must not allow that this analysis be true a decade from now in all Latin America. Let us bring together the necessary political will and recognize the magnitude of the danger which confronts us, so that the drama of history be not the prophecy of the future.

There can be no doubt that the problem of Central America affects the continent as a whole. In order to assure its democratic future we must draw on past experience.

How can we break the cycle of violence that has bled the continent over the last decades? We have seen that neither authoritarian regimes nor revolutionary insurgency can resolve our problems. Experience shows us that the strengthening of democracy, progress, and the prosperity of our peoples and the peace and security of the continent—including that of the United States—are intimately intertwined. Starting from this premise, we must find the practical solutions to immediately address the two problems that we face today.

The first challenge is the Central American question. We think the central question here is how to reach an immediate solution that will not compromise permanent solutions for the future.

My government supports the efforts of the Contadora group, which is the appropriate mechanism for finding a stable solution for the Central American countries. We believe this search should be based on the following criteria:

First: The principle of self-determination as recognized by contemporary international law, freely exercised through the will of the majority.

Second: The existence of Pluralistic Democracies.

Third: The principles of territorial integrity and non-intervention should be respected and universally applied. This means that they should not be invoked in a one-sided manner.

Fourth: There should be specific guarantees that the countries of the region will not meddle in one another's affairs.

Fifth: There should be no military installations or mechanisms that threaten the security of any of our countries.

The peace and prosperity of the people of Central America, the consolidation of the democratic processes throughout the continent and the security of a hemisphere that wants to preserve its style of life, depend on adequate solutions.

Even though this is a task that requires an immediate and effective response, other dangers threaten our hemisphere. Vast sectors of the region are submitted to unacceptable living conditions, this obvious injustice can generate instability and social disorder.

This danger is not an exclusive concern of Latin Americans, it is a question that must affect the hemisphere as a whole, and not only for reasons of solidarity, but also, as in the case of Central America, for reasons of security.

In the region social conflicts have had two nefarious solutions.

They have either been drowned in repression or used to create the conditions of an armed insurrection. In both cases human dignity, freedom, individual initiative have been seriously damaged, and so have the tranquility, the peace and the security of the hemisphere.

Thus the second challenge consists in understanding the situation and acting together, so that this time it will be a democratic alternative that will resolve in a definitive fashion the social situation in Latin America.

This is a primary responsibility of Latin Americans, but it is also the responsibility and need of every democracy in the hemisphere.

Twenty-six years ago in this Chamber former Argentine President Arturo Frondizi addressed the drama of millions of deprived Latin Americans. He pointed out that the greatest threat to hemispheric security was to be found in the suffering and frustration of the masses. Is not the painful experience of a quarter of a century sufficient to comprehend the enormous cost of unlinking the issue of security, development, and democracy?

Nonetheless, there is hope in the consistent tendency toward democracy in the continent. Democracy is the only alternative to social upheaval. It is the only system capable of providing human dignity. Therefore, it is better positioned to carry out the struggle against terrible social ills such as narcotics traffic.

Today we are persuaded of the need to begin considering the debt problem together with the governments of the creditor countries. The debt problem does not only concern international financial institutions and commercial banks. The 11 Latin American countries meeting in the city of Cartagena in June of 1984 emitted a joint statement pointing out the seriousness of this external dependency. We also communicated this fact to the industrialized countries.

Our country's external debt constitutes a political fact that demands the collaboration of responsible governments to find a new horizon of solidarity and cooperation that will provide a greater security to the world economic order. This will provide us with greater confidence that will secure in a definitive fashion the following ideal of our culture: a free and democratic way of life through which future generations will be assured of a real authentic equality of opportunity. This is our challenge.

A democratic, pluralistic, and independent society for Argentina is not only in our own interest, it is also beneficial for the permanent interests of the United States. It is indispensable for the stability of the region that peace be assured through democracy and development.

Our security is based as much on military defense as on the dissemination of the values that give life to this society. It is necessary that the number of countries that uphold these values increase and that more and more peoples be willing to defend them. An eventual failure of the new democracies of Latin America, that is to say of these new models of society in the continent, will have grave consequences for the region, including the United States.

That is why I request a special understanding from the Senators and Representatives meeting here today and from the government of the United States. That is why the principal purpose of my visit is to emphasize the convergence between our countries and our common interests so that eventual disagreements or different judgements will not place in doubt the basic relations and the essential understanding between us.

Independently of the virtues and defects of the alliance for progress a quarter of a century has elapsed in which no coherent and long range impulse has emerged to resolve the problems of the hemisphere.

During this long lapse of time three issues have been connected to one another: hemispheric security, economic development and the consolidation of democracy. From this moment on we

should begin the joint task of relating these issues in our understanding of reality to make them compatible with one another.

More than one hundred years ago a great Argentine intellectual and politician, Juan Bautista Alberdi who established the foundations of our constitution said: ". . . The time of the heroes has passed, we enter today the age of common sense. Greatness in America is not the greatness of Napoleon, it is the greatness of Washington who does not represent military victory but rather prosperity, growth, organization and peace. He is the hero of order in liberty."

It is this thought today I make my own.

[Applause, the Members rising.]

At 11 o'clock and 34 minutes a.m., the President of the Argentine Republic, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The ambassadors, ministers, and charges d'affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly, at 11 o'clock and 35 minutes a.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

The SPEAKER. The House will continue in recess until the hour of 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. FOLEY] at 12 o'clock noon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

REPORT ON RESOLUTION PROVIDING FUNDS FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES OF THE HOUSE

Mr. GAYDOS, from the Committee on House Administration, submitted a privileged report (Rept. No. 99-21) on the resolution (H. Res. 100) providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 99th Congress, which was referred to the House Calendar and ordered to be printed.

JOURNAL VOTES

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, one of the most important lessons I've learned since my coming to Congress is the importance of the vote—my vote—in our congressional proceedings. I take this duty seriously. That's why I maintained a 99.6-percent voting record in the 98th Congress.

Yesterday, I attempted to explain why our legislative process is being disrupted and abused by wasteful votes—those cast on approval of the Journal.

For example, nearly one-third of our votes during 1 month of the 99th Congress were spent on approval of the Journal—something that is always confirmed anyway.

During the last minute of my speech I referred, in part, to—and I quote, "Those Members" who call for these wasteful votes.

Without replaying the exchange that occurred I would like to stress that the thrust of my speech was to encourage a less-divisive, more-efficient use of our congressional votes and, therefore, the legislative process itself.

One of our 20th-century Presidents expressed it best when he said:

> A professional politician's first duty is to appeal to the forces that unite us * * * and to channel the forces that divide us into paths where a democratic solution is possible.

NATIONAL AGRICULTURE DAY

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, I would like to bring to your attention a point of extreme importance regarding this day in America's history; today is National Agriculture Day. As we have done with so many other important segments of American society, we have dedicated this day to honor and bring special recognition to those groups and individuals who have become the most efficient producers of food and fiber in the world.

From the very beginning of this great Nation, agriculture has played a vital role in our development. Early in our Nation's history, agriculture established itself as a dominant force. Before our forefathers had even declared this a free and independent Nation, America was a major international force in agricultural trade.

During the Great Depression the Federal Government expanded its involvement in agriculture by introducing support programs for America's farmers. These programs provided consumers with high quality, inexpensive food and fiber. Throughout the program's history consumer food prices have remained low; however, the farm support programs have failed to supply the producers with an adequate income. This has led to the current crisis in American agriculture.

During this very crucial period, it behooves us as representatives of the citizens of this great Nation to devote our hearts and minds to solving the economic problems facing our farmers. We cannot sit idly by and watch this very important sector of American society suffer. On this National Agriculture Day, I would ask my colleagues in Congress to consider where this great Nation would be if it were not for the agriculture comunity, and furthermore, where will we be if we let it fail.

REGULATING THE SPORT OF BOXING

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, shortly I will be introducing legislation to set up a federally chartered nonprofit corporation to set uniform standards for the sport of boxing.

Mr. Speaker, boxing tragedies in the last 3 years have increased dramatically, and in many cases boxing commissions throughout the States have not done an adequate job of regulating the sport of boxing, causing a lot of dismemberment and hurt and permanent damage to boxers in this country and throughout the world.

The Congress of the United States has dealt with boxing issues before. Last year we failed in setting up a study to set up a Federal Boxing Commission. My bill will be a step in between. We are against the abolition of boxing. This is the wrong approach. But we do think that a national setting of standards, of health standards, is a first step in bringing boxing back into respectability, into being one of our national pastimes, and also in correcting some of the abuses and some of the health frailties that the sport currently has.

GENERAL TIGHE IS TELLING THE TRUTH

(Mr. HENDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENDON. Mr. Speaker, I shared yesterday with my colleagues a statement by the former head of U.S. military intelligence, Lt. Gen. Eugene Tighe, who said that the evidence he has seen makes it clear that American soldiers from the Vietnam war are being held captive against their will in Communist prisons in Southeast Asia.

Several people have asked me if I actually believed that. Mr. Speaker, I served on the POW Task Force during the 97th Congress: I made six trips to Southeast Asia in 1981–82 on behalf of our POW's; I served as consultant on POW/MIA affairs in the Pentagon in 1983. Based on what I have seen, I can assure you, General Tighe is telling the truth. This retired three-star general, immediate past Director of the Defense Intelligence Agency, is telling you the truth, my friends.

It's shortly afternoon here in Washington, shortly after midnight in Hanoi. Isn't it time to heed what General Tighe has said and bring these brave men home?

THE MX MISSILE

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, the story of and arguments for the MX missile are like that of a chameleon.

First, the arguments over the MX centered on basing the missile in a survivable fashion. Over 30 different basing modes were studied for the MX before it was decided that no truly survivable basing mode existed and that the proposed 100 MX missiles should be installed in existing but hardened Minuteman silos.

Next, the argument for the MX centered on the "window of vulnerability." But the Presidents own Commission on Strategic Forces abandoned the premise that the MX would be a more survivable successor to the Minuteman when it acknowledged that silo-based missiles would be as vulnerable to Soviet missiles as the Minuteman missile currently housed in the silos.

Now, the argument for proceeding with the MX is that the U.S. position will be weakened at the Geneva arms talks without further MX production. The concept of the MX has thus come full circle from a strategic weapon to a political weapon.

What excuse will be used next to keep this unneeded boondoggle of a missile alive?

The MX project is a caricature of the whole Reagan defense buildup. There is no coherent policy and no set goals for this trillion-dollar buildup. The administration has introduced few new ideas into the defense-spending arena.

I believe in a strong defense. A strong and ready defense is essential in maintaining our free and prosperous society. But, we can only know what is necessary for a strong defense through a national evaluation of defense needs.

The time to start such a policy is now. Let us in the House vote "no" on the MX and put an end to this tragic, costly, and ill-conceived tale.

□ 1210

AGRICULTURE DAY 1985

(Mr. TAUKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUKE. Mr. Speaker, much has happened since Agriculture Day 1984. Last March, farmers and farm State officials were desperately trying to alert the Nation to a growing crisis in the farm community. This March, the national media is heralding our plight with full-color spreads and banner headlines.

Little back-patting is in order, however. Despite the attention, solutions remain elusive. Some good ideas are being considered, but Agriculture Day 1985 still calls for answers.

For this reason, I am introducing a bill today along with Congressmen COOPER and EVANS to help remedy one of several problems festering in our wounded farm economy. And in doing so, I commend Senator ABDNOR of South Dakota for championing this issue in the other body.

Under current tax laws, bona fide farmers must compete in the business with high income individuals who seek not to make a living from farming, but to enjoy lucrative tax shelters. A hog producing family in Delaware County, IA, for example, must vie for land, credit, and decent prices with large factory farms designed to operate at a loss in order to provide investors a means for sheltering their other income. These investors are more interested in producing tax writeoffs than in producing pork.

Factory farms can outbid most farmers, especially those just starting out. Once in business, they add to the problem of surplus production and are more inclined to farm fragile or marginal lands, thereby aggravating soil and water conservation problems.

The Internal Revenue Service recently studied this problem by examining 1976 income tax returns that reported farm losses exceeding $50,000. Among this group were 12,000 operators who had an average nonfarm income of $122,000. The average farm loss claimed by these 12,000 operators was an astonishing $104,000 which means they paid taxes on an average adjusted gross income of only $16,362. A study of more recent data is underway.

My bill would reduce the incentive to farm strictly for tax advantages by limiting the amount of nonfarm income that can be sheltered by farm losses. That limit would equal the national median family income, which is currently $24,600.

This measure will help cut the Federal deficit by reclaiming about $2.6 billion over 3 years that otherwise would be lost through the loophole. Since the deficit is a major contributor to the farm problem, this savings would be the second of a one-two punch dealt on behalf of the family farm.

A great injustice lies in the fact that tax laws allow wealthy individuals to profit from the same losses that now threaten the only way of life thousands of farmers know. Closing this loophole must be a component of any comprehensive plan to stabilize our farm community.

NATIONAL HOMELESS AWARENESS ACTION DAY

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, I rise to enthusiastically endorse National Homeless Awareness Action Day. Tomorrow, local advocacy groups across the country will hold rallies, voter registration drives, and press conferences to call to the attention of America the plight of millions of homeless men, women, and children.

There may be as many as 3 million homeless Americans, and their population is increasing by as much as 38 percent a year. Homelessness is not a temporary crisis. It will not go away without a concerted effort by all segments of our society to alleviate the homeless emergency.

As one step in response to the crisis, I have introduced the Homeless Emergency Relief Act to fund the provision of shelter, medical aid, psychiatric services, job counseling, and food. I believe we in Congress have a responsibility to establish new policies to address the plight of the homeless. I urge my colleagues to heed the call of our disenfranchised fellow citizens tomorrow, National Homeless Awareness Action Day.

RECTIFY DREADFUL MISTAKE IN INDIANA'S EIGHTH DISTRICT

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, I rise with some sadness today to note that in the Congressional Pictorial Directory which we received early this year there was a picture of Mr. Richard McIntyre of Indiana's Eighth District.

Yesterday, coming back from Colorado, I opened up the new one. There is a blank space. The Eighth District of Indiana has nobody in this book. That is a crime, Mr. Speaker, because Mr. McIntyre was elected by those citizens and they have no Representative. Let us rectify this dreadful mistake.

PRINTING OF PROCEEDINGS HAD DURING THE RECESS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ETHNIC AND MINORITY AFFAIRS CLEARINGHOUSE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to establish an Ethnic and Minority Affairs Clearinghouse in the Federal Communications Commission. This is not a new initiative for me. I sponsored a similar bill in the last Congress.

According to records compiled by the FCC, in 1984 there averaged more than one complaint a day against radio and television stations for "racial, ethnic religious criticism, ridicule humor, and stereotyping." The total of 614 of these complaints is more than twice the number of complaints reported in 1981, the last full year the FCC maintained this data.

I sponsor this legislation because the FCC needs to give more attention to this issue. Presently complaints related to ethnic and racial stereotyping are lumped in with 13 other complaint categories despite the substantial increase in these complaints over the past several years.

The real purpose of this legislation is to promote greater sensitivity in the media about their coverage and depiction of ethnic and minority groups without the threat of censorship. Television and radio have an enormous influence in this Nation, and that influence should be used to help promote positive images of all ethnic and minority groups.

NAN DAVIS—FIRST STEPS

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I would like to bring to the attention of my colleagues a program aired last night, "First Steps," which featured the life story of Nan Davis of St. Marys, OH.

Nan lost the use of her legs in an auto accident. However, through sheer determination and excellent research conducted by Dr. Gerrold Petrofsky at the National Center of Bioengineering at Wright State University in Dayton, OH, Nan was able to walk at her commencement excercises with the help of computer-operated muscle stimulators.

Nan's determination is an example for us all. Despite her physical condition, Nan's drive and fine medical research at Wright State University proved to all that anything is possible with persistent ambition and old-fashioned guts and determination. I congratulate Nan and her family and commend CBS for providing the Nation with this unique and uplifting program.

DISLOCATED WORKERS NEED HELP

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART of Ohio. Mr. Speaker, today Congresswoman CLAUDINE SCHNEIDER and I are introducing legislation, the Dislocated Workers Act of 1985, which seeks to address the problems of dislocated workers by removing barriers to training opportunities for the structurally unemployed. I am pleased to have 29 additional Members of the House as original cosponsors plus the active support of the Northeast-Midwest Congressional Coalition. The Bureau of Labor Statistics recently completed a special study of workers who recently lost their jobs. This report shows that 60 percent or 3.1 million were reemployed at substantially lower pay; about 25 percent or 1.3 million were still looking for work and the rest, 700,000 had dropped out of the labor force. It is painfully clear that, despite the decline in unemployment levels nationally, there remains a significant number of structurally unemployed who need to retrain for occupational changes.

This bill amends the Pell Grant Program so that, in determining a dislocated worker's family contribution to education costs, home equity is not counted as an asset and unemployment benefits are not counted as income. Dislocated workers are certified, for this program, in accordance with the definition of dislocated workers contained in the Job Training Partnership Act.

Additionally, dislocated workers applying for guaranteed student loans would have determinations of need based on current as opposed to previous year's income. This bill does not establish a whole new Federal bureaucracy. It builds on the existing, and fairly successful Pell Grant and other loan programs to make them more accessible to dislocated workers.

Mr. Speaker, our legislation is an important national priority for a national problem. It is not enough to simply retool our factories if we also do not reskill our workers.

THE BIRTH OF THE PENN STATE HEART

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, I am here today to announce the birth of the Penn State Heart. This is not a slogan for the university football team which has exhibited great heart over the years, but rather the birth of the artificial heart implant that was developed by Dr. William Pierce at the Hershey Medical Center which is a part of Penn State University.

This heart implant has been granted approval by the FDA so that now Dr. Pierce joins Dr. William DeVries, the only other physician who has developed that kind of procedure and whose work is not in the headlines due to the Schroeder and the other operations about which the world knows.

This is another gigantic step in the new world of artificial hearts and the maintenance of life through these implants. We urge that the people of the United States grant accolades now to all those physicians who are venturing in this important field.

At this point I include the following:

[From the Harrisburg (PA) Patriot, Mar. 15, 1985]

FDA APPROVAL BOOSTS HERSHEY HEART

(By Laura Muha)

Hershey Medical Center is one step closer to performing an artificial-heart implant now that the federal government has approved use of its device.

Dr. William S. Pierce, who developed Hershey's artificial heart, was given permission early yesterday by the U.S. Food and Drug Administration to use the device in humans.

There is no way to tell when an implant will be performed because the procedure will be done only on an emergency basis to keep heart transplant candidates alive until donor hearts are found.

"Currently there are no candidates for the procedure," said Carl Andrews, medical center spokesman, in a prepared statement.

Asked how many artificial heart implants Pierce was given permission to perform, Andrews said, "It's not just one-time [approval]." But he declined to elaborate.

Pierce is only the second surgeon in the nation to receive permission to implant artificial hearts in humans. Dr. William DeVries, formerly of the University of Utah and now with the Humana Heart Institute in Louisville, Ky., was granted FDA approval in 1982. He has performed implants on three patients.

The medical center on Dec. 12 applied for FDA approval to use the air-driven heart, which has been tested extensively in animals.

After reviewing the request, the FDA asked the medical center for more information. The information, the nature of which

was not made public, was mailed to the FDA about a month ago.

When an artificial heart is implanted at Hershey, the patient will be required to sign a four-page consent form that warns there is a "slight but definite chance" complications could set in after the implant, making a transplant impossible, Pierce said in a recent interview.

"If the patient has an irreversible situation such as a massive stroke, we would not go ahead with the transplant, and the patient would just have to live with the artificial heart," he said.

If a temporary artificial heart is implanted at Hershey, it will not be the first time for such a procedure.

Dr. Denton Cooley, a Texas heart surgeon, performed two implants, in 1969 and 1981. Although neither procedure had FDA approval, both succeeded in keeping the patients alive until donor hearts were found and transplanted. Both patients, however, died within days of the transplants.

A short-term artificial heart implant performed at the University of Arizona last week enabled doctors to keep a heart transplant patient alive for 11 hours until a donor heart was found and transplanted. That procedure drew criticism because it did not have FDA approval.

The patient in Arizona later died of complications from the transplant.

When evaluating experimental devices such as artificial hearts for use in humans, the FDA's primary concern is "for the safety and effectiveness of the device . . . that the device not fail while it's sitting in the patient," an FDA spokesman told the Patriot-News in a recent interview.

LEGISLATION TO REQUIRE A REBID OF CONRAIL

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, I think it's time that Congress woke up to what is happening with the administration's acceptance of Norfolk & Southern's bid to buy Conrail. It is truly one of the alltime ripoffs of the American taxpayer.

Do you know that the $1.2 billion bid is only one-fourth of the railroad's estimated value? Do you know that there are $850 million in cash reserves and $200 million in pension funds included in the sale. That means that Norfolk & Southern is buying the railroad for $150 million and getting over 3 billion dollars' worth of property and equipment thrown in. Not a bad deal at all. The administration has given away a valuable piece of property and has stuck the taxpayers with a $7 billion loss.

Please join me in cosponsoring H.R. 1455 to require a rebid of Conrail.

□ 1220

SUPPORT FOR NICARAGUAN RESISTANCE URGED

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, in view of the fact that the Sandinista government of Nicaragua has proclaimed its allegiance to Marxism-Leninism, in view of the fact that the Sandinistas have restricted freedom of expression, travel, worship, and assembly, have failed to guarantee civil justice, and have failed to conduct free and fair elections, and that the Sandinista government now threatens regional peace and the human rights in the region of Central America, I have initiated a House concurrent resolution. The resolution does a number of things.

First, it reaffirms the declaration of the Organization of American States, made in 1979, that the solution to Nicaragua's political problems is exclusively within the jurisdiction of the people of Nicaragua; second, it urges the President to grant explicit political recognition to the democratic opposition in Nicaragua; and finally it urges the President and all members of the Organization of American States to support the Nicaraguan resistance in its quest for peace, for human rights, for free elections, and for national reconciliation.

Mr. Speaker, I urge cosponsorship by the Members.

THE WONDERFUL SURVIVABILITY OF THE MX

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, we are about to make the first important decision this year on whether or not there is any seriousness about the deficit. The question is whether or not we will commit $1.5 billion to the further production of a weapon which no one thinks very highly of strategically—the MX missile.

It is impossible to reconcile serious concern about the deficit with an expenditure of $1.5 billion for this set of MX's, to be followed by $3 billion or whatever billion next year, and on and on and on.

The MX is a wonderful weapon. It has a survivability that no one could imagine. It has survived changes in its basing mode; it has survived changes in its strategic mission; and it has survived changes in the international atmosphere. We used to be told we needed it to be mobile; now we need it in place. We used to be told we need it because we were not having talks with the Russians; now we are told we need it because we are having talks with the Russians.

I will predict that if we ever have successful negotiations, we will be told that we need it because we used to have talks with the Russians.

They changed the basing mode, they changed the rationale, and they changed the strategic context. One thing is unchanging: it is a constant and growing drain on the taxpayers' dollars. It is a weapon that is unnecessary, and we can ill afford it if we are serious about the deficit.

Mr. Speaker, I hope we will follow the important lead of the Appropriations Committee. They are to be congratulated for voting no on it. I hope the House will follow.

PROPOSAL FOR REMEDIAL LEGISLATION FOLLOWS ESM FRAUD

(Mr. SHAW asked and was given permission to address the House for 1 minute.)

Mr. SHAW. Mr. Speaker, ESM Government Securities, Inc., operating out of my hometown of Fort Lauderdale, has defrauded investors throughout this country of over $300 million and caused the collapse of financial institutions as far away from Florida as Ohio.

ESM was able to work this fraud undetected by regulatory agencies by taking advantage of a loophole in our Federal securities laws.

The Securities and Exchange Commission, our Federal agency empowered to regulate and protect the integrity of securities transactions in this country, is prohibited from regulating Government securities brokers because of an exemption provision.

I am introducing today, a bill to amend the 1934 Securities Exchange Act which will bring Government securities and Government securities brokers within the jurisdiction of the Securities and Exchange Commission.

This amendment will require Government securities brokers to register with the SEC, abide by its rules, become subject to SEC investigations and audits, and provide the protection that is so necessary for our citizens who choose to invest in Government securities.

A COMMONSENSE VOTE ON THE MX

(Mr. RUSSO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSSO. Mr. Speaker, I take the floor today to ask my colleagues to put away the blind faith and bring forth some common sense on the MX vote. I encourage all of you to remember the story of David and Goliath. An overarmed, muscle-bound giant was no match for a reliable weapon and a smart, tough opponent. This is the lesson we should apply.

The MX does nothing to strengthen America. First, it is vulnerable to Soviet attack. Its function has been lost in a fog of 36 failed basing modes.

A weapon that cannot survive enemy attack is useless.

Second, it is dangerous. As a first-strike weapon, the MX intimidates and provokes, it does not deter or defend. President Reagan refers to it as the "Peace Keeper." "Peace Ripper" would be more appropriate.

Third, the arms-control purpose of the weapon is unclear. If the MX is really a bargaining chip, why does the Secretary of Defense insist it is not?

Finally, the $25 billion for the MX saps the vitality of our economy.

Before we cast our votes next week, we must remember the real measure of national strength does not depend solely on military power or "tough guy" rhetoric. National strength is also measured by counting how many American children are in school receiving a strong education, how many jobs we are creating, how many toxic waste sites we are cleaning up—in other words, how we are working to improve the quality of life for all our citizens in this society. These are also tests of a nation's strength.

Finally, by voting for the "Peace Keeper" labeled "MX missile," we make a statement about the nature of our country today. What will our constituents think of our sincerity? While we sit in Geneva talking arms reduction, we still kneel at the alter of the war-inciting, glassjaw MX missile.

Mr. Speaker, I urge my colleagues to stand up and be counted against this wasteful and ineffective MX missile.

SEEING THROUGH THE SANDINISTAS

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute.)

Mr. LIVINGSTON. Mr. Speaker, last Sunday, March 17, 1985, the Washington Post lead editorial exposed the Sandinistas of Nicaragua for the left-wing fascists that they are. For those who may have missed the editorial, or who think that liberals cannot support the President's anti-Sandinista policies, let me quote the liberal Post.

The Sandinistas claim the crisis in Nicaragua arises from their conflict with the United States. This is not so. It arises in the first instance from their conflict with their fellow citizens, especially with the democratic people who fought the Somoza dictatorship, whose leaders served the Sandinistas in the early period and who turned against the Sandinistas only when they found the democratic promise of the revolution being denied.

The Post goes on to describe what happened after the recent offer of a unilateral cease-fire and political dialog made by the democratic opposition which President Reagan is trying to support.

The Sandinistas initial response to the proposal was to bar (opposition leader) Arturo Cruz from returning to Nicaragua to announce it and to summon some of its local supporters to state security headquarters on grounds that they were participating in a U.S.-sponsored plot to overthrow the Sandinista government. Think of it: An offer by the opposition to put down arms and to start talking about achieving the Sandinistas' own early promises is dismissed as a hostile conspiracy.

Yes, Mr. Speaker, think of it.

MX MISSILE NOT A TRUMP CARD

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, several proponents of the MX missile say that we need it as a bargaining chip or a trump card. This is ridiculous on its face, and the American people know it. They do not support the MX missile because they know we have a lot of trump cards in our deck.

We have 324 strategic bombers; we have 3,554 nuclear weapons on strategic bombers; we have 11,400 strategic nuclear weapons; we have 1,030 ICBM's; we have 2,310 nuclear weapons on ICBM's; we have 30,000 total nuclear weapons; and we have on submarines 5,728 nuclear weapons.

Mr. Speaker, I submit that the American people understand that this rhetoric that we need the MX as a trump card is ridiculous. The question is, Do we need it as a weapon in our arsenal? The experts tell us, no. I hope we will sustain the vote of the Appropriations Committee and defeat the MX missile.

□ 1230

ANNUAL REPORT ON INTERNATIONAL ACTIVITIES IN FIELDS OF SCIENCE AND TECHNOLOGY, 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. FOLEY) laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Science and Technology:

(For message, see proceedings of the Senate of today, March 20, 1985.)

ABOLISH MX

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, it is never easy to refuse a President's request for a weapons system, but I believe that the MX program is not justifiable, that it will not add to the Nation's defense, and that the MX ought to be abolished. We can better use the funds elsewhere—on help for the homeless and the poor, for example, as Archbishop O'Connor suggested to me in a letter a few days ago.

The MX appears to be a formidable weapon, no doubt about it. MX is extremely accurate, it has multiple warheads, and perhaps most important of all, it features a short "burn time" that makes it almost impossible even for a space-based defense to detect and track, so that defending against it is extraordinarily difficult. But the capabilities of this weapon are undermined by the lack of any credible basing mode for it.

The whole argument for the MX in the first place was that our land-based Minuteman missile is, or would become, vulnerable to attack. The solution was supposed to be a mobile missile that would be extremely hard to detect; it would be a land-based version of our elusive, submarine-borne missiles. That was what MX was supposed to be. But when MX was finally built, it was not small and mobile, but big and hard to move. The reason for this was that President Carter had agreed to limit the number of launchers, but in order to preserve the number of warheads available, he decided to increase the size of the MX so that it could have multiple warheads. This decision greatly limited the possibilities of any mobile basing for the MX, even though it did preserve the maximum number of warheads permitted under the SALT agreements.

When President Reagan came into office, the question of how to base the MX was a hot item. President Carter wanted a mobile so-called race track basing mode, in keeping with the original idea of a hard-to-find, hard-to-hit missile. President Reagan vetoed that idea because of opposition in the Western States where the MX would have been placed and came up with the dense pack theory, which Air Force briefers admitted was, in their word, "contralogical." As such, it got hooted out of town. Then, incredibly, the President opted for stuffing the MX into Minuteman silos. So there we have it—a missile that was supposed to solve the vulnerability of the Minuteman, being put into that same vulnerable Minuteman base. If the idea of MX was to have a weapon with a safe base, this was the worst possible thing to do, and we all know it.

If MX had the safe kind of basing that it was supposed to have, there might be some argument for it. But that is not the case. The President himself bears responsibility for the lack of any credible base for the MX. We would be far better off to forgo this system and await the building of one that is in fact small and mobile. Ironically, the Scowcroft Commission's only justification for MX is that it is a transitional system, to be de-

ployed in limited numbers while building—guess what?—Midgetman. And what is Midgetman? It is a small, mobile missile. Exactly what MX was supposed to be in the first place. MX is not credible, and there is no point in building it. As a bargaining chip, it has the approximate value of a barnyard chip.

INDUSTRIAL DEVELOPMENT BONDS

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I am today introducing a bill that will correct an inequity imposed by the Deficit Reduction Act of 1984. The law now places a cap on the issuance of industrial development bonds—a cap of $200 million or $150 per capita in each State.

My own State, Arizona, is now suffering the results of those provisions. Arizona had one of the highest growth rates in the Nation, but it is a State with little of the capital needed to sustain such growth rates. The original intent of IDB's was to create new jobs by spurring private sector investment in plants and equipment. The inclusion of student loan and pollution control bonds perverts the original intent of IDB's. Moreover, in Arizona, as in many other States, the combined total of student loan and pollution control bonds issued in recent years has exceeded the cap for all IDB's by some $8 million. Many areas of our Nation were dependent on these bonds for hoped for development, and they now face a bleak future because of the low volume of IDB's authorized by the Deficit Reduction Act.

The bill I am introducing would effectively remove student loan and pollution control bonds from the recently enacted cap. Passage of this bill would enable those communities now unable to finance development to fund the private sector activity that will spur economic growth and produce jobs. I urge prompt consideration and passage of this bill by the Congress.

DETERRENCE, MODERNIZATION, AND THE NUCLEAR FREEZE

The SPEAKER pro tempore (Mr. RUSSO). Under a previous order of the House, the gentleman from Oregon [Mr. AUCOIN] is recognized for 60 minutes.

Mr. AUCOIN. Mr. Speaker, the Congress is being handed this Orwellian proposition by the Republican administration: "You can't be in favor of arms control unless you favor the MX missile."

I myself oppose the MX missile on national security grounds. A vulnerable weapon invites attack. It does not deter attack, period.

But inasmuch as the President has told us that arms control will be our reward for this missile, I have taken this afternoon so that we can examine the security case against the MX missile and the military consequences of the arms control course which the Republican administration is taking us on.

I have examined this question carefully as a member of the Defense Appropriations Committee over the last several months and I have been driven inescapably to the following conclusions.

First. The Republican administration's nuclear weapons and nuclear arms control policies are disastrous. I am not speaking here in moral terms or even diplomatic terms. I am speaking only in military security terms.

Second. There is a much better alternative available to this country which lets us save hundreds of billions of dollars that would otherwise go to these vulnerable MX missiles, to star war schemes and other exotic gadgetry, which at the same time will let us live in a safer and more secure world.

□ 1240

Today I am going to lay out the facts and the reasoning which demonstrate this argument, and then I will yield to any other Member who wishes to agree or even to disagree with me.

In the course of my remarks, I will point out the many defects in the present Republican national security policy and the peril that these defects create for the safety of America and for the American people.

But nothing I say today should be taken in any way as criticism for the hardy band of courageous Republicans who have chosen to stand up for national security time and again by casting their votes for the nuclear weapons freeze and against weapons like the MX missile.

These good men and women have served their consciences and their good judgment against the most intensive pressure and they deserve the Nation's thanks.

But the perilous policies of the Republican administration and the Republican leadership on Capitol Hill are another matter, as I will show.

THE TWO CHOICES

Mr. Speaker, there are two basic national security programs available to us today. On the one hand we can modernize our strategic weapons across the board and allow the Soviets to do the same; or we can choose instead to freeze both sides into gradually declining first strike surprise attack capability.

If the modernization is allowed to run its course as the administration wishes, our ability to deter a Soviet attack, a Soviet nuclear first strike attack will be severely compromised.

In contrast, a bilateral verifiable freeze will give us more protection against a Soviet first strike than we have ever had, more than the Republican program will give us.

The key problem with the administration's so-called Strategic Weapons Modernization Program is also its key attraction for its supporters. Its main thrust is toward greater accuracy and greater surprise. That is, greater capability for a disarming first strike.

The administration says it would never use this surprise attack technology but it feels safer if we have it anyway.

The administration ignores when it says this simple fact: The technology of first strike accurate surprise weapons is increasing faster than the technology of countering them and if we want accuracy and surprise for ourselves the price must be to permit the Soviet Union to have them also.

The cost of that will far exceed any gain that we could possibly expect. But if we, instead, freeze the Soviet deployable first strike technology in return for their freezing our own, the gain will far exceed the cost for America, and for the American people.

Let me take a minute to define these alternatives. President Reagan's current program, which includes START and builddown proposals, is the best example of what we might call the "modernization above all" view of national security.

Many of the Nation's top arms control thinkers, who have served under Republican as well as Democratic Presidents, say that the administration's arms control offers aren't even intended to be accepted. These experts say that the administration's offers are written to ensure that the Soviets reject them. They are just window dressing to get the President's weapons through this Congress, sort of like the booster phase of the missiles they want to build; essential for the launch of a new weapons program but soon to be discarded once that weapon program is started.

For the purpose of discussion, I am going to assume that this is not true. I am going to assume that the administration's arms control declarations, and there have been many of them, are sincere. More than that, I am going to assume that the administration's proposals are accepted by the Russians word for word exactly as the administration has laid them on the table at Geneva.

Even if we thus give every benefit of the doubt, the facts tell us that we are, under those conditions, on the road to military disaster even if the Russians should accept our proposals.

I want to take the next few minutes to explain why.

The START proposal in Geneva would reduce each side to 5,000 ballis-

tic missile warheads by the mid-1990's. Builddown provides a schedule for phasing down the arsenal to the START limits and requires that one or two older warheads be retired as new ones, more advanced ones are deployed.

Builddown also proposes a limit on strategic missile throw-weight, but this is not really important because it will simply follow along with the warhead limit. That is, if the two sides come down to the warhead limit, in the process they will also come down to the throw-weight limit.

START also proposed limits on bomber gross weight, but we here in the Congress need not concern ourselves about this is detail since bombers will not be survivable, will not be survivable under the administration's program.

Among the nonsurvivable bombers of the future will be the vaunted B-1B for which we are about to pay some $30 billion, as well as the Stealth bomber which has a budget that is classified but is also very expensive.

All of this will be taxpayers' money down the drain under the Republican arms control program and the administration does not even seem to know it.

More about those bombers in just a few minutes.

I want my colleagues to note, and I hope very carefully, that the START-builddown arms control idea does not limit Soviet accuracy nor Soviet surprise in any respect at all.

This is the key defect in the administration's arms control offer in Geneva and I will be returning to that point repeatedly this afternoon.

Current administration plans call for 100 silo-based MX missiles plus perhaps 500 single warhead Midgetman ICBM's in superhard silos; alternatively Midgetman might be on semihard transporters in order to provide some measure of survivability and mobility. But either way this gives a total of 12,500 ICBM warheads. The remaining 3,500 strategic warheads under the START will be carried on highly accurate Trident II submarine-launched ballistic missiles, or SLBM's as they are called.

Now, there are many variations on this theme that I have laid out on these plans. The unofficial preference to the Air Force, for example, appears to be to get the largest number of new ICBM warheads in the shortest time at the lowest cost.

This might mean that those numbers I have just cited would change to a MX-heavy force of 250, not 100, but 250 missiles with 2,500 warheads plus 2,500 Trident II warheads.

There are other advocates who would reach the START limits in several other ways. For example, some prefer to go the opposite direction, with only 1,500 ICBM's and 50 MX missiles and 1,000 Midgetman missiles plus 3,500 Trident II missiles.

Today I just want to take for the purposes of illustration a middle course of let us say 175 MX missiles and 750 Midgetman missiles. This would give us 2,500 fully modernized ICBM warheads plus 25 fully modernized Trident II warheads, and that would be under the administration's ceilings in its arms control offer.

Any Member can adjust these numbers any way they want. But the differences between these START and builddown variations are not as significant as Members might think, because the problem is not in numerical details. It is in the lack of qualitative arms control in the negotiating position this administration is taking to Geneva.

This lack leads to near total vulnerability for both our ICBM's and our bombers, both ours and theirs.

The outcome of the Republican strategic modernization program will be precisely what it is designed to prevent: a massive deterioration of American ability to respond to Soviet attack.

□ 1250

The administration's modernization program is designed to give us greater accuracy and surprise as quickly as possible. Its arms control proposals in Geneva are designed not to control these technologies, but to protect our right to them. But there is no way, my friends, that we can do this without protecting the Soviet's right to do exactly the same thing.

Therefore, the Republican weapons modernization program will enhance Soviet ability to disable our deterrent with a surprise attack first strike.

The nuclear freeze supported by a majority of House Democrats is very different indeed. It seeks rather than avoids qualitative arms control. It calls for a negotiated, bilateral, and verifiable prohibition on the testing, production and deployment of nuclear warheads and delivery vehicles.

Now, it is clear that the freeze cannot be complete and is instantaneous. We have to do it in phases, beginning with the most easily verifiable weapons. By happy coincidence, these are also the largest, the quickest, and the most destabilizing weapons that we have to control.

Two years ago the House Democratic leadership brought to this floor and won passage for House Joint Resolution 13, the nuclear freeze resolution. This was a remarkably practical outline of a first phase nuclear freeze treaty which is eminently better than the Republican administration has proposed.

The most significant element of the House freeze proposal is its complete prohibition on flight testing of ballistic missiles and it is this difference that defines the difference between the parties on the question of this Nation's national security.

A ballistic missile flight test is one of the most easily identifiable and definable and verifiable things on Earth and it is essential, of course, that testing, to increasing a missile's accuracy and surprise.

Nuclear warhead testing is also prohibited under a freeze of the kind the House adopted a year ago. This is how we sharply limit the modification of warheads to fit them to new or highly modified missiles.

The flight of a nuclear bomber, incidentally, is considered to be, under the freeze that the House Democratic leadership and Members passed through the House, training rather than testing. The freeze would permit the flight of a nuclear bomber.

Missile launchers, including silos, are neither nuclear warheads nor delivery vehicles and thus, their improvement is not constrained in any way by the freeze that we Democrats support.

For similar reasons, ballistic missile submarines are not constrained either by the freeze. They may be replaced, improved, or modernized in any way, provided that the total number of missile launch tubes is not increased.

Thus, under our approach to national security and arms control the nuclear freeze would have the following forces.

On ICBM's, first, Minuteman II and III as they exist today, but in harder and stronger and more survivable silos.

Second, on bombers, it would permit the B-52 and FB-111 bombers as they exist today, plus a small number of B-1 bombers which have already been built. These aircraft could be replaced by identical aircraft or improved for purposes of safety.

Third, submarine-launched ballistic missiles. The freeze would permit Trident 1 and Poseidon missiles as they exist today. New Trident ships could be produced. The ships could be produced or modified, as could ships of a later design.

Fourth, air-launched strategic cruise missiles. These would be permitted as they exist today.

The freeze does many other things involving production and deployment. But as I intend to show today, if the freeze did nothing else but stop warhead tests and ballistic missile flight tests, while, at the same time, permitting missile basing to become more survivable, this alone would make it far superior to the Republican modernization program from the standpoint of U.S. military security.

I know this assertion will surprise some people. But let us look at it in detail today. Let us contrast the national security impact of the Republican modernization program and the freeze that House Democrats passed through the House a year ago, a freeze

on nuclear deterrence and what that impact is on nuclear deterrence.

During the last 15 years, the ability of our American silos to survive attack has been losing ground to the ability of Soviet land-based ICBM's to conduct attack.

The core of the concern about silo vulnerability is the advent of several thousand relatively modern, accurate, reliable, Soviet ICBM's with multiple warheads.

At the beginning of the 1970's we had 1,054 single warhead silo based ICBM's. Out of that 1,054 more than 900 reliable warheads would have survived Soviet attack in the 1970's. Since then America has modernized very vigorously. We have tripled our silo hardness up to the present 2,000 pounds per square inch. We have replaced 550 older single warhead missiles with an equal number of more accurate triple warhead Minuteman III's. We have improved these missiles yet again by doubling their yield, improving their accuracy and installing a system for rapid retargeting.

Do not tell me that we have been standing still. We have not been standing still. As we have modernized in this fashion, the Soviets have also modernized, in part, but not entirely, driven by our own modernization. They have gone heavily into multiple warhead missiles and thus can now throw two ICBM warheads against each U.S. silo, while retaining a substantial reserve. At the same time, they have improved their ICBM accuracy so that instead of landing warheads within a half mile of their target, they can land within an eighth mile of their target.

As a result of this modernization on both sides, ours and theirs, while we have more than doubled the number of our ICBM warheads, the number of these warheads that could survive a coordinated Soviet attack has fallen to less than half of what it was in the 1970's. And I do not think that is any bargain, from a security standpoint or from a standpoint of the budget of the Government of the United States.

What I am saying is this: That over the past decade modernization has given us better ICBM's, but less deterrence. This can be said because we all know that the ability to survive and strike back is what makes a nuclear weapon deter an aggressor.

If Soviet modernization continues, as apparently our arms control offer in Geneva would permit over the next decade, and as the Republican plan would permit, this effect that I have just described will intensify in all probability and the U.S. ICBM deterrence will drop to near zero.

Published reports suggest that current Soviet silos are about 6,000 pounds per square inch hard in terms of the measurement of their survivability and reinforcement.

Recent experiments by the U.S. Defense Nuclear Agency indicate that super hard silos capable of surviving not 6,000, but tens of thousands of pounds of pressure per square inch, may be achieveable. But super hardening by itself will not reduce ICBM vulnerability.

In a race between the defender's hardness of his silos and the attacker's accuracy, the rules are stacked in favor of the attacker.

□ 1300

This is because the impact of accuracy on survivability is far greater than that of the impact of hardness on survivability.

Let me give you an example. If the Soviets quadrupled their accuracy—and this is quite achievable over the next decade, using satellite guidance—we would have to make our silos 64 times harder than they are today just to keep out vulnerability where it is today. And soon you reach the point where physics begins working against the argument and the practical possibility of hardening to that degree.

There is no way we can continue, my colleagues, the Republican weapons modernization program without allowing the Soviets to do the same. We understand that. We know that. We do not confess that or reveal that often enough to the American people. Against the accuracy now anticipated for the U.S. MX in 1987, and presumably available to Soviet ICBM's by the mid-1990's, even superhard American silos will leave us fewer survivable ICBM warheads than we have today, even though our warheads may be on fully modernized MX and Midgetman missiles which the Republican administration covets and even though those warheads may be in superhard silos.

I say it once again: We will have technically more advanced weapons but less military security. And military security ought to be what this Congress concerns itself about, not adding numbers of weapons to arsenals if they do not add up to the kind of security we all seek.

We have heard speculation on what might be called ultrahard silos, nearly indestructible devices, more than 100,000 pounds per square inch hard. We do not know if we can build these or if they can ever be built, but even if they can be built, there seems to be very little use for them, based on the evidence we have seen.

A missile sufficiently powerful and accurate to approach 100,000 pounds per square inch will also place that hardened silo in the explosion's crater. If a reinforced silo, even though it may be hardened to that degree, is left, then, in the middle of the crater, lying on its side, at the bottom of the crater, it will not matter if the silo's structure is intact. The missile will not fire. That missile has been wiped out.

Now, ultrahard silos may be pure speculation, but this level of accuracy that I have described that could be employed against them is not speculation. The necessary technology is already being deployed. The United States is now deploying a satellite-based Global Positions System. It is called GPS. And it can produce this level of accuracy that I have described.

It would be extremely dangerous for anyone to assume that the Soviets will not use satellite guidance. If Soviet preemption is possible, and their doctrine says it is, satellite guidance makes a good deal of sense for them. If they go first, with surprise, they can be sure their guidance satellites will be intact and functioning and usable. And this means that our silos' survivability will approach zero.

This is not to say that the Soviets are now deploying satellite guidance. Neither is it to say that they necessarily will. But the fact is that while superhard and ultra hard silos are mere speculation, the means to defeat them is now in hand.

So long as the Soviets are free to improve their accuracy, further U.S. investment in placing more capable missiles into the same vulnerable silos or into harder silos would be a costly and absolutely futile act for the Government of the United States to take.

It is, of course, the awareness of this fact that is the main reason that this House has become increasingly skeptical of the MX missile, which is so vulnerable that some of us call it the "Glassjaw" missile. It is that vulnerable.

But today I want to go beyond the MX, beyond any particular weapon, and look at the fundamental question of the Republican weapons procurement program, better known as modernization, versus the nuclear freeze.

Before I do, I would be more than pleased to yield to my colleague from the great State of Illinois, for whom I have the highest regard, Mr. RUSSO.

Mr. RUSSO. I thank the gentleman for yielding, and I really appreciate the gentleman taking this time out to inform not only the Members of the House but people in this country about the problems we face with this administration's arms control policy.

But did I understand the gentleman to say that this administration's arms control policy will actually allow the Russians to improve the accuracy and speed of their missiles without anything in the way to stop them?

Mr. AuCOIN. The gentleman understood me correctly. If you look at the proposal we have put on the table in Geneva, it is a proposal that protects our ability to increase our accuracy and our surprise capability, and if we do so, of course, we permit the Soviets to do the same thing; and when you consider that it is accuracy and sur-

prise that are the basic elements of a first-strike capability, that is a dangerous thing to give the Soviets. They are the ones that potentially would be the first strikers, not the United States of America.

Mr. RUSSO. It would seem to me, if the gentleman will continue to yield, that the key to first strike is the speed and accuracy. What I cannot understand is, if we know that and the Russians know that, why is not this administration doing something about preventing the Russians from developing more speed and more accuracy, rather than putting a program in that actually encourages them to be able to create more speed and more accuracy? It does not seem to make any sense for an administration that is talking about wanting peace in the world and wanting to cut back on a potential nuclear arms race. What they are doing, in effect, is actually encouraging a possibility of a Russian first strike at our missiles.

Mr. AUCOIN. I think a first-strike surprise attack technology is the most dangerous threat to American security, and it is ironic, to me, that the administration, which considers itself to be strong on defense—I said defense, not offense—of this country would be tabling a proposal in Geneva that permits the very kind of technology that would threaten our defense, because first-strike technology is best used in the hands of an aggressor which has no moral qualms about launching a surprise attack. I think the gentleman hits the nail exactly on the head. I cannot understand it, either, nor can my constituents.

Mr. RUSSO. I thank the gentleman. Again it points up, I think, a major problem that we have in dealing with this administration, that they have no defense policy. All it is to buy anything and everything that the Defense Department asks for, regardless of what the future consequences may be, and I am sorry to say that that is what is happening with this administration's arms control policy.

I thank the gentleman for yielding, and for his continuing hard work in the Appropriations Committee.

Mr. AUCOIN. I appreciate the gentleman's contribution.

I would be delighted to yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the gentleman, and I want to commend him for the leadership he has shown, not only in taking this special order, but throughout this long, drawn-out issue of the MX and many other arms control initiatives.

Before I go any further, I would like to ask unanimous consent to place in the RECORD, following my oral remarks, a very outstanding article that the gentleman from Oregon published in the Washington Post for Sunday, March 10, entitled "The 'Seductive Mirage' of a 'Vulnerable Weapon.'"

If the gentleman will yield further, I would like to make a couple of observations of my own. I have been focusing on this issue intensely ever since 1978, when the Carter administration decided to proceed with the so-called racetrack deployment of the MX missile.

The matter was going to have to be acted upon by the Public Lands Subcommittee, of which I was chairman, because the proposed deployment would have taken approximately 25,000 acres of public lands for a large series of structures with 23 shelters for every warhead. The idea was that they were going to truck the missiles around from shelter to shelter and the Soviets would never know whether we were actually moving a missile or were not moving it. The theory was that then the Soviets would have to expend many more warheads to wipe out a single missile and they would be much less vulnerable.

Of course, as some finally pointed out, all the Soviets needed to do was to put 23 warheads on a single Soviet SS-18 missile and 1 missile could take out all 23 shelters, and that would be that.

For 2 years my subcommittee investigated this—and I might add that we investigated not merely the impacts on public lands but the justification, militarily, for the missile, because we felt if it was not justified, then we should not authorize taking any public lands for this deployment. As a result, we amassed a tremendous record. I am holding here the printed record of those 2 years of hearings, at least the unclassified part of the hearings.

□ 1310

We also had classified hearings, and we had all kinds of outstanding people including top people from the Defense Department and the military. We even had the current principal adviser to the Secretary of State on arms control, Mr. Paul Nitze, who was one of our witnesses, and a very interesting one, indeed.

As a result of this set of hearings, the staff of our subcommittee prepared a report, which was approved by both the minority and the majority of our committee, and forwarded it to the President in 1981. Their conclusions and our conclusions were that the racetrack deployment was futile and a waste. So I was happy to see that President Reagan, in 1981 or early 1982 decided to eliminate the racetrack deployment mode, and appeared to have concurred with our conclusions.

We also concluded that if, indeed, there was a window of vulnerability for our Minuteman missiles, then as a temporary solution we might consider going ahead with MX and putting it temporarily into the Minuteman silos until we came up with a better and less vulnerable deployment system. Unfortunately, the administration has since chosen that not as a temporary solution but as the only solution as far as MX is concerned.

Of course, as the gentleman from Oregon has already pointed out, that is an immensely destabilizing, wasteful and militarily futile approach unless, indeed, we are planning a first-strike policy, which of course we are not and I hope we never do.

We also concluded in the report of our subcommittee that the least dangerous, least destabilizing, least costly, and best deployment from a deterrent standpoint would be the small, mobile missile which, of course, the Scowcroft Commission itself endorsed.

Mr. AUCOIN. With a single warhead.

Mr. SEIBERLING. With a single warhead. In the meantime, the theory that there was a window of vulnerability has been effectively exploded by the Scowcroft Commission. In so doing, they eliminated any justification for going ahead with the MX missile from a military standpoint and, indeed, they said as much. However, they also said, "We must show our resolve," by going ahead with MX. Now that was a political decision, and that is what really we are in the process of making.

Senator LAWTON CHILES, in an article that he wrote that was in the Washington Post the same day as Mr. AUCOIN's article, pointed out that when the Congress approved the Scowcroft Commission's recommendations to go ahead with the MX for political reasons, the Soviets thereafter walked out of the Geneva negotiations, and when the Congress last year voted to suspend MX missile production for a possibly indefinite period, thereafter the Soviets came back to the negotiations.

So it seems quite clear that this is not something that the Soviets consider important enough to bring them back to negotiating.

Finally, in today's Washington Post, my Senator, Senator JOHN GLENN, has an outstanding article on why the MX missile is not a viable alternative politically or militarily. The article is entitled "Instead of the MX." He comes to the same conclusion that our subcommittee came to 4 years ago, and I would like to read just the last paragraph of his article:

> In sum, the small mobile ICBM is superior to the MX by almost every measure: it is less vulnerable and costly; more stabilizing and amenable to arms control. For all these reasons, I will oppose MX missile appropriations and support the small, mobile alternative. It would give us a deterrent that is stronger, not weaker, than the one proposed by the Reagan administration.

Mr. Speaker, I ask unanimous consent to include that article in the RECORD following my remarks.

The SPEAKER pro tempore (Mr. HAYES). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AUCOIN. I appreciate the gentleman's statement and I appreciate the consistent position the gentleman has taken, the leadership he has taken, on these very crucial national security questions, because we are dealing with national security here. If we fund vulnerable weapons that cannot be defended and that also have a highly prized accuracy, that is an open invitation for any aggressor to take them out. It does not deter an attack, it invites an attack.

Mr. SEIBERLING. Of course.

Mr. AUCOIN. The gentleman mentions the Scowcroft Commission last-gasp endorsement of the MX when it says, "Well, we cannot think of any military reasons for this missile, but let us show national resolve."

I am glad the gentleman mentioned the Scowcroft Commission's declaration on that point because it seems to me, and I think the gentleman would agree, that when this Congress—this Congress—has approved, according to figures I have, 14 new nuclear strategic programs, a $290 billion defense budget, and countless conventional military improvements, we have gone a long way toward demonstrating national will when it comes to our intent to preserve this Nation's defenses.

If that is not enough for our negotiators to take with them to Geneva to stare down their counterparts across the negotiating table, then I would say bring those negotiators home and replace them with people who can use this information to the advantage of the American people.

Mr. SEIBERLING. If the gentleman would yield further, I think the gentleman has made the really key point here, but there is one additional point that I would add to that.

The fact that we are in the posture of producing thousands more nuclear warheads every year, that we plan to produce another 17,000 or 18,000, and that the Soviets apparently are on the same track, demonstrates something to me, and that is that there is a terrible failure of leadership in both of these great nations.

Can you imagine a Franklin Roosevelt or a Dwight Eisenhower just sitting here and saying that our only policy is to build more and more weapons systems? I cannot imagine that Franklin Roosevelt would not have gone to his opposite number in the Soviet Union and said to him, "let us sit down and face the fact that this is a stupid, dangerous and wasteful course that both of our countries are embarked upon. It is ruining the economy of both nations and furthermore, it is threatening the existence of the human race. Let us get rid of these weapons. Let us get rid of these weapons. Let us divert these resources to constructive uses and let us start by a phased reduction of these weapons."

We may yet hope that President Reagan may adopt such a course. If Mr. Reagan does not do that, I hope Mr. Gorbachev takes that initiative and really puts it to us as to whether we really want strategic arms reduction or whether it is just talk.

The articles referred to by Mr. SEIBERLING follow:

[From The Washington Post, Mar. 10, 1985]

THE "SEDUCTIVE MIRAGE" OF A "VULNERABLE WEAPON"

(By Les AuCoin)

Sometime in the morning of March 12, U.S. and Soviet negotiating teams will sit down at a table in a converted office building overlooking Lake Geneva. The chief of the U.S. Strategic Arms Reduction Treaty (START) delegation will be John Tower, who in his long service in the Senate has built a formidable reputation as an opponent of SALT II, the nuclear explosion treaties, and arms control in general.

He will be well aware that his major mandate has little to do with sitting at that table and hammering out the control of strategic arms. He will be bringing every ounce of concentration to bear on the task at hand: telephoning senators and congressmen in Washington to solicit their support for the MX.

"Don't tie my hands; give me the MX missile so I can get arms reductions," Tower will tell us. Some will be tempted to agree, as did a recent editorial in The Post. In our hunger for peace, some of us may wish to equate the simple act of sitting at a table with the aggressive and capable pursuit of security through arms control.

But does the administration's record give us reason to believe it can conclude an agreement, if only we will pay for it by building a vulnerable weapon? After four years in office—including more than three in which the MX was funded—the administration is, at best, back where it started.

More important, are the administration's proposals anything worth paying for? For several years, the core of Reagan's START plan has been (1) to limit each side to 5,000 warheads deployed on ICBM and submarine-launched ballistic missiles (SLBMs) combined, and (2) to permit these warheads to be replaced, improved and modernized in any way.

But our representatives will bear to Geneva nothing of national security benefit. Tower and his colleagues are advocating no proposition of sufficient merit to justify tens of billions for an otherwise worthless, vulnerable MX missile.

Suppose the Soviet team were to stun us all by instantly accepting the full American arms control position. Would we be better off? No. The purpose of arms control is to reduce the danger of nuclear war—to strengthen deterrence by reducing Soviet first-strike capability significantly below what it would otherwise be. But under the Reagan national security program—weapons and arms control combined—in the next decade the Soviet first-strike threat will mushroom:

Pinpoint accuracy will enable them to destroy our hardened ICBM silos and command centers.

Paralyzing surprise will enable them to destroy our ICBMs and bombers before they can be launched safely. Such surprise will come from fast, submarine-launched ballistic missiles fired close off our coasts.

Three or more quick, accurate Soviet warheads for each U.S. ICBM silo will enable the other side to drop a lethal warhead on each of our 1,000 silos, follow with a second warhead and still have a massive force remaining to destroy the United States.

The Soviets do not yet have this deadly combination. But this will change to the aggressor's advantage if Reagan's plans, including MX and START, run their course.

The U.S. Air Force has released figures showing that, within a few years, ever-improving Soviet ICBM accuracy will reduce our silo survivability to near zero. Even more disturbing are the Soviet advances we should expect to follow shortly thereafter: Satellite-guided SLBMs accurate enough to render further U.S. silo hardening irrelevant, and quick enough to destroy both our ICBMs and bombers before they can be launched; maneuvering warheads which could be guided directly to any small mobile ICBMs we might deploy to escape our vulnerable silos.

At this point, there is no prudence in building new ICBMs and bombers that would work better than the present models if somehow they survived attack, when we know they will not survive. There is no sense in building the MX and putting it in vulnerable silos where, as John Tower himself has said, it will just "give the Russians more sitting ducks to shoot at." If it were not for the seductive mirage of an arms control connection, we would have shut down the MX long ago.

We can do better. An effective and verifiable solution has been endorsed by the House of Representatives: Ban the flight testing of ballistic missiles as part of the nuclear freeze or as a free-standing treaty. Untestable missiles can never be made quicker, more accurate or more maneuverable. With Soviet accuracy thus frozen, we could make our present ICBMs highly survivable by superhardening their silos. A flight test ban would close the ICBM "window of vulnerability" that will otherwise continue to open under the Reagan program.

Reagan will have no part of a flight test ban because it would destroy our own plans for new missiles. So under his program we will build modern, vulnerable missiles that will only be good for shooting first, and the Soviets will do the same—partly on their own incentive, partly in reaction to ours.

In the space weapons negotiations, the secretary of defense has explicitly ruled out controls on testing of weapons under development and on procurement of weapons that are found to be workable. Apparently we will only seek to have the Soviets give up weapons that don't work.

Geneva may appear to some to be about arms control; for my part, I can find nothing there but a rhetorical fog under which lies no plan that will either reduce or control arms. This administration, its concern for military security notwithstanding, proposes nothing that would halt the onrush of Soviet strategic first-strike capability because it covets these weapons itself.

When Tower asks us not to tie his hands, perhaps we should point out that, when all you're doing is twiddling your thumbs, tied hands are no handicap.

INSTEAD OF THE MX

(By John Glenn)

We've had far too much jumbled rhetoric, conflicting testimony and macho political

posturing on the MX. But administration lobbying efforts notwithstanding, the only way to truly increase deterrence is to modernize our strategic systems so that we can ensure an effective retaliatory capability in the event of a Soviet first strike. These new systems will include the Trident submarine with the D5 missile, the B1B bomber and a replacement for our aging Minuteman ICBM force. But in my judgment—and despite the outcome of the Senate's first vote on this issue yesterday—the Minuteman replacement should not be the MX.

The administration has bullied Congress, implying that opposition to the MX is unpatriotic and that failure to fund the missile would "knock the legs out from under the bargaining table" in Geneva. But Soviet planners are less interested in rhetoric than they are in reality. And the reality is that placing MXs in the same old silos that the Soviets have had targeted for more than 20 years would simply perpetuate the existing vulnerability of our ICBMs.

The only effective way to reduce that vulnerability is to make our missiles mobile, so that Soviet planners will not know where to shoot. Mobility, of course, is the key concept behind our submarine-based missiles, which make up over 50 percent of our nuclear forces. Not surprisingly, the Soviets fully recognize this principle and are now starting to deploy their own mobile ICBMs, the new SS24s and 25s.

The time has come to make America's ICBM force mobile as well. The mobile missile—already well on the road to development by the U.S. Air Force—would be a much less attractive target than the MIRVed MX and, more important, would be nearly impossible to locate for a preemptive strike. Nor would accuracy be a problem, since the mobile missile could equal the MX's accuracy.

Cost, of course, is another important factor, and a small mobile system might actually be cheaper than the MX. The administration wants us to believe otherwise, but its cost figures deal only with the price of the missiles themselves, ignoring the additional basing expenses. In congressional testimony two weeks ago, for instance, the administration put the cost of each MX missile at $74 million. But that is far less than what they would actually cost. The reason is that sticking MX missiles into the same old vulnerable Minuteman silos makes sense only if we "super-harden" those silos, so they could withstand a Soviet attack. The only alternatives would be a "launch-on-warning" or a "launch-under-attack" strategy, both of which are unacceptably dangerous.

But here's the kicker: super-hardening would cost at least $180 million per silo, bringing the actual cost of each MX missile to at least $254 million—and that doesn't even include the additional costs of research and development or program support. And let me add that I'm not making those figures up; they were given to the Senate Armed Service Committee last week by the U.S. Air Force. Furthermore, silo hardening won't work if Soviet missiles become more accurate, as they assuredly will.

Finally, we should consider the effects of the MX on the Geneva arms talks. I don't deny that we should proceed with building new strategic systems that will bolster deterrence and stabilize the nuclear balance. But we must show the Soviets that we are willing to negotiate seriously in the area of arms control.

Lately, administration supporters have been touting the MX as a "bargaining chip." Indeed, Secretary of Defense Weinberger wrote to me on March 14 explicitly stating that "every aspect of our modernization program, including MX, is on the bargaining table" [emphasis added]. Yet as Gerard Smith, Clark Clifford and Paul Warnke pointed out in a recent letter to The Post [Free for All, March 16], "the MX, if approved, will be a weapon with tens of billions spent, entrenched constituencies pressing for its continuation, if not expansion, and a bargaining chip that will have lost its ability to bargain." Exactly so. In the area of weaponry, there is a long history of supposed "bargaining chips" suddenly becoming nonnegotiable once they are approved. There is no reason to think the MX will be different.

In sum, the small mobile ICBM is superior to the MX by almost every measure: it is less vulnerable and costly; more stabilizing and amenable to arms control. For all these reasons, I will oppose MX missile appropriations and support the small, mobile alternative. It would give us a deterrent that is stronger, not weaker, than the one proposed by the Reagan administration.

Mr. AuCOIN. I appreciate the gentleman's statement, and I would also say that I cannot imagine President Eisenhower saying what President Reagan said in May 1981 when he addressed a graduating class of one of our military academies. President Reagan's comment at the time was:

> The argument, if there is any, will be over which weapons we buy and not whether we should foresake weaponry for treaties and agreements.

I think that goes a long way to describing the character and nature and form of the negotiating posture we have taken with us to Geneva.

Mr. Speaker, I yield to the distinguished gentleman from Illinois [Mr. YATES].

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, in the Committee on Appropriations this morning, during the debate on the MX, an eloquent argument was made by one of the opponents of the MX in reply to the argument that had been propounded by those who supported the MX side.

Mr. AuCOIN. If the gentleman will permit me, I think that was a Republican opponent of the MX.

Mr. YATES. That is right. It was the gentleman from New York [Mr. GREEN].

Mr. AuCOIN. A member of the President's own party.

Mr. YATES. That is correct; who replied to the argument that had been made to the effect that our negotiators in Geneva have requested that we do not cancel the appropriation for the production of the MX.

□ 1320

And he said if we were to leave to their decision what weapons systems we should or should not manufacture or produce, he said, we will be there for years because the MX is only one of the systems that is in dispute.

Suppose the negotiators were suddenly to say that we should produce binary chemicals, against which the Congress has voted on a number of occasions, would we then say that the negotiators at Geneva have requested that we produce the binary chemicals and, therefore, we should not do that?

He listed several other weapons systems that are the subject of dispute to point out the fallacy in that argument. His conclusion, I think, was appropriate, and that is that if we are to rely entirely upon what our negotiators tell us to do in the Congress, there is nothing for the Congress to do; there is only the action to be taken by the negotiators as to what they think is appropriate for the moment, and the Congress is supposed to rubberstamp their decision. I think that argument is fallacious.

I commend the gentleman upon his arguments, and I do hope that the House of Representatives will follow the action taken by the Appropriations Committee this morning and defeat the production of the MX missiles.

Mr. AuCOIN. Mr. Speaker, I appreciate the gentleman's statement, and I would say to him that I could not agree more. If we take the Republican administration's concept of arms control, and then the arguments for Congress to vote for various weapons systems so that we do not change in any way their peculiar arms control concepts, then I would have to reach the conclusion that maybe we cannot afford any more arms control.

We have got to then spend $1.5 billion for MX missiles and Lord knows how many hundreds of billions of dollars for star wars.

If that becomes the way we get arms control, maybe arms control is too expensive. Maybe we cannot afford it anymore.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. AuCOIN. I am glad to yield to my friend, the gentleman from north Dakota.

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman for yielding to me.

I would like to say that the gentleman has served a very useful purpose in taking this special order and has, I think, brought great leadership to the issues of the nuclear freeze, arms control, and the debate over the MX missile.

I come from a State with a lot of missiles. We have 300 underground Minuteman III's with Mark 12-A warheads. we have two Strategic Air Command bases, one slated for cruise missiles, the other for B-1 bombers. So North Dakota, the district that I represent, knows something about a strong defense.

But we also know something about economics, and the central issue here is that this President wants to spend money this country does not have on a weapons system this country does not need.

Question: Where is the President going to get the money for the next $14 billion that is necessary to complete the MX Program? Where is he going to get the money? Why is this President obsessed with budget questions whenever the issue involves feeding someone who is hungry, helping someone who is disadvantaged, providing for education, or dealing with the farm issue, but says that the sky is the limit and money is no object when it comes to a missile program that we do not need?

I have been all across North Dakota and talked about the MX missile, and I have tried to find people who support it cogently and with arguments that make sense. The fact is that there are not people in North Dakota or anyplace else who can support them with any argument that makes any sense to me or to you, I am sure.

The logic for putting an MX missile, a much larger missile, in a silo that the President spent his first 2 years in this town describing to America as a vulnerable silo, the logic of spending a lot of money putting much bigger explosives in a silo that is vulnerable escapes anybody who is thinking very much.

Where I come from, folks get up early in the morning, have a big breakfast, and go out and do chores. If you start the day in that kind of environment, you cannot help but have some ability to think clearly, and if you are thinking clearly and thinking through this logic that is given us by this administration and those who speak this doublespeak called arms-control language, you understand that this missile system is absolute nonsense. It is destabilizing, it is expensive, it is useless for this country. It does not add anything to this country's security, and it drains us of billions and billions and billions of dollars that we ought to be investing in ways that give this country real strength.

Now, I happen to believe in a strong defense. I think a combat unit in this Army of ours ought to be combat-ready. I think that when you develop a weapons program, it ought to work, and it ought to be cost-effective. I think when you decide how much you have to spend to defend freedom, you ought not set a limit; you spend what is necessary to defend freedom, but you sure as heck do not do any good for this country's security by buying weapons that we do not need.

I have said before—and I guess it is worth saying again—that if you watch this President and listen to his logic, sometimes you start thinking that if the Soviets somehow leaked word that they were going to start up new cavalry, this guy would want us to go out and buy a million horses.

Mr. AuCOIN. If the gentleman would permit me to say this, I call that the monkey-see, monkey-do approach to national security. If they are going to do one crazy thing, we have got to do another crazy thing.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield further?

Mr. AuCOIN. I continue to yield to my friend, the gentleman from North Dakota.

Mr. DORGAN of North Dakota. That is exactly the case. All I want to do is ask this question of the administration: Where do you get so much money? Where do you find these billions of dollars that you want to spend on a weapons program this country does not need?

Where? I will tell you where. You go out and borrow it. You spend, spend, spend, and you borrow, borrow, borrow, and the sky is the limit. Nothing is too expensive for us as long as it is marked "The Pentagon" somewhere on the side of the missile or the side of the airplane. Nothing is too expensive as long as it explodes.

Well, I say it is too expensive if it means throwing billions of dollars down a rathole, producing no additional security for this country and adding to the national debt that drives up the interest rates, increases the value of the dollar, and destroys our export capability for our farmers and our business people.

The approach that this administration is using, that they think will contribute to this country's security, actually erodes the security of America. I think what we have to do as thinking people in this body is say, "All right, what is necessary to preserve freedom? What is necessary for a strong defense?" Then we have to be willing to vote for it, but we have to be able to separate what is right from what is wrong. And when it is wrong, we have to stand up and say that it is wrong, we do not have that money, we are not going to spend it, and we are not building a destabilizing weapon that we do not need.

Mr. Speaker, I appreciate the gentleman's taking this time.

Mr. AuCOIN. Mr. Speaker, I appreciate the gentleman's contribution and his consistency, too, on these critical issues.

The gentleman has indicated that the MX does not add to America's security, but he went on to say something that I said earlier. It actually decreases our security because we have to understand what the MX missile is. It is a surprise-attack weapon that our treaty position, or our negotiating position in Geneva, would permit in many other forms in terms of submarine-launched missiles with a counterforce, first-strike capability, and other technologies.

The trouble with that is that if we develop surprise and accuracy sufficient to be able to launch a surprise attack against the Soviet Union, no treaty that permits it, if agreed to by the Soviets, would exclude their ability to get the same technology.

Now, question: Given the U.S. benign intentions, never wanting to be an aggressor, obviously never morally agreeing to be a first-strike aggressor, and the Soviet Union's intentions which we can speculate about, do you feel secure in letting the Soviet Union match us in first-strike, surprise-attack nuclear capability?

I think that is absolutely undermining the security interests of the United States.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield to me again just briefly?

Mr. AuCOIN. I yield to the gentleman from North Dakota, and then I will yield to the gentleman from New York [Mr. MRAZEK].

Mr. DORGAN of North Dakota. The question I ask is still the central question. As I understand it, if we cut this program today, a program we do not need, if we cut it today, we save $14 billion.

We have had a lot of Members on the floor of the House in the last couple of years who said, "We demand that we start saving money around here."

I say, "Fine. Here is an opportunity. Here is something we do not need. Here is something that we will waste $14 billion on."

That is not $14 million or $140 million, but $14 billion on something we do not need.

Do you want to stand up and be counted in this House? Now is the time. Where is the President going to get the money? He does not have it. He is going to borrow. He is going to go out and borrow this money.

I think that is the most dangerous kind of economic policy. Let us get a handle on this budget. This is a good place to start. We should not buy something we do not need. We should not spend money on something we do not need. Let us give this fellow not only a dose of what is good military policy but also what is good economic policy.

Mr. AuCOIN. Mr. Speaker, I appreciate the gentleman's excellent statement, and I now yield to my friend, the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Speaker, I appreciate having a little time to discuss this issue with the gentleman from Oregon, because I think it raises another very interesting point about this administration's arms-control policy.

In addition to the MX, the President is looking to spend this year around $3.7 billion on what he calls the strategic defense initiative, the star wars program. The administration proposes over the next 5 years to spend $25 billion just on research and development to determine its feasibility, and then the President announced in one of his debates during the campaign that if the system is feasible, he fully anticipates that it should be turned over to the Soviet Union.

□ 1330

In other words, we would spend $25 billion and then give it to the Soviet Union. Now, I find this kind of ludicrous to begin with, because if it is feasible to develop a system which can simultaneously monitor, select its targets, and destroy thousands of Soviet warheads in virtually minutes on their way to unknown targets, I cannot believed we are going to turn over a system like that to the Soviet Union, because that is as good as giving them a system they might want to consider using in conjunction with a first strike. I do not know how that adds to our security in the slightest.

It also, I might add, brings a whole new chapter to the nuclear arms race, because—let us face it—if the Soviet Union was working on a system like that, we would be ready to immediately begin work on it, or further diversify the options that we have that would not be covered by a system like that. Assuming we spent that $25 billion in research and development money, let us say the system was feasible, the estimates right now are in the neighborhood of $100 billion to $200 billion to mount it in place, what are the Soviets going to do? What would we do if they had it? Well, what they are going to do is depend more and more on alternatives that that kind of a system would not protect us against.

In other words, if you had submarines—Delta 3 class submarines—of which they have a number, which right now can deliver 128 ballistic missiles off each one of those Delta 3 class subs, they can start deploying cruise missiles, low flying cruise missiles on those submarines.

This system, this vaunted star wars system, will not stop cruise missiles coming off submarines or sea-launched off a ship.

I wonder if the gentleman would comment on whether this adds anything to our security, but does not just open up a new chapter in the arms race.

Mr. AuCOIN. Well, I appreciate the gentleman's statement. He makes yet another good point that we Democrats in the House, the majority of us, have consistently been making, and that is the security argument against MX missiles, as well as technologies such as star wars. If star wars after that trillion dollars of expenditures, counting R&D, development and deployment—by the way, that is a figure that roughly approximates the total cumulative national debt. I will leave it to your constituents and mine whether they think that is a bargain; but if it should be 100 percent perfect, a system of that kind which can zap warheads in flight, small objects going at tremendous speeds in a defensive way, could be used even more easily in an offensive way to attack our satellites if it were in their hands. If we give them the technology, such as the President said he wanted to do, then the Soviets would have the capability of launching an attack that blinds our satellites and sets the stage for a preemptive surprise attack first strike.

Now, does that spell security for the United States?

Mr. MRAZEK. It does not spell security and I would like to make just one other point.

The President seems to come up with these philosophies really on a seat of the pants sort of basis. In other words, he has a feeling in his gut that this might be the direction to go in. He is talking about some unrealistic assumptions in regard to star wars, as we have already discussed, and it takes away from the kind of strong defense needs which I think our military professionals would much prefer to move in, so that we are combat ready.

This is the point that I know the gentleman has made so eloquently today, and that is, many of us in Congress know that this is a dangerous world we live in. We both came of age in the Vietnam war. A lot of us enlisted at that time because we accepted at face value what many of our national leaders were telling us at that time was a necessary commitment of American forces overseas.

We have learned that you can't always accept at face value what national leaders or military professionals have to say. The bottom line is that we need a strong, lean military, to protect us in a dangerous world; but we are not going to have any kind of a strong military if we continue to waste money on programs like the MX or star wars where we are talking about a combined commitment of $7 billion in this 1 year alone.

Mr. AuCOIN. I appreciate the gentleman's statement and the leadership that he has given to this issue along with a number of others of us. I think he has made an excellent statement today.

I would say to the gentleman and my colleagues that we are defining not just a difference between some of us in our party or in the Congress and a particular President. We are defining today a difference in military security doctrine between Republicans and Democrats, although there are some exceptions. Our doctrine says, let us freeze the ability of the Soviets to develop surprise attack, first-strike technology by being willing to freeze it on our own part.

Why should we be willing to freeze it on our own part? Because we, as a moral nation, would never use a surprise first-strike attack against an adversary. It is an aggressor that has less benign intentions that theoretically could use that. We should try to keep it out of their hands. That is why Democratic doctrine is sound security. It would prevent the Soviets from developing first strike if we negotiated on a bilateral verifiable basis. That is sound security—and you know what? The freeze, unlike star wars and MX missiles, is free. It does not cost a thing.

Mr. MRAZEK. And verifiable.

Mr. AuCOIN. And verifiable. It will not run up the deficit. It will not put pressure on interest rates. It will allow us to reduce that deficit and get this country moving again and be competitive so that we have a working world and a living world in which your children and mine have a future.

I appreciate the gentleman's contribution today.

Mr. MRAZEK. I would like to reiterate, without sounding like a mutual admiration society, the importance of laying down, as the gentleman has, the elements of our doctrine, which is not defeatist, which is not unilateral disarmament, but simply a good strong defense against credible threats that we face, but where there are basic differences in policy between us and some of our Republican brethren. I think the gentleman has done an important service.

Mr. AuCOIN. Again, I thank the gentleman.

I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, let me commend the gentleman for asking for this special order. I think it is especially appropriate at this time that we begin to look in this new Congress at the cost and the effectiveness of some of the military systems.

There are a lot of things that have been discussed this year already concerning the budget. There are a few facts that we have to face up to and one of them is if Congress and the President want to enact military policy and the procurement of such weapons systems, then we have to be willing to pay for them, to look square in the face at what these particular costs are.

One of the fundamental tests that I think is lacking and the reason we find ourselves in such a quagmire with regard to the ICBM and other types of short-range nuclear weapons is because fundamentally that type of balance is lacking in this discussion and in the last 4 years. That is the coun-

terbalance of what the costs are are not being faced up to. In other words, by creating this tremendous problem of deficit spending, spending a dollar and collecting 75 cents in essence, we are really postponing the type of political pressure that ought to be on every one of us in terms of dealing with this issue, the political pressure that comes from going out and raising the revenue to pay for the program.

Mr. AuCOIN. I appreciate the gentleman's statement.

The SPEAKER pro tempore. All time of the gentleman from Oregon has expired.

HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, we are going to hear a lot of talk in the near future on the floor of Congress about human rights as they affect the world. Recently, some colleagues and I introduced a bill, called the International Human Dignity and Opportunity Act of 1985, designed to deal with human rights concerns on a global basis.

□ 1340

We did so in part because we believe that it is necessary for conservatives to begin to speak to the human rights concern that all too often conservatives have refused to face. And we also believe that it is extremely important to U.S. foreign policy to raise human rights to a high profile.

However, we think we do ourselves harm as a Nation when we simply single shot countries around the world with regard to their human rights activities, when you go into a particular country and you say, "Well, they are terrible" and ignore the rest of the world, that you tend to do great damage and very often what we are doing is single shotting allies and not recognizing that there are human rights abuses on a global scale.

So as we thought through the problem we decided that what we ought to do is draft a bill that tried to design a human rights case that could be taken to all the world and would determine U.S. policy as it relates to human rights concerns around the world.

So that is the general way in which the International Human Dignity and Opportunity Act of 1985 evolved. It is a comprehensive act. It deals with several major human rights concerns as they affect us worldwide.

For example, one of the things we have had concern about over a period of years is the advent of importation of products into this country made by slave labor. In a number of areas of the world, difficult as it is to believe, there are people who are working as slave laborers and we think that it is a problem when this country, then, a country that supposedly bases its entire constitutional system on human rights, is in fact importing into this country goods made by those slaves.

We think it is time that we have an absolute prohibition, an absolute prohibition on the importation of goods made by slave labor, forced labor, or indentured labor.

We would through this bill strengthen existing laws toward that end.

We also think that it is important that as we deal with International Monetary Fund and the international financial community that we begin to focus on activities happening around the world which are in fact abhorrent to a human rights structure based upon the dignity of individuals and based upon real traditional value systems.

This bill would direct the U.S. Representative to the International Monetary Fund to oppose any loan from that organization to a nation that practices policies of official racial segregation, which would include but not necessarily be limited to apartheid, or is certified by a board that would be created within this bill as a nation that cooperates in international terrorism or international drug trafficking.

Once again here are policies that are simply abhorrent not only to this Nation by to the world at large. We think that the idea of having economies based upon the separation of race—separation by race, whether it happens in South Africa, which we will also deal with in more detail later on in the bill, or whether it deals in other countries where the majority are oppressing racial minorities, that those practices ought to be ended and we ought not have International Monetary Fund money going to countries that have such official policies within them.

We also think that there are countries which are obviously the founts of international terrorism and illegal drug trafficking throughout the world and it is high time that we stopped using the International Monetary Fund to provide money which will ultimately then result in propping up a government that is providing illegal drugs to the world or is providing stability for international terrorists.

The bill would also strengthen the Jackson-Vanik amendment. Jackson-Vanik is a provision of law that now exists that controls the importation policies or immigration policies of countries and it is designed in a way to assure that trade credits and most-favored-nation status is not granted to countries that are preventing people from emigrating out of those countries, oppressed people, to this country.

What we do is we strengthen Jackson-Vanik by saying that before you can waive those provisions, for instance before you can grant most-favored-nation status to some country that has oppressive emigration polices, that you would have to get a two-thirds majority of both Houses of Congress to approve such a waiver. That way we would assure that the President could not just willy-nilly grant waivers which, in fact, then allow countries around the world that are not permitting emigration to benefit from trade with this Nation.

We would also extend the Jackson-Vanik provisions to some extent to relate to a nation's policy where they systematically are denying free press access to that country.

You know, it is interesting that some of our concerns of human rights in this country as they relate to our political structure come about because there is free press access in many of the nations who are our allies or at least limited free press access. Our press can go in there and report on the activities of those countries.

In many nations around the world, though, the press does not have that kind of access so we never hear about the human rights violations. So, therefore, we think not much is going on in those nations.

What this bill would do would say that we are not going to allow those nations that deny free press access the most favored nation status or give them trade credits, that it is high time around the world we understand what is going on in all places in the world so in fact within our free society we can make proper judgments about human rights concerns worldwide.

We also directed the United States representatives to international forums, that would be a whole range of international forums including the United Nations and including financial institutions, to demand Soviet compliance with the Helsinki accords.

Again, here we have signed an agreement with the Soviet Union that did two things: No. 1, it recognized the Soviet homogeneity with regard to Eastern Europe but in return for that we were supposed to get what was a Soviet compliance with a lot of human rights concepts within their own country.

What happened? Well, the Soviet Union has simply ignored the human rights provisions of the Helsinki accord and this bill would say that we think it is time that the Soviet Union begin to comply with those or face censure and activities by international bodies aimed at doing something against the Soviet Union for not going along with what they agreed to at Helsinki.

We would also direct the United States representatives in those international forums and organizations to get a full accounting for prisoners of

conscience who are being held in countries around the world.

Once again let me use the example of the Soviet Union: Time and time again on this floor we hear about the prisoners of conscience within the Soviet Union. What is our reaction typically to that kind of a problem? Well, we passed a resolution here in the Congress saying we think it is terrible what the Soviet Union is doing to the people like the Sakharovs. And in fact some of my colleagues sometimes mention when we have got one of these bills on the floor "Well, you know, is this a resolution of Congress that finally brings the Soviet Union to its knees?"

The fact is that those are mere words and that we have not backed up those words with much in the way of actions.

Under this bill what we would do is make certain that the U.S. representatives in international forums begin to demand that those prisoners of conscience be accounted for, that we find out just exactly what is going on with them, and that we begin to have some understanding of the nature of the human rights abuses being directed toward them.

The bill also speaks to a problem with regard to our foreign assistance programs. We would prohibit the U.S. economic and military assistance from going to nations around the world that vote against the U.S. position in the United Nations more than 85 percent of the time.

I think it is ridiculous that the United States is out providing foreign aid money, tax money, money collected from U.S. taxpayers, to nations that then go to the United Nations and vote against our position in the United Nations more than 85 percent of the time.

The Soviet Union votes with us 15 percent of the time. So therefore what we are saying is we think that the nations of the world that vote with us less than the Soviet Union does probably ought not be getting our foreign aid money.

So what this will do is this would cut off military assistance and economic assistance and thereby save us some tax money, to those countries that are not voting with the United States position. And the 85-percent standard does not seem to me to be too onerous.

□ 1350

Now let me make certain that you understand. We are not insisting that those nations vote with us 85 percent of the time. We are insisting they do not vote against us 85 percent of the time.

The bill would also establish a policy of Congress that U.S. foreign economic assistance should be directed to promote private sector initiatives and growth-oriented economic policies and that particularly in agriculturally related nations that agriculture consisting of small individually owned farms should be promoted.

Why? Because what we have found is that one of the best ways of providing food to large numbers of people is through a free enterprise system, through private individually owned farms. What we understand is that that system works awfully well toward building surplus food supplies. We know it from this country and in practically every country around the world where it has been tried, the more you rely upon a free enterprise system, the more food you produce.

Well, we think it is high time that we begin directing foreign assistance then toward those countries that practice that kind of activity within their economies, that it does not make much sense to continue to pour money down ratholes in countries where they are systematically trying to organize their farmers into communes or into socialistically designed systems that then have lower food production not more food production that we would desire. And that the one way you speak to starvation in the world is to speak from the standpoint of the success that this nation has enjoyed and other nations have enjoyed through privately owned individual farms.

So, we say in this bill that it is high time we begin to direct our aid that way.

It would also require that bilateral or multi-lateral economic and military assistance be cut off from any nation that is certified by our government as systematically denying free press access or as any nation certified as cooperating in illegal drug trafficking or international terrorism. Once again, the same arguments I talked about before. But here again what we are saying is we ought not be putting foreign aid dollars into those countries that we do not allow information about their countries to be known because they do not allow free press access, we should not certainly be putting money into countries that are engaged in the export of international terrorism and we certainly should not be putting money into countries that are engaged in illegal drug trafficking around the world. That in all those instances, we have not only a national interest, but there is also a world-wide interest in stopping that kind of activity from taking place. It is high time that we cut off funds where those kinds of activities are ongoing.

We would also, under this legislation, set up a policy that would encourage companies that are engaged in commercial and financial relations with Communist countries to adopt some principles. What we have done we have developed a set of principles for commercial relations with Communist countries that would insist on certain things. For example, we would insist on complying with labor and human rights standards established by the United Nations, the International Labor Organization, and the Helsinki accords. We would also say that companies ought not be providing goods and technical assistance to any state enterprise that supports international terrorism, drug trafficking, or is engaged in the illegal acquisition of strategic technologies. Again, I talked about terrorism and drug trafficking, but here is another area where we know that in many of these Communist countries that what we have going on is the illegal acquisition of strategic technologies. We think it is high time that our businesses acknowledge that and stop dealing with the companies that are so engaged.

We also suggest that our companies ought to be a part of trying to foster free market and free enterprise activities in those countries behind the Iron Curtain where they are doing business. We think that there ought to be nondiscrimination activities there. We think that also that the companies ought to discourage the dumping of goods into western markets that significantly injure our domestic producers. In other words, you have got goods being produced in a lot of these Communist countries by very low price labor that could not exactly be classified, as we did in the early bill, as slave labor, but nevertheless is state supported labor, and they are dumping those goods into our market and costing Americans jobs. We think that companies ought to take recognition of that fact when they are doing business in Communist countries and see to it that it is stopped.

The bill also speaks to something which is going to be of major concern on this House floor in the near future and that is the situation with regard to South Africa. We do not think it is good enough to simply talk about the problems with our adversaries and in some cases, of course, many of the principles I have outlined so far would affect allies of ours, too. Obviously where people are getting money from us they are considered to be at least quasi-allies of this country.

But we think that there is a special concern with regard to human rights which is going to be raised in this Congress with regard to South Africa. So this bill also speaks to that. It speaks to that in a very meaningful and tough way because it would actually deny Federal contracts or Federal economic assistance to any company that does not implement the Sullivan principles on any new investment made in South Africa.

In other words, we would not have just a fine out there that some large businesses would find fairly easy to pay for doing business in South Africa

in a manner which does not comply with Sullivan principles. But we would actually say to these companies, "We are going to cut off your Federal contracts. We are going to cut off any participation in Federal programs." That is a tough sanction. It is one that we think is tougher than most other legislation that has been introduced with regard to this subject matter.

It is important to recognize what the Sullivan principles are. The Sullivan principles are principles for doing business that, for instance, permit labor unions to be organized. They permit nondiscrimination on the work site. The assure that there is no segregation on the work site and insures equal pay for equal work in those businesses in South Africa. In other words, it tries to overcome the apartheid policies as they relate to the work place, but it does something more as well.

The Sullivan principles have been shown to begin the process of economically empowering black South Africans. By giving them additional economic power we think that you give them additional power to interact within a society and thereby bring about political and social change that might otherwise not be available, might otherwise not be granted.

We think it is important to begin the process of empowering black South Africans.

This bill specifically does not endorse the concept of disinvestment in South Africa because we think that ultimately disinvestment hurts the very people that we are trying to help in South Africa, namely, black South Africans. And it also tends to be a policy that then allows us no future way to change things in South Africa. That if you back out of participating in their economy, you have very little leeway with which to make changes in the future.

This allows us to continue to be a force for good, a force for reform within South Africa, but does so in a way that provides a tough policy of assuring that black South Africans are given increased opportunities within that country.

The bill would also speak to some other concerns in South Africa, namely, it calls for the repeal of the Clark amendment that prohibits any military assistance from being provided to nongovernmental forces in Angola. That is a nation in the world where the government is being propped up by foreign forces, namely, Cuban forces. We think as a part of a human rights concern that we ought not have policies that essentially encourage Cuban intervention into southern Africa's problems and that it is high time that we withdraw the Clark amendment which in fact encourages precisely that kind of activity.

Finally, what the bill does is it assures that there is a way of monitoring all of this activity. In other words, how do you decide whether free press access is being denied. How do you decide what consists of illegal drug trafficking. How do you decide international terrorism. How do you decide on slave labor questions. How do you decide whether or not a company is in compliance with the Sullivan principles. You have got to have some mechanism for deciding.

What this bill does is it creates a Board within the State Department. It would be a Presidentially appointed Board that would be nonbureaucratic because it does operate under the bureaucratic overview of the State Department, but would allow this Board to certify where certain activities are taking place which do not then merit a U.S. aid where human rights concerns have not been properly addressed. We think that such a Board then would give us a way of assuring that we are addressing human rights concerns on a board base.

This is a multilateral policy then. It is a policy that reaches far beyond the simple thing that we too often do in Congress and that is simply saying to one nation, "We are going to get you." We thereby probably do in fact force changes, but not always changes for the better. We forced Iran to change. It was not necessarily a change for the better. We forced Nicaragua to change. It was not necessarily a change for the better. We forced Zimbabwe to change. It was not necessarily a change for the better.

We have single shotted many countries over the years, but we have not necessarily gotten very good results out of it. If you have a multilateral human rights approach that in fact addresses real problems in a way where the U.S. policies are understood and does not simply pick off our own allies one by one, it seems to us that you have addressed the real issue and addressed it in a way which becomes meaningful then to U.S. foreign policy.

□ 1400

That is what this bill attempts to do. Hopefully, as we consider some of the policies with regard to human rights on this floor in the future, we will consider this kind of approach rather than simply taking a one-nation nation by nation approach to human rights. Human rights are something where the violations worldwide are of a magnitude that is horrendous, and we need to begin addressing them, but we need to begin addressing them in a way that really speaks to the whole of U.S. concern about human dignity and providing individual human beings throughout the world with the kinds of opportunities they so rightly deserve.

AN ENDLESS NIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MRAZEK] is recognized for 60 minutes.

Mr. MRAZEK. Mr. Speaker, I rise today to talk about an issue that I would imagine most Americans have a great deal of difficulty identifying with, simply because as Americans we are blessed with living in the greatest and most powerful democracy that has ever existed on the face of this planet Earth. We have certain basic freedoms as Americans that all too often we take for granted: The freedom to decide how long and how much education we would like to have and where we want to go to school; the freedom when we graduate from high school or college to choose whatever livelihood or work we want to do with our lives; the freedom to fall in love with whomever we decide to fall in love with and where sometimes that is reciprocated in a wonderful relationship. These are basic freedoms that I guess many of us take for granted.

I am standing today in the great Chamber of the House of Representatives. It is just after 2 o'clock in the afternoon, on a beautiful spring afternoon. The temperature is up in the sixties. And on the other side of this globe it is nighttime in the Soviet Union. It is not only nighttime physically but it is an endless night for a lot of citizens in the Soviet Union. There are not too many freedoms in the Soviet Union for all Soviet citizens but there are no freedoms for Jewish citizens in the Soviet Union.

The Soviet Government tells us that all of the Jews who wanted to get out of the Soviet Union have been allowed to emigrate. Yet we know there are hundreds of thousands of Jews in the Soviet Union who have tried desperately to emigrate and have been denied the chance to leave that country.

I think "hero" is an overused word in our American vocabulary. We tend to use it on sports heroes and different kinds of people in our society who happen to do a good job in whatever field they are involved in. But for my mind, a true hero on this planet today is a man like Anatoly Shcharansky, because it is the Shcharanskys of this world who are just simple people, individuals who are challenging the awesome machinery of a totalitarian state. And for just articulating the desire to leave that country, they have been subjected to the most brutal kinds of dehumanization, denied the most basic freedoms to practice a livelihood, removed from their families, injected with drugs by quack doctors or put in jail for simply having a religious belief.

Today I called this special order simply to make sure that the Members

of Congress who serve in this body for 1 day will again have their consciousness raised to this lack of freedom for so many people in the Soviet Union.

GENERAL LEAVE

Mr. MRAZEK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MRAZEK. At this time I would like to call on my distinguished colleague, the gentlewoman from California [Mrs. BURTON].

Mrs. BURTON of California. Mr. Speaker, I want to thank my colleague, the gentleman from New York [Mr. MRAZEK], who has asked for this special order.

Mr. Speaker, I am pleased to participate in the annual fast and prayer vigil for Soviet Jewry.

I would like to call the attention of my colleagues to the plight of Mark and Ada Lvovsky and their daughters Dana and Avital. The Lvovskys have been waiting 15 years to emigrate to Israel. Mr. Lvovsky's original request to emigrate was denied on security grounds because of his work as a chemical engineer. However, it has been over 12 years since he was dismissed from that job. Since then he has been forced to work wherever he can find a job, as a janitor and a laborer. In addition, he has been sentenced to short terms in Soviet prisons for participating in hunger strikes and demonstrations to protest the Soviet Government's unfair treatment of its Jewish population.

Mr. Speaker, it is important that we continue to speak out against these violations of basic justice so that Soviet Jews and others who live in oppression understand they are not alone in their battle to achieve the basic freedoms and rights to which all mankind is entitled. Let us remember today the courage and the strength of the Lvovskys and other Soviet Jews, and rededicate ourselves to ending the horrible injustices they suffer.

Mr. MRAZEK. I would like to thank my colleague, the gentlewoman from California. It seems to me that we stand on the threshold of some important opportunities at this particular juncture in our relationship with the Soviet Union, because for the first time instead of one of the old men, the succession of old men, remnants of a brutal regime begun under the reign of Joseph Stalin, men who came of age politically in the Soviet Union under the reign of Joseph Stalin, we have for the first time a new generation of Soviet leaders. It is a generation of Soviet leaders who were not born at the time that the revolution began and who may in fact have a different approach and a different idea in regard to a relationship with the United States than the cynical old men who came before them.

It is my hope that we are going to see a new dawn in relations between the United States and the Soviet Union. And just as important, that we are going to see a leadership within the Soviet Union that decides that basic freedoms for their people are a guaranteed right in the Soviet Union. Unfortunately, right now this is not the case. Unfortunately, right now there is an ongoing process of harassment if you happen to be Jewish and live in the Soviet Union. That harassment takes many forms on Soviet state television, because all television programming, of course, in the Soviet Union is controlled by the state. On television they run programs, and one recent propaganda piece was a program which attempted to suggest that Jewish activists who are desperately working to leave the Soviet Union are in fact Zionist agents seeking to overthrow the Soviet Government.

□ 1410

The program is called Hirelings and Accomplices. This film, which was recently smuggled out of the Soviet Union, is but one example of the anti-Semitic, anti-Zionist attacks which routinely appear in the Soviet media

This was a tragic year for an awful lot of Jews in the Soviet Union; not only are many people today incarcerated in Soviet jails simply for wanting to leave, on trumped-up charges, but one man is in Soviet prison today because he supposedly stepped on a flower bed in Leningrad, and he was given 18 months at hard labor for that. He also happened to be a teacher of Hebrew and, needless to say, there is a long, illustrious cultural heritage that Jews have had for 2,000 years, and they feel as all of us who come from a particular culture that that culture should be preserved. They preserve it by teaching the study of the Hebrew language, and they teach it in a lot of ways the Soviet Union does not like. So they simply put you in jail or suggest that you are mentally incompetent or insane simply for trying to keep alive that cultural heritage.

It is my hope that the Americans and Soviet citizens who are now negotiating in Geneva will in fact be talking about some of these human rights problems in the Soviet Union, and that if there is a thaw in the relationship between the United States and the Soviet Union, that it will manifest itself in a new Soviet policy toward allowing those people who want to leave the Soviet Union, and happen to be Jewish, to leave that country.

At this point, I would like to call on my distinguished colleague from New York and a tireless fighter for human rights, Mr. BENJAMIN GILMAN.

Mr. GILMAN. I thank the gentleman for yielding to me.

Mr. Speaker, today I joined a number of my colleagues and approximately 200 rabbis from all across the United States in the Third Annual Fast and Prayer Vigil for Soviet Jewry. On this day of solidarity for Soviet Jews, I thank my colleagues, the gentleman from Illinois [Mr. PORTER] and the gentleman from New York [Mr. MRAZEK], for arranging today's vigil and special order to focus our attention on this important cause.

This year we are pleased to conduct the fast and prayer vigil in conjunction with the Convocation of Religious Leadership for Soviet Jews, sponsored by the National Conference on Soviet Jewry and the Synagogue Council of America. In showing our support for the cause of Soviet Jews, each of us honored a prisoner of conscience. I joined the vigil in honor of Dr. Mark Nashpitz, a Soviet dentist who became a refusenik in 1971. Ever since then, he has been subjected to substantial abuse and persecution.

Dr. Nashpitz' vizov applications were refused on numerous occasions, and he has not been allowed to join his mother, who waits for him in Israel. He has been imprisoned for a minor public protest. Following his imprisonment, Dr. Nashpitz was denied a Moscow residency permit, forcing him to live in Strunino with his wife and young child since that time. In January, I had the opportunity to speak with Dr. Nashpitz during a congressional European parliament trip to the Soviet Union. He spoke with despair of his current job in a morgue. He said, "I was trained to work with the living, but they will only let me work with the dead."

Dr. Nashpitz is not alone in his struggle for basic human freedom. Thousands of Soviet Jews apply each year for emigration vizovs, only to be denied their requests and further persecuted for ther attempt to gain freedom. The number of Soviet Jews granted emigration vizovs has sharply and steadily declined from 51,320 in 1979 to only 896 last year. So far this year, less than 150 Soviet Jews have been allowed to leave the Soviet Union.

This drastic decline in numbers of emigrants only proves that the Soviets are unconcerned about the rights of many of their own citizens. We recall that January 20 was Anatoly Shcharansky's 37th birthday, a day he spent in a cold, dank prison, and that March 15 marked the eighth anniversary of his arrest by Soviet authorities. Anatoly Shcharansky still has 5 years to serve in a 13-year prison sentence, which resulted from a false accusation

of being an agent of the United States and a subsequent charge of treason.

In addition, Soviet accusations against Jewish citizens are becoming more outlandish every day, and the punishments meted out for these false charges are becoming more severe and serious. Yosef Berenshtein was sentenced to 4 years in prison in December 1984 for "resisting" Soviet authorities. While he was in prison, he was attacked by other inmates, suffering severe injuries resulting in a permanent 90 percent loss of sight in both eyes. Yosef Berenshtein's wife, Fanya, believes that the prisoners were encouraged by prison authorities in this assault.

The seeming unconcern for basic human rights in the Soviet Union creates a poor atmosphere for the ongoing arms talks in Geneva. Although the issue being discussed is not human rights per se, the Soviets must demonstrate a willingness to improve relations on all fronts, including human rights. Such an assurance from the Soviets in Geneva is essential to any effective agreement and improvement of relations between our two countries.

In spite of the lack of progress by the U.S.S.R. on the human rights issue, their willingness to approach the negotiating table in Geneva is a positive sign which we do not dismiss. We are also hopeful that the new Soviet leader, Mikhail Gorbachev, will find the opportunity to increase Soviet cooperation with our country.

We must take advantage of these new discussions to further pursue the cause of Soviet Jews—the cause of human rights. The overwhelming support we witnessed today from communities and religious leaders across the country can only help in publicizing this important cause that we gathered to commemorate. With recent developments drawing attention to the plight of Soviet Jews and with the possibility of new opportunities that might be opening up over the next few months, it is timely and appropriate that we demonstrate our support for Soviet Jewry. We must continue to take every opportunity to demonstrate our solidarity for the valiant struggle of Soviet Jews and to cry out to the rest of the world to join us in advocating their right to freedom.

Let us once again remind the Soviets that the issue of human rights is of vital concern to our entire Nation and is not, as the Soviet's chief justice, Judge Smirnoff, stated "that human rights is merely a propaganda vehicle of the West."

Let us, too, remind the Soviets that they are signatories to significant international agreements on human rights: the United Nations Declaration on Human Rights and the Helsinki accords, both of which guarantee the freedom of emigration and reunification of families.

□ 1420

I thank the gentleman for yielding, and I want to commend him once again for his continual efforts in this regard on such an important issue.

Mr. MRAZEK. I would like to thank my distinguished colleague, the gentleman from New York [Mr. GILMAN] for making a very eloquent statement. He is someone who has traveled to the Soviet Union, has met with many of the refuseniks and heroes who really fight on a daily basis the machinery of that state, and it is very important for them to know that in this bastion of freedom that we are blessed with the privilege of living in that we have not given up our efforts to try to convince that Government to let those people go.

Mr. Speaker, I would now like to yield to my colleague, the gentleman from Texas [Mr. PICKLE] from Austin, the State capital of that great State, the Lone Star State.

Mr. PICKLE. I thank the gentleman for yielding. I appreciate the time that he reserved this time so that we might participate.

I am glad to participate today on the occasion of the Third Congressional Fast and Prayer Vigil for Soviet Jewry. I am participating on behalf of Leonid Umansky, a 44-year-old electrical engineer from Riga, whose permission to emigrate in 1982 was later denied for unknown reasons.

On December 31, 1983, Leonid Umansky demonstrated with fellow refusenik Zakhar Zunshein in Moscow. They protested the authorities' continual rejection of their requests for exit visas, and renounced their Soviet citizenship. Zunshein was arrested and sentenced to 15 days imprisonment.

In January 1984, Umansky went with Zunshein to the Presidium of the Supreme Soviet in Moscow. Again, they renounced their Soviet citizenship and demanded exit visas. They also demonstrated on behalf of several of their friends who had lost their jobs after applying for emigration. They stated: Even if we don't succeed this time, we tried before and we shall certainly try again.

In February 1984, Umansky signed a joint letter of complaint from Leningrad and Riga refuseniks to the editor of Izvestia. They protested the amount of anti-Israel hate propaganda published by the newspaper, claiming it was creating distrust, enmity, and hostility to Jews living in the Soviet Union.

On March 4, Umansky planned to travel to Moscow to demonstrate with Zakhar and Tatiana Zunshein and Alexander Balter, Umansky's nephew. Umansky arrived first and was arrested at the national OVIR office with documents from the group, who sought to renounce their Soviet citizenship in an effort to receive permission to emigrate. Prevented from demonstrating with the others, Umansky was released from custody. Zakhar Zunshein was arrested and imprisoned for "spreading anti-Soviet propaganda and defamation of the Soviet State."

In 1983, Umansky, along with Zunshein and Balter, signed a passionate letter of protest to the Presidium of the Supreme Soviet:

> We're Jews and proud of it. We're proud that through the millenia of suffering, torture and humiliation our people kept its dignity, faith and entity as a nation whose roots reach back to Abraham.
>
> This year, the USSR celebrated its anniversary as "the great brotherhood of all nations". But in this country, having guaranteed equality and the flourishing of culture to all nationalities, we Jews were given only one choice—assimilation.
>
> We can't learn our own language. It's almost impossible to read books by Jewish authors. We can't attend a national theater or listen to national songs, among much more of which we're deprived. That's why we decided to go to Israel. But it's not the only reason.
>
> We demand that international agreements and internal laws be observed. In this way, the Soviet government could properly proclaim itself as the real democracy.
>
> Those who apply for emigration to Israel are deprived of the simplest human rights, but guilty officials have never been penalized. Having created a feeling of fear, hopelessness and uncertainty, the authorities can break off emigration, and then declare the problem to be a myth. Our patience has ended. No one can feel himself a human being if he must live in eternal fear for his and his relatives' destiny. Realizing the great significance of our act, we demand that the Soviet government solve our problem of giving up our Soviet citizenship so we may emigrate.

This is the story of the refusenik on whose behalf I speak today. He is one of many; his story must be told.

Mr. Speaker, I had the pleasure of cohosting a high-ranking delegation of Soviet leaders in Austin, TX, last week. As in the past, I took the opportunity to raise the issue of Jewish emigration and our Government's concern about the radical decrease in numbers of Jews allowed to leave the Soviet Union. The response was the same: that in effect there is no Jewish emigration problem. The Soviet leadership there simply said: "There is no discrimination, it is just a media issue."

Since that time, the Soviet Union has come under new leadership. It is difficult to anticipate specific changes in Soviet policy as a result of the new leadership. We must, however, maintain our vigil with respect to the plight of the Jewish population in the Soviet Union. We must continue to call for an end to the oppression of Soviet Jews.

Mr. MRAZEK. I thank the gentleman from Texas for a very important statement and his continued work on behalf of human rights.

Mr. Speaker, I would now like to yield to my colleague, the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. I thank the gentleman for yielding.

Mr. Speaker, today, I joined with my colleagues and with religious leaders from all major faiths to express my solidarity with those people in the Soviet Union who desire to have the same rights of religious freedom which we take for granted in these United States.

These people, who are of the Jewish faith, have come under greater and greater pressure from the Soviet State since we celebrated the first of these vigils 3 years ago.

The purpose of the congressional fast and prayer vigil which we have participated in today is quite clear. We desire to send a message to the leaders of the Soviet Union that we in Congress are concerned about this deteriorating situation within the Soviet Union.

This is a particularly important time in the history of the Soviet Union to send this message.

First, the Soviet Union has a new leader. His legacy within his own country and in the eyes of the world is as yet unclear.

Second, the Soviet Union and the United States are currently engaged in talks on the question of arms control and other issues which could lead to better relations between our countries.

Third, we are entering an age of uncertainty, when the people who remember the horrors of the Second World War are yielding their leadership positions to a new generation. This new generation does not understand the horrors of Auschwitz and the other camps where the great slaughters of that war occurred.

We must remember and act on that remembrance now, or risk a future of greater uncertainty.

As cochairman of the congressional caucus on Soviet Jewry, I am concerned about the increasing level of official and unofficial actions to discredit Jews within the Soviet Union.

A recent television program in Leningrad identified members of the Jewish community, by name, with all manner of international plots to undermine the Soviet system.

Hebrew teachers have been arrested and many religious ceremonies that pass the Jewish tradition to the younger generation have been officially banned.

Yet, members of the Jewish community who wish to leave the Soviet Union are denied the right to emigrate and are branded as traitors for wanting to leave.

The Kagan family of Leningrad are among the people who have suffered under this policy.

Abram and his family have been trying to leave the Soviet Union since 1976. At that time, there was greater hope than there is today that the Jewish people wishing to leave the Soviet Union would be allowed to do so. Since then, the flow of emigrants has slowed to a trickle—from 51,000 people in 1979 to only 900 last year.

More and more Members of Congress have taken up the challenge with regard to these people. Members of Congress have participated in events to send a message to the world that many people in the United States are concerned and are watching for signs of better times.

I have a very special interest in the future well-being of the Kagan family and others who wish to leave the Soviet Union.

It is incredible to me that these people are not allowed to leave the Soviet Union and are persecuted for their desire to leave.

In spite of protests from 62 Members of Congress, Roman Fridman and his family have also been refused exit visas on many occasions.

If our first efforts are unsuccessful in this area, we must not become discouraged.

We will meet here again next year, if necessary, to reaffirm our strong belief that the Soviet Union must take positive action to provide for emigration along a more reasonable timetable consistent with the will of the Jewish people within the Soviet Union to leave that country, if they so desire.

In the meantime, we must work constantly to provide for a consistent and firm reaction to the events that face us on a day-to-day basis.

We must keep in contact with those who need our help to provide them with a window on the world. That window will open the world to them, if we act with care and understanding to tell their story to the free world.

Mr. Speaker, I again thank the gentleman for yielding and I want to congratulate the gentleman and our other colleagues who were involved in this, because I think it shows a great deal of support. In fact, I think if we polled this House, we would find unanimous support.

Mr. MRAZEK. I thank my colleague, the gentleman from New Jersey, for his very special contribution to this special order today. I think he was right on target in talking about the fact that the Soviets do understand singlemindedness of purpose and that when more than 100 Members of Congress participate in a program like ours, it sends a clear message to the Soviet leadership that we are not about to desist from fighting for human rights around this globe until those people in the Soviet Union who want to leave are allowed to do so.

□ 1530

Mr. Speaker, I would now like to call on a Member whom I have come to know and respect for the fact that no one has worked more tirelessly or more effectively in the cause of human rights than my superb colleague, the gentleman from Illinois [Mr. PORTER]. I yield to the gentleman from Illinois.

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding.

Let me first commend my colleague, the gentleman from New York [Mr. MRAZEK], who is among the most committed and steadfast of all in the Congress in support of human rights and in defense of Soviet Jews.

This is the Third Annual Fast and Prayer Vigil that the gentleman has sponsored, and I have had the very high honor and privilege of joining him as a cosponsor in addressing the needs of people whose only crime is a desire to leave an oppressive society and to practice their religion in freedom. My colleague, the gentleman from New York, has proven to be the kind of leader that can bring together over 100 Members of the House of Representatives to commit to fasting and to praying for specific Soviet refuseniks, and who this year brought to Washington to our Vigil Jewish religious leaders from across our land to participate. Also, as a symbol of Soviet oppression, a recently arrived refusenik, Evgenia Utevskaya, had the opportunity to address the group as well.

New Soviet leadership in the Soviet Union gives hope to those of us who are optimists, and surely those who work for change in Soviet attitudes and policies have to be optimists. We Americans perhaps are influenced by our advertising that buffets us every day as we watch our television sets, but we believe that new can be better, and we believe surely that new can mean no worse. Even though we recognize, as Henry Kissinger recently said, that anybody who gets the leadership of the Soviet state is certainly no choir boy, nevertheless we hope that Mr. Gorbachev will feel sufficiently secure in his position to liberalize Soviet treatment of those who in his society have been so oppressed and discriminated against and held against their will.

Last year's record of Soviet oppression is a terrible one to contemplate. Emigration was minuscule, with only 896 Soviet Jews allowed to leave. As my colleague, the gentleman from New Jersey, said a moment ago, 51,000 were allowed to leave in 1979, and it was under 1,000 last year. There is increased persecution. We had thought it could not be worse previously, but it was worsened last year. Our colleague, the gentleman from Texas, mentioned Zachar Zunshine of Riga, for whom I fast today and whose name I wear proudly upon my chest—a man of courage who is serving a prison term merely for asserting that all people

ought to have basic human rights in the Soviet Union or anywhere else.

We have seen a very heavy hand of official anti-Semitism throughout the Soviet Union, with children in the schools being chided for their religious beliefs, people losing their jobs, being set up for prosecution and even sent to prison simply because of their religion.

Today we prayed and fasted and hoped that we might find in the new leader of the Soviet Union a measure of humanity that we perhaps have not found in his predecessors. I recently asked my colleagues in the Congress to join me in a letter to Mr. Gorbachev urging a halt to the oppression of the Soviet Jewish community, and we hope that that will be his policy.

We also see signs of hope in the willingness of the Soviet Union to improve relations with the United States. The President met with Secretary Gromyko late last year, and this year as a result of that meeting, we stand face to face in Geneva, inching closer, we would hope, toward some common ground and some agreement among us.

But is seems to me, Mr. Speaker, that hope and prayers and fasting and entreaties to the Soviet Union are not enough. The brightest sign that we have seen recently is when President Reagan sent our Under Secretary of Commerce for International Trade, Lionel Olmer, to Moscow to talk about trade and send one further message to the Soviet leaders, and that is, "If you want to trade with the United States, then you are going to have to deal with emigration and the release of people held against their will in the Soviet Union."

But whether it is trade or arms control or science and technology or any other contact that our negotiators have with the Soviet Union, it seems to me we must make it clear that emigration and human rights are not only going to be raised in our discussions, they are not only going to be somewhere on the agenda, they are in fact going to be a part of the substantive negotiations with the United States in any of these areas.

Mr. Speaker, we talk about emigration from the Soviet Union, and for Soviet Jews that has to be the highest priority in the long term, but we must never forget that in this moment and in moments to come there is a need to protect people in the Soviet Union in the exercise of their religious freedom, there is a need to protect them in the preservation of their culture and Jewish heritage, and there is a need to end the campaign of anti-Semitic poison that has pervaded the Soviet media and official actions. All of that has to also be on the bargaining table and be part of the substantive negotiations with the Soviet Union.

The study groups that attempt to teach Hebrew in the Soviet Union, that attempt to preserve Jewish culture, and that educate children in the Jewish religion must be protected, as well as the right to emigrate.

Yes, the Helsinki accord review is coming up in May in Ottawa. It is very important to raise these kinds of issues internationally. It should be taken advantage of. But beyond that the bilateral negotiations between the United States and the Soviet Union must bring up emigration and basic human rights.

Mr. Speaker, the Soviets have said for years and years every time we raise the subject of human rights that the United States and the people in the West have a double standard, that we have one for our foes and another one for our friends. I think it is encouraging, particularly to those who believe that we must enter all negotiations with a single standard for human rights that we expect to be observed, that the United States has recently taken a very strong position in the International Monetary Fund in dealing with the situation in General Pinochet's Chile to bring pressure for human rights in that society, not only through quiet diplomacy but through action in international bodies; and that we have taken a very strong position relative to South Africa, recently voting to condemn their policies of apartheid and the repression and removal of blacks from their homelands. We have had that kind of steadfast work, and I see the hand of Elliott Abrams in this work, who has done a magnificent job in this country in moving forward our program of human rights worldwide. It is that kind of approach that gives us the credibility to say today that we call upon the Soviet Union to live up to our human rights standard, particularly in regard to the Soviet Jews and particularly with regard to religious freedom and emigration.

□ 1440

America must always stand for the essence of our being, freedom and opportunity, not just here in our own land, but for people everywhere. We stand together in the Congress. We stood together this afternoon with religious leaders from all over this country working for the day when we will see Soviet Jews enjoying the freedom that every person in the world has the right, a basic right, to enjoy, the freedom of emigration, the freedom of religious belief and the freedom to preserve your cultural identity and heritage. That, Mr. Speaker, has been our mission. We will not back off from it. We will continue to work for it and we will continue to bring before the world the plight of Soviet Jews and continue to bring to the Soviets our commitment that that plight will be improved and that their actions must guarantee to all their citizens basic human rights.

Mr. MRAZEK. I want to express my deep appreciation for those eloquent words from my colleague, the gentleman from Illinois, who I am proud to be a cosponsor with in this fast and prayer vigil this year.

I think it is fair to say that one does not have to be Jewish to appreciate the enormity of the horror that took place on this planet a little more than 40 years ago when 6 million people were simply annihilated for their beliefs, for their religious beliefs. I had relatives of mine in Czechoslovakia who were murdered by the Nazis for their beliefs; but I suppose that what I cannot understand is after having read a book not too long ago translated from the Russian language, called "The Russian Version of World War II" and it is a high school book that every student in the Soviet Union reads to find out what happened in World War II. You will not find the word "Jew" in that book and you will not find the word "holocaust" or anything that accurately describes what took place in the murder of all those people. It is unfortunate that there can be a system with as much power as the Soviet Union has to rob the basic freedoms of its people as they do, with hundreds of thousands of Jews in that country; but again, the Soviet Union does understand single-mindedness of purpose and we in the U.S. Congress will not stop our work on behalf of basic human freedoms until they are guaranteed for all people seeking it.

● Mr. SOLARZ. Mr. Speaker, as I stand here before my colleagues today, during the 1985 congressional call to conscience vigil for Soviet Jewry, I cannot avoid a deep sense of frustration. I stood before the House during last year's vigil to praise the two victims of Soviet oppression whom I have adopted. I have since been following their situations, and I am sorry to report that both are still victims of harsh oppression and religious intolerance.

After applying for an emigration visa in 1975, Boris Chernobilsky lost his job. His application was denied, and he did what in this country every human being has a right to do—he attempted to speak peacably in protest of the Government's action. As a result of his protest, Boris was jailed for 15 days. After his release, Boris worked at a number of odd jobs to support himself and his family. His wife, risking censure and worse, opted to carry on the traditions of her heritage by teaching Hebrew. In the anti-Semitic Soviet Union, this in itself is a perilous pursuit. In May 1981 Boris was arrested on trumped-up charges of "beating a policeman" during a gathering of activists in the Opalikha woods. Boris refused to participate in the travesty of justice known as the Soviet court system. He conveyed his

refusal in a letter to President Brezhnev. Boris was convicted without appearing at trial, sentenced to 1 year in a labor camp. He was released in 1983, and has since returned to Moscow.

Boris and his wife Elena have continued to apply for an exit visa, and have not ceased in their upholding, as much as is possible in the oppressive system they cannot escape, their Jewish heritage. We cannot let this devotion to the ideals that we hold dear go unnoticed. Even the very privilege—what is in the United States a right—of simple communication has been curtailed for the Chernobilskys. In the winter of 1983 they were refused a phone for reasons "well known to him." The same year, they received no letters, a fact which strongly suggests that the state is cutting off their mail. Rather than buckle under to the oppression of the state, these noble Soviet Jews continue to stand strong on their principles.

Simon Shnirman has been a refusenik since 1959, when his father, David, applied for exit visas for his family. Finally, in 1976 David was granted a visa, but it was for him alone. With assurances from the Soviet officials that his wife and two children would be allowed to follow in 2 years, David set off for Israel. In 1978, David's wife Faina and daughter Emma were told that they would be permitted to leave the Soviet Union. However, Simon was scheduled to stand trial the next day for "draft evasion." Emma made the difficult decision to leave, and Faina decided to stay, to be with Simon.

Simon was, of course, convicted in the Soviet court. He was sentenced to, and has since served, 2½ years in prison. During his imprisonment he was allowed only brief visits by his mother. Simon was released in 1980, after which release he married and fathered a child. In January 1983 the authorities rearrested him for draft evasion. This was in spite of the prohibitions against double jeopardy in the Fundamentals of Criminal Procedure of the U.S.S.R. and Union Republics (article 1, paragraph 1, items 9 and 10). Simon continued to refuse to enter military service. He was well aware of the fact that the Soviet Government would likely claim, as they have with other refuseniks, that military service rendered him a security risk, because of exposure to "state secrets." This sham would prolong any efforts to leave the country. At least now, that rationale will not exist. A tragic note is that Simon's father passed away early last year. Even if he is ever permitted to leave the country, the oppressive Soviet state will have thwarted his dream of joining his father in Israel.

Both of these cases are quite tragic. It appears that the lives of Soviet refuseniks and prisoners of conscience will not improve in the near future. The Soviet regime has demonstrated in numerous ways that it seeks to eliminate any vestige of Jewish culture within its borders. Notwithstanding refusals to install telephones, censorship of mail, and, most horrible, refusal to allow Soviet Jews to emigrate to lands where freedom of speech and religion is the rule, the Chernobilskys and the Shnirmans have determined not to be stifled. They have done so at great cost and risk to themselves. This commitment is admirable, and we in the United States, both Jew and non-Jew, must voice our praise for such commitment.

I strongly believe that the issues of emigration and human rights should remain high on the agenda in all relevant fora, including the Conference on Security and Cooperation and the United Nations Commission on Human Rights. However, it is evident that these bodies alone will not be sufficient to relieve the oppression of Soviet Jews. Other means must be explored. For example, our Western allies, as as well as neutral and nonaligned countries, can bring to bear on the Soviet Union pressure that will one day allow Soviet Jews to either practice their religion in their homeland, or to emigrate to a country where they may exercise freedom of religion.

America has long been a symbol of freedom for the oppressed peoples of the world. It is important that we reaffirm our commitment to this basic principle at this critical time for Soviet Jews. With the recent change in power in the U.S.S.R. now is the time to renew our efforts.●

● Mr. YATRON. Mr. Speaker, today, once again, the U.S. Congress will voice its unwavering support of Soviet Jewry in a strong and unified manner. We are all aware of the atrocities being leveled at these brave and determined people by a repressive Soviet Government determined to destroy every vestige of Jewish culture and identity. Human rights abuses continue unabated in this Communist country, and the Jewish community has been a primary target.

I have recently been to the Soviet Union to witness this oppression first hand. One cannot help but feel the desperation many of these individuals experience at not being permitted to emigrate to Israel, not having the right to live without harassment and intimidation, and not having the individual liberties a democratic government affords.

As chairman of the Subcommittee on Human Rights and International Organizations, I am deeply committed to increasing both international awareness and involvement in the plight of Soviet Jews. The principal focus of an effective human rights policy must always be the individual. As long as the rights of even one Jew are violated in the Soviet Union, we should continue to generate international criticism against Soviet authorities.

The actions taken today are vital to the struggle and survival of Soviet Jews. They must always be reassured that we care, that we are closely scrutinizing their Government, and that we long to restore to them the freedom they desire and deserve.●

● Mr. YOUNG of Missouri. Mr. Speaker, Soviet Jews comprise the third largest surviving Jewish community in the world. Soviet Jews have been struggling to achieve basic human rights, including the right to maintain their own religion and culture. The right to leave any country that denies one their heritage is an internationally recognized human right, yet in the Soviet Union permission to emigrate is given arbitrarily.

I believe that it is important that in the face of this wave of anti-Semitism, America must reaffirm our commitment to human rights. The U.S. Congress has been a leading supporter of Soviet Jews in their attempts to study and teach their faith.

Today, I am proud to be a participant in the third annual congressional fast and prayer vigil for Soviet Jewry—but we must be sure that the vigil continues each and every day until the human rights of all Soviet Jews have been restored.

As a Member of Congress and concerned citizen, I have "adopted" a Soviet Jewish family from the Ukraine to help them fulfill their dream of emigrating to Israel.

Samuel and Manya Klinger have been trying unsuccessfully, for a number of years, to emigrate to Israel. Samuel Klinger is an agronomist from Dnepropetrovsk in the Ukraine. He and his wife, a nurse by profession, have been repeatedly denied exit visas since 1970. The only reason given by Soviet authorities has been a lack of consent from Manya's parents, who have not seen their daughter in many years. Manya, a mother herself, recently celebrated her 50th birthday.

The Klinger situation is quite pressing in that they are the only family in Dnepropetrovsk awaiting exit visas. In the past few years, defamatory letters have been printed in the local newpaper about the family—prompting Samuel to immediately send letters of protest to the editor. Unfortunately the only response has been several anti-Semitic articles in the same paper.

We have asked the Soviet Government to grant this family permission to emigrate, but have received no response. There can be no doubt that by not allowing the Klingers to leave the Soviet Union, the Soviet Government is in clear violation of the Helsinki Final Act, the Universal Declaration

of Human Rights, as well as their Soviet Constitution.

Surely the emigration of the Klinger family would pose no threat to the security of the Soviet Union, and instead would be a humanitarian gesture. Yet permission to leave is continually denied.

As the leader in the free world, the United States must do all that we can to protect the human rights of all people. And I urge my colleagues to continue to protest the blatant violations of human rights occurring each day in the Soviet Union.●

● Mr. LANTOS. Mr. Speaker, I am delighted to be a cosponsor of this year's fast and prayer vigil with our distinguished colleagues BOB MRAZEK, JOHN PORTER, and JACK KEMP. These three men have worked tirelessly for Soviet Jewry, and are recognized by their colleagues for their leadership.

It is an unfortunate reality that the vigil is a symbol not only of our commitment, but also of the severity and intractability of Soviet policy toward its citizens of Jewish nationality. Just as we proclaimed our solidarity with the millions of Soviet Jews on the steps of the Capitol earlier today, we now do proclaim our solidarity here on the floor of the House. Our commitment, our proclamation to these Jews—and to all people everywhere—is that human rights, including the right to emigrate and the right to practice one's religion, are inviolable.

The struggle of Soviet Jews for their human rights is our struggle, for our humanity is bound and tied when we ignore the chains of others.

Mr. Speaker, this is not the first vigil for Soviet Jewry nor will it be the last. We will, unfortunately, continue to mark similar events in coming years because the problem of Soviet Jewry is not one which will be solved this year, or I regret to say even in this decade. It is a problem deeply rooted in anti-Semitism, which existed in Tsarist Russia for centuries, and in the iron-fisted disregard of its citizens' human rights by the present Soviet Government. This vigil will be repeated for as long as necessary, for our vigilance must not lag.

This year's vigil comes at a time of transition. Many people hope that the new Soviet leader, Mikhail Gorbachev, will loosen the Soviet Union's tight-fisted emigration policy. Indeed, we have witnessed a shocking decrease in the number of Jews allowed to emigrate. In the period 1968–81, total Jewish emigration was 259,619; in the 3 years since 1981, however, this figure has declined to under 5,000. While nothing in Mr. Gorbachev's past encourages us in this hope, we must nevertheless stress that new leadership can also bring new policies.

The bilateral arms negotiations, presently underway in Geneva, can provide the Soviets with the catalyst for a change of course. The success of these discussions are vitally important for both our nations. As we negotiate, however, we must not lose sight of the fact that our long-term relationship with the Soviet Union is predicated on mutual trust and respect. Internationally recognized human rights, which the Soviet Union is obligated by treaty to observe, must be respected if the United States can trust that arms agreements will be honored.

There is a role for human rights discussions within the context of the Geneva talks—whether it is a formal item on the agenda as one of the range of issues that create goodwill between our two nations—or whether it is emphasized in informal discussions with the Soviet negotiators.

We must not be deterred by those who argue that human rights must be kept out of the Geneva talks. Discussion of human rights is not meant to torpedo arms negotiations; it is intended to emphasize the American commitment to the principles of human rights as an important component of American-Soviet relations.

While it is of utmost importance to agree on treaties which reduce the immediate level of tensions between the two superpowers, we cannot ignore other international treaties—such as the Charter of the United Nations and the Helsinki Final Act—which rests long-term peace and security on the humanitarian treatment by nations of its neighbors and its own citizens.

We in the Congress must now recommit ourselves to the cause of Soviet Jewry. Human rights are indivisible—we must speak out for their protection wherever and whenever they are violated. Our vigil provides the opportunity to remember and to speak out for Soviet Jewry. This year may be the best chance we have to realize progress. I pray it will come.●

● Mr. FAZIO. Mr. Speaker, I rise today as a participant in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry with mixed emotions. On the one hand, I wholly support efforts such as this which bring international attention to the plight of Soviet Jews in general and Jewish refuseniks in particular. I join my colleagues and all the groups who work so hard on behalf of these people in hoping and praying that our efforts reach those individuals it affects most: First, the Soviet Jews currently wishing to emigrate; and second, those in the Soviet Government who have the power to change this dreadful situation.

However, I must also be honest in saying there is sorrow that such an event like the congressional fast and prayer vigil must occur, not just once but for this, a third time. I regret to report that I am once again participating on behalf of Fyodor Parasenkov, a refusenik who has been in a Soviet psychiatric hospital since 1974, when he was arrested for suggesting economic reforms. This vigil, two dear colleagues to Soviet officials by my office and countless pleas for his release have yet to secure his freedom. Overall, the situation from our last vigil has worsened. Within the last year, the number of Soviet Jewish citizens who have been allowed to emigrate has reached an historically low level. Less than 900 Jews were allowed to emigrate in 1984. While I am admittedly frustrated, signs such as the overwhelming support of this vigil show that this is a cause that will not die.

In fact, there are signs which are cause for hope: United States-Soviet relations have become increasingly hopeful, arms negotiations are underway, and the President has expressed interest in meeting with a Soviet leader for the first time. This warming of relations underscores the need to raise a strong voice against the oppression which the Soviet Jewish population lives under daily.●

● Mr. FRANK. Mr. Speaker, I'm saddened that once again it is necessary to hold a special order on the plight of the Soviet Jews—one always hopes that the situation will improve there. But the fact is, the situation is only getting worse, and so I am grateful to my colleagues, Messrs. PORTER, LANTOS, MRAZEK, and KEMP, for calling this special order. Obviously there is little we can do directly to change the oppressive policies of the Soviet Union, as many of us know from the frustrating experience of trying to reunite Soviet Jews with their relatives here in the United States. The sorry reality is that in 1984 only 869 Jews were allowed to emigrate, down from a peak of 51,000 only 5 years ago, and behind these statistics are countless tragic stories.

I will mention one of these stories, Mr. Speaker, one drawn from my own district. Tsalo and Khaya Lipchin of Leningrad have been seeking to rejoin their son Leonid, who lives in Brookline, MA, for over 6 years now. One might think these visas would be granted as a matter of course; the Soviet Union is a signatory to the Helsini Final Act, which explicitly provides for family reunification. But the U.S.S.R.'s record of upholding that agreement has been abysmal. I have contacted Soviet officials on numerous occasions regarding this and other cases in which individual's rights are flagrantly denied. I and 66 of my colleagues sent letters to Messrs. Chernenko, Dobrynin, and Kuznetsow on behalf of the Lipchins, all to no avail. Last year at this same vigil I "adopted" the Lipchins as an act of solidarity. This yaar I will do the same, for the injustice has not yet been corected. I hope that by this time next year

I will be able to tell this body that the Lipchin family has been reunited in freedom.●

● Mr. LEHMAN of Florida. Mr. Speaker, I am pleased to join my colleagues today in participating in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry. It is vital that each one of us continues to reaffirm a strong commitment to those Jews in the Soviet Union who are denied the right to practice their religion or to emigrate. We have witnessed a drastic decline in Soviet emigration from a high of 51,320 in 1979 to the 1984 total of 896.

I am hopeful that human rights will take its part in the arms control negotiations finally begun between the United States and the Soviet Union. Our Government must place this issue on its agenda not only to express our commitment to human rights but to question Soviet disregard for abiding by its international agreements.

With the ascension of Mikhail Gorbachev as the new leader of the Soviet Union, I would hope that a new era of improvement for treatment of Soviet Jews might develop. Mr. Gorbachev clearly has the opportunity to take this step toward improving United States-Soviet relations.

One case of great interest to me is that of Alex Joffe. He, his wife, and two children, have been refused exit visas for the past 8 years.

Mr. Joffe was appointed associate professor of applied mathematics at the Moscow Institute of Automobile and Road Building. He held this post from 1972 until 1976, when he applied to emigrate. On application, he was immediately demoted and deprived of his teaching post. He now works as a researcher at the same institute.

My granddaughter and the Joffes' daughter, Anna, have corresponded with each other about their hopes and dreams. This year, when Rebecca had her Bat Mitzvah, she was "twinned" with Anna.

I will continue my efforts to see that the Joffe family is granted permission to emigrate. We in Congress must continue our efforts on behalf of all Soviet Jews who are denied the right of practicing their religion freely. We must not allow ourselves to remain silent until all Jews who wish to emigrate may do so and until anti-Semitism toward Soviet Jews is stopped.●

● Mr. MORRISON of Connecticut. Mr. Speaker, today I join many of my colleagues in the House and Senate in participating in this year's congressional fast and prayer vigil on behalf of Soviet Jewry. We are honored to have over 200 rabbinical leaders from around the country join us in this important event.

In view of the arms control discussions now taking place between United States and Soviet officials in Geneva and the recent transition in Soviet leadership, it is particularly fitting that we take this time to demonstrate our support for Soviet Jews.

As we are all very well aware, last year saw an all time low in Jewish emigration. Emigration fell from its 1979 figure of 51,320 to 896 in 1984, in part due to recent changes in application procedures. The applications now require the disclosure of the names of all relatives, placing relatives under the Soviet Government's scrutiny along with the applicant. Many of these applications are held up in the review process so that the applicants are left waiting for months while the Soviet Government claims to be processing their request to emigrate to Israel. In the meantime, they are dismissed from their jobs and forced to take menial jobs or risk criminal prosecution. Sometimes their children are expelled from colleges or universities or their personal property is confiscated.

This year, as in the last 2 years, I will be fasting in support of Iosef Begun, a Soviet Jewish activist and teacher of Hebrew. Dr. Begun's case first brought to my attention in 1983 through letters sent to me by several youngsters in my district who attend the school at Congregation Mishkan Israel in Hamden, CT. I have been writing letters both to him and to the Soviet Government on his behalf ever since then. This is all part of the congressional coalition for Soviet Jewry's adoption program.

Dr. Begun, a mathmetician by profession, originally applied for an exist visa to emigrate to Israel in 1971. Ever since then, he has been harassed by the Soviet authorities; he has been arrested and exiled three times on charged of very dubious validity. In 1983, he was sentenced to 5 years of internal exile from his home and 7 years in prison for the crime of anti-Soviet agitation and propaganda, the harshest sentence possible for this offense. The most recent information I have been able to obtain concerning Dr. Begun is that he is still being interned at the Perm Camp Complex, where only political prisoners are held.

I am honored to be able to participate in this year's congressional prayer and fast vigil for Soviet Jewry and to do so with our Nation's most distinguished rabbinical leaders. The Soviets, blatant disregard for human rights must not go unnoticed and unopposed. Let us hope that this year, 1985, will mark the beginning of a warming trend between United States and Soviet relations and that the renewed discussions will create an atmosphere conducive to making progress in the area of human rights.●

● Mr. McGRATH. Mr. Speaker, Congress has traditionally lent its support to the struggle of Soviet Jews by holding a call to conscience vigil the past 2 years. I have proudly participated in this event which focuses attention on these prisoners of silence; human beings a society attempts to eliminate from within while denying their existence to the rest of the world.

Support for this year's call to conscience is especially urgent. The Government-sponsored Anti-Zionist Committee has been relentless in its attack on Soviet Jews as anti-Semitic articles have appeared in state publications, virulently anti-Semitic books have been critically acclaimed and recommended in the Soviet media and television programs have been broadcast which feature Soviet Jews as CIA operatives. The Government has stepped up its attack on the Israeli Government and its policies, as well, no doubt to further ostracize those who wish to emigrate there. Emigration has plunged to its lowest level since 1963. Under 1,000 Soviet Jews seeking exit visas were permitted to leave last year.

During the August 1983 recess I visited with approximately 30 refuseniks. I believe the story of one young man, Iosif Radomiselsky, is representative of the plight of all those struggling for freedom.

I met Iosif in Leningrad where he lives with his elderly and infirmed parents who are also refuseniks. He is trained as a computer engineer. However, since 1979 when he first applied for permission to emigrate to Israel, he was forced to leave his career employment and has only been able to find work at odd jobs on a part-time basis. Currently he works as a hospital orderly.

His August 1979 refusal was based on his studies at the Leningrad Military-Mechanical Institute. He was refused at 6-month intervals since that time until December 1982. It was then that Iosif received a final refusal, notification that he will never be granted permission to emigrate, and that he may not reapply for an exit visa. At 31 years of age the prognosis for the remainder of Iosif's life is as a pariah of Soviet society.

Remarkably, Iosif is undaunted. He is self-taught in Hebrew and teaches the language, and Jewish history and culture to others in the Leningrad refusenik community. He lives with the knowledge that at any time he may be arrested on trumped up charges as a result of his activism. Yet, Iosif Radomiselsky has no fear.

He radiates a love of freedom and the Jewish tradition he has labored to keep alive. His mind is quick, his sense of humor irresistible, and his courage inspiring. Despite cultural deprivation, the Jewish spirit flourishes among the refuseniks of Leningrad, in large part due to Iosif's leadership.

Soviet attempts to extinguish a yearning for freedom have been ruthless and massive. A oneness to the past

among this remarkable group of refuseniks has beaten the odds against Soviet terror. Iosif Radomiselsky and his brethren have our respect, our prayers, and our awe.

Mr. Speaker, perhaps with Mr. Gorbachev assuming the leading role in the Soviet Government, we have hope for an improved climate for Soviet Jews. Nevertheless, if past history is an accurate indication, we must redouble our efforts for the sake of hundreds of thousands of individuals who live for the hope of one day enjoying the liberties we Americans take for granted.●

● Mr. BUSTAMANTE. Mr. Speaker, at the time when Soviet-American relations are given front page coverage through reports on the Geneva talks and Gorbachev's accession to power; there is growing alarm among Americans regarding the fate of the third largest Jewish community in the world. The Soviet Union has stepped up its persecution of Jews since the Soviet invasion of Afghanistan, which marked the rapid deterioriation of United States-Soviet relations.

The latest crackdown, which began this past summer, is a concentrated and systematic attack on Hebrew teachers and cultural activists. Several teachers have been searched, threatened, arrested and sentenced to prison and labor camps on trumped-up charges. Their real crime is their active struggle to secure the right to emigrate to Israel or to live as Jews, without discrimination.

The rate of Jewish emigration has been the lowest in a decade and a half, though over 350,000 Jews have begun the emigration process. The tight policies aimed at stemming Jewish emigration have been coupled with efforts to isolate and intimidate Jewish activists; policies aimed at the total obliteration of any vestiges of Jewish religious and cultural identity, and the forced assimilation of Soviet Jews. The official Anti-Zionist Committee is waging a virulent anti-Semitic campaign in the Soviet media. The campaign has featured attacks on individual Jews, Judaism, the Jewish people and the State of Israel. The Soviet Union is, unfortunately, the only great power since Hitler's Germany to use anti-Semitism as an instrument of official policy.

Mr. Speaker, I am concerned about the fate of Josef Golfman, who applied for permission to emigrate to Israel in January 1978, and who was refused permission by the Soviet authorities in December of the same year. The Soviets invoked secrecy as the reason for refusing Mr. Golfman, a chemist, permission to emigrate.

The harassment of Soviet Jews and the refusal of the Soviet authorities to allow their emigration is not just a Jewish or Western issue; it is a fundamental matter of human rights recognized in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the Helsinki Final Act.

Mr. Speaker, we in Congress are deeply concerned about human rights. We urge Secretary Shultz to emphasize human rights matters, including those of Soviet Jews, in his meetings with Andrei Gromyko. Given the current improvement in United States-Soviet relations, it is imperative for America to demonstrate to Moscow that this issue is a fundamental stumbling block on the path of improved relations. The issue should, therefore, be raised at all contact points between the United States and the Soviets. The administration should link trade and other concessions with the Soviets in return for improvements in Soviet respect for human rights.●

● Mr. DIOGUARDI. Mr. Speaker, I would like to thank my distinguished colleague from New York for calling this very important special order. Today's events remind me of something we take for granted in our Nation; freedom.

Freedom is a natural word for Americans. Freedom of speech, freedom to assemble, freedom of religion, freedoms of almost every nature are routinely enjoyed by our citizens.

Tragically, these freedoms and other inalienable human rights are not enjoyed by all of God's children and all too often are systematically denied by repressive governments.

Such is the plight of Jews living in the Soviet Union. The Soviet Government proudly proclaims that Socialism offers the promise of paradise; for Soviet Jews it delivers living hell. Not since the days of Stalin have Soviet Jews been subjected to as much repression, discrimination and brutal violence as they are now suffering from today.

I will speak many times on the subject of Soviet repression and many of my colleagues will discuss that subject during this special order. Today, however, I do not wish to elaborate on Soviet repression, but would rather focus upon this afternoon's congressional fast and prayer vigil.

Today's vigil for Soviet Jewry serves to remind us all of the terrible injustices being perpetrated upon Soviet Jews and also acts as a focal point to speak out against these injustices. The purpose of this vigil is not to simply acknowledge a problem, but more importantly, to encourage action that will bring about a solution.

In the Soviet Union, the cries of its Jewish people fall upon deaf ears. We as representatives of the American people, as representatives of the U.S. Government and as defenders of the American ideal must hear those cries and respond to them. We offer the brightest hope for increased emigration and improved human rights for these deprived citizens of the Communist state. We must never remain silent on this issue. Silence woud seal a terrible fate for those people desperately in need of help. We must use every opportunity to convey our sentiments and our outrage, which we know to be justified and right, to Soviet officials.

To borrow the words of our President on another important issue of today. "If not us, who? If not now, when?"

As the arms talks progress in Geneva, let us remind the Soviet negotiators of our concern for Soviet Jewry, emigration, and human rights. Let us push the Soviets to adhere to their acceptance of the United Nations Declaration of Human Rights, the Helsinki accords, and the concluding document of the Madrid followup meeting on the Conference on Security and Cooperation in Europe. It is our moral obligation to press for these basic principles of human rights.

Finally, this week I am proud to have adopted three refuseniks and look forward to working toward their successful emigration from the Soviet Union. In today's vigil, I participated on the behalf of one of those three, Osip Lokshin.

I ask unanimous consent to include the story of Osip Lokshin in the RECORD so that my colleagues and many others will be better able to understand not only what he suffers from, but what thousands of other Soviet Jews must experience themselves.

Thank you. Mr. Speaker, on May 30, 1984, Osip Lokshin returned home to his family in Kishinev upon completing a 3-year labor camp sentence for allegedly violating public order and defaming the Soviet state. Osip's arrest and conviction were the culmination of his attempts, since 1979, to receive an exit visa to Israel for him and his family. His applications to emigrate have been denied on the grounds he has insufficient kinship in Israel.

In the fall of 1980, Lokshin, long-term refusenik Vladimir Tsukerman and several other Kishinev activists publicly declared their intention of staging a hunger strike to coincide with the opening of the Madrid Review Conference of the Helsinki accords on November 11, 1980. On October 15, 1980, Lokshin, Tsukerman, and another refusenik were arrested in a telephone booth while awaiting a call from Israel. A letter written to the members of the Madrid Conference was taken from Lokshin. They were warned not to accept calls from abroad and then released. Two days later Lokshin, Tsukerman, and four other activists were arrested at work, warned not to maintain contacts abroad and released after a few hours.

In the spring of 1981, 14 Kishinev refuseniks, including Lokshin and Tsu-

kerman, wrote to the leading Moldavian newspaper, the KGB and the OVIR, informing them of their plan to hold a march of protest on May 30. They explained that they meant to protest the violation of the emigration law and their right to emigrate by the Ministry of Interior Affairs of Moldavia.

On May 14 and 15, 1981, four of them including Lokshin and Tsukerman were summoned to the KGB and warned not to carry out their plan. However, on May 30, the march took place with about 50 activists participating. All were arrested, held from 5 to 7 hours and interrogated about the march and its organizers. All except Lokshin and Tsukerman were released. The two were accused of alleged organization of, or active participation in, group actions which violate public order, under article 203-3 of the Moldavian Criminal Code, and held in Kishinev prison.

They were both convicted in a September 22, 1981, trial in Kishinev and each was sentenced to 3 years in a labor camp.

Lokshin was released in July 1984, and the latest information I have been able to obtain on him came in November. As of that date, Lokshin has been unable to find work since his release from prison. He has returned to Kishinev, and his son Mark had been called for military service on November 15, 1984.●

● Mr. LUNGREN. Mr. Speaker, I rise today in hopes to bring to the attention of this body and the entire Nation the plight of many Soviet Jews that desire to emigrate to the Soviet Union. In a free society such as ours, there are very few issues that touch us as directly as human beings as the denial of basic rights to those of us who happen to have the misfortune of living under the yoke of totalitarian rule.

For several years, I have had the opportunity to correspond with a Soviet refusenik by the name of Leonid [Ari] Volvosky. As a graduate of the Gorky Polytechnical Institute's Department of Computers, he earned a Kanidat degree at the U.S.S.R. Academy of Sciences, in Moscow. Before filing for an exit visa to Israel in December 1973, he was employed as a senior research fellow at the Moscow Research Institute of Complex Mechanization and Automation in Oil and Gas. After applying, he was dismissed from his position and forced to work at various odd jobs.

Since 1979, Mr. Volvosky and his family have been subject to brutality by Soviet authorities and were forced to relocate from Moscow to Gorky, simply because of Leonid's involvement in Moscow's Jewish refusenik circles.

I might add that because of Volvosky's refusenik status, Ami, their 14-year-old daughter is subjected to a considerable amount of harassment and embarrassment.

According to the most recent correspondence I received from the Volvosky's they still reside in the city of Gorky. Despite the fact that Gorky's Jewish population is officially discouraged from practicing religion, Mr. Volvosky has continud to exercise his beliefs in a manner that reflect great religious commitment and individual perserverance.

Mr. Speaker, the situation of Ari and his family should remind us the nature of the Soviet regime. I would caution those who believe that a new Soviet leadership will bring about overnight change in relations between the United States and the Soviet Union. Some American policy makers will believe uncountable things to avoid believing the depressing truth about the internal repression of the Soviet people. According to recent reports by Amnesty International:

> Prisoners have been subjected to ill-treatment in Soviet corrective labour institutions and in prison while awaiting trial during the period under review. Many prisoners of conscience compulsorily confined to psychiatric hospitals have been forcibly administered disorienting and pain-causing drugs and some are reported to have been beaten.

And never before in the history of the Soviet Jewry movement has the emigration rate been so low. In 1984, only 896 Soviet Jews were allowed to emigrate. This compares with an emigration high point when 51,320 left in 1979. In fact, emigration was higher in February 1979 alone, at 3,287, than the total over the past 12 months.

Mr. Speaker, as a nation which subscribed to the principles contained in the Helsinki accords, it is incumbent upon us to insist that the Soviet Government be called to task for its refusal to act in good faith on the principles contained in that document. Since those within the Soviet Union itself are unable to do so because of the denial of even basic human rights in that signatory nation, those of us in the freer half of the world must bear this moral responsibility.●

● Mr. WORTLEY. Mr. Speaker, the Third Congressional Fast and Prayer Vigil for Soviet Jews is a tangible and significant sign of this country's continued concern for the plight of Soviet Jews, and I am proud to participate in it. We must continue to stress to the Soviet leadership that its treatment of its Jewish citizens violates their human rights, international law, and Soviet treaty agreements.

There is a no doubt that 1984 was a bad year for Soviet Jews who wish to emigrate. The Soviet Government granted permission to leave the Soviet Union to only 896 Jews. At the same time, anti-Semitic rhetoric has increased dramatically, as has repression against those who choose to practice Jewish tradition or who show interest in their Jewish heritage. Hebrew teachers have been the main targets of this campaign of repression because they are a vital link in the teaching and perpetuation of the Jewish faith. The stories of searches, destruction, and rough treatment by Soviet officials are alarming.

The difficulties faced by Soviet Jews wishing to emigrate or to practice their faith in peace are tremendous. The problems are general, but for the people affected, they are also very personal.

In an effort to help an individual facing the difficulties of emigration, I have adopted a refusenik, Evgeney Skrynnick. Evgeney is an engineer and a graduate of the Technical Institute in Kalingrad. Evgeney is single and currently lives in Moscow. His mother and sister and her family have emigrated to San Francisco, and his brother is an activist in Moscow.

Evgeney applied to emigrate from the Soviet Union in January 1978 and was refused in July 1978. He was refused again in January 1979.

The purpose of this vigil and of our efforts on behalf of Soviet Jews is to promote the observance of human rights and freedoms, including the freedom to emigrate. I do not think that the importance of these efforts can be overstated.●

● Mr. DONNELLY. Mr. Speaker, less than 900 Soviet Jews were allowed to emigrate in 1984. The situation cannot get much worse for Jewish families in the Soviet Union. A vicious state-sponsored campaign of anti-Semitism is underway against Soviet Jews who seek to practice their religious heritage and pass on the faith and legacy to their children. Often, blatantly false criminal charges are brought against refuseniks whose only crime is the desire to emigrate and be reunited with family living outside the Soviet Union. These brave and embattled people deserve our untiring efforts to call attention to their plight, and to press for their right to emigrate. I commend my colleagues, JOHN PORTER, TOM LANTOS, BOB MRAZEK, and JACK KEMP, for coordinating this year's Congressional Vigil for Soviet Jewry. The bipartisan, overwhelming expression of congressional concern for the oppressed Jewish population in the Soviet Union, as shown today, is testament to the abiding concern of the American people for victims of persecution around the world. The Soviet Government could make no more effective signal to our Nation that they wish a more peaceful world for the future than by responding in a humanitarian manner to the plea of the Jewish population in the U.S.S.R. for the right to emigrate. Time will tell if this plea is heard. Hopefully, the Soviets will grasp this opportunity at this time of

renewed hope for better international relations.

I would like to call my colleagues' attention to the plight of a refusenik family I have adopted. The Maryasins, of Riga, have been subjected to state-sponsored persecution since their daughter, Rita, was allowed to emigrate to Israel in 1972. Alexander Maryasin, his wife, Leah, and daughter, Faina, have attempted to emigrate from the Soviet Union since 1974. Their first attempt to gain exit visas came after Alexander had been without a job for 2 years. His forced unemployment was a direct result of Rita's emigration to Israel in 1972. Since that time, the Maryasin family has been harassed frequently, their home has been ransacked on numerous occasions, and many books and papers have been confiscated. Leah is very ill, and the family's hope to be reunited in Israel has taken on even more urgency because of her failing health. It is cases like the tragic plight of the Maryasin family that demonstrates the incredible cruelty of the Soviets' treatment of Jews wishing to emigrate. What can possibly be gained by causing further grief and suffering to these people? To the Soviet leadership, let our voices be heard loud and clear and constant, "Let These People Go!"●

● Mr. ROBINSON. Mr. Speaker, I am pleased to join with my colleagues today in drawing attention to the plight of the Soviet Jewish community. I commend Representative MRAZEK and my other colleagues who have organized this special order.

Earlier this afternoon, many of us joined together on the west front steps of the Capitol in the Congressional Fast and Prayer Vigil for Soviet Jewry. We gathered to join in solidarity with 2 million Soviet Jews who are being subjected to continuous and unrelenting government harassment and persecution. Under the direction of the Soviet leaders, Jewish emigration levels have slowed to a trickle. Anti-Semitic statements by government officials are increasingly common and virulent. Hebrew teachers have been arrested, assaulted, and imprisoned on make-believe charges. Opportunities for Soviet Jews to enter universities or advance in their chosen careers have been cut short.

An example of how Soviet policy is oppressing Jews is Victor Brailovsky, a cyberneticist from Moscow. Victor played a major role in foundering the samizdat, or underground, journal, "Jews in the U.S.S.R." and was a leader in its production until it was forced to cease publication in 1979. Victor, his wife Irina, and his son and daughter, originally applied to emigrate from the Soviet Union in October 1972, but they were told that only Victor and his son could emigrate, as Irina had knowledge of state secrets. The San Francisco Chronicle published a letter from Irina in 1980 explaining what the Brailovsky family decided to do. "After long and painful indecision, we decided that Victor would leave with our son while I remained behind with my daughter and aged mother. With this decision, we went to the visa office. But no visa was forthcoming. We wrote a new declarations; once again we obtained all the necessary papers, but these only seemed to disappear in the bureaucratic maze."

After the Brailovsky's applied for exit visas in 1972, their telephone and mail service was cut, their apartment was placed under KGB surveillance, and both Victor and Irina were fired from their prestigious jobs. On April 10, 1980, on the eve of a scientific conference organized by Victor and other Jewish scientists who had been fired from their jobs, Victor was arrested for being involved with "Jews in the U.S.S.R." Although he was later released, the surveillance continued.

On November 13, 1980, 2 days after the opening of the Madrid Conference, policemen arrived at Victor's apartment with a warrant to search his belongings and take Victor for questioning. He was led away and held incommunicado. In mid-January 1981, Irina was informed by the head of a prison where Victor was being held that Victor was ill and receiving medical treatment. In March 1981, Vladimir Molokov, deputy chairman of an executive committee of the Moscow City Council came to the Brailovsky's apartment to tell Irina that the scientific meetings which were hosted by the Brailovsky's for Jewish scientists would have to end. If she refused, Molokov told her the family would be banished from Moscow.

On June 18, 1981, Victor Brailovsky was sentenced to 5 years of internal exile. He was convicted on charges of defaming the Soviet state in "Jews in the U.S.S.R." The only evidence presented at his trial were copies of two letters which Brailovsky allegedly wrote in 1976 to President Carter and the American Congress seeking support for Soviet Jews to emigrate. In September 1981, Victor arrived at his place of exile, Mangyshlakskaya Oblast in Kazakhstan, a place known for its isolation and harsh weather. He is now living in a wooden shack with no running water and is confined to the shack at 7 each night. If he leaves the shack more than three times in one evening, he will be sent to a labor camp. In August 1982, Victor was eligible for early release, but this request was denied in September 1982.

While the story of Victor Brailovsky fills us with anger, we are even more outraged at the fact that he is just one of hundreds of thousands of Soviet Jews who each day must struggle to maintain their heritage and religion. Today there are less than 60 synagogues in all of the Soviet Union. The teaching of Hebrew has been prohibited. All rabbinical seminaries have been closed. It is illegal to possess Jewish scriptures or prayerbooks. Jewish cemeteries have been vandalized. KGB agents continue to place Jewish dissidents under surveillance. The Soviet Government is continuing its policy of organized systematic persecution of Jews.

It is because of this oppression that we are here today, to speak for those who have no voice, to draw attention to those who some would have us not see. The struggle by Soviet Jews for religious and human rights continues and we, in the Congress of the United States, stand with them. As a member of the congressional coalition for Soviet Jewry, I join with my colleagues in demanding an end to the anti-Semitic policies of the Soviet Union.●

● Mr. KEMP. Mr. Speaker, I'd like to thank the National Conference on Soviet Jewry and the Union of Councils for Soviet Jews for helping to organize the annual Congressional Fast and Prayer Vigil. This is the third year that I am participating on behalf of Vladimir Feltsman and his family and I pray that this will be the last time. Vladimir is a world-renowned pianist who has been forced into obscurity as a result of his desire to emigrate from the Soviet Union.

Congress conducts this annual vigil because the United States is the acknowledged leader of the free world and as such we have a duty to maintain the tradition of freedom, in our country and abroad. Our system of democracy is a blessing, and it is also an obligation—the obligation to see that all human beings have the opportunity for equal freedom.

We Americans have a moral and legal commitment to guarantee that individual rights are honored, as do the soviets. We are both, with other countries, signatories to the Helsinki Agreements of 1975.

A decade has passed since the signing of the Helsinki documents, and we think it is time that we demand that the Soviets keep their part of the bargain. Now is the ideal moment to push for increased emigration, now, when we are back at the negotiating tables with the Soviets. In fact, I feel so strongly about this that Senator MOYNIHAN and I garnered the support of the majority of Congress and wrote to the President asking for separate negotiations with the Soviets on the issue of Jewish emigration.

Emigration is something to be hoped for, and prayed for, and worked for. I shall continue to make this issue a priority, as it is for Vladimir Feltsman, for Lev Shapiro, for Anatoly Shcharansky, Ida Nudel, and countless others

who live for the day they will be permitted to emigrate and be reunited with their loved ones and permitted to practice their chosen religion.

Let us hope, and pray and work toward the goal of making this the last year that we must have our congressional fast and prayer vigil on behalf of Soviet Jews, and that next year they will no longer be Soviet Jews, but free men and women.●

● Mr. BLILEY. Mr. Speaker, the crisis facing Soviet Jews today is more terrifying than anything that has happened since World War II when Hitler's legions swept into the Soviet Union and slaughtered many thousands of Jews.

For the past 5 years, this crackdown, known as the Brezhnev pogrom, has resulted in a precipitous drop in Jewish emigration from the Soviet Union. In fact, there were 51,321 emigrations in 1979 and only 896 in 1984. This is a startling fact. These people are being oppressed so badly in their own country that they have no choice but to leave, yet they are then told that they cannot leave.

The shocking reduction in exit visas to which I referred is a direct and flagrant violation of the Helsinki Final Act that the Soviet Union negotiated and signed on August 1, 1975. Now, 10 years later, we can see the sincerity with which they signed this solemn and legal treaty among 35 nations.

Unfortunately, the question of freedom of movement and emigration is not the only violation of the human rights of Soviet Jews. Many Jews have been arrested or harassed by the secret police and the KGB for no apparent reason other than the fact that they are Jews and were born in the Soviet Union. The teaching of Hebrew has been declared to be illegal in the Soviet Union.

It warrants no special insight to understand the future for Judaism in the Soviet Union if rabbis cannot be trained, if bar mitzvas cannot be conducted, if the Passover seder cannot be recited, and if kosher food cannot be prepared because it is against the law to teach Hebrew. This heinous action by the Soviet authorities will make Judaism illegal. It will mean the end of Soviet Jewry because anyone caught practicing that religion can be sent to the Gulag or to a psychiatric hospital for the crime of anti-Soviet behavior.

I am both moved and disturbed that I can stand in the U.S. House of Representatives to call attention to this situation. I only wish that people throughout the world had these freedoms. We should all feel grateful that our Founding Fathers gave us the principles for which this Nation stands so that they can become universal for all men.

Because of the strength of my convictions on the inherent rights of Soviet Jews and the fact that the Soviet Union has agreed that all men have these rights. I have adopted a family of refuseniks. The family of Valery, Janna, and Igor Lerner has been denied permission to leave the Soviet Union since 1976. Valery and Janna have both been forced to leave their jobs and are currently destitute. They are being threatened with removal from their home in Moscow because they do not have jobs. This is a perfect example of the real life catch-22 faced every day by the refuseniks.

Mrs. Lerner's mother and sister were allowed to emigrate several years ago. They now live in Richmond, VA, and joined me when I announced that I was adopting the Lerner family. The reunification of families is one of the major provisions of the Helsinki Final Act and the refusal to grant visas to the Lerners is also a violation of this part of the Helsinki accords. We must not and we cannot stand by and allow the Soviet Union to act this way unchallenged.

I am pleased that so many of my colleagues are participating in the prayer vigil and in this special order. I can only pray that the size of this demonstration will have some impact on the new leadership of the Soviet Union.

As Mr. Gorbachev takes power in the Kremlin I hope that he is sincere in his stated desire for better relations between the United States and the U.S.S.R. I can tell him for myself, for Anna Poluoyaki and Valentina Eydelman, and for many Members of Congress, that a dramatic increase in Jewish emigration from the Soviet Union would be well received and would be seen as a strong indication that Mr. Gorbachev means what he said. I can also tell him that if the Helsinki Final Act continues to be ignored by his government, that we, in America, will never forget and we will once and for all know the value of a Soviet signature on a treaty.●

● Mr. FASCELL. Mr. Speaker, during this critical time for Soviet Jews, and at this pivotal juncture in U.S.-U.S.S.R. relations, I have gladly joined the Convocation of Religious Leadership and Representatives PORTER, MRAZEK, LANTOS, and KEMP in today's timely fast and prayer vigil on the steps of the Capitol. With them and our other congressional colleagues, I renew my commitment to the cause of Soviet Jewry.

As chairman of the Committee on Foreign Affairs and the U.S. [Helsinki] Commission on Security and Cooperation in Europe, I feel a special responsibility to Soviet Jewry. Since its creation by Congress in 1976, the Helsinki Commission has done all that it possibly can to pressure the Soviet Government to fulfill its human rights obligations under the Helsinki accords. For 9 long years we have chronicled the suffering of Soviet Jewry—suffering which has recently intensified.

Physical violence against Jewish activists is on the increase and the Soviet anti-Semitic propaganda campaign has become ominously more virulent. Emigration has plummeted to a trickle. Soviet Jews are denied their most basic cultural and religious rights. It was 8 years ago last week that Anatoly Shcharansky, Jewish activist and founding member of the Moscow Helsinki Group, was arrested for his human rights activity. He remains imprisoned to this day, along with over 20 other Jewish prisoners of conscience. Tens of thousands of refuseniks endure harassment and must live under the constant threat of a similar fate.

The worsening plight of Soviet Jewry weighs heavily on the minds of American Jews and Christians alike as we observe the paschal holidays and recall the Biblical exodus. Mr. Speaker, it has been said that the 10 Helsinki principles governing East-West relations are a kind of ten commandments for Europe. With you, we are sadly aware of the fact that these Helsinki standards of responsible and humane international conduct have been honored by many governments more in the breach than the observance.

It is fitting today that we reaffirm these values and pledge to follow their call to conscience for Soviet Jewry. Together with our NATO allies and sympathetic neutral and nonaligned governments, the United States must use every opportunity to bring the Soviet Union to account before the court of world public opinion for its cruel violations of human rights and fundamental freedoms, holding up the Helsinki accords as a moral beacon. Periodic meetings of Helsinki signatory countries, such as the upcoming human rights experts meeting scheduled to begin in Ottawa on May 7, present important opportunities for the West to plead the case of Soviet Jewry and of others in the U.S.S.R. who are persecuted for their beliefs.

Outside the multilateral Helsinki framework, U.S. officials must continue to emphasize that human rights are an essential component of the totality of our bilateral relationship with the U.S.S.R. The issue of Soviet Jewry must be integrated directly and firmly into the broader United States-Soviet diplomatic agenda. To that end, it is our responsibility to ensure that the issue of Soviet Jewry is raised as we engage the new Soviet leadership on matters of mutual interest ranging from trade to arms control. We in Congress recently took advantage of such an opportunity during the visit to Washington earlier this month of a high-level parliamentary delegation from the Soviet Union led by Politburo member and Ukrainian First Party Secretary Vladimir Shcherbitsky. Our congressional group voiced its deep

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and abiding concern for Soviet Jews and stressed the importance of this issue to improvements in our bilateral relations.

In closing let me say that while there is no guarantee that our efforts to help Soviet Jewry will succeed, one thing is certain; nothing will be accomplished if we stop trying. We will not have done enough for Soviet Jewry until the day comes when Soviet Jews are free to profess and practice their religion, to preserve their cultural heritage, and to exercise their right to emigrate. Until then, we in the Congress must and will persevere in our efforts.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join my colleagues in calling attention to the desperate plight of Jews living in the Soviet Union, in conjunction with the Third Congressional Fast and Prayer Vigil for Soviet Jewry.

Today nearly 400,000 Jews who have indicated their desire to emigrate to Israel and practice their religion in freedom are being held hostage by the Communists. In recent months arrests, harassment, and officially sanctioned anti-Semitism have increased and emigration has fallen off significantly. During the last 10 years, emigration has dropped from a high point of 51,320 in 1979 to 896 in 1984, and I would like to share with my colleagues a listing of Soviet Jewry emigration from 1965 to 1984 which demonstrates dramatically that the Communists are moving toward sealing shut the emigration door. These figures follow:

Jewish emigration from the U.S.S.R.

1965–June 1967	4,498
Oct. 1968–1970	4,235
1971	13,022
1972	31,681
1973	34,733
1974	20,628
1975	13,221
1976	14,261
1977	16,736
1978	28,864
1979	51,320
1980	21,471
1981	9,447
1982	2,688
1983	1,314
1984	896

Prisoners of conscience, like Anatoly Shcharansky and Josef Begun, and scores more languish in Soviet jails and work camps. Perhaps no recent incident is more representative of the brutality of the Communists than that of the beating of Josheph Berenshtein of Kiev. He received a 4-year sentence on December 12, 1984, on trumped-up charges solely because he desires to emigrate to Israel. In prison, he was beaten so severely by the Soviet authorities while in custody that one eye had been gouged out, and he has lost sight in the other eye as well.

Despite these cruel acts of the Communists and the most tormenting of circumstances, prisoners of conscience and refuseniks remain steadfast to their ideals. These brave men and women have become a symbol of strength and a source of inspiration for hundreds of thousands of Jews in the Soviet Union, and indeed for all people throughout the world trying to escape the yoke of Communist oppression.

Because the current situation is so severe, I have joined with my colleagues in the House of Representatives and the Senate to urge the President to call upon the Soviet Union to enter into discussions dealing solely with the emigration of Jews from Russia and the immediate release of all Jewish prisoners of conscience.

In addition, because there is uncertainty about the destiny of Soviet Jewry under the new leadership in the Kremlin, I joined with my colleagues in the House of Representatives and the Senate in contacting the new Secretary-General of the Communist Party of the Soviet Union, Mikhail Gorbachev to urge that his government reconsider its atrocious policies and human rights violations against Soviet Jews. Copies of these letters follow:

Hon. RONALD W. REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: The people of the United States share a tradition of moral commitment to the cause of freedom throughout the world. It is a tradition that we, as elected officials, have a special obligation to uphold.

American history is the history of a nation that sees its national purpose bound up with the ideal of freedom. This concept has inspired Americans for more than 200 years.

Over the past years both you and the Members of Congress have therefore pressed for the right of emigration for Soviet Jews and for the release of those "prisoners of Zion" imprisoned by Soviet authorities for seeking freedom.

Despite these efforts, nearly 400,000 Jews who have indicated their desire to emigrate are still being held hostage. The Iron Curtain has slammed shut on Jewish emigration from the Soviet Union.

"Prisoners of Zion" like Anatoly Shcharansky and Iosef Begun languish in Soviet jails and work camps. Recent months have seen additional arrests. This persecution has reached a new high just as a generation of young Soviet Jews insists on its tradition of living proudly as Jews.

That the Soviet Union has rebuffed our efforts to deal with this issue now argues for a direct attempt to bring this painful chapter in human history to a speedy and favorable conclusion.

We urge you, Mr. President, to call upon the Soviet Union to enter into discussions dealing solely with the free emigration of the large number of Jews who seek to leave the Soviet Union, and with the release of the 'prisoners of Zion,' in keeping with the Helsinki Final Act of 1975.

The Soviets should be required to adhere to those provisions which would provide for the removal of all obstacles to emigration for those who wish to apply.

Keeping faith with American history demands no less. Americans of all previous generations have placed the responsibility of working for freedom squarely and confidently on our shoulders.

We pledge you our support in pursuing this historic task.

Secretary-General MICKAIL GORBACHEV,
CPSU, The Kremlin, Moscow, RSFSR, U.S.S.R.

DEAR MR. GORBACHEV: We congratulate you on your appointment as Secretary-General of the Communist Party of the U.S.S.R. During recent months, your predecessor, Secretary-General Chernenko, and President Reagan both expressed interest in improving U.S.-U.S.S.R. relations, and we believe the meetings in Geneva are a good step in this direction.

As you assume your new position, we urge you to make another important gesture of your commitment to improving relations. We urge you to review your government's policies toward the Jewish community.

Many of us in the U.S. Congress consider the Soviet Union's record on the treatment of the Jewish community to be disconcerting. Last year only 896 Soviet Jews were allowed to emigrate, while thousands of families were denied exit visas. In 1979, by contrast, 51,320 Jews were allowed to leave the Soviet Union.

During the past year, we in the Congress have raised our voices in support for Anatoly Shcharansky, Ida Nudel, Zachar Zunshine, Yakov Gorodetsky and others who hae been denied their fundamental freedoms.

An improvement in this area would make a favorable impression on the opinion of American policymakers concerning your government's sincerity in its expressed desire for improved relations.

Out of a strong desire for a long-lasting peaceful relationship between the U.S. and U.S.S.R., we hope that you will give careful consideration to this matter.

Mr. Speaker, on this third congressional fast and prayer vigil, let us pledge to do everything in our power to pressure the Soviets to allow Jews to practice their religion and to emigrate from the Soviet Union without fear of reprisal. Let us condemn the Communists' conduct in the strongest possible terms for violating international obligations to which the Soviet Union had agreed as a signator of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Final Act.

I join with my Jewish friends in the 11th Congressional District of Illinois, which I am honored to represent, in Chicago, and throughout the world, as we hope and pray that human rights violations against Soviet Jews cease, and that they be allowed to practice their religion in freedom without fear of persecution.●

● Mr. BEILENSON. Mr. Speaker, as we observe the third congressional fast and prayer vigil for Soviet Jewry, I would like once again to bring my colleagues' attention to the plight of Zina and Arkady Abranzon.

In November 1980 the Abranzons, who had planned to apply for exit visas, were found guilty of the crime

of possession of resources under Soviet law. Arkady Abranzon was sentenced to a prison term of 14 years; his wife, Zina, received a 6-year sentence.

I was delighted to learn recently that Zina has been released from prison and is now living with relatives in Odessa where her husband is still detained. It also appears that Arkady's prison sentence has been reduced by 4 years.

However, I strongly believe that only by releasing Arkady and finally granting the Abranzons permission to emigrate will the Soviet Union indicate to the world its respect for the principles outlined in the Helsinki accords and affirm its desire to improve the strained relations between the United States and the U.S.S.R. Such action would be particularly significant coming at the beginning of Secretary Gorbachev's administration and would serve as a statement of his government's commitment to human rights.

I fervently hope that Secretary Gorbachev will make it a top priority of his new administration to reverse the drastic decline in Soviet Jewish emigration and to reduce the increase in anti-Semitism and abuse of Soviet Jews which has become so pervasive in recent years.●

● Mr. STRATTON. Mr. Speaker, I am delighted to have this opportunity to join with my colleagues and other members of the congressional coalition for Soviet Jews in the third annual congressional fast and prayer vigil for Soviet Jews.

I will keep my remarks brief but I would note that the emigration figures tell us a dramatic story continuing repression and discrimination against Jews in the Soviet Union. According to a Congressional Research Service report, between 1968 and 1981 almost 260,000 Jews emigrated from the Soviet Union. Since 1981, however, less than 5,000 Soviet Jews have been allowed to emigrate. This figure fell to a historical low of less than 900 people in 1984. Jewish people are not being able to join their families in Israel or here in the United States, and many more are being jailed in the U.S.S.R. for their dissent, solely because of their request to let my people go.

One of these people, Boris Chernobilsky, is the refusenik I have adopted:

Background: Boris Chernobilsky and his family first applied for an emigration visa in 1975. After his request was denied in 1976, Boris lost his job. In October of 1976 Boris took part in a peaceful demonstration and ended up in jail for 15 days. Participation in an activists gathering outside Moscow in May 1981 resulted in Boris' being accused of "beating a policeman." Chernobilsky, maintaining that the charges against him were false, refused to appear in court. Instead, he wrote a letter to Secretary Brezhnev explaining his position. Not surprisingly he was convicted and sentenced to 1 year in a labor camp. Boris' wife Elena teaches Hebrew school. In early 1983 Boris was released and he returned to Moscow.

Mr. Speaker, emigration policy is very sensitive to the climate in United States-Soviet relations: When relations are better than usual, the emigration policy improves, when relations worsen, such as after the invasion of Afghanistan or the Korean Airline bombing, the policy on outmigration is restricted.

I know I share the hopes of many of us in Congress and throughout the United States that with the new, relatively youthful and vigorous leadership of Mikhail Gorbachev, will improve United States-Soviet relations and that this in turn, will lead to productive talks on arms control in Geneva, and in improved Soviet emigration policy. Accordingly I have signed the letter to President Reagan urging that the Soviet Jewish emigration issue be included in the arms talks, and I sincerely hope that it is.

So I commend the gentleman from New York [Mr. MRAZEK] the gentleman from Illinois [Mr. PORTER] the gentleman from New York [Mr. KEMP], and the gentleman from California [Mr. LANTOS] for their hard work with the congressional coalition for Soviet Jews, and reaffirm my deep commitment to the cause for Soviet Jews.●

● Mr DWYER of New Jersey. Mr. Speaker, I am especially grateful to participate in the third annual congressional prayer vigil for Soviet Jewry, an event in which I have participated since its inception. This day has become an important landmark in that it serves to focus attention on the plight of the refusenik who is pursuing a dream of freedom in a daily struggle for human rights.

Today, we are commemorating those people who have demonstrated their persistent struggle for freedom in spite of endless oppression. The inexhaustable determination that these people have shown in their struggle for independence is a true indication of their love for the freedom of which they have been so unjustly deprived.

Let us remember the plight of the refusenik, a human servant of the state with virtually no rights. Privileged as we are to living in a democratic society, we often take for granted the freedom of speech, thought and worship. Once again, I would like to take this opportunity to single out the Rozenshtein family. The family has been denied permission to emigrate since 1974, yet they refuse to give up hope. Grigory and Natalia, along with their two sons, Mikhail and Efraim, live in a constant state of torment and danger, indeed we know they are not alone.

At this time, I think it only befitting to mention Marina Shenderovich, a 25-year-old refusenik. Marina, a former biology student who was expelled from Moscow University in 1981, may be the recipient of a full academic scholarship at Rutgers University. As a result of her emigration request, Soviet authorities had her expelled from the university where she was preparing for a medical career.

The Helsinki accord has served as a tremendous source of encouragement and inspiration to the oppressed. Although I regret to say that the pleadings of the refusenik have not been met, their appeals will not be silenced. To do so, however, they will need our continuing support.

Today, we have before us the golden opportunity to bring human rights to the forefront. With new Soviet leadership, we can offer these people a sign of hope and continue to defend and advocate the cause of freedom.●

● Mr. ROE. Mr. Speaker, I rise today to join my colleagues who are participating in this special order on the occasion of the Third Congressional prayer vigil and fast for Soviet Jewry.

There is a renewed sense of urgency to act and speak up on behalf of the Jews of the Soviet Union; 1984 was an abysmal year for the Jews of the Soviet Union. A total of 896 Jews were granted permission to leave the Soviet Union, a continuation of the downhill trend of emigration for Jews who desire to exit the country. Compared to years of high emigration, such as 1979 when 51,320 Jews were able to leave the Soviet Union, the number becomes minute.

The most ominous development, however, relates to the situation within the Soviet Union for the Jewish community. There has been a marked cultural crackdown on those Jews who choose to practice Jewish tradition or show a renewed interest in their cultural heritage. For this reason, then, the Soviet Union has focused its campaign on the most obvious perpetrators of this new movement: the Hebrew teachers. Not only do these individuals commit the "crime" of instructing Zionistic propaganda, but they teach a language that the Soviet Union refuses to admit exists.

Since mid-July, the number of arrests, threats, and imprisonments, has been directed against the Hebrew teachers in order to intimidate them from continuing their effort to educate the Jewish community throughout the many cities of the Soviet Union.

Mr. Speaker, the following incidents reflect the tragic situation confronting the Hebrew teachers living in the Soviet Union:

Yuli Edelshtein.—After having his apartment searched and Hebrew books and ritual objects confiscated, Yuli was arrested in September of 1984. He was charged with the possession of planted narcotics by the KGB. While imprisoned, on December 1, 1984, he began a hunger strike. Edelstein was

tried December 19 in Moscow, in a trial that few of his relatives or friends were allowed to attend. He was sentenced to 3 years in a labor camp, under the stated crime of possession of drugs.

Alexander Kholmiansky.—Also a resident Moscow Hebrew teacher, Alexander was charged with "hooliganism" and "possession of a gun" with his arrest during the summer of 1984. He has been on a hunger strike since September 13, and is being force fed every 3 days. He awaits his trial which is some time this month. His hunger strike was a protest of the fact that he had to share his tiny cell with a murderer, another act of intimidation of the Soviet Union.

Mark Nepomniashchy.—Arrested on October 12, 1984, when he went to Moscow to protest the imprisonment of Hebrew teacher Yakov Levin, the fiance of his daughter Yehudit, Mark was charged with "defaming the Soviet state." After being released from psychiatric detention, he was returned to an Odessa prison and was determined fit for trial.

Yakov Levin.—Arrested a week before he was to marry fellow Hebrew teacher Yehudit Nepomniaschy, Yakov was sentenced in November to 3 years imprisonment for "defaming the Soviet state." His fiance has been repeatedly threatenedly as well.

Yakov Mesh.—Upon Yakov's arrival in prison, he was beaten severely and suffered extensive liver damage. He was rushed from Odessa to Moscow in late December for hospitalization. Recently he was discharged from the hospital and returned to his wife. He is suffering from sepsis meningitis and is reportedly weak and listless.

Yosef Begun.—In October 1983, Yosef was sentenced to 12 years of imprisonment. He was a leading Jewish educator, though of course unofficial, in Moscow at the time. This step by the Soviet Government was clearly the first step of many to come, in the repression of teachers of Jewish culture and Hebrew language. His charge was "anti-Soviet agitation and propaganda," an ominous note for one who had devoted himself to the spread of Jewish awareness and education. Still serving his prison term, he has been reportedly placed in solitary confinement and is not well.

Mr. Speaker, in closing, it would do us well to recall the words of the great Jewish sage and rabbi, Hillel:

> If I am not for myself, Who will be for me? If I am for myself only, What am I? If not now, when?

It is our obligation to speak for the Jews of the Soviet Union. America has an obligation to speak for them. The United States has long been a symbol of freedom for the oppressed peoples of the world. It is important that we reaffirm our commitment to this basic principle at this critical time for Soviet Jews. With the recent change in power in the Soviet Union, now would be a timely opportunity to renew our efforts.●

● Mr. FRENZEL. Mr. Speaker, at this time I wish to participate in the congressional vigil for Soviet Jewry. I speak today on behalf of Naum Meiman.

Professor Meiman is a doctor of physics and mathematical science and is internationally recognized for his work on elementary particles. After his first application for an exit visa in 1974, he was deprived of continuing his work in the sciences and denied medical treatment which he had been receiving for many years. At this point, he is believed to be very ill.

Professor Meiman is very outspoken on behalf of Soviet Jews. He actively participated in the now defunct Moscow/Helsinki watch group and has written extensively on the plight of Soviet Jews. He has been threatened by Soviet officials that he will be arrested if he does not abandon his activities.

I am told that the original reason given for the denial of Professor Meiman's visa was that 27 years ago he had access to classified calculations. These calculations have long been unclassified by Soviet scientists and were recognized as such in 1975.

In recent years Professor Meiman's wife, Inna, has suffered from a brain tumor. It is the opinion of her husband and her friends that she must receive care that is only available to her outside the Soviet Union.

It is increasingly critical that Professor Meiman and his wife be granted exit visas not only for the reason that it is their right, but also for humanitarian medical reasons. They are hopeful that all those individuals sympathetic to the plight of Soviet Jews will hear their pleas and join in the appeal to Soviet authorities on their behalf.

These rights focus on individuals like the Meimans because we who participate want to personalize the struggle of Soviet Jewry for its human rights, in this case the right to emigrate. However, it should go without directly saying that our efforts and our commitment are in behalf of all Soviet Jews, and indirectly in behalf of the human rights of all people everywhere.●

● Mr. KOLBE. Mr. Speaker, as a member of the congressional coalition for Soviet Jews, it gives me great honor to participate in today's fast and prayer vigil for Soviet Jewry. The rate of Jewish emigration in 1984 was the lowest since 1970: only 896 Jews were allowed to emigrate to Israel. At the same time there was an increase of attacks on Jews still living in the Soviet Union. The teaching of Hebrew, Jewish history and culture has been drastically repressed. And when Jews attempt to teach it they are harassed by the authorities and sometimes physically beaten. Unfortunately, when Jews attempt to emigrate to Israel, they often lose their jobs or are expelled from school, publicly denounced, and their homes are often illegally searched. Their dream of living in the Jewish state is denied and they become one of many so-called "refuseniks".

One such man is Mark Ocherentyanksy. He is a construction engineer who applied for visas for he and his wife to emigrate to Israel in 1981. At first, proceedings went along smoothly and they disposed of their personal belongings, as they are suppose to, including their internal passport. However, in the final steps of applying, they were denied their visas and could not emigrate. As a sign of protest they did not apply for new internal passports. Mark was then arrested in October 1983, for violation of passport regulations and sentenced to 1 year in labor camp. His sentence ended last October, but he has not been released. I hope and pray that if he is still alive he will soon be released.

There are 20,000 other refuseniks in the Soviet Union in similarly desperate circumstances. The future of Soviet Jewry looks brighter due to some recent occurrences. Improved relations between the United States and the U.S.S.R. could lead to higher levels of emigration. In addition, Max Kampelman, who was heavily involved in the writing of the 1975 Helsinki accords on Human Rights, has been appointed as head of the negotiating team in Geneva.

Human rights must never be forgotten. And I am proud to participate in an even, a cause, that will allow the Jewish people of the Soviet Union their right to practice Judaism.●

● Mr. DOWNEY of New York. Mr. Speaker, I am pleased to join my colleagues in this special order marking the congressional prayer and fast vigil for Soviet Jewry.

During the year, many of us participate in events similar to today's on behalf of Soviet Jews, make statements here on the floor of the House, and write letters calling out against the ugly injustices to which Soviet Jews are subjected by their own government. As we all know, the Soviets rarely respond directly to our actions. However, over the last year, we have witnessed a dramatic rise in government sponsored antisemitic activities and a tragic decline in the number of Jews allowed to leave the Soviet Union.

Understandably, the obvious question is often asked—are our actions effective?

I believe that we have reached a critical moment in our relationship with the Soviets. They have made a commitment to change through their se-

lection of Mikhail Gorbachev as their leader. We are once again sitting at the negotiating table in Geneva discussing arms control with the Soviets. Recently, I had the privilege of participating in a congressional dialog with visiting high ranking Soviet officials. At that meeting we devoted one of four separate discussions to human rights and the issue of Soviet Jews.

The Soviets are now apparently willing to talk. We have been diligent in our efforts to raise the issue of human rights with the Soviets. But we must not lose the valuable opportunity that now faces us. We must press even harder to demonstrate this country's fierce concern for the rights of Jews and of all the Soviet minorities to practice their faiths in peace and to freely emigrate if they so desire. We will not relent in our efforts to assist these oppressed peoples.●

● Mr. LENT. Mr. Speaker, today, March 20, marks the Third Annual Congressional Fast and Prayer Vigil for Soviet Jews. This year's vigil was held in conjunction with the convocation of religious leadership for Soviet Jews. We have joined our many voices together to loudly protest the Kremlin's antisemitic policies of oppression and persecution against its Jewish citizens. Our participation in today's vigil demonstrates that we, in Congress, know what's going on, that we care, and that we support Soviet Jews in their courageous struggle for freedom.

Soviet Jews are denied their right to emigrate, and to practice their religion freely. They are forbidden by Soviet law from teaching the Hebrew language and observing religious holidays. And they are attacked with increasing frequency and intensity as the Kremlin steps up its propaganda campaign in an effort to brand Jews as traitors in a Zionist plot to overthrow the Soviet government.

Soviet Jews are prisoners in a country whose policies seem directed at eradicating their very identity, heritage, and culture. Yet, the Soviet government refuses to let these people leave. In 1984, only 896 Jews were permitted to emigrate.

I participate in today's vigil on behalf of Ida Nudel, my Fourth Congressional District's prisoner of conscience. Ida has waited 13 long years for a visa to join her family in Israel. She served 4 years of internal exile in Siberia for her crimes against the State when her only crime was practicing her Jewish religion and petitioning for a visa.

Since her release, the KGB has kept Ida under constant surveillance. The authorities have threatened to keep her from observing religious holidays and from associating with other Jewish refuseniks. On Ida's behalf, I continue to write weekly letters to the Soviet authorities in the hope that someday, she will be permitted to emigrate to Israel.

At a time when negotiations between the governments of the United States and the Soviet Union have been renewed, it is appropriate that we demonstrate our concerns for Soviet Jewry. Any progress toward achieving real peace can only be realized when human rights are restored to oppressed Soviet Jews, and they are free to practice the religion of their choice in the land of their choice.

We join our voices together in solidarity with Ida Nudel and the thousands of courageous men and women in the Soviet Union who persevere against hatred and persecution to keep their Jewish religion and culture alive. And we do so knowing that our support gives strength to their valiant fight.

It is my fervent hope that through our efforts here today, we have increased awareness and marshalled vigorous support for the cause of Soviet Jewry.●

● Mr. FLORIO. Mr. Speaker, I am pleased to join the sponsors of the congressional fast and prayer vigil for Soviet Jewry in calling attention to the devastatingly small numbers of Soviet Jews permitted to emigrate from the Soviet Union. During this time of change in Soviet leadership, it is vital that we continue to stress our deep concern about the persecution of Soviet Jews at every opportunity.

Mr. Speaker, a new leader has taken power in the Soviet Union at a time when the level of Jewish emigration has severely diminished from the 1979 peak of 51,000. During this initial period when there is a possibility of improved United States-Soviet relations, we must stress to the Soviet leadership that the human rights violation perpetrated by the Soviets against Soviet Jews are acceptable neither to the United States nor to any country that values the fundamental freedoms of speech, religion, political belief, and press.

In an effort to call attention to this grave concern, I have "adopted" Yosef Kalman and his wife Lilia Sinayskaya, two refuseniks that have sought since 1981 to leave the Soviet Union and join their son in Israel. Yosef and Lilia are elderly pensioners in their seventies that gave their health working for the Soviet Union for 50 years. Yosef suffers from thrombophlebitis of both legs, a neurological disease and a heart condition. Lilia has both an ulcer and liver disease. In 1980, she had to have a gallbladder operation.

They clearly need to be close to their family for care and support. Their emigration would not endanger any state secrets. However, Soviet authorities have refused them this fundamental right on the flimsy pretext that they would be leaving behind other relatives in Kazan and Leningrad, and that these relatives may also want to emigrate in the future. According to their son Yuri, they need his everyday help and support; they need the love and care of their grandchildren. They also badly need a special diet, which is impossible to obtain in Kursk. Every day of their living, bad damage is caused to their health; the long separation and the endless anguish undermine the forces of their soul and endanger their lives.

I urge my colleagues to join me in imploring the Soviet authorities to allow the Kalmans to emigrate, in the spirit of humanitarianism and good will. We must continue to protest the treatment of the 2 million Soviet Jews in Russia at every opportunity. Only then can we be successful in achieving an improvement in this deplorable situation.●

● Mr. YATES. Mr. Speaker, the Soviet Union is vast and cold in geography and spirit. It is as remote from this Chamber as any place on Earth. Nothing underscores that fact more than the experience I shared earlier this afternoon with many of my colleagues when we stood on the west steps to remember and honor the Jews of the Soviet Union.

There are several million Jews in the Soviet Union, and it has always been a difficult place for them, but in recent years the Soviet Government has itself embarked on an official policy of anti-Semitism. Under this policy, Jews are being denied the right to live as Jews and to practice and teach their religion. They are being denied access to education and employment opportunities and at the same time, the right to emigrate has all but ceased to exist. A bad situation is being made progressively worse by the policies and actions of the Soviet state. All of this is, of course, a violation of that country's own constitution and basic international human rights standards such as the Helsinski accords which the U.S.S.R. signed in 1975.

The utter human misery that the Soviet leadership has created is apparent in the individual case of Grigory Geishis, a young Jewish student who applied for permission to emigrate. Mr. Geishis was expelled from the Institute for Communication in 1978 when it was learned that he wished to leave Leningrad and live in Israel with his grandfather. This action was followed by a call from the authorities for his induction into the Army. Knowing that military service would give him a military security classification that would make emigration impossible for at least 10 years, the courageous and committed young man refused military service. In 1980 he was sentenced to 2 years in a labor camp. He has served his time and the authorities are again trying to have him drafted. Grigory Geishis continues his

efforts to leave the Soviet Union but the prospects for another prison sentence are real and ominous.

It is my most sincere hope that with the new leadership in Moscow we will see positive changes in the human rights situation in the U.S.S.R. Our effort today is to emphasize once again that the world is paying very close attention to what is happening to Soviet Jews. I can tell you that the Soviet Union has much to gain in the court of world opinion if it were to end the harsh repression of its Jewish minority. It is to their advantage to do it and I hope they will.●

● Mr. SMITH of Florida. Mr. Speaker, today I join many of my colleagues and religious leaders from across the United States on the steps of the Capitol to show our solidarity with the Soviet Jewish emigration movement. In addition, we are fasting to draw attention to the human rights violations against Soviet Jews who wish to emigrate and are not allowed to do so. I am fasting for my adopted Soviet refusenik, Dr. Yuri Tarnopolsky of Kharkov, Ukrainian, SSR. Tarnopolsky is still serving a 3-year prison sentence for defaming the Soviet state, when in reality his only crime was wanting to emigrate to Israel.

We relentlessly have sent constant and consistent messages to Soviet officials expressing our chagrin at their handling of human rights. In fact, I recently had an opportunity personally to discuss human rights violations with the visiting members of the Supreme Soviet of the U.S.S.R. who were in Washington earlier this month. The Soviets must realize that Soviet Jewish emigration is a priority and commitment of the United States. The harsh emigration policies stem from a Soviet "mindset" that Jews and others are American sympathizers not to be regarded as fighters for human dignity and freedom.

I have suggested the following agenda guidelines for U.S. delegations to improve Soviet human rights practices: First, a substantial release of prisoners of conscience and refuseniks prior to any negotiations as an honorable gesture; second, the inclusion in all emigration arrangements of the principles of repatriation to Israel or family reunification elsewhere; third, the end of the harassment of all Jewish study groups, Hebrew teachers, and so forth, including restrictions on their ability to obtain and prepare educational materials; and fourth, the end of inflammatory Soviet media campaigns utilizing anti-Semitic stereotypes that portray a United States-Zionist world conspiracy trying to subvert the U.S.S.R.

The situation for Soviet Jews worsens daily. Government-sanctioned anti-Semitism continues to flourish in the Soviet Union. In the last year, the number of anti-Semitic incidents have increased. For example, Soviet secret police have conducted raids on the homes of 10 Jewish families in Odessa. All religious items—books, seder plates, candlesticks, Passover haggadahs—and other symbols of Judaism were confiscated.

Soviet tactics have been based on a perceived lack of United States will to take effective action in support of its public commitment to Soviet Jewry. Some weeks before the first Shultz-Gromyko meeting in September 1984, the KGB accelerated their vicious attacks against the Jewish study groups, the last lifeline of Jewish spiritual and cultural survival in the U.S.S.R. Arrests, trials, and murderous beatings continue. This new action is the latest Soviet attempt to eradicate Hebrew teachers and, therefore, Jewish culture from Soviet society.

Four leading refusenik Hebrew teachers: Alexsandr Kholmiansky, Yakov Levin, Yuli Edelstein, and Yakov Gorodetsky, were arrested and tried on trumped up charges such as, hooliganism or drug possession. I am terribly concerned that the teaching of Hebrew, the Jewish religion, and Jewish culture will be stifled permanently througout the Soviet Union. This onslaught of anti-Semitic activities and arrests are only an example of the harrassment that occurs almost on a daily basis.

Soviet Jewish emigration continues to decline. The latest emigration figures show that in 1984 only 896 Soviet Jews were allowed to emigrate from the U.S.S.R. according to the National Conference on Soviet Jewry. In the past, emigration figures were as high as 51,320 in 1979.

The Soviet Union continues to test the Western world in the hope that we remain silent. Actions such as today's fast show that we cannot and will not be silent.

We must continue to rivet the eyes of the world on the Soviet Government that have increased their attacks against Jews and Jewish heritage.●

● Mr. COYNE. Mr. Speaker, today I join my colleagues in paying tribute to Soviet Jewry. Against enormous odds, Jews in the Soviet Union continue to display indominable spirit and courage. We are here today to express our solidarity with their struggle and to implore the Soviets once again to cease the harassment and persecution of the Jewish population and to allow those who wish to do so to emigrate.

Sadly, in recent years Jewish emigration from the Soviet Union has slowed to a trickle. In 1979, 51,320 Jews were allowed to emigrate while last year only 896 were granted permission to leave. According to the National Conference on Soviet Jewry, there are approximately 2 million Jews in the Soviet Union and of that number between 200,000 and 300,000 are either refuseniks or have applied for permission to emigrate and are awaiting official word on their applications.

As permission to emigrate continues to be denied to the majority of Jews, the situation for those trapped in the Soviet Union has become increasingly desperate. They have become the victims of an intensified campaign which appears to be aimed at stiffling all Jewish tradition. This government sanctioned campaign has taken on many ugly forms including increased anti-Semitic propaganda. A program shown widely on Soviet television last November entitled, "Hirelings and Their Accomplices" depicted Soviet Jews as being Zionist agents who were part of a Western conspiracy to overthrow the government. Refuseniks have been the targets of stepped up harassment and many Hebrew teachers have been arrested on spurious charges.

One refusenik who has suffered greatly as a result of his desire to emigrate is Alexandr Kholmyansky, one of a group of young Jews trying to keep Jewish tradition alive by teaching Hebrew. Mr. Kholmyansky first applied for permission to emigrate in 1978. Last July he was arrested and sentenced to 10 days in jail for stepping on flowers in a public park. At the end of that period he was held for further investigation on a charge of hooliganism and tampering with a mailbox. In August his apartment was searched and a revolver and bullets, widely believed to have been planted by the authorities were found. Mr. Kholmyansky was subsequently charged with illegally possessing ammunition and sentenced to 18 months in a labor camp. Alexandr Kholmyansky's plight is not unique. His real crime was attempting to practice his culture and religion.

We in Congress must and will continue our efforts on behalf of Soviet Jewry. I join my colleagues in the House and freedom-loving people everywhere in urging the administration to use the opportunity of renewed talks between the United States and U.S.S.R. to discuss this issue. Jews in the Soviet Union are being denied a basic human right—the right to practice their religion and culture free from persecution. I call upon the Soviet officials once again to abide by the conditions of the Helsinki accords and the Universal Declaration of Human Rights.●

● Mrs. BOXER. Mr. Speaker, I first wish to commend both the Union of Councils for Soviet Jews and the National Conference on Soviet Jewry for their fine work and, in particular, for organizing today's congressional fast and prayer vigil. I also wish to commend the Bay Area Council for Soviet Jewry for providing a clear and strong voice for Soviet Jewry in northern California.

As our United States and Soviet negotiators meet again in Geneva, I call your attention to some past international agreements: The Universal Declaration of Human Rights and the International Covenants on Human Rights signed by our two nations which state that "everyone has a right to leave any country, including his own."

The Helsinki Final Act stresses that signatory nations will expedite and facilitate the reunion of families and that those applying for exit visas will not be deprived of their rights. It is a sad fact that these and other international agreements and commitments are being violated everyday by the Soviet Government. We know of thousands of Soviet Jewish refuseniks who are unable to leave the U.S.S.R.

I believe that every Member of Congress is aware of the tragedy of separated families who would be reunited with their loved ones but for the refusal for the Soviet Government.

That these Soviet violations of international commitment are in the area of human rights make them no less critical and significant to us. Soviet compliance with past international agreements of any nature must be carefully studied prior to any future agreements. Compliance to human rights agreements, in particular, can be seen as a yardstick of Soviet intentions. True peace and security require an atmosphere of trust. Both sides must endeavor to build that trust. The Soviet Government can take effective steps in the direction of peace by demonstrating to the world that it respects international law. It can begin to do that by taking the following steps:

Release Anatoly Shcharansky and all those imprisoned for demanding their right to emigrate, for pursuing their faith and culture, or for monitoring Soviet compliance to human rights agreements. This month marks the eighth anniversary of the arrest of Anatoly Shcharansky. As long as Anatoly Shcharansky remains behind bars, I am afraid Soviet pronouncements of good faith will fall upon deaf ears. Anatoly Shcharansky remains a symbol of the struggle for freedom of people all over the world.

Open the doors of emigration.

Cease persecution of Jewish cultural groups and halt the flood of government-sponsored anti-Semitic propaganda in the media.

I urge that these steps be taken by the new Soviet leadership. They will renew our confidence in the U.S.S.R.'s ability to comply with international agreements and pursue a relationship with us of peace and good will.

In almost a month, we will observe the 40th anniversary of our victory in Europe over the nightmare of Hitler. I call on Secretary General Gorbachev to take the actions I have outlined in order to demonstrate his willingness to renew the constructive and cooperative relationship that culminated in that great triumph of humanity 40 years ago.●

● Mr. BERMAN. Mr. Speaker, I am honored to join my colleagues today in this 1985 congressional call to conscience vigil for Soviet Jewry. Although we set aside this day to formally address the topic of Soviet Jewry, our vigil lasts today and every day that Jews continue to suffer persecution in the Soviet Union.

We assembled last to address this issue only 1 month ago when I and several other Members noted that conditions for Soviet Jews had deteriorated even further. Today however, we have the potential for improvement. In these first few days of the new leadership, we appeal to Mr. Gorbachev to bring reality to our hopes and validity to your stated commitment to peace by bringing an end to the cultural genocide of Soviet Jewry.

Two and one-half million Jews live in the U.S.S.R., yet there are no Jewish schools, no Jewish communal organizations, no seminaries to train rabbis, and few synagogues. The systematic annihilation of the Jewish tradition continues as books and sacred artifacts are confiscated, Jewish cemetaries are desecrated, and the teaching of Hebrew is banned. With the establishment in 1983 of the Anti-Zionist Committee the U.S.S.R. became the first country since Hitler's Germany to officially sanction anti-Semetism.

Forbidden the freedom to express their cultural identity and practice their religion, many Jews seek to emigrate. Once they apply for exit visas, most find that that too is a crime. They often lose their jobs, become social outcasts, get drafted into military service, or even imprisoned. One well-known refusenik, Lev Elbert, was recalled to reserve duty at age 35. When he asked that he not be exposed to classified information so that knowledge of state secrets would not prevent him from obtaining permission to emigrate, he was jailed for draft evasion and sentenced to 1 year in a labor camp.

The Soviet's usually deny the right to emigrate on the basis that the individual's emigration is not "in the interest of the Soviet Union." If world opinion is important to the Soviet Government, and if adhering to their own international agreements is a consideration for Soviet diplomacy, then guaranteeing human rights, be it the freedom to practice religion or the freedom to emigrate, is always in the interest of the Soviet Union.

Today there are between 5,000 and 10,000 Jewish refuseniks who have been waiting over 10 years to be released. Yvengia Utevskaya and Alexandr Yudbovorsky are two of the more fortunate ones, their wait was only 4 years. Both are civil engineers, and both were prohibited from working in their field. Out of the Soviet Union only 2 months, they are as unaware as we as to how the Soviet Government selects the few that are granted exit visas. They were turned down several times as their departure was not in the interest of the Soviet state. Although their application had not changed, the final time it was submitted they were granted emigration privileges. Today they live in freedom, united with their family in Israel.

In his eulogy of Constantin Chernenko, Mr. Gorbachev stated, "We proceed from the conviction that the right to live in conditions of peace and freedom is the prime human right." Today we ask again that this prime human right be extended to Soviet Jews. Our fast only lasts for a day, but their hunger for freedom has become a way of life.

The issue of Soviet Jewry is a world issue and one which cannot be separated from issues of trade or arms control. We ask you, Mr. Gorbachev, to seize this timely opportunity. Release the chains on Soviet Jewry and take the first step toward improving United States-Soviet relations.●

● Mr. BORSKI. Mr. Speaker, I rise to join my colleagues in this special order for the Third Congressional Fast and Prayer Vigil for Soviet Jewry.

Today, we are reaffirming our commitment to focus attention on the plight of the Jewish community in the Soviet Union, and to demand that justice prevail. We stand in solidarity with the refuseniks.

Tragically, the situation in the Soviet Union is growing worse. In 1979, over 51,000 Jews were allowed to emigrate from the U.S.S.R. Last year, Jewish emigration dropped to little more than 800. This represents nearly a 99-percent decrease.

Conditions for those hoping to emigrate are deteriorating rapidly. Soviet authorities are increasing their already strong pressure on Jews who wish to emigrate. Outrageously, the Soviet Government maintains that only a few remain who wish to leave. We realize that is untrue; it is a lie. There are over 400,000 Jews who have begun the difficult and dangerous process required to leave the Soviet Union. I would like to call attention to one refusenik in particular.

Kim Fridman, a radio engineer living in Kiev, applied for permission to emigrate to Israel in 1972. He received his first refusal in January 1973 because of his alleged classified work in the Kiev radio plant where he had access to secret documents. He had left this plant in 1969 in anticipation of applying for permission to emigrate. A number of his colleagues who worked with him at the plant were given permission to emigrate some years ago.

Between the years 1974–76, a monthly seminar on Jewish culture was conducted in his apartment. He also taught Hebrew. Kim was arrested several times, interrogated by the KGB and harassed for his teaching.

In 1976, Kim's wife, Henrietta, and daughter, Victoria, were allowed to emigrate to Israel. Victoria married and has a young daughter. Kim received additional refusals to his applications for emigration in 1978 and 1979.

On March 18, 1981, he was arrested and charged with alleged "parasitism." After a 2-month confinement in Kiev's Lukianovka Prison, he was brought to trial on May 19 and sentenced to 1 year in a labor camp.

According to the National Conference on Soviet Jewry, Kim, who suffers from heart disease and has not been able to hold a steady job since 1979, worked as a bookbinder whenever his health permitted. A coworker could have testified to this fact, but because of KGB threats, was afraid to appear as a witness at the trial. However, the prosecutor found it difficult to present evidence that Fridman was unemployed for as short a period as 2 months. His lawyer expressed surprise that a person was tried on parasitism charges when it could not even be shown that he was out of work for 2 months. He added that in all his wide experience as a lawyer, he had never encountered a similar case. The prosecutor reprimanded him harshly saying that he did not comprehend "what kind of trial" was involved. Fridman's appeal against the sentence was rejected.

Kim was released following completion of his 1-year labor camp sentence on March 27, 1982. He returned immediately to his former Kiev residence and in June 1982 was again refused permission to leave. Courageously, Kim continues to work toward receiving an exit visa.

America has long been a symbol of freedom for the oppressed peoples of the world. It is important that we reaffirm our commitment to this basic principle at this crucial time for Soviet Jews. The issues of emigration and human rights must remain high on our agenda.●

● Mr. SAXTON. Mr. Speaker, it is both a privilege and a pleasure to be participating today in the Third Congressional Fast and Prayer Vigil for Soviet Jewry. In light of recent developments in Soviet-United States relations, this symbolic gesture is particularly important in order to impress upon the Soviet Government and its new leader that the plight of Soviet Jewry remains a top priority concern of the U.S. Congress.

The Gennady Feldman family is of particular concern to me and my constituents. On behalf of New Jersey's 13th Congressional District, I adopted the Feldman family through the Soviet Jewry Adoption Program. The Feldman family applied together for exit visas from the Soviet Union in August 1976. In October 1979, Gennady's parents and sister were granted permission to leave, but he, his wife, Rimma, and sons, Khatik and Natanchik, were not. All their relatives are now in Israel, but the Feldmans cannot join them because they were refused visas on the grounds of regime considerations. Gennady is a simple driver who finished his army service in 1974. While in the army, Gennady had access to classified information, and this is apparently the reason for the refusal of his visa application.

Gennady speaks Yiddish and has traveled to Moscow to attend informal seminars on Judaism and Jewish history. He also studies Hebrew with other refuseniks in Minsk. Because of their interest in their religion and heritage, Gennady and his family certainly face daily harassment and persecution.

The Soviet Anti-Zionist Committee is a thinly veiled propaganda center which equates zionism with nazism and a desire to emigrate with treason. In general, Soviet authorities seem bent on pursuing policies aimed at the total obliteration of any vestiges of Jewish religious and cultural identity, and the forced assimilation of Soviet Jews.

Mr. Speaker, it is my sincere hope that the new Soviet leader will reevaluate the policies toward Soviet Jewry. I call upon the Soviet Union to grant, at the very least, the "right of last recourse" and allow the Feldmans the opportunity to emigrate and be reunited with their family in Israel.●

● Mr. KOSTMAYER. Mr. Speaker, a few days ago I was reminded once again of the daily suffering and indignities to which so many Jews in the Soviet Union are exposed.

I met here in Washington with Eugenia and Alexander Yudborovsky, who 10 weeks ago emigrated from the Soviet Union to Israel, and last week were visiting the United States. They are among the diminishing number of Soviet Jews permitted to leave that unhappy land.

I asked Eugenia whether or not the letters that Members of Congress and others write to those still held captive in the Soviet Union were helpful. She replied that they were more helpful than we could ever know. Those letters, Eugenia said, "reassure us of America's continuing interest in our cause."

Eugenia assured us that the visits to refuseniks by American visitors to the Soviet Union were indeed helpful.

Anti-Semitism is becoming even more widespread in the Soviet Union, as it did in Nazi Germany before Hitler's rise to power. Even non-Jews in the Soviet Union are exposed to the Government's official policy of anti-Semitic propaganda, a daily staple of the Soviet press.

On the very day I met with Eugenia and Alexander, we learned of the arrest of two rabbis in Leningrad. These rabbis, upon leaving a taxicab, were met by large numbers of militia and KGB agents and were placed under arrest.

Shortly before the first Shultz-Gromyko meetings in September of last year, the KGB accelerated its campaign against the Jewish study groups—the last lifeline of Jewish spiritual and cultural life in Russia. Arrests, trials, and savage and brutal beatings continue to occur on the streets of major Soviet cities. The Soviets are choosing to improve their negotiating position with us by human blackmail. The persecution of Jews cannot be ignored. We ignore it at our own peril.

Our outspokeness on this issue and the concern of the American people can alleviate the suffering of those in the Soviet Union. These matters must be on the agenda for the current talks under way in Geneva and on the agenda of all future talks.

Mr. Speaker, emigration levels have fallen and the treatment of those who dare ask for emigration visas has worsened. Eugenia and Alexander are both engineers, but Eugenia was relegated to the duties of a street cleaner and Alexander to the position of watchman.

As the Soviet authorities further repress emigration levels and increase the harassment of Jewish activists, we must demonstrate our support for these embattled and courageous men and women. In this way, we can demonstrate to the Soviet Union that human rights remain fundamental to our relationship with them.

Mr. Speaker, none of us need to be reminded what happened to the European Jewish community during World War II when free people of the world refused to speak out. While the atrocities of the Soviet Union have clearly not reached this level, we must not allow even that possibility to occur ever again in human history.

We must raise our voices more loudly, in order to prevent history from repeating itself.●

● Mr. LOWRY of Washington. I would like to thank the gentlemen from New York, Messrs. MRAZEK and KEMP, the gentleman from California, Mr. LANTOS, the gentleman from Georgia, Mr. FOWLER, and the gentleman from Illinois, Mr. PORTER, for their work in organizing today's events in support of Soviet Jewry. I would also like to thank the National Conference on Soviet Jewry, the Union of Councils for Soviet Jews, and the Student Coalition for Soviet Jewry for their outstanding efforts on this very important matter.

It is an honor to join in this salute to those in the Soviet Union who are seeking, with quiet courage and steadfast determination, the basic human rights to worship freely, to pass the teachings of their faith on to their children, and to emigrate. The example they set for the rest of the world is a compelling one.

Judy Balint, the head of Seattle Action for Soviet Jewry, recently shared with me a letter written by Lev Elbert. Lev, his wife Inna, and their son Carmi are refuseniks from Kiev who have faced great obstacles in their effort to emigrate.

One early indication of the current anti-Semitic campaign occurred when Lev Elbert was sentenced to imprisonment in a labor camp for refusing to report for reserve military duty. His refusal stemmed from his concern that the authorities would claim that he was exposed to military secrets during the additional military service and use this excuse to permanently deny him permission to emigrate.

In light of his imprisonment, these words from his letter are especially poignant:

Anyhow, being free gives one a lot of opportunity for action. Especially in providing help and assistance. There is an old Japanese saying: "A man faced by two chasms, one in front of him and one behind should sit down and wait." The survival game is difficult to learn, well our duty is to teach the coming generation.

He added that "the new phase of U.S.S.R.-U.S. relations brings back the hope of renewed exit." Until this hope is fulfilled, we will not forget.●

● Ms. MIKULSKI. Mr. Speaker, I am proud to be here today to express my deep concern over the continuing oppression of Jews in the Soviet Union. Standing in solidarity with me on this occasion are my friends in Baltimore's Jewish community, my colleagues in the House of Representatives, and rabbinical leaders from around the country. Today I call upon party General Secretary Mikhail Gorbachev to grant the fundamental human right of religious freedom to the Soviet Jews. This compliance with the Helsinki accord should be one of his first acts. As American representatives meet with the new Soviet leader we must all renew our call for an end to the oppression of Soviet Jews. My voice is part of this call.

Not since Stalin's time have discrimination and repression against Jews in the U.S.S.R. been greater nor emigration levels more restricted. It is estimated that over 20,000 refuseniks are stranded in the Soviet Union. But let us not just look at numbers. In real terms we are talking about people who are harassed, ostracized, imprisoned, separated from their families, and defamed. These peoples' only crime is that they are Jews, they want to practice their religion, and some of them want to live in Israel.

The plight of the Soviet Jews is a human rights issue. Refuseniks are prisoners of conscience within the country, victims of persecution and religious intolerance. Jewish heritage within the Soviet Union is endangered by Government-led attacks on Hebrew education programs and traditional religious training. The Soviet Union is engaged in an active campaign to wipe out Jewish life. As we support and defend our ally Israel, so must we fight for the rights of Jews everywhere to live as Jews, and to emigrate to Israel if they so desire.●

● Mr. WEISS. Mr. Speaker, I am proud to participate today in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jews, and I thank the organizers for sponsoring this special order.

The Soviet Union's 1.8 million Jews live under a regime that routinely interferes with the exercise of their religion and violates their human rights. Denied even those rights that are extended to other religions in the Soviet Union, Jews are permitted no Hebrew publications, no national organization, and no regular ties with fellow Jews abroad. Their country contains fewer than 60 functioning synagogues, and not a single rabbinical school.

During 1984, a deplorable new low in Jewish emigration was coupled with a dramatic surge in State-sponsored anti-Semitism. The roster of reprisals against those who apply for permission to leave the Soviet Union is painfully familiar: harassment by police, interception of mail, restricted educational opportunities for children, and loss of jobs and income.

Among those now enduring the fate of the refuseniks is Sergei Fishel, the son of one of my constituents. Sergei's story is that of a family displaced and then divided by the effects of the Second World War. A native of Poland, his mother had fled east when Warsaw fell to the Nazis. Soon after Sergei's birth in 1943, his father was killed at the front. After the war, both mother and son were eligible for repatriation to Poland, and they hurried to Moscow from the remote region where she worked as a veterinarian—only to arrive at the Polish Embassy 1 week too late. In 1957, a bureaucratic delay in obtaining proof of Polish citizenship again prevented them from returning to her native land.

In 1977 Sergei's mother emigrated to the United States. In 1979, after the obligatory 5 year wait that followed his military service, Sergei and his family requested permission to emigrate. Their application was denied, and Sergei was dismissed from his position as a petroleum and gas engineer at a research institute in Moscow. He is now serving a 9-year sentence in a labor camp.

Eight years have already passed since Sergei's mother last saw her son and his wife, Vera Shiporina, and their two children. Last winter, 28 members of this body signed a telegram urging Soviet authorities to grant clemency to Sergei Fishel and to permit him and his family top emigrate. Today I repeat that call: allow this family, from whom war took father, husband, and home, to be united once again.●

● Mr. STUDDS. Mr. Speaker, thank you for this opportunity to speak out against the oppression of 3 million Jews living in the Soviet Union.

Many times my colleagues have joined me in denouncing the Soviet Government's treatment of its Jewish citizens. Despite our vigorous protests, the situation continues to worsen for Jews and other Soviets wishing to emigrate. In 1984, fewer Jews were granted exist visas than in any other year in almost two decades; 99.8 percent of all exit visa applications submitted by Soviet Jews were denied in 1984. Intimidation tactics and retaliatory acts by Soviet authorities against Jewish citizens brave enough to seek permission to emigrate also continue. Today, I would like to address the plight of one such citizen and his family.

Alexander Maryasin of Riga, former manager of a huge factory, recipient of State awards and the title of "Honorable Citizen," was dismissed from his job in 1972 when his daughter Rita applied to emigrate to Israel. In 1974, after 2 years without reinstatement to his job, Alexander, his wife Leah, and their daughter Faina also applied for visas in hopes they could join Rita who was by then in Israel.

For the past 13 years, Alexander has been a leading refusenik in Riga, hosting cultural and religious events, and working on behalf of other refuseniks in his city. He has been the subject of much harassment and numerous searches, during which his books and papers have been confiscated.

Leah Maryasin, Alexander's wife, has been ill for several years, but recently her condition has worsened. Leah's deteriorating condition makes all the more urgent the family's wish to be reunited with daughter Rita and their grandsons in Israel, while Leah remains alive.

I ask this body to join me and my constituents in calling for the Soviet Government to grant exit visas to the Maryasin family, and for cessation of all intimidation tactics against those who seek to leave the Soviet Union.●

● Mr. LEVIN of Michigan. I join my colleagues in the House of Representatives as we begin the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry and ask my fellow Americans to remember one of their countrymen today.

Abe Stolar was born in Chicago, IL, in 1911. As a young man he accompanied his parents back to their native Russian soil and was made a Soviet cit-

izen without his knowledge or consent. He has lived the last 53 years of his life as a peaceful, law-abiding resident of the Soviet Union in spite of the fact that since June 1975 the Government of the Soviet Union has harassed, abused, and broken its promise to Abe Stolar and his family.

During the era of détente of the 1970's, Abe Stolar applied to leave the Soviet Union and seek residence in Israel. In May 1975 the Soviet Government in fact granted the Stolar family the necessary exit visas and Abe and his family began to ship all of their worldly possessions to Israel with every expectation that by July 1975 they would be making a new life for themselves in Israel. But the Stolars in fact were hauled off their flight and told that the visas were not in order and that they would have to remain.

They have lived the last 9 years as nonpersons in the Soviet Union. Without their household possessions, without the right to work, without the right to draw any earned pensions, they live from the charity of others. In the winter of their lives—for Abe Stolar is now 73 years old—they are tossed out into a no-man's land within their own society.

Congressman LANTOS had the opportunity to meet with Abe Stolar this past January and found that his spirit is unbroken and that he is prepared to wait out the Soviet Government, reminding them and the world that he and his family are the victims of an unlawful, heartless, unnatural detention in unfriendly circumstances.

We in the U.S. Congress today ask that the Soviet Government reconsider its actions in regard to Abe Stolar and his family and allow this American citizen to leave these most unwelcome circumstances. Let Abe Stolar and his family live in a society which recognizes and values their existence.●

● Mr. FOWLER. Mr. Speaker, I am pleased to participate in today's special order in conjunction with the fast and prayer vigil. The unified and impressive level of participation in this vigil demonstrates the degree of concern felt by all of us in Congress.

I am participating on behalf of Pavel Astrakhan, a courageous young man in Leningrad who I had the privilege of meeting when I was in the Soviet Union in 1983. Pavel and his wife have been trying to emigrate to Israel for several years and during that time, he has been arrested and harrassed for teaching Hebrew. The will and determination of this man astounded and impressed me deeply.

We all agree that the plight of the Soviet Jews is one that cannot be ignored. This has been evidenced by the enthusiastic response by my colleagues to the Congressional Coalition for Soviet Jewry. I am proud to serve as cochair of the coalition with Representative JACK KEMP.

Pavel Astrakhan, as well as people like Mark Nashpitz, Lev Elbert and others whose cases I've followed, must be allowed to live, teach, and pray as they please. Our task, our responsibility is to help ensure that they are given these rights, as well as the right to live where they choose to live.

I commend my colleagues for their participation in this vigil.●

● Mr. MOAKLEY. Mr. Speaker, today marks the third anniversary of the congressional fast and prayer vigil for Soviet Jews as well as the ninth anniversary of the arrest of Anatoly Shcharansky, a well-known refusenik. Our purpose during this day of fast and prayer is to express our solidarity with all victims of Soviet oppression who daily risk their lives and those of their families in the pursuit of basic human rights.

I am certain that we are all aware of the situation of Anatoly Shcharansky, who was sentenced in July 1978 to 13 years "deprivation of liberty" for having been in the middle of the fight for visas and for basic human rights. The bravery and hope which he continues to exude while in prison is characteristic of the Soviet Jew, and heartening to us all. As it has been said, the Jewish heart always hopes. Anatoly's situation is not unique, nor is it unusual, it is, unfortunately, all too common. Contrary to what had been hoped by the Soviet officials, the emigration movement did not suffer because of Anatoly's imprisonment, instead it grew stronger; instead of discontinuing their efforts to fight for basic human rights, refuseniks are increasing their efforts.

It is in this light that I would like us to think about the atmosphere currently surrounding the emigration movement in the Soviet Union. That is, not as something which is futile and hopeless, however distressful it is, but as a movement which is daily gaining strength through attention and worldwide support. Today as we focus our attention on this distressing situation let us remind ourselves of the bravery of refuseniks, such as Anatoly Shcharansky, and let us continue to express our solidarity with all victims of Soviet oppresssion.●

● Mr. GREEN. Mr. Speaker, I would like to commend my distinguished colleagues, Representatives PORTER, MRAZEK, LANTOS, and KEMP, for organizing this special order and for earlier today arranging the fast and prayer vigil for Soviet Jewry.

It is difficult to believe that a year has passed since we were here to observe the Second Annual Congressional Fast and Prayer Vigil, although I'm sure it seems like many years to those refuseniks trapped in the Soviet Union. At that second fast and vigil, Anatoly Shcharansky was very much in our thoughts since March 15, the date of that vigil, was the eighth anniversary of Shcharansky's arrest. But here we are a year later, now 9 years since Shcharansky's arrest, and that brilliant scientist is still being held captive and isolated. In fact, very little has changed in this past year for Soviet Jews; emigration figures continue to decline and life for those who wish to practice their religion remains miserable.

But again, we must take a lesson from Elena Fridman, the sister of Ida Nudel, guardian angel of the prisoners of conscience. Ms. Fridman continues to write to Congressmen and officials all over the world asking that they do whatever they can for her sister, whom she has not seen for 13 years—since Elena was granted an exit visa and Ida refused for "reasons of state interest."

My latest communication from Ms. Fridman contains an article about her sister, some stark grey postcards with a single flame and the message "Let there be light," and a short handwritten note. The note asks that I send one of the cards on Ida Nudel's behalf and "give the others to friends to do the same."

So we must all take a lesson from Elena Fridman. We must not despair but rather continue our speeches and our letters and our beseeching on behalf of Soviet Jewry. Even more important we must continue to ask our friends, in the administration and in official delegations, to continue their lobbying for Soviet Jewry at all levels. Otherwise, there will never be light for the more than 400,000 Soviet Jews seeking it.●

● Mr. BIAGGI. Mr. Speaker, I am proud to join so many of my fellow colleagues today as a participant in the third annual congressional fast and prayer vigil for Soviet Jewry.

My actions today are on behalf of all of the approximately 2.5 million Soviet Jews, living under Soviet tyranny, but one in particular. His name is Feliks Kochubievsky and he is my adopted prisoner of conscience. Mr. Kochubievsky was arrested on September 12, 1982, on the trumped up charge of "circulating fabrications known to be false which defame the Soviet State and social system." That was the official and what could accurately be called the fabricated charge. His real crime was applying to emigrate to Israel in 1978, so he and his wife, Valentina, could join their sons and Feliks' sister. Until that time, Mr. Kochubievsky was considered a model Soviet citizen. In fact, he was even awarded the Soviet Order of Merit for his patriotic work.

Yet, after he and his wife applied to emigrate, all of that changed. After he requested the right to emigrate, his apartment was constantly searched by the Soviet KGB, he was threatened with a number of disciplinary actions,

he was dismissed from his job, along with his wife in 1981, and he was ultimately arrested for his efforts to revive a "USSR-Israel Friendship Society." The KGB termed his efforts to revive the friendship society as "counter-revolutionary." For his "counter-revolutionary" actions he was sentenced in December 1982 to 3½ years in a Soviet labor camp.

Despite his ill health and the tremendous suffering—both mentally and physically—he has been forced to endure at the hands of Soviet officials, Feliks Kochubievsky—like so many other Soviet Jews—has demonstrated uncommon courage. His own words reflect that courage and tremendous will to live freely. Just a short time after he was sentenced and shipped off to a Soviet labor camp, Mr. Kochubievsky made this statement:

> The officials presume that no one will come to my aid and that they will eventually break me and I will give up. They do not realize that I have many friends and that a man in my position has little to lose.

We are here today to remind Feliks Kochubievsky and his fellow Soviet Jews that their friends have not deserted them; that we will never tolerate the Soviet Union's inhumane treatment of their own citizens; and that we will not relent until the Soviet Union respects the human rights of their citizenry.

Jewish emigration from the Soviet Union is at an all-time low, and anti-Semitism is at an all-time high. This is no coincidence, and at this critical juncture in United States-Soviet relations, we must assign the Soviet Jewry issue the high priority status that it deserves. With a new Soviet leader, and with arms control talks underway, there is no better time to pursue and expect a solution to this intolerable situation.●

● Mr. MANTON. Mr. Speaker, I am honored to join with many of my colleagues today in this special order as part of my participation in the third annual congressional fast and prayer vigil for Soviet Jewry.

There is a new leader in the Kremlin, and while we are expressing our concern and our support for Soviet Jewry on the House floor, representatives of our Nation are meeting with representatives of the Soviet Union. Therefore, it is critical at this time that we reaffirm our commitment to Soviet Jewry. In 1984, the number of Jews allowed to emigrate from the Soviet Union reached an all-time low and the level of harassment of leaders of the Jewish community by the KGB reached alarming proportions of frequency and violence. We cannot afford to remain silent in the face of such a blatant denial of basic human rights.

Mr. Speaker, today I would like to focus on the plight of Mr. Roald Zelichenok and his wife Galina. The Zelichenoks have repeatedly been refused permission to emigrate to Israel, most recently in December 1983. Although Mr. Zelichenok has two aunts living in Israel who have issued invitations, the reason for his refusal was lack of kinship. This is clearly untrue and inaccurate. What is true in this case, however, is that Mr. Zelichenok is a teacher of Hebrew and as a result he has been harassed by the KGB and his books have been confiscated. Not only are the Zelichenoks denied the right to live in the country of their choice, but they are not allowed to live as Jews within the country where they are forced to remain.

Mr. Speaker, I call upon the leaders of the Soviet Union to allow the Zelichenoks to emigrate. The Congress will not forget the Zelichenoks and the other refuseniks which we have adopted and we will not waiver in our commitment to Soviet Jewry and will continue to be the voice for those that are allowed no voice.●

● Mr. WIRTH. Mr. Speaker, it is with profound sadness that we once again address the plight of Soviet Jews. It is never a pleasure to dwell on persecution, whatever the reasons for that persecution may be.

But dwell on it we must, particularly in the case of Soviet Jews. Because if the Jews in the Soviet Union are forgotten, Soviet authorities will take this as a sign that the world no longer cares, that these officials are free to expunge Jewish culture and history.

Even as representatives of the United States raise concerns in international forums and the Congress about the problems of Soviet Jews, the Soviets are engaged in a vitriolic campaign against Jewish teachers and religious and community leaders. Soviet Jews, fighting to keep their culture and history alive in the face of official hostility and tightened emigration, are being pictured in the Soviet media as enemies of the state, as collaborators with the Soviets Western adversaries. Their allegedly treasonous behavior is supplemented by trumped-up charges—possession of drugs—planted by KGB agents—"anti-Soviet slander"—for distribution of religious materials, and resisting the police. For their "transgressions," they are brutally punished—savage beatings are reportedly the Soviet state's favorite means of punishment.

Despite this terrible treatment, Soviet Jews display extraordinary courage, and persist in their quiet demonstrations of cultural affinity, regardless of the consequences.

In January, my wife Wren spoke before the National Conference on Soviet Jewry of this remarkable courage:

> Quietly, persistently, they strive to maintain their traditions, their ceremonies, their language—their identity. For this they pay an extreme price: deprivation of their livelihoods, banishment to labor camps, incarceration in psychiatric wards. They are watched, searched, taunted, tormented.

"Yet they persevere." We too, Mr. Speaker, in the Congress, in America, and in the international community, must persevere in our fight for justice for Soviet Jews. The principal desire of Soviet Jews is to freely practice the faith that informs their lives, that motivates and guides them. That desire can only be achieved in a community where Soviet Jews can openly celebrate their cultural and religious heritage, whether it be in the Soviet Union, Israel, or America.

Some may question whether it is our duty, Mr. Speaker, to ensure the fulfillment of that desire. I can assure you today that, without a doubt, it is. As Wren so correctly observed in her speech, "we are all part of the extended family of humankind, and when a people is treated and threatened in this fashion, we are all diminished. Moral outrage and spiritual sympathy cannot be contained by boundaries or by oceans."

Mr. Speaker, I want to thank my colleagues—Mr. Mrazek, Mr. Porter, Mr. Kemp, and Mr. Lantos—for their sponsorship of the congressional vigil on behalf of Soviet Jews today and for ensuring that we never forget our role in the extended family that Wren spoke of. Let us use this opportunity to once again reaffirm our responsibility to assist the Soviet Jews preserve their faith, and endure this terrible period of persecution and hardship.●

● Mr. FAUNTROY. Mr. Speaker, I am pleased to participate in this special order in conjunction with the third congressional fast and prayer vigil for Soviet Jewry. This event which unites all people of conscience in support of the human rights of Soviet Jewry comes at a particularly excruciating period for those concerned with the right of people to emigrate as specified in the Helsinki Final Act and the Universal Declaration of Human Rights.

During the past year, the number of Jewish citizens of the Soviet Union permitted to emigrate has fallen below 900. Among those who have been denied the right to leave the Soviet Union are Mr. and Mrs. Leonid and Mira Zeliger, both engineers presently living in Leningrad. They first applied for emigration visas in 1977 seeking to exercise the human right of family reunification with their relatives in Israel. For daring to exercise this human right they have been prevented from pursuing their careers and have reportedly suffered religious persecution. Their continued applications for emigration visas have been repeatedly denied. My distinguished colleague, Congressman TOM LANTOS, has been championing the cause of the Zeligers and I am pleased to join him in bringing their case to the attention of my colleagues.

As new Soviet leadership seizes the command post of power in that society it is appropriate and timely to apprise that leadership that the quality of our relations will in no small way be conditioned on the status of human rights in the Soviet Union and particularly the termination of the oppression directed against its Jewish population.●

● Mr. YOUNG of Florida. Mr. Speaker, this afternoon I participated with many of my colleagues in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry to pay tribute and lend support to the millions of Soviet Jews who are prohibited from emigrating from the Soviet Union by the Soviet Government.

Each of us who participated in this moving appeal for human rights, was asked to adopt and pray for a refusenik—a Soviet Jew who has been refused permission by the Soviet Government to emigrate. Last year, and again this year, I participated in the vigil on behalf of Nadezhda Fradkova, a 38-year-old computer analyst who has been denied permission to emigrate since 1978, when she first made her request.

Before updating you on Nadezhda's efforts in the past year to gain religious freedom, let me give you some background about her continuing 8 year struggle against the Soviet Government.

Having waited 5 years with no response from the Soviet Government to her 1978 request to emigrate, Nadezhda began a hunger strike on March 1, 1983, in protest of Soviet inaction. Her hunger strike continued for 6 weeks, during which time Soviet Jews throughout the world became aware of her efforts to gain religious freedom. These supporters petitioned the Soviet Government asking that Nadezhda be granted permission to emigrate. Soviet inaction in the matter continued until April 13, 1983, when Soviet police broke into Nadezhda's apartment and took her to a hospital where she was drugged and force-fed intravenously to end her hunger strike.

Following her release from the hospital, Nadezhda again appealed to Soviet authorities for permission to emigrate, but her requests continued to be ignored. To protest again, she began another hunger strike on December 24, 1983. Soviet authorities intervened, as they had earlier in the year, and the KGB forcibly removed her from her apartment on January 3, 1984, and took her to the Leningrad Psychiatric Hospital No. 9 where she again was drugged and force-fed.

She eventually was released from the Leningrad hospital, but could find no work. As so often is the case with refuseniks, Soviet authorities issued orders not to hire Nadezhda. She managed to find scattered work as a babysitter or cleaning lady, but nothing on a regular basis.

That was Nadezhda's situation when we prayed for her during last year's vigil. We have learned since then, however, that on August 25, 1984, she was arrested by Soviet police and charged with parasitism, a criminal offense in the Soviet Union for those people without jobs. She was tried on these charges, found guilty, and sentenced on December 18, 1984, to 2 years in prison. Nadezhda has begun serving time, but we are not certain in which Soviet prison.

The case of this woman clearly demonstrates the Soviet's total disregard for human rights. Nadezhda's situation is similar to many other refuseniks we pray for this afternoon. These are people who have sought through proper Soviet channels to receive permission to emigrate to Israel or another nation where they could worship freely. Soviet authorities, however, deny thousands of emigration requests each year, to the point where they have almost entirely choked off the number of Soviet Jews allowed to leave the country. Last year, fewer than 900 Soviet Jews were permitted to emigrate.

The Evening Independent, of St. Petersburg, FL, which I represent, has called attention to the plight of Nadezhda and thousands of other religiously persecuted Soviets through its Lifeline Letters project. The Independent has sponsored the project this year for the second time and it is being met with support from a growing number of concerned persons, not only in our Nation, but throughout the world. Through this effort, led by the Independent's Associate Editor Michael Richardson, the newspaper has urged people to write to the victims of Soviet repression to provide encouragement in their struggle for freedom.

The chairman of the Foreign Affairs Committee, my distinguished colleague from Florida DANTE FASCELL, has been very supportive of the Lifeline Letters project and has been a leader in our Nation's efforts to call attention to the continuing denial of human rights by Soviet leaders.

Mr. Speaker, all of these efforts, including the vigil today, are stark reminders that many people in the world, such as those in the Soviet Union, are being denied the freedom to worship the God of their choice. The enduring struggle of these people to gain this most sacred right serves as an inspiration to us all. It is through our prayers, vigils, letters, and continued public awareness that people such as Nadezhda Fradkova will someday realize their lifelong dreams and be allowed to emigrate to a nation, such as ours, where the freedom to worship is respected as a sacred God-given liberty.●

● Mr. ERDREICH. Mr. Speaker, I rise today to join my colleagues who are participating in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry. The number of Jews within the past year who have been allowed to emigrate has reached an unprecedented low level. Less than 900 Jews were allowed to emigrate in 1984. Visas are denied for the most absurd reasons and in addition to these denials, Soviet Jews are subjected to anti-Semitic campaigns that are government sanctioned, many often being imprisoned or exiled internally.

I want to bring to the attention of my colleagues and the authorities of the Soviet Union the plight of three families that I have been sponsoring, the Boris Ghinis family, the Mikhail Kazanovich family, and the Antanas Vausa family. These three families, two of whom are of Jewish descent and the other of Lithuanian descent, have all been denied emigration for years and have all had to endure incredible hardships in their plight to emigrate.

A new leader has been appointed in the Soviet Union. We are currently sitting down with the Soviets in Geneva over arms negotiations, and the President has expressed an interest in meeting for the first time a Soviet President. Mr. Speaker, there is no better time than now to raise a united, strong voice against these violations of human rights which Soviet Jews and all those wishing to emigrate from the Soviet Union must endure in their everyday lives.

Mr. Gorbachev must be made to understand that if true improvement in relations between our two countries is to be achieved, the Soviet Union must commit itself to its international treaty obligations and respect the human rights of all its citizens.

I pray that next year there will be no need for a Congressional Fast and Prayer Vigil for Soviet Jewry, that the rights of Soviet Jews and all those wishing to emigrate will be upheld, but until that day comes, I along with my colleagues that join with me today in participating in this very important and special vigil will continue to raise our voices in protest and defend the human rights of all those who are oppressed.●

● Mr. SMITH of New Jersey. Mr. Speaker, once again this body is turning its attention to the plight of Soviet Jews, as we will continue to do until an improvement in their treatment at the hands of Soviet authorities is realized.

In 1982, I heard firsthand from many Jewish refuseniks in Moscow and Leningrad of the severity and intensity of Soviet persecution of the Jewish population. Not only was last year the worst year for Jewish emigration since Jews were first allowed to leave, but also a systematic crackdown

against Hebrew teachers and Jewish activists has occurred on a daily basis.

Today, Mr. Speaker, in honor of the Congressional Fast and Prayer Vigil for Soviet Jewry, I would like to focus my remarks on what this brutal attack on Jews in the Soviet Union has meant to one family, the Kosharovsky's whom I met in January 1982 at their apartment in Moscow.

Yuli Kosharovsky is a 42-year-old electronics engineer. He first applied to emigrate to Israel in April 1971, 14 years ago. His application was refused on the grounds of the secrecy of his previous work. In May 1980, upon renewal of his emigration request and long after the secret prohibition had ceased to apply, Kosharovsky again was refused permission to leave, this time on the grounds that his invitation from Israel had not come from a first-degree relative. His wife, Inna, has never been allowed to work within her field of mathematics solely because of their desire to emigrate to Israel and her son, Mikhail, has been repeatedly bullied and harassed in his school.

Mr. Kosharovsky was fired from his engineer's job for seeking to emigrate. He must now support his family by working as a night watchman and through odd jobs. He is one of Moscow's leading Hebrew teachers, teaching a total of 30 students 6 days a week. In the summer of 1975, Mr. Kosharovsky began a seminar for unemployed engineers—engineers, who, like himself, were unemployed only because of their desire to live in Israel. For these activities, and for the simple act of having applied for the exit visa, Mr. Kosharovsky has been subjected to numerous threats of arrest and actual imprisonment for 15 days at a time on charges of hooliganism and disturbing the public order. The telephone has been disconnected. Books, cassettes, tape recordings and typewriters have been confiscated. Mr. Kosharovsky has been interrogated for his connection with Jewish activists and slandered in the newspapers as a traitor.

What distinguishes Mr. Kosharovsky, and what impressed me so deeply, however, is his continued patience and serenity in face of this hardship. He is a remarkably poised, articulate and self-sufficient man as columnist Jack Anderson wrote of him in a May 1982 column. He bears no ill will toward the authorities who have harassed him and his family for 13 years. His response to these attacks on his character and independence has not been to call press conferences or to issue provocative statements. Rather, he is content to go about his daily affairs resisting the harassment and teaching Hebrew despite official threats.

On one occasion, in July 1980, his home was invaded by three men who identified themselves as KGB agents and questioned him for several hours. Mr. Kosharovsky gave a detailed account of what transpired in a letter to the Chairman of the KGB, Yuri Andropov at that time:

After expressing in polite form a series of threats (including the possibility of exiling me from Moscow, putting me on trail on charges similar to those presented against Scharansky—espionage, of fabricating materials 'exposing' me as a person who committed fraud, sexual crimes or hooliganist acts) I was told that it would be easy to produce a film in which I would be depicted as the acting person in one of the above mentioned crimes. Unambiguous hints were made about some trials which I had heard about. They suggested that I should stop teaching Hebrew and should stop my activities as the organizer of the Hebrew teachers' seminar in Moscow. They also told me that my road to salvation could lead through cooperation with the security authorities.

Later in the same letter, Mr. Kosharovsky detailed a subsequent series of events which left little doubt in his mind that he was being dealt an explicit warning from the KGB to cease his activities relating to the teaching of Hebrew.

Getting up at 7:30 in the morning to do my morning exercises, I noticed nearby a man walking about somewhat unsteadily and carrying a bottle of wine wrapped in a newspaper. My friends saw this man a long time before I came out. He waited patiently while I limbered up and when I started running he moved toward me deliberately walking unsteadily. Despite the fact that I ran at a distance of about one and a half meters away from him, he managed to swing in such a way that he touched me and then immediately dropped the bottle. After that his behavior became very noisy and aggressive. A couple of minutes later, two healthy looking fellows who were standing not far away and who introduced themselves as "druzhinniki" (members of the Peoples' Guards) came up to us. They quickly 'pacified' the noisy stranger but, however, took us both to the police station and stated that there had been a quarrel. We were then immediately sent to another town, Sudak. My friends heard a militiaman say to the driver that the two detained men should be taken away while one of them is to be taken 'not just like that.' The noisy stranger and I were sentenced to thirteen days of arrest at the trial, but he managed to disappear somewhere even before my verdict was read. He did not serve the punishment term.

In November 1981, the House of Representatives passed a resolution which I introduced condemning the harassment of the Kosharovsky family and calling upon the Soviets to permit their emigration. Mr. Kosharovsky and his family have also been the subject of numerous letters to Soviet officials urging them to grant exit visas. Last May the six Members of the House and six Senators who serve on the Commission on Security and Cooperation in Europe cosigned a letter to Chairman Chernenko urging him to review the Kosharovsky's application in a positive and humanitarian spirit.

Most recently, Mr. Speaker, I have again introduced a resolution expressing the sense of the Congress that the Soviet Union should permit the emigration of Yuli Kosharovsky and his immediate family to Israel. I can only hope that with the improving relations between the United States and the Soviet Union and continued congressional pressure, this family and the literally thousands of other refuseniks will at long last realize their dream of living in Israel.

Again, Mr. Speaker, I applaud the goals of this congressional fast and prayer vigil for Soviet Jewry. Let the word go out to the Soviet Government today—and every day—that the eyes of the U.S. Congress and the eyes of the Free World are upon them. We look on in wonder at their total disregard for the fundamental right of an individual to practice his or her religion freely—A fundamental right they have solemnly promised to uphold by their signing of the Helsinki Final Act, I might add.

And we look on with disdain. Let us dedicate ourselves anew to the task of securing these fundamental rights and raising our voices for those who have no voice.

Thank you, Mr. Speaker.●

Mr. MRAZEK. Mr. Speaker, I yield back the balance of my time and thank those who have participated in this special order.

ELECTION SECURITY TO THE WINDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. COBEY] is recognized for 30 minutes.

Mr. COBEY. Mr. Speaker, I rise to discuss again the McIntyre situation in the Eighth District of Indiana. There is not only concern in Indiana about this matter, but there also is concern in the State of North Carolina. I wanted to demonstrate that concern through an editorial that I am going to read that appeared in the Durham Morning Herald on the 5th of March 1985. I will not read the entire editorial, but read almost all of it. It is titled "Democrats Strangle State's Voting Rights."

DEMOCRATS STRANGLE STATE'S VOTING RIGHTS

The Democratic majority in the U.S. House is arrogantly ignoring state elections law and the rights of the people to have a representative.

This pigheadedness is displayed in the refusal to seat Republican Richard McIntyre, the certified winner of Indiana's 8th District seat.

The House has voted to pay Mr. McIntyre and his election opponent, Democrat Frank McCloskey, the full congressional salary—but neither represents Indiana's 8th District.

Instead, the House has decided to investigate the election and not to admit either man until it decides who won.

That's sheer arrogance. Indiana's Secretary of State Edwin J. Simcox has certified Mr. McIntyre as the winner. On election night, Mr. McCloskey was ahead by 72 votes but elections officials determined that the results in one county had been tallied twice. After that duplication was scratched. Mr. McIntyre was ahead by 34 votes.

In a subsequent recount, Mr. McIntyre's margin was boosted to 418 votes. Interestingly, Mr. McCloskey has not filed suit to contest the election. But he need not as long as the Democrats are doing the dirty work.

There is no conscionable reason for the Democrats not to admit Mr. McIntyre. No one has charged election fraud. No one has suggested that the tally was rigged.

By Constitution (Article 1, Section 5), the House has the right to "judge the election returns and the qualifications of its members." It has had 82 opportunities to do just that—and has *always* seated the state's certified winners before investigating the election.

In some cases, the certified winner was deposed and the apparent loser replaced him later. Never, however, has the House been so arrogant as to rule a certified winner inadmissable from the beginning.

The partisanship over the McIntyre election is blatant. The House has had two votes. In the first, its members were divided strictly on the basis of the party affiliation (Democrats hold a 251-182 edge). In the second, only five brave Democrats joined the House minority in seeking Mr. McIntyre's approval.

The House should admit it has been patently unfair to Mr. McIntyre and Indiana's voters and seat him immediately.

That ends the reading of the editorial from the Durham Morning Herald.

Yesterday when I returned to Washington, there was a "Dear Colleague" letter from the chairman of the task force investigating the election in the Eighth District of Indiana, Representative LEON PANETTA. Last night I read what is headed up here, called Task Force on Indiana Eighth Congressional District Counting Rules.

Now, what has gone on in the task force is in a real sense they have rewritten the counting laws of the State of Indiana. I just wanted to share some of the changes in these counting laws. There are two pages of "Counting Rules," as they call them. There are some 22 different sections, but I think we should focus on the fact that election security and the efforts of the State of Indiana to have election security have been thrown to the wind by the task force, which we have to acknowledge is dominated by the Democrats two to one and the only member that is a Republican of that three-member task force walked out of the meeting when he saw these proposed counting rules that have been adopted.

We should focus on the fact again that election security, I am sure carefully thought out legislative security in the State of Indiana, has been thrown to the winds.

Let me read here. The rules are:

Count an otherwise valid paper (regular) ballot not properly initialed by poll clerks.

□ 1450

So apparently the poll clerk should have not even come to work the day of the election. I hope they recognize they wasted their time in initialing each one of these paper ballots as being valid and being a real voter had initiated that ballot.

No. 2: "Count an otherwise valid paper absentee ballot not properly initialed by poll clerks." So they have included the absentee ballots also.

No. 3: "Count an otherwise valid punch card regular ballot not properly initialed by a poll clerk." So the punch ballots that are not initialed will be counted.

No. 4: "Count an otherwise valid punch card absentee ballot not properly initialed by the poll clerks."

No. 5: "Count an otherwise valid paper ballot without precinct designation."

So not only do the poll clerks not have to have been there and worked on the day of the election, but we do not even have to know where the ballot came from, what precinct it even came from.

No. 6: "Count an otherwise valid punch card ballot without a precinct designation." So the punch cards are included with the paper ballots.

Nos. 7 and 8 address themselves to the county clerk's seal and signature on absentee ballots. Under the section it says, "Count an otherwise valid absentee ballot which does not bear the signature of the county clerk." So the county clerk had no need to be even involved in the election out in Indiana.

"Count an otherwise valid absentee ballot which does not bear the seal of the county clerk." So the seal does not have to be there.

"Count an otherwise valid absentee ballot which bears the stamp facsimile of the clerk's seal and signature." Now, going to section No. 9 here, we see that it is titled "Transfer Case or Envelope Seal."

Let me read this section: "Count an otherwise valid punch card ballot contained in a transfer case which may not have been properly sealed election night."

So an improperly sealed transfer case they can count all the ballots in that even though it was not sealed properly.

"Count an otherwise valid paper ballot in a precinct transfer bag or envelope which may not have been properly sealed election night." So the whole sealing process of the bags, the envelopes, the transfer case, apparently does not make any difference to the task force.

Under section 21, voting machines improperly sealed, machines not sealed. Under this section, "Count all votes cast on voting machines which may have been improperly sealed election night. Count all votes cast on a voting machine which may not have been sealed," even sealed "on election night."

Having been a person who was in a very close election myself in North Carolina, I did not even go to bed until probably about 7 o'clock in the morning after election day because we had people that were trying to secure all the ballot boxes, all the machines, stay up all night and observe the counting of absentee ballots. Believe me, I was concerned about election security. I am glad that all the rules of election security were observed in our district and our State.

It looks to me like a lot of work, hard work by people in the State of Indiana to secure their elections is being disregarded.

I do yield to the gentleman at this time.

Mr. DASCHLE. I thank the gentleman for yielding.

Mr. Speaker, I had not intended to participate in the special order of the gentleman from North Carolina but I cannot stand by idly and hear the gentleman talk about the need for security but also talk at the same time, whether he implied it or not, in trampling on the rights of the voters.

What about the right of the voter? Is his or her vote that some clerk did not initial the ballot, that may not have been sealed correctly, that some of these technicalities were not followed through, to deny a voter the right to speak out to select his or her candidate is a fundamental right that I think they are trying to ensure through the process that the gentleman has outlined. That is No. 1.

No. 2, I hope the gentleman is aware that in Indiana for the State legislative race they are using those criteria.

So on the one hand the State of Indiana is using that criteria to count those ballots; on the other hand, in this case, we are being criticized for not using the same criteria.

I think the gentleman has to be consistent in his criticism. Obviously in Indiana they felt very strongly that the voter should not be disenfranchised and that those votes are important in a close election.

Like the gentleman from North Carolina, I, too, have had a close election and have felt very strongly that we needed to count each and every vote. Certainly that is the intent here in the House, and I think it is being done in a fair manner.

Mr. Speaker, I appreciate the gentleman yielding.

Mr. COBEY. I appreciate the comments of the gentleman, Mr. Speaker, and, believe me, I want firmly to protect the rights of all voters. But I do not believe that procedures established by any State should be ignored or, as he refers to them, as technicalities. That is why I believe that we have election judges, election clerks, to

make sure that things are properly initialed so that no voter is disenfranchised.

I believe the gentleman's comment may imply that they did not have those kinds of safeguards to make sure that votes or ballots were initialed.

It is my assumption that they did have those kinds of safeguards so as to not disenfranchise any of the voters of Indiana.

Mr. Speaker, I yield further to the gentleman.

Mr. DASCHLE. Mr. Speaker, I ask the gentleman that if that is the process, if that procedure is being used in the State on a different election would it not be proper then for the House of Representatives to use the same procedure here in the congressional race.

Mr. COBEY. Is the gentleman referring to a legislative race?

Mr. DASCHLE. That is correct.

Mr. COBEY. Mr. Speaker, I have no knowledge of the procedures that they are using. I would have to take the gentleman's word that they are using the procedures, but if they are using those kinds of procedures in that legislative race I would say they are equally wrong.

Why should we repeat a wrong that they are doing in counting the ballots by establishing these rules if in fact that is true?

Mr. DASCHLE. I thought the purpose of the gentleman, his whole purpose, was to make sure that we certified the right of the State to establish procedures in an election.

Now the gentleman is turning around and saying, "Well, but they are wrong" and that should be castigated as well. I think that at least the gentleman is consistent, but I think his whole point in the special order is to say that we should not allow these technicalities to be overlooked.

I think that is the issue here. We are not overlooking the technicalities. We are using the same procedure that was being used in Indiana for that State legislative race. I think the most important criteria regardless of technicalities is to ensure the voter is not disenfranchised and that is what the effort is here in this recount.

□ 1500

Mr. COBEY. I yield to the gentleman from Utah [Mr. MONSON].

Mr. MONSON. I thank the gentleman for yielding.

Mr. Speaker, I think some of the points have been well taken here, but I am concerned about the timing of when those procedures are established.

Procedures are in place before elections are held, not after they are held. The procedures used to count ballots on election night are the same procedures that ought to be used in a recount and in any other investigation that takes place in any recount that transpires after the official State recount takes place.

I do not think it is right to establish new procedures at a time after the election has been held that are inconsistent with the procedures that were in place when the election was first held. I think if we are talking about consistency, we had better make sure that the procedures that we establish are those procedures that were in place at the time the election was held.

Mr. STRANG. Mr. Speaker, will the gentleman yield?

Mr. COBEY. I yield to the gentleman from Colorado.

Mr. STRANG. I thank the gentleman for yielding.

I am reminded of the comments made about procedures and would call the gentleman's attention to the election of Hendon versus Clark in North Carolina in 1982 in which the decision of this House to recognize the winner was based on this House's statement that although the election procedures in the State of North Carolina were overturned by the courts subsequent to the election, that the basis for this House ruling that Clark had beat Hendon was that the laws that were in effect at the time of the election were the ones that obtained. They did it because they pointed out that in 81 instances in the history of this Republic, they followed the laws of the State. hence, Clark was seated over Hendon and that seemed to be an appropriate answer.

Now, the U.S. House of Representatives is saying, "We are going to ignore the laws of the State of Indiana. It is not a sovereign state. We are going to make the rules."

That is a violation of law.

Mr. DASCHLE. Mr. Speaker, would the gentleman yield for one last time.

Mr. COBEY. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I appreciate the gentleman's yielding.

Again to rebut what the gentleman has just said, I just would insist on making sure that everyone understands that we are following procedures used in the State legislative race. And I would add, as a significant support for this, the Louisville Courier-Journal editorial dated March 13. The headline of that editorial is: "Recount Rules for Indiana Race Look Fair."

So it is not only on the basis of this task force, but I think on the basis of a newspaper that has followed this step by step, day by day, that we have the confidence in knowing that the rules certainly are fair.

The article referred to follows:

[From the Louisville Courier-Journal, Mar. 13, 1985]

RECOUNT RULES FOR INDIANA RACE LOOK FAIR

Partisanship may have prompted this week's decision by a special U.S. House task force to count technically invalid ballots in the disputed race in Indiana's Eighth Congressional District. But this position, supported by the task force's two Democratic members over objections by the panel's sole Republican, makes sense.

The goal, after all, is to determine which candidate—Democratic incumbent Frank McCloskey or Republican Rick McIntyre—was favored by a majority of voters who cast ballots in last November's election. And that requires accepting every ballot in which the voter's intention is clear—including ballots that didn't meet confusing technical requirements, unless there is evidence of fraud.

The GOP member of the House task force, William M. Thomas of California, believes this approach would benefit Democrat McCloskey. Hence, his argument that in order for a paper or punchcard ballot to be counted it should bear either a precinct designation or the initials of both a Democratic and Republican poll official.

But the procedure that Representative Thomas proposes would satisfy neither the technical demands of Hoosier law nor the more lenient standard of counting all votes in which the voters' intentions are clear, regardless of technical defects. In fact, it would add new knots to what is already a legal and political tangle.

Much of that confusion stems from the fact that during recounts following the November 6 contest, election officials in different jurisdictions used different standards for determining which ballots were valid. Technical defects that caused ballots to be thrown out in some precincts were ignored in others.

The guidelines adopted by the House task force for a final, definitive recount (by the General Accounting Office, a congressional agency) would impose badly needed order and at the same time disenfranchise the smallest possible number of voters—those, for instance, who voted for both congressional candidates or whose ballots were mutilated. That appears to be the fairest possible solution.

But whoever wins this contest, Indiana's General Assembly should move quickly to avert such confusion in the future. If legislators decided to retain the requirement that paper and punchcard ballots be initialed and bear precinct numbers, they must derive a system for enforcing these standards. In the McCloskey-McIntyre race, 75 percent of the poll workers in Vanderburgh County allegedly failed to show up for preelection instructions. It comes as no surprise, then, that a substantial portion of the 5,000 ballots rejected by Hoosier officials were cast in Vanderburgh County.

Voters in both parties have a right to be thoroughly disgusted.

Mr. STRANG. If the gentleman would continue to yield, I appreciate the comments from my distinguished colleague on the other side.

I would point out, however, that this body is determining election procedures and has assumed that it has the right to tell the sovereign State of Indiana how to conduct elections, has insinuated itself into a State that never asked it to come, a State which has certified a winner. The winner was in our pictorial book when we came here, Rick McIntyre, Eighth District of Indiana.

Now that same group, who denied him the chance to sit here even during the resolution of this problem, is saying that they are going to change the rules in Indiana. That is a total inconsistent position with the position that this body has taken in the past.

I am reminded of one of the problems that we have when we have a very distinguished set of colleagues on the House Administration Committee's task force on this issue, we have to remember that it is tough when you are on a jury to decide an issue when 2 to 1 of the people on that jury have already voted against McIntyre. That is tough for them.

I think that for this House to not recognize the actions of the secretary of state, while the issue is being resolved, is a flagrant violation of all the precepts that they followed in the past, including Clark versus Hendon in 1982.

So that somehow as we move along in this discourse, there cannot be any justifiable reason for not seating Mr. McIntyre, who is the only certified winner from the sovereign State of Indiana—the only one. He has a certificate. He never should have been taken out of that book of pictorial representation of Congress. The Eighth District of Indiana has nobody in there, just a blank page.

Mr. COBEY. Mr. Speaker, I would just like to encourage all of my colleagues in the House and their staffs to read these counting rules and judge for themsevles if they think this is the proper thing to do in a democratic society.

I encourage as many of my colleagues as can to make sure that the people of this country know how these votes are being counted.

NATIONAL FARM DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota [Mr. DASCHLE] is recognized for 60 minutes.

Mr. DASCHLE. Mr. Speaker, today is National Agriculture Day, a special day set aside to honor the hard-working men and women of this Nation who till the soil and raise our food.

Yet on this first day of spring, when many farmers should begin planting their crops, rural communities are faced with the worst financial crisis since the Great Depression of the 1930's and hundreds of thousands of family farmers and ranchers are on the brink of bankruptcy.

And the problem is growing beyond the farm—Main Street businesses and banks are all struggling to survive in a stagnant rural economy.

There are several reasons for the financial burdens being borne by the family farmer: high interest rates, an overvalued dollar, and the twin deficits of budget and trade.

But Budget Director David Stockman and Agriculture Secretary John Block have responded to problems with a farm policy of abandonment.

In their effort to reduce the deficit, the administration has asked the agriculture community, 4.7 percent of the national budget, to take an unfair 20-percent share of the budget cuts.

But the gains made on the deficit with these reductions were voided by an almost dollar-for-dollar transfer of agriculture program funds to the senseless military buildup at the Pentagon.

Recognizing the insurmountable financial problems of the family farm, Congress recently passed emergency farm credit legislation. This would have provided the last hope for thousands of farmers who cannot afford to plant a crop this spring. The entire program would have cost $97 million and could have saved the homes of many farm families.

Calling it budget-busting legislation, President Reagan chose to follow the advice of David Stockman and John Block and vetoed the bill.

The administration is now asking Congress to make available $1.5 billion, soon to be followed by another $4.5 billion, for the costly, controversial MX missile.

The time has come for this country to consider both defense and food production important national security issues. We must all understand that a dependable food production chain during wartime is as important to defending our borders as bullets, bombs, and ineffective missiles.

The same tests must be applied to legislation in both areas.

If legislation providing thousands of credit-squeezed family farmers with urgent temporary help busts the budget, then certainly a request for 15 times more money for a missile system no one believes in is a budget buster.

For those who are about to lose their homes, land, and livelihood, we only have a very short time to adopt this test. It is their last hope. Their last hope on this first day of spring, National Agriculture Day.

● Mr. DYSON. Mr. Speaker, today is National Agriculture Day and it is with great pride and admiration that I salute the millions of farmers, ranchers, and other Americans involved in the agricultural industry. I am especially proud of those in Maryland agriculture who have contributed so much to their country.

As our country's largest industry, agriculture and its related businesses employ over 20 percent of the American work force and create one-fifth of the total gross national product. The contribution of this Nation's agricultural community is felt throughout our country and cannot be underestimated.

This is the day we have set aside to honor the men and women who produce more food commodities, more efficiently, than anyone else in the world. Often this goal is unselfishly attained through personal sacrifices on the part of those in agriculture. Unfortunately, these men and women today face an agricultural crisis of a magnitude unrivaled since the Great Depression.

Today, even as we praise this vital segment of our society, farm mortgages and loan payments are falling due and forclosure notices are being served on farms. Entire communities are being rocked by this escalating crisis. The tentacles from this crisis reach out to choke related industries including major financial institutions, many of which are located in urban areas.

The crisis in our agricultural community will not go away. This is, and will remain, one of the most critical issues we will face domestically during this session. It is a multifaceted problem with no single solution. We must solve the immediate problem of helping the farmers to get their crops planted. Also, we must carefully carve out a new, long-term plan for the agricultural community. We cannot continue to change the rules and laws every 3 or 4 years when dealing with exports, farm credit, conservation, commodity programs, and other issues of concern to the agricultural community. Imagine the automobile industry trying to compete and remain intact in the world market if we changed the economic rules every few years.

Mr. Speaker, fellow Members, let us honor the agricultural industry today. Let us praise their continuing contributions to our society and tell them that they are appreciated. But more importantly, let us thank them with laws that will not change and laws that will allow our agricultural industry to be, and remain, competitive worldwide.●

● Mr. SCHUETTE. Mr. Speaker, Thomas Jefferson once said "Let the farmer forevermore be honored in his calling, for they who labor in the earth are the chosen people of God." I rise today to remind my colleagues of Mr. Jefferson's wisdom, and the tremendous contribution made by farmers as we observe National Agriculture Day. Farming has long been recognized as the foundation on which civilization is built, and it will remain so whether we choose to remember it or not.

The planting, cultivating, and harvesting of the first crops was as important as any triumph of civilization, simply because without the work of one man which fed many more men, other human endeavors would have been impossible. National Agriculture Day is particularly significant this

year because our society seems on the verge of forgetting the primacy of agriculture and neglecting those farmers who are in dire need.

It seems that despite the fact that our farmers are the most productive in the world, despite the fact that our farmers feed the world, and despite the fact that our farmers are the cornerstone of our economic and national strength, we are ignoring their cries for help.

What makes these calls for help so wrenching for me, Mr. Speaker, is that farmers are also among the most independent people around. They don't ask for handouts or freebies, they're just asking for a free and fair market, less Federal intervention, and in some cases a loan to get a crop in the ground this spring. With each year's crop they keep up their loan payments and continue the hard and solitary and joyful business of putting a seed in the ground and providing the materials of which the miracle of life is made.

I keep reading about a revolution in the making, a revolution in which our economy becomes service-oriented, and thrives on the exchange of information instead of the production of goods. I would have to say that whatever happens, whatever changes there are in the economy, the people who make computers, and the people who use computers to make a living, are going to rely on the farmer. Centuries before the first metal was mined and the first trading vessel was launched there was farming, and I expect there will be farmers long after computers have given way to another so-called revolution.

It is altogether fitting that we mark National Agriculture Day on this first day of spring. In my home State of Michigan, the snow is melting away and the ground will soon be ready for plowing. I think one of the reasons Jefferson said that farmers were among God's chosen people was because their business is the miracle and wonder of life. The farmer's daily life is a continual reminder of God's blessings and man's hope, seen in the delicate plants which he tends and then gives to the rest of humanity. I am proud to observe National Agriculture Day.●

● Mr. BRUCE. Mr. Speaker, I rise in support of National Agriculture Day. Today, March 20, the Congress continues a tradition of honoring that sector of our population which provides the American public with a continuing supply of fresh, varied, inexpensive food.

American agriculture has made remarkable strides over the last 50 years, with overall productivity more than doubling as a result of improved farming techniques. Today the agricultural sector is responsible for producing over 20 percent of our gross national product, and for running the only major surplus in our international trade accounts.

But the agricultural sector in recent years has been strained by the demands of a rapidly changing economic picture. A strong dollar, high interest rates, and falling land prices have contributed to a rocky period for agriculture, leaving many small- and medium-sized farms dangerously deep in debt. Because of their dependence on biological processes, agricultural producers have limited control over the quantity and timing of their output. Thus they are far more vulnerable to market instabilities than are other kinds of producers.

I think it is time for us in Congress to reaffirm our commitment to keeping our agriculture economy sound. We have the opportunity to do so this year by adopting a farm bill which protects agriculture from short-term shocks while strengthening its ability to move in the long term to a more stable, market-oriented system. This is a transition year for agriculture, and we need to focus on a wide range of concerns, including:

Expanded efforts in the area of agriculture exports;

A more flexible price support system;

Continued support for the agriculture research that has brought us the productivity we now enjoy; and

A move toward strong soil conservation measures to protect the land for future generations.

I hope all Members of Congress will join me in working to ensure the vitality of American agriculture, so that we may continue to celebrate National Agriculture Day for many years to come.●

● Mr. EVANS of Illinois. Mr. Speaker, our Nation has long led the world in scientific and entrepenuerial innovation—a tradition that has made us the richest, most powerful democracy in history. We have led the way in developments in commerce, computers, manufacturing, bioengineering, and space with technological advances occurring at a pace that most Americans are unable to follow.

The most important success story in America, however, is not the usual high-tech sector about which we have heard so much. The great success story of the 20th century is American agriculture. Agriculture remains the heart of our economy and society. It is an undying link to those who first settled the shores of our Nation, an industry capable of feeding the world.

The efforts of dedicated, skilled, and persevering farmers to provide adequate food has enabled the great majority of our citizens to pursue those activities which have fostered our success. In essence, our strength is derived from the soil.

Our current administration has apparently forgotten this fact. While the President has rallied the masses with his battlecry that "America is back," he has ignored the one essential element that put us there in the first place.

Today, as we recognize our Nation's agricultural sector and the achievements of our highly skilled producers, a groundswell of protest is growing across the land. An unreleased Agriculture Department report says that 93,000 midsize U.S. farms, holding $47 million in debt, are technically insolvent or the verge of going broke—a staggering 45 percent increase over the previous year.

In the 17th District of Illinois, industries and small businesses alike have been devastated by our stagnant farm economy. Knox County, a rich agricultural area which lies in the heart of my district, currently has an unemployment rate of 25 percent.

Mr. Stockman contends that these farmers are inefficient managers, and have no business farming in the first place. This may be true in a few cases. However, by no stretch of the imagination can it be said that most of the farmers currently in financial trouble are deserving of this fate. That is why I was disappointed by the President's veto of the farm credit relief bill, and why yesterday I joined in sponsoring legislation which would provide desperately needed operating capital to eligible farmers through advanced CCC loan payments. I urge both Houses of Congress to continue to fight for this assistance.

A glance at our agricultural sector shows why we are the envy of the world. We are still the most productive agricultural nation in the world, blessed with bountiful natural resources and a great number of highly skilled producers. We have been able to provide, in general, cheap and adequate food for our citizens. Furthermore, the majority of our farmers are family farmers—a fiercely independent group of individuals who carry on a proud American tradition. I believe that the future is bright—if we have the strength and courage to forge ahead, and recognize the vital role that our family farms play.

More than any time in the last 50 years, our Government has the opportunity to foster a national agriculture policy which will serve our farmers and country for years to come. We also have an opportunity not to simply fine-tune existing farm programs, but to rethink Federal farm policy as a whole. The recent focus on farm problems has served to remind Americans that cheap food does not come from the storerooms of our grocery stores—it comes from the hard work and dedication of our producers.

The Senate yesterday approved $1.5 billion for 21 additional MX missiles. I find it ironic and disturbing that the administration is eager to spend this great sum of money on a so-called bargaining chip, while they are unwilling to allocate one-fourth of this amount to assist thousands of productive American farmers who are on the financial ropes. Assistance to our farmers, I believe, is the best bargain our Nation can buy.

Today, on National Agriculture Day, let us reaffirm our commitment to American agriculture. I urge my colleagues to make every effort during the 99th Congress to see that the livelihood of our Nation's farmers, and hence the sustenance of our Nation's strength, is preserved.●

● Mr. FRENZEL. Mr. Speaker, agriculture is one of the most important sectors of America. I commend the gentleman from South Dakota for his leadership in organizing a special order to recognize American farmers, and to salute their achievements.

The predominant industry in my State is agriculture. Minnesotians have long prospered from the benefits of farmers' toil. Minnesota is more dependent on agriculture than most States, but the entire country relies on the farming community which has produced cheap and abundant food for America and for the world.

Total agriculture output has more than doubled in the past 50 years, and since 1940 output per hour has raised tenfold. These are impressive figures, and they stand as an impressive tribute to the American families whose skill and determination have made American agriculture the envy of the world.

Ours is the strongest country in the modern world. A strong agricultural base has been the keystone of America's stability and greatness.

I am honored to participate in this National Agriculture Day Program. I salute those men and women of U.S. agriculture who have played such a vital and integral role in our country's progress. It's about time this House honored its farmers and farm families. They have richly earned whatever modest tribute we can give them today.●

● Mr. OBERSTAR. Mr. Speaker, the designation of March 20, 1985, provides the Nation with the opportunity to recognize the enormous contributions which farmers and ranchers make to the national economy and to our quality of life in the United States.

Traditionally, National Agriculture Day has produced an outpouring of well-expressed tributes to the productivity of our farmers and recognition of the harsh conditions under which they often labor.

Unfortunately, National Agriculture Days do not provide the cash needed for spring planting, don't eliminate the effects of weather, don't ensure fair prices for the farmers' products, and don't help pay the enormous financing costs which many of our Nation's farmers are now bearing.

Nevertheless, tributes to the American farmer are well deserved and most appropriate today, and for that reason, I am pleased to participate in this special order sponsored by the gentleman from South Dakota.

National Agriculture Day this year is full of bitter ironies for our Nation's farmers and ranchers. They face an overwhelming credit crisis as spring planting season begins and the sum total of Federal response to that crisis is effectively zero.

Within the past month, Congress passed an emergency farm credit bill. In fact, the House on two separate occasions within 5 days passed major credit legislation. The President vetoed the legislation, and neither House had the opportunity to vote on a veto override.

The crisis in agriculture has not disappeared in the past 2 weeks merely because of the veto. For weeks prior to congressional action, the farm credit crisis was front-page news. Almost instantly after the veto, however, the farm credit crisis was no longer news story No. 1.

The veto struck a stunning blow which left farmers disappointed, surprised, actually astounded that their Government would refuse to provide the very modest level of emergency assistance authorized by the farm credit legislation.

For years, the Federal Government had, through its policies, encouraged increased farmer borrowing. Farmers very reasonably came to believe that the Government would continue to act responsibly and consistently with past policies. Furthermore, the prolonged record Federal deficits have sustained real interest rates for over 4 years at levels previously thought impossibly high.

American farmers deserve better. Congress must provide meaningful credit assistance before Easter and spring planting. Beyond the emergency crisis of the next few weeks, we must enact a legislative framework to insure a fair price to our Nation's farmers. If farmers cannot realize a fair price, there is no point in enacting emergency farm credit legislation which would only prolong the agony and postpone the inevitable.

On this National Agriculture Day, it is essential that Congress recognize that the price to our Nation's farmers is far too low and that inadequate prices have placed the farmer in an impossible position.

The administration's farm policies, embodied in both the Presidential veto of the farm credit legislation and in the proposed 1985 farm bill, will ensure the demise of hundreds of thousands of farms by the end of the decade. The end result will be dislocation for hundreds of thousands of Americans who lived on those farms, and a serious disruption of the basic framework of rural America. Agricultural production will be further concentrated in large corporate farms.

In 1981, I voted against the 1981 farm bill because I believed that it would cause an economic Dunkirk for our Nation's farmers. A Member of Congress didn't have to be psychic in 1981 to realize what that farm bill, coupled with prolonged high interest rates would mean to the American farmer. Neither do we need to be psychic to recognize that the 1985 farm bill, on top of the veto of the emergency farm credit legislation, could be the final nail in the coffin for American farmers.

If we do not provide a farm bill which allow our Nation's farmers to obtain a fair price for their commodities, I suggest that in the future, it will be hypocrisy to celebrate National Agriculture Day. If the administration and Congress do not enact a responsible, responsive farm bill recognizing realities facing American farmers and recognize the importance of the family farm to rural America and to agriculture production, then National Agriculture Day will have become a charade—one that should be ended.

Talk is cheap and it cannot erase the consequences of inadequate farm policies. But let us hope that the talking we do on this agriculture day will have the effect of stirring the public and congressional sensitivity to the plight of the farmer and that the result will be legislation that will save the American family farm.

I want again to thank the gentleman from South Dakota for sponsoring this special order today. He has been a tremendous friend to the farmers not only in South Dakota, but throughout the Midwest and the Nation.●

● Mr. DYSON. Mr. Speaker, I wish to briefly address today's salute to National Agriculture Day. I thank the gentleman from South Dakota for his hard work on behalf of this troubled industry.

America is the greatest producer of agricultural commodities in the world. This is due partly to advanced technology, but more importantly, this is from the seat and dedication of the millions of farmers, ranchers, and other Americans involved in the agricultural industry. These men and women are the backbone of America's agricultural industry. Today I rise to say "Thank you," to each and every one.

These men and women have made great personal sacrifices to insure that our country has abundant food. However, these Americans are in trouble.

Some have made poor business decisions, but most have been caught in a web of international economic complexities that they can do nothing about. We must show America's largest industry that we do appreciate their hard work, that we understand their predicament and that we do care.

I hope that today we will remember the problems facing the agricultural industry. This will be one of the most challenging domestic problems we will face this session. We must help the farmers now to plant their crops and we must provide stable, long-term laws and regulations to allow the industry to survive by competing in the international market.

Today we thank and salute our agricultural industry. Tomorrow let us remember this industry and its problems and work together to solve them.●

GENERAL LEAVE

Mr. DASCHLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

SUBCOMMITTEE ON TELECOMMUNICATIONS, CONSUMER PROTECTION, AND FINANCE SEC AUTHORIZATION AND OTHER LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, on Thursday, March 21, 1985, the Securities and Exchange Commission will appear before the Subcommittee on Telecommunications, Consumer Protection, and Finance in connection with its budget authorization request for fiscal years 1986 through 1988.

With the recent failure of E.S.M. Government Securities, Inc., causing a savings and loan panic in Ohio and resulting in millions of dollars of losses to cities and other investors, the hearing comes at a time of increased concern about the inability of the SEC and other Federal and State regulators to anticipate dramatic failures in the Government securities market. Unsupervised, speculative trading practices and the failure to conform to strong financial standards led to the collapse of Drysdale Government Securities, Inc., and Lombard-Wall Inc., in 1982 and Lion Capital Group last year. After each of these events, Congress was given assurances by the Federal Reserve that steps were being taken to prevent their recurrence. After each of these events, the SEC, which has no supervisory regulatory authority over unregulated government securities dealers, has come in after-the-fact, asserting its antifraud jurisdiction but claiming that it needs no additional authority to regulate this market.

Within the past 2 weeks, we have seen the collapse of yet another unregulated securities dealer, E.S.M. Government Securities Inc., and a resulting dramatic loss in depositor confidence in State-chartered savings and loans in Ohio. The implications of the loss of confidence by depositors are quite serious for our economy and clearly show the potential for serious economic dislocation and injury to individual depositors in Ohio and elsewhere.

We recently learned that the SEC was told of problems at E.S.M. in 1977, when it received complaints from customers about excessive markups. After 4 years, during which the SEC was unable to gain access to E.S.M.'s books and records, the SEC closed its inquiry. We are now told that the fraud at E.S.M. was well underway during the time the SEC was prevented from gaining access to its books and records.

Two of my colleagues on the subcommittee, Al Swift and Thomas Luken, together with Chairman Dingell and myself, have requested a full report from the SEC on its activities with respect to E.S.M. That report will be discussed at the hearing on Thursday, when we will evaluate the ability of the SEC to effectively preserve the integrity of our markets when it has limited resources and limited authority in this critically important segment of our national securities markets.

In connection with the hearing, today I am introducing legislation authorizing appropriations for the Securities Exchange Commission for fiscal years 1986 through 1988.

As we all know, for 50 years the SEC has been charged with overseeing the Nation's securities markets, protecting investors in those markets and giving them confidence that they will be treated fairly.

In recent years, those markets have grown in size and complexity. Trading on the exchanges and in the over-the-counter market has reached record levels, and new products and institutions spanning industry lines have proliferated, testing the Commission's surveillance and enforcement capabilities.

The volume of new securities registered with the Commission has also surpassed all prior levels, which has placed increased demands on the Commission's disclosure review. As the markets become increasingly internationalized, complex enforcement, surveillance and disclosure issues threaten the SEC's ability to maintain the integrity of the U.S. capital markets.

The difficulty of the Commission's task is illustrated by the following numbers, reflecting increases in the markets regulated by the Commission during the past 5 years. In that period:

The value of initial public offering registered with the Commission has risen 73 percent;

The volume of shares traded on the stock exchanges has increased 228 percent;

The volume of shares traded over the counter has grown 450 percent;

The number of registered broker dealers has grown 54 percent;

The number of investment companies has grown 55 percent;

Investment company assets have grown 235 percent; and

The number of investment advisers has grown 60 percent.

There also has been a corresponding growth in indicators of potential fraud during the past 5 years:

Complaints and inquiries received by the SEC have risen over 94 percent; and

Complaints received by the National Association of Securities Dealers have increased 278 percent.

However, during this same period, Commission personnel have declined more than 5 percent.

The President's 1986 budget essentially freezes Commission personnel at 1985 levels. We must question whether this amount is appropriate, or whether the result will be reduced investor protection and reduced confidence in our national markets.

The hearing on Thursday also will focus on three additional bills. One of them, H.R. 1346, was introduced by Chairman DINGELL to restore certain protections under the Securities Investor Protection Act affected by the recently enacted Bankruptcy Amendments and Federal Judgeship Act of 1984.

Another bill, which I am also introducing today, is the Shareholder Communications Act, which fills a significant gap in the authority of the SEC to ensure that shareholders whose stock is held at banks, associations or other entities receive the same protections as those whose stock is held at registered broker dealers subject to SEC regulation.

The hearing on Thursday will also consider the Securities Law Technical Amendments Act, which I am introducing today at the request of the SEC to provide greater clarity in its statutes and improve the workings of the SEC.●

RESOURCE RECOVERY

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PRICE. Mr. Speaker, as a Member of Congress, I participated in the debate and enactment of the Re-

source Conservation and Recovery Act of 1976. In considering that act, Congress recognized that the volume of discarded materials in the country is increasing each year, that landfills are becoming filled to capacity, especially in major cities, and that some waste has value in that certain materials can be recovered from it and/or derived from it. With this in mind, some of the purposes of the legislation were to encourage entities to reduce the amount of waste being directed to landfills and to construct facilities to salvage reusable items from waste materials as well as to derive energy from the waste.

The Bi-State Development Agency of the Missouri-Illinois Metropolitan District plans, in conjunction with Thermal Resources of St. Louis, Inc., to construct and operate a resource recovery facility in the St. Louis metropolitan area. The agency intends to accept waste from the metropolitan area, salvage reusable materials from it, and burn the waste to generate steam. This waste-derived steam will be delivered through an existing steam distribution system, formerly owned by Union Electric Co., to consumers in St. Louis. Thermal Resources has acquired the Ashley Street plant, formerly owned by Union Electric Co., to insure that the peak steam requirements of customers will be met in the event of any interruption in the flow of waste to the resource recovery facility.

It is my opinion that the activities of the Bi-State Development Agency and Thermal Resources of St. Louis, Inc., are the type of undertakings that the Resource Conservation and Recovery Act of 1976 was enacted to promote. The act provides in part:

The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for

(1) cooperative effort and mutual assistance for the management of solid waste or hazardous waste (or both) and the enforcement of their respective laws relating thereto, and

(2) the establishment of such agencies, joint or otherwise, as they may deem desirable for making effective such agreements or compacts. 42 USC 6904(b).

The above-quoted provision of the act was intended to be a grant of consent under the Compact Clause of the U.S. Constitution, article I, section 10, clause 3, to interstate compacts providing for solid waste management.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GROTBERG) to revise and extend their remarks and include extraneous material:)

Mr. BEREUTER, for 30 minutes, today.
Mr. MCCAIN, for 10 minutes, today.
Mr. COBEY, for 30 minutes, today.

(The following Members (at the request of Mr. AUCOIN) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. FAUNTROY, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.

(The following Members (at the request of Mr. DASCHLE) to revise and extend their remarks and include extraneous material:)

Mr. WIRTH, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GROTBERG) and to include extraneous matter:)

Mr. COURTER.
Mr. MCMILLAN.
Mr. COBEY in two instances.
Mr. HUNTER.
Mr. GINGRICH.
Mr. LIVINGSTON in two instances.
Mr. BARTLETT.
Mr. MICHEL.
Mr. CONTE.
Mr. DENNY SMITH.
Mr. RINALDO.
Mr. SAXTON.
Mr. SUNDQUIST.
Mr. KOLBE.
Mr. MOORE.
Mr. MCDADE.
Mrs. SMITH of Nebraska.
Mrs. HOLT.
Mr. CAMPBELL.
Mr. GEKAS.

(The following Members (at the request of Mr. AUCOIN) and to include extraneous matter:)

Mr. FOWLER in two instances.
Mr. DARDEN.
Mr. MARKEY.
Mr. RANGEL in two instances.
Mr. CARR.
Mr. FLORIO.
Mr. HAMILTON.
Mr. ENGLISH.
Mrs. KENNELLY.
Mr. LEVINE of California.
Mr. STUDDS.
Mr. KOSTMAYER.
Mr. DORGAN of North Dakota.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 592. An act to provide that the chairmanship of the Commission on Security and Cooperation in Europe shall rotate between members appointed from the House of Representatives and members appointed from the Senate, and for other purposes.

ADJOURNMENT

Mr. DASCHLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at (3 o'clock and 6 minutes p.m.), the House adjourned until tomorrow, Thursday, March 21, 1985, at 11 o'clock.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and an amendment report of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1984 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Tom Bevill	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.00				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Hon. Lawrence Coughlin	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.00				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bernard Dwyer	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Hon. William Gray	11/23	11/24	Italy		83.00						83.00
	11/24	11/26	Ethiopia		225.00						225.00
Transportation partially provided by DOD							4,322.00				4,322.00
Hon. William Lehman	10/17	10/20	England		288.00						288.00
	10/20	10/31	U.S.S.R.		1,044.00		124.60				1,168.60
	10/31	11/2	Portugal		225.00		4,181.00				4,406.00
Hon Joseph McDade	11/15	11/21	Germany		525.00		3,451.00				3,976.00
Hon. John Myers	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Hon. Neal Smith	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Hon. Wes Watkins	11/19	11/21	Ireland		204.00		[3] 886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
Hon. Charles Wilson	11/8	11/9	England				2,070.00				2,070.00
	11/9	11/15	Egypt		504.00						504.00
	11/15	11/17	Israel		300.00						300.00
	11/17	11/24	Morocco		300.00		1,452.13				1,752.13
	11/24		United States				950.00				950.00
George Allen	11/8	11/10	Switzerland		150.00						150.00
	11/10	11/19	Germany		675.00		3,487.00				4,162.00
Terry D. Bevels	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	11/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Gregory Dahlberg	10/17	11/19	England		192.00		4,159.00				4,351.00
Robert V. Davis	11/3	11/7	United States		375.00						375.00
	11/8	11/13	Japan		524.00						524.00
	11/13	11/15	Korea		275.00						275.00
	11/15	11/18	Hong Kong		357.00						357.00
	11/18	11/20	Philippines		186.00		4,438.00				4,624.00
Jimmy Ray Fairchild	11/19	11/21	Ireland		204.00		886.39				1,090.39
	11/21	11/23	Greece		150.00		504.75				654.75
	11/23	11/25	Turkey		225.00		135.42				360.42
	11/25	11/28	Kenya		150.00		870.62				1,020.62
	11/28	11/30	Niger		150.00		768.24				918.24
	11/30	12/1	Portugal		150.00		640.20				790.20
	12/1		United States				[3] 1,107.00				1,107.00
Robert B. Foster	12/7	12/17	Venezuela		1,060.00		1,509.49				2,569.49
Americo S. Miconi	11/3	11/7	United States		375.00						375.00
	11/8	11/13	Japan		524.00						524.00
	11/13	11/15	Korea		275.00						275.00
	11/15	11/18	Hong Kong		357.00						357.00
	11/18	11/20	Philippines		186.00		3,780.37				3,966.37
Terry R. Peel	11/11	11/14	United States		300.00						300.00
	11/14	11/17	Korea		225.00		3,776.00				4,001.00
	12/9	12/10	Panama		150.00						150.00
	12/11	12/11	Honduras		75.00						75.00
	12/12	12/14	Guatemala		225.00		1,202.00		7.00		1,434.00
Transportation by DOD							744.00				744.00
John G. Plashal	11/12	11/16	England		445.00		4,159.00				4,604.00
Edwin F. Powers	10/12	10/16	France		352.00						352.00
	10/16	10/19	Turkey		150.00						150.00
	10/19	10/25	Greece		335.00						335.00
	10/25	10/27	Italy		168.00		4,617.00				4,785.00
	11/23	11/24	Italy		83.00						83.00
	11/24	11/26	Ethiopia		225.00						225.00
	11/27	11/28	France		86.00						86.00
Transportation partially provided by DOD							4,322.00				4,322.00
	12/8	12/13	England		445.00		4,159.00		38.64		4,642.64
Donald E. Richbourg	12/8	12/11	Panama		225.00						225.00
	12/11	12/12	Honduras		150.00						150.00
	12/12	12/13	Guatemala		75.00		1,202.48				1,277.48
William Schuerch	10/17	10/20	England		288.00						288.00
	10/20	10/31	U.S.S.R.		1,044.00		124.60				1,168.60
	10/31	11/2	Portugal		225.00		4,260.00				4,485.00
Robert Seraphin	11/3	11/7	United States		375.00						375.00
	11/8	11/12	Japan		524.00						524.00
	11/13	11/15	Korea		275.00						275.00
	11/16	11/18	Hong Kong		357.00						357.00
	11/18	11/19	United States		75.00		4,114.37				4,189.37
James Van Wagenen	11/12	11/16	England		445.00		4,159.00				4,604.00
J. David Willson	10/21	10/22	Belgium		146.00						146.00
	10/23	10/26	Germany		146.00						146.00
	10/27	10/29	Sweden		351.00						351.00
	10/30	11/1	Norway		219.00		4,208.00				4,427.00
Committee total					24,971		110,886.94		45.64		135,903.58

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
APPROPRIATIONS, SURVEYS, AND INVESTIGATIONS STAFF											
Thomas E. Crosson	11/3	11/9	West Germany		468.75		2,012.00		18.96		2,499.71
	11/9	11/16	England		623.00				121.67		744.67
John A. Friel, Jr	12/2	12/4	Korea		175.00		2,163.82		4.60		2,343.42
	12/4	12/7	Japan		373.75				19.18		392.93
Francis J. King	12/2	12/4	Korea		175.00		2,123.82		4.60		2,303.42
	12/4	12/7	Japan		373.75				20.00		393.75
Timothy B. Klund	11/3	11/9	West Germany		468.75		2,012.00				2,480.75
	11/9	11/16	England		623.00				23.20		646.20
Louis J. Leporatti	11/3	11/9	West Germany		468.75		2,766.00				3,234.75
	11/9	11/15	England		556.25				54.45		610.70
Committee total					4,306.00		11,077.64		266.66		15,650.30

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation provided in total by DOD.

JAMIE L. WHITTEN, Chairman, Feb. 19, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Biaggi, Hon. Mario	11/13	11/16	South Korea	325,190	399.00		3,777.93	306,055	[3] 373.97		
								207,753	[4] 253.85		
	11/16	11/18	Japan	106,434	438.00				[5] 2,002.98		
									[6] 157.48		
									[7] 94.76		7,497.97
Borski, Hon. Robert	12/7	12/11	Panama		320.00		[8]				320.00
Bosco, Hon. Douglas	12/7	12/11	Panama		320.00		[8]				320.00
Cavas, Barbara	12/7	12/11	Panama		320.00		[8]				320.00
Dentler, John	12/1	12/4	Canada		[9] 379.94		[10] 841.03				1,220.27
Franklin, Hon. Webb	12/7	12/11	Panama		320.00		[8]				320.00
Goebel, Paul	11/13	11/16	South Korea	325,190	399.00		3,772.60				
	11/16	11/18	Japan	142,398	586.00						4,757.60
Hubbard, Hon. Carroll	12/7	12/11	Panama		320.00		[8]				320.00
Long, John	12/7	12/11	Panama		320.00		[8]				320.00
Mallon, Lawrence G.	11/12	11/16	South Korea	325,190	399.00		3,772.60				
	11/16	11/21	Japan	214,326	882.00						5,053.60
Mikulski, Hon. Barbara	12/7	12/11	Panama		320.00		[8]				320.00
Oakley, Jana	12/7	12/11	Panama		320.00		[8]				320.00
Robinson, John Kip	11/3	11/16	South Korea	325,190	399.00		3,772.60				
	11/16	11/19	Japan	142,398	586.00						4,757.60
Shumway, Hon. Norman D.	11/13	11/16	South Korea	325,190	399.00		3,401.11				
	11/16	11/19	Japan	142,398	586.00						
	12/7	12/11	Panama		320.00		[8]				320.00
Tallon, Hon. Robin	11/13	11/16	South Korea	325,190	399.00		4,734.14				
	11/16	11/19	Japan	142,398	586.00						
	12/7	12/11	Panama		320.00		[8]				6,039.14
Tauzin, Hon. Billy	12/7	12/11	Panama		320.00		[8]				320.00
Wilkinson, Cynthia	11/13	11/16	South Korea	325,190	399.00		3,772.60				
	11/16	11/19	Japan	106,434	438.00						4,609.60
Welch, Edmund	12/7	12/11	Panama		320.00		[8]				320.00
Committee total					11,114.24		27,844.61		2,883.04		41,841.89

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended. [3] Ground transportation South Korea for Codel. [4] Control room in South Korea for Codel. [5] Ground transportation in Japan for Codel. [6] Interpreting services in Japan for Codel. [7] Control room in Japan for Codel. [8] Transporation provided by U.S. Air Force military aircraft. [9] Actual expenses reimbursed for Canada upon traveler's return to District of Columbia Expenses submitted to State Department Dec. 13, 1984. Reimbursement on Jan. 2, 1985. [10] State Department issued check for reimbursement for airfare District of Columbia/Canada/District of Columbia directly to traveler, who in turn reimbursed airlines.

WALTER B. JONES, Chairman, Feb. 21, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Tony Hanll	11/7	11/14	Addis Ababa	768.49	375.00		4,380.00				4,755.00
Hon. David Bonior	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Charter							1,200.00				1,200.00
	12/13	12/14	Laos	800	[3] 93.75					800	93.75
Local transportation						42.31	5.29			42.31	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air Force transportation							11,288.86				11,288.86
Committee total					918.75		16,874.15				18,110.14

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] 1¼ days per diem paid.

CLAUDE PEPPER, Chairman, Feb. 27, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Beryl Anthony, Jr	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. John J. Duncan	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Bill Frenzel	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Willis D. Gradison, Jr	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Barbara B. Kennelly	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Henson Moore	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Donald J. Pease	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Charles B. Rangel	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Dan Rostenkowski	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Richard T. Schulze	11/15	11/18	Switzerland				12.21		37.17		49.38
Hon. Guy Vander Jagt	11/15	11/18	Switzerland				12.21		37.17		49.38
Thelma J. Askey	11/15	11/18	Switzerland				12.21		37.17		49.38
Joseph K. Dowley	11/15	11/18	Switzerland				12.21		37.17		49.38
James C. Healey	11/15	11/18	Switzerland				12.21		37.17		49.38
Robert J. Leonard	11/15	11/18	Switzerland				12.21		37.17		49.38
John J. Salmon	11/15	11/18	Switzerland				12.21		37.17		49.38
Arthur L. Singleton	11/15	11/18	Switzerland				12.21		37.17		49.38
Rufus Yerxa	11/15	11/18	Switzerland				12.21		37.17		49.38
Committee totals							219.78		669.06		888.84

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Feb. 28, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

795. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces; to the Committee on Armed Services.

796. A letter from the Secretary of Education, transmitting final regulations for the Women's Educational Equity Act Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

797. A letter from the Director, Arms Control and Disarmament Agency, transmitting two drafts of proposed legislation seeking to amend the Arms Control and Disarmament Act; to the Committee on Foreign Affairs.

798. A letter from the President, African Development Foundation, transmitting a draft of proposed legislation to amend the International Security and Development Cooperation Act of 1980 to delete the expiration requirement and reauthorize appropriations for the Foundation; to the Committee on Foreign Affairs.

799. A letter from the Assistant Secretary of Defense (Manpower, Installations, and Logistics), transmitting an actuarial valuation report on the status of the military retirement system, pursuant to 10 U.S.C. 1464(c) (97 Stat. 646); to the Committee on Government Operations.

800. A letter from the Chairman, Federal Election Commission, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

801. A letter from the Deputy Assistant Secretary of Defense, transmitting notice for a computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

802. A letter from the Executive Director, Pension Benefit Guaranty Corporation, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

803. A letter from the Secretary of the Treasury and Director, Office of Management and Budget, transmitting a letter confirming that no recommendations were specified in an October 12, 1984 report entitled, "Progress in Improving Program and Budget Information for Congressional Use," pursuant to 31 U.S.C. 1113(e)(3); to the Committee on Government Operations.

804. A letter from the General Council, Department of Transportation, transmitting budget requests for fiscal year 1986 including facilities, equipment, research, engineering and, development for the Federal Aviation Administration, pursuant to Public Law 97-248, Section 506(f); to the Committee on Public Workers and Transportation.

805. A letter from the Principal Deputy Assistant Secretary for Policy, Budget, and Administration, Department of the Interior, transmitting a report that the Department of the Interior did not award any sole source contracts or any resulting from unsolicited proposals for over $1 million which violated the law, pursuant to Public Law 98-72; to the Committee on Small Business.

806. A letter from the Administrator, Veterans' Administration, transmitting a report on the disposition of claims for benefits by former POW's under chapter 11 of title 38, U.S.C., pursuant to Public Law 97-37, section 6(b)(2); to the Committee on Veterans' Affairs.

807. A letter from the General Council, Department of Defense, transmitting a draft of proposed legislation to amend section 709 of title 32, United States Code, to permit the Secretary of Defense to approve certain regulations governing excepted service technicians of the National Guard; jointly, to the Committees on Armed Services and Post Office and Civil Service.

808. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 709 of title 32, United States Code, to eliminate the requirement that notice of

termination be given 30 days in advance to National Guard technicians who serve under temporary appointments, are serving in their trial/probationary period, or who voluntarily cease to be National Guard members; jointly to the Committees on Armed Services and Post Office and Civil Service.

809. A letter from the Under Secretary for Security Assistance, Science and Technology, transmitting notification that certain funds appropriated to Honduras will be reprogrammed to other Central American countries, pursuant to Public Law 98-212, section 766; Public Law 98-215, section 103; jointly, to the Committees on Foreign Affairs and Appropriations.

810. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a letter informing the Congress that certain Colombian cities are being designated for danger pay, pursuant to 5 U.S.C. 5928 (97 Stat. 1028); jointly, to the Committee on Foreign Affairs and Post Office and Civil Service.

811. A letter from the Assistant Attorney General (Land and Natural Resources Division), Department of Justice, transmitting a report entitled, "Attorney General's Determination of Legal Responsibility of Former Owners and Operators of the Uranium Processing Site at Canonsburg, Pennsylvania"; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee on Armed Services. H.R. 752. A bill to amend title 38, United States Code, to ensure an orderly transition to the new educational assistance program established by chapter 30 of that title; with amendments (Rept. No. 99-17, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. GAYDOS: Committee on House Administration. House Resolution 100. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 99th Congress; with an amendment (Rept. No. 99-21). Referred to the House Calendar.

Mr. ADDABBO: Committee on Appropriations. House Joint Resolution 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles. (Rept. No. 99-22). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPIN: Committee on Armed Services. House Joint Resolution 180. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution. (Rept. No. 99-23). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WIRTH (for himself and Mr. RINALDO) (by request):

H.R. 1602. A bill to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal years 1986 through 1988; to the Committee on Energy and Commerce.

H.R. 1603. A bill to amend the Securities Exchange Act of 1934 to authorize the Securities and Exchange Commission to subject banks, associations, and other entities that exercise fiduciary powers, to the same regulations as broker-dealers, pursuant to section 14(b) of the Securities Exchange Act of 1934; to the Committee on Energy and Commerce.

H.R. 1604. A bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ADDABBO (for himself and Mr. BIAGGI):

H.R. 1605. A bill to amend title 18, United States Code, to prevent evasion of State taxes on gasoline; to the Committee on the Judiciary.

By Mr. ADDABBO (for himself, Mr. BIAGGI, Mr. BOLAND, Mr. FAZIO, Mr. FISH, Mr. FRANK, Ms. KAPTUR, Mr. OWENS, Mr. SCHEUER, Mr. TALLON, Mr. MRAZEK, Mr. MITCHELL, Mr. DIOGUARDI, and Mr. LEVIN of Michigan):

H.R. 1606. A bill to require disclosure by the Secretary of the Army, acting through the Chief of Engineers, of certain information relating to petroleum products transported on vessels to State taxing agencies requesting such information, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BIAGGI:

H.R. 1607. A bill to amend the Communications Act of 1934 to establish an Office of Ethnic and Minority Affairs within the Federal Communications Commission; to the Committee on Energy and Commerce.

By Mr. CAMPBELL:

H.R. 1608. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for expenses paid or incurred for services for preparing any individual income tax return; to the Committee on Ways and Means.

By Mr. CONTE (for himself, Mr. BOLAND, Mr. MINETA, and Mr. GREEN):

H.R. 1609. A bill to authorize the Smithsonian Institution to plan and construct facilities for the Cooper-Hewitt Museum, and for other purposes; jointly, to the Committees on House Administration and Public Works and Transportation.

By Mr. DORGAN of North Dakota:

H.R. 1610. A bill to amend the Internal Revenue Code of 1954 with respect to certain limitations on the investment tax credit for public utility property; to the Committee on Ways and Means.

By Mr. ECKART of Ohio (for himself, Mrs. SCHNEIDER, Mr. FORD of Michigan, Mr. FEIGHAN, Mr. STOKES, Mr. SEIBERLING, Ms. KAPTUR, Ms. OAKAR, Mr. BOEHLERT, Mr. LEVIN of Michigan, Mrs. JOHNSON, Mr. DURBIN, Mr. RIDGE, Mr. KLECZKA, Mr. EDGAR, Mr. REGULA, Mr. MOODY, Mr. TRAXLER, Mr. DWYER of New Jersey, Mr. PEASE, Mr. MURPHY, Mr. WEISS, Mr. EVANS of Iowa, Mr. KOSTMAYER, Mr. BOLAND, Mr. FOGLIETTA, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. MARTINEZ, Mr. RAHALL, and Mr. MITCHELL):

H.R. 1611. A bill to improve access to training opportunities for dislocated workers, to provide procurement targeting in labor surplus areas, and for other purposes; jointly, to the Committees on Education and Labor and Government Operations.

By Mr. ENGLISH (for himself, Mr. ROBERTS, Mr. JACOBS, Mr. KINDNESS, Mr. KASTENMEIER, Mr. FRANKLIN, Mr. ANTHONY, Mr. NIELSON of Utah, Mr. STENHOLM, Mr. THOMAS of California, Mr. EMERSON, Mr. GLICKMAN, Mr. KOLBE, Mr. BEDELL, Mr. HUCKABY, Mr. GINGRICH, Mr. MORRISON of Washington, Mr. BEREUTER, Mrs. SMITH of Nebraska, Mr. WATKINS, Mr. HAMMERSCHMIDT, Mr. THOMAS of Georgia, Mr. PENNY, and Mr. FOLEY):

H.R. 1612. A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture, Foreign Affairs, and Merchant Marine and Fisheries.

By Mr. EVANS of Illinois (for himself, Ms. KAPTUR Mr. EDGAR, Mr. GRAY of Illinois, Mr. DURBIN, and Mr. FRANK):

H.R. 1613. A bill to amend title 38, United States Code, to provide disability and death allowances, compensation, health care, and other benefits to veterans and the survivors of veterans who participated in atomic tests or the occupation of Hiroshima and Nagasaki and suffer from diseases that may be attributable to ionizing radiation; to the Committee on Veterans' Affairs.

By Mr. FOLEY (for himself, Mr. ENGLISH, Mr. BRUCE, Mr. GLICKMAN, Mr. PENNY, Mr. BEDELL, Mr. MARLENEE, Mr. ROBERT F. SMITH, and Mr. VOLKMER):

H.R. 1614. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; to the Committee on Agriculture.

By Mr. FOWLER (for himself, Mr. ARCHER, Mr. FLIPPO, Mr. JENKINS, Mr. ANTHONY, Mr. VANDER JAGT, Mr. DUNCAN, and Mr. MATSUI):

H.R. 1615. A bill to amend the Internal Revenue Code of 1954 to allow a defined contribution plan of a rural electric cooperative to include a qualified cash or deferred arrangement; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself, Mr. CONTE, and Mr. CLAY):

H.R. 1616. A bill to require employers to notify and consult with employees before ordering a plant closing or permanent layoff; to the Committee on Education and Labor.

By Mr. FUQUA (by request):

H.R. 1617. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1986 and 1987, and for other purposes; to the Committee on Science and Technology.

By Mr. GIBBONS:

H.R. 1618. A bill to provide that no individual who has resided in the United States for at least 20 years, and who has not been convicted of a felony, or against whom felony charges are not pending, may be denied the issuance of a passport; to the Committee on Foreign Affairs.

H.R. 1619. A bill to amend section 468A of the Internal Revenue Code of 1954 with respect to allowing a deduction for additions to reserves established for decommissioning costs associated with nuclear powerplants; to the Committee on Ways and Means.

By Mr. SAM B. HALL, JR.:

H.R. 1620. A bill to amend the Immigration and Nationality Act to facilitate undocumented aliens and to reimburse air carriers for detention expenses; to the Committee on the Judiciary.

By Mr. HYDE:

H.R. 1621. A bill to amend title 28, United States Code, to provide for awards to domestic and foreign narcotics agents and other persons who make outstanding contributions to the fight against the illegal drug traffic in and to the United States; to the Committee on the Judiciary.

By Mrs. KENNELLY (for herself, Mr. FRENZEL, Mr. CONTE, Mr. FRANK, and Mr. GEJDENSON):

H.R. 1622. A bill to amend the Internal Revenue Code of 1954 to exclude from income the value of lodging located in the proximity of an educational institution and rented by such institution to its employees at cost; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. SAM B. HALL, JR., Mr. FISH, Mr. FRANK, Mr. MOORHEAD, Mr. GLICKMAN, Mr. FEIGHAN, Mr. BOUCHER, Mr. SWINDALL, and Mr. SHAW):

H.R. 1623. A bill to provide for an equitable reduction of liability of contractors with the United States in certain cases, to provide a comprehensive system for assuring compensation to injured parties through indemnification by the United States of its contractors for liability in excess of reasonably available financial protection, and for other purposes; to the Committee on the Judiciary.

By Mr. KOLBE (for himself, Mr. MCCAIN, Mr. FRANK, Mr. PENNY, and Mr. DANIEL):

H.R. 1624. A bill to amend the Internal Revenue Code of 1954 to exempt student loan bonds and pollution control bonds from the limit on the amount of tax-exempt private activity bonds which may be issued; to the Committee on the Ways and Means.

By Mr. LEVINE of California (for himself, Mr. RANGEL, and Mr. GILMAN):

H.R. 1625. A bill entitled, the "Mail Order Drug Paraphernalia Control Act"; to the Committee on the Judiciary.

By Mr. MURPHY (for himself, Mr. HEFNER, Ms. KAPTUR, Mr. LATTA, Mr. LAGOMARSINO, Mr. BARNES, Mr. BROWN of Colorado, Mr. WEISS, Mr. STOKES, Mr. CHAPPIE, Mr. TOWNS, Mr. RAHALL, Mr. KRAMER, Mr. MITCHELL, Mr. BARNARD, Mr. SUNDQUIST, Mr. KANJORSKI, Mr. VANDER JAGT, Mr. HUCKABY, Mr. MOLLOHAN, Mr. SABO, Mr. CROCKETT, Mr. TAYLOR, Mr. SCHAEFER, Mr. KOLTER, Mr. DYMALLY, Mr. ADDABBO, Mr. MARTINEZ, Mr. LUKEN, Mr. COELHO, Mr. TRAXLER, Mr. ST GERMAIN, Mr. PACKARD, Mr. FAUNTROY, Mr. THOMAS of Georgia, Mr. WHITTAKER, Mr. UDALL, Mr. GAYDOS, Mr. O'BRIEN, Mr. LUNDINE, Mrs. HOLT, Mr. STRANG, Mr. NIELSON of Utah, Mr. KOSTMAYER, Mr. NEAL, Mr. DUNCAN, Mr. GARCIA, Mr. MATSUI, Mr. HAYES, and Mr. BEVILL):

H.R. 1626. A bill to provide prompt, exclusive, and equitable compensation, as a substitute for inadequate tort remedies, for disabilities or deaths resulting from occupational exposure to asbestos; and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. PERKINS:

H.R. 1627. A bill to designate certain National Forest System lands in the State of Kentucky for inclusion in the National Wilderness Preservation System, to release other forest lands for multiple use management, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. RODINO (by request):

H.R. 1628. A bill to authorize appropriations for the Patent and Trademark Office in the Department of Commerce; to the Committee on the Judiciary.

By Mr. ROSE (for himself, Mr. BRYANT, Mr. JEFFORDS, Mr. JONES of North Carolina, Mr. KASTENMEIER, Mr. KINDNESS, Mr. MCHUGH, Mr. MARTINEZ, Mr. OBERSTAR, Mr. OBEY, Mr. PENNY, Mr. STANGELAND, Mr. TOWNS, Mr. TRAXLER, Mr. WILSON, Mr. WORTLEY, and Mr. HUCKABY):

H.R. 1629. A bill to amend the Agricultural Act of 1949; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. SHAW:

H.R. 1630. A bill to permit the Securities and Exchange Commission to regulate the activities of brokers and dealers with respect to direct and indirect obligations of the Federal Government and with respect to other exempted securities under the Securities Exchange Act of 1934; to the Committee on Energy and Commerce.

By Mr. TAUKE (for himself and Mr. EVANS of Iowa):

H.R. 1631. A bill to limit to the national median family income the amount of farm loss which may be deducted against nonfarm income by high-income taxpayers in competition with full-time, family-size farm operators; to the Committee on Ways and Means.

By Mr. WISE:

H.R. 1632. A bill to amend the Communications Act of 1934 to prohibit the imposition of access charges on residential and single-line business subscribers of telephone exchange service; to the Committee on Energy and Commerce.

H.R. 1633. A bill to amend the Communications Act of 1934 to ensure that businesses and other entities which do not directly connect to the facilities of local telephone companies for long-distance service pay a reasonable access charge for the benefit of having such facilities available; to the Committee on Energy and Commerce.

H.R. 1634. A bill to amend the Communications Act of 1934 to prohibit the imposition of access charges on residential and single line business subscribers of telephone exchange service in States which have an alternate method for the collection of the revenues involved; to the Committee on Energy and Commerce.

By Mr. BORSKI (for himself, Mr. ADDABBO, Mr. ANDERSON, Mr. BARNES, Mr. BEDELL, Mr. BERMAN, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. BUSTAMANTE, Mrs. COLLINS, Mr. CONTE, Mr. COUGHLIN, Mr. CROCKETT, Mr. DANIEL, Mr. DARDEN, Mr. DERRICK, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FISH, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FROST, Mr. GUARINI, Mr. HAYES, Mr. HEFTEL of Hawaii, Mr. HUGHES, Ms. KAPTUR, Mr. KEMP, Mr. LAFALCE, Mr. LANTOS, Mr. LELAND, Mr. MCGRATH, Mr. MAVROULES, Ms. MIKULSKI, Mr. MINETA, Mr. MRAZEK, Mr. O'BRIEN, Mr. OWENS, Mr. PURSELL, Mr. REID, Mr. RIDGE, Mr. RODINO, Mr. ROE, Mr. ROSE, Mr. SABO, Mr. SCHEUER, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. TALLON, Mr. TAUKE, Mr. TORRICELLI, Mr. UDALL, Mr. WATKINS, Mr. WAXMAN, Mr. WEISS, Mr. WOLF, Mr. YATES, and Mr. YOUNG of Missouri):

H.J. Res. 197. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. BOLAND, and Mr. MINETA):

H.J. Res. 198. Joint resolution to provide for the appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

By Mr. AUCOIN (for himself, Mr. BARTLETT, Mr. HOYER, and Mr. KOSTMAYER):

H. Con. Res. 90. Concurrent resolution expressing the sense of the Congress with respect to builder bonds; to the Committee on Ways and Means.

By Mr. LEACH of Iowa:

H. Con. Res. 91. Concurrent resolution calling on the Government of New Zealand to reconsider its decision to deny port access to certain U.S. ships and urging the U.S. Government to pursue all avenues for dialog with New Zealand in order to resolve this issue in a manner satisfactory to all parties; to the Committee on Foreign Affairs.

By Mr. ADDABBO:

H. Res. 108. Resolution to express the sense of the House of Representatives that the Federal Employees Flexible and Compressed Work Schedules Act of 1982, which expires July 12, 1985, be reauthorized without delay; to the Committee on Post Office and Civil Service.

By Ms. SNOWE (for herself, Mr. BEDELL, Mr. EVANS of Iowa, Mr. JEFFORDS, Mr. LAGOMARSINO, Mr. MCKERNAN, Mr. MCKINNEY, Mr. MILLER of Ohio, Mr. O'BRIEN, Mrs. ROUKEMA, Mrs. SCHNEIDER, Mr. TAUKE, Mr. WOLPE, and Mr. WYDEN):

H. Res. 109. Resolution to amend the Rules of the House of Representatives to require a recorded vote upon final passage of legislation that adjusts the pay of Members, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

39. By the SPEAKER: Memorial of the Legislature of the State of Hawaii, relative to sugar; to the Committee on Agriculture.

40. Also, memorial of the Legislature of the State of Wyoming, relative to interest rates; to the Committee on Agriculture.

41. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to farmworkers; to the Committee on Education and Labor.

42. Also, memorial of the Legislature of the State of Wyoming, relative to railroad rates; to the Committee on Energy and Commerce.

43. Also, memorial of the Legislature of the State of Wyoming, relative to Internal Revenue Service regulations; to the Committee on Ways and Means.

44. Also, memorial of the Legislature of the State of Wyoming, relative to agricultural development bonds; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BURTON of California:

H.R. 1635. A bill for the relief of Dalila Barrinuevo; to the Committee on the Judiciary.

H.R. 1636. A bill for the relief of Maria de Jesus Castro; to the Committee on the Judiciary.

H.R. 1637. A bill for the relief of Rosa Maria Jansa de Mendez; to the Committee on the Judiciary.

H.R. 1638. A bill for the relief of Joaquin Morales; to the Committee on the Judiciary.

H.R. 1639. A bill for the relief of Bertha Rubio de Parra; to the Committee on the Judiciary.

H.R. 1640. A bill for the relief of Yong-Suk Song; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. DOWNEY of New York, Mr. VISCLOSKY, Mrs. BENTLEY, Mr. MACKAY, Mr. HERTEL of Michigan, and Mr. DIOGUARDI.

H.R. 7: Mr. FLORIO.

H.R. 21: Mr. OBERSTAR, Mr. FORD of Tennessee, and Mr. ANDREWS.

H.R. 32: Mr. JEFFORDS.

H.R. 36: Mr. LEACH of Iowa.

H.R. 85: Mr. BROOKS.

H.R. 229: Ms. MIKULSKI, Mr. DIXON, Mr. STUDDS, and Mr. MARTINEZ.

H.R. 236: Mr. WHITTAKER.

H.R. 512: Mr. VANDER JAGT.

H.R. 513: Mr. STAGGERS.

H.R. 528: Mr. SCHUMER, Mr. BOEHLERT, Mr. HORTON, Mr. GILMAN, Mr. BUSTAMANTE, Mr. MCGRATH, Mr. MINETA, Mr. HOWARD, Mrs. BURTON of California, and Mr. SWEENEY.

H.R. 537: Mr. LELAND, Mr. FAUNTROY, Mr. TOWNS, Mr. CLAY, Mrs. COLLINS, Mr. BOLAND, Mr. MAVROULES, Mr. PEPPER, Mr. FAZIO, Mr. STUDDS, Mr. ROBERTS, Mr. EDWARDS of California, Mr. ADDABBO, Mr. DWYER of New Jersey, Mr. BIAGGI, Mr. RODINO, Mr. MITCHELL, Mr. WEISS, Mr. OWENS, Mr. SAVAGE, Mr. HUGHES, Mr. BEDELL, Mr. SMITH of New Jersey, Mr. GEJDENSON, Mr. FRANK, Mr. DELLUMS, and Mr. GEPHARDT.

H.R. 541: Mr. SWINDALL and Mr. BADHAM.

H.R. 650: Mr. KILDEE.

H.R. 715: Mr. COURTER.

H.R. 716: Mr. GONZALEZ.

H.R. 722: Mr. GONZALEZ.

H.R. 747: Mr. MILLER of California, Mr. PANETTA, Mr. EVANS of Illinois, Mrs. JOHNSON, Mr. REID, Mr. LEHMAN of Florida, Mr. YATES, Mr. SMITH of Iowa, Ms. OAKAR, Mr. ADDABBO, and Mr. GRAY of Pennsylvania.

H.R. 873: Mr. ANDERSON, Mr. WHITEHURST, Mr. DYMALLY, Mr. MARTINEZ, Mr. SWIFT, and Mr. MATSUI.

H.R. 915: Mr. REID.

H.R. 963: Mr. APPLEGATE, Mr. FRANK, Mrs. BOXER, Mr. MINETA, Mr. WEAVER, and Mr. OWENS.

H.R. 965: Mr. APPLEGATE, Mr. FRANK, Mrs. BOXER, Mr. MINETA, Mr. WEAVER, and Mr. OWENS.

H.R. 966: Mr. APPLEGATE, Mr. FRANK, Mrs. BOXER, Mr. MINETA, Mr. WEAVER, and Mr. OWENS.

967: Mr. APPLEGATE, Mr. FRANK, Mrs. BOXER, Mr. MINETA, Mr. WEAVER, and Mr. OWENS.

H.R. 1024: Mr. BLAZ, Mr. LIPINSKI, Mr. BEDELL, Mr. CONYERS, Mr. FRANK, Mr. WEISS, and Mr. MARTINEZ.

H.R. 1066: Mrs. BOXER, Mr. BEDELL, Mr. FAZIO, Mr. CROCKETT, Mr. MINETA, Mr. MITCHELL, Mr. MURPHY, Mrs. BURTON of California, Mr. TOWNS, Mr. EVANS of Illinois, Mr. MORRISON of Connecticut, Mr. OWENS, Mr. MARKEY, Mr. FAUNTROY, Mr. STUDDS, Mr. PEASE, Mr. DOWNEY of New York, Mr. GLICKMAN, Mr. DELLUMS, Mrs. KENNELLY, Mr. EDGAR, Mr. GUARINI, Mr. CONYERS, Mr. MILLER of California, Mr. GEJDENSON, Mr. MARTINEZ, Mr. EDWARDS of California, and Mr. DYMALLY.

H.R. 1069: Mr. FISH, Mr. HYDE, Mr. KINDNESS, Mr. HUGHES, Mr. DEWINE, Mr. DANNEMEYER, and Mr. ZSCHAU.

H.R. 1081: Mr. LEHMAN of Florida, Mr. OWENS, Mr. GARCIA, Mr. MARKEY, Mr. BIAGGI, Mr. RANGEL, Mr. FOGLIETTA, Ms. MIKULSKI, Mr. OBERSTAR, and Mr. FAZIO.

H.R. 1089: Mr. YATRON, Mr. KILDEE, Mr. ROYBAL, Mr. OBERSTAR, and Mr. HAWKINS.

H.R. 1100: Mr. EVANS of Iowa, Mr. TALLON, Mr. OWENS, Mr. MATSUI, Mr. STARK, Mr. EMERSON, Mr. ROSE, Mr. BREAUX, Mr. RAHALL, Mr. ANDREWS, Mr. HUCKABY, Mr. ECKART of Ohio, Mr. SEIBERLING, Mr. WHITTAKER, Ms. KAPTUR, Mr. DOWDY of Mississippi, Mr. GLICKMAN, Mr. DIXON, Mr. SAVAGE, Mr. MORRISON of Washington, Mr. KANJORSKI, Mr. KOLTER, Mr. SHAW, Mr. SCHEUER, Mr. LIPINSKI, Mr. VALENTINE, Mr. MAVROULES, Mr. WHITLEY, Mr. DORGAN of North Dakota, Mr. MARTINEZ, Mr. GIBBONS, Mr. LEATH of Texas, Mrs. JOHNSON, Mr. HUBBARD, Mr. BUSTAMANTE, Mr. MOLLOHAN, Mr. GROTBERG, Mr. FAZIO, Mr. MACKAY, Mr. GEJDENSON, Mr. MORRISON of Connecticut, Mr. TAYLOR, Mr. FAUNTROY, Mr. PEASE, Mr. JENKINS, Mr. GORDON, Mr. TAUZIN, Mr. WALGREN, Mr. ROBINSON, Mr. WHITEHURST, Mr. SABO, Mr. GRAY of Illinois, Mr. SWINDALL, Mr. HATCHER, and Mr. STENHOLM.

H.R. 1107: Mrs. COLLINS, Mr. RANGEL, Mr. MILLER of Ohio, Mr. ROYBAL, and Mr. LEHMAN of California.

H.R. 1245: Mr. MARTINEZ, Mr. DAUB, Mr. GARCIA, Mr. DREIER of California, Mr. LIPINSKI, Mr. DANIEL, Mr. DURBIN, Mr. HAYES, Mr. MRAZEK, Mr. WORTLEY, Mr. STENHOLM, Mr. DYSON, and Mr. FUQUA.

H.R. 1295: Mr. BARNES, Mr. BONIOR of Michigan, Mr. DE LA GARZA, Mr. SEIBERLING, Mr. WEISS, Mr. MARTINEZ, Mr. DYMALLY, and Mr. WILSON.

H.R. 1309: Mr. PERKINS, Mr. WEISS, Mr. WHEAT, Mr. SAVAGE, Mr. BOLAND, Mr. TOWNS, Mr. KILDEE, Mr. MRAZEK, Mr. RAHALL, Mr. RANGEL, Mr. DELLUMS, Mr. MITCHELL, and Mr. MORRISON of Connecticut.

H.R. 1304: Mr. MRAZEK and Mr. KOLTER.

H.R. 1400: Mr. TORRICELLI, Mrs. BOXER, Mr. ROSE, Mr. BOUCHER, Mr. COYNE, Mr. OWENS, Mr. FRANK, Mr. YOUNG of Missouri, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. BORSKI, Mr. STUDDS, Mr. LIPINSKI, Mr. RAHALL, Mr. RICHARDSON, Mr. SHELBY, Mr. KANJORSKI, Mr. EVANS of Illinois, Mr. MATSUI, Mr. TORRES, Mr. JONES of North Carolina, Mr. COELHO, Mr. DELLUMS, Mr. MARTINEZ, Mr. HAWKINS, Mr. KILDEE, and Mr. ADDABBO.

H.R. 1421: Mr. JONES of North Carolina, Mr. HEFNER, Mr. BOUCHER, Mr. TALLON, Mr. HENDON, Mr. COBEY, and Mr. DUNCAN.

H.R. 1423: Mr. BEILENSON, Mr. BLILEY, Mr. DANIEL, Mr. KINDNESS, Mr. MRAZEK, Mr. SAXTON, Mr. SMITH of New Jersey, Mr. VOLKMER, Mr. WEBER, and Mr. WHITEHURST.

H.R. 1519: Mr. MCEWEN.

H.R. 1526: Mr. FAUNTROY, Mr. WAXMAN, Mr. SAVAGE, Mr. TOWNS, Mr. HAYES, Mr. BERMAN, Mr. TRAXLER, Mr. BARNES, Mr. OWENS, Mr. STUDDS, Mr. MARTINEZ, Mr. MITCHELL, Mr. RODINO, Mr. MOODY, Mr. DELLUMS, Mr. ADDABBO, and Mr. FOGLIETTA.

H.J. Res. 97: Mr. PARRIS.

H.J. Res. 104: Mr. ACKERMAN, Mr. ANDREWS, Mr. AUCOIN, Mr. BEDELL, Mr. BERMAN, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOLAND, Mr. BORSKI, Mrs. BOXER, Mrs. BURTON of California, Mr. CARNEY, Mr. CARPER, Mr. COELHO, Mr. CONTE, Mr. COOPER, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAUB, Mr. DELLUMS, Mr. DICKS, Mr. DIXON, Mr. DORNAN of California, Mr. DUNCAN, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYSON, Mr. EARLY, Mr. ERDREICH, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Ms. FIEDLER, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FRANK, Mr. FRANKLIN, Mr. MRAZEK, Mr. MURTHA, Mr. NEAL, Mr. NOWAK, Mr. OWENS, Mr. PEPPER, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SAXTON, Mr. SCHUMER, Mr. SIKORSKI, Mr. SISISKY, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Ms. SNOWE, Mr. SOLARZ, Mr. SOLOMON, Mr. STOKES, Mr. SWINDALL, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. VENTO, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WHEAT, Mr. WIRTH, Mr. WORTLEY, Mr. WYDEN, Mr. YOUNG of Missouri, Mr. STRATTON, Mr. VOLKMER, Mr. AKAKA, Mr. ANNUNZIO, Mr. ARCHER, Mr. FRENZEL, Mr. FROST, Mr. FUQUA, Mr. FUSTER, Mr. GALLO, Mr. GEJDENSON, Mr. GEKAS, Mr. GILMAN, Mr. GREEN, Mr. GUARINI, Mr. HENRY, Mr. HERTEL of Michigan, Mrs. HOLT, Mr. HORTON, Mr. HOYER, Mr. JACOBS, Mr. KANJORSKI, Ms. KAPTUR, Mrs. KENNELLY, Mr. KILDEE, Mr. KOLTER, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LUNDINE, Mr. MCGRATH, Mr. MCKINNEY, Mr. MADIGAN, Mr. MANTON, Mr. MATSUI, Mr. MAVROULES, Mr. MINETA, Mr. MOAKLEY, Mr. BARNES, Mr. BATEMAN, Mr. BEILENSON, Mr. BEVILL, Mr. BIAGGI, Mr. BOEHLERT, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BROWN of Colorado, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CARR, Mr. CLAY, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. COYNE, Mr. DIOGUARDI, Mr. DORGAN of North Dakota, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FOWLER, Mr. GRAY of Pennsylvania, Mr. SAM B. HALL, JR., Mr. HARTNETT, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr.

HUGHES, Mr. HUNTER, Mr. JEFFORDS, Mr. KASICH, Mr. KEMP, Mr. KLECZKA, Mr. LEVIN of Michigan, Mrs. LLOYD, Mr. LOWERY of California, Mr. MCCAIN, Mr. MCDADE, Mr. MCHUGH, Mr. MCKERNAN, Mr. MARTINEZ, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MILLER of California, Mr. MOLINARI, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. NIELSON of Utah, Mr. O'BRIEN, Mr. REGULA, Mr. RINALDO, Mr. RITTER, Mr. RUDD, Mr. SCHEUER, Mr. SPRATT, Mr. SUNDQUIST, Mr. TOWNS, Mr. TRAXLER, Mr. VANDER JAGT, Mr. WHITTEN, Mr. WILSON, Mr. WOLPE, Mr. YATES, Mr. YOUNG of Florida, and Mr. YOUNG of Alaska.

H.J. Res. 106: Mr. YATRON, Mr. SOLARZ, Mr. WHEAT, Mr. BEDELL, Mr. BOEHLERT, Mr. RUSSO, Mr. SUNIA, Mr. MINETA, Mr. WAXMAN, Mr. GALLO, Mr. WEAVER, Mr. RANGEL, Mr. HYDE, Mr. GREEN, Mr. YOUNG of Florida, Mrs. BURTON of California, Mr. CROCKETT, Mr. EDWARDS of Oklahoma, Mr. MRAZEK, Mr. DAVIS, Mr. SISISKY, Mr. WOLPE, Mr. ANDREWS, Mr. DYMALLY, Mr. RUDD, Mr. SKELTON, Mr. FUSTER, Mr. HILER, Mr. DIOGUARDI, Mr. LUNDINE, Mrs. JOHNSON, Mr. LANTOS, Mr. HATCHER, Mr. RITTER, Mr. BOUCHER, Mr. FROST, Mr. BRYANT, Mr. SMITH of New Jersey, and Mr. LEVINE of California.

H.J. Res. 123: Mr. SHELBY, Mr. COYNE, Mr. FLIPPO, Mrs. LLOYD, Mr. BEVILL, Mr. NOWAK, Mr. CONTE, Mr. GUARINI, Mr. CARPER, Mr. YOUNG of Missouri, Mr. PANETTA, Mr. WIRTH, Mr. MOORE, Mr. MOAKLEY, Mr. WHEAT, Mr. O'BRIEN, Mr. MORRISON of Connecticut, Mrs. MEYERS of Kansas, Mr. WYLIE, Mr. LANTOS, and Mr. CALLAHAN.

H.J. Res. 192: Mr. HOYER, Mr. DINGELL, Mr. TOWNS, Mrs. JOHNSON, Mr. BOLAND, Mr. JACOBS, Mr. MARKEY, Mr. ADDABBO, Mr. HOWARD, Mr. BARNES, Mr. WAXMAN, Mr. MARTINEZ, Mr. LUNGREN, Mr. MOORHEAD, Mr. FROST, Mr. ACKERMAN, Mr. MARTIN of New York, Mr. FAUNTROY, Mr. DWYER of New Jersey, Mr. BLILEY, Mr. FLORIO, Mr. DIXON, Mr. FASCELL, Mr. WEAVER, Mr. BERMAN, Mrs. BURTON of California, Mr. FAZIO, Mr. TORRES, Mr. GREEN, Mrs. BOXER, Mr. ROYBAL, Mr. DYMALLY, and Mr. LEHMAN of California.

H. Con. Res. 6: Mr. HOWARD.

H. Con. Res. 7: Mr. HOWARD.

H. Con. Res. 40: Mr. MURPHY, Mr. FROST, and Mr. RITTER.

H. Con. Res. 52: Mr. RICHARDSON and Mr. YATRON.

H. Con. Res. 69: Mr. DERRICK, Mr. BOEHLERT, Mr. WEBER, Mr. BEDELL, Mr. WORTLEY, Mr. RAHALL, Mr. MCKERNAN, and Mr. WOLF.

H. Res. 107: Mrs. BURTON of California, Mr. WHEAT, Mr. DYMALLY, Mr. DELLUMS, Mr. LOWRY of Washington, Mr. STOKES, Mr. MARKEY, Mr. EDGAR, Mr. EVANS of Illinois, Mr. TOWNS, Mr. STUDDS, Mr. SAVAGE, Mr. GEJDENSON, Mr. FAUNTROY, Mr. MRAZEK, Mr. MOODY, Mr. OWENS, Mr. CARPER, Mr. PENNY, Mr. MORRISON of Connecticut, Mr. MARTINEZ, Mr. BEDELL, Mr. FAZIO, Mr. PEASE, Mr. BARNES, Mrs. SCHNEIDER, and Mr. NEAL.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

59. By the SPEAKER: Petition of the City Council of Honolulu, HI, relative to Fort DeRussy; to the Committee on Armed Services.

60. Also, petition of the legislative research commission, Frankfort, KY, relative to the Federal Job Corps; to the Committee on Education and Labor.

61. Also, petition of the Boston City Council, relative to revenue sharing; to the Committee on Government Operations.

62. Also, petition of the city of Hallandale, FL, relative to budgetary priorities; to the Committee on Government Operations.

SENATE—*Wednesday, March 20, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Loving Father in Heaven, we pray for our homes and families which are so vulnerable to the responsibilities, pressures, and exigencies of Senate life. Grant patience and peace to spouses who are made to feel like second-class citizens, if not abandoned altogether. Help Senators to be aware when they fail to fulfill their responsibility to spouses. Where love is waning, help it to be restored. Where there is alienation, help Senators to take reconciliation seriously. Help them to realize there is no priority more important than spouse. Be with sons and daughters who are made to feel like orphans—who interpret parents' busyness as rejection. Help parents to understand their children's need for attention and affection. Gracious God, bless our homes and families with love and unity and peace. In His name Who is Incarnate Love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders each have 10 minutes. Then there are special orders not to exceed 15 minutes each for the Senator from South Dakota [Mr. ABDNOR], the Senator from Wisconsin [Mr. PROXMIRE], followed by routine morning business not to extend beyond the hour of 1 p.m. with statements limited therein to 5 minutes each.

Following morning business, it will be the intention of the majority leader to call up Senate Joint Resolution 75, which is the MX appropriations bill under statutory time agreement of 10 hours. A rollcall vote could occur during Wednesday's session, and there is a possibility that the Senate might be in late this evening.

It is also my hope—and I understand it is possible—to reduce the 10 hours to a smaller amount of time. That may be something we can discuss later.

Also today, if time permits, we hope to consider H.R. 1239. Rollcall votes could be expected on that measure. That may be in some jeopardy because I understand there are amendments coming out of the woodwork. If that is the case, we may have a different disposition of that matter.

But if we can dispose of Senate Joint Resolution 75, which is the MX appropriation which has been reported, and as I understand it is at the desk, and H.R. 1239, the African relief appropriations, then it would be my intention not to meet tomorrow; to have a pro forma session on Friday, and then be in recess until Tuesday, March 26, at 2 p.m.

During that time, of course, we are in the budget deficit stage where we are having a number of meetings at different levels. So we can use that time if we are not in session on the floor.

If for some reason we cannot work out some agreement on H.R. 1239, either we will delay consideration of that proposal or we could be in session today, tomorrow, and perhaps Friday. But I hope there are not that many amendments to dispose of.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order the Democratic leader is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent that I may yield the balance of my time to the distinguished minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the majority leader and I thank the presiding officer.

THE YEAR'S AT THE SPRING

Mr. BYRD. Mr. President:

The year's at the spring
And the day's at the morn;
Morning's at seven;
The hillside's dew-pearled;
The lark's on the wing;
The snail's on the thorn;
God's in His heaven—
All's right with the world!

S. 699—WE MUST REFORM OUR UNEMPLOYMENT INSURANCE SYSTEM

Mr. BYRD. Mr. President, the Nation as a whole has emerged from the destruction of the recession of 1981 and 1982. However, as most of the Nation basks in the warmth of the recovery, we must not forget that recovery will be a very long time coming to many millions of Americans who lost their jobs and, in many cases, their possessions, homes, and even their health—during the past 4 years.

The recovery largely passed by major sections of our Nation—including some entire States. My own State of West Virginia serves as an example. In January 1985, the last month for which data are available, the unemployment rate calculated by the U.S. Department of Labor for West Virginia was 15.9 percent; nine other States and territories had rates of 9 percent or higher. Altogether, 16 States or territories—fully 30 percent—still had rates of 8 percent or above—a level traditionally defined as severe.

These unemployment rates, as high as they are, do not fully reflect the magnitude of the unemployment problem in these States, because they do not count those workers who became so discouraged as a result of their unsuccessful search for work that they have dropped out of the labor force altogether.

It also is important to note that those who have been laid off in this recession are remaining unemployed longer than in previous recessions. Nationally, in February of this year, 849,000 workers had been unemployed for a full 12 months or longer—and this figure does not count the unemployed who have not worked in recent years. These unemployed workers and their families are the hapless victims of our Nation's economy gone awry.

It is one of those things for which this Nation can and should be proud that unemployment insurance usually is available as a partial cushion to workers who lose their jobs. However, the unemployment insurance system did not function during the 1981-82 recession, and currently is not functioning, to provide the cushion that I believe the Congress intended. This is true primarily with resepct to programs of additional benefits beyond those available through the basis UI programs operated by the States. The system simply was overcome by the severity of the recession and the magni-

tude of unemployment we have experienced and continue to experience.

Although 16 of the 52 States and other jurisdictions currently have unemployment rates of 8 percent or greater, only 3 States and jurisdictions are eligible for extended benefits—the second of three tiers of benefits available through the unemployment insurance system. This unacceptable situation is primarily the result of the use of the insured unemployment rate [the IUR] as the sole State eligibility determinant for the extended benefits program.

In 1981, the Congress made two changes in the use of the IUR. The first change increased the level of the IUR. A State must have to qualify. The second change omits from the computation of the IUR. Any person receiving benefits beyond regular State benefits. The IUR continues to omit in its computation all persons who have exhausted all available UI benefits, as it did before 1981.

Even had these changes not been made, however, use of the IUR as the sole State eligibility determinant for the extended benefits program was badly flawed. States that are hardest hit by unemployment—particularly where the average duration of unemployment is highest—are substantially disadvantaged, because a greater proportion of their unemployed populations are not counted in the IUR. This distorting effect can be illustrated by my own State of West Virginia, where the total unemployment rate currently is 15.9 percent, but its IUR is only 6.62 percent.

In addition to this unacceptable situation with the extended benefits program, we are facing yet another crisis point with the Supplemental Compensation Program—the third or last tier of benefits. This tier will expire on March 31. Unless Congress acts to extend it in some fashion, the benefit weeks it provides will be lost to those who have been unemployed for so long they have exhausted all other unemployment insurance benefits for which they are eligible—generally 26 weeks, or 39 weeks if they reside in one of the three jurisdictions currently eligible for extended benefits.

There is yet a third major problem with the portions of the unemployment insurance system that are superimposed on top of the basic State UI programs. This problem is that virtually all who must contend with this set of programs—including program administrators, elected officials, employers who pay payroll taxes into its trust funds, taxpayers who fund some of its benefits from the Treasury, and, most of all, workers who have been forced out of their jobs and badly need the help that unemployment insurance is supposed to provide—are confused by its complexity and the irrational way in which one program is related, or unrelated, to another.

The result is rather predictable. Those who believe themselves to be unfairly treated because they cannot understand the workings of one of the most complicated programs operated at any level of government in this Nation—and therefore believe themselves to be the victims of a program they thought was supposed to help those who have fallen upon hard times—become cynical and hostile toward government in general.

The extended benefits and supplemental compensation programs are crying out for repair. The basic idea of such additional benefits is sound; it is, in fact, essential. But these programs must be reformed so that they provide the protection they were intended to provide. They must be reformed so they will be dependable. And they must be reformed so that those who need benefits beyond those provided in basic State programs, those who pay the costs, and those who operate the programs can understand what help is available, how to obtain it, how much it costs, and how to operate the programs providing it efficiently.

These are not minor repairs. They cannot be accomplished by tinkering with the programs. The entire system of unemployment insurance beyond the basic benefit programs at the State level must be overhauled.

It seems clear to me that now is the time—when major revisions in the extended benefits program are required, and when the Supplemental Compensation Program expires in 2 weeks—to make sense out of this confusion by combining these two programs so that they no longer exacerbate each other's flaws.

There are two other compelling reasons for taking action on fundamental improvements in the unemployment insurance system now rather than later. First, despite the fact that the majority of the Nation no longer is suffering from a recession, nonetheless a very substantial number of our workers have been and continue to be unable to find work.

Where are these long-term jobless workers? Some of them live in depressed sections of our large cities; some live in portions of States or entire cities where the basic economic underpinning has been devastated even though other portions of the same States may be performing economic handsprings; and some of them are residents of entire States or multi-State regions apparently left behind by the recovery. These workers and their families badly need assistance beyond that provided in State basic UI programs. Once the Supplemental Compensation Program expires, none of them, except in two or three States, will be eligible for additional unemployment insurance of any kind.

Second, the unemployment insurance system is not as hard-pressed as it was during the peak of unemployment in late 1982 and early 1983. At that point, when the deficiencies of the system were most clearly evident, it was all the system could do to keep its head above the water. Perhaps it is not surprising that the forbidding task of reform was delayed until a calmer moment.

The time to act is now. Our economic system is cyclical. At some point we again will experience a major national recession. The UI system again will be found wanting. And we will have no one but ourselves to blame if we have failed to make the UI system improvements that ought to be made during a period when we have the relative luxury of time and opportunity for careful consideration and judgment.

I would like to describe the type of revised system I believe we should substitute for the current hodgepodge.

First, rather than having two programs that operate according to conflicting State eligibility standards and result in incomprehensible durations of benefits, there should be only one program providing benefits beyond those available through the basic programs operated by the States.

Second, rather than having, as in the current Extended Benefits Program, State eligibility requirements that dictate a State is eligible for "all or nothing" of the current 13-week benefit period, the program should be structured as the Supplemental Compensation Program now is structured—so that States with the highest levels of unemployment are eligible for the greatest number of weeks of benefits, and those benefits stage down as unemployment rates are lower.

Third, the use of the insured unemployment rate as the sole determinant of eligibility no longer is acceptable. It is well known that the total unemployment rate is not an ideal measure for this purpose. But surely it is apparent that use of the IUR also is far from ideal.

In 1983 the Brookings Institution published a study containing a striking fact. During 1982, only 45 percent of unemployed workers received unemployment insurance benefits, compared to 78 percent during the recession year of 1975. One of the principal reasons cited by the study is that the IUR no longer is accurate in measuring how difficult it is for unemployed workers to find jobs, and consequently is not desirable as a trigger for benefits.

As a practical matter, we should not tolerate a methodology that causes a State with 15-percent unemployment to receive only a very few weeks of benefits—or even no benefits—beyond those in the basic program. So, although efforts should be redoubled to

find a preferable benefit duration determinant, in the meantime we should do the best we can with what we've got. We should employ a variant of the total unemployment rate—stabilized by averaging that measure over a 2-month period in each State—to assure that States and their long-term unemployed workers are treated fairly.

Fourth, and finally, the financing of the program should be arranged so that, as a State's unemployment rate increases, the Federal Government will pay an increasing share of the benefits in that State. This is justified because heavy unemployment in any State largely will be the result of economic circumstances beyond its control. It is necessary in order to minimize future additions to the heavy debts that have been incurred by the trust funds of those States that have been hit hardest by unemployment in the current recession. To ignore this situation may result in ever-increasing employer taxation in these States. This would serve as a disincentive to private sector hiring—with the greatest increases in taxes falling in the States that have had the worst unemployment and are in greatest need of new hiring. For similar reasons, it is necessary to provide that, as a State's unemployment increases and more benefit weeks are provided to jobless workers, an increasing share of the Federal share of benefits will be paid from general revenues rather than the Federal Unemployment Trust Fund—again to prevent employers from having to shoulder counterproductive taxes.

In 1983, I was pleased to join with the senior Senator from Pennsylvania [Mr. HEINZ] and several other Senators in introducing legislation—S. 1784—to make the improvements that badly need to be made. Today, I again am introducing legislation for this purpose. The bill I am introducing today will reflect various adjustments made in the bill introduced during the 98th Congress, intended to focus it more specifically on the problems requiring attention.

I also should point out that, because it will take a number of States some time to bring their own State laws into accord with the changes in Federal law we propose, our bill includes a transition provision consisting principally of a scaled-down version of the Federal Supplemental Compensation Program now in effect.

States may take advantage of the new program established by our bill whenever they are able after it is enacted, but are not required to do so until several months after their legislatures adjourn after they next convene in regular session.

During a welcome time of general economic advancement, we must not forget those are the victims and remain the victims of long-term unemployment. We must take steps to assure that the cushion of unemployment assistance actually is available to those who need it. Just as important, we should act now, while the failings of the UI system are fresh in our minds, to assure that the system will operate more fairly, dependably, and efficiently in the future.

Mr. President, I ask unanimous consent that I be allowed to insert in the RECORD immediately following my statement a fact sheet about this legislation; a table showing the relationship of the total unemployment rate, the insured unemployment rate, and the total number of weeks of unemployment benefits available to jobless workers in my State over the course of the past several years; and the text of the bill I am introducing today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPLACEMENT OF THE CURRENT EXTENDED BENEFIT AND FEDERAL SUPPLEMENTAL COMPENSATION PROGRAMS WITH A CONSOLIDATED PROGRAM

MAJOR PRINCIPLES EMBODIED IN S. 699 (99TH CONGRESS)

I. There should be only one program providing unemployment benefits beyond those available under states' basic U.I. programs, rather than two which are poorly coordinated and whose relationship to each other is inconsistent and confusing.

II. There should be an increasing number of weeks of benefits available under the consolidated program as the level of a state's unemployment increases (much as in the Supplemental Compensation program).

III. The availability of additional weeks of benefits (beyond those in a state's basic program)—with the number of additional weeks based on the state's unemployment level—should be on a permanent stand-by basis under the consolidated program, so that it will not be necessary for the Congress to take affirmative action to set in place additional benefits as in the case of the Supplemental Compensation program, and so that these additional benefits will be available to states and multi-state regions that suffer from high unemployment even when the nation as a whole is not suffering from overall high unemployment and Congress therefore would be unlikely to act to establish a temporary program of additional benefits.

IV. As a state's level of unemployment increases, the federal share of costs should increase for the benefits under the consolidated program—as should the portion of the costs borne by the federal government that are paid with federal general revenues. This is true because the cause of persistent high unemployment on a statewide basis almost always can be traced beyond the state's borders to national economic policy and even international economic circumstances—both far beyond the control of that state and its workers, businesses, and government. States and employers within them should not be required to bear the marginal costs of unemployment insurance when unemployment is the result of massive macroeconomic forces beyond their control.

V. The Insured Unemployment Rate (I.U.R.) has proved itself to be unsuitable as a sole determinant of state eligibility for additional unemployment benefits, excluding from eligibility many states with very high unemployment. Until a preferable determinant can be devised and the I.U.R. replaced with it, the determination of the number of weeks of benefits for which state qualifies under the consolidated program should be made both with the I.U.R. and with an alternative determinant of eligibility that better reflects the need for additional benefits beyond those provided by states' basic programs—and long-term unemployed workers in those states should be eligible for the higher number of weeks of additional benefits resulting from use of the two determinants. A variant of the Total Unemployment Rate (T.U.R.) is the best alternative currently available, and its immediate use is recommended. However, a concentrated study should be conducted to see if it is possible to devise some measure of a state's need for additional benefits that would be preferable to both the I.U.R. and the T.U.R. variant.

IMMEDIATE OBJECTIVES OF THE LEGISLATION

(1) Avoid the problems with the Extended Benefits program, whereby many states with high unemployment have been ineligible to participate because of various "quirks" in the program's eligibility criteria;

(2) Relate logically to the severity of unemployment in each state the number of weeks of unemployment insurance beyond those in the state's basic program that are available in the state—so that benefit duration can be better understood by the public, by public policymakers, by businesses required to support part of benefit costs through employment taxes, and by jobless workers needing the benefits;

(3) Offer some relief to states from the terrible pressures on unemployment trust funds caused by heavy eligibility for extended benefits when those states are beset by high unemployment—now or in the future; and

(4) Remove the necessity for special Congressional action during periods of extreme economic distress to provide benefit duration beyond that in the Extended Benefits program, which results in harmful delays of additional assistance reaching the unemployed in economically distressed states.

BENEFIT AND FINANCING STRUCTURE OF THE PROGRAM

The proposed program replaces both the Extended Benefits and Federal Supplemental Compensation programs.

The following benefits will be available to each state's long-term unemployed persons, based on the state's Insured Unemployment Rate (IUR) or on a variant (described below) of its Total Unemployment Rate (TUR)—whichever results in a greater number of weeks of benefits, with costs being covered by the state and federal governments as indicated:

When a State's—		Unemployed persons receive X weeks of benefits	Costs split: State share/ Federal share [1] (percentages)	Percent Federal share from trust fund [2] general revenue
13-wk average IUR is (percentage) for 2 wks	TUR variant is (percentage)			
0 to 3.99	NA	0		
4 to 4.99	9 to 9.9	7	40/60	80/20
5 to 5.99	10 to 10.9	14	30/70	60/40
6 to 6.99	11 to 11.9	21	20/80	40/60
7 and above	12 and above	28	10/90	20/80

[1] The State share is to be paid from the State trust fund.
[2] The Federal trust fund whose revenues are derived from FUTA.

OTHER KEY SPECIFICATIONS OF THE CONSOLIDATED PROGRAM

When a state's eligibility is determined on the basis of its IUR, benefits will be payable beginning the third week after the second consecutive week in which the state meets or exceeds the 4.00 percent IUR threshold (as a 13-week average).

A state's 13-week IUR in the week used for eligibility computations must be at least 100 percent of the average of the 13-week IUR computed in the same week in each of the prior six years (the "prior years test"). If a state fails to meet the "100 percent of prior years test," but meets a "90 percent of prior years test," it will be eligible for one tier below that for which its 13-week IUR alone would qualify it. If a state meets only an "80 percent of prior years test," it will be eligible for two tiers below that for which its 13-week IUR alone would qualify it. If a state meets only a "70 percent of prior years test," it will be eligible for three tiers below that for which its 13-week IUR alone would qualify it.

The TUR variant for any state is computed by averaging the TURs reported by the U.S. Department of Labor (USDoL) for the two most recent months for which USDoL state-by-state TUR statistics are available.

When a state's eligibility is determined on the basis of its TUR variant, benefits will be payable beginning the week after the week in which USDoL announces state-by-state TUR statistics for a month and the average of that states's TUR or that month and the preceding month equals or exceeds 9 percent.

Once a state has "triggered on" to benefits under the consolidated program, the number of weeks of benefits for which it is eligible will remain the same for a period of six weeks. At the end of every period of six weeks following commencement of benefits, the number of weeks of benefits for the next six-week period will be redetermined by using the IUR and TUR variant methods described above. At such a redetermination point, if the state's 13-week average IUR falls below 4.0 percent during the most recent week for which it has been computed and the week preceding that week, state eligibility for benefits under the consolidated program will cease at the conclusion of the third week following the second consecutive week during which the state's IUR fell below 4.0 percent unless the state qualifies under the TUR variant calculation. When the state fails to qualify under either the IUR or the TUR variant calculation, no person in the state may gain eligibility for benefits under the consolidated program.

When a person becomes eligible for any benefits to be paid under the consolidated program, he will be eligible for the number of weeks of benefits for which the state is eligible at the time he gains eligibility for these additional benefits, and will remain eligible for that number of weeks of benefits regardless of whether the state falls to a lower tier of benefits or becomes ineligible for continued participation in the consolidated program altogether—unless the state falls from one tier of benefit duration to a tier two or more below it during the course of the individual's eligibility for these benefits, in which case his duration of benefits will be adjusted to the proper number of weeks at that lower tier (by subtracting from the number of weeks of benefits payable at that lower tier the number of weeks of benefits under this program that previously were paid to that individual—but in no case will that number be fewer than 2 weeks). When a state rises to a higher tier of benefit duration, each individual who has exhausted the number of weeks of benefits available at the lower tier at any time during the previous 13 weeks and who remains in current benefit status will be entitled to the number of additional weeks of benefits determined by subtracting the number of weeks of benefits under this consolidated program which he has received during his "benefit year" from the number of weeks of benefits for which the state is qualified in the tier to which it has newly risen—provided that no person may receive more than 28 weeks of benefits under this consolidated program during any one "benefit year." (In order to qualify for the program initially, a person must have a current "benefit year;" however, the person may continue to claim benefits for the duration of his original entitlement (or expanded entitlement if his entitlement is increased when the state rises to a higher benefit tier) even if his "benefit year" ends prior to the expiration of the entitlement).

If a state becomes eligible again for the consolidated program after losing eligibility, a person still receiving benefits (i.e., he has not exhausted benefits from the prior period of state eligibility) will be eligible for the greater of (1) the number of weeks of benefits in his initial entitlement under the consolidated program, or (2) the number of weeks of benefits under the consolidated program for which he would be eligible in the state's new period of eligibility minus the number of weeks he already had received.

The sharing of financial responsibility for benefits between the federal and state governments, and the division of the federal government's share between FUTA and general revenues, will be established at the time a person's initial claim for benefits under this consolidated program is processed, based on the tier for which the state is eligible at that time. If the beneficiary becomes eligible for additional weeks of benefits when the state later moves to a higher tier, the additional weeks will be financed in accord with the provisions for that higher tier.

While benefit duration is stated in the chart above in increments of whole weeks, the actual duration for any individual will be the lesser of the following: For the 7-week tier, 7 weeks or 27 percent of the original entitlement in the state's basic program; for the 14-week tier, 14 weeks or 54 percent of the original entitement; for the 21-week tier, 21 weeks or 81 percent of the original entitlement; and for the 28-week tier, 28 weeks or 108 percent of the original entitlement.

If the state determines that labor market conditions in both the labor market areas in which an individual works and resides are so depressed that efforts normally required likely will not result in employment, the state is granted flexibility (in accord with regulations to be promulgated by the Secretary of Labor) to modify for that individual the Extended Benefits (and Supplemental Compensation) eligibility requirement that all applicants/recipients actively seek work and provide evidence of their search to the Employment Service.

In order to be eligible for benefits under this program, an unemployed person must participate in one week of an intensive job search program administered by the Employment Service if the Employment Service requests such participation and provides such a program that is accessible to the unemployed person.

No action taken by a state in order to bring its laws into compliance with the provisions of this Act will affect its eligibility for existing provisions of law allowing preferential treatment with respect to interest payments on federal loans to state trust funds or to the level of credit allowed against the FUTA tax imposed on employers in the state.

TRANSITION PROVISIONS

The effective date of all changes noted above will vary in each state. Each state must modify its program to align with the new federal requirements no later than two months following the adjournment of the first session of that state's legislature that adjourns no earlier than four months after the date of the enactment of this Act. The Extended Benefits program and the Supplemental Benefits program (if any is still in effect at that time) will cease to be available to unemployed persons in that state on that date. Until that date, the state may proceed under current law (as that law may otherwise be modified in the meantime).

An FSC program is enacted as an interim program, available (as restricted in the prior paragraph) through March 31, 1986, generally modeled after the FSC program as it was amended by PL 98-135—with two changes: the benefit schedule is changed as depicted on the chart below; and the alternative benefit duration determinant of the TUR variant described in the section of specifications for the consolidated program may be used to determine eligibility (while the long-term IUR alternative determinant is deleted), so that a state will be eligible for the higher number of weeks of benefits for which it qualifies under the IUR or the TUR variant.

When a State's—		A State shall be eligible for X weeks of benefits
IUR equals (percentage)	TUR variant equals (percentage)	
0 to 3.99	NA	0
4 to 4.99	9 to 9.9	10
5 to 5.99	10 to 10.9	12
6 and above	11 and above	14

States may disregard the 120 percent factor in the Extended Benefits Program.

STUDY

The Department of Labor is required to make a study of new and more accurate measurements of unemployment for use as "triggers" in unemployment insurance programs, and to submit its findings and recommendations to the Congress no later than one year after the date of enactment of this Act.

S. 699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Extended Unemployment Compensation Act of 1985".

NUMBER OF WEEKS OF EXTENDED UNEMPLOYMENT COMPENSATION

SEC. 2. (a) Section 202(b)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by inserting after the first sentence the following new sentence: "The amount of extended compensation payable to any individual for any eligibility period shall not exceed the amount established in such indi-

vidual's account for the benefit year in which such eligibility period begins.";

(2) in subparagraph (A), by striking out "50 per centum" and inserting in lieu thereof "the applicable percentage, determined under paragraphs (2) and (3),";

(3) in subparagraph (B), by striking out "thirteen"; and inserting in lieu thereof "the applicable limit determined under paragraphs (2) and (3),"; and

(4) in subparagraph (C), by striking out "thirty-nine" and inserting in lieu thereof "a number equal to 26 plus the applicable limit determined under paragraphs (2) and (3),".

(b) Section 202(b) of such Act is amended by redesignating paragraph (2) as paragraph (4) and by inserting after paragraph (1) the following new paragraphs:

"(2) The applicable percentage and applicable limit for purposes of paragraph (1) are—

"(A) 108 percent, and 28 weeks, in the case of weeks beginning in a tier IV period;

"(B) 81 percent, and 21 weeks, in the case of weeks beginning in a tier III period;

"(C) 54 percent, and 14 weeks, in the case of weeks beginning in a tier II period; and

"(D) 27 percent, and 7 weeks, in the case of weeks beginning in a tier I period, as such periods are defined in section 203.

"(3)(A) Except as provided in subparagraphs (B) and (C), the applicable percentage and applicable limit for an individual's compensation account shall be based upon the applicable percentage and applicable limit in effect for the tier period in which such individual's eligibility period begins, and shall remain in effect with respect to such individual for the duration of such eligibility period, without regard to subsequent changes in the applicable percentage or applicable limit in effect for such State, and without regard to whether the extended benefits period (which was in effect at the beginning of his eligibility period) ends.

"(B) If, during an individual's eligibility period, the applicable percentage and applicable limit for the State fall more than one tier, the applicable percentage and applicable limit for such individual's account shall be reduced to those in effect at such lower tier, but any compensation paid to such individual by reason of the higher applicable percentage and applicable limit previously in effect shall not be considered an overpayment.

"(C) If, during an individual's eligibility period, the State was at tier II or higher, and its extended benefit period (which was in effect at the beginning of the individual's eligibility period) ends, the applicable percentage and applicable limit for such individual's account shall be reduced to 8 percent and 2 weeks, but any compensation paid to such individual by reason of the higher applicable percentage and applicable limit previously in effect shall not be considered an overpayment.

"(D) If, while an individual is receiving extended benefits or within 13 weeks thereafter, the applicable percentage and applicable limit for the State increase, the applicable percentage and applicable limit for such individual's account shall be increased to such higher percentage and limit.".

(C) Section 202(c) of such Act is amended by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

"(3) In the case of an interstate claim not described in paragraph (1), the applicable percentage and applicable limit shall be those in effect for the State in which the individual is filing the interstate claim.".

EXTENDED BENEFIT PERIODS; BENEFIT TIERS

SEC. 3. (a) Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended to read as follows:

"EXTENDED BENEFIT PERIODS; BENEFIT TIERS

"SEC. 203. (a) Beginning and Ending.—An extended benefit period for a State shall begin with the third week after the first week for which there is a State 'on' indicator, and shall end with the third week after the first week for which there is a State 'off' indicator.

"(b) STATE 'ON' INDICATOR.—There is a State 'on' indicator for a week if—

"(1) the State's rate of insured unemployment—

"(A)(i) is 4.0 percent or greater for the 13-week period ending with such week, and for the 13-week period ending with the week preceding such week, or

"(ii) is 5.0 percent or greater for the 13-week period ending with such week, and

"(B) for the 13-week period ending with such week, equals or exceeds the necessary percentage of the average of such rate for the comparable 13-week periods in the prior 6 years in order to qualify for any benefit tier (as determined under subsection (e)(3)); or

"(2) the average of the State's total rate of civilian unemployment (unadjusted) for the 2 most recent months immediately preceding such week for which such rate is available from the Bureau of Labor Statistics is 9.0 percent or greater.

"(c) STATE 'OFF' INDICATOR.—There is a State 'off' indicator for a week if—

"(1) there is not a State 'on' indicator for such week;

"(2) such week is a redetermination week (as described in subsection (d)(2)); and

"(3) the State's rate of insured unemployment—

"(A) is less than 4.0 percent for the 13-week period ending with such week, and for the 13-week period ending with the week preceding such week; or

"(B) fails to qualify the State for any tier as determined under section (e)(3).

"(d) TIER PERIODS.—

"(1) INITIAL PERIODS.—An initial tier period is the first 6 weeks of any extended benefit period. The State's initial tier shall be determined on the basis of the third week preceding the tier period and shall remain the same for the 6 weeks of such period.

"(2) CONTINUING PERIODS; REDETERMINATIONS.—Three weeks after the beginning of any tier period, a redetermination shall be made of whether there is a State 'on' or 'off' indicator for such week, and whether the State's tier for such week has changed. If there is not a State 'off' indicator for such week, a new 6-week tier period shall begin with the third week following such week, and the State's tier shall be determined for such 6-week period. If there is a State "off" indicator for such week, the extended benefit period shall end with the third week following such redetermination.

"(e) BENEFIT TIERS.—

"(1) IN GENERAL.—Subject to paragraphs (1) and (2), a State shall be at the highest tier in column A of the chart appearing below for which—

"(A) the rate of insured unemployment for the period consisting of the week of the determination or redetermination and the immediately preceding 12 weeks falls within the range shown in column B; or

"(B) the average of the total rate of civilian unemployment (unadjusted) for the 2 most recent months immediately preceding the week of the determination or redetermination for which such rate is available from the Bureau of Labor statistics, falls within the range shown in column C.

(A) Tier level	(B) Insured rate	(C) Total rate
I	4.0 percent or greater, but less than 5.0 percent.	9.0 percent or greater, but less than 10.0 percent.
II	5.0 percent or greater, but less than 6.0 percent.	10.0 percent or greater, but less than 11.0 percent.
III	6.0 percent or greater, but less than 7.0 percent.	11.0 percent or greater, but less than 12.0 percent.
IV	7.0 percent or greater	12.0 percent or greater.

"(2) SPECIAL RULE.—If a State does not qualify for any tier under the provisions of paragraph (1), but remains in an extended benefit period by reason of subsection (c)(3), such State shall be deemed to be at tier I.

"(3) REDUCTION IN TIER BASED ON 6-YEAR AVERAGE.—

"(A) In order to qualify for a tier under paragraph (1) on the basis of the rate of insured unemployment, a State's rate of insured unemployment for the 13-week period described in paragraph (1)(A) must also equal or exceed 100 percent of the average of such rate for the comparable 13-week periods in the prior 6 years.

"(B) If a State's rate does not meet the requirement of subparagraph (A), such State may nevertheless qualify for a lower tier on the basis of its rate of insured unemployment as follows:

"(i) The State shall qualify for the next lower tier (if any) if such rate for the 13-week period described in paragraph (1)(A) equals or exceeds 90 percent of the average of such rate for the comparable 13-week periods in the prior 6 years.

"(ii) The State shall qualify for the second lower tier (if any) if such rate for such 13-week period equals or exceeds 80 percent of such average.

"(iii) The State shall qualify for the third lower tier (if any) if such rate for such 13-week period equals or exceeds 70 percent of such average.

"(f) ELIGIBILITY PERIOD.—An individual's eligibility period for any benefit year shall consist of the first week in such benefit year for which he meets the requirements of section 202(a)(1) and which is in an extended benefits period, and all weeks thereafter in such benefit year for which he continues to be unemployed and meets the requirements of this Act. If, at the end of such benefit year, such individual is receiving extended compensation and has not exhausted such compensation, his eligibility period shall continue for any subsequent consecutive weeks of unemployment in which he meets the requirements of this Act until he has exhausted his extended compensation.

"(g) RATE OF INSURED UNEMPLOYMENT.—(1) For purposes of this section, the term 'rate of insured unemployment' means the percentage arrived at by dividing—

"(A) the average weekly number of individuals filing claims for regular compensation for weeks of unemployment with respect to the specified period, as determined on the basis of the reports made by the State agency to the Secretary, by

"(B) the average monthly covered employment for the specified period.

"(2) The rate of insured unemployment for any 13-week period shall be determined

by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period.".

PAYMENTS TO STATES

SEC. 4. (a) Section 204(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), and by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) There shall be paid to each State an amount equal to the applicable percentage (as determined under paragraph (2)) of the sum of the sharable extended compensation and the sharable regular compensation paid to individuals under the State law.

"(2) Except as otherwise provided in paragraph (3), the applicable percentage is—

"(A) 90 percent with respect to compensation paid during a tier IV period;

"(B) 80 percent with respect to compensation paid during a tier III period;

"(C) 70 percent with respect to compensation paid during a tier II period; and

"(D) 60 percent with respect to compensation paid during a tier I period.".

(b) Section 204(b) of such Act is amended—

(1) in the heading thereof, by striking out "Shareable" and inserting in lieu thereof "Sharable"; and

(2) by striking out "subsection (a)(1)(A)" and inserting in lieu thereof "subsection (a)(1)".

(c) Section 204(c) of such Act is amended to read as follows:

"SHARABLE REGULAR COMPENSATION

"(c) For purposes of subsection (a)(1), 'sharable regular compensation' means regular compensation paid to an individual for a week of unemployment in such individual's eligibility period—

"(1) to the extent that such amount exceeds an amont equal to 26 times the average weekly benefit amount (including allowances for dependents) for weeks of total unemployment payable to such individual under the State law in the benefit year in which such eligibility period begins; and

"(2) which would qualify as 'sharable extended compensation' under subsection (b) if it were 'extended compensation'.".

(d) Section 205(3) of such Act is amended by striking out "beginning in an extended benefit period".

TRANSFERS TO EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

SEC. 5. Section 905(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4)(A) In addition to the amounts transferred into the extended unemployment compensation account pursuant to paragraph (1), there are authorized to be appropriated, without fiscal year limitation, to such account, an amount equal to—

"(i) 80 percent of the amount of the Federal payments required to be made to States under section 204(a)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 with respect to compensation paid during a tier IV period; plus

"(ii) 60 percent of the amount of such Federal payments with respect to compensation paid during a tier III period; plus

"(iii) 40 percent of the amount of such Federal payments with respect to compensation paid during a tier II period; plus

"(iv) 20 percent of the amount of such Federal payments with respect to compensation paid during a tier I period.

"(B) Amounts appropriated pursuant to subparagraph (A) shall not be required to be repaid.".

JOB SEARCH PROVISIONS

SEC. 6. (a) Section 202(a)(3)(A)(ii) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by inserting after "seeking work" the following: "; except that, the State, in accordance with regulations of the Secretary, may modify the requirement of this clause to take into account any determination by the State that labor market conditions in the labor market area in which such individual last worked, and in the labor market area in which such individual resides, are so depressed that actively seeking work likely will not result in employment.".

(b) Section 202(a)(3)(A) of such Act is amended—

(1) by striking out the period at the end thereof and inserting "; or"; and

(2) by adding at the end thereof the following new clause:

"(iii) unless he participates in an intensive 1-week job search program administered by the Employment Service, if requested to so participate.".

REPEAL OF FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

SEC. 7. Subject to section 8, the Federal Supplemental Compensation Act of 1982 is repealed.

EFFECTIVE DATE

SEC. 8. The amendments and repeal made by sections 2 through 7 of this Act shall become effective on the date of the enactment of this Act, but any State may choose to delay the applicability of such amendments and repeal to that State until a date not later than the first day of the third month which follows the first adjournment of a session of such State's legislature, which adjournment occurs no earlier than four months after the date of the enactment of this Act.

TRANSITION PROVISIONS

SEC. 9. (a) The amendments made by this section shall apply only to the Federal-State Extended Unemployment Compensation Act of 1970, and the Federal Supplemental Compensation Act of 1982, as those Acts apply (without regard to any amendments or repeal made by sections 2 through 7 of this Act) to those States which choose to delay the applicability of the amendments and repeal made by sections 2 through 7 as provided in section 8.

(b)(1) Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31, 1984" and inserting in lieu thereof "March 31, 1986".

(2) Section 605(2) of such Act is amended by striking out "April 1, 1984" and inserting in lieu thereof "April 1, 1986".

(c) Section 602(e)(3) of such Act is amended—

(1) in subparagraph (B)(i)(I), by inserting "described in subparagraph (C)" after "applicable range";

(2) by amending subparagraph (B)(i)(II) to read as follows:

"(II) the average of the total rate of civilian unemployment (unadjusted) for the two months immediately preceding such week falls within the applicable range described in subparagraph (D).";

(3) in subparagraph (B)(ii), by striking out "if subclause (I)" and all that follows and inserting in lieu thereof "if the applicable trigger is not on for such week.";

(4) in subparagraph (C), by inserting "of insured unemployment" after "applicable range":

(5) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F);

(6) by inserting after subparagraph (C) the following:

"(D) For purposes of this paragraph, the applicable range of total unemployment is as follows:

"In the case of a:	The applicable range is:
6-percent period	A rate equal to or exceeding 11.0 percent.
5-percent period	A rate equal to or exceeding 10.0 percent, but less than 11.0 percent.
4-percent period	A rate equal to or exceeding 9.0 percent, but less than 10.0 percent.
Low-unemployment period.	A rate less than 9.0 percent."; and

(7) in subparagraph (F)(i) as so redesignated, by striking out "; except that" and all that follows, and inserting in lieu thereof a period.

(d) Section 602(e)(2)(A) of such Act is amended by striking out "8" where it appears in the column headed "The applicable limit is:", and inserting in lieu thereof "0".

(e) Section 203(d)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended—

(1) by striking out "March 30, 1977" and inserting in lieu thereof "the date of the enactment of the Extended Unemployment Compensation Act of 1985";

(2) by striking out "(i)" and

(3) by striking out ", and (ii) the figure '5' contained in subparagraph (B) thereof were '6' ".

STUDY OF MEASUREMENTS OF UNEMPLOYMENT

SEC. 10. The Secretary of Labor shall conduct a study, and shall report the results of such study to Congress not later than one year after the date of the enactment of this Act, with respect to alternatives to the rate of insured unemployment, which would be available with respect to all States, which might provide a more accurate measurement of the employment and labor market situation in each State.

AMENDMENTS SHALL NOT AFFECT STATE SOLVENCY PROVISION RELATING TO LOANS

SEC. 11. For purposes of section 3302(f)(2) of the Internal Revenue Code of 1954 and section 1202(b)(8) of the Social Security Act, actions taken by a State for the purpose of meeting any requirement of this Act, or the amendments made by this Act, shall not be considered a State action which results or will result in a net decrease in the solvency of the State unemployment compensation system.

	Total unemployment rate (percent)	Insured unemployment rate (percent)	Maximum number of weeks of benefits
1980:			
January	10.0	6.4	28
February	9.9	6.1	28
March	9.2	6.0	28
April	9.0	5.9	28
May	8.4	4.9	28
June	9.1	4.9	39
July	10.0	5.9	39
August	9.5	5.4	39
September	9.1	5.3	39
October	9.1	5.2	39
November	9.4	5.1	39
December	10.2	6.5	39
1981:			
January	12.5	7.9	39
February	12.0	7.5	39
March	11.2	6.9	39

	Total unemployment rate (percent)	Insured unemployment rate (percent)	Maximum number of weeks of benefits
April	13.4	9.2	39
May	13.0	9.5	39
June	10.8	5.7	39
July	9.6	5.0	39
August	8.8	4.3	39
September	8.3	4.1	28
October	8.6	3.8	28
November	9.3	4.3	28
December	10.5	5.8	28
1982:			
January	13.4	8.0	28
February	12.9	7.8	28
March	12.2	7.0	28
April	12.3	6.8	39
May	12.2	6.3	39
June	13.0	6.6	39
July	13.8	7.8	39
August	13.5	7.3	39
September	14.1	7.3	49
October	15.3	8.6	49
November	16.5	9.3	49
December	18.1	10.6	49
1983:			
January	20.8	12.5	55
February	21.5	12.2	55
March	20.5	11.0	53
April	19.5	9.3	53
May	18.5	8.2	53
June	18.1	7.6	53
July	18.0	7.9	53
August	17.0	6.7	53
September	15.4	5.5	53
October	15.3	5.2	53
November	15.3	5.3	42
December	16.0	5.8	42
1984:			
January	17.9	7.2	53
February	17.2	6.2	53
March	16.5	5.6	53
April	15.3	5.0	53
May	14.5	4.5	42
June	13.6	3.6	42
July	13.9	4.0	42
August	13.0	3.8	42
September	12.4	3.4	42
October	15.4	4.3	42
November	15.3	5.2	42
December	16.1	6.3	42
1985:			
January	15.9	7.8	53
February		7.6	53

Mr. MOYNIHAN. Mr. President, I am proud to rise today as a cosponsor of legislation offered by the distinguished minority leader, Senator BYRD, to improve the Nation's unemployment insurance program.

Under current law, the Federal Supplemental Compensation [FSC] Program will expire on March 31, 1985. Since 1982, FSC has provided 8 to 14 additional weeks of unemployment benefits for workers who have exhausted their regular benefits. During just 1 week in February of this year, 22,400 New Yorkers received some $3.3 million in FSC benefits.

Few question the need to provide additional benefits to workers who have exhausted their regular unemployment insurance benefits. In addition to this program, a relatively new one, Congress in 1970 enacted the Extended Benefits [EB] Program to provide additional assistance to the long-term unemployed. Both programs, however, could be improved.

This legislation would do so. It would repeal the two current programs and replace them with a single, streamlined one. Under the new program, the difficulties that have arisen due to certain inadequacies in the insured unemployment rate—the measure currently used to determine a State's eligibility for benefits under EB and FSC—would be remedied. Instead of simply using the often inaccurate IUR measure to determine eligibility for benefits, the new program would give States the option of using the total unemployment rate to determine their eligibility. This provision is an important reform, and based on a proposal I offered in the 98th Congress.

This is a matter of some urgency. The current FSC Program is about to expire. The distinguished Senator from Michigan [Mr. LEVIN] has introduced S. 509, a bill to reform and extend the FSC Program. I am pleased to be a cosponsor of Senator LEVIN's bill, which addresses the immediate problem of providing FSC benefits beyond the program expiration date of March 31, 1985. Senator LEVIN's bill also incorporates the reform we proposed in the 98th Congress, to remedy the inaccuracy of the measures of unemployment currently used. Each day, FSC moves closer and closer to expiring, and each day these FSC benefits for unemployed Americans come closer to disappearing. It is time to act.

A REGRETTED ANNOUNCEMENT

Mr. BYRD. Mr. President, to the regret of his colleagues, friends, and admirers, Senator RUSSELL LONG of Louisiana has announced that he will not seek reelection to the Senate at the end of his current term.

Senator LONG will be missed after 1986. For more than 36 years, RUSSELL LONG has been a significant, influential, and creative Member of the Senate. He served with particular distinction for 16 years as chairman of the Senate Finance Committee. In that role especially, Senator LONG demonstrated a facility of mind and dedication to task that have made him one of the Senate's most respected spokesmen on fiscal and tax matters.

I have often benefited from Senator LONG's wisdom and advice. But most recently, I found his assistance invaluable in helping to establish an employee stock option plan—an ESOP—for Weirton Steel in Weirton, WV. Senator LONG has justly been called the father of the ESOP, and the ongoing success of Weirton Steel as an employee-owned company is additional testimony to Senator LONG's practical instincts in developing the ESOP concept, as well as to his overall vision and ideals.

But RUSSELL LONG's retirement from the Senate means not only the departure of a distinguished colleague and valued friend; that retirement also signals the close of another chapter in the chronicle of one of America's great political families. The Longs of Louisiana comprise a salient element in our national political history, and RUSSELL LONG himself in no small measure has added to his family's legendary reputation.

I know that Senator RUSSELL LONG's decision to retire was not made without deep and thoughtful consideration by both his lovely wife Carolyn and RUSSELL. I know also that I speak for all of our colleagues on both sides of the aisle when I say that our fellowship will be diminished by Senator RUSSELL LONG's retirement. We all look forward to working with Senator LONG throughout the rest of the 99th Congress and, on the part of my wife, Erma, and myself and my colleagues and their wives, when Senator LONG leaves our midst at last, we shall wish for him all the best that life can offer him.

Mr. President, I thank Mr. PROXMIRE. I also thank the majority leader again for his kindness in yielding his time to me.

I yield the floor.

RECOGNITION OF SENATOR ABDNOR

The PRESIDING OFFICER. Under the previous order, the Senator from South Dakota is recognized for not to exceed 15 minutes.

Mr. ABDNOR. I thank the Chair. I hope the Senator from Wisconsin does not mind my preceding him.

Mr. PROXMIRE. No, Mr. President, I do not.

NATIONAL AGRICULTURE DAY

Mr. ABDNOR. Mr. President, throughout the United States, this is National Agriculture Day and I know all over South Dakota, it is being recognized by a number of chambers of commerce and at all the agricultural luncheons today. There have been meetings held during the past evening and it is a very special day, a day that we pay tribute to our American farmers and ranchers. Their contribution to the wealth and well-being of our Nation should not go unnoticed, and this celebrated occasion is but a small token of our appreciation and thanks.

Agriculture is a heritage and way of life as well as the foundation of our economy. America's work ethic and social values are rooted in our agricultural heritage. Coupled with technical innovations, these principles created a farm sector which has become the envy of the world.

In just one generation, America has progressed from a net importer of agricultural products to the largest and most powerful food producer the world has known. In fact, for the first time in history, a single country now stands poised to produce and deliver food in proportion to the needs of the world's hungry. If only we will let it.

In this regard, America's agriculture is as much an obligation as it is an op-

portunity; as much a blessing as a business. It should be noted in history that the most productive land on the face of the Earth was placed in the stewardship of the most capable, enterprising, and innovative individuals, and that these individuals were provided with an economic system which rewarded initiative, hard work, and risk-taking.

Our challenge and responsibility as a society is to create a political and economic environment which will permit our farmers to achieve their greatest potential and contribution to mankind. To do otherwise would violate every moral principle of our democratic heritage.

Today, the inherent advantage of U.S. agriculture is being challenged by less productive, higher cost, heavily subsidized foreign food producers. As a result, prices, income levels, and returns on investment and labor are depressed and suggest to U.S. farmers that they should give up and quit—that the products of their efforts are of little value. The world appears to be coaxing American farmers to desert their tractors.

The stakes are tremendously high, too. In addition to agriculture's contribution to gross national product, job creation, and our balance of payments, the U.S. Government extensively uses our food resources to pursue public assistance and foreign policy objectives. Clearly U.S. agriculture is an international advantage well worth defending.

U.S. agriculture is at a pivotal point in its history. Our choice of programs and policies for the farm sector—and the whole economy as well—will set agriculture's horizon. Agriculture is an opportunity to be maximized. The United States is the only country in the world possessing both the science and natural resource base to explore and commercialize the next agricultural frontier.

Over the past 3 years, I have conducted a comprehensive evaluation of the farm economy. Over 200 witnesses have expounded expertise on all facets of the science, art, and management of agriculture operations. But none of these witnesses had anything more important to say than a midwestern farmer. He said:

> . . . I think that the Lord has blessed this country, where we can feed more people than we have in this country. We could come close to feeding most of the hungry people in the world, because the Lord has blessed us in this area. With that blessing, I think we have a responsibility. And if we don't accept that responsibility, it seems to me that we run the risk of losing the blessing. The Lord disciplines us sometimes.

These inspiring words show the essence of being a farmer. This vocation is much more than a job. It is a calling. Abundance from the earth is a blessing that cannot be taken for granted, a responsibility that each of us share. It should be our mission to preserve, foster, and share our abundance. To do otherwise is to deny our calling.

We possess all the necessary ingredients—the unmatched productivity of the American farmer, the strength of our economic system, and the integrity of our representative government. And at the heart of U.S. agriculture is family, free enterprise, and self-reliance. The teamwork of family members working together has created one of the best management teams known to business.

Today as we commemorate our rural heritage, I call upon all Americans to renew our national commitment to agriculture. This is a day to celebrate and to express our gratitude to all of America's farmers and agribusinessmen.

Mr. President, I ask unanimous consent that the article entitled "Agriculture Is My Bread and Butter, and Yours, Too," be printed in the RECORD at this point. This excellent essay, which shows the importance and progress of U.S. agriculture, was written by Dr. Delwyn Dearborn, dean of the College of Agriculture and Biological Sciences at South Dakota State University. I commend his astute remarks to my colleagues and the American public.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AGRICULTURE IS MY BREAD AND BUTTER, AND YOURS TOO

(By: Dr. Delwyn Dearborn)

Agriculture is farming, but it also is much more. It is a national strength that is basic to our defense, our economic health, our international relations, and the quality of life which our citizenry enjoys. It is basic to our own well-being, and I want each of us to realize how we benefit from a productive agriculture even though we may not be directly involved in farming.

Agriculture is the world's largest commercial industry, with assets exceeding $1 trillion in the United States alone. Here, it employs more than 23 million persons—22 percent of our total labor forces, and it includes not only farming, but also transporting, processing, manufacturing and retailing the food and fiber produced on our farms. The combined United States agricultural industry accounts for $433 billion, or 20 percent, of the nation's gross national product.

South Dakota agriculture also is our state's largest industry, with cash receipts of about $2.75 billion annually. The present value of South Dakota farm real estate has been estimated to exceed $12 billion. Although South Dakota normally ranks 20-25th among states in cash farm marketings, we are in the top four states in cash income in relation to total population.

Agricultural supremacy of this nation, though recognized, is normally underestimated.

Of each 1,000 farmers in the entire world, only 3 are Americans. But American farmers produced 64 percent of the world's total supply of soybeans, 46 percent of its corn, 31 percent of its sorghum, 24 percent of its poultry, 23 percent of its beef, 17 percent of its wheat, 14 percent of its eggs and 13 percent of its pork!

Today there are 2.3 million farms with an average size of 450 acres. Now, there are only 3.7 million farmers and farm workers, but each of them on the average produces enough food and fiber for about 70 other persons.

South Dakota farms today total about 36,500, with an average size of about 1,200 acres. Of course, this varies considerably from east to west. We had 80,000 farms 50 years ago, but today one hour of farm labor produces 14 times as much food and fiber as it did back then.

In that era, a female breeding sheep produced 30 pounds of meat in a year; now it's 64. A beef cow produced 132 pounds of meat; now it's 289. A sow produced 1,088 pounds of meat; now it's 2,139. Then a dairy cow produced 4,200 pounds of milk in a year; now it's 12,000.

Who benefitted? We consumers now spend less than 17 percent of our average incomes after income taxes on food, while consumers in some other nations spend as much as 60-70 percent.

And, let's not forget that our farmers also are consumers themselves. Their annual purchases of production items include $13 billion for farm tractors and other equipment, and this keeps about 150,000 off-farm employees working year-round. Farmers spend $16 billion for fuel and equipment maintenance, $23 billion for feed and seed and $10 billion for fertilizer and lime. Each year, they buy products containing 360 million pounds of rubber—enough to put tires on nearly 7 million automobiles. They use 33 billion kilowatt-hours of electricity, about 2 percent of the Nation's total supply. And, 40,000 persons are kept gainfully employed just to produce the 7 million tons of steel farmers need for their farm machinery, trucks, cars, fencing and building materials.

Agricultural productivity in this nation also has allowed us to be the world's most significant food donor. Since 1954, we have provided almost 300 million metric tons of farm products valued at $30 billion to 164 other nations and territories. In just one recent year, we donated food worth $414 million that benefited 78 million persons in 83 other nations, including 8.5 million refugees and 12 million disaster victims.

There are several forces which have enabled U.S. agriculture to do all this: productive soil, individual pride of farm ownership, free enterprise system and many others. Our public research and extension scheme, unique to our nation, also has played a very significant role.

Let's remember that food is and always has been the first basic dream of all mankind regardless of race or creed. Population and food demand is continuing to grow and with it grows the continuing necessity for a strong and vital U.S. agriculture.

NATIONAL AGRICULTURE DAY

Mr. DOLE. Mr. President, March 20th is being celebrated across the country as National Agriculture Day and is a way to recognize the contributions of the American farmer to the Nation and the world.

IMPORTANCE OF AGRICULTURE

Much will be said today about the productivity of our farmers and the importance of agriculture to our society. Agriculture is the No. 1 industry

with assets of over $1 trillion. It is the Nation's No. 1 exporter with exports valued at over $35 billion. And every billion dollars in exports translates into 35,000 jobs for other Americans. Agriculture generates about 23 million jobs, roughly one-fourth of all U.S. employment, and accounts for 20 percent of the gross national product. The American farmer is a master at his craft producing enough food to feed himself and 80 other people.

Mr. President, these are outstanding contributions when you consider that the American farmer represents only 3 percent of our population. Our citizens have become further removed from our agricultural heritage, but we hope that the role of the farmer is not forgotten. It's not an easy job to contend with the weather, insects, Government policies, unstable markets, world competition, and the other challenges that occur on a daily basis, but it's clear that the farmer is truly the backbone of our Nation.

The recent attention focused on farmers by the media have brought the problems of agriculture to the Nation's attention. Perhaps now more Americans have a better insight into the problems farmers face and a better understanding that all of us have a stake in the goal of returning a profit to agriculture. Members of this body will have two "windows of opportunity" to help get agriculture back on its feet.

A YEAR OF OPPORTUNITY

The best farm bill Congress could provide would result from a three word initiative—balance the budget. That goal may take a couple of years, but we can begin right away to move in a bipartisan fashion to significantly reduce the Federal budget deficit. We can all agree that the farmer needs lower interest rates, a moderated dollar that doesn't shrivel his export markets, and higher prices. And soon we will have an opportunity for words to turn to action We will have a chance to reduce the Federal deficit. It would help every farmer. It would help every American.

Our second initiative should be a farm bill that addresses the realities of our present-day situation. Existing legislation and actions of recent years have worked to the farmers disadvantage. The role of Government in the Nation's agricultural economy is already too large, and its cost contributes to the Federal budget deficit, interest rates, and the high value of the U.S. dollar.

On the other hand, a market-oriented farm policy is sufficient ony if the market is fair and free. With protectionism abroad, plus the subsidies that other governments provide for their farm economies, the world marketplace is in need of much greater fairness. Our domestic price-support formula will have to be combined with a realistic international agriculture strategy.

Mr. President, we need to devise a more effective farm program—but a new farm bill will not do the job unless other factors which shape the farm scene are also on the right track. National agriculture day is an appropriate time to celebrate the bounties of our rich agricultural tradition and commit ourselves to working together in producing successful efforts on behalf of our farmers and the American people.

Mr. LEVIN. Mr. President, in light of the recent debate on the plight of America's farmers, it is appropriate that we are turning our attention to the millions of Americans who contribute this Nation's agriculture.

I would like to take a few minutes to focus on Michigan's agriculture industry. Most people think of Michigan as primarily an industrial State, but it also has a large agricultural industry. Michigan has about 60,000 farms and has more farmers than many of the Farm Belt States. Michigan is a major producer of soybeans, sugarbeets, navy beans, dairy products, pork, berries, peaches, corn, wheat, plums, apples, cucumbers, blueberries, carrots, celery, mushrooms, prunes, plums, tomatoes, grapes, and strawberries, and so forth.

So, the agriculture industry in Michigan is large and very diverse. Its diversity has been a key to its success. Michigan farmers, however, are facing a crisis. Last year, 295 Michigan farmers went bankrupt. Land values have dropped in Michigan in the last several years and expected to fall further in 1985. Nearly 1 out of every 5 farmers in Michigan are experiencing credit difficulty. These are not the inefficient farmers, they are farmers who have been farming successfuly for 25 years. They are often third and fourth generation farmers who have recently fallen on hard times. They are often the farmers who, at the urging of the Government, expanded and bought land in the 1970's.

Mr. President, the contribution of agriculture to my State of Michigan and the economy of the Nation is undisputed and I commend all the hard-working farmers and agribusiness persons who make American agriculture the most productive in the world.

But I feel we cannot overlook the problems the industry is facing today. I believe the best tribute we can give to our farmers is to respond both to their immediate credit problems and provide long-term solutions through the 1985 farm bill.

Mr. ABDNOR. Mr. President, I have been looking forward to Senator MELCHER's coming to the floor. I yield to a distinguished colleague and farm expert, Senator MELCHER of Montana.

Mr. MELCHER. Mr. President, I thank the Senator for arranging this recognition of Agriculture Day on the Senate floor.

AMERICAN AGRICULTURE, THE BEST WE HAVE

Mr. President, a rancher friend of mine used to have an old horse-drawn buggy that he used from time to time in local parades, for rides for the kids, or other occasions. One day while he was driving this rig, a pickup came roaring up behind him and smashed into the buggy. The horse was thrown into the ditch on one side of the road. His dog that had been riding with him on the seat was thrown into the ditch on the other side of the road. My friend, fortunately, landed on some soft grass, stunned but unhurt.

The driver of the pickup stopped, got out, looked at all the wreckage around him, and went over to the horse. He immediately saw that the horse had a broken leg and was beyond recovery, so he went back to his pickup, got his rifle from the gun rack in the back window and went back to put the horse out of his misery.

He then went to the dog and discovered that this poor beast was also fatally injured. Again, he did the humane thing and spared the dog further suffering.

Finally, the pickup driver turned to my friend and asked him how he was doing. The rancher, who had watched all the events affecting his animals, immediately responded: "Why I'm fine, just fine. In fact, I've never been better!"

That story compares to the current state of our agricultural economy. We see wreckage all about us. We have suffered grievous losses. But if we tell the banker how tough it is, he might shut off our credit.

However, times are not hopeless and we remain optimistic. Conditions have to improve because we are doing such a good job.

Consider:

Net farm and ranch income has been stagnant for the last 5 years at near depression levels and in real income terms has probably even declined;

Interest costs to producers last year were higher than net farm income;

Agricultural exports declined in 1982 for the first time in 13 years and are projected to be even lower this year;

The number of people who earn a full time income directly from farming activities continues to decline.

And yet at the same time also consider:

Each American farmer or rancher is so productive that he grows enough to feed 79 other people;

Food costs all Americans an average only 15 percent of our disposable income—a world record.

Double digit inflation has been reduced to the range of 3 percent to 5 percent so that some costs of production are stabilizing;

Technological changes and advances continue to expand productivity and hold the promise of developing new products to further enhance the quality of life both for producer and/or consumer.

The best picture of the place of the American farmers and ranchers in our American economy was probably that offered by a farm leader at the turn of the century and repeated by John Kennedy when he was campaigning for the Presidency in Sioux Falls, SD, in 1960.

"The American farmer is the only person in the American economy who buys everything he buys at retail; sells everything he sells at wholesale—and pays the freight both ways."

After 25 years, that role has not changed much.

Still the fact remains that agriculture is the productivity leader in the entire American economy and the world. We hear a great deal about the plight of the steel industry and the auto industry. These industries clearly have very serious production problems that have made it difficult for them to remain competitive in an increasingly interdependent world market.

However, when a Third World country wants to learn how to improve their agriculture, they do not send a delegation to Japan or West Germany—they come to Montana or Kansas or Iowa or another agricultural State in the United States.

At times it seems like the American farmer is a victim of his own success. Nearly all of the analysis of current farm problems suggest that the biggest problem is over-production—if only farmers did not produce so much, prices would go up.

I am suspicious of such analysis. The whole idea of agriculture—in fact, the whole idea of civilization—is that an individual operator can produce more than it takes to feed his immediate family. If farmers can't do that, then there is no way to support cities and industries and culture. Food is the most basic need of mankind. The growth of civilization is directly tied to the capacity of any one farmer to feed some multiple of himself. In short, he must overproduce.

As Will Rogers once said, "If your granaries are full and your people are starving, that's your Secretary of Agriculture's business, to feed 'em."

Consequently, the real problem of American agriculture today is distribution of adequate nutrition to those who need it at home and abroad. There are people in this country—particularly children and elderly—who have serious nutrition problems. And there may be as many as 300 million people in this world whose fate is to know hunger everyday—each day of the week, month in and month out. The dramatic example of Ethiopia and Sudan is merely the most visible picture of an altogether too common world condition.

American farmers have discovered how to produce food more efficiently than it has ever been done before. Unfortunately, the rest of our economic system has not kept pace. We don't seem to have the capacity to distribute the bounty of our farms and ranches fairly and equitably so that the producers receive a fair return for their labors while the nutritional needs of the hungry are met as well.

We do have farm programs and have had for years. In fact, the U.S. Department of Agriculture was created in 1862 as a response to a proposal of President Lincoln.

Those programs, however, are almost always commodity programs, not people programs. What is usually involved is establishing a loan rate for major commodities such as wheat or corn or cotton which will be the dollar figure gainst which the farmer can borrow from the Government in effect offering his crop as collateral. If the market rate goes above the loan rate, the farmer can simply repay the loan and sell at the market rate. If the market remains below the loan rate, he can simply leave the commodity with the Government and take the loan.

These are important programs because they do help stabilize farm income. It is important to remember, however, that the level at which prices are stabilized is not necessarily equal to the cost of production for the farmer. In fact, in recent years the prices received for most major commodities have been significantly below the cost of production.

There are a number of reasons for that. While the price that the producer receives has remained almost the same, the price that he has had to pay for practically every item that he needs to produce in the first place has gone up. In fact, the index of prices paid by farmers for production items, interest, taxes, and wage rates was 59-percent higher in 1983 than in 1977. Some individual components rose even higher. Compared with 1973 interest charges per acre in 1983 were 360-percent higher, tax charges per acre were 80-percent higher, wage rates up about 110 percent, prices paid for tractors up 200 percent, feed prices up 55 percent, and seed prices up an average of 120 percent.

A current major reason for that is that interest rates are an increasingly expensive part of the price of production. Farmers, almost by definition, are borrowers. It is inherent in the economics of most agricultural production that the huge cost of production is faced up front at planting season, while the economic return comes at the other end other harvest. In addition to this extremely skewed expense/return sequence, farming has become increasingly capital intensive requiring huge investments in land and machinery as well as for operating expenses for fertilizer, fuel, seed, feed and the like.

The devastatingly high interest rates of recent years have been doubly disastrous for farmers. Interest rates are also high for potential purchasers of American agricultural products and they have increasingly had to turn to other options such as expanding their own domestic production, looking to other suppliers who might be able to give them a better deal, or worst of all, simply doing without. Not only have interest rates vastly increased the costs of farming, but they have undermined the export market so vital for selling our agricultural production as well.

World trade is vital to American agriculture. In 1981 nearly one-fifth of the world's agricultural exports were shipped from the United States. In that year, the crops from 2 out of every 5 acres harvested entered the export trade market. Yet, the trend is running the wrong way. In 1982, exports declined by nearly 16 percent and dropped even further in 1983.

Prices received by farmers, too, are largely set by international banking considerations rather than producer or consumer need. The exceptionally high interest rates in this country have indeed lead to a strong U.S. dollar. But what that means to those who are dependent on export sales is that their goods are now more expensive for foreign purchasers. For example, in 1981 West Germany paid 21 percent more for soybeans from this country even though farmers were getting 11 percent less.

It is ironic that an administration that is known for its budget austerity does not seem to be reluctant to spend billions of dollars for foreign aid—much of it in the form of military assistance. It makes much more sense to me to use the production of our farms and ranches to provide food for international humanitarian needs. It just seems to me that people will like us a lot more if we are providing them with the means of being fed instead of the means of killing each other. We need grain silos, not missile silos.

Further, under this administration's bookkeeping, the surplus food commodities we have in Federal storage can be used and not counted in budget dollars. If the administration wants to increase foreign aid, I would rather it take the form of surplus commodities rather than deal borrowed dollars that the American taxpayers are going to have to dig out of their pockets.

Expanding this kind of assistance helps meet a real nutritional need and expands consumption of our agricultural production. Further, it holds the

promise of developing commercial markets down the road.

There are a number of things that we can and should be doing to help solve some of these problems. In the short term, farm credit has to be addressed. Congress did, recently, pass modest legislation in this area that would have been helpful. Regretfully, the President chose to veto it.

Of greater long-term importance however, is rebuilding past market places and seeking new ones. Again, the problem isn't really over-production—it's under-consumption.

We must look long and hard at legislation that would provide new incentives to those who help build export markets for agricultural products as well as looking for ways to expand and improve existing international humanitarian food programs such as section 416 and Public Law 480.

There is one more thing, however, that Members of the farm community and those of us who represent rural areas should be doing. We need to do a better job educating Americans about the importance of agriculture both in our history and in our present time.

In 1935 there were nearly 7 million farms and ranches in this country. At the last census there were less than 2½ million. In the 1930's the agriculture block was politically powerful within Congress. Further, many State legislatures and local units of government were also dominated by agricultural interests. But in 50 years, population has shifted. Urban interests have much more political influence and public attention.

Ironically, the importance of agriculture to our total economy is still enormous. In fact, at $151 billion a year, agriculture is far larger than any manufacturing sector including automobiles and steel. Farming and food-related activities account for nearly one out of every five jobs in the private sector and one out of every $5 in the gross national product.

We simply have to get across the message that agriculture is the heartbeat of America. American agriculture should not have to apologize for the fact that producers are very good at doing what they do growing food to feed hungry people.

This is an appropriate day to be considering here in the Senate, the African food relief bill. The food will sustain life for the starving, rebuild the people who are suffering from malnourishment.

It is good that we have the food to send to them. It come from the abundant agricultural production of our farmers and ranchers. The food come from their investment, their work, and their know how. We thank them.

NATIONAL AGRICULTURE DAY

Mr. KASTEN. Mr. President, these are troubled times for American agriculture. Overproduction and an overvalued dollar have depressed the price that the farmer gets for his crop. The exports on which many farmers depend have declined as the dollar's value has risen. Worst of all, a credit crisis unlike any we have seen in living memory threatens to drive many farmers past the point where anything the Government can do will keep them on the land.

But as we observe National Agriculture Day, March 20, I want to point out a few other things about American agriculture—things we are prone to forget when we deal with farm policy problems day after day.

First, American agriculture is the most productive enterprise in the world. It provides us with the most abundant supply of food the world has ever known, and at a price that has remained reasonable and affordable. To the people of other nations, American agriculture makes the difference between an inadequate diet and a wholesome and nutritious one. And over the years, American agriculture has, for many of the world's people, made the difference between life and death.

Second, American agriculture provides us with the world's most varied supply of food and fiber. From the staple wheat of Kansas to the exotic fruits of California, from the fish caught off Long Island to nature's most nearly perfect food, the dairy products of my own State of Wisconsin, the diversity of our agricultural bounty is the envy of the world.

Third, American agriculture means American jobs. Less than 3 percent of our people make their living on the farm; but food and fiber processing, transportation, wholesaling, and retailing provide more than one of every five jobs in America today. Much of the growth and opportunity our country enjoys has roots firmly planted in our farmland.

Finally, American agriculture has been good to the American farmer. It's true that times are hard now, and none of us should overlook or underestimate the difficulties our farmers have to face these days. The farmers themselves do not; but regardless of the hardships and frustrations they must endure from time to time, they know that prosperous farming is possible in America. Our free economic system makes it possible. For decades now, American farmers have fed their country and the world, nourished the national economy and their local communities—and raised their children in a way of life that farmers in the rest of the world can only dream about. Farmer's productivity has helped sustain our free society; that society has helped make the farm life real for many Americans who would't want to live any other way.

Mr. President, I have mentioned these things in order to remind my colleagues of our blessings, and to suggest how vital it is that we succeed in preserving these blessings through our legislative efforts this year. The challenge before us is to do as well by American agriculture as American agriculture has done by us over the years. If we can achieve this, we will have done very well indeed.

NATIONAL AGRICULTURE DAY AND THE 1985 FARM BILL

Mr. ZORINSKY. Mr. President, today is National Agriculture Day. Traditionally, this has been a day when Members of Congress and the President issue statements recognizing the contribution farmers have made to our Nation and the world.

Certainly no segment of our society is more deserving of such recognition and praise.

The production of food and fiber is the Nation's No. 1 industry and largest employer.

As a Nation, we depend on agricultural exports as the biggest positive factor in our balance of trade.

Historically, American farmers have been among the most efficient producers in our economy. Today, each farmer feeds over 80 people and American consumers spend only about 15 cents of each dollar of disposable income on food.

Despite the productivity of our family farms and the Nation's dependence on them, many family farmers are confronting a devastating financial crisis. The causes and effects of this crisis have been well documented and, as we consider the 1985 farm bill, we must focus on developing equitable and workable solutions.

The Senate Agriculture Committee recently began holding hearings on the 1985 farm bill. This important farm legislation will influence the entire rural economy for many years to come and could be the determining factor in efforts to preserve our family farm system of agriculture.

Much rhetoric has been expended in support of a so-called market-oriented approach to resolving the farm crisis. Let me say that orienting agriculture to the marketplace is a worthy goal. However, the international market in which our agricultural products are sold is not a free market system. By some estimates, over 90 percent of the commodities traded in the international market are subsidized by either the buyer or the seller.

To compel the American farmer to market his production at so-called market-clearing prices in such an international market—without the benefit of a proven and effective safety net—could be damaging to our family farm system of agriculture and could have dire consequences for our national economy, as well.

American farmers can compete with the farmers of other countries but they cannot compete with the treasur-

ies of other countries. For that reason, I will support a free-market farm bill if and when we are dealing with a free market international economy.

CURRENT FARM PROGRAMS AND IMMEDIATE NEEDS

Lately, it has become very fashionable to denounce the farm programs of years past. Some criticism—particularly relating to the management of those programs—is clearly justified.

However, I remain unconvinced that those programs were totally and inherently ineffective. For years they provided Americans with the cheapest, most bountiful food supply in the world. When properly administered, they helped stabilize the farm economy. They gave our Nation a favorable balance of trade for many years, and on occasion provided a net profit to the Federal Treasury.

We will never know what successes could have been achieved with the traditional farm programs had not outside forces intervened. Those forces include embargoes imposed by both Democratic and Republican administrations, the continuing specter of huge budget deficits, and periodic reductions in the price support levels that have been implemented since the 1981 farm bill.

As Congress considers agricultural proposals, we must recognize the depressed condition of the farm economy and develop legislation that addresses the problems our farmers are facing.

The most pressing need is for short-term credit for family farmers so that crops can be planted this spring. Many family farmers have already failed and many others—in terms of financial condition—are beyond the point of no return. Every effort must be made immediately to save those farmers who can still be saved. For that reason, I strongly urged the President to sign the farm credit legislation that was recently approved by Congress and I will continue my efforts to make additional emergency credit assistance available.

In addition—and concurrent with the development and implementation of the 1985 farm bill—we must strive to restore the notion of contract sanctity in our agricultural trade dealings with foreign nations. Foreign nations must understand that we are a reliable supplier of the highest quality agricultural products in the world.

Finally, and also concurrently, we must reduce the Federal budget deficits that are bolstering the value of the dollar, to the detriment of our export trade. We can do this by reordering our priorities so that we give a little less to the international monetary fund, a little less for bailing out multinational corporations, and a little less for helping people who are not Americans and who do not appreciate our help.

THE 1985 FARM BILL OBJECTIVES

I believe that the 1985 farm bill should be designed to achieve six primary objectives:

First, farm income must be improved and stabilized. I believe we should seriously consider the merits of farmer-approved programs that tailor production levels to demand. Such controls should be flexible enough to respond to volatile export markets, while providing some measure of protection for family farm operators.

Second, consumers must be assured of a safe and reliable supply of food. I think that most consumers understand that food is a tremendous bargain in this country and—if we are to continue to enjoy this abundance—consumers must share in the cost of maintaining our family farm system of agriculture. In addition, to help protect consumers and farmers, we should consider creating a national food reserve—to be used only in the event of a national emergency.

Third, overproduction must be reduced and controlled, thereby reducing Government costs while at the same time improving commodity prices.

Fourth, we need a farm bill that is oriented to conservation. It is in the national interest to conserve our scarce land and water resources. We cannot afford to mortgage the future by depleting the natural resources that future generations will rely on for their agricultural production.

Fifth, we must develop new markets through export sales and research and development on alternative uses for farm products—such as corn fructose and alcohol fuels.

Sixth, the cost of farm programs must be reduced.

Last week, at a hearing before the Senate Agriculture Committee, Mr. Raymond Daniel—vice president for agriculture at Chase econometrics—presented testimony on a proposal that will achieve the objectives I have outlined at a cost to the taxpayers that is far below the cost of current programs.

In his testimony Mr. Daniel outlined a long-term production control program that—according to Mr. Daniel—would:

Minimize Government costs;

Promote the economic well-being of rural communities;

Eliminate the need to make direct payments to producers; and

Control supplies, thus improving farm prices and revenues.

I believe that Congress should carefully consider the merits of a production control program. So that a production control option can be considered, I plan to introduce legislation that provides for such a program.

In conclusion, I urge all of those who will acknowledge the importance of our family farm system of agriculture on this special day to work toward developing a farm bill that will make it possible for our family farmers to survive and prosper.

I ask unanimous consent that the text of Mr. Daniel's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. AGRICULTURAL POLICY ANALYSIS ISSUES AND AN ALTERNATIVE PRICE SUPPORT AND SUPPLY MANAGEMENT PROGRAM

INTRODUCTION

Recently, U.S. farm policies have, once again, come under considerable scrutiny and criticism. Much of the discontent over agricultural policy deals with its perceived direction and government cost. Farmers, consumers, and legislators have argued that recent voluntary acreage set-aside programs not only are too expensive, but do not solve the basic problems of continual surplus production and weak farm prices. It is estimated that over $21 billion were spent in 1983 through USDA's programs in an effort to reduce commodity surpluses. Yet there remains excessive inventories of feed grains and the potential for record production of feed grains again in 1985.

Discussions over a new 1985 Farm Bill have already begun. This dialogue over the future direction of agricultural programs is both healthy and beneficial, not only to the farm sector, but also to the consumer and legislative bodies since new four-year agricultural programs will be enacted in 1985.

The purpose of this testimony is to continue to enhance the current debate by addressing the major issues facing agriculture and thus challenging policymakers to continue to seek the correct mixture of agricultural programs. This choice would encompass the programs that would enhance the marketing of U.S. agricultural products while still providing a protective net for U.S. farmers against major swings in the markets. This dramatic movement in prices is the cause of many bankruptcies in farms that, during more normal situations, are solid, viable production units.

CURRENT SITUATION

The volatility of both crop prices and, subsequently, farm income since 1977 has had severe repercussions throughout agriculture. Real farm income has returned to near-1930 depression levels and real gross farm income is 16% below 1974 levels, even though government payments have increased to over $20 billion. Farm real estate assets in current dollars have dropped 16% or more since 1980. This depressed economic environment has severely damaged the viability of the agricultural sector. Unless farm income can be stabilized at a much higher level and at a much lower cost to the government there will be increased farm bankruptcies, a general collapse in rural farm economies, and widespread dissatisfaction with agricultural programs. This is especially true in states where no alternative sources of income are readily available.

AGRICULTURAL POLICY ENVIRONMENT IN THE 1980'S

Farm programs in the 1980s need to become more compatible with the current realities of world grain trade. This is especially true in the grain sector which has been characterized by more periods of crop surpluses, low prices, and acreage reduction programs, than by periods of balanced

supply and demand with no government intervention. The Chase Econometrics outlook for the decade ahead indicates that world economic recessions, balance of trade problems, the high value of the U.S. dollar, and high real interest rates will persist, thus slowing world grain trade to less than one-half the rate experienced in the 1970s. Therefore, grain surpluses are projected to continue and subsequent grain acreage withdrawal programs will need to remain in effect.

Future agricultural programs should also recognize that a "free market" for grains is no longer a reality due to grain embargoes, long-term trade agreements by competitors, competing government import levies and restrictions, cargo preference requirements, and other noncompetitive market restrictions of governments throughout the world. U.S. farmers would welcome actual free markets where producers were not penalized by market restrictions, the high value of the dollar, and government intervention. However, this current noncompetitive structure of world grain trade requires that the next agricultural bill recognize the realities and assist U.S. farmers and agribusinesses in their struggle against institutions and barriers which foster constraints to trade, low commodity prices and, subsequently, low U.S. farm and agribusiness income.

In addition, the U.S. farmer has become non-price competitive in world markets because the record high value of the U.S. dollar adds $1.00/bu to the U.S. farm price of wheat, 72¢/bu to the price of corn, and $2.00/bu to the price of soybeans. Concurrently, present agricultural legislation is not necessarily equitable for all producers; by supporting market prices, current programs could reward farmers who continue to expand production while penalizing farmers who cooperate by participating in agricultural programs.

All of the above factors must be dealt with in the development of farm policy. The bottom line is that every effort should be made to stimulate new programs which stabilize farm income at more equitable levels.

FARM PRODUCT DEMAND STIMULATION PROGRAMS

Farmers and economists strongly support efforts to stimulate stable growth in the demand for U.S. farm products. Efforts both here and abroad that enhance the movement of U.S. farm products at prices which provide for potential growth in U.S. agriculture should be aggressively pursued.

The United States must become more aggressive and innovative in marketing U.S. farm products. The concept of free markets as the solution to farm surpluses is one which has always had great appeal, however, real world trade in agricultural commodities is clouded by protectionist policies, fiscal policies, other government constraints, and the high value of the U.S. dollar.

For example, U.S.S.R., Canada, and other countries have made serveral long-term trade agreements, the European Community subsidizes exports, and many countries utilize government agencies to purchase and/or sell agricultural products, thus reducing the functioning of a free market system. Currently, as much as 95%, or more, of all grains are either bought or sold through government agencies.

Specific types of U.S. government policies which could be undertaken to enhance agricultural exports are:

Increase the use of export credits, particularly to countries where U.S. market share has been eroded due to competitors who subsidize exports or employ other non-free market incentives.

Market development programs that are currently underway through such agencies as U.S. Wheat Associates, Inc., the American Soybean Association, the U.S. Feed Grains Council, and the Foreign Agricultural Service (FAS) should be funded at much higher levels. The U.S. spends less than one percent of the value of U.S. agricultural exports in market development research, considerably lower than any major agri-exporting country. Current estimates indicate that every dollar spent on export market enhancement programs returns at least $48 in the soybean sector and $35 in the wheat sector.

The PL 480 program should be reevaluated and streamlined. Current requirements, approval procedures, and other red tape make it almost impossible to effectively meet the needs of many low income countries. Also, cargo preference requirements that U.S. flag ships carry 50% of PL 480 grain should be eliminated.

The sanctity of U.S. grain export contracts should be guaranteed in order to enhance our image as a reliable supplier to all nations. Embargoes and other restrictive trade policies hurt long-run prospects for U.S. grain trade and foster competition from non-U.S. sources. For example, the 1973 embargo of soybeans to Japan stimulated the development of the Brazilian soybean industry. Similarly, the 1980 Russian grain embargo and the subsequent de facto embargo after 1980 encouraged expanded grain production in Agrentina and other grain producing countries. Yet another example of trade policy which had a negative effect was the 1983 politically imposed US/PRC textile dispute.

However, even if such programs are successful in stimulating demand, the United States has the supply capability to exceed both domestic and export requirements for at least the next decade. Wheat exports, for example, exploded by 190% in the 1971-81 period and yet acreage restriction and storage programs have been required since 1977 to control surplus supplies.

GOALS AND OBJECTIVES OF U.S. AGRICULTURAL POLICY

Farm programs should be developed to address the new world agricultural environment more effectively. The specific goals and objectives of new agricultural programs should be the following:

1. To improve farm income.
2. To expand and enhance U.S. grain trade through joint efforts of farmers, government agencies, agribusinesses, input suppliers, and the grain merchants.
3. To balance U.S. wheat and grain production with domestic and world demand, thus reducing U.S. grain surpluses.
4. To maintain U.S. grain prices at levels which equalize the effect of government subsidies paid to farmers in each competing country.
5. When U.S. supply management programs are necessary, they should be equitable to all U.S. grain farmers and based on more recent production levels.
6. Production management programs, when needed, should include more effective control over production, not just acreage.
7. Participation in production management programs should be more oriented toward long-term stability and less toward short-term adjustments which create instability in grain markets.
8. The grain programs should provide income security to farmers during times of unexpected increases in grain inventories which depress prices.
9. The cost of the programs should be borne more by the sectors receiving the largest program benefits (i.e., grain producers, agribusinesses and consumers). Government program costs should be minimized.
10. Adequate grain reserves should be maintained to protect domestic and export customers against droughts and other crop failures.
11. Government policy should be sensitive to the impact of programs on the future structure of agribusinesses, farmers, and rural commodities. Program changes do significantly impact ownership, size, and regional growth.
12. Management programs should also be oriented toward conserving U.S. farm land by preventing soil erosion and depletion of other nonrenewable resources.

IMPACT OF U.S. FARM PRICES ON AGRICULTURAL EXPORTS

The most important single market parameter governing the benefits of different farm programs to farmers is the price elasticity of demand for exports. The magnitude of the elasticity of demand varies considerably from situation to situation and its value is subject to much misinterpretation. Nonetheless, sufficient concensus is now emerging about the range of elasticity estimates.

The fundamental cornerstone of U.S. farm policy has been based upon the assumption that the aggregate demand for U.S. farm products is inelastic. Recent research continues to support the contention that the short-term (1 to 2 years) and intermediate term (2 to 4 years) is inelastic for major U.S. grains. The longer run (5+ years) appears to be elastic.

Therefore, any decline in crop prices will reduce farm total revenues for at least four years before the price decline is offset by higher volume exports. The current financial crisis in agriculture does not give U.S. farmers the flexibility to sustain a four-year decline in total revenues.

PRICE SUPPORT AND SUPPLY CONTROL

As previously stated, every effort should be made to implement policies to stimulate demand, however, the primary focus of the 1985 Farm Bill, which is price support and supply control programs cannot be abandoned. Even if demand can be successfully stimulated, the U.S. supply capability is expected to exceed both domestic and export requirements for the remainder of the decade. Consequently, without price support and supply control programs, agriculture will continue to face the probability of excess crop supplies, volatile prices and less than desirable income levels.

Recognizing the importance of price support and supply control programs to maintain a viable farm sector, the following observations include suggested modifications and changes in existing programs.

Supply control programs should be structured so they will encourage long-term participation. Allowing growers to participate in an "on again-off again" manner invites market price volatility and creates considerable uncertainty among both growers and agribusinesses.

The least productive and easily erodible land should be removed from production.

The benefits, to all citizens, in terms of soil conservation should be considered when determining the rewards to be given for

long-term participation or extended acreage diversion.

The price support and supply control policies have come under considerable criticism in the last two years. Most of this criticism has, with good reason, been directed toward the level of government support for agriculture. In the last few years, the cost of government programs has risen dramatically, reaching an estimated $21 billion in 1983. Most critics point out that while government support has increased, it has not solved the problems of overproduction, low farm income, or large commodity surpluses. Wheat inventories are still running at record levels and had it not been for the 1983 drought, feed grain inventories, even with PIK, would be double what most consider a desirable level.

Part of the ineffectiveness of government programs over the last few years can be blamed on "bad luck." During the five-year period from 1978 through 1984, the U.S. set record yields—five times for corn, and five times for wheat.

The "bad luck" did not turn around in 1983 when the Secretary of Agriculture implemented the most massive government program in history. What happened? Wheat yields set another record which resulted in virtually no drawdown in surplus inventories and feed grain yields plunged to their lowest levels in ten years. While weather has obviously played a role in the problems that have faced agriculture in the last few years, part of the problem can also be directed toward the commodity programs. Also, the major benefit of the PIK program, i.e., high prices, was offset in 1984 by fence row to fence row production.

In general, Government efforts in agriculture should be directed more toward demand stimulation rather than toward supply control. However, policymakers should be cognizant of the fact that even with successful demand stimulation policies, demand is unlikely to catch up with U.S. supply capabilities during this decade. Until there is a better balance between the supply and the demand for U.S. grain, demand stimulation policies alone will not be enough to solve the problems of the agricultural sector. Consequently supply control and support program will continue to be necessary to maintain a viable agricultural economy. These programs need to be structured in a manner which will supply the agricultural industry with a "safety net" without encouraging overproduction.

AN EFFECTIVE U.S. SUPPLY MANAGEMENT AND PRICE SUPPORT PROGRAM

The predominance of major economic food demand studies indicate that the demand for food grains, such as wheat, is inelastic in the intermediate run (1 to 4 years). Our own studies confirm that, on average, a 1% decrease in wheat prices has only a 0.5% to 0.8% positive impact on U.S. wheat exports, thus, a decline in wheat prices reduces total revenue to U.S. wheat farmers. In other words, lower market prices mean lower farm income. Farm programs are therefore based on the premise that a supply management program, which balances production with changes in world demand by reducing supplies, will increase total revenue to U.S. agriculture and subsequently improve the overall economic vitality of U.S. producers, agribusinesses and rural America.

The following are characteristics of an effective and balanced supply management program.

1. A long-term U.S. supply management program would be based on estimates on domestic and export needs at prices which would provide for a viable U.S. farm economy.

2. The proposed supply management program would utilize USDA farmer cost of production data to develop loan and target price support levels which would provide an economic safety net protecting farmers against unexpected collapses in world grain markets.

3. The maintenance of a "true" U.S. grain emergency reserve would be an essential part of the program, thus protecting U.S. consumers against potential crop shortfalls.

4. The USDA would also provide policy merchanisms which would insure that the supply management program had the capacity to control production at levels which would minimize government program costs.

5. The USDA would eliminate restrictions against long-term trade agreements and provide the necessary finances to allow the development of marketing techniques which would allow U.S. farmers to compete in current "non-free trade" world markets.

6. The USDA would also provide incentives to enhance conservation of the United States most scarce resource (i.e. land) by stimulating the removal of land that cannot stand intensive use due to severe erosion.

7. A non-participant farmer advisory board would advise the USDA on the direction of this new farm supply management marketing program.

AN EFFECTIVE LONG-TERM PRODUCTION CONTROL PROGRAM

Current farm programs are very short-run attempts at correcting depressed market prices by encouraging farmers to voluntarily commit to one-year acreage set-aside programs. The Secretary of Agriculture stated that, "The present program for readjusting productive acreage to market requirements is admittedly but a temporary method of dealing with an emergency. It could not be relied upon a permanent means of keeping farm production in line with market requirements." The Secretary of Agriculture was Henry A. Wallace, the year was one year after the current Agricultural Adjustment Act was first enacted in 1933. Fifty years later we still have the same "temporary" voluntary acreage set-aside programs.

Recent government programs not only have been very short-run oriented, but their implementation has also been on a very ad hoc basis. The details of farmer acreage control programs have not even been announced until after winter wheat farmers have already planted their crops. Farmers, therefore, do not know how to plan their cropping program or what to expect from government assistance programs.

Current farm programs also are oriented toward what happened last year and/or to correcting current grain excess inventories or low prices. In addition, when voluntary acreage set-aside programs are effective in improving prices in one year, farmers abandon the program the second year because of the high capital costs in agriculture and the lack of a long-term commitment by the government to maintaining a stable program. The subsequent resurgence in production again creates surpluses and weak farm prices. Such instability has caused a major expansion in farm debts and hurt the entire farm community.

An effective farm supply adjustment program therefore requires a multi-year commitment from farmers. A long-term supply management program could be implemented in the following manner:

1. The USDA would estimate world and domestic grain needs for the next marketing year. These estimates would be used to determine U.S. production.

2. Importing countries would be encouraged to make multi-year trade agreements with the United States to assist in establishing U.S. production levels.

3. A supply management program would be announced in June, prior to the planting of the winter wheat crop, specifying the details of the program.

4. Grain inventory levels would be established which would maintain farm prices at or near the established target prices.

Ever since grain supply control programs were established in the 1930s, the USDA has used voluntary acreage set-aside or control programs. This approach however has not been very successful in adjusting supplies to changing market conditions. Base acreages have been greatly increased and participation rates have been very unsatisfactory without major government expenditures. Farmers sometimes did not even have adequate information on the economic consequences of participation in such voluntary programs. In some years, farmers who did not participate in acreage set-aside programs received more financial rewards than those who did participate, since farmers who participated did not have as much to sell when prices improved after the government program reduced supplies. Farmers are thus less willing to participate in future programs and subsequently force government program costs even higher to induce future participation.

Even when farmers have participated in voluntary acreage control programs, the desired reductions in production have not been achieved. For example, acreage control programs in 1983 would have reduced production by 600 million bushels, assuming normal yields. However, excellent weather boosted wheat yields four bushels per acre above normal, thus the acreage control program reduced production by only 387 million bushels.

Long-term land retirement programs that require multiple-year voluntary commitments and which remove cropland from production of farm commodities can be very expensive, and may require increases in government expenditures. This type of program was authorized in the Agricultural Act of 1956 as the Soil Bank Program. The advantage was that land would be put into the soil conservation program until needed. However, because of the regional concentration of enrollment in the program, the result was the demise of numerous rural communities. Also, publicity concerning the payment of U.S. funds to many farmers for not producing crops on questionable land was very intense.

Therefore, only a long-term mandatory supply management program would: (1) Minimize government costs, (2) reduce the concern about eliminating certain rural communities, (3) eliminate the stigma of directly paying farmers not to produce, and (4) control supplies, thus improving farm prices and revenues.

NATIONAL AGRICULTURE DAY

Mr. SARBANES. Mr. President, I welcome the opportunity to join in recognizing the achievements of America's farmers by designating this day as National Agriculture Day. It is a

proven fact that America's farmers are the most productive and efficient farmers in the world. Although they constitute only 3.1 percent of the work force, they are so productive that the American people consume just 61 percent of the total output of America's farms. Furthermore, the American people are provided food at reasonable prices in comparison to the rest of the world; 13 percent of personal spending goes for food in the United States, while the figures in Japan and the Soviet Union are 22 percent and 31 percent, respectively.

However, there is a crisis facing America's farmers today requiring immediate attention. The Congress understood the urgency of the farm crisis and passed the Emergency Farm Credit Amendments to H.R. 1096 on March 5, 1985, sending that legislation to the President. Despite the fact that an estimated 125,000 to 250,000 farmers will face bankruptcy or foreclosure without this much-needed relief and the personal pleas of thousands of American farmers who made their way to Capitol Hill to voice their concerns, President Reagan vetoed this bill.

I believe that the emergency farm credit amendments were a reasonable and thoughtful response to the critical problems facing America's farmers today. It was only a temporary solution but one that would allow many farmers to get back on their feet and have the opportunity to plant their spring crops.

It is clear that the problems facing this Nation's farmers run much deeper than financing their spring crop. Just as this administration has attempted to balance the budget on the backs of the poor and middle class, it is now trying to reduce the deficit, not by controlling defense spending and not by reversing tax cuts for the rich, but by "saving" $6.2 billion through a gradual elimination of subsidies and reducing price supports for America's farmers.

In the past few weeks, I have met with farmers from across the State of Maryland. There is a constant theme in their discussions with me—a call for fairness. Maryland's farmers don't want a free ride; all they want is to be given the opportunity to earn a living and to be given fair treatment by the Federal Government. They know that a totally market-oriented farm sector will not work in the international arena under current market conditions. They know that some governments highly subsidize their agricultural sector and that in order to compete with them on an equal basis, our farmers need the active participation and involvement of the U.S. Government.

Most of the Maryland farmers I have met and talked with are family farmers. They are farming the same land that their fathers and grandfathers farmed, and they are asking for a chance to provide for themselves and their families by receiving a fair price for their commodities in the marketplace.

As we debate the 1985 farm bill later this year, we have an obligation to keep in mind the family farmer who is the backbone of America's agricultural industry. We must ensure that he is treated fairly, and we must make sure that agriculture remains a vital part of American society. It is especially fitting that we honor this enormously productive sector of the American economy at this time.

Mr. MATTINGLY. Mr. President, each man, woman, and child in America depends upon our farm and ranch producers to provide a reliable supply of high quality food and fiber at affordable prices. One out of every five jobs in our overall economy is related, directly or indirectly, to agriculture. This country has enjoyed—and has largely taken for granted—an abundance of nature's bounties unknown by any other civilization in history—and we spend a far smaller percentage of our personal income on these items than any other nation in the world. In addition to providing so handsomely for our own people, the American farmer feeds and clothes millions more of the world's population.

American agriculture as we know it is at a crucial crossroads. The question is not whether change is coming, but how it will come and within what timeframe. It is a fact that many Government programs designed to help provide stability and security in the agricultural sector of our economy have largely failed the average-sized farm in this country. In the name of "saving the family farm" we have allowed Government intervention in the marketplace to give such a false picture of reality that the family farm faces absolute destruction. As Pogo, the comic strip character from the Okefenokee Swamp said, "* * * we have met the enemy, and he is us!". Instead of assisting the family farm, we have burdened it with extra paperwork, extra regulations, extra taxes, and then compounded the problems of distorting market signals beyond recognition and making it all but impossible for proper investment and production decisions to be made.

So, what's the answer? I don't pretend to have all the precise answers, but I think there are several basic principles which should guide us as we prepare to draft, debate, and adopt new farm legislation in the U.S. Senate in the weeks and months ahead.

We need to develop a truly long-term policy for agriculture in this country which will allow farmers to make the proper investment and production decisions—decisions which should not, and in many cases cannot, be wisely or efficiently managed over a 4- or 6-year time span. In my opinion, the Congress should not be talking about a 4-year farm bill, instead we should be considering adoption of basic policy goals which will guide American agriculture well into the 21st century.

Such policy goals should be market oriented and must be structured in a manner which does not compromise the competitiveness of U.S. agriculture. Our farmers possess a basic comparative advantage against the rest of the world in their ability to produce and deliver many products. Our new farm bill must not constrain that advantage by artificially raising prices above world market-clearing levels and thereby forfeiting those markets to less efficient foreign competitors.

Farm policy for the future must be structured around a true, fair trade policy or it will not be workable at all. Current farm policy attempts to operate as if world trading patterns and practices did not exist. We must not remain silent with respect to the practices of other countries which attempt to blunt our basic competitive advantages through the use of unfair, predatory export and production subsidies or by setting up artificial barriers to the entry of American commodities and products. At the same time, our own attempts to stabilize domestic farm incomes must not artificially price our goods out of the world market.

We should provide for an adequate period of time for the orderly transition from present programs over to new, more market oriented provisions. And we must realize the Government itself, through actions such as embargoes and artificial tampering with commodity and credit markets, has often been a prime cause of the problems agriculture faces today. We must take actions which will ensure that these mistakes are not again repeated in the future.

Finally, any farm policy must have as one of its central objectives the preservation of values which are contributed to our society by the traditional family farm. I do feel that the average family sized farm is a unique and valuable element in the development of our way of life in this country. Sadly, present programs do not adequately target available assistance in a manner which helps preserve and strengthen this vital, basic institution in any meaningful way.

I agree with the words used by President Reagan in his recent State of the Union address when in reference to what he called America's "New Freedom" mentioned, "* * * an America of wisdom that honors the family, knowing that as the family goes, so goes our civilization," and "* * * an American vision that sees tomorrow's dreams in

the learning and hard work we do today." I believe that nowhere else are these particular values better imparted to future generations than within the context to the average American family farm environment.

Thus, as we celebrate National Agriculture Day today, March 20, 1985, let us do so with a renewed spirit of unity and a revived optimism for the future of agriculture in this land. Let us heed the lessons of our past mistakes and pray for guidance as we deliberate the policies of tomorrow.

Mr. BOREN. Mr. President, today is National Agriculture Day, the day we should reflect upon the importance of agriculture to our Nation as a whole. In so doing, it is important for us to recognize and properly understand the problems the agricultural sector of our economy is confronting and what this will ultimately mean to each and every American.

Agriculture is in the worst crisis since the Great Depression of the thirties. In some ways, conditions are worse. Just 35 years ago, net farm income for 1 year would have more than paid off total farm debt. This past year the debt was over 16 times as much as annual income. In 1950, net farm income was $19 billion and total farm debt was $12.5 billion. In 1983, net farm income had fallen to $5.4 billion while total farm debt had skyrocketed to $216.3 billion. For the past 5 years, American farmers have had very little cash income with which to attempt to service a huge debt. At the same time, the farmer's ability to borrow is declining because so many farms are being forced onto the market. The value of agriculture land has fallen 22 percent in the last 3 years. It is important to note that this percentage decline, of necessity, includes land near urban areas which are being converted from farmland to land for other uses, such as apartments and shopping centers. The inclusion of this land in the estimate, though unavoidable, blankets the fact that in many counties, dependent totally upon agriculture, land values have fallen over 50 percent in the past couple of years. As land values have fallen, more and more farmers find their equity eroded to unacceptable levels. In the past 5 years, we have seen more than a 200-percent increase in farm bankruptcies and forced liquidations.

As equity has eroded, many farmers who are completely current on their debt payments are being threatened with foreclosure. I would like to be able to say that this is not happening, that farmers who are current will not be foreclosed. Regretfully, I cannot say that. Right now, even though a farmer is current on his payments, his equity has eroded to the point of being unable to support the amount of debt owed. Before a farmer can borrow money from the Farmers Home Administration, he must show that he has sufficient collateral to cover the amount of the loan. In some areas of the country, land values have fallen so drastically that the present value of the land will not cover the current debt load, much less cover the amount of an operating loan to enable a farmer to put in this year's crop.

At the present time, it appears very likely that we have yet to reach the bottom of the decline in land values. The further the value declines, the more farmers, current on debt payments, enter foreclosure status. The more farmers that are foreclosed upon, the more land goes on the market. Mr. President, we are at the edge of a vicious downward spiral which threatens to bring down the entire economy of this country.

There are many who claim that we are merely getting rid of inefficient farmers. I assure you, we got rid of the inefficient farmers years ago. The farmers that are going out of business today are farmers who have been successful for 20 years or more. The farmers that are being forced out of farming today are family farmers, those who get up at 4 in the morning during calving season, those who work until 2 or 3 in the morning to get their crops harvested before rain. These are the farmers that are going under today.

According to USDA data, 386,000 farmers are in very severe financial stress at the present time. These farmers have debt-to-asset ratios of 40 percent or more. These farmers hold 58 percent of all farm debt—or approximately $125 billion. One-third of all family-size commercial farms, owing almost one-half of all farm debt will face financial difficulty in 1985. Nearly half of all family-size commercial farms have cash shortfalls. Forty-six percent of all debt is held by farms with both high debt-to-asset ratios and cash shortfalls. It is estimated that an additional 9 percent of all farms will be added to those classified as having severe financial distress.

Delinquent loans are up by nearly 20 percent at commercial banks for all farm debt. The number of agricultural problem banks have nearly tripled—to 288—over the past 18 months. Agricultural bank failures increased from 6 in 1983 to 23 in 1984. In 1984, 10 production credit associations were liquidated; in 1983, 2 were liquidated. Production credit association losses are estimated to be over $500 million this year. For the entire decade of the seventies, PCA losses amounted to only $109.5 million. Delinquent Farmers Home Administration debt has increased fivefold over the past 4 years and now stands at $5.4 billion—21 percent of the outstanding principal.

Under present conditions, it would take average price increases of up to 32 percent to restore all family-size commercial farms to positive net cash flows. Given the tremendous increase in surplus stocks and rapidly declining level of exports, it is doubtful that we will experience any increase in income this year and possibly not even next year.

Why has the crisis reached this point? In part, I believe it is because many Americans do not understand the economics of agriculture or the importance of the farm sector to them personally. They do not know that to start an average family farm today requires over $425,000 in capital. The majority of the American people believe that they are subsidizing the farmer. In one sense, the taxpayers have subsidized farmers through programs which have cost far more than they should due to shortsighted farm policies.

In the larger sense, it is the farm sector which is subsidizing the rest of the country. The facts are clear. Agriculture is the most productive and most efficient sector of our Nation's economy. It is consistently one of the few sectors of our economy where we have a favorable trade balance. Last year, we sold to other countries $19 billion more in agricultural products than we purchased. Additionally, our farmers have been giving Americans the greatest food bargain in the world. Americans spend only 16 percent of their income for food. The average Russian spends 45 percent for food. Even in Great Britain the average is about 28 percent. American food consumers get more for their money today than in 1950. In 1950, an hour's wage for the average worker bought 10 pounds of bread or 8 quarts of milk. Today, it will buy 16 pounds of bread or 15 quarts of milk. The American consumer only has to work an average of 18.5 minutes to buy 1 pound of steak today; whereas, in 1950, the same consumer would have had to work 32.8 minutes for the same steak.

In great part, American consumers have received these benefits due to the dramatic increases in the productivity of our farmers. At the beginning of this century, one farmworker could only feed seven persons. By 1970, this one farmworker supplied enough food and fiber for 47 people. In the past 10 years, the productivity of this one farmworker has almost doubled—he now supplies enough for 78 people. This increased agricultural productivity, the rise in output per unit of input, has been a major contributor to improved living standards for Americans. As agricultural productivity has increased, consumers have been able to upgrade their diets at a lower cost.

The farmers, however, have been absorbing the cost of providing these benefits to the rest of the Nation, usually selling below their actual cost of production and by going broke in

record numbers. When we have record numbers of farmers going bankrupt, our entire economic system is threatened. When land values collapse, banks whose loans are secured by the land get in trouble, and small businesses start to fold. This possible domino effect is chillingly reminiscent of that which began on the farms in the late 1920's and spread across the Nation in the Depression of the 1930's. History has shown that the Great Depression of the thirties was "farm led and farm fed." Right now, we are faced with a repeat of that national disaster.

Last year, we lost 1 to 4 percent of our farmers. As a result, land values in the farm belt fell 10 percent. If we lose 10 to 15 percent in 1 year, as some predict could happen this year, it is not hard to imagine what will happen to land values and subsequently to the economy at large.

What can be done? No one can pretend to have all the answers, but some steps clearly must be taken. First of all, we simply must enact an emergency credit package to prevent a massive wave of foreclosures from occurring in the next 6 months. The administration clearly has not taken effective action. As of last week, only 61 loan guarantees had been approved under the Debt Adjustment Program.

Second, we must bring down Federal budget deficits which lead to high interest rates for farmers and an overvalued dollar which prevents them from selling in world markets.

Third, we should develop a long-range, multiyear policy aimed at preserving our family farmers by allowing them to receive a fair price for their products. For too many years, Congress has failed to develop a policy which would keep family farmers in business over the long term. We simply must establish long-term goals which will preserve the structure of our agricultural economy. Only by doing so will we be capable of returning stability and profitability to American agriculture.

Fourth, in our foreign aid programs, we should send fewer dollars overseas, and make greater use of our surplus farm products. We should do this particularly when there are so many people literally starving to death in this world.

Fifth, a long-range conservation component is an essential ingredient in any good farm program. We need a program which will allow farmers to take erosion-prone land out of cultivation and place it in conservation treatment for a number of years, while also providing financial incentives to make up for income lost as a result of idling this land. Such a program would save our precious soil resources and would help the taxpayers by reducing surpluses and by cutting the cost of our commodity programs by hundreds of millions of dollars.

Obviously, Mr. President, every American should care about what's happening on the farm. Let's band together now to work for a commonsense farm bill this year.

Mr. QUAYLE. Mr. President, today, March 20, has been designated National Agriculture Day, and I am pleased to join several of my Senate colleagues in observing the occasion by saluting the enterprise, industry and productivity of America's farmers.

It is entirely fitting that we should set aside a day each year to honor our agricultural sector and to foster greater appreciation of the importance of agriculture to our national economy. Since the founding of our Nation, the labor and efficiency of America's farmers have made this country great.

Today each American farmer produces enough food and fiber to feed 79 people. Thanks to our farmers' skillful efforts, we Americans spend only about 16 percent of our disposable income on food—less than any other populace in the world.

I am proud that my home State of Indiana is a major farm State. One of the Nation's most productive food producers, Indiana has over 75,000 farms, which employ more than 110,000 Hoosiers. Purdue University, our land-grant institution, is a leader nationwide in developing new, improved farm practices. Although Indiana ranks 19th of all the States in farm acreage, it ranks ninth in cash sales. Indiana is the third largest producer of corn and live hogs, and it is fifth in soybean production.

Indiana's farmers know what farmers across the country know—and what the general public needs to understand: Agriculture is a vital segment of the national economy, and its health affects our Nation's prosperity. Today, America's farmers make up 2.4 percent of our population, but the food and fiber industry they produce for employs over 22 percent of the Nation's work force and accounts for more than 20 percent of our gross national product.

We in Congress must keep the agricultural sector's contributions in mind as we take up the 1985 farm bill. But we must also consider the challenges and changes confronting our farmers and the farm economy, and take every step possible to increase net farm income by working for lower interest rates, a more market-oriented farm program and increased agricultural exports.

I am especially determined to increase foreign sales of American agricultural commodities. I believe the Federal Government owes it to our farmers to take action to reduce barriers other nations have imposed to sales of American exports, and that's why I introduced the Agricultural Trade Enhancement Act of 1985 on the first day of the 99th Congress this past January. My bill would provide expanded export credit programs, ensure the sanctity of long-term agricultural export contracts and establish a temporary Agricultural Trade Committee responsible for preparing a comprehensive report on unfair foreign trade practices that are hindering American farm exports.

Today we are in a critical period in the development of our agricultural policy. Throughout the history of this bountiful land, the men and women who have produced food for our people—and eventually for the world—have given us their best. We owe them our sincere thanks for their hard work and remarkable output. We salute them for their dedication to the values and principles that have made this country great. And on this, National Agriculture Day 1985, we should commit ourselves to developing and implementing a new farm program that will serve as a tribute to the accomplishments and contributions of America's farmers.

Mr. BAUCUS. Mr. President, We have set today aside to recognize the contributions of agriculture to our Nation.

Thanks to the efficiency of the American farmer, the average American—who 30 years ago spent 25 percent of his take-home pay for food—now spends only 16 percent.

Thanks to the abundance of our farms, we help to feed 24 million Americans through school lunch, food stamp and other Government-sponsored programs.

Thanks again to the American farmers, we are helping to feed thousands of hungry people in other countries. Last year, American exports were 18 percent of the total world's agricultural trade.

But saying thank you is not enough. One of the greatest issues confronting the Nation is the economic survival of our farmers and ranchers.

Our farmers and ranchers are facing an economic crisis that is forcing record numbers of bankruptcies and farm liquidations. Farm income is at record lows while farm debt is escalating.

Just 35 years ago, net farm income was $19 billion and the total farm debt was $12.5 billion. But in 1983, net farm income had fallen to $5.4 billion, while the total farm debt skyrocketed to $216.3 billion.

Mr. President, our farmers and ranchers, by and large, did not bring this crisis upon themselves.

When our Government asked farmers to boost their production to meet new demands in overseas markets, they gladly complied. But now our farmers are being told they produced too much, that their grains is too expensive and that increasing exports is easier said than done.

When our Government digs into the national coffers to borrow to cover $200 billion budget deficits, our farmers and ranchers are faced with high interest rates on the loans they need to finance their operations.

Our farmers and ranchers have been the unwilling victims of misguided, poorly-managed Government policies. We now have a responsibility to change public policy to respond to the needs of agriculture to help our farmers and ranchers through this time of crisis.

Our country's prosperity cannot be sustained without a healthy and prosperous agriculture.

As William Jennings Bryan once wrote:

> Burn down your cities and leave our farms and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

THE UNITED KINGDOM AND NATO CASE AGAINST STAR WARS

Mr. PROXMIRE. Mr. President, a few weeks ago Congress was impressed by what appeared to be a warm endorsement of the massive antimissile or star wars initiative of the Reagan administration by the Prime Minister of England, Margaret Thatcher. Shortly before Prime Minister Thatcher's address to Congress endorsing star wars, I had released a comprehensive analysis of the reaction of NATO countries to star wars made by three scholars of the Congressional Research Service in the Library of Congress. That CRS study was based on interviews with leaders in a number of NATO countries. That report documented serious reservations by almost all NATO leaders and downright opposition by some. On Friday, March 15, the British Foreign Secretary, Goeffrey Howe, issued a statement, with the knowledge and approval of Prime Minister Thatcher, raising a series of questions and concerns with respect to "star wars."

What gives here, Mr. President, with all this backing and filling by our NATO allies? Do they support "star wars" or oppose it? The answer is not as confused as the headlines seem to indicate. Leaders of the governments that presently occupy office in England, West Germany, and most other NATO countries either support or have expressed no objection to research—that is research, not production, not deployment, but research—on star wars. By and large, they see no way such research can be monitored or verified. They believe the Russians are engaged in at least some kinds of antimissile research. So they generally do not object to American research. But even with respect to research, there is reluctance and even some downright opposition. Some leaders of opposition parties in Western Europe have expressed concern that the research may provide a momentum and establish a lobbying base for pushing ahead into the production of "star wars" hardware and later into deployment. The CRS report indicated a genuine concern by most NATO leaders about the prospect that the deployment of star wars hardware could threaten the NATO alliance itself.

Why should the star wars antimissile defense raise such fears on the part of NATO countries that support America and strongly oppose the Soviet Union? In his policy address in London on March 15, British Foreign Secretary Geoffrey Howe puts the case politely but clearly. He raised the following questions about the wisdom of proceeding with "star wars:"

First. Can we permit research on star wars to proceed without running the risk that the technology will acquire "an unstoppable momentum even though the case for stopping may strengthen with the passage of the years"?

Second. "Could the process of moving toward a greater emphasis on active defense be managed without generating dangerous uncertainty?"

Third. Doesn't the antiballistic missile star wars program involve a prima facie effort to develop the basis for renunciation of the antiballistic arms control treaty, a treaty that is designed to safeguard deterrence and prohibit antimissile defenses?

Fourth. Foreign Minister Howe asked, "How do we best curb rather than stimulate a new arms race? Hasn't the mutual assured destruction worked well? If so, why should we lightly discard it?"

Fifth. What advantage would NATO or the United States derive from building a "new Maginot Line of the 21st century, liable to be outflanked by relatively simpler and demonstrably cheaper countermeasures" that the Soviets might develop?

Sixth. And, Howe asked, "Assuming that limited antimissile defense around key command and offensive missile installations, rather than Reagan's total shield concept proved possible, might this not stimulate Moscow to go back to targeting missiles on cities?"

Seventh. Howe also challenged the feasibility of star wars on its most obviously vulnerable grounds when he asked, "How would protection be extended against the nonballistic missile nuclear threat" posed by cruise missiles and bombers?

"Would these holes in the dike produce and even encourage a nuclear flood?"

Eighth. Howe spoke of better alternatives to star wars that would more surely protect our deterrent. He asked, "Might we be better advised" to put money into hard-to-hit mobile and submarine-based missiles rather than missile defenses? And would high tech "star wars" defenses "permit adequate political control" or would the "world rest solely upon computers and automatic decisionmaking"?

Ninth. Secretary Howe also questioned the immense cost of star wars. He asked, "How far will we be able to impose new burdens on defense budgets already under strain, and what would be the effect on all the other elements of our defenses on which western security will continue in large part to depend?" With the colossal series of Federal deficits we have undergone for the past 4 years and face for the indefinite future, this must be a central question for the United States itself as well as for NATO.

Tenth. Would the huge diversion of defense resources into star wars erode the U.S. nuclear guarantee to Europe? Wouldn't the many years necessary to deply star wars provide many years of insecurity and instability for the NATO defense of the free world?

Eleventh. Howe also challenged the Reagan notion that arms control negotiations can reduce offensive missiles and thereby make star wars much more practical. Howe pointed out that radical cuts in offensive missiles might make "star wars" or any defense superfluous.

And, of course, Howe might have added, it is now very clear that the prospects for getting sharp reductions in offensive missiles from the Soviets is far better without star wars than if we proceed with it.

Mr. President, unfortunately, the two or three lines in the Thatcher speech to Congress expressing support for star wars research grabbed all the attention and all the headlines. This sober second thought from Britain set forth by Prime Minister Thatcher's foreign secretary, and approved by her, represents the real message from Britain on star wars. It sets forth a logical and convincing argument that, not only for the United Kingdom but also for the United States, the case for star wars has not been made. We should not proceed with it.

I ask unanimous consent that an article on this subject in the Saturday, March 16, Washington Post, by Michael Getler, entitled "Britain Questions 'Star Wars' Impact," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 16, 1985]

BRITAIN QUESTIONS "STAR WARS" IMPACT

(By Michael Getler)

LONDON, March 15.—The British government, which has strongly backed President Reagan's "Star Wars" plan for research on missile defense systems, raised a series of questions and concerns today about where the project might lead and whether it could be managed "without generating dangerous uncertainty."

The questions came in a major policy address here by Foreign Secretary "Geoffrey Howe that was cleared by Prime Minister Margaret Thatcher.

Thatcher repeatedly has stressed her support for the research phase of Reagan's plan. But she also consistently has said that any move beyond that into development and deployment would have to be negotiated with Moscow because of the 1972 U.S.-Soviet treaty limiting antiballistic missile (ABM) defenses.

Sources here said that there was no change in policy intended in Howe's speech but that the second part of Thatcher's message tends to get lost in headlines about her support for research and because London felt that the longer term political questions were not getting a sufficient public airing.

Allied diplomats here said his speech was the most important and comprehensive list of questions and concerns raised publicly by any top allied official thus far.

The timing of his address, within days of the opening of new U.S.-Soviet arms reduction talks in Geneva and of visits by Howe and Thatcher to Moscow, underscores the importance the British government attaches to a full discussion within the West now about "questions so vital to our future that we cannot afford to shrug them off," as Howe put it.

He made clear his fear that technology was in danger of overrunning political debate.

"Can we afford even now simply to wait for the scientists and military experts to deliver their results at some later stage? Have we a breathing space of 5, 10, 15 years before we need to address strategic concerns? I don't believe so," Howe said.

The history of weapons developments shows that research and study of its implications must go hand in hand, he said; otherwise "research may acquire an unstoppable momentum even though the case for stopping may strengthen with the passage of years."

Allied and U.S. diplomats said they suspected that Howe's speech and its timing will not be received warmly in Washington, although he sought to present his questions in a balanced way.

While reiterating British backing for U.S. research into possible futuristic antimissile defenses to keep pace with Soviet research, the overriding tone of the 45-minute address to the Royal United Services Institute was one of concern about what might happen after that research phase ends.

"Could the process of moving toward a greater emphasis on active defenses be managed without generating dangerous uncertainty?" Howe asked.

He repeatedly emphasized the importance of the ABM treaty and the agreement made by Thatcher and Reagan last December that any movement of Reagan's Strategic Defense Initiative (SDI) beyond research into development and deployment "would have to be a matter for negotiations."

Both U.S. and allied sources here also say part of the reason for Howe's speech was probably a feeling that there were too many different interpretations of that December agreement in Washington and too many statements indicating that the Star Wars project would go ahead no matter what.

Even as a research program, Howe said, the SDI is "also full of questions. Even if the research shows promise," he added, the key question will remain how best to enhance deterrence of an enemy missile attack and "how best to curb rather than stimulate a new arms race." He said mutual assured deterrence using offensive systems has worked well and should not be discarded lightly.

It would be wrong to underestimate the enormous technological expertise and potential of the United States," he said. "But there would be no advantage in creating a new Maginot Line of the 21st century, liable to be outflanked by relatively simpler and demonstrably cheaper countermeasures" that the Soviets might develop.

"If the technology does work, what will be its psychological impact on the other side?" Howe said, referring to the Soviets. Reagan, he notes, says he does not seek superiority. "But we would have to ensure that the perceptions of others were not different" to forestall an all-out offensive missile race.

Assuming that limited antimissile defense around key command and offensive missile installations, rather than Reagan's total shield concept, prove possible, Howe asked whether this might not stimulate Moscow to go back to targeting missiles on cities. He quoted Reagan himself as saying in 1983 that a mix of offensive and defensive systems "could be viewed as fostering an aggressive policy."

Would antimissile defenses work, and be survivable against attack, he asked, and "how would protection be extended against the nonballistic missile nuclear threat" posed by cruise missiles and bombers? If only limited defenses were feasible, would these be more vulnerable to being countered and "would these holes in the dike produce and even encourage a nuclear flood?" he asked.

"Might we be better advised," he went on, to put money into hard-to-hit mobile and submarine-based missiles rather than missile defenses? And would such high-tech defenses "permit adequate political control" or would "the world rest solely upon computers and automatic decision-making."

We must also ask, Howe said, not only whether the West can afford the enormous costs involved, but whether there are more effective and affordable ways to enhance deterrence. "How far will we be able to impose new burdens on defense budgets already under strain, and what would be the effect on all the other elements of our defenses on which western security will continue in large part to depend?" he asked.

Howe said Moscow has indulged in a "lot of dogmatic statements and preconditions" for the Geneva talks and undoubtedly will not hesitate to try to split the West and achieve its objectives without concessions.

He said the Soviets will fail if they try, but he also said it was important to convince the new Soviet leadership that the West was serious in maintaining a balance at significantly lower levels of nuclear arms. "We do not want to give them the impression that we have something else in mind."

He said the NATO alliance must be assured that an American missile defense would not erode the U.S. nuclear guarantee to Europe. A missile defense would take many years to deploy and "many years of insecurity and instability cannot be our objective," he said.

He referred several times to Reagan's plans as the president's "vision" and said "we must be especially on our guard against raising hopes that it may be impossible to fulfill. We would all like to think of nuclear deterrence as a distasteful but temporary expedient. Unfortunately, we have to face the harsh realities of a world in which nuclear weapons exist and cannot be disinvented."

Howe put heavy emphasis on the link between offensive and defensive missile forces and said that while efficient defenses would be welcome, "we also have to consider" how a Soviet offensive build-up might proceed "if unconstrained competition in defenses beyond the ABM treaty limits were to be provoked."

If offensive missile forces can be reduced, he said, then the case for defenses against a smaller force may be strengthened. Conversely, he said, radical cuts in offensive missiles might make the need for defense superfluous. Thatcher's earlier agreement with Reagan said the objective should be security at reduced levels of offensive forces, and there is allied concern that U.S. deployment of a Star Wars defense would spur a new offensive missile race.

S. 706—CORPORATE PRODUCTIVITY ACT OF 1985

Mr. PROXMIRE. Mr. President, today I am introducing the Corporate Productivity Act of 1985 to slow down the current wave of hostile corporate takeovers and raids. The bill does not inhibit friendly mergers and acquisitions which are often critically important to our competitive strength.

At a time when the United States has the largest domestic budget deficit in its history, $185 billion in 1984 and a projected fiscal year 1985 deficit of $222 billion, its highest international trade deficit ever, $123 billion in fiscal year 1984 and growing, and when we are facing increasingly aggressive competition from abroad to sell our American products and services in the world market, I believe our corporate managers should be concentrating more on building better and more efficient plants and products than spending time, money, and energy worrying about whether they are about to be raided and taken over by another hostile American company or group of corporate raiders. And this fear is real. In a recent survey of Fortune 500 companies, 67.2 percent of the respondents said that recent hostile takeover activity has caused their company to initiate or plan strategies in response to such an event.

By the end of this year it is likely that the United States will displace Brazil as the world's leading debtor country. Granted we have far greater resources to meet the problem, but meanwhile as the United States has been rolling relentlessly into the red zone in its international accounts, Japan has been moving just as dramatically in the other direction and is

already the world's biggest creditor nation.

The point to be made is that everywhere you look these days the United States faces a flood of red ink and increasing competition from abroad. This red ink and debt has now hit our corporation boardrooms and can be attributed at least in part to the surge of hostile takeover and leveraged buyout activity.

A new term of art has been coined as a result of this binge of unfriendly activity we have been experiencing over the past couple of years. It is called the leveraging of corporate America. This corporate leveraging must now be taken every bit as seriously as our domestic and international trade deficits.

Corporate executives have argued for years that hostile takeovers loot corporate treasuries; undermine our ability to compete in world markets; force management to sacrifice long-term strategy and the development of new products and services for short-term gains; inhibit innovation; lead to the misuse of capital; cheat shareholders; and cause job losses and economic upheaval that disrupt the lives of communities and employers. I agree and as a result believe that such takeover activity should be tempered but not prohibited.

Peter F. Drucker is certainly one of the most respected observers of business practices in the country today. He said recently:

It is increasingly hard to defend the unfriendly takeover as benefiting anyone other than the raider (and a few investment bankers and merger lawyers). Anyone working with management people knows that fear of the raider paralyzes our executives. Worse, it forces them into making decisions they know to be stupid and to damage the enterprise in their charge. A good many experienced business leaders I know now hold takeover fear to be a main cause of the decline in America's competitive strength in the world economy—and a far more potent cause than the high dollar. It contributes to the obsession with the short term and the slighting of tomorrow in research, product development, market development and marketing, and in quality and service—all to squeeze out a few more dollars in next quarter's "bottom line."

Two and a half years ago, after his involvement in the Conoco-Du Pont-Seagram-Mobil hostile takeover jousting, Edgar M. Bronfman, the chairman and chief executive officer of Seagram, voiced the concern of many leading businessmen in the United States when he said that "enough is enough." It should be pointed out that with respect to this particular deal Mr. Bronfman and his Seagram shareholders were delighted with the results. But afterward he took a broader view and asked "But what of the general economy?"

It has taken me some time to reach this conclusion but I, too, now believe that "enough is enough."

As I see it, there are three ways to realistically curb hostile takeovers. First, end the tax subsidies for such corporate mergers. This is the Bronfman approach and he explains it this way:

If the interest on corporate takeover money borrowed specifically to buy the common stock of another corporation were not tax deductible, as it now is, such activity would be sharply curtailed. To the extent that it was not, Federal tax revenue would be increased and the average taxpayers would thus not be, as they are now, indirectly footing the bill for part of these corporate-takeover games.

All activity in the field of mergers or acquisitions would not stop, of course. It would still be possible, even as it is today, to effect such marriages through exchange of securities, or sale and purchase of assets and other methods well known to industry.

What would change is that unfriendly takeovers would become discouragingly expensive and bank credit would not be used to enrich a few sharesholders, discharged executives, arbitragers, lawyers and others without real benefit to the economy as a whole.

The tax deductibility of interest on such loans is now, in effect, a Government-issued benefit and hence an intervention in a more desirable laissez-faire economic trend.

So let's stop this tax benefit to corporations that encourages using credit to make money for a few. And let's try to get back to the successful, pre-eminent American enterprise system, instead of just moving huge sums of tax-deductible finite credit around.

A second approach is for the bank regulatory agencies to jawbone and discourage banks and other financial depository institutions from making loans to finance unfriendly takeover bids. Such an approach would discourage the purchase of junk bonds of savings and loan associations and also the financing of unfriendly takeovers by banks who have been involved in the past after having curtailed some of their lending activity to the lesser developed countries.

And a third approach is to amend the Williams Act, the law which now governs tender offers. While I fully support the first two alternatives, the bill I am introducing today deals with the third. My bill is deliberately drafted so as to deal only with hostile takeovers. Its principal elements are as follows:

First, any person owning more than 15 percent of a company's stock cannot purchase more except through a tender offer.

Second, the tender offer must be submitted to the target company's board of directors. If approved by a majority of the independent directors, the tender offer could be submitted to the company's shareholders under existing law and regulations.

Third, if the target company does not meet the standards for independent directors, as prescribed by the Securities and Exchange Commission, the tender offer can be submitted directly to the company's shareholders pursuant to existing regulations.

Fourth, if the tender offer is not approved by a majority of the target company's independent directors, the tender offer can still be submitted to the company's shareholders, but subject to the following additional requirements: the tender offer must be approved by a two-thirds vote of the target company's shareholders. Only shareholders of record as of the date of the offer are permitted to vote. The vote must occur within 60 business days from the date of the offer as determined by the directors of the target company; prior to a vote of the shareholders, the shareholders must be provided with additional details about the plans of the bidder and the effect of the acquisition on the company and its employees and community;

Fifth, State law relating to tender offers is preserved and is not preempted except in those rare instances where compliance with the State law would make it impossible to also comply with the Federal law.

Under my bill what is and what is not a hostile takeover is left up to the determination of the independent members of a company's board of directors. For the provisions of my legislation to apply, a company must have a majority of independent directors, as defined by the Securities and Exchange Commission. Some 68 percent of all listed companies on the New York Stock Exchange currently have a majority of such directors. For those companies that do not, existing law would continue to apply.

In those instances where a majority of independent directors vote against a person's acquiring more than 15 percent of a target company's stock through a tender offer, additional procedural requirements would have to be met.

These include, most importantly, winning the approval of two-thirds of the shareholders of record on the date of presentation of the offer to the target.

Also, with respect to a hostile tender offer the time period for completing such a transaction would be extended to 60 business days. I believe that this timeframe is important in many respects:

First, it allows information to be developed and disseminated to average investors.

Second, it allows time for target boards to seek the best deal for target shareholders—by competitive bids.

Third, it gives all shareholders ample time to weigh their decisions and evaluate their alternatives.

Fourth, it sets up a frame work for negotiation between the target and the offerer. Such a frame work is helpful in maximizing the opportunity for the best deal for target shareholders

and modifies the pressure for destructive tactics during the tender offer period.

Since I want to encourage longer term investment in corporate America as opposed to excessive speculation, I provide that shareholders of record on the date of a takeover offer should be the ones who make the final determination whether a company should be sold.

The language of my bill is included at the end of my remarks. Now I would like to address some of the concerns I have already briefly referred to.

THE LEVERAGING OF CORPORATE AMERICA

This is a term we will be hearing more and more of in the future. Initially it applied to takeover transactions known as leveraged buyouts which resulted in public companies being turned into private companies mostly by borrowing against their own assets and shrinking their equity dramatically. Thus a public company with say $100 million of debt and $900 million of equity is turned into a private company with $900 million of debt and $100 million of equity. Increasingly, however, the term is being used to describe the effects of unfriendly takeover and corporate raider activity upon target companies generally and the mountains of debt the target company is left with regardless of whether it is successful or unsuccessful in fighting off an unsolicited tender offer. This large accumulation of corporate debt resulting from the current takeover binge has reached such proportions as to cause considerable concern.

For example, Paul Volcker, in his testimony on monetary policy before the Senate Banking Committee last month, on February 20, 1985 warned:

> Whatever the circumstances and justifications for the particular companies involved, a financial structure that tends toward more debt (and shorter debt) relative to equity become more vulnerable over time. More cash flow must be dedicated to debt servicing, exposure to short-run increases in interest rates is magnified, and cushions against adverse economic or financial developments are reduced.

Chairman Shad of the Securities and Exchange Commission has been even more direct in discussing the "leveraging of America." He described the situation in technical detail as follows:

> Corporate takeovers and buyouts are financed through large loans. The net effect is that debt is being used to retire equity, which is known as leveraging up a company's capitalization. The greater the leverage, the greater the risks to the company, its shareholders, creditors, officers, employees, suppliers, customers and others. . . . The more leveraged takeovers and buyouts today, the more bankruptcies tomorrow. During the past few years, the multi-billion dollar premiums shareholders have received in leveraged takeovers and buyouts have been a multiple of their losses from acquisition related bankruptcies. The premiums come first, the consequences later. The leveraging-up of American enterprise will magnify the adverse consequences of the next recession or significant rise in interest rates.

I agree. Last year this country experienced a net loss of $90 billion in equity capital which was replaced with debt on corporate balance sheets. All of this, I am told, was the result of debt incurred in takeovers, leveraged buyouts, and stock repurchases.

Events over the past few weeks reinforce my concern over the debt accumulating in corporate America. According to newspaper accounts, the Phillips Petroleum pact reached with Carl Icahn Monday, March 4, 1985, will triple Phillip's debt to about $7.3 billion, making it by far the most highly leveraged major oil company in the United States. Quoting from the newspapers:

> The plan offers a boon to some of Phillips's shareholders for now. But it also leaves the Bartlesville, Oklahoma company saddled with one of the biggest debt burdens in the industry, and thus it will be especially vulnerable to swings in interest rates and oil prices. Some said Phillips was bound to become less vigorous in oil exploration as a result. Jobs also are likely to be lost as the company carries out a plan to dispose of assets.

According to Sanford Margoshes, an analyst with Shearson Lehman Bros., Inc., Phillips' "primary concern will be getting out from underneath the mountain of debt."

Another recent example involved the battle for control of American Natural Resources Co. [ANR] waged by Coastal Corp.

Arthur R. Seder, ANR's chairman and chief executive officer, has said he was "outraged at the idea that someone from another part of the country who knows nothing about ANR or the people who work for it" would attempt "to bust up" American Natural Resources.

But more to the point at hand, according to Mr. Seder, Coastal would acquire so much additional debt in buying the company that it could not avoid "massive selloffs of assets in order to service the debt," which would cause "a dismembering of our organization and further losses to the economy of Michigan and other states where we operate."

I obviously take no position in either of these cases and cannot verify the effect of the additional debt on Phillips or potentially American Natural Resources. But additional corporate debt there will most assuredly be and taking all such corporate debt resulting from unfriendly takeover situations into consideration, such debt will lead in time to an inevitable problem.

Another example where a corporate raider dumped heavy debt on a company involved Continental Group Inc., which was pushed into the friendlier arms of David H. Murdock and his partner Peter Kiewit Sons last fall by a Sir James Goldsmith raid. The sale chopped Continental's equity from $2.7 billion to $750 million and boosted debt by $2 billion.

Still another heavily leveraged company is Twentieth Century Fox Film Corp., which Denver oil baron Marvin Davis bought and took private in 1981. Davis has pulled $539 million out of Fox to pay some of the debt he took on to buy it, and the company must raise an estimated $400 million to pay additional debt and keep making movies. "Davis has just raped this company," in the opinion of an executive of a rival film studio.

It used to be that long-term debt accounted for about 2.5 times short-term debt in a company's capitalization. Today that ratio is about 1 to 1 according to Shearson Lehman Bro., Inc.

The long-term implications of such corporate decisions leading to excessive debt are often fostered by hostile takeover fears and have serious consequences. "If the trend continues," says the managing partner of a premier investment banking house, "it means economic suicide." Adds the chief executive of a natural resource company: "It's the defunding of America."

According to the investment banker.

> The most dangerous possibility is that business will continue as usual until the economy takes a sharp turn for the worse, and some of the more highly leveraged companies that have emerged from takeover deals go under.

Then he points out there will be the backlash.

> There will be a hue and cry; questions of prudence, cries of where were the banks, the trustees, the pension funds, the regulators? What did all those lawyers and accountants and investment bankers do to earn those huge fees? You'll have Congressional hearings, the works. It will be a large and distinguished cast of characters.

I want to avoid this reaction and scenario and one of the many reasons I am introducing my bill to inhibit hostile takeovers is to slow down this overleveraging of corporate America.

THE SHORT-TERM FOCUS OF BUSINESS

At the same time that I am concerned about the pyramid of debt we are accumulating in all sectors of our economy—domestic, international and corporate—I am increasingly concerned about the short-term orientation of American business management in an ever increasingly competitive global environment. This short-term focus is enhanced by the pressure of a securities marketplace dominated by institutional investors and pension fund managers whose performance is measured on a quarterly basis and who demand virtually instant gratification in order to retain their portfolio accounts. Today money managers control an estimated 60 percent of corporate stocks and bonds with more than $1 trillion in holdings.

As a result, they have a big impact on the price of any company's stock through their massive purchases or sales.

According to Greg A. Smith, executive vice president of Prudential-Bache Securities:

The typical investment cycle was three to five years in the 1960s. Then money managers looked for good results over a year. That became a quarter. Now it's weekly and daily. It used to be we had an investment policy committee. Now there's no restraint on decision-making. It's more a casino operation.

It is no secret that the best defense against a corporate raid or hostile takeover is a high stock price, but it is also no secret that a company investing in a long-term strategy is also likely to suffer a short-term decrease in its stock price and thereby subject itself to an unwarranted raid.

Take the example of New York-based Grumman Corp. Four years ago, LTV tried to take over Grumman. LTV was unsuccessful and employees and retirees afterward continued to buy shares in the company. Then, according to John Bierwirth, the chairman and chief executive officer of Grumman, when 51 percent of the company was held by people attached to the company Grumman, with the consent of its shareholders, decided to make a long-term investment in its future. The company invested $40 million in the X-29 airplane knowing that, in the short term, the investment would put earnings on a plateau. Within 3 trading days of making this announcement public to Wall Street, the stock dropped 20 percent and, over a week, more than 25 percent. The airplane was subsequently developed, it has eight new technological innovations, and that investment has turned out to be important and beneficial to the future of the company as well as to the national security of the country. According to John Bierwirth, however, that long-term investment would never have been made if the company had not been held 51 percent by its employees and retirees because of concern that the resulting temporary drop in stock price would have made the company the subject of a hostile takeover.

This story is reinforced by other accounts and commentary. Says Leon G. Cooperman, a partner at Goldman, Sachs & Co.:

I don't think any company can afford a long-term investment today unless its managers own 51 percent of it.

Says Harold M. Williams, former chairman of the Securities and Exchange Commission:

If you ran a company in a way that penalizes short-term earnings, it weakens your stock, and you risk being taken over * * *. So the raiders enhance an already overpowering trend toward the short-term viewpoint.

One company that recently penalized short-term earnings and is now paying the price is ITT. Within minutes of ITT Corp.'s announcement on July 11, 1984 that it was cutting its dividend by nearly two-thirds so it could afford heavy investments in the U.S. telecommunications business, money managers stampeded to dump their shares. By day's end, the price of the stock had dropped by roughly a third, in response to the cut and an announcement of lower earnings. In effect, institutional investors knocked the price down until ITT's new $1 dividend once more yielded the minimum 5-percent return that most institutions demand. And now the low price of ITT's stock makes it a potential takeover candidate, in the opinion of some Wall Streeters.

Seven months ago in its August 13, 1984 edition, Business Week ran a cover story entitled "Will Money Managers Wreck the Economy". The general conclusion was "yes" and on the cover Business Week had the following quote:

Their short time frame forces chief executives into an equally short time frame. There will be tremendous damage from it. It's scary.

I commend this article to every one of my colleagues and agree with the general thrust of the story.

In the coming months I expect to be shown and hear about more economic studies that show that a shareholder of both a target and a bidder company benefit from hostile takeovers and raids and that these highly confrontational change of control situations are in fact good for the investor and the economy.

My own feeling is that these studies should be greeted with a high degree of skepticism and as anecdotal evidence insofar as they purport to show that this activity is of benefit to our international competitiveness and national security over the long term.

In fact there is increasing evidence to the contrary. According to Prof. F.M. Scherer of Swarthmore College, his preliminary analyses reveals that "takeovers frequently lead to short-run profit-maximizing strategies, eventually leaving wasted corporate hulks in their wake." He also points out that:

If takeovers are an important disciplinary mechanism stimulating managerial efficiency, one might expect the rapid increase in takeover activity during the late 1960s and late 1970s to have been followed by improved over-all economic performance—e.g., on such dimensions as productivity growth. In fact, the annual growth of output per work hour in the economy's private nonfarm business sector declined from 2.6 percent over 1947-64 to 1.7 percent over 1964-74 to 1.4 percent over 1974-84.

With respect to unfriendly takeovers forcing our corporate managers to think short term rather than long term, I tend to share the opinions that have been expressed publicly by representatives of the National Association of Manufacturers and the Business Roundtable. Representing the NAM, Paul H. Elicker, chairman and president of SCM, testified on May 23, 1984:

While U.S. companies face an unprecedented challenge to successfully compete domestically and internationally, time, money, and energy are being diverted from managing businesses to devising and defending against hostile takeovers. Business decisions are being influenced by whether the effect of a decision will increase or decrease a company's vulnerability to takeovers. In brief, the threat of a takeover may tend to force management to look at short-term results rather than long-term results.

A few months later, on October 31, 1984, the same sentiments were echoed by representatives of the Business Roundtable who told the Securities and Exchange Commission that:

Hostile takeovers threaten the well being of the country by causing corporations to react to intense pressures for short-term results.

As Andrew C. Sigler, chairman and chief executive officer of Champion International Corp. and chairman of the Roundtable's Task Force on Corporate Responsibility put it:

These pressures can undermine the long-term strength of our economic system.

Sigler's views are noteworthy given his prior takeover experience where he and Champion stepped in as a "white knight" to save the St. Regis Corp. from a hostile takeover by Rupert Murdoch. Said Sigler afterward of this particular situation in which he accomplished his purpose:

I have very strong feelings about a system that allows this sort of thing to happen: I think it stinks. If it weren't for Rupert Murdoch, St. Regis would never be part of Champion. The whole game is nauseating.

RESEARCH AND DEVELOPMENT

To date there is not a great deal of specific evidence regarding how research and development is effected by hostile takeovers. But in its cover page story on takeovers, March 11, 1985, Forbes had a section entitled "Mortgaging the Future." I want to quote from this article because it signals another danger resulting from this takeover activity. The Forbes story reports:

When companies start worrying about sharks, practically the last thing they care about is tomorrow. As a result, one of the first items to go in corporate restructurings is the R&D budget. Long-range planning is pushed to the back burner when companies attempt to thwart current takeover attempts. . . . Aside from the scientists and engineers who are laid off, R&D dilution demoralizes everyone in a company because they suddenly realize that long-range thinking and planning have gone by the board. . . .

Why would any company in its right mind do away with R&D in an increasingly competitive environment? Says Norell (President of Provesta Corp., Phillips' biotechnology subsidiary), "Everybody figures, hell, let's just get past today. Research is intangi-

ble, and there is little way we can prove that it benefits the company immediately. So we can save money by firing the scientists, and when this is all over we can just hire them back."

But it isn't that simple. Work in progress that is suddenly terminated is often superseded by more advanced research elsewhere. So what appears to be a short-term savings turns out to be not a long-term but an almost immediate loss.

ENTRENCHED MANAGEMENT

In defense of unfriendly takeovers the argument is made that these practices serve as a way for the free market to discipline managers who have been lax in their responsibilities.

Since I believe there may be some trust to this argument I do not propose to insulate incumbent management from such situations. Rather, I make them accountable in an unfriendly tender to a majority vote of their independent board of directors. It is my assumption that the independent directors will be less inclined toward protecting such management than in serving the best interests of all of their company.

But while I recognize that there is a legitimate ongoing need to keep management from becoming entrenched, at the same time I have found that generally it is not poorly run companies, but well run ones that find themselves targets—companies with large cash or security reserves, good cash flow, low debt-equity ratios and undervalued stock. A study of hostile takeovers in 1981 revealed the average target company had a 16-percent return on equity, well above the average for all companies.

Examples of companies that are known to have been well run but have nonetheless found themselves targets include McGraw-Hill, Mead, Scovill, and Martin-Marietta, to name a few.

I have also found that some of the most attractive companies for a takeover bid are those in which top management has already corrected past problems, so that earnings are improving, even though the stock market has not recognized this fact. Consequently, their price-earnings ratio is still low.

For example, at Carter Hawley Hale, pretax operating earnings were up 52.5 percent in 1983 from 1982.

Sharp takeover tacticians can recognize evidence of such progress faster than the market so that what we may have instead of a "discipline of management" is the threat of their being punished by the loss of their jobs for having been successful in turning their companies around.

Critics of management have also argued that they defend their companies simply to protect their jobs, painting a kind of self-serving, greedy chief executive.

Again, while this may be true in a number of instances, I do not necessarily believe it is an accurate commentary on the majority of the leadership of corporate America. According to Jay W. Lorsch, professor of human relations at the Harvard Business School:

It is clear that for most responsible top managers, their primary motives are for the long-term benefit of all the companies' constituents—shareholders, employees, customers and suppliers. The perpetrators of unfriendly takeovers and "greenmail" (the buying of large numbers of shares in the hope of forcing managers to buy them back at a premium) are the ones pursuing only personal financial gain and greed.

GREED

Who is and who is not pursuing only personal financial gain and greed is a matter of opinion considering the exorbitant salaries made by some of our chief executive officers today. But the fact remains that something worth looking into is going on in our system when it rewards corporate takeover artists with multimillion dollar profits or fees for simply participating and advising in the buying and selling of companies.

Take the raiders for instance: Carl Icahn will clear $50 million for his role in Phillips in addition to $25 million he will get in expenses. T. Boone Pickens will take home a profit of $89 million plus up to $25 million for his expenses in the same situation. The Bass Brothers made $60 million at the expense of Blue Bell; James Goldsmith $50 million at the expense of St. Regis; Charles Hurwitz $14 million at the expense of Castle Cook; Saul Steinberg $60 million at the expense of Walt Disney Productions; and the list goes on and on. In none of these instances did any of the individuals actually succeed in taking over and running one of these companies and, in most, they were bought out at a sizable premium compared to the market price available to all other shareholders. This latter practice is known as "greenmail" where corporate raiders are paid a premium by the companies to keep them from hounding their company.

Then there are the fees paid to the investment bankers in some of these unfriendly deals; $10 million for 79 hours of work to First Boston Corp. for its services in advising Texaco in its bid for Getty Oil—that comes out to just over $126,582 an hour; $18.5 million to Goldman Sachs in the same deal. In the Gulf deal $29.6 million to Salomon Brothers, $16.5 million to Morgan Stanley, and $18.9 million to Merrill Lynch. And $5 to $6 million to Lehman Brothers for representing Allied in the Martin Marietta-Bendix-Allied-United Technologies deal.

With respect to the lawyers, the fees are not as widely publicized, but in one recent case the fees paid to attorneys for a conqueror exceed $7 million.

Now I do not begrudge an honest person an honest day's pay for his or her work, but in these particular instances there is a larger principle at stake. That is whether we are paying some of this country's best talent unbelievable sums of money for an essentially nonproductive purpose. After all, tender offers per se create no new wealth; they simply reallocate existing wealth, moving it from the shareholders of the offerer to the shareholders of the target. No new plants are built, no jobs created, no wealth enhanced except that of the shareholders of the target and the attorneys and investment bankers for both sides.

This same feeling has been expressed by Nobel Prize-winning Yale economics Prof. James Tobin who confessed not too long ago—

To an uneasy suspicion we're throwing more and more of our resources, including the cream of our youth, into financial activities remote from the production of goods and services, into activities that generate high private rewards disproportionate to their social productivity.

Just last Tuesday Warren A. Law, the Edmund Cogswell Converse professor of banking finance at Harvard Business School, testified that "There are reasons for being skeptical about the longrun social gains from takeovers" and listed as one of his many reasons a concern about the "brain-drain" being diverted to this "game." He said:

Increasing amounts of our scarcest resource—brain power—are being devoted to playing games. Our brightest young people are being lured into this game by the inordinate legal and financial fees involved. And good managers are forced to spend time in unproductive ways, to avoid being raided, rather than activities of social benefit.

FINANCING OF TAKEOVERS

Another aspect of the hostile takeover phenomenon which bothers me is the almost instantaneous availability of funds to finance some of these deals when credit is not nearly so readily available for other economic purposes.

For example, it is difficult for me to comprehend how Carl Icahn can send Drexel Burnham Lambert out to raise $4 billion as part of an $8 billion proposal to take over Phillips Petroleum; or how the leveraged buyout firm of Kohlberg Kravis Roberts & Co., which came close to buying Gulf, could assemble $6 billion of bank loan commitments for a deal that would have had a debt-equity ratio of 30 to 1.

Still another example involves William Farley—hardly a household name—who raised $90 million through Drexel last year for his hard-fought takeover of Condec Corp., a Connecticut producer of high-tech components and military gear. Says Farley:

When I started (buying companies) in 1976, no one was really geared up to finance this stuff. Today we could go out and raise probably $2 billion in two days.

I am amazed at the ease with which some people raise money for these types of activities while for other simpler and more productive purposes ordinary consumers cannot even get a loan.

According to recent articles in the financial press, "junk bonds" have become an increasingly popular means of raising money to fund these multibillion dollar corporate takeovers and leveraged buyouts. It is my understanding that the risks of investing in these issues are rising and that losses to investors from bankruptcies in 1984 were more than double the combined losses from 1976 to 1983.

In the event that there is a default on some of these bonds in the future a number of our Nation's financial institutions may be adversely affected.

I am particularly concerned about stories of problem savings and loan associations having invested in these bonds and have written Chairman Edwin Gray of the Federal Home Loan Bank Board requesting the following information from the Board:

First. To what extent have federally insured savings and loan associations been investing in these junk bonds?

Second. To what extent are problem thrifts investing in these bonds?

Third. What is the Board's position as to whether these bonds are a proper investment for federally insured savings and loan associations?

Fourth. What threat, if any, do these instruments pose to the integrity of the FSLIC?

Fifth. What actions, if any, does the Federal Home Loan Bank Board anticipate taking with respect to the regulation of these bonds as they relate to savings and loan association investment in them?

Commercial banks as well as thrift institutions are involved in this activity and Citibank First National Bank of Boston, and Security Pacific are among those banks that have financed individuals in their run on corporations.

It is interesting to note that in the case of Security Pacific, just last week on March 12, Unocal Corp., and Union Oil Co., of California filed a lawsuit against Security Pacific alleging, among other things: fraud, negligent misrepresentation, breach of contract, breach of fiduciary duty, breach of good faith and fair dealing, and misappropriation of trade secrets. It turns out that after a relationship of some 40 years, in which Security Pacific continually received confidential financial, geological and engineering information from Unocal, the Bank turned around and loaned money to a group intent on taking Unocal over or putting it into play as an acquisition target.

I wonder how many other cases there are in which banks are playing both sides of these deals at the same time.

As I mentioned earlier, one way to inhibit the current surge in unfriendly takeover activity is for the financial institution regulators to urge lenders to slow down their financing of such activity. I anticipate that the regulators will do so regardless of the outcome of the current debate over hostile takeovers.

MINNOWS VERSUS WHALES

Still another aspect of the unfriendly takeover game that I find puzzling and disconcerting is the number of individuals and comparably small companies going after major institutions many times their size. According to Jay F. Higgins, head of Salomon Bros.' merger department, "Big companies used to worry only about takeover threats from other big companies." But now, according to Michael D. Brown, Drexel's west coast merger chief, "We take a minnow, identify a whale, then look to its assets to finance the transaction."

To me there is something inherently fishy about a system that allows this to take place on an almost daily occurrence, and in fact encourages the practice by not inhibiting it.

Take the real life example of an individual who has never actually acquired a major corporation. He runs his own with 650 employees and sales of $413 million. That individual, with his comparatively small, minnow of a company, goes after companies with $8.5 billion in sales, $28.4 billion and $11.5 billion to list but a few of his prey. Unsuccessful in these escapades at control he pockets $978 million in pretax gains in the process. Does it make sense? To me it does not.

What it does is it distracts corporate managers from running their businesses and forces them to spend great sums of money and time fighting off attacks. As a result, according to a March 11, 1985, article in Forbes, "companies are sometimes led to doing perverse things to avoid rape. They may overpay for an acquisition in order to make themselves less sexy to potential rapists. Or they may load up their balance sheet with debt to make themselves less attractive." Other results and business strategies are as follows:

Less money is going into startup ventures and more into acquisitions of existing assets.

Companies spend more research money on improving processes and less on developing new products.

Investment is shifting from businesses with high capital needs to businesses with low needs.

More and more companies are selling assets to managers and investors who finance with debt.

While companies once replenished their capital by selling new equity to investors, they now are buying their own stock.

Resource companies are emulating manufacturers—investing less in exploration, more to buy existing reserves.

Corporate America is resorting to defensive battle tactics and policies with such esoteric names as the Pac-Man defense, scorched earth policy, shark repellants, poison pills, and golden parachutes. All such business strategies are costly and it has yet to be proven to me that the benefits of these hostile takeovers outweigh the costs. Since the cost is considerable it is my opinion that the burden should be on the perpetrator to justify the benefits rather than the other way around as is currently the case.

INTEGRITY OF THE MARKETS THREATENED

Another result of this takeover activity is an increasing skepticism among ordinary investing Americans about the integrity of our marketplace. Over a year ago on January 25, 1984, the New York Times had a front page story on its business page entitled "Wall Street Worries Over Insider Leaks." The story began:

> Some Wall Street executives are expressing a growing concern that the wave of corporate mergers in recent years has spawned a pattern of illegal insider trading in stocks of companies that receive takeover bids. Such trading, it is believed, has reached sizable proportions and, if allowed to continue, could tarnish the credibility of the securities markets.

Market price fluctuations preceding and surrounding a tender offer have in fact led to heightened concerns about insider trading. In addition, small shareholders in many respects believe that there is no longer a place for them in a market dominated by big institutions, arbitragers and takeover entrepreneurs. Many believe the market is rigged, and this ultimately has led to a decrease in confidence in the capital markets.

This perception has been enhanced by recent events. The fact that both former U.S. Treasury Secretary John B. Connally and T. Boone Pickens have been named in separate lawsuits during the past few months as having been allegedly involved in possible insider trading infractions involving hostile takeover situations—whether these allegations are true or not—does nothing to ensure confidence in the integrity of our markets among the everyday investor and the public at large.

The lawsuit by American Natural Resources charged that Connally—whom Coastal has proposed as an ANR director—bought 4,000 ANR shares in February after being tipped that Coastal was about to launch its bid.

The lawsuit against Pickens filed by Phillips and reported on December 12, 1984, alleged that Pickens in the past had tipped friends and associates as to his takeover bids in advance.

Now I want to make clear that I have no knowledge whatsoever as to the truth of these particular charges. But then there are the very real highly publicized insider trading takeover cases brought against high-rank-

ing administration officials Thomas Reed of the National Security Council and Paul Thayer of the Defense Department.

These cases and numerous others have resulted in a climate where a number of people now believe that the days are over where the individual nonprofessional investor can feel comfortable and roughly on a par with the market professional in investing in our markets. I am not willing to accept that outcome and believe that the fact that there is this growing perception that hostile takeovers are marked by insider trading, market manipulation and the fleecing of small investors is yet another reason for restricting hostile takeover activity.

I must say that I am also not encouraged as to the wisdom of these takeovers when I read the following commentary in the Times written by an unidentified arbitrager. This obviously successful investor writes:

These mergers drain the capital markets and have a markedly unhealthy effect on the stock market. When the real money is made through mergers, too many people concentrate on figuring out the next deal rather than on trying to find values, and a whole lot of good companies can't find capital.

Plus you have a whole class of instigators and parasites that promote and feed on this process, of which I guess I am one. Seven-figure incomes are common in this business, but that's not so harmful—a bunch of baseball players make that. It's what they do that bothers me.

The merger and acquisition departments of the investment banks are playing a very destructive role. The size of the fees remove any objectivity about the merits of a deal. Everyone wants to do deals. Unlimited partners call up and say why can't we do some greenmail, let's put together a syndicate and buy up a piece of some company . . .

. . . People are tossing around companies like they were sardines, but we're talking about dislocation of employees, communities, production and hundreds of thousands of jobs.

CONSTITUENCIES OTHER THAN SHAREHOLDERS

It is this last point that may be the most important of all in this whole debate over tender offer reform.

For years, the debate over corporate takeovers has been focused somewhat narrowly on the rights of shareholders. The main thrust of the Williams Act is to give shareholders sufficient time and information to evaluate takeover bids. Proposals to amend the Williams Act have often been analyzed as to how they affect shareholders. Academic studies attempting to quantify the benefits of takeovers have centered on the increase in stock prices as a result of the takeover process. The recent report of the SEC Advisory Commission on Tender Offers dealt mainly with stockholder rights.

Now, stockholders are certainly an important group whose interests deserve to be protected. But there are other interested parties in the takeover process as well as a company's stockholders. These include the company's employees, pensioners, its community, its customers, its suppliers, and all those in the chain of distribution of a company's products and services. And increasingly, the economy and the society at large have an interest in the corporate takeover process. If hostile corporate raids and takeovers undermine managerial productivity, encourage excessive debt and discourage productive long-term investments as some suggest, then the issue goes well beyond the rights of shareholders.

Clearly, the takeover issue has moved well beyond the narrow confines of specialists in securities law. In a very real sense, the takeover process affects the average guy on the street whether he or she owns stock or not. We all have a stake in seeing our economy perform well in competition with our major trading partners. If our top managers are spending most of their time playing the takeover game while their foreign counterparts are figuring out how to produce better products or services, we all suffer. And so it is time to expand the takeover debate into a larger arena.

The Securities and Exchange Commission is the appropriate governmental agency to argue the merits of tender offer reform on shareholder interests. But there are many merger pitfalls which fall beyond the jurisdiction or expertise of the Commission to consider. These include the effect of unfriendly mergers on employees and company productivity and morale in the aftermath of such a takeover. In the opinion of Henry G. Van der Eb, the retired chairman and chief executive officer of Container Corp., of America:

The corporation's employees are at least as "primary" as the "shareholders" capital being inert without labor.

Although the acquiring company and its shareholders pay the cost of the acquisition, the real "price" of the merger is often borne by the employees of the acquired organization and its various constituencies in the community at large.

Too frequently, the momentum and intangible strengths of an acquired corporation are taken for granted. Ultimately the dead hand of a superimposed bureaucracy takes its toll, stultifying initiative and inhibiting innovation. Morale and productivity wane. Much of the economic rationale of buying underpriced physical assets in the first place can later be negated by the loss of motivation and sense of identity in the acquired company.

This issue, together with how hostile takeovers and tender offer reform are likely to effect America's competitiveness in the world, the productivity of our corporations and the impact on our domestic economy, is a subject that must now be debated by Congress.

SUMMARY

In summary, I have listed above a number of reasons for wanting to inhibit hostile takeover activity and am introducing the Corporate Productivity Act of 1985 to accomplish that purpose in certainly narrowly defined instances.

I have mentioned my concerns about the leveraging of corporate America; the short-term horizons of our mergers; and some of the effects of hostile takeovers on our economy.

My conclusion is that hostile takeovers for the most part are not now serving our vtial national interests and that it is time for Wall Street and corporate America to refocus their attention on more productive and beneficial activity.

I look forward to full consideration being given my proposal in the near future in the upcoming hearings on tender offer reform to be held in the Securities Subcommittee of the Senate Banking Committee on April 3, 1985. I also look forward to legislation being enacted on this subject during the course of this Congress.

THE UNSEEN ASSISTANTS

Mr. PROXMIRE. Mr. President, the Holocaust and the horrors associated with it are commonly attributed solely to Hitler's German regime. It is, in fact, amazing to think the horrors perpetrated on so many could have been inflicted by so few. Could the Nazis have carried this policy out on their own, with no help from others?

Theodore S. Hamerow, professor of history at the University of Wisconsin, Madison, answers this question in his article, "The Hidden Holocaust." The history of the Holocaust is one-sided because the documents most readily available were those kept by the Germans. There is another side of the history, equally as bad. The hidden Holocaust is the other side, the active participation of the people under German influence who helped carry out the genocidal policy.

When studying the Holocaust, one has to be disturbed by how unevenly the numbers stack up. The ratio of Jewish victims to German organizers was about 100 to 1. The Germans obviously were not acting alone. "How else could some 6 million people, who knew or suspected what fate awaited them, and who therefore sought in every possible way to avoid capture, be rounded up, confined, deported, and killed?" The evidence of assistance becomes clear when, in 1944, 150 to 200 SS men evacuated 400,000 Hungarian Jews to death camps. Assistance was given to the Germans mainly by local authorities and private individuals. Many of the Jews in Europe could possibly have survived if only their non-Jewish countrymen would have remained inactive. The Germans could, however, usually count on support for their genocidal activities.

Why would so many support the genocidal policies of the Germans? While many Europeans were appalled by these policies and actions, there were also a large number of people who actively supported them. In Europe, there existed a high degree of anti-Semitism even before the war. Many Europeans saw the Jews as a threat to them. "To them, European Jewry personified the process of modernization which was transforming their society at the expense of traditional attitudes and values." The Jews were, in their eyes, threatening their way of life, challenging their hierarchical status quo.

Mr. President, it is obvious the Germans were much more successful with their policy when they received assistance from people of the country. In countries assisting the Germans, the numbers are high. In Poland, Lithuania, Latvia, and Estonia, 90 percent of the Jewish population was killed. In Slovakia and Hungary, the percentages of the Jewish population killed were 83 percent and 70 percent respectively. France is a good example of how nonassistance made a difference. In 1942, with French assistance, about 43,000 Jews were deported to death camps. In 1944, when the French gave little assistance, less than 13,000 were deported.

Mr. President, it is indeed a sad commentary on man that in times of greatest need he will turn on his fellow man. All the people of German-occupied countries seemed to need was an excuse to act out their hatred. What is there to stop a charismatic leader from starting this again? We must put our force against genocide and make sure such actions are never repeated. Mr. President, I urge ratification of the Genocide Convention.

I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with statements therein limited to 5 minutes each.

HEATHER DOTHEROW—THE MODEL GIRL SCOUT

Mr. THURMOND. Mr. President, I rise today to call my colleagues' attention to a remarkable young lady, Miss Heather Dotherow of Irmo, SC, who, in my opinion, is the model Girl Scout.

Heather is no ordinary Girl Scout, nor is she an ordinary girl. Heather has an inoperable brain tumor, yet what makes her so unique is not her condition, but her indefatigable spirit and radiant optimism. This 9-year-old bundle of energy truly understands the joy of living, and is an inspiration to her friends in Girl Scout Troop 154, and to young people throughout South Carolina and the Nation.

Heather, a fourth-grader at Nursery Road Elementary School in Irmo, is the pride of her parents, Emmett and Penny Dotherow. They can attest to Heather's enthusiastic approach to Scouting—particularly when it comes to selling the famous "Girl Scout Cookies."

Heather sold 259 boxes of cookies, earning enough "credits" for Girl Scout Camp. However, Heather will be going to another camp this year—Camp Kemo, a retreat for children with cancer. Rather than being disappointed about missing Girl Scout Camp, Heather is excited about meeting new friends at Camp Kemo. Indeed, her positive attitude always results in her looking for the best in everything.

Mr. President, I know my Senate colleagues will be encouraged by the example of this fine young lady, and join me in offering every best wish to Heather Dotherow—a model Girl Scout, a model daughter, a model citizen, and a model human being. Mr. President, I ask unanimous consent that the following article about Heather from The State newspaper be included in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the (Columbia, SC) State, Mar. 5, 1985]

A LABOR OF LOVE: DEVOTION TO GIRL SCOUTS, NOT THOUGHTS OF CAMP, SPURRED IRMO GIRL TO SELL 259 BOXES OF COOKIES

For most Girl Scouts, boxes of cookies sold are "credits" earned toward a week at camp.

But for 9-year-old Heather Dotherow of Irmo, who sold 259 boxes this year, there will be no Girl Scout camp this summer.

She will go instead to Camp Kemo in Leesville, where children with cancer get to know other children with cancer.

Heather has an inoperable brain tumor that has given her a sluggish hand and leg. And she knew when she began selling cookies that she would be unable to attend the Congaree Council's Scout camp in Lexington County. Girls who go there must be in top physical condition.

Yet the happy-go-lucky child was undaunted. Heather is special, her adult friends say—and a smart and industrious Girl Scout.

"She's one little girl who really looks forward to her Girl Scout meetings," says her troop leader, Linda Davis. "She always shows up in uniform.

"And I'm the lucky one because I'm the one that gets to pick her up on Tuesday (for meetings)," she says. "When I see that little smile, it makes it all worthwhile."

Heather, a fourth-grade student at Nursery Road Elementary, is the daughter of Emmett and Penny Dotherow.

She joined Troop 154 last August, a few months after she found out about her illness. And she jumped in with both feet, attending every meeting, making friends with each of the 14 other troop members and taking a particular liking to the arts and crafts the girls do together.

Heather started talking about cookies long before official cookie-peddling began on Feb. 2. For days she rehearsed and re-rehearsed what she would say when she knocked at a door.

Then on the morning of Feb. 2, she was up at 8, bounding around the house and raring to go.

"We had to tell her to wait because people weren't awake yet," says Mrs. Dotherow, a regional service manager at Colonial Life.

For the allowed 10-day sales period, Heather pounded the pavement in her neighborhood and sweet-talked nurses and doctors at the various hospitals and treatment centers that she frequents. She was determined to sell her share of chocolate mints, peanut butter cremes and the five other Girl Scout favorites.

Her deliberate, happy attitude not only sold 259 boxes, but it got the attention of the 67 troops in Richland and Lexington counties. Their contributions are sending Heather to Camp Kemo for a week in July.

". . . We felt she should go to camp, too," said troop cookie chairman Mike Taylor, who is supervising the sale of 1,800 boxes of cookies.

Heather is excited about her trip to Camp Kemo, since vacationing and meeting new friends are two of her favorite things. Her other favorite thing is, of course, Girl Scouts.

Although she won't be making the camp trip with her friends this summer, she has been on most other trips with the troop—including outings to the fire department and to the Governor's Mansion at Christmas. In the spring, she will go on a special trip with fellow troop members to Savannah to tour the home of the Girl Scouts' founder, Juliette Gordon Lowe.

PAUL CARLIN

Mr. EXON. Mr. President, the postmaster of Broken Bow, NE, Harry M. Richardson, recently delivered a speech at the 19th annual chapter officers' conference of the National Association of Postmasters of the United States. The address related a fascinating story about the grandfather of the new U.S. Postmaster General, Paul Carlin.

I ask unanimous consent that a copy of an article from the Custer County Chief of March 11, 1985, describing this story, be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RICHARDSON PRESENTS STORY TO POSTMASTER PAUL CARLIN

The following speech honoring the new Postmaster General of the United States, Paul S. Carlin, was given by Broken Bow Postmaster Harry M. Richardson on Wednesday morning, Feb. 20, at the 19th Annual Chapter Officers' Conference of the National Association of Postmasters of the United States at the Hyatt Regency Hotel on Capitol Hill, Washington, D.C.

At that time Richardson presented a framed front page of the Custer County Chief of Friday, Aug. 23, 1895, containing the story—"Was a close call, F.W. Carlin spends two days and nights in a 140 foot well—a miraculous escape"—to Postmaster

General Carlin, the grandson of F.W. Carlin, in behalf of the National Association of Postmasters of the United States, the Custer County Nebraska Historical Society, and Harry and Lenora Richardson.

General Carlin—Fellow Postmasters and Guests:

It is seldom that you have the honor to call to tell a true story, with so much meaning and to have perfect examples to illustrate your story with.

Once upon a time in Ireland in the 18th century, there was a young man by the name of Richard Carlin—who married a young lady by the name of Margaret.

Margaret and Richard Carlin came to America in the early 19th century and settled in New York state, where they had their family. They had a son, Frank W. Carlin born in New York, who came to Custer County, Nebraska in 1887 at the age of 29, met Mary Allen and were married in Broken Bow, in 1890. This is the story of Frank W. Carlin, Custer County, Nebraska homesteader, Anisy Nebraska Merchant and Well Digger—and the grandfather of our new postmaster general, Paul S. Carlin.

I really want to have your attention, as this real story by F.W. Carlin is one of the most fascinating and inspiring stories I know of. It is one that we can all relate to and follow in our lives, and we have a perfect example in his grandson—our postmaster general.

I will start with these newspaper headlines and articles.

Custer County Chief, Broken Bow, NE, Friday, Aug. 23, 1895.

"Was a Close Call, F.W. Carlin spends two days and nights in a 140 foot well."

"A Miraculous Escape."

"Frank W. Carlin has reason to congratulate himself as the luckiest man in this bailiwick. After spending two nights and two days in scaling the walls of an old well 140 feet deep he is again able to travel on terra firma. Here is the account of the most miraculous escape from death in Nebraska's history.

"F.W. Carlin resides in Algernon township in this county. He is a well digger by trade and last week was engaged in putting down a well on the Dailey place, not far from New Helena. On Wednesday of last week, he needed more tubing and started about dark for Mrs. McCristen's place after it. About nine o'clock he wandered from the main road through a canyon and up to the abandoned homestead of Charlie Wachter. The horses walked up against some posts sticking out of the ground which has once supported a windmill, and stopped, and Carlin got out of the wagon to find out what was the matter; He little thought there was an open well there 140 feet deep and three feet across, but that is just what he found.

But better yet—I am going to read you the account of this story as written by F.W. Carlin in the Custer County Beacon—Broken Bow, Nebraska—Aug. 23, 1895.

Custer County Beacon—Broken Bow, NE. Aug. 23, 1895.

"Trip to Earth's Center and Return."

"By request of many of my friends to have published the full details of the accident that befell me and the miraculous escape, which seems to be almost unparalleled in history, I give you the following account:

"While driving through the country about 15 miles northwest of Broken Bow on the evening of Aug. 14, it became quite dark and I found I had taken the wrong track and driven up to some old sod building. I turned around and started down what looked to me like a good road into the draw, when one of my horses seemed to step down into a place. I got out of the wagon and started along side of the team to be sure that the road was all right, when without a moments notice I became aware of the fact that I had stepped into an old dry well and was going down like a shot out of a gun.

"I placed my feet close together, stretched my arms straight over my head and said, "Oh God have mercy on me", and I honestly believe that that was what saved my life, but I went down, down, and it seemed to me I would never reach the bottom. The further I went, the faster I went and never seemed to touch the sides at all.

"I suppose of course, it would kill me when I struck bottom, but God had heard my prayer. I struck in the mud and water which completely covered me over. I was considerably stunned, but was able to straighten up and get my head above water. I scrambled around and finally extracted my legs from the mud, and finally stood on my feet in the water which came just up to my arms, it was very cold, and I tried a number of times to get out of the water, only to fall back. The curbing was somewhat slimy. I finally managed to break off a small piece from the curbing and found a crack in which I managed to fasten it into and perched myself up on it until morning. While sitting there I heard my team running away. In them was my only hopes of rescue. For I was aware of the fact that I was at least a mile and a half from the nearest house, and that no one knew that I was in there.

"There I sat till morning. It was about nine o'clock when I fell in, and I was drenched with water and plastered with mud.

"The only serious injury I received was a badly sprained ankle, which gave me great pain. I also had a sore place on my back, which I found a number of days afterwards to be a broken rib. As soon as daylight appeared, I began to look around and take in the situation. In looking up it seemed to me at least 100 feet to the top. But I learned afterwards that it was exactly 143 feet deep.

"It was curbed in places with curbing about three feet square. There would be a place curbed for about six to ten feet then there would be a place that was not curbed at all. The curbing was perfectly tight, not a crack between them that I could get my fingers into and covered with a slimy mud. I at once concluded that my only chance for rescue was my knife, if it had not fallen out of my pocket while floundering in the mud below, so thrusting my hand into my pocket there it was, and a good one too, for I always carry that kind. I took it and began cutting foot holes in the sides of the curbing; it was very slow but sure. It never went back a foot after I had gained it. When I would get to the top of a curbing, I took the boards that I had cut out and made a seat in one corner, and in this way I think I got up about 50 feet the first day. Sometime in the afternoon I came to a curbing which I thought I could not get through; it was of solid 1x6 Boards closely fitted together and not less than 16 feet to the top of it. So I made for myself a good seat, fixing myself as comfortable as possible. I concluded that I must stay here and wait assistance for rescue or die there.

"I did not become the least bit excited, took everything perfectly cool and looked the situation in the face. I stayed there all the next night and slept one half of the time, for the night did not seem very long. I would have been quite comfortable, had I not been so wet and cold, and my feet pained me terribly, which was the greatest drawback. I had to do most of my climbing on one foot.

"I remained at that point the greater part of the next forenoon, calling often for help. One thing was in my favor:; I was neither hungry or thirsty. I began to give up all hopes. I thought of my wife and little boy, who were always so glad to see me when I came home from a trip. I thought how the little fellow would never see his papa or run out to meet him when he returned home again. That was too great. I made up my mind that I would get out or die in the attempt. So I took a piece of board and put some sand on it and got the point of my knife good and sharp and began cutting away the curbing and making one foot hole after another. I cut, climbing higher and higher and was at last on top of the curbing. From there I would have been comfortable if my feet had not hurt me so badly. But I cut holes in the clay for my hands and feet with my knife and finally I got within about 16 feet of the top. Right there I met the worst hindrance I had met yet. It was round curbing four feet high and perfectly smooth on the inside. It was washed out around it until it was only held from dropping by a little peg on one side. I knew if I tried to go up through it, it was pretty sure to break loose and go to the bottom with me. So my only chance was, to go up between the curb and the wall. This I was fortunate in doing. By going to work and digging away the wall, in half an hour I had a hole large enough to let me pass through. After that it was but a short job to reach the top, which I did and lay for some time exhausted.

"I then knelt down and thanked Almighty God for sparing my life, as I had prayed for Him to do, time and again during the past two days and nights that I had been in the well.

"But my trouble was not at an end yet. I was one and a half miles from a house with a foot that I could not step on. I cut some large weeds and made out to hobble and crawl to the road, about 40 rods distant and there I lay until nearly sundown looking for a team which never came. After getting out of the sun, I became very thirsty. At last I gave up looking for anyone and started to crawl on my hands and knees to find a house, but I soon gave out and had to lie out another night. In the morning I felt somewhat better. Starting out again I finally arrived at the home of Charles Francis just at daylight, where I was given food and drink, after being without for two days and three nights.

"My team was found the next day after I fell in the well by a man by the name of Green with the doubletrees and neck yoke attached to them. To Mr. Green great credit is due. He took them to a Justice-of-the-Peace, filed an estray notice and turned them into a pasture. Thus complying with the law, and taking away the last chance for being discovered.

"Let this be a warning to all who may read it to fill up all the old wells in their neighborhood, for we know not who the next may be. Also remember to trust in God, for He can save when no one else can. No one could have taken the fall that I did and get out alive, without the aid of a higher power than theirs.

"Yours truly, F.W. Carlin."

I know that many of you will be interested in coming to Nebraska and interested in the location of the Old Homestead and the Old

filled-in Well so what better way do I have of locating these two places than by our Zip plus 4 Program. The Old Homestead was a Zip plus 4 code of 68855-9733 and the Old Well of 68856-9783. Both locations are about like they were 90 years ago, and would only have mail service because we still have the Private Express Statutes.

General Carlin, I am very pleased to be able to present to you this material I have gathered in the past couple of months, and do hope you will come to Nebraska, Custer County, Broken Bow, and my home, when we can rediscover these locations on foot.

PRESERVING THE CONSTITUTION

Mr. INOUYE. Mr. President, Judge Abner Mikva begins his review of Senator Sam Ervin's autobiography, "Preserving the Constitution," by advising lawyers that it will make them feel better about themselves. It will have the same effect upon U.S. Senators.

Twenty years in the Senate clearly did not diminish Sam Ervin's appreciation for the significance of the Senate's work or the joy that these challenges brought to him. He stood, and stands, as a model of how this job might be performed.

And while many of us may not have agreed with his specific positions, the work and words of the Senator from North Carolina should continue to remind us that we are, above all, to be guided by a duty to preserve and protect the Constitution of the United States.

Mr. President, I believe that Judge Mikva's review of the Senator's book serves well to capture the nature of the man and the quality of his new publication. I therefore ask unanimous consent that it be published in the CONGRESSIONAL RECORD at this point.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

PRESERVING THE CONSTITUTION: THE AUTOBIOGRAPHY OF SENATOR SAM ERVIN

Reviewed by Abner J. Mikva, judge of the U.S. Court of Appeals for the District of Columbia Circuit and chairperson-elect of the ABA Section of Individual Rights and Responsibilities.

Lawyers will enjoy reading Sam Ervin's autobiography because it will make them feel better about themselves. Now in his sixth decade as a member of the bar, Ervin continues to exhibit great enthusiasm for the practice and profession of law. He revels in the fact that lawyers can be generalists. He relishes his experience as a trial lawyer, a trial judge and a supreme court justice in North Carolina. The description of some of his cases and experiences is so vivid that it is obvious he enjoyed going through those parts of his life.

He also thrived as a generalist when he was in the U.S. Senate; he practiced his politics the same way he practiced law. It is clear he thinks that is the only way to play the game of life—to jam in as many different kinds of experiences and subjects and interests as one can.

Living by eclectic taste does have a downside. Critics would argue that Ervin was able to reconcile his commitment to civil liberties with his dispassion for civil rights because he never dug deeply enough into the merits to have to worry about his constancy. It is probably fairer to say Ervin believed he had the lawyer's freedom to give a cause warm zeal, without having to take up the cudgels for every related cause. Constancy is not a primary measurement for either politicians or lawyers. Sam Ervin was both.

Notwithstanding roots deep and old in this country and in North Carolina, and educational credentials covering several generations, Ervin still thinks of himself as a country boy. It tickles him that he went to Harvard Law School, especially because he went through it "backward." He had already graduated from law school at the University of North Carolina when he started courting his wife who was then attending school in Boston. He took the equivalent of third-year courses at Harvard, and because the courtship was not completed, he continued inversely through the rest of Harvard's curriculum. Neither he nor the institution seemed the worse for this backward journey, but the senator clearly liked to confuse people by alternating between the story-telling country lawyer and the Harvard graduate who could quote the classics with ease.

Neither Harvard nor his experiences as a national figure ever softened the sharp edges of his positions on women's issues, civil rights and the Warren Court's expansive rulings. He swam upstream in those causes, once in the Senate. His autobiography displays no sign of repentance.

On women's rights, he summarizes his unrepentance by saying that no member of Congress ought to vote for the equal rights amendment "unless he honestly believes that God made a mistake by creating two sexes . . . and that the amendment constitutes an appropriate way to correct this mistake."

On civil rights, Ervin lumps voting rights legislation with Title VII, *Brown v. Board* and all the civil rights landmarks and proclaims: "Problems arising out of inter-racial relationships cannot be satisfactorily solved by the coercive power of law. They can be satisfactorily solved only by the persuasive power of religion, and goodwill, tolerance and understanding among people of the communities where such problems arise."

On the courts, and especially the Supreme Court, he states his credo: "Like other governmental action, Supreme Court decisions are not entitled to respect unless they are respectable. . . ." The Warren Court did not get many "respectable" grades from Ervin.

Why aren't these the self-deceptions of a good-natured but redneck Senator from the South? Because Ervin has too many parts. He was at the point position during the Watergate crisis. He stood almost alone in resisting preventive detention proposals and "no-knock" proposals which, if passed and upheld, could have wiped out the presumption of innocence and the sanctity of one's home from police oppression.

This man was centerstage in too much of our current legal and political history to be dismissed as a Dixiecrat politician. He was, moreover, the quintessence of that kind of senator described by President Kennedy: ". . .the breath-taking talents of the orator, the brilliance of the scholar, the breadth of the man above party, and section, and above all, a deep-seated belief in themselves, their integrity, and the rightness of their cause."

CONGRESSMAN EDWARD FEIGHAN'S REMARKS ON HUMAN RIGHTS AND AMERICAN ALLIES

Mr. GLENN. Mr. President, my able and good friend, Congressman EDWARD FEIGHAN of Ohio, was selected last January to serve on the House Foreign Affairs Subcommittee on Human Rights. In February, he chaired a delegation of Americans who accompanied South Korean political leader Kim Dae Jung back to Seoul. Congressman FEIGHAN has been a strong advocate for an evenhanded and consistent human rights policy, and his contribution to our understanding of how serious a challenge is facing America should not be underestimated.

Last week, ED FEIGHAN gave a major address on America's human rights policies to the National Woman's Democratic Club here in Washington. His analysis of our long tradition of support for human rights, and his examination of our current practices throughout the world, are thoughtful and carefully argued. I believe my colleagues will find his remarks of great interest, and I ask that the text of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS AND AMERICAN ALLIES

(Remarks of Congressman Edward F. Feighan)

Human Rights are violated throughout the world, in rich countries and in poor ones, by old and established regimes as well as new and developing ones. The abuses range from political terror, assassination, and torture, to the slow destruction of liberty through repressive policies that restrict free expression, free movement, and the right to worship God in the way one chooses.

On October 25th of last year, the body of a young Chilean worker was found in a river. The body was decapitated and missing one hand. Family members identified the body as that of an individual arrested by the police in September. The security services deny that he was arrested.

In Cuba, freed political prisoners tell of beatings at the hands of sadistic guards, resulting in cracked skulls and broken arms, and of the physical, psychological and moral violence exerted upon opponents of the regime, including the putting out of a man's eye by a bayonette.

In El Salvador, violent deaths go unexplained. Tens of thousands of civilians have been slain in politically motivated killings. The Catholic Church reports that the methods of torture have become more and more refined, with electric shock, psychological torture and other techniques that do not leave visible marks.

In Guatemala, students and faculty at the National University of San Carlos continue to be the object of kidnappings, and the number of disappearances with possible political motivations rose in 1984 to over four hundred.

In Vietnam, reeducation camps routinely use psychological torture. Prisoners are denied adequate food, medical care and are

assigned to hard labor and solitary confinement for minor infractions of the rules.

In South Africa, as we are all aware, brutal methods maintain the integrity of Apartheid, denying basic human rights to the 73 percent of the population which is black.

In Eastern Europe and the Soviet Union, writers, intellectuals, Jews and Christian activists have found themselves under house arrest, tortured, imprisoned and deprived of their possessions as a result of political activity.

The freedoms we take for granted are harshly repressed in many areas of the globe. Governments of the Right and of the Left abuse their citizens and degrade the character of all humanity. In many cases, the United States is a willing partner of governments that censor a free press, kidnap political dissidents, torture opponents and imprison those who search for freedom.

The Reagan Administration has pursued a human rights agenda based on harsh pragmatism that has blossomed into overt cynicism. Ronald Reagan has failed to express America's historic commitment to human rights and democratic values in an evenhanded and compelling way. Instead, the President has sought to protect friendly nations who abuse rights, while saving his considerable communications skills only for abuses in communist nations. His policy is counterproductive and a disservice to all Americans who believe in an evenhanded and pragmatic policy of support for human rights.

The President suggests that quiet diplomacy is the answer to abuses in friendly nations. But such a policy is deficient. It ignores the reality that some abuses are so repugnant to American values that it is a moral imperative for America's response to be vocal and not silent.

In practice, the Administration has sought to restrict or repeal legislation designed to ensure that the U.S. stands strongly for human rights everywhere in the world. American law instructs U.S. representatives to multilateral development banks to oppose or abstain on votes for loans to countries engaged in "a pattern of gross violations of internationally recognized human rights." Yet, since 1981, this Administration has supported loans to South Korea, Paraguay, the Philippines, Guatemala, Chile, Argentina and Uraguay, all countries cited by the State Department *Country Report on Human Rights* as significantly failing to meet accepted standards in one area or another. Last year, the Administration supported loans totalling over $3 billion to at least nine countries where serious human rights violations were occurring on a large scale.

This failure to defend human rights in an evenhanded way is not in keeping with America's historical legacy nor in our best national interest. Support for human rights abroad is critically important for the maintainance of America's position in the world, not just because the spread of liberty is vital for our security, but also because America has long held that human rights were a commodity belonging not just to us, but to all the world.

Thomas Jefferson and our founders declared that all men are endowed with certain unalienable rights—life, liberty and the pursuit of happiness. Abraham Lincoln reflected on the spirit of our Declaration of Independence and said that its greatest gift was one of "hope to the world." It "gave promise," Lincoln said, "that in due time all weights should be lifted from the shoulders of all men, and that all should have an equal chance."

In every succeeding statement of American purpose—the Gettysburg Address, Woodrow Wilson's "Fourteen Points," Franklin Roosevelt's "Four Freedoms," the preamble to the Marshall Plan, and the creation of the Peace Corps—that same emphasis on the rights and needs of all mankind has been present.

In different context, we gave these testament of national purpose a specific meaning that encouraged all humanity to long for the freedoms that we have defended and the liberties enjoy. John F. Kennedy saw that legacy of human rights developed over the centuries continuing in our time. He said America's national purpose "remains what it has been since the nation's founding: to demonstrate that the organization of men and societies on the basis of freedom is not an absurdity, but an enriching, ennobling, practical achievement . . . our purpose is not only to defend the integrity of this democratic society, but also to advance the cause of human freedom and world law—the universal cause of a just and lasting peace."

That challenge remains with us today. Our national purpose is again being tested. Throughout the world, men and women still look to America as the defender of human liberty and free societies, but our leadership is being challenged and our reputation is being hurt. I believe that a policy of strong and open support for democracy and human rights is the only policy that can maintain America's preeminent role in developing strong, stable free governments throughout the world. That policy must be clearly articulated and rigorously applied. It must reflect the essential pragmatism required of a superpower, but it cannot ignore the basic idealism which has always guided our greatest efforts in the past.

The defense of human rights is nothing less than the defense of minimal standards of decency in the relations between a state and its citizenry. Today, it is the subject of debate, not on the essential correctness of support for human rights, but on the question of how and where U.S. efforts to advance human rights should be pursued. Clearly, the questions facing us are difficult. There are no easy answers, and no unanimity on the road we should travel. The last two presidential administrations have taken vastly different courses, and the results have been decidedly mixed.

The Carter Administration, coming as it did in the wake of Vietnam and Watergate, sought to reaffirm basic political values in our foreign policy. Jimmy Carter offered to restore America's sense of decency in itself, to reinvigorate the American people's sense of moral worth and convey to the world a picture of America's devotion to human rights and liberty rather than the previous portrait of a nation committed to the politics of expediency. The Carter approach sought to reduce the identification of the United States with regimes whose values and practices were repugnant to most Americans and to those who share in the traditions of Western democracy.

In many ways, the Carter record is a proud one. His leadership on human rights issues led to great improvements in several countries in Latin America and in Asia. Thanks to the efforts of his administration, thousands of political prisoners were released in authoritarian regimes in South America, and the scope of personal freedom was expanded in places like South Korea, Brazil, Argentina, and Colombia. Many observers will conclude that the recent transformation of several Latin American countries into democratic regimes is a direct result of pressures placed on military governments during the Carter years. The liberalization of political parties and free expression provided the needed base to support the independent and stable political leadership that we are beginning to see now.

A major success of the Carter period was the transformation of the world's perception of the United States in the area of human rights. President Carter and U.N. Ambassador Andrew Young succeeded in convincing the moderate regimes of black Africa of America's commitment to basic human rights in South Africa and throughout the world. It is a compelling sight to observe that in just four years of the Reagan Administration, the perceptions of America's commitment has been so radically changed. When Jimmy Carter landed in the capitals of Africa, he was cheered by massive crowds. They knew America has on their side. Four years later, an American senator was greeted by jeers and protests when he traveled within the continent. A small but growing number of blacks in Africa see America as turning its back on our commitment to human rights. The risks posed to America's future role in that area of the world are great indeed.

President Carter's human rights record was not a perfect model. The predilection for selective application of an "absolute" commitment to human rights was a cause of uncertainly and confusion. The United States was placed in the position of attacking the abuses of some countries that were allied to us, while at the same time ignoring the abuses of other allies. Making matters worse, we seemed to have little time to deplore the extreme violations conducted by the Soviets and other communist regimes. A strong human rights policy was not enhanced when we scolded Argentina while increasing contacts with Cuba, frowned on the dictator of Nicaragua while praising the dictator of Panama, and boycotted Namibian uranium while valuing Saudi Oil.

But the failure of consistency and the mixed results of the Carter years are dwarfed by the dismal record of the administration now in office. President Reagan has failed to promote human rights efforts in a coherent or effective way. In the place of America's long tradition of support for basic human rights, he has substituted a policy of benign neglect on the one hand, and rhetorical invective on the other. As a result, human rights continue to be violated by American allies throughout much of the world, and oppressed people see us turning our back on our heritage and on their future.

We hold the responsibility to redefine, refashion and rededicate America's human rights policies to meet the demands and needs of a changing world, a world grown smaller by technology, and a world where the forces of terror and of violence have the most sophisticated modern techniques of control at their disposal.

It is our obligation to live up to the standards that we have proudly proclaimed. Few greater tests will face our country in the coming decade than expanding the role of basic human rights in our foreign policy. Human rights can no longer be merely a low priority issue; it must become food for policy rather than fodder for quiet diplomacy. The quest for human rights is today the

most compelling force for political change in the world. Surely, it is in America's national interest to be identified as its champion.

Sadly, we are not. In the past, when we failed to sound a clear call for upholding acceptable standards of human rights in friendly nations, we suffered the consequences. In too many instances, the United States became closely identified with repressive regimes which eventually fell, eliminating our presence, reducing our influence, and destroying our ability to affect change. At the same time, respect for America declined throughout the world.

These mistakes could have been avoided. Over two decades ago, President Kennedy warned a group of foreign diplomats that "those who make peaceful change impossible will make violent revolution inevitable." Instead, Kennedy suggested, nations throughout the world should commit themselves to creating strong social, economic and political institutions, based on free expression and democratic values, as the best means to promote internal security and international stability. The advancement of broad-based human rights in developing countries was essential for security from potential communist insurgents and the loss of even the limited freedoms that may be in place in an authoritarian state. Only in this way, he argued, could the scope of freedom be enlarged and the security of free nations enhanced.

Too often in succeeding years, we have come to see the truth in John Kennedy's assessment. Throughout Africa, one party regimes have been replaced by the oppressive rule of fanatics and Marxist dictators. In Nicaragua, widespread opposition to the repression of the Somoza regime ignited into revolution, and with the willing aid of the Soviets and the Cubans, the Sandinistas came to power. In Iran, a nation whose location and geography make it vitally important for Western security, the intransigence of the Shah for democratic reforms, which he opposed until the eleventh hour, led to revolution and the establishment of a medieval Islamic theocracy whose ideals are inimical to Western values and certaintly less concerned with human rights than the regimes which preceeded them. In South Africa, South Korea and the Philippines, nations that are extremely important in terms of world security, repressive and reactionary regimes currently thwart efforts by moderate forces in their societies to push for progressive change. By limiting participation in the political process, using terror as a policy of enforcement, and eliminating freedom of expression, they run the risk of increasing support for extremists—of both the Left and the Right—whose views on human rights are wholly opposite from ours.

In South Korea, for example, the United States supports the military dictatorship of General Chun Doo Hwan, which came to power during a bloody coup in the Spring of 1980. In one city, Kwangju, as many as 1,000 people were killed and hundreds brutally injured as Chun's forces consolidated their power. Political leaders, including former presidential candidate Kim Dae Jung, were arrested, freedom of the press was surpressed, and police brutality became commonplace. Today, General Chun and the military hold nearly absolute authority. The National Assembly, Korea's Congress, is a body of limited debate, and no power. The General's autocratic power extends to his ability to dismiss any and all members of the assembly at will, and he appoints all Korean officials, even at the local level. He is widely admitted to have little support among the Korean people, although personal criticism of him is absolutely prohibited. Under his administration, arbitrary arrests, terror and brutality continue. In December, the New York Times reported that the Chun regime's crackdown had reached a point where "gangs of thugs have been sent out to attack strikers or 'kill communists.'" While a strong base of Koreans support an open democratic government, the United States, under this administration, has warmly embraced the Chun regime and undermined the efforts of those who seek reasonable reform.

Clearly, America has vital national security and economic interests that are dependent on a strong and stable South Korea. Those interests are threatened by our acquiescence to human rights abuses by the Chun government. Currently, the U.S. is South Korea's largest trading partner. Since the Second World War, the U.S. has given their government over $6 billion in aid for military, educational, health and industrial development. This year, the American taxpayers will give the South Korean government $230 million in military assistance alone.

More importantly, the United States is intimately involved in protecting South Korea against communist aggression from the North. Over 33,000 American lives were lost in an effort to secure Korean freedom, and over 40,000 American troops are stationed there today. Yet, in the wake of continued American support for the repressive Chun regime, popular support for our country is threatened. A recent Gallup poll showed that only 28 percent of Koreans aged 18 to 24 rated the United States as the country they "liked most," and American cultural centers in Pusan, Taegu and Kwangju have all been the objects of violent attacks.

The return of Kim Dae Jung to his country provided the Chun government with a real opportunity to lessen the intensity of their crackdown and increase political freedoms. Both actions would have been of concrete benefit to the United States and our interests. Mr. Kim is a champion of democratic values who has braved incredible human suffering in his efforts to transform Korea peacefully. Over the past several years, he has had five assassination attempts made on his life. He has been kidnapped, jailed, beaten, and routinely denied his right to speak, to travel, to write, and most recently, while we were in Korea, to practice his religious faith, Catholicism. Despite this, he retains widespread support among the Korean people. In the recent assembly elections, Mr. Kim's party beat the officially sanctioned opposition party and came within a few percentage points of defeating General Chun's party. This despite attempts by the government to restrict the campaign in terms of time, rallies, and opportunities for political debate.

Mr. Kim's decision to return to South Korea in February was based on a refusal by the Korean government to extend his passport and allow him to travel from the U.S. to Canada and Europe, where he was to meet with government officials. Fearing that this right to return to Korea would be revoked, he chose to risk a return to jail, on charges that the U.S. State Department has called "far-fetched."

Following the announcement of his intention to return, the State Department began extensive negotiations with the South Korean government to ensure his safety. As a member of the Human Rights Subcommittee who had been asked to chair a delegation of Americans accompanying Mr. Kim on his return, I participated in those negotiations. I agreed to join the delegation only after the Korean government assured the State Department that American embassy personnel would be allowed to meet our plane in Seoul and that Mr. Kim would not be placed in prison or under arrest.

Our delegation did not intend to provide physical protection for Mr. Kim. Rather, we sought to promote an effort by the U.S. government to receive commitments from the South Korean government on their treatment of Kim. Clearly, the tragedy surrounding the return of Philippino leader Benigno Aquino was on our minds. Moments after his return to Manila in 1983, Aquino was shot to death.

In the case of Mr. Kim's return, while he was unharmed, it was clear to a watching world that the South Korean government reneged on its commitments to the United States. As you know, upon our arrival at the airport, American officials were denied access, and following a stormy confrontation in the terminal, Mr. Kim was placed under house arrest.

I believe that the recent decision to release Kim Dae Jung from house arrest, and the restitution of many of his liberties last week, was a direct result of the enormous international attention which his arrival generated, the public display of concern around the world about the restrictions placed on Kim and other political leaders clearly made a difference and hastened the Chun government's decision. Kim is still banned from political activity, but I am hopeful that with continued pressure from the United States, the Korean government will restore his full rights.

Mr. Kim's continued separation from the Korean political process is counter-productive to both South Korea's internal progress and America's vital national interests in the area. Continued abuses of human rights in Korea can only exacerbate the tensions in the country and further alienate the population from American ideals of freedom and push them closer to the point of view held by extremist factions.

Human rights reform alone will not solve the problems of South Korea, or of any other nation. During my visit to Korea, it was painfully clear that as great a threat to South Korean freedom as their government's abuses are the massed troops of the North Koreans who line the border poised for battle. Only the morally blind would suggest that human rights are given greater, or even equal, attention in the North as in the South.

While the threat from the North is real and should not be discounted, the abuses of human rights in the South in fact undermine that country's stability and reduce their long-term security. Some progress has been made, and we should acknowledge it. The recent elections, however imperfect, provided an opportunity for the Korean people to express their dissatisfaction with the current regime. The release from house arrest of Kim Dae Jung, Kim Young Sam and thirteen other opposition leaders is another step in the right direction. But much more remains to be done.

I would suggest that as an initial step the government should eliminate repressions of free speech and foster an independent free press. The current policy of censorship has little effect on the transmission of critical

news and is clearly counter-productive. The return of Kim Dae Jung was not even reported in the Korean media, but tens of thousands of his supporters heard of his arrival and lined the streets from the airport to his home. Academic freedom should be allowed and local autonomy restored. Popular election for the presidency should replace a system currently subject to manipulation and abuse. Finally, the national assembly should be accorded real legislative power, rather than remain merely a forum of debate.

Our important role in South Korean life gives us a great opportunity to help them move toward greater democratization. Of course, our influence should not be exaggerated. While we speak out for human rights reform in allied nations, we must recognize that, in the final analysis, they must make the transformation. It must come from within, from the men and women committed to reform who will build institutions in line with their own culture and values.

Our role, however, must be as a vocal supporter of the democratic forces in those societies, not as an apologist for the status quo. Too often in the past, and currently in South Korea, the Philippines and South Africa, the United States policy of quiet diplomacy and "constructive engagement" fails to send a clear message that we are on the side of reform and of progress.

In the Philippines, American support for the Marcos regime appears to be having little impact on the growing opposition movement. Recent reports indicate that the authoritarian regime's failure to institute real economic and social reform is creating greater opportunities for anti-government communist insurgents in many areas of the country. President Marcos, however, continues to rule with an iron fist. He has announced his intention to reappoint his friend General Ver if he is acquitted on charges of plotting the murder of Benigno Aquino, despite the fact that his announcement sends a not-so-subtle message to the jury in the case. Several prominent eye-witnesses to the murder have already disappeared, yet, as recently as February 22, the Assistant Secretary of State for East Asian and Pacific Affairs, Paul Wolfowitz, praised the Marcos government for its skillful handling of the Aquino case.

Clearly, no honest analysis of international human rights can ignore the fact that some of the most grevious abusers occur in those totalitarian nations that value the state over the individual. The Soviet Union has been perfecting its techniques of oppression against its people for the last sixty years. Arthur Koestler's *Darkness at Noon*, written over forty years ago, is an effective window on a world where the state slowly destroys its victims without ever touching a violent hand on them. The world he described was a perfect totalitarian state, where oppressiveness and terror are so pervasive and so effectively managed that they become the universal and accepted tenor of life for its citizens, and there are no wayward incidents to be reported to any world body.

The Soviets have not reached that state of totalitarian perfection, but we can see time and again terrifying examples of their attempts to achieve it. The consistent persecution of human rights advocates, Jews, Christian believers, and certain ethnic groups in the Soviet Union and throughout Eastern Europe must be of concern to everyone in the United States who cares about the cause of justice.

For Soviet Jews, in particular, the harsh reality of 1985 is a stepped-up campaign of harrassment, violence, and officially sanctioned anti-Semitism. In 1984, only 896 Soviet Jews were allowed to emigrate, compared with more than 51,000 just five years ago. Hundreds of thousands of Jews have filed the initial papers required for emigration, yet the Soviet government would have us believe that all who desired an exit visa have received one and left. Life for those refuseniks often consists of severe economic and social harship. By requesting an exit visa, a Jewish citizen in the Soviet Union almost guarantees that he will be fired from this job, or expelled from university. His children will lose any opportunity for a sophisticated education, and the whole family will be subject to public vilification. And in all too many cases, refuseniks have been prosecuted on trumped-up charges, convicted, and seperated from families and loved ones by lenghty sentences in prisons and labor camps.

The recent arrests of several teachers of Hebrew and young Jewish activists can only be seen as an integral element in the Soviet's continuing campaign to eliminate the Jewish cultural and religious heritage in the U.S.S.R. Several people have been arrested after their apartments have been set up with guns or illegal narcotics. Soviet authorities have gone so far as to suggest that Jews use drugs in religious rituals. The outrageousness of the charge is matched only by the strength with which the authorities present it. It represents clearly the extent to which the Soviet government will go to alienate its Jewish population from the general Soviet public.

Another related example of this orchestrated attempt to violate the human rights of all Soviet Jews was the broadcast, in November of last year, of a program called "Hirelings and Accomplices," over Leningrad television. The show suggested that Soviet Jews seeking to live in Israel or in the West are in some way part of a conspiracy against the Soviet State. The program argued that Soviet Jews are "pawns" in a "capitalist" inspired plot, and that many, in fact, are traitors. That charge, in effect, places many Soviet Jews in the category of capital criminals, subject to the death penalty for efforts to live abroad.

In Afghanistan, the Soviets are engaged in a brutal war, massacring civilians, executing prisoners of war, and dropping lethal chemical bombs on innocent populations. In Poland and Eastern Europe, they maintain power over unwilling people through the use of intimidation and terror. In the captive nations of Latvia, Lithuania and Estonia, they continue to pursue cultural genocide through mass deportations and suppression of native languages and religious practices. All of these acts, and scores of others practiced by the Soviet regime, are in direct violation of the United Nations Charter, the U.N. Declaration on Human Rights, the Helsinki Final Act, and the Soviet Constitution itself. Were we to remain silent in the face of these abuses, regardless of our small ability to transform Soviet behavior, we would sacrifice our right to speak for the human rights of any other people anywhere on the globe. The Soviets must know, and the people of the world must see, that America will not cast a blind eye on their crimes against humanity, and we will continue to demand that the Soviets respect the basic human rights that are expected in any society that presumes to call itself civilized.

As we engage the issues of human rights in foreign countries where our influence can be felt, the United States has many tools at its disposal, but new ones need to be developed. Many of us who are involved in these issues are searching for creative ways to encourage the advancement of greater freedoms. In some cases, tying our foreign assistance to progress in human rights reform can make a difference. When we conditioned military aid to El Salvador with reform on their part, the United States sent an unequivocal message. Our firm position gave the moderates of that nation the support they needed to challenge the extremists in the Salvadoran military and finally slow the bloody terror of the "death squads."

The United States can make a clear and decisive difference in efforts to improve human rights abroad. To do so we need to speak clearly and consistently in favor of democratic movements and peaceful change. We need to develop pragmatic and sensible policies that will encourage and sustain the rising voices for freedom that exist throughout the world.

Since my election to Congress, I have not hesitated to speak out against human rights abuses throughout the world. I have criticized the treatment of campasinos in Latin America, jailed dissidents in South Africa, Solidarity members in Poland, religious minorities in the captive nations bordering the Baltic Sea, and Jewish refuseniks and dissidents imprisoned—for no crime except faith in God—in the vast recesses of the Gulag Archipelago.

Those who fight for freedom are united wherever they are. Their pleas for dignity, for human liberty, for justice, link them in their individual struggles. Their link is the spirit of hope. It is a spirit that lives in Kim Dae Jung and others who fight for democracy. It is a spirit that lives in Andrei Sakharov and Yelena Bonnor, whose courageous voices can never be silenced. It is a spirit that lives in Anatoly Shcharansky whose crime is a desire to live with his wife in their homeland of Israel. It is a spirit that lives in Georghe Butaru, imprisoned and beaten in Romania for transporting Bibles. It is a spirit that lives in Nelson Mandela, separated from his wife and children for over two decades in South Africa. It is a spirit that lives in Valeri Barinov, a Gospel singer whose torture includes injections of mind-altering drugs in Leningrad's Psychiatric Hospital Number 5.

It is a spirit that lives in all those who are victimized in the ghettos of Manila and Soweto, imprisoned unjustly in Hungary and Poland, and beaten in the streets of Korea and Chile. The spirit of hope gives them strength to carry on. And carry on they will.

Their spirit also touches every one of us, and it calls on us for action. It calls on us to bear witness to their struggle. It calls on us to reaffirm the hope America has always meant to the world.

We need to recommit ourselves to that hope, the hope of Jefferson's Declaration, of Lincoln's Second Inaugural, and of Martin Luther King's Dream. We need to reject the option of remaining totally silent in the face of human rights abuses. We need to object, clearly and consistently, even when the abuses are condoned by allies and friends. We need to speak out, and help them right their course. We need to recall America's legacy of hope to the world and recognize that our silence in the face of human rights abuses sullies that legacy. We

need to be reminded of the reply given by one of our Founding Fathers when he heard a toast saying:

"Where freedom is, there is my country."

Thomas Paine replied for all Americans when he said:

"Where freedom is not, there is my country."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SUGAR PRICE SUPPORT PROGRAM

Mr. INOUYE. Mr. President, I rise today to make my second in a series of statements on the important of maintaining an effective sugar price support program in the 1985 farm bill. The administration's proposals in this regard, contained in S. 501, are completely unacceptable. Fortunately, the distinguished chairman of the Senate Agriculture Committee has suggested some alternatives in his bill, S. 616, which bear close scrutiny.

The senior Senator from North Carolina proposes to extend the nonrecourse loan rate for sugar at the 1985 level of 18 cents a pound. In support of this position, he cites the fact that the U.S. sugar industry does not compete in a free market but is faced with heavily subsidized exports from such nations as Argentina, Australia, Brazil, and the members of the European Economic Community (CONGRESSIONAL RECORD, March 7, 1985, pp. 4828-4829). It is about the trade issue and this unfair foreign competition that I wish to address the Senate today.

Mr. President, there are over 100 sugar-producing countries in the world. Unlike most other commodities, which we export in great quantity, the United States must import nearly half of its sugar requirements; the balance is met by American sugarcane and sugarbeet farmers who have operated in conjunction with various government programs over the past 200 years to maintain production despite wild price fluctuations on the world sugar market.

The price of sugar is so volatile because only 10 to 20 percent of it is freely traded on the so-called world market: 70 percent is consumed in the country of production while at least 10 percent is marketed under special trade agreements, quotas, or contracts. For the past several years, world sugar production has far outpaced consumption, yet several countries continue to subsidize domestic production and dump their surpluses on the world market. This has meant prices as low as 3½ cents a pound in an industry where it costs between 10 and 20 cents to produce a pound of sugar. No one can compete with the price of this residual sugar, not even the high-yield, efficient Hawaiian producers. Should we open U.S. markets to this unfairly subsidized product, it would ultimately put 250,000 Americans out of business. It is because of this unfair foreign competition that we have a sugar program and need one in the years to come.

Mr. President, I recently read an article from the March 2, 1985 edition of the Economist which highlights the unfair nature of the world sugar market and the problems it poses for American sugar producers. Entitled "Sugar Sickens Free Traders," it demonstrates why the administration's market-oriented approach to agriculture will not work for sugar—not to mention half a dozen other commodities. It points out that the so-called world price of sugar is not an accurate indicator of supply and demand, let alone an accurate measure of world production costs. Rather, the world market represents a dumping ground where certain sugar-producing nations export excess production without any real concern for the price it fetches. In the case of Cuba, most of its exports—4 million long tons out of 7 in 1984—went to the Soviet Union under preferential agreements while another 500,000 tons went to Eastern European countries and 750,000 tons went to the People's Republic of China. The remaining 1¾ million tons were dumped on the world market with little concern for what it would bring since Cuba had earned the equivalent of 50 cents a pound on its sales to the Soviet Union.

The Economist article goes on to note that such unfair trade practices are not limited to Cuba: The European Economic Community is the largest dumper of sugar on the world market. By assuring its former colonies 21 cents a pound for their sugar production and subsidizing production of its domestic beet farmers, the EEC has turned from a net importer of sugar to a net exporter, producing a surplus of 5.4 million tons of sugar last year, all of which it unloaded on the world market at prices well below the cost of production. In so doing, according to the article, it "has done more than anything else to wreck the world sugar market."

This point is reinforced in a study undertaken by Economic Perspectives, Inc., entitled "Impact of EEC Sweetener Policies on U.S. and World Producers." The executive summary of this report, which I will share with my colleagues at the conclusion of my remarks, notes that without subsidized EEC exports, the world price of refined sugar would have been 24 cents per pound higher and the U.S. refined price 9.43 cents per pound higher in 1984 than the actual level. Revenues for U.S. sweetener producers would have been $2.1 billion higher last year without EEC dumping on the world market, and the American corn sweetener industry would have earned an extra $1.2 billion. More significantly, U.S. quota restrictions would have been unnecessary if the EEC did not subsidize its own sugar growers and protect European markets with high tariffs.

The Economist points out that U.S. policy, in providing for a market-stabilization price and import quotas, works against the ideals of free trade. This is true, but our sugar policy is a response to restrictive and unfair trade practices by other countries. I for one will repeat the assertion that I am not about to sacrifice the American farmer on the altar of free trade just to prove an abstract principle. The Reagan administration has the cart before the horse, and we cannot discuss free trade nor give foreign sugar producers free access to our markets until subsidized production and protectionism ceases abroad. We experimented in the free trade of sugar from 1974 to 1977 and again in 1980-81. The result was a roller-coaster ride of wildly fluctuating world sugar prices and no reciprocation by any of our trading partners.

Mr. President, I would point out that it is extremely inconsistent for any of us to argue against unilateral disarmament in military matters while expecting Americans to unilaterally drop their trade barriers and protection against unfair foreign competition. What is needed to achieve freer trade is negotiations and common action with our trading partners, not throwing American farmers into the abyss of subsidized production. The domestic sugar industry, the jobs it provides, and its contribution to our food needs are in the best interests of our Nation, and I will work to preserve it. I trust that my colleagues will join me in this effort and that together we can craft a fair and equitable farm bill to last the next 4 years and take our agricultural industry into a productive future.

Mr. President, I ask unanimous consent that the full text of the two articles be printed in the RECORD.

SUGAR SICKENS FREE TRADERS

The world sugar market makes a nonsense of economic theories. It is a tangled mess of trade restrictions, price subsidies and quotas. The result is that the world market price is almost meaningless, and producer profits (and losses) depend more on who a country's friends are than how efficient it is.

Sugar is one of the world's most widely traded agricultural commodities. Nearly 100m tonnes of sugar will be produced this year; around 70m tonnes of that will be consumed domestically, the rest sold abroad. Expressed as a percentage of production, sugar is more widely traded than wheat—20 percent of which is sold in world markets. Yet the world wheat price is a good indicator of the condition of the market; the price of sugar is not.

One reason is the number of producers in the market. Over 100 countries export sugar. In contrast, only five exporters account for three quarters of world wheat exports. For most producing countries, buoy-

ant home markets are the main reason for growing the stuff. India, for instance, grows 6.4m tonnes but exports only 1m. Countries export marginal production—and marginal costs are lower than average ones. So even 3½ cents a lb is not a strong disincentive for many producers.

Still, market forces would operate more powerfully were it not that about one third of all internationally-traded sugar is not sold at world prices at all. The three main sugar-importing regions each build protective walls around their domestic markets and guarantee client suppliers fixed shares at fixed prices. About 9m tonnes a year of sugar is traded in this way between:

Cuba and Comecon. Cuba is the world's biggest sugar exporter. In 1984, it shipped nearly 7m tonnes abroad. About 4m tonnes of that went to Russia under a long-term agreement; another 500,000 tonnes went to other members of Comecon in eastern Europe and a further 750,000 tonnes was shipped to China. The Russians pay not in cash but in tractors, doctors and instruments of foreign policy like guns. But by any standard, the deal is a good one for the Cubans: the value of the goods works out around 50 cents per lb of sugar.

The EEC and developing countries. The European common market allows a fixed amount of sugar to be imported into the common market from so-called ACP (Africa, Caribbean and Pacific) countries. This year the limit is nearly 1.4m tonnes, four fifths of which goes to Britain. The countries get paid 21 cents a lb for their exports, six times the current world market price. This arrangement looks like a godsend to the countries which have the biggest quotas under the scheme: Mauritius, which sells 530,000 tonnes of its annual 640,000-tonne harvest, and Fiji, which has a quota of 178,000 tonnes, 62 percent of last year's blighted harvest. In fact, the EEC's sugar regime has done more than anything else to wreck the world sugar market.

Subsidized domestic prices are such a great incentive to overproduce that they have turned the EEC from a net importer of nearly 1m tonnes in 1973 into the world's second biggest exporter of sugar. It exported 5.4m tonnes last year, all of it dumped.

America and its allies. Like the common market, America also maintains an import quota, of 2.4m tonnes in the 13 months to next December. It pays foreign suppliers the same price—17¾ cents a lb.—that it gives its own producers. The difference, however, is that producers' costs are so high in the United States that even 17¾ cents a lb. is not a big enough incentive to overproduce.

Countries which produce far more sugar than they consume and which do not benefit from one quota or another are the big losers in this game of subsidies: Australia, Thailand and South Africa most of all. Australia produces 3.5m tonnes a year; domestic consumption is 700,000 tonnes; 190,000 tonnes go to America. Fortunately, it is one of the world's most efficient producers. Even so, in Queensland, the main sugar producing state, the farmers' union reckons one farmer in 10 could be driven out of business this year.

Everybody suffers in the end. Markets dominated by quotas and subsidies provide no incentives to efficient production. That leaves markets vulnerable to disruption. Crop failures in a couple of key producing countries send prices spiraling every six or eight years. The last time this happened was in 1980. With sugar stocks now at two fifths of annual consumption, that price shock will take longer than usual, but it will come.

Impact of EEC Sweetener Policies on U.S. and World Producers

SUMMARY

The European Economic Community (EEC) only recently has become a major sugar exporter. From a net importer in 1975, it now is the dominant exporter in the world free market. As a result, EEC policies have vast impacts on sugar prices, and on sweetener producers in the United States and the world.

This study is an analysis of some of the major effects of EEC's sugar policy. It is less a prediction of an outcome than an illustration of the relative importance of EEC policies on world sugar markets and on domestic producers of sugar, HFS, and corn. It recognizes that the market impacts of such a policy have accumulated over many years and are impossible to measure in their totality. Nevertheless, the study examines economic conditions at one point in time, and attempts to measure the impacts of the policy by measuring changes that reasonably could be expected in the absence of EEC exports.

The EEC's current sugar regime reflects a policy of maintaining and protecting high internal sugar prices initially begun to insure self-sufficiency in production. However, that policy has resulted in the EEC's shift from a traditional importer to a large and growing exporter (Chart 1 and Table 1). [Chart not reproducible for Record.] Because it has high production costs and no economic advantage in production relative to the major sugar producing regions of the world, its position as a dominant world exporter has been achieved only at great expense.

TABLE 1.—NET EXPORTS OF SUGAR TO THE WORLD FREE MARKET

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
	Million metric tons, raw value										
Exporting country:											
EEC		1.2	2.4	3.3	3.4	4.3	5.4	5.6	4.9	5.5	4.4
Brazil	1.7	1.3	2.5	1.9	1.9	2.7	2.7	2.8	2.8	2.9	3.0
Australia	2.0	2.6	3.0	2.0	2.0	2.4	3.0	2.5	2.4	2.6	2.8
Cuba	1.7	1.4	1.5	2.0	2.1	2.2	2.2	1.7	1.7	1.7	1.7
Philippines	1.0	1.5	2.6	1.1	1.1	1.8	1.3	1.3	1.0	1.0	1.0
Thailand	0.7	1.1	1.7	1.0	1.2	0.5	1.2	2.0	1.4	1.4	1.4
Others	6.3	6.4	7.2	6.2	6.6	5.8	5.0	5.8	6.4	5.4	6.2
Total	13.4	15.5	20.7	17.5	18.3	19.4	20.6	21.6	20.5	20.5	20.5
	Percent of free market										
EEC	0	8	11	19	19	22	26	25	24	27	21
Brazil	13	8	12	11	10	14	13	13	14	14	15
Australia	15	17	14	12	11	12	14	12	12	13	14
Cuba	13	9	7	12	12	11	11	8	8	8	8
Philippines	7	10	12	6	6	9	6	6	4	5	5
Thailand	5	7	8	6	7	2	6	9	7	7	7
Others	47	41	34	35	36	30	24	27	31	26	30
Total	100	100	100	100	100	100	100	100	100	100	100

Source: Historical data from ISO.

The EEC policy has three important economic effects. Its extremely high price structure (which must be protected by very high import levies) has led to production far above amounts that otherwise would be forthcoming. At the same time, the high consumer prices have discouraged consumption. These two effects in combination have resulted in production of substantial quantities of sugar in excess of consumption requirements. To avoid holding the large surpluses that are generated, the EEC must provide large export subsidies to move sugar into world markets. By that means, and in spite of the lack of an advantage in production, the EEC has greatly increased its share of the world "free" sugar market from zero in 1975 to more than 27 percent in 1984.

In 1984, the huge world surplus sugar stocks were more than 50 percent of expected consumption, the result of recent policy changes in the EEC and elsewhere. The world price of raw sugar fell below four cents per pound during the year and averaged only 5.4 cents per pound (raw value). However, the EEC exported more than 5.5 mmt during the year. Had they exported no sugar in 1984, the world price would have been substantially higher, perhaps more than 15 cents per pound even with the large world sugar stocks. Such a change could have been expected to allow the United States to drop the import quotas imposed in 1982 and return to the use of fees and duties to protect the loan program and hold prices at about the actual 1984 levels.

Had world sugar stocks been near trend levels at the beginning of 1984, the absence of EEC exports from the market would have meant world refined sugar prices about 24 cents per pound higher, and U.S. refined sugar prices about 9.43 cents higher than the 1984 average (Table 2). U.S. sweetener producers' revenues would have been more than $2.1 billion higher and corn sweetener producers' revenues $1.2 billion above the

1984 levels. U.S. quota restrictions would have been unnecessary.

The EEC sugar policy significantly affects HFCS production and corn prices as well. With world sugar stocks at trend, the absence of EEC exports would have been associated with U.S. refined sugar prices 9.43 cents per pound higher than the 1984 average. Over the intermediate term, such an increase would have the potential to facilitate increased HFCS competition. By the end of th decade production likely could be as much as 53.4 million cwt above 1983 output. Such an increase would mean about 160 million bushels more corn used in HFCS production annually and higher corn grower sales of as much as $1.2 billion each year.

TABLE 2.—IMPACT OF EEC EXPORTS, 1984

Item	1984 stocks levels		World stocks at trend [1]	
	Actual	Absent EEC exports	With EEC exports	Absent EEC exports [2]
	Cents per pound			
World sugar prices:				
Refined	9.40	19.19	21.60	33.80
Raw	5.43	15.15	17.20	28.50
U.S. sugar prices:				
Refined	28.04	28.04	28.04	37.47
Raw	21.80	21.80	[3] 21.80	[4] 30.53
Difference from 1984 average				9.43
	Million dollars [5]			
On U.S. producers:				
Sugar (5.18 mst)				977
HFCS (4.30 mst)				811
Other corn sweetener (2.54 mst)				347
Minor caloric sweetener (0.17 mst)				14
Total				2,149

[1] 45.2 mmt, raw value, in 1984.
[2] Comparison assuming equilibrium following the changes specified, reflecting normal stock levels at the beginning of the year and the absence of EEC exports.
[3] World raw sugar price, duty, and 1.4 cents per pound freight, insurance, and handling, plus fees as necessary to protect the loan program.
[4] World raw sugar price plus minimum duty of 0.625 cents per pound and 1.4 cents per pound freight, insurance and handling.
[5] Assumes spread between sugar and HFCS is unchanged, and other sweetener prices increase proportionally less than sugar.

A 160 million bushel increase in the commercial use of corn would substantially reduce government program costs. Under FY 1985 crop conditions, it could reduce the cost of CCC loans by $281 million, storage payments by $33 million, and target prices by $200 million, a total of $514 million.

The absence of EEC exports from the world sugar market would have a major impact on traditional sugar exporters, especially the developing nations in Central America and the Caribbean (Table 3). Even with the large 1984 stocks, revenues of traditional sugar exporters would have been $2.6 billion higher had the EEC not been in the market in 1984. Had 1984 beginning world stocks been a normal level, their export revenues would have approached $6.7 billion. For the Central American and Caribbean nations alone, annual revenues could have been $600 million higher, for South America $2.1 billion, and for Africa more than $728 million.

TABLE 3.—VALUE OF SUGAR TRADE, 1984, NORMAL BEGINNING STOCKS

[In millions of dollars]

	Total		Change
	Actual	No EEC exports	
Origin:			
EEC	699	0	−699
Other Caribbean	362	686	324
Central America	306	574	268
Canada-Mexico	14	62	48
South America	781	2,870	2,089
Africa	522	1,250	728
Oceania	460	1,816	1,356
Asia	508	2,085	1,577
Other	137	917	780
Total world	3,789	10,260	6,471

PATRIOTS ONE AND ALL

Mrs. HAWKINS. Mr. President, I rise today to honor the girls basketball team of the American High School in Hialeah, FL. The Lady Patriots have won the Florida State class AAAA championship after completing a long and arduous season without a single loss.

The State championship is a goal that every Florida team strives to reach. Those who rise to that pinnacle truly earn the right to be called champions and deserve every accolade they receive. By combining academic achievement with good sportsmanship and excellence on the playing court, the Lady Patriots have exemplified the ideals of a well-rounded education.

The Lady Patriots have every reason to be proud of their accomplishments. In fact, this talented group of student athletes have given their parents, teachers, schoolmates, and the Dade County school much to be proud of. On this day, the faculty and students of American High will celebate Lady Patriots Appreciation Day in honor of their team.

I would like to join in honoring the Lady Patriots by submitting for the record the names of the team's coaches and members: head coach, Sheila Rush; assistant coach, Ike Chance; team members: Sybil Bell, Nilka Carter, Chery Clarkson, Charisse Cromartie, Ruchelle Dunwoody, Terrella Gibbs, Lisa Jones, Carol King, Fatima Lafond, Regina McCray, Lisa Starks, Adrienne Walker.

AMERICA'S FLAGGING COMMITMENT TO PUBLIC CAPITAL INVESTMENT

Mr. STAFFORD. Mr. President, 2 years ago, the Congressional Research Service examined public capital investment spending in the United States, and compared it with spending it in several other major industrialized nations: Canada, France, Japan, the United Kingdom, and West Germany.

At my request, the CRS recently updated that study. I am sad to report that this analysis shows a continuing erosion in the level of public works spending by our Nation, as a percentage of our gross domestic product.

As a matter of fact, our percentage of spending declined sharply to 1.53 percent in 1982, down from 1.84 percent just 2 years earlier.

Two points need to be made: The United States, for a variety of reasons, has the lowest spending percentage among the six nations, and possibly more significant, while the U.S. figure has declined rather steadily since 1970, the figure for Japan generally has been rising and now stands nearly four times the U.S. percentage.

For the assistance of my colleagues, I ask unanimous consent that a copy of the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PUBLIC CAPITAL INVESTMENT AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT IN THE UNITED STATES AND SELECTED FOREIGN COUNTRIES, 1970–82

The attached table gives annual data on gross capital investment of general government as a percentage of gross domestic product in 1970–1982 for the United States, Canada, Japan, West Germany, France, and the United Kingdom. Percentages have been calculated from basic data published by the Organization for Economic Cooperation and Development in its publication.

NATIONAL ACCOUNTS OF OECD COUNTRIES

Data for public capital investment have been taken from country tables in the source, showing the share of general government in gross fixed capital formation. General government comprises all agencies or instruments of the central, state, or local public authorities, including non-profit institutions which, while not an integral part of a government, are wholly, or mainly, financed and controlled by the public authorities, or primarily serve government bodies; social security arrangements imposed, controlled, or financed by a government; and government enterprises which mainly produce goods or services for government itself, or primarily sell goods or services to the public on a small scale. Excluded are other government enterprises and public corporations.

Gross fixed capital formation is defined in the source as the outlays (purchases and own-account production) for additions of new durable goods to stocks of fixed assets less net sales of similar second-hand or scrapped goods. Excluded are outlays of government services for durable goods for military use. Included are acquisitions of reproducible and nonreproducible durable goods, except land, mineral deposits, timber tracts, and the like, for civilian use.

Since the source does not give data on gross national product (GNP) but only on gross domestic product (GDP), the latter have been used for the calculation of the desired percentage. The difference between GNP and GDP is not sufficient to distort significantly the results.

In comparing the percentage ratios of the United States with those of other countries, one has to keep in mind that in foreign countries (somewhat less so in Canada) governments have a dominant or at least substantial role in several areas of capital investment which, in the United States, are

left entirely or substantially to private initiative. The more obvious of such areas are: railroads, telecommunications, and, to a somewhat lesser extent, education and cultural facilities (theaters, museums, art galleries). As a result, public capital investment in the United States (and to some extent Canada) encompasses a smaller array of activities and services to the public at large than in other countries and, consequently, is likely to be smaller in relation to the GDP.

GROSS FIXED CAPITAL FORMATION BY GENERAL GOVERNMENT AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT, 1970–82

	United States	Canada	Japan	Germany	France	United Kingdom
1970	2.53	3.67	4.47	4.60	3.60	4.75
1971	2.54	3.94	5.04	4.49	3.44	4.46
1972	2.30	3.74	5.47	4.11	3.25	4.30
1973	2.26	3.46	5.67	3.83	3.20	5.00
1974	2.40	3.67	5.22	4.07	3.29	5.25
1975	2.25	3.79	5.30	3.87	3.56	4.74
1976	1.91	3.25	5.18	3.50	3.40	4.32
1977	1.75	3.18	5.57	3.30	3.07	3.33
1978	1.79	3.02	6.18	3.37	2.83	2.77
1979	1.82	2.74	6.42	3.56	2.80	2.65
1980	1.84	2.73	6.23	3.72	2.80	2.44
1981	1.60	2.74	6.20	3.39	2.89	1.86
1982	1.53	2.89	5.91	2.98	2.85	1.62

Source: OECD. National accounts of OECD countries, 1970–82, vol. II.

THE TURKISH MODEL

Mrs. HAWKINS. Mr. President, the State Department's International Narcotics Control Strategy Report was released recently, and contained in this document was much disturbing information, but some encourgaging information as well. The findings of this report attest to the narcotics control efforts of the nation of Turkey as the model for all drug-producing countries.

Turkey continues to be the most successful antiheroin campaign to date. In 1968, Turkey was the source of nearly 80 percent of the heroin coming into the United States. Today, illegal opium poppy is no longer cultivated in this country and it had become a model for drug eradication. This success was achieved only through courageous Government leadership and massive application of personnel and resources.

Having visited Turkey, and having met with numerous officials there, I am personally aware of this Government's efforts to stockpile and safeguard illegal opiates and to dedicate a significant portion of their law enforcement agencies to specialized narcotics enforcement. For example, among 78,000 officers in the Turkish National Police, more than 1,000 are dedicated to drug enforcement. Legal opiates have been strictly regulated and controlled by the Turkish Government. And because of this careful oversight, diversion from processing in Turkey remains nonexistent, and excess planting by licensed farmers is rare. There has been an additional benefit from this diligence. Along with the drop in opium production for export, Turkey's drug abuse and addiction rates have fallen dramatically.

Mr. President, many nations discussed in the International Narcotics Control Stragey Report should profit from the successful example of Turkey. Countries like Bolivia and Peru should apply the lessons learned there to their own seriously lacking antidrug production efforts.

The same assistance was provided to Bolivia and Peru, for example, that was provided to Turkey, and the results are completely different. The same U.S. support for a gradual phase out of drug production was provided to Turkey as it was to Bolivia and Peru, and the contrast is startling. Within just a short time, Turkey had phased out opium production in 17 of its 21 provinces; not too much later, Turkey's Premier issued an opium ban prohibiting poppy cultivation through Turkey. Bolivia, in contrast, has been the consistent recipient of massive U.S. aid, with special emphasis on crop eradication, and in the State Department report it is revealed that Bolivia did not "pull up a single coca bush." Peru, as another example, also the recipient of large amounts of American funds and support, remained steady as the producer of a full one-third of the world's cocaine.

Mr. President, we must continue to give support and encouragement to the Government of Turkey in its efforts to curb drug production and trafficking. Simultaneously, we must stop pouring money into countries that refuse to take the steps that Turkey did, and do nothing to comply with the diplomacy against drug law. Turkey proved that it could be done, and we must apply that lesson to our relations with drug-producing nations.

I would like to take this opportunity to express my appreciation and thanks to the nation, and people, of Turkey, for their courageous drug eradication efforts. It was a difficult struggle, and it proves that when properly fought, battles in the war against drug abuse can be won.

LITTLE U.S. WHEAT TRADED IN FREE MARKET

Mr. EXON. Mr. President, I wish to have printed in the RECORD a most enlightening article by Mr. Kent Warneke of the Omaha World-Herald, a farm writer and farm expert. The headline is "Study Used as Ammunition Against Reagan Plan—Little U.S. Wheat Traded in Free Market."

The article says:

Only 6 percent of the world supply of wheat is actually bought and sold in a free market, a new study commissioned by the Nebraska Wheat Board indicates.

This is basically summed up by a statement by Mr. McGuire, executive secretary of Nebraska Wheat Growers Association. He said:

U.S. farm policy—farm programs and export initiatives—must be based on the realities of the international marketplace and the nature of foreign governments' subsidization of exports on behalf of their farmers.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Omaha (NE) World Herald, Mar. 17, 1985]

STUDY USED AS AMMUNITION AGAINST REAGAN PLAN—LITTLE U.S. WHEAT TRADED IN FREE MARKET

(By Kent Warneke)

LINCOLN.—Only 6 percent of the world supply of wheat is actually bought and sold in a free market, a new study commissioned by the Nebraska Wheat Board indicates.

The rest—94 percent—is affected by export subsidies, government trading and other forms of government involvement that severely hamper the concept of free international trade according to the study.

Other agricultural commodities also are substantially affected by non-free market barriers. No more than 20 percent of the international supply for beef, port, grain sorghum and corn is traded in a free market, study results indicate.

Dan McGuire, wheat board director, said the study indicates that the United States does not compete for international agricultural trade in anything close to a free market.

"It clearly shows that future U.S. agricultural policy cannot be developed based on a hypothetical free market," McGuire said.

CRITIC OF REAGAN

The wheat board has been a consistent critic of the Reagan administration's push for a market-oriented approach in the 1985 federal farm program.

Market advocates say the price of U.S. farm exports must be lowered to become competitive in the international market. Once U.S. products become price-competitive, the increased demand will mean more U.S. farm exports, they say.

The wheat board supports a Nebraska Wheat Growers Association's plan to mandatorily control the supply of wheat in the United States to raise the prices farmers receive for their crop.

"U.S. farm policy—farm programs and export initiatives—must be based on the realities of the international marketplace and the nature of foreign governments' subsidization of exports on behalf of their farmers", McGuire said.

If the international grain market is not free, then low prices do not ensure increased demand, McGuire said. Lowering U.S. export prices will only serve to hurt American farmers by reducing their income, he said.

Officials of two U.S. wheat exporting companies, however, say the free market study's results may be misleading.

Robbin Johnson, vice president of public affairs for Cargill Inc. in Minneapolis, said: The issue of a free market is a moot point. I am not aware of anyone who says that the world wheat economy is a free market.

FOREIGN COUNTRIES

The lack of a free market does not mean that wheat producers, users and traders from foreign nations are unresponsive to price, he said.

Dick Gady, vice president of economic research for ConAgra in Omaha, agreed. "I don't have any reason to argue with the study's statistics, but that in no way means price does not matter," he said.

A substantial part of the non-free-market forces referred to in the wheat board study are foreign nations in which governments control the buying and selling of farm products, they said.

"Just because a state agency controls farm exports and imports—instead of private companies like in the United States—it doesn't mean the lowest price offered isn't going to get the bid," Gady said.

McGuire said foreign government agencies that control export trading often decline to deal with the United States because of political posturing.

"It seems like a status symbol with some nations not to have to trade with the United States," he said.

HURTS UNITED STATES

Gady, Johnson and the wheat board agree that nations which subsidize ag exports—paying their farmers a higher price for their crop and selling it for less in the export market—hurt the United States.

McGuire said, it's unfair to U.S. farmers to accept lower prices in order to compete with artificially low export prices because of subsidies in other nations.

Cargill's, Johnson said the United States has little choice but to compete with subsidized exports of other nations.

"If we withdraw, we will lose even more of our international market share. What good to farmers will that be?" he asked. "Only by being willing to compete with the subsidized nations can we show them that their subsidies won't work, and we can all work out more reasonable trade policies."

The wheat board study was conducted last year from August to December by Vicki J. Hicks, an international trade consultant who works for the U.S. Department of Commerce in Washington, D.C. The wheat board paid $7,500 for the study.

The study documents a list of worldwide restrictions on free trade in the European Economic Community and nations such as Japan, Brazil, Nigeria, Egypt, Korea, Canada, Australia, India and Pakistan.

A TRIBUTE TO MRS. CARL ELLIOTT, SR.

Mr. HEFLIN. Mr. President, I rise in sadness today to note the recent passing of a true southern lady, in the finest sense of the term, Jane Hamilton Elliott of Jasper, AL.

Mrs. Elliott, the wife of former Congressman Carl Elliott, Sr., was both a civic servant and a successful business leader, in addition to being a wife and mother. She was a leader in community undertakings of the First United Methodist Church of Jasper, where she was a member, along with being extremely active in various civic clubs and organizations.

A native of Jasper, Mrs. Elliott had returned there in 1965, when her husband left Congress after 16 years. Since then, she had owned and operated the Jasper Book Shop. In this regard, she became involved in promoting books and literature about the Walker County area, along with encouraging new authors from her home area.

Jane Elliott was liked and admired by all who knew her. She exhibited a strength of character and depth of caring which made her a steadfast friend to her family and her community.

In reading a local newspaper editorial mourning her death, a friend of the Elliott's family recounted that he had not only never heard Jane Elliott say a hard word against anyone, but he had also never heard a harsh word said against her. That, in itself, speaks volumes for the type of lady that Jane Hamilton Elliott was. She will be missed by all who knew her.

Mr. President, I wish to extend my most sincere personal sympathy to her husband, Carl; her daughters, Martha Russell and Lenora Cannon; and her son John Hamilton Elliott.

Mr. President, I ask unanimous consent that an article and an editorial from the Daily Mountain Eagle of Jasper, AL, be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOSS OF JANE ELLIOTT TOO GREAT TO MEASURE

Jane Hamilton Elliott, matriarch of one of this area's First Families, is gone from us and the extent of that loss is too great to measure. She was heart, soul and core to the Hon. Carl Elliott and family. She was a treasured friend to countless others.

Indications of her illness were sudden, she failed rapidly and Saturday night that soft strong light of the Elliotts' was extinguished. She was a young 65. One would have thought she was ageless.

That's one of the things that makes it so hard to accept. Jane Elliott carried that certain indefinable quality which made it impossible to regard her in the terms of which most of us are regarded.

A long-time friend of the family said that he had never heard her say a single hard word against anybody and, more than that, had never heard a single hard word against her. How many of us can say either of those things of ourselves?

Nor was she a complainer. She accepted life on its own terms, and life in many instances has not been kind to the Elliotts. But accepting life on its own terms has long been a hallmark of that distinguished family.

The woman of the Hamiltons enhanced that hallmark, and she embodied the strength of character and the pride with which the Elliotts hold and carry themselves.

Elliott pride is the finest kind of pride, the quiet kind. The kind that carries no hint of arrogance, but is innate and secure. Jane Elliott imparted to her family the same qualities that made her one of the best loved folks that can be.

Among those qualities are an open honestness that allows one to look the world, and the mirror, right in the eye every day. And a sort of calm assurance which lends itself to looking at life with a bit of wry humor.

She was a caring and giving and gracious woman. The world cannot help but be a bit darker without her.

Jane Hamilton Elliott was a Southern Lady in the truest sense. Her like is rare. Our hearts, the hearts of all their friends, go out to the Elliotts. They are noble folk.

JANE ELLIOTT, WIFE OF FORMER SEVENTH DISTRICT CONGRESSMAN CARL ELLIOTT SR., DEAD

Jane Elliott, wife of former 7th District Congressman Carl Elliott Sr., is dead at 65. She died Saturday at 10:15 p.m. in a Birmingham hospital which she entered on Thursday for an operation that was performed on Friday.

Mrs. Elliott's burial service will be at 11 a.m. Tuesday at the First United Methodist Church of Jasper. Her body will lie in state there for an hour preceding the funeral. Parlor time will be tonight between 6 and 8 at Kilgore-Green Funeral Home in Jasper.

The funeral services will be conducted by Rev. Charles Boling, assisted by the Rev. Allen Beasley, both of the church.

A native of Jasper, Mrs. Elliott had owned and operated the Jasper Book Shop in Parklands Shopping Center since 1965. Her business was widely advertised as "The family book store" and was Walker County's first book store in this century.

Mrs. Elliott was known as a friendly and helpful person and will be greatly missed by a wide circle of friends. She took a special interest in civic affairs and was often in a leadership position in the clubs and civic organizations of Jasper.

A member of the First United Methodist Church of Jasper, she had served on its official board and had been active in the programs and undertakings of the church. She was known in the promotion and publication of books and literature about Walker County and the northwest Alabama area. Local writers considered her as a helpful friend and aid in the promotion of their books. She often held book autographing parties for new authors of this area.

Mrs. Elliott is survived by her husband, who served in Congress from 1948 until 1964; daughters, Martha Russell (wife of Dr. William F. Russell of Jackson, Miss.); Lenora Cannon (wife of James W. Cannon of Jasper) and by a son, John Hamilton Elliott, also of Jasper. One son, Carl Elliott Jr., is deceased. She is also survived by three granddaughters and three grandsons and many other relatives.

Pallbearers will be Hoyt M. Elliott Sr., Gober O. Elliott, Ernie Elliott and Carl Elliott III, Julian D. Butler, Woodrow Cannon, Bryan Hamilton, George Deavours, Garve Ivey Jr. and Hubert Williams.

A TRIBUTE TO PHIL HONTZAS

Mr. HEFLIN. Mr. President, I rise today in recognition of the recent passing of a popular and valuable member of the Birmingham civic community, Phil Hontzas. Phil, owner of John's Restaurant in downtown Birmingham, was the personification of the fact that hard work and a pleasant personality can build success.

Phil Hontzas was 18 when he first came to Birmingham from his native Greece in 1951. He and a younger

brother, George, were sponsored by an aunt and uncle who were owners of a Birmingham restaurant. They would soon be joined by an even younger brother, Jimmy, and the trio went to work in their relatives' restaurant. Phil spent the next few years learning English and the restaurant business, and serving his adopted country's Army in Korea.

In 1957, only 6 years after coming to America, Phil and George bought out their uncle and continued to operate a successful restaurant. Then, in 1972, they bought John's Restaurant, already a Birmingham tradition, from another relative. It was with this endeavor that Phil Hontzas became more closely identified.

In 13 years under Hontzas' direction, John's has become even more of a tradition. By the late 1970's, the restaurant's clientele had grown to the point where lines stretched out the door and down the block almost every night.

The restaurant moved one block and expanded. Today, John's seats more than four times as many diners as did the original structure. Still, the lines often form outside the door.

I eat at John's frequently during trips to Birmingham. I have enjoyed dining there because it was a place where you could get good food in a friendly and pleasant environment. With the restaurant staying in the family, I am sure the quality and atmosphere will remain. Something, however, will be missing—Phil Hontzas standing by the door, menus in hand, greeting almost every customer. He will be missed by all who knew him.

Mr. President, I ask unanimous consent that a newspaper article from the Birmingham Post-Herald and two from the Birmingham News be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FOR PHIL HONTZAS, WORK WAS HIS FUN, AND HE DID IT WELL

(EDITOR'S NOTE.—Anyone who ever enjoyed a corn stick or snapper almondine at the popular John's Restaurant in downtown Birmingham probably enjoyed a touch of the flair and color of owner Phil Hontzas at the same time. Hontzas died Monday, leaving his longtime customers with memories of their meals—and the man. One of them is News restaurant editor Dennis Washburn.)

(By Dennis Washburn)

Some men play golf for their recreation; others fish, play tennis or create works of art with their woodworking tools.

For Phil Hontzas, work was his recreation. Several years ago, he sat me down in a booth at John's Restaurant to tell me about it over a cup of coffee.

"I know hundreds of guys who play golf and love it,"he said. "But me, here is my golf course," he said, gesturing around the restaurant.

"John's Restaurant is my golf. This is what I enjoy doing. That's why you always find me here when you come in. My work is my fun."

Phil's passing leaves an empty spot in the Birmingham restaurant scene that won't soon be filled by anyone I know.

The restaurant, however, will continue to be operated by brothers George and Jimmy Hontzas, according to people close to the family.

Phil and his brother George came to the United States from Greece in 1951. Phil was 18 and George 16. They were sponsored here by their uncle and aunt, John and Margaret Collas, who owned Niki's Restaurant, 1101 Second Ave. North.

Both boys went to work in the restaurant while they learned English. Later, when they had gotten themselves established, they brought over their younger brother, Jimmy, who also went into the restaurant business.

Phil and George bought Niki's from their uncle when he decided to retire in 1957 and operated it as a combination restaurant-nightclub. The restaurant was called Niki's; the nightclub was the Office Lounge. They decided the lounge business wasn't for them and turned the whole operation into a restaurant in the late 1960s.

In 1972, they bought John's Restaurant, a Birmingham tradition, from a cousin, John Proferis. It was a place where at one table you'd find a group of lawyers discussing a case, and at another table find a post office employee eating with a steelworker. Founded just after World War II, John's was the best known restaurant in the city.

When Phil moved up to 214 21st Street North to operate John's—while George continued to run Niki's—people wondered at first if they would be able to continue the John's tradition.

Phil always said he didn't make any changes at John's when he took over. "Why would I want to change? John Proferis was a great restaurant man. I don't think I know more than he did."

He said one lesson he learned from John Proferis was to personally check all the fish, meat and other supplies coming into the restaurant. Right up to his last day in John's, Phil was the one who did the checking.

"Another thing he (Proferis) told me was that anytime I walked back to the kitchen to stop at least three times and look back behind me to see if any of the customers needed anything.

"That's the reason you see me looking around all the time," he said with that smile that only Phil Hontzas could deliver.

A short, stocky man who moved quickly, he made a point of welcoming each customer—usually by name. When all the seats were filled, he'd pass out numbers so the customers would know where they were in line and how long it would be before they had a table.

His workday started at 9 in the morning, when he started checking supplies from the wholesalers, and ended usually around 11 or 11:30 p.m. when brothers George and Jimmy would join him just for a chat.

In 1978, Phil realized he couldn't continue at the same location. It was too small, for one thing, and too old, for another. The lines outside the restaurant extended for a whole block almost every night—winter and summer.

He bought the land and building one block south for his new John's and turned 112 21st St. North into a new, modern restaurant with 140 seats. That was 40 more than the old John's offered, but even that wasn't enough space for John's customers. He had to expand several times.

Today, John's dining rooms accommodate more than 400 diners. And still the lines spill out onto the sidewalk.

Restaurant people always are seeking some kind of formula for success. I think perhaps Phil Hontzas found that formula. Certainly, he was successful. He took a small restaurant in downtown Birmingham and built it into a dining room known all over the South.

People in Los Angeles, New York and Miami often ask me about some of the dishes served at John's—not gourmet items, but common, everyday dishes such as the hot corn sticks, John's unique slaw with the homemade French dressing, the sweet rolls, snapper and trout almondine, and soft-shelled crab.

John's is closed today, with a wreath on the front door. As people pass, many will be thinking of some of the fine meals they've had there with Phil Hontzas.

I know that a lot of them, like me, will find an empty spot in the restaurant when they go back again—where Phil used to stand, menus in one hand, numbers in the other.

[From the Birmingham News]

PHIL HONTZAS, OWNER OF JOHN'S RESTAURANT, DIES

Phil Hontzas, owner of John's Restaurant, a popular downtown lunch and dinner spot, died this morning at St. Vincent's Hospital.

Hontzas, 52, had been in the hospital 10 days because of chest pains and was scheduled to come home today, according to his brother Jimmy Hontzas.

"They completed all the tests Friday afternoon and he was just fine. He was going to come home Monday. They took him out of intensive care and put him in a regular room," he said.

"About 4 this morning he had problems, and he died about 6," he said.

Hontzas described his brother as a hard worker, who often came into work at 9 in the morning and would stay until 11 at night. "He tried the very best he could for everyone. He always worried about little problems," Hontzas said.

Said Jimmy Koikos, owner of the Bright Star Restaurant, "I guess since he was small, Phil just had a drive where he wanted to succeed after coming to this country.

"It's just a sad situation for a boy to work so hard, and do as good as he has to be taken away so quickly," he said.

"He worked hard. He was a very good restaurateur," Koikos said. "He took John's from a small place to one of the best in the South."

Hontzas, along with two brothers, Jimmy and George Hontzas, immigrated to the United States from Greece. All three became involved in the restaurant business.

Phil Hontzas bought John's Restaurant from John Proferis in 1972.

Because of many relatives who still live in Greece, funeral arrangements were incomplete this morning.

Survivors include his wife, Mrs. Vivian Hontzas, two sons, Arthur and Paul Hontzas, a daughter, Maria Hontzas, all of Birmingham; five sisters, Nikoleta Stagias, Metasia Papapavolu, Elene Leos, Giota Sarris and Antonia Kounias, all of Greece; three brothers, Constandinos Hontzas, Greece, and George amd Jimmy Hontzas of Birmingham; and his mother, Maria Hontzas of Greece.

[From the Birmingham Post-Herald, Feb. 25, 1985]

OWNER OF JOHN'S RESTAURANT DIES AT 52 AT HOSPITAL

The bustle of waitresses and the ring of dishes were silenced yesterday at John's Restaurant as patrons and employees mourned the death of owner Phil Hontzas.

Family members said Hontzas, 52, died yesterday morning at St. Vincent's Hospital after experiencing chest pains.

Hontzas was hospitalized for 10 days. He had been scheduled to return home yesterday.

A wreath of fresh greens dotted with white carnations hung on the door of the restaurant at 112 21st St. North.

People who went there to socialize and eat would often see Hontzas scurrying among the tables, juggling the green John's menus and a dishcloth.

Always busy. That's how people remembered him.

"My goodness, he was so good, and worked so hard," Birmingham attorney Mike Atchison said yesterday.

Atchison said it was hard to imagine the restaurant without Hontzas.

"Phil Hontzas was the American dream come true," Atchison said. "His death just breaks my heart. I'll miss him very much."

Hontzas came to Birmingham from his native Greece as a teenager in 1951. He joined several relatives who had settled here.

He lived with an uncle—John Collas—and worked at Niki's Restaurant. He would later own the restaurant with brothers Jimmy and George.

Shortly after coming to Birmingham, Hontzas enlisted in the Army and served in Korea.

After success with Niki's the brothers bought out another uncle, John Proferis, owner of John's.

John's has been in operation under Hontzas' direction for 13 years, first at 214 21st St. North, then at its present location.

Marcus Cassimus married the original John's daughter, Zoe. He came to regard Hontzas as a dear friend and confidant.

"He was a man with a great deal of empathy, people-oriented," Cassimus said. "He enjoyed doing what he did, and did it very well."

Cassimus said Hontzas enjoyed Birmingham as a second home, and showed his civic-mindedness through contributions to projects. He was a Mason and a Shriner.

Cassimus said the death was a shock because Hontzas appeared to be recuperating well. "He was anticipating coming home today . . ."

A frequent customer said one of Hontzas' sayings to waitresses in dealing with customers was, "No shortcuts, now. No shortcuts." Employees often had difficulty keeping up with his demanding pace.

"I've been working since I was 19," Hontzas was quoted as saying in a 1981 Birmingham Post-Herald article. "It's all I know."

Hontzas is survived by his wife, Vivian, two sons, Arthur and Paul Hontzas, and a daughter, Maria Hontzas, all of Birmingham; six sisters, Nikoleta Stagias, Metasia Papapavolu, Elene Leos, Giota Sarris and Atonia Kounias, all of Greece, Loula Sarris, Birmingham; three brothers, Constandinos Hontzas, Greece, George and Jimmy Hontzas, both Birmingham; mother, Maria Hontzas, Greece.

Funeral arrangements were incomplete last night. The family requests memorial contributions be to the Greek Orthodox Cathedral of Holy Trinity-Holy Cross, where Hontzas was a member.

CHARLES M. WEST, P.D.: "FUTURE TRENDS IN HEALTH CARE AND PHARMACY SERVICES"

Mr. HEFLIN. Mr. President, I would like to take a moment to bring to the attention of my colleagues in the Senate the recent remarks of the new executive vice president of the National Association of Retail Druggists, Charles M. West, P.D.

Mr. West's presentation, "Future Trends in Health Care and Pharmacy Services," was made before the Alabama Commission on Pharmacy at Birmingham's Samford University on March 8, 1985. I urge you to carefully review his thoughtful remarks.

During my years in the Senate, my office has worked closely with NARD, especially with John M. Rector, the director of government affairs, who, in the 1970's, served very ably as a chief counsel and staff director for our Judiciary Committee. In the 99th Congress, I look forward to continuing our work on the legislative and regulatory priorities of independent retail pharmacists.

Mr. President, I ask unanimous consent that Mr. West's remarks be included in the RECORD.

Thank you, Mr. President.

There being no objection, the remarks was ordered to be printed in the RECORD, as follows:

ALABAMA COMMISSION ON PHARMACY MEETING: "FUTURE TRENDS IN HEALTHCARE AND PHARMACY SERVICES"

(Remarks of Charles M. West, P.D.)

INTRODUCTION

I bring you greetings, salutations and best wishes from the officers, executive committee, and staff of the National Association of Retail Druggists. I also must confess a personal obligation—it is a delight to be around people who speak the English language with the correct accent!

Alabama has a history of providing leadership for organized pharmacy. That history is highlighted by the fact that presently your State provides the chairman for APHA. I have been impressed with the efforts made by Jim Main and wish him success in his important duties in that position.

Having served as a State association executive in Arkansas for 8 years, I can also attest to the fact that your State is well represented through the leadership of Jon Barganier, the executive director of the Alabama Pharmaceutical Association. Jon provides an effective voice for Alabama Pharmacy, not only in performing his duties for your association within this State, the Heart of Dixie, but also when representing your State attending forums such as the National Council of State Pharmaceutical Association executive meetings. I look forward to working even closer with Jon in the future to strengthen independent retail pharmacy in the State of Alabama.

Alabamians have also served in leadership positions in NARD. Indeed, your State is one of the few States to have provided more than one NARD president: Samuel J. Watkins of Dora was NARD president from 1940 to 1941, and Elbert W. Gibbs of Birmingham was NARD president from 1951 to 1952.

Alabama, and Pharmacy, are also fortunate to have someone with the capabilities of Martin Lambert of Samford University. Marty is a leader in the home health care field as he designed and teaches the only required home health care course in a pharmacy school in the Nation. NARD is using Marty's expertise as we attempt to create a "home health care handbook". This publication is expected to serve as a required text for DME certification candidates; it will be released at NARD'S Home Health Care Conference in April. Dr. Lambert also serves as vice chairman of NARD's Home Health Care Pharmacy Services Committee.

Your State has provided leadership on health care issues in the House through the activities of Congressman Richard Shelby on the Health and Environment Subcommittee chaired by Congressman Waxman of California. We have worked closely in the last few years with Congressman Shelby on important issues relating to pharmacy, especially Medicaid issues.

NARD was worked closely with Alabama Senator Heflin since he was first elected to the United States Senate on various projects including the recently enacted pharmacy crime bill. I must emphasize that at numerous critical moments in the legislative process on the pharmacy crime bill Senator Heflin went the extra mile for independent retail pharmacy. For example, just prior to the final Senate passage of S. 422, when NARD needed additional time to broaden the final bill to include all cases involving weapons and other strengthening aspects, Senator Heflin was among several Senators to ask the Senate leadership for the extra time necessary to achieve these improvements.

Indeed, Senator Heflin noted the passage of the pharmacy crime bill was, to use his words, ". . . a well earned victory for NARD and the pharmacists of the Nation." Senator Heflin had NARD's statements regarding the pharmacy crime bill inserted into the CONGRESSIONAL RECORD including a recognition of the important role played by NARD's political action committee, the National Association of Pharmacists' Political Action Committee (NAPPAC), in the process.

NARD looks forward to a continued close working relationship with Senator Heflin, Congressman Shelby and the other members of the Alabama delegation to the U.S. Congress who do such a good job representing "the Heart of Dixie."

NARD'S FUTURE COURSE

The planners of today's conference have entitled it "Future Trends in Health Care and Pharmacy Services." In a few moments, I will address some future trends and provide you with NARD's perspective on those trends.

First, I deem it appropriate to lay the groundwork for NARD's perspective on these issues.

NARD's future course will be charted with one clear goal in mind: To ensure the survival and prosperity of the Nation's independent retail pharmacists. That has been NARD's mission since 1898, and that remains our mission for the future.

As NARD's new executive vice president, my job is well defined: To advance the cause of the independent retail pharmacist. It is that simple. All of our current and future

programs and activities will be put to that acid test. Those that measure up will be sustained or inaugurated; those that do not, will not.

NARD's singular commitment to independent retail pharmacy has long been the true source of the organization's strength. Because our mission is so resolutely clear, we can respond quickly and take decisive action on behalf of our members. In carrying out our mission, NARD will work with many other groups, both inside and outside pharmacy. We will collaborate with any group if that effort will benefit independent retail pharmacy. In these dialogues, it is inevitable, of course, that we will disagree from time to time. But we will respect the opinions of others, and we trust they will show similar respect for our opinions. Effective action in Washington, DC, just as in Little Rock, AR, or any other State capital, involves coalition building. NARD will seek to build new, effective coalitions on issues and future trends so that we can make sure that the good pharmacists of this country who pay their dues to NARD will receive more than their money's worth in benefit from those dues. It is NARD's job and mine fervently to protect the sanctity of independent retail pharmacy practice. NARD's members expect that of us; we will live up to their expectations.

Now that you understand my frame of reference, to use the colloquial expression, "where I'm coming from," let's be more specific and address some "future trends."

PHARMACY SERVICE ADMINISTRATIVE ORGANIZATION

With the emergence of various new forms of health care delivery such as HMO's and PPO's we must find ways for independent retail pharmacists to position themselves to compete effectively in providing pharmacy services. For a long period of time, too long in fact, every article, every survey, every opinion expressed by individual pharmacists and pharmacy leaders have indicated that the number one issue facing pharmacy is, has been, and remains "third-party payment programs." It is hard to imagine a subject more discussed, and cussed, than this one. The rhetoric has been expansive, the emotions strongly felt, the concerns real, the financial pinch even more real, and the proposed solutions have been, well, unfortunately, just as numerous as their failures. The problem not only remains, it has continued to grow.

The financial squeeze on independent retail pharmacy from third-party payment programs will continue to grow. Faced with pressure from all sides to contain health care costs, third-party payment programs will continue to push and pull with every means possible to retard the growth of health care costs. The initiation on October 1, 1983, of the prospective payment program for Medicare participating hospitals is a day that will be recognized as a key day in health care cost containment programs. Faced with the reality of this future trend, let us discuss what pharmacy has done and what it should do.

In 1971, at NARD's request, the House Committee on Small Business conducted an exhaustive series of hearings on the threat to retail pharmacy posed by third-party prepaid prescription programs. At that time, NARD submitted to Congress the Prepaid Prescription Program Negotiation Act, and submitted to the Department of Justice comparable business review procedures. The legislation has been introduced in each Congress since. At the heart of the problem addressed by that legislation are the legal impediments blocking independent retail pharmacists from collectively voicing their position with respect to the operation of prepaid prescription programs. The measure allows a narrow antitrust exemption to permit independent retail pharmacists to negotiate on a par with major employers, unions and other purchasers of group pharmacy services. The groundwork on this legislation has been prepared, the legislation has been introduced, and the Congress has been made aware of the need. NARD will continue to pursue this case on Capitol Hill for independent pharmacy.

While we have been pursuing this matter in the Congress, we have also seen some light open from another branch of the Government—the judicial branch.

The key issue, or at least one of the key issues, surrounding the third-party payment program problem has been the imposition by those third-party programs of a "take-or-leave-it, here's-what-we-will-pay-you-to-dispense" fee. Additionally, through the bidding process, independent pharmacists have been closed out of participating in some third-party payment programs because the drugstore chains, with more locations, have been able to bid to provide pharmacy services to some third-party payment programs noting that their multiple stores provide individuals participating in the third-party plan with convenient outlets. Under the antitrust laws, competing pharmacists, in other words independent retail pharmacists, have been unable to join together to address these issues by agreeing on a price to charge third-party payers. The courts have consistently condemned conduct of this nature as per se unlawful price fixing by competitors. This approach has not changed; price fixing, no matter what the purpose, even if it is to lower prices, is per se illegal under the antitrust laws.

However, a new way at looking at this issue—and hope for pharmacy—was brought into focus as a result of a decision of the U.S. Supreme Court in 1982. In a case originating in Arizona (*Arizona* v. *Maricopa County Medical Society*), the Court essentially ruled as per se unlawful price fixing an agreement by provider members of the Maricopa County Medical Association's Foundation for Medical Care setting the maximum fees for medical services rendered to policyholders of third-party payers approved by the foundation. While the Court made this ruling, however, it also provided some guidance for the future. The Court went beyond the facts of the case and said that there were ways in which individual providers can group together to address third-party issues. In essence, boiled down to its most relevant fact, a new entity must be created in the marketplace as a competitor to other marketplace entities. By careful legal craftsmanship, this new entity can be formed either through a joint venture whereby competitors pool their capital and share the risk of loss as well as the opportunity for profit or through other contractual means such as the marketing of pharmacy services through a joint sales agency.

As a result of this decision and the light it sheds on the Supreme Court's interpretation of the circumstances under which competitors can get together to address third-party payment issues, NARD has been reviewing its possible responses under this new light. A growing number of State pharmacy associations are pursuing the establishment of new competitive entities in the marketplace to address the third-party payment issue.

The names given to these new organizations have been varied and creative ranging from calling the organization a foundation, a network, a PPO, an HMO, and so on. NARD has grappled with the various terms and has decided that the best generic term to describe these organizations is a "pharmacy services administrative organization"—a PSAO.

In a meeting in Chicago in February, NARD brought together legal experts and representatives from pharmacy organizations around the country to explore the legal ramifications of establishing organizations to enable pharmacists to compete effectively to provide pharmacy services under private third-party payment programs. The one-day forum featured presentations from five antitrust experts including a representative from the U.S. Federal Trade Commission.

The distilled legal wisdom of the experts present in Chicago suggests that, if done properly, there are ways for independent retail pharmacists to work together successfully in the marketplace under the antitrust laws.

The Chicago meeting, attended by State executives and representatives from 24 States, is part of an ongoing effort by NARD to provide a communications network for pharmacists working on collaborative agreements on the State and local level. A full report of the Chicago meeting will appear in the March 1985 issue of the NARD Journal. The May 1984 issue of the Journal reported on the successful inauguration of such an organization in Denver.

In addition to meetings of this nature, NARD will continue to keep the State pharmacy associations and others informed of developments regarding this important issue and its impact on one of pharmacy's major problems. We are also pursuing this issue in other ways which will be reported in the future.

In any event, let us hope that, as a result of the efforts underway by NARD and other pharmacy organizations, we can reverse any negative impacts of this future trend on pharmacy and eliminate what has been for too long one of pharmacy's major problems.

UNFAIR HEALTH CARE COMPETITION

Another future trend is the increasing quantity of, and changing nature of, competition in health care. NARD has long supported competition in the health care industry. Retail pharmacy has always been and will continue to be a highly competitive field. Competition is a part of life; indeed, it is the "American Way." The idea of developing the proverbial better mousetrap and providing it to the consumer at a lower cost with more service is the heart of the American entrepreneurial system. NARD's members are not afraid to participate in such an environment.

However, NARD's role has been to insist that competition be fair. The U.S. Supreme Court recently declined to review a decision in the U.S. Court of Appeals for the Ninth Circuit in the case of Portland Retail Druggists Association v. Kaiser Foundation Health Plan. The ninth circuit decision permits non-profit health maintenance organizations in that part of the country to purchase prescription drugs at discriminatorily low prices and to resell them to both HMO members and the general public in competition with retail pharmacies, including NARD members, for-profit hospitals, and for-profit HMO's. NARD and other pharmacy organizations filed amicus briefs chal-

lenging the opinion of the U.S. Ninth Court of Appeals in this case, not from the standpoint that the case involves competition from a non-profit HMO, but from the standpoint that there was unfair competition that results from HMO's, such as Kaiser, misusing a limited exemption provided by Congress in 1938 for charitable institutions.

NARD has long advocated to Congress the need to revise the non-profit exemption enacted in 1938. This recent decision by the ninth circuit, a circuit viewed by many attorneys as aberrant on many legal issues, highlights the need that NARD has addressed before both the Democratic and Republican Platform Committees last summer and most recently in testimony several weeks ago to the U.S. Senate.

NARD will continue to express these views to the Congress; there is need for an amendment to the 1938 Non-Profit Institutions Act and other Federal laws. NARD's long-sought legislation will modify Federal law so that only those institutions serving truly charitable patients would be exempt from the price discrimination sanctions of the 1936 Robinson-Patman Act. NARD believes that Congress assisted in the development of non-profit HMO's as a means to encourage competition with other forms of health care; Congress did not intend to grant non-profit HMO's an unfair competitive advantage over for-profit HMO's, for profit hospitals, other health care providers and retail pharmacists.

NARD will continue to address this future trend before all appropriate forums.

HOME HEALTH CARE

Home health care is another major trend in health care delivery. With the rapid aging of the population—it is estimated that the over-65 segment of the population will number 38 million by 1990, up from 25 million in 1980—the opportunities for the community-based independent pharmacist are limitless. A significant amount of NARD resources have been dedicated to positioning the independent pharmacist to compete successfully for this market.

I delivered a home health care speech yesterday in Connecticut at the Northeast Pharmaceutical Conference, so I will not go over that territory again today. Suffice to say here that it is an extremely important future trend. I will be pleased to supply to any of you who request it a copy of the remarks I delivered yesterday in Connecticut, which addressed extensively the subject of home health care.

CONCLUSION

Now in conclusion—and I will conclude on a most important note—I must emphasize political involvement by pharmacists.

I do not mean to be preaching to the choir here today. I am fully aware of the involvement by Alabama pharmacists in establishing a potent Alabama pharmacy political action committee. I am also reminded of the successful involvement by Alabama pharmacists here in Jefferson County in judicial matters resulting in the important Jefferson County decision applying antitrust laws to entities of the State government. No matter what the future trend and what opportunities it presents, if pharmacists are not involved in the political process our potential will never be reached.

What does involvement in this political process mean? It means helping elect public officials by contributing time and money to their campaigns; it means keeping your elected representatives current on pharmacy positions on issues; it means challenging the decisions of public officials if they are improperly made—in short, it means controlling your own destiny.

NARD has a history of political involvement; we will continue to emphasize its importance. The most important future trend is that pharmacists are gaining control of their own destiny! I cannot think of a better way to close my remarks than with that positive attitude!

IRS VEHICLE LOGGING REQUIREMENT

Mr. PRESSLER. Mr. President, we must act now on repealing the requirement to record all vehicle miles on a trip-by-trip basis. It is ridiculous. For example, a farm pick-up truck which almost never leaves the farm is required to be recorded on every little trip it makes. That includes from the barn to the field; from the corn field to the wheat field; and from the cowyard to the hogbarn. That makes for an interesting log. I am sure some IRS auditor will enjoy reading it. But it will result in no increased revenue to the U.S. Treasury. And it makes farmers, small businessmen, and others very mad. We must repeal this rule now. Senator DOLE says there is almost no objection, so let us move it now. We must.

AUTOBIOGRAPHY OF FORMER SENATOR SAM J. ERVIN, JR.

Mr. BYRD. Mr. President, Senator Sam J. Ervin, Jr., served in this Chamber as the U.S. Senator from North Carolina for 20 years before he retired in 1974. Although he is no longer a Member of this body, his thoughts, wisdom, and ideas are still being shared with us today. Most recently, Senator Ervin published his autobiography outlining not only to 20 years of service devoted to the U.S. Senate, but also the factors and events that formed and shaped him into the hard-working, driven and righteous man that he is.

Senator Ervin's book, *"Preserving The Constitution, An Autobiography of Senator Sam Ervin,"* was recently reviewed in the January 1985, edition of the North Carolina State Bar Quarterly, by Clifton W. Everett, Jr., attorney at law. Mr. President, I ask unanimous consent that this very favorable book review be printed in the RECORD.

There being no objection, the book review was ordered to be printed in the RECORD, as follows:

PRESERVING THE CONSTITUTION, AN AUTOBIOGRAPHY OF SENATOR SAM ERVIN

A reading of Senator Sam J. Ervin, Jr's autobiography will reveal one significant fact, the image that Senator Sam has of himself is the identical image that has been lauded and revered by all of his friends, associates, colleagues, and the public because of his attributes of humility, integrity, intellect, devotion to duty, and love for his country and the Constitution under which it is governed. It is evident that from his first awareness of himself as a person he experienced no problems of self-identification. He was blessed with parents who filled his youthful years with love and care and in the biblical sense brought him up in the way that he should go. He was endowed by his father, a prominent lawyer in his home town of Morganton, North Carolina, and his mother with a devotion to honor and duty. He was taught to reverence the Saint James Version of the Holy Scriptures in which he became knowledgeable, to be steeped in the classics, and to understand the history and the government of nations, especially that of the United States. Above all he was taught the importance of the unambiguous rule of law necessary to an orderly society and a deep and abiding understanding of and devotion to our Federal Republic and the Constitution by which it was established and under which it is governed. In the main the preservation of both by a skilled, fearless, and zealous advocate, prepared to give his entire life to this cause, just as he was on the battlefields of France, is what this book is about.

Senator Ervin, now in his eighty-eighth year, was born in Morganton, North Carolina, September 27, 1896, the son of Samuel J. Ervin, lawyer, and his wife, Laura Theresa Poe. Any reader of this autobiography can have no doubt of Senator Sam's determination to never withdraw from the constitutional battle until he abides with those departed preservers of the Constitution in that house not made with hands eternal in the heavens.

Sam J. Ervin, Jr., took his seat in the Senate of the United States on June 11, 1954, after an illustrious career as a soldier in World War I, a legislator, a jurist on both the trial and appellate benches, and as a person long recognized to be in the forefront of North Carolina's leaders. The date of his oath taking is noteworthy. It occurred on the eve of an era of the most significant and farreaching developments in constitutional government since John Marshall won the acceptance of the United States Supreme Court's authority to be the final arbiter of the Constitution. This autobiography recounts chronologically those constitutional developments, the principals involved, Senator Sam's deep and abiding concern for what he viewed as a frontal assult upon constitutional government, and his constant and determined efforts to protect and preserve the constitution from what he views to be a Supreme Court which "commits gross linguistic mayhem upon the plain and unambiguous words of the Constitution and an act of Congress".

One cannot read his speeches included in this book made on the floor of the Senate seeking to preserve as he put it "the unambigious and plain meaning of the Constitution" without admiration and awe for the magnitude of his intellect, the power of his reasoning, and his understanding of constitutional law. Although in each his seriousness of purpose is never in doubt, he so constructed his speeches and spiced them with humor that many of his colleagues were persuaded to his view and the opposition accorded him love, respect, and in a great many cases the politically inhibited were in covert agreement.

The reader will be compelled to admit the consistency of Senator Sam's interpretation of the Constitution. He did not consider Brown vs. The Board of Education of Topeka a judicial aberration. His interpretation of the Constitution convinced him that it guarantees equality to all citizens. But he

was dismayed at the forced busing of little children mandated by Swann vs. Charlotte-Mecklenburg Board of Education "which decreed that the Constitution is color conscious, and sanctions the use of race to bestow special privileges—on members of racial minorities and to deprive other Americans of fundamental rights to make such special privileges effective". This same interpretation he places upon the various civil rights cases which he maintains give some citizens more rights than others. Likewise, he sees compulsory unionism as a doctrine which "negates a citizen's freedom to exercise an inherent right to use his God given faculties and determine for himself without coercion from employers, labor organizations or law whether or not he will become a dues paying member of a labor union". But, he is a firm believer in the separation of Church and State and therefore approved the so called "Prayer in School" cases handed down by the Supreme Court. He sees limitations of the writ of habeas corpus and the right to bail to be a direct affront to the guarantees of the Constitution.

As Senator Sam says, much has been written about Watergate. However, the section on Watergate exhibits Senator Sam's righteous indignation at the invasion of and the total disregard for the Constitution by the Chief Executive of the United States and his top aides. The performance of Senator Sam in conducting a fair and impartial hearing into Watergate with the fierce determination to root out the facts and bring them to the attention of the public endeared him to the people who accorded him the distinction of being the most effective and zealous defender of the Constitution in the history of the United States. When all is said and done, no one can doubt that this was the high water mark of his career.

The motto of the State of North Carolina, emblazoned on its seal, "Esse Quam Videri", applies equally to Samuel J. Ervin, Jr. Any reader of his autobiography will realize that Senator Sam never needs to posture or act out an image role. He knows who he is and he knows to whom he owes his allegiance—to God, to his neighbor, to country, and to the Constitution. The story is told that during Watergate while the Nixon Administration and its agents were turning every stone in the life of Senator Sam to discover any worms beneath, an investigator came to Burke County to see how much dirt could be accumulated on Senator Sam. Having had no success whatsoever in uncovering any scandalous or damaging information about Senator Sam, he approached one of Burke County's rural residents and asked if he knew of anything bad about Senator Sam. The response was "NO". "You mean to say he has lived all of his life in this area and never done anything bad?" The response was "he mought, but I never heerd tell of it."

This biography is very readable, charmingly written with all of Senator Ervin's skill and humor, and, most importantly, informative of a significant period in the history of this country and of the Constitution. I am sure it will be widely read as it deserves to be and especially it should be required reading in our public schools which now-a-days tend to eschew the importance of history.

VISIT OF PRESIDENT RAUL ALFONSIN OF ARGENTINA

Mr. BYRD. Mr. President, the President of the Republic of Argentina, His Excellency Raul Alfonsin, addressed a joint meeting of the Congress this morning. His remarks were eloquent, visionary, and instructive for us. He expressed in a persuasive way the mature perspective that the fates of all nations of this hemisphere are inextricably intertwined and that the survival of democracy in our hemisphere depends, in many ways, on common action.

President Alfonsin represents a very welcome example of a political movement on the South American continent over the last year and a half. During that period, three nations on the southern continent—Argentina, Brazil, and Uruguay—have replaced military regimes with democratic governments. His remarks today are a vigorous defense of the democratic form of government in our hemisphere, as well as a warning of the fragile nature of democracy in the face of the difficult challenges posed by social injustice, repression, and authoritarianism.

The Government of Argentina, under President Alfonsin's leadership, is making a vigorous effort to repair the damage caused by 8 years of military dictatorship—a period when Argentina was plunged into political and economic chaos and ended in ill-fated military action. This process will take time, but it is very encouraging to note that the Alfonsin government has survived and is working—for nearly a year and a half now.

Mr. President, President Alfonsin reminds us of one unassailable reality—he states that:

Independently of the virtues and defects of the alliance for progress a quarter of a century has elapsed in which no coherent and long-range impulse has emerged to resolve the problems of the hemisphere.

It has often been stated that we have tended to neglect the Americas while we focused on others, and perhaps less strategically vital areas of the globe. In this hemisphere, we have been fixated on the agonies of Central America and on fashioning the appropriate role of the United States in that region. We have, perhaps, not paid careful enough attention to the good news that has been emerging politically, further South—first in Argentina, and with the last several months in Brazil and Uruguay.

President Alfonsin does us a service to remind us of our responsibilities, and, as well, the opportunities that present themselves in our own backyard. I hope that there may be ways that we in the Congress can help to expand our basic relations with these new democracies—in the way of educational and cultural cross-fertilization, as well as in the economic and political spheres.

I ask unanimous consent that the address delivered by President Alfonsin this morning be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[March 20, 1985, Washington, DC]

ADDRESS DELIVERED BY RAÚL ALFONSÍN, PRESIDENT OF ARGENTINA, TO A JOINT MEETING OF THE CONGRESS OF THE UNITED STATES OF AMERICA

Thank you for your warm welcome. As former Deputy of the Argentine Congress, I cannot but express the emotion I feel addressing the honorable Congress of the United States, a symbol of the republican, federal and democratic system of government.

In the name of the Argentine nation I salute the representatives of the American people and offer my heartfelt homage to this institution that manifests the ideals and interests of the American people, their desire for freedom and their respect for human rights.

The people of the United States should expect from a democratic Argentina sincerity, perseverence and solidarity to sustain from the South of America those fundamental ideals which our countries share: justice and freedom. As well as rationality and maturity expressed in predictable attitudes.

Since our independence we Argentines have always believed that we have inherited a culture and a body of ideals centered on the dignity of the human being.

But we also belong irreversibly to Latin America, that great differentiated reality of the West. From this region of the world, together with other Latin countries, we have been developing a universe of values and aspirations that define a particular way of belonging in the world.

This is what drives us to avoid that the negative consequences of the strategic contradictions that are germane to the East-West struggle be added to the problems of underdevelopment. Nonetheless we do not live outside of history or beyond geography. We share with you the same ideals and we feel associated in the common enterprise of sustaining the ideals and forms of social and political organization that are found in our countries.

We are democratic because democracy presupposes the freedom of the human being and makes him the ultimate end of all politics and the master of his destiny.

We are democratic because democracy works on behalf of human dignity, that is to say for freedom and justice.

We are democratic because democracy presupposes love and peace, while dictatorship and war propose hate.

We are democratic because we are moral and that is why our political project is a moral enterprise.

Let me state clearly: I hold democracy to be the only form of social organization that allows man his dignity because democractic government is based on ethical values.

Here in the United States, the most advanced society of the world, politics is an ethical struggle. And so it is today in Argentina, a nation once again proud of itself. This is what we definitively share.

Toqueville knew that a country could be strong only if it was based on the liberty and well-being of its people and that peace is a prerequisite for greatness and prosperity. We Argentines as do all Latin Americans, perceive these words to be a precise statement of our predicament. We know only too well of our own efforts to consolidate de-

mocracy and dissipate the suspicion and mistrust of one another that, in the past, have given way to sterile and artificial disputes.

With the aim of attaining these objectives, and with the help of his holiness Pope John Paul II, Argentina has recently resolved, in a peaceful way, a century old territorial dispute with the Republic of Chile. This is how our country demonstrates to the international community that its commitment to peace is manifested by concrete and decisive facts in our national life.

I want to emphasize the fact that this solution was not the result of an isolated decision made by my government, it was ratified overwhelmingly by the Argentine people in a democratic consultation.

Our government and our people desire to resolve in peace the country's conflicts. This same resolution motivates us with respects to the issue of the Malvinas, South Sandwhich and South Georgia Islands.

The delay in solving this controversy produces international intranquility for it nourishes a situation of tension, it creates a critical focal point in the South Atlantic and the danger that both our territory as well as the area in general will find itself involved in strategic plans alien to our region.

Our conviction about the rights of the Argentine republic will not diminsh with the passage of time.

Our will to resolve the question of sovereignty by means of a frank and complete dialogue with the government of the United Kingdom—which will include the legitimate interests of the island population—will not be altered, despite the reiterated British refusals to engage in negotiations on the substance of the issue.

The peace that we are attempting to strengthen in the region and in the world is a peace that not only erradicates conflicts and wars, it also seeks to avoid the waste of important resources so necessary to our battered economies that otherwise would nourish an arms race and spread distrust. Within this perspective peace and disarmament are necessary to consolidate our institutions and to assure that the efforts of our peoples strengthen both liberty and prosperity.

But this regional effort will not be enough. It must be accompanied by distension among the great nations of the world. Latin America is not an island. And just as we are committed by our ideals and convictions which constitute western civilization, we are also committed to materialize the often frustrated hopes of our peoples.

Without greater justice in the distribution of the world's resources, without establishing more equitable relations in international commerce and without a common effort to strengthen free societies, that international peace which we all desire will be at risk.

This is one more reason why we are committed to peace and disarmament, which, added to the essential demand for survival has inspired my government to; formulate a recent international call, together with five other nations in New Delhi.

Our America needs democracy, development and security. Two fundamental causes conspire today against achieving these objectives: the situation in Central America and the social and economic conditions in Latin Americaa. According to our conception, and I wish to emphasize this fact, these difficulties cannot be faced in isolation nor resolved in a unilateral manner. Peace, development, democracy, and security are today at risk because of the Central American crisis. You all are aware of the mediate causes that give rise to this situation: authoritarianism, flagrant social injustices, misery. In summary, the absence of political and economic participation has generated the inevitable sequel of violence, war and insecurity.

The Jackson report presents the issue with precision:

"The people of Central America have lived too long with poverty, deprivation and violence. The current turmoil must not be allowed to shatter their hopes for a brighter future. They have endured too many generations of misrule to let their aspirations for democratic political development be dashed in this generation on the rocks of fear, division and violence. Not least their own security and ours must no longer be threatened by hostile powers which seek expansion of influence through exploitation of misery."

We must not allow that this analysis be true a decade from now in all Latin America. Let us bring together the necessary political will and recognize the magnitude of the danger which confronts us, so that the drama of history be not the prophecy of the future.

There can be no doubt that the problem of Central America affects the continent as a whole. In order to assure its democratic future we must draw on past experience.

How can we break the cycle of violence that has bled the continent over the last decades? We have seen that neither authoritarian regimes nor revolutionary insurgency can resolve our problems. Experience shows us that the strengthening of democracy, progress and the prosperity of our peoples and the peace and security of the continent including that of the United States are intimately interwined. Starting from this premise, we must find the practical solutions to immediately address the two problems that we face today.

The first challenge is the Central American question. We think the central question here is how to reach an immediate solution that will not compromise permanent solutions for the future.

My government supports the efforts of the Concadora group, which is the appropriate mechanism for finding a stable solution for the Central American countries. We believe this search should be based on the following criteria.

First: The principle of self-determination as recognized contemporary international law, freely exercised through the will of the majority.

Second: The existence of Pluralistic Democracies.

Third: The principles of territorial integrity and non-intervention should be respected and universally applied. This means that they should not be invoked in a one-sided manner.

Fourth: There should be specific guarantees that the countries of the region will not meddle in one another's affairs.

Fifth: There should be no military installations or mechanisms that threaten the security of any of our countries.

The peace and prosperity of the people of Central America, the consolidation of the democratic processes throughout the continent and the security of a hemisphere that wants to preserve its style of life, depend on adequate solutions.

Even though this is a task that requires an immediate and effective response, other dangers threaten our hemisphere. Vast sectors of the region are submitted to unacceptable living conditions, this obvious injustice can generate instability and social disorder.

This danger is not an exclusive concern of Latin Americans, it is a question that must affect the hemisphere as a whole, and not only for reasons of solidarity, but also, as in the case of Central America, for reasons of security.

In the region social conflicts have had two nefarious solutions.

They have either been drowned in repression or used to create the conditions of an armed insurrection. In both cases human dignity, freedom, individual initiative have been seriously damaged, and so have the tranquility, the peace and the security of the hemisphere.

Thus the second challenge consists in understanding the situation and acting together, so that this time it will be a democratic alternative that will resolve in a definitive fashion the social situation in Latin America.

This is a primary responsibility of Latin Americans, but it is also the responsibility and need of every democracy in the hemisphere.

Twenty-six years ago in this chamber former Argentine president Arturo Frondizi addressed the drama of millions of deprived Latin Americans. He pointed out that the greatest threat to hemispheric security was to be found in the suffering and frustration of the masses. Is not the painful experience of a quarter of a century sufficient to comprehend the enormous cost of unlinking the issue of security, development and democracy?

Nonetheless there is hope in the consistent tendency towards democracy in the continent. Democracy is the only alternative to social upheaval. It is the only system capable of providing human dignity. Therefore it is better positioned to carry out the struggle against terrible social ills such as narcotics traffic.

Today we are persuaded of the need to begin considering the debt problem together with the governments of the creditor countries. The debt problem does not only concern international financial institutions and commercial banks. The eleven Latin American countries meeting in the city of Cartagena in June of 1984 emitted a joint statement pointing out the seriousness of this external dependency. We also communicated this fact to the industrialized countries.

Our country's external debt constitutes a political fact that demands the collaboration of responsible governments to find a new horizon of solidarity and cooperation that will provide a greater security to the world economic order. This will provide us with greater confidence that will secure in a definitive fashion the following ideal of our culture: a free and democratic way of life through which future generations will be assured of a real authentic equality of opportunity. This is our challenge.

A democratic, pluralistic and independent society for Argentina is not only in our own interest, it is also beneficial for the permanent interests of the United States. It is indispensable for the stability of the region that peace be assured through democracy and development.

Our security is based as much on military defense as on the dissemination of the values that give life to this society. It is necessary that the number of countries that uphold these values increase and that more and more peoples be willing to defend them. An eventual failure of the new democracies of Latin America, that is to say of these new

models of society in the continent, will have grave consequences for the region, including the United States.

That is why I request a special understanding from the Senators and Representatives meeting here today and from the government of the United States. That is why the principal purpose of my visit is to emphasize the convergence between our countries and our common interests so that eventual disagreements or different judgements will not place in doubt the basic relations and the essential understanding between us.

Independently of the virtues and defects of the alliance for progress a quarter of a century has elapsed in which no coherent and long range impulse has emerged to resolve the problems of the hemisphere.

During this long lapse of time three issues have been connected to one another: hemispheric security, economic development and the consolidation of democracy. From this moment on we should begin the joint task of relating these issues in our understanding of reality to make them compatible with one another.

More than one hundred years ago a great Argentine intelectual and politician, Juan Bautista Alberdi who established the foundations of our constitution said: ". . . The time of the heroes has passed, we enter today the age of common sense. Greatness in America is not the greatness of Napoleon, it is the greatness of Washington who does not represent military victory but rather prosperity, growth, organization and peace. He is the hero of order in liberty.

It is this thought today I make my own.

FORT HAYS STATE TIGERS WIN NAIA CHAMPIONSHIP

Mr. DOLE. Mr. President, I am pleased to note last night's victory by the Tigers basketball team from Fort Hays State University of Hays, KS, at the National Association of Intercollegiate Athletics [NAIA] national championships in Kansas City. Fort Hays came out on top in an overtime game that gave the Tigers their second consecutive championship title. This talented team proved, once again, that they are among the top college basketball teams in the Nation and No. 1 in the NAIA.

Of course, in any competition, one team must take second place and I regret that my distinguished colleagues from Texas may not be as pleased with the outcome of the championship finals as I am. Wayland Baptist College, of Plainview, TX, gave the Tigers a run for their money, but lost the title to a last second shot. As the ball rolled around the rim with the buzzer sounding, it might have been a good time to make a wager with my good friends from Texas, but I suppose I missed that opportunity. Instead, I might give them a tip for next year's match—I made a "good luck" call to the Fort Hays coach before the game. Next year, perhaps they will want to weigh the odds in the same manner.

I might also mention that another great Kansas team—Washburn University, my alma mater—came very close to competing in the NAIA national tournament. With a season record of 26 wins to 9 losses, they only grudgingly made way for Fort Hays State to go to the nationals, in an overtime game at the District 10 finals. But I know Coach Chipman and the Washburn "Ichabods" were cheering on these fellow Kansans defending their title at Kansas City.

The Fort Hays State Tigers deserve our praise and best wishes for their hard work during this championship season. Under the guidance of Coach Bill Morse, they have met their opponents from across the country and won through extraordinary skill, discipline, and determination. They are Kansas' winning team.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. DENTON]. Without objection, it is so ordered.

CONTROL OF TIME ON SENATE JOINT RESOLUTION 75

Mr. DOLE. Mr. President, I ask unanimous consent that the time on Senate Joint Resolution 75, the MX appropriation resolution, be equally divided and controlled by the majority and minority leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I designate the distinguished Senator from Alaska [Senator STEVENS] to be in charge of the time for the proponents of Senate Joint Resolution 75 and the distinguished Senator from Oregon [Senator HATFIELD] to be in charge of the time for the opponents on this side.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. Yes, I yield.

Mr. BYRD. I am in the process at this moment of attempting to determine who on our side should be in control of the time. I will know this later.

Mr. DOLE. Mr. President, I might ask the distinguished minority leader if there is some way to reduce the total time. I know the distinguished Senator from Alaska wants to spend some time on the appropriation because the appropriation process is an important segment. But it may be that we could reduce the total time and then move on to the African famine relief bill.

Mr. BYRD. Mr. President, I hope we on this side could come to the same conclusion. We are attempting at this time to determine whether or not that will be the case and when I have completed my contacts I will inform the majority leader.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FUNDING FOR PROCUREMENT OF MX MISSILES

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Joint Resolution 75, reported by the Appropriations Committee.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A Senate joint resolution (S.J. Res. 75) to further approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the joint resolution.

Mr. STEVENS. Mr. President, there is a statutory time limitation. I yield myself such time as I may require.

Mr. BYRD. Mr. President, will the distinguished Senator yield to me so I might designate who controls the time on this side?

Mr. STEVENS. I am happy to yield.

Mr. BYRD. Mr. President, I understand that under the Senate order, as amended, the distinguished majority leader and the minority leader control the time equally among them or their designees. Am I correct?

The PRESIDING OFFICER. The minority leader is correct.

Mr. BYRD. I thank the Chair.

Mr. President, I designate Senator CHILES on this side to be in control of the time in opposition, and I will continue for the present to control the time in support of the joint resolution.

I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, the Senate on yesterday finished 2 days of debate on the Peacekeeper program. It is my feeling that we will probably keep the debate on this second resolution quite brief and to the point.

I am, and remain, and will be a supporter of the MX as proper modernization of our missile forces. As one who

is also completely in support of the direction the President is taking in Geneva, I feel that this vote once again is a crucial one.

There have been a few new points raised, however, that I think should be addressed before we vote today.

One argument by the Senator from Florida is based on a large unexpended balance of 1985 appropriations now available. He says the production line can keep going on the remaining spendout until fiscal year 1986 funding is considered.

That is just not the case.

Nearly all available appropriations will have been obligated by month's end, and they cannot be expended for anything else.

Second, while it is true the main production line can keep operating for many more months, there is an immediate need for the new funding to keep the complex network of key subcontractors and vendors from shutting down—some as early as May.

These suppliers are producing vital components for the Peacekeeper, such as the guidance system. If this front end work is not maintained with new money, an expensive break will occur—a break that will eventually shut down the entire production effort.

The GAO acknowledged this in testimony before the Defense Subcommittee earlier this month.

This resolution does not provide any alternatives. It is up or down. A subsequent act of Congress would be needed to provide new production money for Peacekeeper. That is not likely to happen before we have a production break.

Why risk costly production delays when the real question is on the Peacekeeper itself? We cannot get away from the fact that this is a critical vote. We continue Peacekeeper production or we do not.

Another argument is that operational flight tests will not occur until we begin deploying the Peacekeeper, creating unacceptable risks.

This overlooks the fact that MX development and testing to date have been more successful than any other ICBM program. In fact, after seven test flights, the missile has achieved more accuracy than its design requirement.

In truth, the MX testing program is not substantially different from past efforts on other missiles like the Minuteman and Pershing II.

These remaining votes on the MX are crucial—crucial to program continuity, crucial to preserving the triad deterrent, and crucial to the U.S. posture in the arms control talks.

With nearly $13 billion already invested in the Peacekeeper, this is not the time to stop this program. The Senate has voted 29 times on the MX in the last 11 years. Each time we have said, "Go ahead with the MX." And we should give the same signal now.

I ask unanimous consent to insert in the RECORD at this point a number of documents which display information developed during the appropriations hearing on the MX resolution.

Those documents include the Air Force's estimated obligational status of funds provided to date; MX termination costs; a paper discussing the impact of not providing the $1.5 billion in question; another on how the $1.5 billion will be spent if released; a short paper pointing out the implications of de-obligating funds; and finally a point paper on MX program issues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PEACEKEEPER PROGRAM OBLIGATION STATUS

[Dollar amounts in millions]

Funds (fiscal year)	Authorized	Obligated	Percent obligated
Obligations as of Dec. 31, 1984 (actuals):			
1983 R&D	$2,396.7	2,390.3	99.7
1984 R&D	1,962.6	1,928.4	98.3
1985 R&D	1,699.7	225.5	13.3
1984 procurement	2,075.7	1,610.5	77.6
1985 procurement	852.0	115.9	13.6
Total	8,986.7	6,270.6	69.8
Percent, total program	42.9	29.9	
Obligations as of Mar. 31, 1985 (forecast):			
1983 R&D	2,396.7	2,394.2	99.9
1984 R&D	1,962.6	1,947.0	99.2
1985 R&D	1,699.7	1,040.0	61.2
1984 procurement	2,075.7	1,923.4	92.7
1985 procurement	852.0	845.0	99.2
Total	8,986.7	8,149.6	90.7
Percent, total program	42.9	38.9	
Obligations as of June 30, 1985 (forecast):			
1983 R&D	2,396.7	2,389.4	99.7
1984 R&D	1,962.6	1,954.0	99.6
1985 R&D	1,699.7	1,310.0	77.1
1984 procurement	2,075.7	1,934.4	93.2
1985 procurement [1]	2,352.0	2,021.5	86.0
Total	10,486.7	9,609.3	91.6
Percent, total program	50.0	45.8	
Obligations as of Sept. 30, 1985 (forecast):			
1983 R&D	2,396.7	2,389.4	99.7
1984 R&D	1,962.6	1,956.8	99.7
1985 R&D	1,699.7	1,664.0	97.9
1984 procurement	2,075.7	1,936.4	93.3
1985 procurement [1]	2,352.0	2,023.5	86.0
Total	10,486.7	9,970.1	95.1
Percent, total program	50.0	47.6	

[1] Assumes $1,500,000,000 released April 1985.

Note: As of Mar. 4, 1985—does not include milcon and initial spares.

Question 1: If the MX were terminated 30 June 1985, the following unobligated amounts could be recovered:

[Dollar amounts in millions]

	RDT&E	MSL Procurement	Total
Fiscal year 1984 funds	0	$141.3	$141.3
Fiscal year 1985 funds	$358.1	[1] 7.0	365.1
Total recovered	358.1	148.3	506.4
Termination liability	−406.0	−91.0	−497.0
Net recovered	−47.9	57.3	9.4

[1] Does not consider the $1,500,000,000 to be voted by Congress o/a 1 March.

Question 2: If the MX were terminated 30 April 1985, the net recoverable funds would be approximately $195.6M, i.e., a total of approximately $697.4M less $501.8M for termination liability.

AIR FORCE POINT PAPER ON NEED FOR $1.5 BILLION FOR FISCAL YEAR 1985 PEACEKEEPER PRODUCTION

ISSUES

Impact of an FY 85 "no" vote on future Peacekeeper production.

No addition FY 85 funds appropriated.

BACKGROUND

FY 84 appropriation for 21 missiles ($2075.7 M).

100% of the funds are committed to the production of 21 missiles.

92% of the funds will be obligated by 31 Mar. 85 for the production of 21 missiles.

Production hardware must be "fully funded" (Anti-Deficiency Act, 31 USC 1314, and DOD Directive 7200.4).

All funds required for delivery of hardware (21 missiles) must be available before the government can begin obligating money.

FY 85 appropriation for missile production $60 M long lead.

100% of funds committed and 95% of the funds are obligated.

DISCUSSION

Peacekeeper missile production requires 3 years.

Production is divided into three phases.

The first phase is the purchasing of raw materials, piece parts and manufacturing of small assemblies.

This includes 400–500 vendors and suppliers that provide thousands of parts for Peacekeeper.

The subcontractors and vendors in this category deliver their products over the first 18 months of the production period.

The $60 million in FY 85 will retain critical subcontractors and vendors to April 1985.

Without the additional FY 85 funds, many critical subcontractors will be lost.

Some examples of the lost vendors and subcontractors are illustrated below.

The Guidance and Control System Contractor Autonetics will lose the following subcontractors:

Texas Instruments manufacture of nuclear hardened integrated circuits will shut down in May 85.

Texas Instruments has openly stated that these specialized integrated circuits are not very profitable—would prefer to drop production line.

Harris manufacture of hardened integrated circuits (shut down will occur in Jul 85).

It required 1–2 years to qualify these production lines—in fact, development of the production capability has been in progress since the mid-1970s.

Hamilton-Standard manufacturer of the flight coolant reservoir will shut down in May 85.

SCI manufacturer of core memory, will shut down in May 85.

Honeywell manufacturer of plated-wire memory, will shut down in May 85.

To restart production (requalification) will require 8–12 months.

The State I Thrust Vector Actuation System subcontractor *MOOG* would shut down production—losing key skilled personnel in June 85.

The Stage IV screen tank subcontractor *McDonnell-Douglas* would have a production gap and shut down production—losing key skilled personnel.

Inertial Measurement Unit subcontractors will be lost for approximately 70% of their 1100 parts—the contractors lost and their function is shown below.

Harris, manufacturer of hardened integrated circuits, will shut down in May 85.

Texas Instruments, manufacturer of hardened integrated circuits, will shut down in May 85.

Isotronics, manufacturer of hybrid circuits, will shutdown in May 85.

American Beryllium Loral, manufacturer of beryllium, will shutdown in May 85.

Northrop, PPD, manufacturer of hydraulic parts and valves, will shutdown in May 85.

MOOG, manufacturer of hydraulic parts and valves, will shut down in May 85.

Valpy-Fisher, manufacturer of crystals, will shutdown in May 85.

Cannon, manufacturer of connectors, will shutdown in May 85.

The loss of subcontractors and vendors during the first phase of production will result in the shut-down of the Peacekeeper production capability.

To restart the production line require a minimum of 8-12 months.

Total program cost growth as a result of program restart is $1.3 billion.

The second phase of production is the manufacturing of the end item of hardware (i.e., a propulsion stage, Inertial Measurement Unit or Guidance & Control System by the Peacekeeper associate contractors.

This phase of production is the most costly requiring large expenditures in the second and third year of production.

Normal first year production program expenditure is 15% with second year at 52% and third year at 82% of total.

If production shutdown occurs as a result of no additional FY 85 funds ($1.5 billion)—before restart could be accomplished with FY 86 funds, a delay of 12-18 months would be encountered and the associate contractors production capability will be at or near shutdown.

The final phase is delivery to F.E. Warren AFB.

This phase is structured to meet the first hardware need at F.E. Warren AFB and follow-on deployment requirements.

The production process described above is repeated for each increment of missiles approved by Congress.

Even with waivers to current laws and directives, the deobligation of funds is a costly, time consuming, and a wasteful use of scarce national resources.

Contracted and negotiated tasks would have to be terminated.

Termination costs are incurred.

The small savings would then be available for commitment to a new task.

The effect of this type of action would be to totally break-up the Peacekeeper production process.

Results in major economic impact on an already relatively unstable defense industrial base.

If a major public corporation tried to do business this way, their stockholders would immediately replace the board of directors.

CONCLUSION

Failure to approve release of the $1.5 billion will result in the loss of critical Peacekeeper subcontractors.

MOOG and McDonnel-Douglas will begin to shut-down the process losing key manufacturing capabilities that required years to develop.

Isotronics, American Beryllium, Northrop-PPD, MOOG, Valpy-Fisher, Cannon, Harris and Texas Instruments provide critical parts for the manufacture of the Inertial Measurement Unit all will shutdown in May 85.

FY 84 and FY 85 production funds are 100% committed and will be 95% obligated.

Peacekeeper production capability will be lost without additional FY 85 production funds.

The upcoming vote is for $1.5 B and 21 missiles.

The resolution is not amendable.

Future Peacekeeper production is dependent upon a positive vote on $1.5 billion.

Failure to release the fenced FY 85 funds will result in production capability shutdown.

Requalification and recertification will take 8-12 months.

Total program cost growth to restart in FY 86 is $1.3 billion.

Total production gap will be 12-18 months.

Production gap in FY 85 and FY 86 will result in shutdown of the major associate contractors production capability.

FISCAL YEAR 1985 PEACEKEEPER PRODUCTION PROGRAM

[Dollars in millions]

	Total program	First increment	Second increment
Fiscal year 1985 missile buy	21	0	21
Flyaway costs	1,039	0	1,039
Ramp up	60	60	0
Other weapon system	599	363	237
System support	654	429	225
Subtotal	2,353	852	1,500
Initial spares	148	148	0
Total cost	2,500	1,000	1,500
Fiscal year 1985 funds appropriated	(1,000)	(1,000)	(0)
Additional fiscal year 1985 funds required	1,500	0	1,500

POINT PAPER ON IMPLICATIONS OF DE-OBLIGATION

De-obligation can only be accomplished through contract modification.

Termination orders can be issued within three to four days of a decision.

After the termination order is issued, a portion of the obligated funds can be de-obligated.

This is an estimate of potentially available funds, since the exact amount of available funds will not be known until final termination and contractual de-obligation is completed.

A significant portion of the obligated funds must be held in reserve to pay termination settlements.

The termination claim process is lengthy and subject to dispute proceedings.

Final de-obligation could reasonably take 1-4 years.

Only after de-obligation claims have been resolved will the government know precisely the amount of funds available for application to other tasks.

MX PEACEKEEPER

PROGRAM BACKGROUND

MX missile program has been an on-going program supported by four U.S. Presidents, (Nixon, Ford, Carter and Reagan).

Through the FY 1985 Continuing Resolution, over $10.4 billion in R&D and $3.1 billion in procurement—a total of $13.5 billion—has been invested in the MX program.

After approval of this resolution, another $11 billion will be needed to complete the MX program.

STRATEGIC MODERNIZATION

MX is not just a bargaining chip; it is much needed program to modernize our ICBM leg of the Strategic Triad.

Minuteman III missiles are on the average about 15 years old and use 1960s technology.

Small ICBM is only in the concept definition phase. Full Scale Development on the small ICBM does not begin until FY 1987, with no deployment before 1992.

Trident II missile is also too far away (late 1989); Over $6 billion in development still to go. It will not be as capable as Peacekeeper.

TESTING

MX Flight test program has been highly successful, with the missile exceeding its performance requirements for accuracy.

Air Force testimony to the defense subcommittee indicates that all weapons system performance characteristics will have been confirmed prior to deployment.

GAO confirmed that the MX flight test program to date is highly successful; more so than any other ICBM flight test program in the past 25 years.

It is normal for some developmental flight tests to occur after commitment to missile production. This was the experience with Minuteman and Pershing.

The early successes of the ground test and flight test programs give the Air Force high confidence that the deployment schedule and IOC will be achieved.

FINANCIAL STATUS

Air Force requires the $1.5 billion before the end of April.

99% of all Peacekeeper procurement funds appropriated in FY 1985 will be obligated by March 31.

Unexpended funds can only be used for obligated purposes—they are not available to carry the program for the rest of FY 1985.

Without the $1.5 billion, there will be an erosion of the MX subcontractor and vendor base, particularly for key components such as missile guidance, which will shut down in May.

This will result in an eventual shutdown of the MX production line; the MX parts pipeline will be empty after the current funds are exhausted.

GAO confirmed during subcommittee testimony that the Air Force will run out of available funds by end of March.

Cost of program restart would be substantial—DOD estimates at more than $1.3 billion.

"WARM" PRODUCTION LINE (AIR FORCE ESTIMATES)

Costs of keeping the MX production line warm to support the FY 1986 buy without FY 1985 procurement are estimated at $500 million.

Costs of continuing basing support for the 21 missiles procured in FY 1984 are estimated at $150 million.

Total costs to keep the MX Production Line Warm—$650 million.

A subsequent Act of Congress would be required to provide this added funding.

Funds made available in an FY 85 supplemental would come too late for key component producers.

Air Force reports many subcontractors and vendors will begin shutting down by the end of April.

OPERATIONAL TEST REQUIREMENTS

Of the 21 MX missiles procured in FY 1984, 20 are earmarked for deployment.

General Davis testified for the defense subcommittee that he needs a minimum of 108 test missiles to conduct a high confidence operational flight test program.

By terminating MX missile procurement, we would be putting missiles out into the field which will not have been supported by an adequate flight test program.

SOVIET SS-24 AND SS-25

Sunday's Washington Post indicates that the Soviets are preparing to deploy the large, rail-mobile SS-X-24—a missile comparable in size to the MX. This heavy, multiple warhead missile is to be deployed in addition to the Soviets large SS-18 and SS-19 force, now over 600.

National Security Advisor McFarlane described the SS-X-24 as a new "destabilizing" system.

The Soviets are flight testing and preparing to deploy their own version of the MX—the SS-X-24—in a rail-mobile mode.

Soviets are developing and reportedly will deploy the SS-25 small mobile ICBM in 1985. Soviets already have their version of the small ICBM ready for silo deployment, followed by mobile basing.

Mr. STEVENS. Mr. President, I might state for the record I have had no requests for time on this side as yet. We have sent word to Senators to notify us if they wish to speak. It is my hope that once those who have indicated that they want to present remarks today on this subject have completed, and that should be in a very short time, we will have a vote early in the afternoon. We are working now on trying to reach that agreement, but for the time being we will not propose any such agreement.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask for the yeas and nays on the pending business.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RUDMAN). Without objection, it is so ordered.

Who yields time?

Mr. CHILES. Mr. President, I yield to the distinguished Senator from Arkansas 4 minutes.

Mr. BUMPERS. How much time do we have on this bill?

The PRESIDING OFFICER. The time is under the control of both sides. At the present time, for those opponents on this side of the aisle by the Senator from Florida, and the Senator from Florida may yield such time as he deems prudent.

Mr. BUMPERS. Do we have a time certain to vote on the bill or a time allotted for the bill?

Mr. CHILES. No; we do not. I think we only have 5 hours on this side.

Mr. BUMPERS. And the Senator wants to yield me 4 minutes?

Mr. CHILES. I was afraid if the Senator got wound up, having been backed up——

Mr. BUMPERS. I was only going to speak for about an hour. That would still leave the Senator 4 hours.

Mr. CHILES. I thank the Senator.

Mr. BUMPERS. Let me start and let the Senator from Florida interrupt when he so minds.

The PRESIDING OFFICER. The Chair requests that the Senator from Florida, who has control of the time, inform the Chair of such time he yields to the Senator from Arkansas so the Chair can notify the Senator from Arkansas when his time is up.

Mr. CHILES. I yield the Senator such time as he might desire as long as it will not exceed the time when I will interrupt him.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, my remarks are for the RECORD because obviously the die was cast yesterday afternoon. No minds were changed, as far as I could detect, during the entire debate. I understand that. We all have our positions on these things and we develop those positions presumably after much deliberation and thought.

I must say debates on issues of the magnitude of this one should be with all the Senators in their seats, so that this place should be a deliberative body. I suppose one of the biggest canards in the country is that the Senate is the greatest deliberative body on Earth but in my 10 years here I do not find us deliberating very much.

So, everyone says it is the committee system. But I can tell you what worked in this case. It was not the debate. It was not the compelling argument made on both sides of the issue. It was not the rationale used by proponents and opponents of the MX missile. It was simply the power of the Presidency.

President Kennedy once said he did not think the Senate had much power until he became President. I think this President would not agree with that statement. He would just say, "The Senate does not have much power, period," not if he wants to diminish the power of the Senate.

In this particular case, the President has prevailed by convincing enough people in this body to change their minds, not based on any changed circumstances, not based on any rational argument that I have seen, but simply because he said he wanted the MX missile and that to vote against it would be to pull the rug out from under the negotiators in Geneva.

Yet, I have never heard one word from the Soviet Union about their fear of the MX missile. They tried to stop the Trident Program. They would like very much for us not to build the D-5 or the Trident II missile which goes on the Trident submarine. But I have never heard them express any fear of the MX.

On the contrary, as I pointed out yesterday, the last proposal that was tabled by the Soviet Union before the arms talks broke off in December of 1983, the last proposal the Soviet Union made would have allowed the United States 680 MX missiles. It is very difficult for me to believe that 100 missiles are bargaining bait in Geneva when they are willing for us to have almost seven times that many MX missiles. So that is the way I come down on the bargaining chip argument.

I have not heard one U.S. Senator stand on this floor and say that we should not modernize our strategic forces. We have all championed that. But modernization in itself does not mean anything. The real question is, "How do you modernize? What are the most effective weapons to use for deterrence?" Because deterrence is still the name of the game.

I have been a strong proponent of the Trident system for a very simple reason. It is the jewel—our submarine forces are the jewel of our strategic forces, because the Soviets have never developed the antisubmarine warfare capability to know where our submarines are. The Soviets are well behind us in that department.

Now, any submarine that chooses not to keep its engines running and just lies silent in the ocean is very difficult for anybody to find. But my point is I have been a proponent of the Trident Submarine Program and of the D-5 missiles that go on it because the submarines are invulnerable at this moment, and the D-5 missile is a very fine missile with approximately the same capability that the MX has. We know we are going to build the D-5. We are spending almost $5 billion this year and next on research alone on the D-5 missile. And it is going to be deployed within 3 years after the MX is deployed. That makes sense.

What is there about the MX missile that would frighten the Soviet Union when we are putting them in holes in the ground that the Soviet Union already has targeted? They do not even have to reprogram their targeting devices.

So I favor the "Midgetman" small ICBM. I favor a mobile missile. I favor the D-5 missile. I favor the Trident program. I favor the cruise missile. I favor the Stealth bomber. When it comes to sheer modernization, it occurs to me that we have got a lot more systems being built right now to modernize our system than the Soviet Union has in their modernization efforts.

I have been trying to think, Mr. President, when the last time a weapons system was defeated here. Weapons systems have gotten where they are just like Rasputin, you cannot kill one.

And we all know why. It does not make any difference whether it works or not. It does not make any difference whether it fits into any particular scheme of the kinds of warfare we think we may have to fight. The DIVAD will not fire in cold weather, and you would think the Pentagon would say, "Let's scrap that thing. We have spent all this money on it, and it doesn't work."

But no, they are coming back up here for more money for a weapons system that has been clearly demonstrated to be ineffective, flawed, faulty, and will not work.

You cannot get rid of the Maverick. You cannot get rid of anything. You cannot kill the B-1 bomber. You cannot kill the MX missile. And you cannot reduce the deficit.

I am going to read into the RECORD today some things that ought to have been of interest to people.

On December 2, 1981, this body, the U.S. Senate, approved by 90 to 4—90 to 4—an amendment to the 1982 defense appropriations bill. The amendment was sponsored by Senators COHEN, QUAYLE, MATTINGLY, RUDMAN, and NUNN. And it directed the use of the MX research and development funds, $354 million, took it away from the MX in existing hardened Minuteman and Titan silos toward a more permanent solution.

The amendment, according to its sponsors, was to "send a strong signal" to the Department of Defense that the deployment of the MX in Minuteman silos was "the wrong direction to go in." That was in 1981.

In March 1982, the Senate Armed Services Committee unanimously refused to approve the first $1.5 billion for the MX missile procurement on the grounds that interim deployment in Minuteman silos was unacceptable.

On November 2, 1981—and I thank CBS for showing this on the evening news the other night—Senator John Tower, former chairman of this committee, now one of our chief negotiators at Geneva, said:

> By stuffing the MX into fixed silos, we're creating just so many more sitting ducks for the Russians to shoot at * * * It is of little use to us unless the Soviets are convinced that it can survive and attack. Without that, the Russians will have no incentive to start serious arms control talks.

Not one person has argued on this floor that the Russians have argued that the MX missile is survivable.

Secretary Weinberger, January 6, 1981:

> I would feel that simply putting the MX into existing silos would not answer two or three of the concerns I have; namely, that the location of these missiles are well-known and are not hardened sufficiently, nor could they be to be of sufficient strategic value to count as a strategic improvement of our forces.

Scoop Jackson, whom our President likes to quote—one of the dearest friends I ever had—on October 5, 1981, Scoop Jackson said:

> My main criticism—and I criticized the Carter administration—is that in the 1980's Minuteman and Titan are vulnerable in those silos. I think you and others properly have criticized that deployment. Then after 8 months we come back here; we have looked at all these other things supposedly, but it took 8 months to do that, and we end up with what we have now * * * We have given the Soviets a better target to shoot at.

Senator WILLIAM COHEN, as late as December 16, 1982:

> The reason Sam Nunn and I proposed our amendment a year ago was that we were frustrated with what we perceived to be an intention to move forward with an interim basing mode, placing the initial missiles in superhardened silos, that was not survivable but was costly and probably in violation of SALT I and II. We specified that the MX funds could not be used for that purpose.

Gen. Lew Allen, Chief of Staff of the U.S. Air Force, January 29, 1981:

> An essential feature of the MX deployment is that the basing mode be survivable. One does not obtain that through placing it in Minuteman silos. Therefore, I do not favor such a deployment.

Dr. Richard DeLauer, Under Secretary of Defense for Research and Development, Research and Engineering, on March 11, 1982:

> The reason that I did not relate interim basing of the MX missile in Minuteman silos to the survivability problem is that the resulting survivability will be no better than it is now.

There are a dozen more. And my question is to my colleagues: What has changed since those comments were made? The Defense Department came over here the other day and had the temerity to say these silos are harder than we thought, when from 1977 to 1980 all anybody heard in this country was the window of vulnerability because the silos were not hardened. They had been there 20 years, and last week the Pentagon discovered they are harder than we thought.

Well, it is only going to cost $17 or $18 billion to go ahead with the missile. It will cost $10 billion in 1985 dollars to harden 50 of the 100 Minuteman silos. That is between $27 and $28 billion in total. Everybody stands around, goes back home and piously stands before the Rotary Clubs and chambers of commerce talking about how terrible the deficit is, the President says it is terrible, and he wants a constitutional amendment to balance the budget. That is like saying stop me before I kill again.

We go home, talk about the deficit, and Lee Iacocca said it perfectly last Friday in a speech, I believe, in Detroit. He said this country is like an automobile headed 60-miles-an-hour to a telephone pole, and he predicts we are going to hit it in less than 24 months. And the President says, I want all this spending stopped, but Social Security, defense, and of course interest on the debt is off limits. You know what he is saying when he says that? He is saying, I want all those cuts out of the remaining 27 percent of the budget. I want the MX missile. I want star wars.

Let me go back to the cost of this missile and just hardening 50 silos: $27 billion. That is today's dollars. That "ain't" tomorrow's. For $27 billion you are going to get 100 missiles, 10 warheads on top of each one, or a total of 1,000 warheads for $27 billion. That is going to cost more than that because I am only talking about hardening 50 silos.

There are another 50 to be hardened; $27 billion, and assume at the very best that you have 1,000 warheads. The Pentagon has consistently said—argued all during the late seventies and early eighties until they decided they wanted this—that the very most MX missiles you could predict would survive a first strike by the Soviet Union in the 1990's would be two missiles. Everybody knows a little bit about arithmetic. So let us just assume that the Soviets attack and they destroy, as it was and has been anticipated, 98 percent of those missiles. You have two missiles surviving, or 20 warheads. This whole program will have cost in the vicinity of $35 billion. So you have two missiles surviving and they cost $17.5 billion each. That means each warhead that survives costs $1.75 billion. We are talking about survivability here. For justs $27 billion, you can build 9 Trident submarines with 24 missiles each, and if we elect to put 10 warheads on each one—and that is still a subject of debate; I am talking about the Trident II missile, we do not know whether we are going to put 6, 7, or 10 warheads on it, but for that same amount of money, and just $27 billion is what we are yet to spend—you can build 9 Trident, fully equipped with 24 missiles each. That is a total of 2,160 warheads.

In short, there are about 108 times more survivable warheads than you are getting with the MX missile. You tell me why we are going to spend that much money for 20 survivable warheads when you can get 108 times as

many on the Trident submarine? I am just talking about the sheer numbers and the economics of it.

Finally, Mr. President, let me say that my basic difference with the President is simple, but it is fundamental. He sees the threat to this Nation in sole and unitary terms. He sees the threat to this Nation as military only. And I grant that. And I support virtually every defense appropriation that has come through this body. I have opposed the B-1 and the MX, and I certainly intend to oppose the so-called SDI. But I am for a strong America. I do not want any bully, Soviet Union on down, tinkering with the United States in a way they think they can take advantage of us. You know something: In the 14 years of my public life—and I say this for my entire life—I have never run across anybody that favored a weak America. I suspect I am speaking for the Presiding Officer and the other Senators on the floor.

I have never run across anybody that I thought was less partiotic than I. I do not question people's love of their country. We all love it. It is like wanting to go to heaven. We have different ways of getting there.

So, everybody is for a strong America. But I think there is another threat to this country that the President is grossly neglecting. And that is the way we feel about each other, the way we feel about our Congress, our institutions, and our court system, and are we really concerned about everybody? Is the worth of the individual as important now as it was 20 years ago? And above all, economically, is Lee Iacocca going to be proved to be a prophet? He is a pretty wise fellow. I just read his book, his autobiography. I think it is a great one.

But he says that if we do not get the deficits under control, the economy of this country is seriously threatened as never before. And every economist in this country is saying the same thing. So is that not a threat? Is that not a threat to us also? And is not the expenditure of $27 billion to $35 billion on a weapons system that everybody said in 1981 and 1982 was worthless if we put it in fixed static silos not a compounding of the deficit problem that everybody goes home and talks about? The answer to that is "Yes."

I have to repeat one little story that I read in a book I think I recited once before on the floor several months ago.

It was from a book about Robert E. Lee. It was called "Lee, the Last Years."

Robert E. Lee never did have much respect for politicians. When the war was over, he was traumatized by the destruction of this country, particularly in the South. You know, Mr. President, I come from a section of the country that is the only part of the United States that has ever been conquered, so there is something special about being southern.

We had to survive by our instincts for a very long time because we were a conquered nation. But when it was over, Robert E. Lee looked around and he saw destruction and decimation everywhere, and 350,000 men, North and South, lay dead. Twice that many were disabled, disfigured, and crippled for life. Lee was so dismayed and so traumatized by it, he said, "You know, the politicians caused this." He said, "They kept playing to the prejudices, bigotry, and animosities of people. They fed their hostilities until they worked everybody into a fever pitch and the war became inevitable."

To use Lee's precise words, he said there were men and women on both sides of the issue who were willing to compromise this thing and work our way through it, if it had not been for the politicians.

He closed by saying, "All this country needed in that critical period in our history were a few men and women of courage, intelligence, and forbearance."

So, whatever is the political fallout that may be from opposing a missile system that I think weakens America? It does not strengthen America. It weakens America because it takes so much of our resources away from what we really need and puts it into something that is utterly worthless to us. It lowers the threshold for nuclear war and it costs us in our efforts to reduce the deficit in a staggering way.

Mr. President, I yield the floor.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, I ask unanimous consent that I may use the time under the control of Senator CHILES.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Ohio.

Mr. GLENN. Mr. President, I favor a stronger defense than the MX will give us. I favor a strong America. The MX is not adequate and will not do the job. I favor a much stronger defense than we are going to get from the MX that we voted the authorization for yesterday afternoon.

I favor modernization of our nuclear forces, but I want it to be the best force we can possibly have. I do not want to see us spend a lot of money and still wind up with less defense for the dollar spent than we could have if we went in a different direction. Make no mistake, I do favor force modernization in this country.

But, where does this force modernization stand? The triad gets a lot of attention. We have the air arm of that triad being upgraded with the B-1B bomber. It will be an excellent addition to our weapons systems.

Our submarine force is being upgraded with the D-5 missile, which will have MX-type accuracy. This missile will be coming on stream in 1989; 53 percent of our deliverable nuclear weapons will be cruising largely undetected under the seas. Mr. President, if there is a peacekeeper missile, the D-5 is it. It is not the MX, despite what the President said. What really keeps the peace is the known force of true retaliatory capability under the seas that the Soviets know they cannot possibly hit and knock out in a short time period.

That brings us to the third leg of this triad, the ICBM force, the old Minuteman force.

The perceptions are that we are into a window of vulnerability with that force, that we are vulnerable to a first strike, and that we should, therefore, replace and upgrade it. I agree with that. It is an old missile.

What should we upgrade and replace that old Minuteman with? Whatever missile we select, we do not want it to be vulnerable. If we had a worst case scenario for designing a weapon, it would be a weapon more vulnerable than the one being replaced, one that is a more lucrative target, one that we would buy only in limited numbers, and one that in itself would have a first-strike capability.

You put all those things together, and it absolutely invites a Soviet preemptive strike on that weapons system.

Mr. President, that is exactly the type weapon we are designing. It is exactly the type that was approved here with the authorization vote yesterday afternoon. It is exactly the type missile we are designing with the MX, and it invites a Soviet preemptive strike.

Mr. President, Soviet missile accuracy is improving. We say that we can protect these MX missiles by super hardening our silos so they would be invulnerable to Soviet attack. Yet we know that Soviet accuracy is improving to the point where an estimated 95 percent of our missile sites can be knocked out in a short period of time. Even the Congressional Budget Office says 90 percent could be knocked out.

Quite apart from that, we know that the accuracy of Soviet missiles is reaching the point where the size of the crater will be as large as their likely error in aiming. That means even if they miss, they will include the area of the hardened silo. You cannot tell me that this damage will not affect that silo so it will wind up shooting into the next county instead of the next continent. At very least it will jar the missile enough that it will be inoperable—even with hardened silos. That is the level of accuracy the Soviets are approaching these days. To try to compress our defenses into a

smaller and smaller area to me is the height of folly.

What was the President faced with when he came into office? He was faced with the racetrack theory, which was a modest attempt at mobility. He stopped that. I did not disagree with him. That was followed by the Scowcroft Commission which suggested we put 100 MX's into existing Minuteman silos. Not superhardened, I might add. That left them with exactly the same vulnerability as the old Minuteman force we are trying to replace.

Then the President said, "OK, we will get going on upgrading our hardening capability. We will do research and we will show that we can harden those missile sites to a point where it is going to require better Soviet accuracy."

But I repeat, current Soviet missile capabilities can make a crater larger than the error of their missile accuracy. The only option the President has if he leaves those missiles in the old Minuteman silo sites is to do one of two things if the Soviets decide to attack. He can launch on warning when he sees or gets reports of missiles coming in or he can launch under attack when the missiles have begun to hit.

I submit that is a very poor set of options to leave any future President of the United States, either to launch on warning or to launch under attack. Yet that is what he would have to do with the accuracies the Soviets are getting.

If super-hardened silos are not the way to go, how do we replace our aging Minuteman force? My answer is that we need better mobility. Mobility gives us increased survivability, and it gives us less vulnerability. It is an excellent alternative. It is what we were trying to do with the racetrack pattern, which would have provided a limited amount of mobility.

In other words, we were trying to tell the Soviets, "You cannot possibly consider a first strike on the United States of America because you cannot possibly know where those missiles of ours are going to be." That is the most effective defense I know of. If you do not know where to shoot, you are not going to attack. Because, you know you are going to get a response once you have started that attack.

Are the Soviets concerned about our mobility? Listen to the squeals they made about the deployment of Pershing missiles into Europe. You would have thought we broke their back by putting the Pershings into Europe. Why are they concerned about the Pershings when they know we have ICBM's ready to go all the time? Because the Pershing missile is mobile. They do not know where to aim. That would stop anybody in the planning stage.

Why are we so concerned about the SS-20's the Soviets have developed?

The SS-20 is mobile. We do not know where to shoot. Why does it give our war planners such fits? Because we do not know where to aim if war starts. That is why it gives our war planners such difficulty.

I have sat in on war games in the past. I can tell you firsthand that when you introduce nuclear mobility into the equation, you throw a hooker into that whole war game scenario. It is devastating because we do not know where to shoot. That is why we are so concerned about the mobile SS-20's.

The Soviets know that. We are not leading them astray with any big bargaining chip. Bargaining chip my foot. In Las Vegas, do you show your hole card to the opposition in advance? Do you say: "I am willing to give this up. You go ahead and deal whatever you want and make sure I don't win"? Big bargaining chip.

Let us look at the direction in which the Soviets are going with their missile development.

They built the SS-17, SS-18 and SS-19. These vehicles are silo-based weapons. We are so concerned about the SS-18, and we should be because it can hit our silos right now. But if our missiles were mobile, we would not need to worry about the SS-18. We would have mobile missiles that could respond to it.

Then the Soviets developed the SS-20, which is mobile. Now they have the SS-24 which will start out as a silo based, but eventually will be a mobile system. The latest of all, the most accurate of all, will be the fully mobile SS-25. It has been designed from the ground up, from the word "go," as a mobile missile.

Why do you think the Soviets are not sticking with their silos? Because they know the silos can be hit, the silos are vulnerable. Does that not give us pause to think what we are doing with this big, new 192,000-pound monster we are building. A missile which can do nothing more than sit in one spot and be an attractive target.

Why do we think our submarine system is so good? Why would we put 50 percent of our missile force aboard our submarines? Because they are mobile. They have three degrees of freedom—they can go forward, backward, and to a limited degree, up and down. The Soviets cannot locate them. That is the reason why we think submarines are so good, and why the Soviets fear them so much. In fact, the whole history of warfare that I have studied, Mr. President, is an effort to get better mobility. It is not to become more static, to sit in one spot and to provide an even more attractive target for an enemy. Our whole effort in the history of warfare is to get better mobility, whether offensive or defensive. Yet here we sit, going in exactly the opposite direction. It does not make any sense at all.

Can we have a land-based mobile missile? We certainly can. There is a design that the Air Force is working on right now. I introduced an amendment a couple of years ago that required them to make progress on this missile, and I am glad to say they are moving on it. We have a 30,000-pound missile that has one warhead. We can put as many as three warheads on that same vehicle by upping the weight a little bit. But we can have a mobile missile and have it with the same kind of accuracy that the MX will have. And it will not be a sitting duck. It will not be a fixed target for the Soviets to shoot at.

Mr. President, I am not a comelately to this particular argument. I called for a vote on MX here on the floor one night 5 years ago this August. I lost that vote against the MX. I thought at that time we should be going to a mobile so we would have a better retaliatory capability at a cheaper cost. I met later with the Townes Commission, which was set up to look into a mobile missile. The commission did not disagree that a mobile missile would be a better way to go. But they thought that in this country the social interface was wrong. The social interface was such that we could never have a mobile missile accepted in the United States of America.

To me that is preposterous. In other words, the commission believed that Americans would never accept the fact that a missile could be out on U.S. highways. The Soviets do it. The Europeans do it. For Americans, however, it would have to be out of sight, even though it might be our salvation in a nuclear war.

Somehow we think that the American people could not accept the sight of a missile out on the open road, even though it is for our own protection.

I say this, Mr. President. I do not know how people in this country think the nuclear warheads are deployed. The good fairy does not deploy them. We take them down our State highway systems in unmarked vans. Those vans, although not quite standard, look like most other vans. These vans carry nuclear weapons. Yet somehow we cannot bear the idea that there might be a warhead or a missile in one of those vans.

I think that is most preposterous. I submit that, in our consumer-oriented economy, if we can sell everything from underarm deodorant to Cadillac automobiles on TV, we should be able to explain to the American people that it is in their best interest that we have the best deterrent possible, and a mobile is the way to go. I would not disagree that the mobile missiles should be kept off the roads as much

as possible. They can in fact be kept in the Federal lands most of the time.

But we also want to design a system that can go down that Interstate System in a time of crisis. Weight restrictions on the Federal Highway System are no problem; it was designed for 275,000 pounds, 13-foot 6-inch overhead for underpasses. As long as we keep within those constraints, we are in good shape. I hope that we can have a mobile system because it gives the Soviet planners the greatest pause, it gives the Soviet planners the greatest doubt that they can ever make a first strike on the United States.

Let me address the window of vulnerability for 1 minute. Do we really have that window of vulnerability which has been talked about for some time?

The President says he wants this MX because it has an initial operational date of December 1986, a year from next December. It is quite possible that it could slip into early 1987. But let me add one thing, these dates do not include the hardened silos. Those probably could not be hardened until late 1988 or 1989 at the very earliest. Even if you went on a crash program, without hardening the silos, the MX is nothing but a sitting duck, every bit as vulnerable as the missiles that we have out there right now.

So what have we gained? We have kept the same vulnerability. How does the mobile compare? Well, the mobile could be in place by about 1992. But that can be speeded up some, to bring it down to a 3- or 4-year difference.

There is the important point I wish to make here. We have the D-5 missile coming along for the submarines. Its initial operational date is 1989. It can cruise largely undetected. It has an accuracy like the MX. It covers that window of vulnerability we are talking about, because the D-5 can do exactly the same job as the MX with approximately the same range and with the same accuracies.

The Senator from Arkansas a few moments ago gave some cost figures. Let me give my own series of cost figures. What is it going to cost to put the MX in hardened silos?

The cost of the MX is a little over $74 million per missile. Most people think that is what the deployed cost is going to be, $74 million per missile. But, that will only buy a missile as vulnerable as our present systems. I do not think we would even approve the $1.5 billion we unfenced unless we were also making a commitment to superharden the silos where we will put these missiles. How are we going to do that? And, how much will that cost? That is the next program.

The Air Force has not asked for money yet but they gave testimony the other day that their costs right now are running at $9 billion per 50 hardened silos. In other words, that is $18 billion for the full 100 if we ever go to that.

Well, let us just accept them on their figures of $9 billion per 50. That comes out to $180 million per each and every MX missile—a $180 million silo hardening cost for each and every MX missile. The $74 million it cost to build the missile and the $180 million to harden the silo totals up to $254 million per missile. If we decide to do a lesser number of hardened silos, the cost goes up, and so that means it will cost between $180 million and $200 million per silo. That means the cost per missile deployed will be between $254 million and $274 million for each and every MX in a hardened silo—four per $1 billion.

Mr. President, we very casually vote around here: Yes, we will vote to release that $1.5 billion. That is not very much. It represents only 21 MX's. Are we really giving the President a bargaining chip? If we are, that bargaining chip is not worth the paper it is written on, Mr. President, unless we put them in hardened silos and that comes at $254 million each. So what we are voting for today when we vote this appropriation it is not that little $1.5 billion for 21 MX's. We are making a commitment for another $9 billion per every 50 that we have out there. We are talking about something like $9 billion, which is about 3 percent of our budget next year for defense matters. So we are talking about adding 3 percent to our total defense budget at the time we are trying to cut back.

What is the cost of the mobile? I wish I had good solid figures on that, too. I have cautioned the Air Force against goldplating that system. I do not want to see us upgrading it to where we make the armor our main defense instead of the dispersal of the system as our main defense. I do not want to see us planning the mobile missile for continuous "out-on-the-road-all-the-time"-type dispersion. That would obviously require a lot of crews, a lot of security, and a lot of support. That is not necessary. We do not need to keep it deployed on the road, all the time. That is what drives the expense up. I see no reason why we cannot have it deliverable out onto the highway only when needed. The mobile missile can give us a real bargaining chip. The Soviets know that they could not possibly hit all of our mobile missiles, so they could not possibly knock them all out. They know if they make a first strike on the United States, they are guaranteed of getting a response back because they do not know where to shoot their missiles. What value are their SS-17's, 18's, or 19's, or even their new ones, if they do not know where to aim? If we have a mobile in this country that can move around, they will not be able to target it. What can be more sensible than that?

I think the bargaining chip theory has been used almost to hysterical lengths in the last few days in dealing with the Congress. When you tell someone it is a bargaining chip and you are willing to bargain it away, and tell them in advance—it gets a little bit preposterous.

Mr. President, one of the most striking things about the debate is that both Democrats and Republicans are making the same mistake. By and large, we are focusing on the MX missile in isolation. Maybe once in a while, Mr. President, we need to step back just a little bit from this whole problem and assess the overall advantages and the disadvantages of the MX versus the alternatives. Maybe we have not examined that enough to make the best use of American strengths overall to offset the strong points the Soviets possess.

What am I talking about? First, I think we should isolate those things we can agree on and then move from there to reach a position that we can all support. I believe that position should be one in which we abandon the MX and move to a stronger defense, a better defense, a more reliable defense a real defense for this country, not a bargaining chip. We should move to the better defense, the higher ground represented by the small ICBM. Such an initiative will reduce overall defense spending and will improve our national security by providing a more credible deterrent while moving us away from a dangerous position of strategic instability. I think this initiative will be seen by the general public as moving us again to the forefront in ensuring that the United States will not be put into a position where it can be intimidated or bullied by the Soviet Union.

Accelerating deployment of the small, mobile ICBM while abandoning the MX does something else. It makes the best use of American advantages in technology. The Soviets are already moving in the direction of a small mobile. Undoubtedly, they will move further, as they have started with the SS-24's and SS-25's. But mobility stresses the ability to miniaturize guidance systems and produce lightweight, high-stress propulsion systems, and here, I submit, we have a vast lead over the Soviets. They can achieve greater accuracies on some of their bigger missiles because they have massive and redundant guidance systems that require huge missiles such as the SS-18's and the SS-19's. If our move to a mobile ICBM induces the Soviets to abandon their silos, which I think they are already doing, then they will have to abandon some of their high degrees of accuracy in their ICBM

force, at least compared to our capability.

Another advantage that accrues from both sides going to a mobile land-based system—and I think this is very important—is that it reduces greatly the incentive for both sides to proliferate nuclear warheads. How does it do that? When both sides have stationary ICBM's in fixed silos and possess the accuracy to hit each other's silos, we are in a situation where, to gain an advantage, we have to endlessly proliferate nuclear weapons in order to create more fixed targets for the other side to shoot at. This, in turn, creates an incentive to build more missiles and warheads to take care of the opponent's increases; and we are on a never-ending treadmill when we base our defense on that scenario.

With mobile systems, it is far more difficult and much less remunerative to target the other side's missiles. All the warheads in the world cannot help you if you do not know where to aim them. I will repeat that: All the warheads in the world cannot help you if you do not know where to aim them. This would give us the ability and the hoped-for reduction in overall nuclear weapons, not the increase.

If the United States and the U.S.S.R. move to mobile systems as the mainstay of their land-based missile force, not only will this ease the pressure to crank out more—and bigger—missiles, which is a Soviet strength, but also, it will shift the center of gravity of competition into the more technologically demanding realm of reconnaissance satellites in an attempt to keep track of the other's missile forces. This is an area, like miniaturization, in which the United States is far superior to the Soviets and is likely to remain so.

When all assessments are in, however, the goal for all of us remains the same: to achieve the best available strategic posture for the United States. The best way to do that is to scrap the MX and proceed best speed with the development and deployment of the small mobile missile.

We want to upgrade the triad. We are doing that in the air and with the submarine forces, and now we need to do it with the ICBM's, to go to an improved system, one that gives us a stronger defense than the MX can provide. We do not want it to be vulnerable. We know that Soviet missile accuracy will put our missiles in danger unless we make them mobile. We know the estimates as to the numbers of missiles that can be knocked out. We want a survivable mobile system. That is what the Soviets are doing with their system, for good reason.

Mr. President, I take my position for all the reasons I have mentioned here today.

I believe that the way to provide the best available strategic posture for the United States is to scrap the MX, which we should have done a long time ago, and proceed with the development of a small, mobile missile. I urge my colleagues to do that today by voting against the appropriation to unfence the $1.5 billion for the MX.

Mr. CHILES. Mr. President, I think the Senator from Nebraska would like to make a few remarks. I yield the Senator 10 minutes.

Mr. EXON. I thank the Senator from Florida.

Mr. President, it seems to me that there has been a lot of redundancy on the part of those who oppose the MX program based in vulnerable silos. I do not believe it is helpful for the Senate to repeat many of the things that have been said.

I voted against the authorization measure, and I intend to vote against the appropriation measure. I do not think there is any question that it will carry. I would be keenly disappointed, frankly, if it did not carry; because I think those 55 Senators who voted for it yesterday have the responsibility now to stand up and be counted, to fund what they did yesterday.

The vote yesterday was not as surprising to me as it was to many others. I suspect that there is very little, if any, chance that the attitude expressed in the Senate yesterday will be overridden in the House of Representatives, despite the fact that I think it should be. Rather, I think the next thing we are going to turn to is the new authorization bill for defense, which will be coming out of the Armed Services Committee probably in the next 2 weeks.

I remind my colleagues that what we have been debating here is essentially a 1985 authorization and a 1985 appropriations bill. But the next chapter in the MX will come with the discussions on how we are going to proceed with the MX funding after the action that will be taken here this afternoon, after it is essentially endorsed by the House of Representatives. I worry a little about that, and I think it is not too early to begin debate on that subject today. At least, that is what I want to speak about at this time.

Right or wrong, good or bad, people of good will have made a decision, in a majority fashion, that we should proceed with the purchase and deployment of the MX missile; and the President now has the commitment he sought to use it as a bargaining chip in the negotiations with the Soviets at Geneva.

I am not sure that is a strong bargaining chip, but I still say it is of some value, I would think, when you sit down across the table from the Soviet Union to say "We are proceeding to build this missile."

I think it is a bad investment, because I do not believe it is worth from $25 billion to $40 billion worth of bargaining power, but at least it is a bargaining chip of some value, even though I think it is of very little value.

I am very fearful, though, that many of those who voted yesterday for the authorization—and the same Senators essentially will vote today for the appropriation now—are going to start dancing around the bush once again to explain to the folks back home that they really ain't for the MX after all.

I suspect that you are going to see all kinds of proposals coming out after this vote today along the lines where several Senators who voted for the authorization yesterday said, "But I am not going to do this about next year's authorization."

You know, I just wish somewhere, somehow, someplace, we could have the courage to stand up on the floor of the Senate and say, "I am for," or, "I am against," rather than trying to submanage the program from the floor of the Senate.

The key decision was made yesterday and that will be approved today, I am sure, with approval of the money to finance the project, but there are some proposals now, Mr. President, about that after we have given the President a great victory that he accepted last night in his usual graceful manner, and he will get the victory that he seeks in the House of Representatives, but after that 2 weeks from now or thereabouts when we take this matter up in the Armed Services Committee, on which I serve, and make a recommendation for authorization, for the 1986 authorization for MX, I hear all kinds of signals that many people are going to say that is the time to start cutting the MX. Some even have gone so far, Mr. President, to suggest that rather than the 100 eventual deployment by 1990 that the President is assuming and that the world is assuming and that the Soviet Union is assuming, somehow we are going to cut that in half.

What would we look like? I ask what would we look like, then, Mr. President, if 2 weeks after the President was given a great victory and marches off to Geneva with the MX in hand for a bargaining chip for the U.S. Senate to less than a month later cut the whole thing in half?

It seems to me that those are some of the strategic negotiating things that we have to talk about.

So myself and others who have grave difficulties with this program do not want to take away whatever the bargaining chip is worth that the President has in Geneva.

So I thought the Senate might be interested to know that some of us are now carrying on some talks, some negotiations as to what kind of an ex-

tended outyears authorization and appropriation should be recommended by the Senate with a chance to have a look at this program each and every year without doing great harm and great disservice to the bargaining chip that the President won with 55 votes in this body yesterday.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from Florida.

Mr. CHILES. Mr. President, I know the Senator from Tennessee wishes to speak on this question, and I trust that he is going to be here very shortly so he will have opportunity to speak.

Mr. President, he is the only other person that I know of on our side who wishes to speak. So maybe we will be yielding back some time and get to the vote in just a few minutes.

While I am waiting a minute to hear from the Senator from Tennessee, I listened with interest to the remarks of the Senator from Ohio, the Senator from Nebraska, and the Senator from Arkansas, and I think they have again set forth the case that everything that we are looking at, what the Soviets are doing, whether it is the 24 or the 25 or 22 or SS-16, all of those are either mobile or have the capability of being made mobile, and so all of the assets that we see our enemy putting forth are moving toward mobility, something we will have a difficult time targeting. Yet we are now talking about committing these billions of dollars to put a missile into a fixed silo that is vulenerable. So not only do they already know where our silos are, they are already targeted. Now we are going to put this tremendously expensive weapon and a very dangerous weapon—and it has to be viewed as very dangerous by the Soviet Union—with the 10 MIRV warheads, in the same silo.

I am reminded a little bit of a debate that took place in the early part of this century on the cavalry. I think it is kind of interesting that the cavalry was considered out of date by the early 1900's.

The lessons of the Boer War in 1898–1901 and the Russo-Japanese War in 1902–4 reinforced this.

But the U.S. Cavalry made some big changes. They made some basic changes. They started charging with a .45 in their hands rather than a lance and a saber.

And they were still arguing as late as 1939 that the cavalry should be maintained, even after World War I.

In World War I the cavalry that was used was decimated because they were fighting in trench warfare. They were fighting against automatic weapons. When people attempted to use the cavalry, they were decimated.

We remember Poland still had the cavalry when they were invaded by Russia and Germany, and, of course, those people had no chance whatsoever in trying to stop a tank or a dive bomber with cavalry.

Yet, it is interesting to see that in 1939, the chief of the U.S. Cavalry was expounding the virtues of the horse before appropriations committees in Congress, and he was saying, "Both Poland and Russia are maintaining great masses of horse cavalry and even France on the western front is maintaining a larger percentage of horse cavalry than we are."

In other words, if the other people have them, we have to have them.

So the Russians have some missiles in fixed silos. Because they already have some, although they are not spending any money for those and they are now putting all their money into the new mobile missiles, we have to go back and have a "cavalry" missile. But we have to put one in the ground because they did.

That chief of the cavalry would do well arguing before us today. He sounds like some of the people who argue before us. The chief said:

> The man on his horse has greater "fluidity and flexibility" than competing systems.

He said:

> Mechanized cavalry is going to be chained largely to the roads.

But he said a horse can go places different than that.

This, I thought, was one of the best arguments he made:

> The reason that the cavalry had difficulty in World War I is because they fought trench fixed-piece battles.

So, he said:

> We are seeing a change in battle tactics now and we are not going to have to fight against trenches and fixed pieces. We are going to get a change in tactics. We are talking to countries all over the world about this. They say let us change the tactics, so the cavalry can come back again.

That sounds a little bit, Mr. President, like the proposition we are talking about. We are going to change the tactics so we can go ahead and put these in Minuteman silos. What is the change in tactics we are talking about?

The change of tactics is very simple. To save this weapon you are going to have to shoot it. That is the only way it is going to have any validity. We are going to change our tactics to launch on warning. We will not wait until we are under attack. We will not wait to see whether it is really a flock of geese or not. We will just go ahead and be prepared to launch on warning.

Of course, the only way we can really utilize this very expensive weapon with these 10 warheads is to shoot it. And, of course, that might give some people some qualms, given the fact that we have had some warnings already when something like a flock of geese flew by some of the radar systems, but we sound a little bit like that chief of cavalry:

> The American "horse industry" is far ahead of those of other nations, hence we must take advantage of our natural asset.
>
> "We are particularly fortunate," the Chief concluded his presentation in March 1940 before the Subcommittee, "in having great resources both in horses and motors. There are more than 10,000,000 horses in this country . . . Therefore we should not mistakenly ape the example of European nations . . . whose resources in animals and forage are such as to further restrict their use of the horse. Ours is an American problem."

Well, in spite of all of these things, the U.S. Horse Cavalry survived until 1951 and the last mule was decommissioned in 1956.

I did see some interest in talking about now putting some cavalry or some mules back. I guess nothing goes out of style.

But it seems to me that we ought to be talking about a modern missile, one that would meet the test of merit. That would make a lot more sense than to move back to the age of cavalry and put this thing in a fixed hole.

Mr. President, I yield such time to the distinguished Senator from Tennessee as he might use.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. I thank my friend from Florida.

Mr. President, today we are asked to vote once again on the question of the funding for the production and deployment of 21 MX missiles.

The question of whether to fund the production of these weapons should be considered on the basis of several factors. A number of questions must be answered.

Does the deployment of the MX add to the capability of our strategic nuclear forces to deter enemy attack?

Is the MX housed in a survivable basing mode? Can it do what it is supposed to do?

Are there more effective alternatives to the MX that would have a higher deterence value than the MX?

Does the deployment of the MX result in any fundamental change in our basic tactical nuclear policy of avoiding a first strike or launch on warning policy?

Is the deployment of the MX a solid bargaining chip in the current arms control negotiations in Geneva?

These are the questions that must be asked with regard to the deployment of the MX. The answers to these questions should determine whether the weapon should be funded or not.

Support or opposition to this missile should not be based on political or partisan grounds.

The issue of providing a strong and stable system of national security is the most fundamental responsibility of the National Government. Honest and free debate, free of partisan rhetoric and devoid of political gamesmanship, on national security issues must

be the order of the day. The American people expect no less and I hope they get no less.

Mr. President, I have for the past several years, especially from my service on the Senate Appropriations Committee, studied the question of whether the MX missile enhances our national security. In doing so, I have carefully reviewed the military, fiscal, and foreign policy ramifications of the deployment of this weapon.

Based on my careful assessment of the MX, I have concluded that we should not fund the production and deployment of 21 MX missiles.

Let me briefly give the reasons for this conclusion.

First and foremost, it does not enhance our security to deploy the MX in a vulnerable basing mode.

I did support funding for the research and development of the MX missile. I supported deployment of the MX when the previous administration recommended placing it in multiple protective shelters—a relatively secure basing mode which complicated Soviet military planning and enhanced the strategic value and enhanced the survivability of the MX.

But the current administration and the Scowcroft Commission has recommended deployment of the MX in old, vulnerable, minuteman silos, which we are told and do believe have been targeted by the Soviets for at least a decade.

So we have a powerful, highly accurate missile with tremendous deterence value placed in a truly vulnerable basing mode—a mode that negates the strategic and deterrent value of this expensive and sophisticated missile.

There is no dispute among my colleagues and among those knowledgeable of these matters that the Soviet Union has targeted these existing Minuteman silos years ago. And with recent improvements in the accuracy of Soviet missiles, combined with the throw weight of their ICBM's, there is every indication that less than 10 percent of the MX's could survive a Soviet strike. They simply could not ride out a Soviet strike in these existing silos without losing 90 to 95 percent of the MX's themselves.

Indeed, defense expert William Kaufman, in a recent Brookings Institution analysis, suggests that if all 100 MX missiles were deployed and the subject of a Soviet strike, only about 5 missiles with 50 war heads might survive such a strike.

Some have suggested superhardening MX sites. It is estimated, however, that such superhardening would cost in the vicinity of $18 billion, and I still do not guarantee that the MX would be invulnerable to a Soviet nuclear exchange.

So the answer to whether the MX improves our strategic nuclear capability must be no.

A good missile—indeed even a superb missile—in a vulnerable basing mode does not enhance our national Security. Indeed, it diminishes our national security by being and inviting a vulnerable target to a preemptive strike.

Consider if you will the perspective of the Soviet military planner. The fact is that the MX in the old Minuteman silos provides him with a very tempting target. The MX, with 10 warheads each, replaces the Minuteman, with 3 warheads each, Defense experts agree that the Soviets could knock out one 10-warhead MX in a Minuteman silo with just two of their warheads. Undoubtedly, MX silos would be the first targeted by Soviet military planners for destruction.

Thus, the MX does not improve the strategic military posture of this country. Indeed, by creating a more tempting target for the Soviets, our military strength and security may actually be diminished.

But even more importantly, the vulnerability of the MX moves us to a new strategic doctrine for the use of nuclear weapons—a new doctrine that increases rather than reduces the chance of nuclear holocaust.

Based in a vulnerable silo, an MX cannot destroy Soviet, land-based missiles unless it is launched before it is attacked and destroyed, because it cannot ride out the attack in the old Minuteman silo.

We cannot wait out a Soviet strike with the MX. The MX will have to be launched on warning. This, as I have noted in previous debates on the MX, a fundamental shift in our strategic nuclear policy takes place. Future American Presidents will be forced to decide with only 15 minutes to spare whether to launch MX on warning before the President can accurately assess the nature and duration of the Soviet attack. This President and this Congress should not condemn future Presidents to such a hair trigger nuclear policy.

Mr. President, no one likes the doctrine of mutual assured destruction. And certainly those who characterize this poiicy as mad may be correct. No one really likes the equilibrium of terror on which current nuclear policy is based. But our current nuclear policy is that we will not launch a preemptive nuclear strike against the Soviet Union. Our current policy is that we will not follow a policy of launch on warning. Rather, we will have a strong and stable deterrent that will survive a nuclear strike. Then and only then will we unleash our nuclear weapons in retaliation.

This is a sane and sensible deterrent policy, but I fear the MX moves us away from that policy. The vulnerability of the missile means that we will have to use the weapon or lose the weapon. And because of this fact, we are indirectly but fundamentally changing our policy on the use of nuclear arms in I submit a wrongheaded way.

The next question is: Are there sound alternatives to the MX? Can we maintain a sound nuclear deterrent if we do not move to the MX? I submit, Mr. President, the answer is in the affirmative. If it is improved accuracy we seek in strategic arms, we are moving rapidly in that direction.

The Congress has consistently supported the development, and deployment of the D–5 Trident II submarine-launched ballistic missile system. We are told by those knowledgeable that the D–5 will provide this Nation with hard target kill capability necessary to overcome Soviet ICBM advances. The D–5 will begin deployment in 1989, only 3 years after MX begins deployment, but more importantly the D–5 will be deployed in a secure, invulnerable basing mode in board Trident submarines.

In addition, the administration could improve the accuracy of our land-based force by placing the airs guidance system on our Minuteman III's at a fraction of the cost of the MX. And we have made other notable improvements to our strategic arsenal over the years. We have not stood still while the Soviets were advancing as some would have us believe. We have modernized the B–52 but most importantly, we have equipped this old airplane with modern air-launched cruise missiles. We are funding construction of 100 B–1 bombers which can also be equipped with air-launched cruise missiles. We have embarked on the construction of some 20 new Trident submarines. We are devoting some significant funds to the Trident II D–5 missile and Stealth bomber program. We are deploying sea-launched cruise missiles. We are updating and modernizing our command, control, and communications system to provide for greater survivability in a nuclear attack. We are providing research and design moneys for the mobile smaller intercontinental ballistic missile which will be the wave of the future.

And I say, Mr. President, that I have supported all of these programs with my vote here on the floor of the U.S. Senate and in the Appropriations Committee, and all of these programs do what the strategic planners and the Scowcroft Commission said should be done to the U.S. arsenal. It moves it away from fixed targets to mobile targets that can be dispersed upon attack and which are relatively invulnerable. At the same time advancing technology means that our strategic system contains greater and greater number of hard-target-capable warheads. The D–5 system is a hard-target-capable system and will be based in a system that is immune from attack.

So all of these system give us what the MX gives us, but without the inherent flaws in the MX missile; namely, vulnerability and the initiation for the first time of a launch-under-warning doctrine. In a totality, then, MX contributes little if anything to our strategic posture. In fact, as we debate it today, it is obsolescent.

The example of our adversaries, the Soviets, prove this. The Soviets are moving towards mobile systems as well as single-warhead mobile systems, and we should be doing the same, and are but not with the MX unless we are prepared to change the basing mode of this missile.

Finally, Mr. President, we hear the argument that the MX is an essential bargaining chip in the Geneva arms control talks. We are told keep the pressure on with the MX and we will ultimately have genuine arms control progress. I wish that I could agree with this argument. And apparently the administration does not agree with its own argument on occasion.

Paul Nitze, our distinguished chief arms negotiator, the other day said the MX was not a bargaining chip at Geneva.

And Secretary Weinberger, the other day before the Defense Subcommittee testified that the "MX is not a bargaining chip," so even on a diplomatic front, the MX falls short, Mr. President.

Mr. President, administration officials have suggested that this Nation is inferior to the Soviet Union in strategic nuclear weapons. The fact is that both the United States and the Soviet Union have approximately the same number of strategic warheads—about 8,000. If only a fraction of our 8,000 warheads were to reach their targets in the Soviet Union, as indeed they would, Soviet society would be destroyed for all time.

Indeed, the human race would probably be expunged from this planet by the long nuclear winter the scientists say will follow a nuclear exchange.

For this Nation is not inferior to the Soviet Union—not as long as we possess the capability to destroy that nation, its military targets, and, indeed, horror of horrors, its population in a nuclear war.

We have had that capability for 30 years; we have that capability today; and we will continue to have that capability unless and until nuclear weapons are eliminated as instruments of war.

Mr. President, the administration has suggested that this Nation has stood still in the face of Soviet modernization. True enough, the Soviets have been modernizing in the last several years in an effort to close the wide gap with the United States and reduce their inferiority vis-a-vis U.S. strategic weapons. They have made progress in that regard. Of that, there is no doubt.

But, contrary to administration statements, this Nation has not stood still. We, too, have been modernizing. I have consistently supported those modernizations—the B-1 bomber, which I supported; the Trident submarine, which I voted for; the cruise missiles, which I have spoken in favor of on this floor, and the improvements in our command and control capabilities.

Mr. President, I urge my colleagues and the American people not to think that we have a window of vulnerability with regard to our nuclear arms. This Nation is strong in strategic nuclear armaments, and the President is already entering the Geneva talks from a position of strength. Were we not, I doubt that those talks would be taking place.

In conclusion, Mr. President, I must cast a vote against funding the production and deployment of 21 MX missiles.

The MX missile in its present basing mode diminishes rather than adds to our national security.

There are other, more effective, ways of improving our nuclear deterrent; namely, through production and deployment of the D-5 and a mobile ICBM force. These nuclear weapons enhance our nuclear deterrence by the relative invulnerability of their basing mode.

Deployment of the MX missile would fundamentally change our policy with regard to the use of nuclear weapons. We would most surely move to a launch on warning policy to safeguard these MX's, and perhaps edge imperceptibly toward acceptance of a policy of preemptive use of nuclear weapons.

The MX does not strengthen our hand at Geneva. Our current nuclear arsenal, along with the planned modernizations that I have mentioned, make us the most formidable nuclear power in the world. The Soviets know that. That is their true incentive to negotiate in Geneva, not the fear of deployment of an obsolete missile in the vulnerable basing mode.

In short, the MX missile cannot pass muster on a variety of fronts.

It is a weapon that time has passed by in the old basing of the old, vulnerable Minuteman silos.

It is a missile, not without a mission, but a missile with a flawed mission, and its flaws, whether it be in terms of protecting our national security, or in terms of dollars and cents, or in terms of sticking to a policy of using nuclear arms only as a last resort, are serious.

They are so serious that I must, in good conscience, vote against this weapon which does not enhance our national security.

Mr. President, I thank the distinguished Senator from Florida for yielding me this time.

Mr. CHILES. I thank the Senator from Tennessee.

Mr. President, I yield 5 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. HART. Mr. President, I thank the Senator from Florida.

Mr. President, first of all, I would like to associate myself with the remarks of the Senator from Tennessee. His position on the MX consistently has been thoughtful and most logical. His statement here today follows statements of like sort which have been made in the past and they have exactly the arguments against the MX in logical form.

Those who may be observing this debate, who understand the importance of the issue, may wonder where our colleagues are as we approach the second vote in 24 hours. Most of them have clearly made up their minds. Those votes were recorded yesterday and without doubt few, if any, will change their minds in this 24-hour period. Certainly not by virtue of the speeches given here.

The question then remains, why give speeches?

The Senate is, of course, an institution of record. What is said and done here is recorded for posterity. Those of us who feel strongly on this issue, and I am one, could not, therefore, let this opportunity pass without one more brief statement as to the reasons why this is such a great mistake.

Mr. President, I think history will show that the approval and continued production and imminent deployment of the MX is among the greatest mistakes this country has made, certainly in the decade since I have had the honor of serving in the Senate. It may take years, it may take longer than years, for that fact to become known. But it is indeed one more step in a march of folly. It does, as the Senator from Tennessee says, make this country more vulnerable and less secure, and that, after all, is the acid test.

Mr. President, in a word, the MX missile put in silos makes no sense. It is an illogical and dangerous weapon. Most Members of the Senate know that. They know there is no internal logic which supports approval of this system. Indeed, many career senior military officers know that, and if they were free to express their own opinion, as some will do privately, across the river at the Pentagon, they would admit to the American people that building this missile and putting it in silos which we know are vulnerable makes no sense whatsoever. Indeed, it draws us closer to war.

Why is the MX important? Once again, Mr. President, it is the largest nuclear weapon system this country has ever built. It is the most accurate nuclear weapon system this country

has ever built. It is the most powerful nuclear weapon system in terms of its total destructive capability that this Nation has ever built. But most importantly it is the first nuclear weapon system this country had ever built and put in a place we knew the Soviet Union could target with a high degree of accuracy.

Why is this being done? I think that question must be directed at the President of the United States who has made this fateful and I think very, very dangerous decision. Only history can judge which of us are right, whether it is in fact the President and those who support him or those of us who believe and have believed since April 1983 that this was a terribly wrong and dangerous decision for this Nation.

I would hope in the coming weeks, as the Senate resumes this debate on whether to go forward with yet another 48 of these missiles, that the American people would be heard from because I am absolutely convinced that the American people do not believe, based upon their own good judgment and common sense, that the MX missile system makes any sense or enhances this Nation's security. I hope the American people will let their views be known, because if they do, I think the outcome of the next vote on the MX in the Senate will be totally different and will be in the interest of the security of the United States.

Mr. President, if we go forward again today, as I assume we will, and vote for funds for the MX missile for fiscal year 1985, it will prove to be one of the greatest mistakes the Senate has made in the 20th century.

I yield back the remainder of my time.

Mr. STEVENS. Mr. President, I yield myself such time as I may require.

I have found interesting the comments that have been made concerning this missile system. We have voted in the Senate some 29 times over a period of approximately 11 years. I have here a listing of those votes and the people who voted on them. It would be very interesting for the public to see who voted back in the days when they were starting this program, the people who voted for the $13 billion that was spent on the research, development, and introduction of this missile system.

Many have now criticized this President for continuing the program. Yet, during the time that we have debated as to whether to modernize this system and how to deploy it, the Soviets have built 600 new ICBM's and deployed them, each of which is as capable as this MX. We are about to put these 100 MX's into the silos that contained the Minuteman III. That is 100—not the 200 that President Carter wanted, but 100 of them.

We have heard people talk about this missile system and describe it. The interesting thing is that during this time while we have been debating and voting, the Soviets proceeded.

There was no debate in the Soviet system that I read of about their deployment, whether it was in the best interest of the world or whether it was destabilizing. I do not remember hearing a discussion by the Soviets concerning the survivability of their weapons systems. Nor do I remember anyone telling us about a debate on the reliability of their systems or what the reaction of this country would be to their continued deployment of those systems.

Yet the strange thing is that they have returned to the bargaining table in Geneva and we are now engaged in a negotiation on not just strategic weapons, but the strategic weapons, the intermediate nuclear force weapons and space defense weapons and concepts. We have embarked on these negotiations with the stated purpose of achieving, if at all possible, agreement to bring about radical reductions in the nuclear strength of both sides and reducing, for the first time, nuclear weapons, not just attempting to limit their future growth.

I am reminded of the comment that our former colleague from Texas, Senator Tower, made when he told me of his discussion with one of the Soviet negotiators in days gone by, when he asked if the United States would stop building the MX, would the Soviets be willing to take that into account at the bargaining table? The Soviets responded to him and said the Soviets were neither pacifists nor philanthropists.

This system is part of that negotiation and it is part of that negotiation because of the continuum now—some 11 or 12 years of the review of this system. I remember the distinguished Senator from Mississippi, the battles he had in the early days to get this system going. Then the main battle was about deployment—was it correct that we should deploy this in the desert. Then it was temporarily set aside, the whole concept of deployment. But we still kept up the research and development, with the idea that we would persist in improving and modernizing our deterrent should the Russians persist and not agree to reduce these armaments.

Mr. President, these missiles are going in the same silos that the Minuteman III's are in. Their average age is more than 15 years. To me, those who suggest abandoning now the continued purchase of this weapons system are like a person who would decide to buy a new car and put down two-thirds on it and decide not to accept delivery on it—not because of cost and not because of reliability, not because of anything other than a question of whether it would be destabilizing. If it really comes across this aisle to me, the real question is, Is the MX destabilizing?

On the other hand, they say it may be vulnerable. Well, the Minuteman III is also vulnerable. We are not changing that situation by this deployment; there is no question about that.

But make no mistake about it, Mr. President: If we do not succeed in getting an agreement, we will harden this one. We will improve the deployment of this and we will harden it. We will be forced to do it. We will be forced into a concept of increased expenditures if we do not get an agreement. And we could not make up the time with this missile or any other system if we set it aside now and sent the wrong message to the negotiators.

I believe that we have done the right thing in the past, Mr. President. It is an interesting thing, this democracy of ours, that we can take 11 years to debate whether we can build one weapons system when the Russians have built so many systems in the same time. Only this week has it been finally declassified that the Russians will have the rail-mobile SS-X-24, which will, for the first time, as I pointed out in the Appropriations Committee, have the capability of carrying the ICBM to the Pacific Coast in Russia.

When we first started negotiations with the Russians over strategic missiles, the definition of the ICBM was a missile that could go further than the distance between Murmansk and Maine. That was the reason all their missiles were in Western Russia. And we were only concerned with a missile and said it was capable of intercontinental ballistic missile flight if it could go further than that distance. When they start with these railmobile systems, they will be able to bring missiles of lesser capability than the old ICBM's in terms of the distances they will be capable of traveling and they will be intercontinental in our sense by being fired from their Soviet east coast to our west coast and into the heartland of the United States, a much shorter distance.

I tell you, Mr. President, and I think the Senate should know, those of us who keep track of the defensive systems of the Soviet Union and the offensive systems of that great nation know how much they have modernized their force in the time that we have been debating.

I say it is time to get on with it, Mr. President. It is time for the 30th vote. I do not know why we have to vote time and time again as to whether to continue a system that we have already spent $13 billion of the taxpayers' money on. It will actually cost less to finish this system than it would to do any of the things that have been suggested by those who oppose it now.

There is no alternative, in my mind, but to continue it, although I state again for the Senate, I think most of us who do support this missile pray to God that we will be able to obtain an agreement to bring about a radical reduction in nuclear armaments.

THE SENATE'S RESPONSIBLE VOTE TO APPROPRIATE FUNDS FOR MX

Mr. DOLE. Mr. President, shortly the Senate will be called upon to fulfill its last responsibility in unfencing fiscal year 1985 funds needed to continue production of the MX missile.

The Senate's affirmative votes on this resolution will begin to rectify the force imbalances that exist between the Soviet Union and ourselves. Continued deployment of MX will make the Soviets cognizant that they no longer have a monopoly in this area and that they must be aware of and take into account this balancing factor.

In short, only if the advantage the Soviets now enjoy in prompt hard-target kill capability can be reduced substantially, will the Soviets have any reason to negotiate reduction in the very systems that give them such an advantage.

While the vote on MX is crucial, it should be kept in the total context of arms control. The military value of this weapon is crucial for the United States to acquire and that is precisely why it will be a useful tool in Geneva.

THE SENATE MAKES TOUGH DECISIONS

These last 3 days have been difficult ones for Members of the Senate. We have had to make tough choices accompanied by tough votes.

Both sides have been equally articulate in stating their respective views. While we have disagreed upon the merits of this particular weapon system, we have not disagreed upon the importance of achieving a verifiable and balanced arms control agreement with the Soviets—for that is crucial.

However, I do want to thank the distinguished chairman of the Senate Armed Services Committee, Senator GOLDWATER and Senator WARNER for managing this bill. They brought to this debate the background and knowledge that only true students of United States-Soviet nuclear arms policy could offer. Also, the distinguished Senator from Colorado, Mr. HART, and others that spoke in opposition should be commended for articulately stating their arguments against the MX. They raised important concerns—ones that needed to be viewed and undoubtedly will be expressed again when we tackle the administration's MX request for fiscal year 1986.

However, this vote, as did yesterday's, demonstrated our commitment to carry through with the modernization of our strategic forces to avoid undercutting our negotiators, just as they begin the quest for real reductions in nuclear arms. These votes should communicate U.S. determination to shape a nuclear arms policy that is equitable in the hopes of escaping our current dilemma of strategic stalemate and the penalties of our failure to move away from an either/or debate over nuclear weapons and arms control.

Thank you Mr. President.

Mr. PRYOR. Mr. President, I voted against releasing the funding for production of the second 21 MX missiles because I don't believe they will provide any more security for this country and because I think this funding would be better spent on weapons that will.

First, the MX is vulnerable. The most optimistic estimates indicate that the Soviets will be able to destroy 90 percent of our MX force in the Minuteman silos, where they will be based. The Soviets already have our Minuteman silos in their gunsights. Why offer this new, expensive system as a sacrifice? On October 5, 1981, Caspar Weinberger, the Secretary of Defense, said: "We have examined literally hundreds of possible options. We have reached the conclusion that there isn't any ground-based system that is survivable."

Second, the MX is destabilizing. If 90 percent of our missiles would be destroyed in a Soviet attack, then we have three options: Let them be destroyed; use them as a first-strike force. (This is abhorrent to everything we believe in, but the Soviets see it as a real threat.) An alert of incoming Soviet missiles could result in a "launch-on-warning" so that our missiles would be airborne by the time the Soviet missiles struck. (The problem with this option is that in recent years there have been dozens of false alarms of Soviet attack. Under launch-on-warning, we could launch those MX's as a catastrophic nuclear mistake.)

Third, we have a staggering array of stratetic nuclear weapons even without the MX, including the Minuteman III with its new, highly accurate Mark 12A warheads, the Trident submarine system, and long-range bombers equipped with cruise missiles which are far superior to those the Soviets possess. In addition, we will soon deploy a new generation of strategic weapons including the B-1 bomber, the Stealth bomber, the Trident II missile [D-5], the advanced cruise missile, command/control/communications improvements, and the Midgetman mobile missile. From 1984-89 we will spend over $400 billion on these new systems. The D-5, in particular, is an extremely promising weapon. Delivered from the constantly moving Trident submarine, it would be far less vulnerable than the MX, especially since the Soviet antisubmarine warfare capability lags behind our technology. The D-5 is expected to be very close to the MX in accuracy, with a hard target kill capability. Moreover, it could be fired from a land-based silo as well as the Trident submarine if policymakers decide that is desirable. It would certainly make economic sense to maintain one production line for both a land- and sea-based missile.

Fourth, under certain circumstances, the MX may actually reduce our strategic power. This administration has proposed a ceiling of 5,000 warheads as its START package. If we intend to abide by this limit and if 100 MX's are deployed, then we will have to dismantle some of our less vulnerable submarine-based missiles in favor of the vulnerable MX.

Fifth, I do not believe that the MX is an effective bargaining chip. In the first place, the President says it is not a bargaining chip. Second, the Soviets have not seemed particularly concerned with it; the Strategic Defense Initiative concerns them far more. It is worth noting that the Soviets left the bargaining table after we agreed to the Scowcroft recommendation of 100 MX missiles and returned to the table after we froze funding for the second batch of missiles. Finally, if there is any question about U.S. "resolve" in the strategic realm, we can point to the upgraded Minuteman III's, our land-, sea- and air-based cruise missiles, the B-1, The Stealth bomber, the advanced cruise missile, the D-5, and the Midgetman. Our total strategic warheads outnumber the Soviets' by roughly 11,400 to 8,300. Although the Soviets have more land-based missiles than we do, we have 10 times as many warheads hidden at sea.

In his Fiscal Year 1983 Annual Defense Report to the Congress, Secretary of Defense Weinberger stated,

> Nuclear weapons systems will not be funded merely to make our forces mirror Soviet forces according to some superficial tally of missiles or aircraft deployed in peacetime. Obtaining a facade of symmetry between United States and Soviet forces in terms of such simplistic counts is not a requirement for which I would allocate scarce defense dollars. Instead, our goal will be to gain and maintain a nuclear deterrent force which provides us an adequate margin of safety with emphasis on enduring survivability.

I agree with the Secretary's prescription and see no reason to add these vulnerable land-based missiles at this time.

Mr. McCONNELL. Mr. President, 10 years ago, when I was working at the Department of Justice in Washington, research began on the MX missile. Since working in the Ford administration, I've practiced law, been a county judge, had three children and been elected to the Senate; and Congress is still debating the merits of production and deployment of the MX.

Twice in the last 2 days, I've cast my vote to authorize and appropriate

funds for the production of 21 more MX missiles. Mine was 1 of 55 votes which supported going forward with production. Now that it has passed the Senate, the fate of the program lies with the House of Representatives.

My decision to support the MX resulted from my consideration of the President's report to Congress, classified and unclassified briefings, the views of my constituents and colleagues and the weight of evidence that has been developed over time, particularly the concerns expressed by the Scowcroft Commission.

Although four Presidents and six Congresses endorsed the MX program, President Reagan assembled a bipartisan panel known as the Scowcroft Commission to review U.S. strategic modernization programs with particular emphasis on ICBM forces. In 1983 the Scowcroft Commission recommended an integrated strategic program with three elements including:

One, prompt deployment of 100 MX missiles in Minuteman silos;

Two, the development of a small, single warhead ICBM with research on basing options which may enhance survivability; and

Three, an arms control structure which emphasizes the enhancement of strategic stability.

Some advocates of the MX program isolate the first element and argue statistics in its support, such as the United States has not increased its land based ballistic missile capability since 1967 while the Soviets have already deployed over 600 missiles comparable to the MX with preparations underway for deployment of two new types of ICBM's.

I would agree with the Scowcroft Commission that we should "focus less on aggregate numbers and more on overall strategic stability." I believe the MX, in conjuction with the other elements of the triad, strengthens stability by demonstrating our commitment to offsetting current Soviet counterforce advantages. Again as the Commission concluded, "* * * to pursue successfully a policy of deterrence and verifiable, stabilizing arms control we must have a strong and militarily effective nuclear deterrent." MX contributes to deterrence and stability; stability is a means to an end; the end to the arms race must be reached in arms control negotiations.

It is this important role MX plays in arms control negotiations that persuaded me to support the President and support the MX.

MX IS NOT A PEACEKEEPER

Mr. LAUTENBERG. Mr. President, I rise in opposition to the resolution before us today to release $1.5 billion in funds for the production of an additional 21 MX missiles.

For the past few weeks, we have seen a concerted, carefully orchestrated effort by the President, the Secretary of Defense, and others in the administration to secure congressional approval of further MX missile production—the 21 missiles sought today and another 48 missiles requested in the fiscal year 1986 budget. This is on top of the funding for 21 MX missiles already approved by the Congress.

Ironically, the President is using the resumption of arms control talks in Geneva to buttress his request for congressional release of these funds. He is arguing that if we do not agree to spend this money now, we will undermine the prospects for an arms control agreement by denying him a so-called bargaining chip.

Mr. President, this is the height of cynicism. And it is dead wrong.

We do not improve the prospects for arms control and arms reduction by constructing a new, destabilizing weapons system.

Nor do we deny the President a "bargaining chip" by halting MX missile production.

The fact is, we are debating the same questions today that have surrounded the MX for years: Is it an effective weapon? Is it necessary? Is it destabilizing? Does it increase our national security? Could the money be put to better use?

Mr. President, I continue to feel that the MX is a vulnerable, destabilizing weapon which will not enhance our national security. Further, at a cost of upward of $26 billion, I fear it will drain desperately needed funds away from conventional military force needs.

Mr. President, the MX was first designed as a mobile missile, to replace existing ICBM's which are based in concrete silos. The MX is more accurate than the Minutemen it will replace, has a longer range, and is armed with independently targeted warheads. However, its main advantage over our existing land-based missile systems stemmed from its mobility. This was meant to protect our land base missile force against Soviet attack. As with our air- and sea-based missiles, the Soviets would not know where our MX missiles were based, and would not be able to strike at them.

Once the mobile basing system was discarded, Mr. President, the MX missile program lost much of its rationale. The fact is, the MX will be deployed in silos that cannot be protected from attack. This vulnerability erodes the original justification for the MX. It also accounts for the widespread concern that the MX is an extremely destabilizing weapon.

Mr. President, the MX would put both ourselves and the Russians on a nuclear hair trigger. The MX is a weapon of questionable strategic value because of its vulnerability. The Russians already have targeted the silos into which the MX will go. Current analysis suggests that by the early 1990's, only 1 to 2 percent of the 100 MX missiles proposed would survive a Soviet attack.

Thus, Mr. President, the MX is not a convincing deterrent to the Soviets, because it is so vulnerable. Yet, in a time of crisis, it is the kind of weapon that could invite each side to move toward a first strike. The United States could be tempted to a first strike in a crisis, because the vulnerability of the MX suggests it is a missile that should be launched on warning if it is to be used. This, in turn, could incite a Soviet first strike. In a crisis, the Soviets could decide to strike first themselves, to protect against an MX attack.

Thus, Mr. President, when the MX is evaluated on its own merits I do not think it enhances our security. Its rationale as a survivable, land-based component of our nuclear arsenal was destroyed when the administration decided to put it into fixed silos.

Now, Mr. President, if we are not convinced that the MX makes sense as an addition to our force structure, than the President's argument that it is an important bargaining chip at Geneva makes no sense.

If we cannot convince ourselves that the MX has an important role to play in our mix of land-, air- and sea-based strategic weapons system, it is unlikely that the Russians will be affected by a decision not to release the moneys under debate here today. And, in fact, Mr. President, the Soviets appear more concerned with other strategic weapons under development in the United States than the MX. It is the combination of survivability and accuracy that characterizes new strategic weapons that worry the Russians.

Mr. President, the United States is moving on a number of fronts to modernize its arsenal of strategic weapons. Trident submarine launched ballistic missiles, the B–1B and Stealth bombers, Pershing II and cruise missiles deployed in Europe, sea-launched missiles, and the smaller, mobile Minuteman ICBM, are under development as part of an unprecedented military buildup by the United States. The MX must be evaluated in this context. When this is done, the arguments against the MX are compelling to this Senator.

My last thought in this regard, Mr. President, is the imbalance that unwarranted expenditures can bring to our defense budget. The 100 MX missiles the President wants would cost upward of $26 billion. That is $26 billion that I do not believe will add to our Nation's security. This means less funding for our conventional forces. Funding that could be used for better training of our forces. For ammunition and conventional weapons. For better maintenance of our equipment. For in-

vestments in our conventional forces to assure effective combat readiness.

Mr. President, I maintain there is no compelling reason for the Senate to vote to release these funds today.

Mr. President, the Congress will not "kill" the MX missile by refusing to approve this money at this time. The Congress has already approved funding for 21 MX missiles. They are currently under production. The General Accounting Office, the nonpartisan, congressional watchdog, in a recent report, indicates that as of January, the Pentagon had spent less than $150 million—less than 5 percent—of the $3 billion available to the MX program. Not 1 of the 21 MX missiles already funded has come off the production line. The Pentagon itself admits that additional operational testing is needed on the missile. The Pentagon has its work cut out for it on this program, and they have plenty of funds available to continue the program without a new infusion right now.

In closing, Mr. President, I urge the Senate to defeat this resolution today. The MX missile is a missile without a realistic basing plan. It does not strengthen our deterrent posture. Nor does it add to the survivability of our land-based missile force. It is destabilizing and would have both sides—the Russians and ourselves—on a nuclear hair trigger.

Mr. President, our Nation must maintain a defense capable of protecting our national security and serving our national interests. To do this, I believe the President must reorder his priorities and eliminate spending for those systems which do not add to our security, but could endanger it.

He should start with the MX.

Mr. RIEGLE. Mr. President, my opposition to the MX missile is a longstanding one. The many valid reasons for defeating the MX are compelling; the arguments in support of the MX are weak and fail the test of logic.

I believe congressional approval of the MX will be a costly mistake—both in budgetary terms, and in terms of our national security. That assessment is based on the following facts:

First, the MX is an unnecessary addition to our strategic arsenal. The Scowcroft Commission, in April 1983, confirmed that there is no U.S. "window of vulnerability" in our overall strategic force. Our strategic bombers and submarines already provide a strong deterrent to Soviet attack.

The fact that the Soviets currently have weapons of equal or even greater power than the MX is not reason for the United States to build this missile system, given the fact that our existing retaliatory capability is absolute.

The test of need for a weapon is whether it accomplishes its mission without counterproductive effects, not whether it is the same weapon in the arsenal of one's adversary.

Second, the MX is destabilizing, and will not enhance U.S. national security. The size and accuracy of the MX suggest to the Soviets that its real purpose is to give United States a first strike capability, since the weapon adds little to our retaliatory capability.

Deploying first-strike weapons like the MX will accelerate the arms race and promote instability.

The MX was originally designed to replace the Minuteman missiles because they were said to be vulnerable in their fixed silos. If the silos are responsible for the vulnerability of U.S. land-based forces, then deploying the MX in the same silos does nothing to address the vulnerability issue.

The Congressional Budget Office estimates that by 1990, 1 year after deployment, less than 10 missiles, or 100 warheads, would survive a Soviet first strike. Given this low survivability rate, a Soviet planner must consider that the United States would have to move to a "launch on warning" doctrine. MX becomes a "use-it or lose-it" weapon.

Third, the MX is ineffective. Thirty-six basing systems have been studied for the MX, and all have been found wanting by the Pentagon or Congress. The MX is less effective at what should be its primary function—certain retaliation in the event of a nuclear attack on the United States—than our present mix of missiles on land, at sea, and in the air.

Fourth, the MX is prohibitively expensive. The overall program cost, estimated by the GAO, is $29 billion.

The cost argument may be the weakest one against the MX, since the cost should be borne if the weapon were a necessary one. But the budgetary deficit requires that we choose carefully those weapons truly necessary for our security.

Fifth, the MX will not enhance the U.S. negotiating position in Geneva. Both President Reagan and Secretary Weinberger have explicitly said that they intend to deploy 100 MX missiles in fixed silos, and that MX is not a bargaining chip.

On February 26, 1985, in testimony before the Senate Armed Services Committee, Secretary of State Shultz stated: "These new weapons [MX] are not bargaining chips."

Secretary Weinberger, in May 1983, stated: "Nobody ever suggested that (the MX) was a bargaining chip. It's part of our necessary modernization."

Finally, President Reagan was quoted in Newsweek, March 18, 1985, as saying:

> No, the MX is not a bargaining chip in the sense of we need something to give away. Not at all . . . So here is a weapon that is very definitely needed until and unless we come to a total elimination of weapons.

According to the Congressional Budget Office in its March 1984 report:

> The MX would contribute substantially to U.S. capability, and hence perhaps to U.S. bargaining leverage, only if the Soviets believe that the United States would launch the MX missiles rather than risk their destruction by a first strike—a point the United States has not clarified.
>
> "Moreover, the United States will have underway a substantial modernization program that will mean new systems in all legs of the strategic triad. *The Soviets may find U.S. plans to deploy several thousand hard-target warheads on Trident submarines much more reason to try to negotiate constraints than the deployment of 100 vulnerable MX missiles.* (Emphasis added.)

The bargaining chip argument is only valid so long as the other side values the chip. The most recent expressions of Soviet concern do not even mention the MX. In fact, the Soviets' lack of concern over the MX's value as a bargaining chip is evident in their last START proposal which would have allowed the United States to deploy over 600 MX missiles—six times the number the United States plans to build.

A weapon is valuable as a negotiating chip while it is on the drawing boards, but once it is deployed, it cannot be traded away. Thus, if the administration wants the MX as a bargaining chip, it is in our interest to keep it as a prospective weapon, not an actual one.

In the early 1970's, Congress was told that MIRV technology was an important bargaining chip in the SALT talks. Since then, the United States and U.S.S.R. together have deployed over 14,000 MIRV'd warheads, creating questions about the survivability of land-based missiles.

Similarly, cruise missiles were promoted as a bargaining chip during SALT II. Today, the United States and U.S.S.R. are deploying thousands of them. Since the missiles are small, it is nearly impossible to distinguish whether their warheads are nuclear or conventional. Thus, future arms treaties limiting cruise missiles will be difficult to achieve because of verification problems.

Sixth, the United States already has significant bargaining leverage with the Soviets. Modernization is proceeding in virtually every area of the U.S. arsenal.

Thousands of cruise missiles are being developed and produced for air, land, and sea delivery.

Pershing II and cruise missiles are being deployed in Europe.

B-1 and Stealth bomber programs are well underway.

Trident submarines are being built, the Trident I (C-4) missile deployed on them and retrofitted into older Poseidon subs, with the D-5 missile being developed as a highly accurate follow-on system.

Command and control systems and air defenses are being upgraded.

The strategic defense initiative—a massive space-based missile defense research program—is being undertaken.

As set forth in a Pravda editorial of February 9, the real bargaining chips the Soviets respect are elements of the Reagan star wars plan—which the President has said is nonnegotiable.

Mr. President, the time to stop the MX is now. I urge my colleagues to do so by rejecting the pending funding request.

Mr. STENNIS. Mr. President, we yield back the remainder of the time on this side of the aisle.

The PRESIDING OFFICER. The Senator from Mississippi yields back his remaining time. Does the Senator from Florida also yield back his time?

Mr. CHILES. I yield back my time.

The PRESIDING OFFICER. Is all time yielded back from the majority?

Mr. STEVENS. Yes, we yield back all the time allotted to the majority.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

All time having been yielded back, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The joint resolution having been read the third time, the question is, Shall the joint resolution pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

The VICE PRESIDENT. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—55

Abdnor	Gore	Nickles
Armstrong	Gorton	Nunn
Bentsen	Gramm	Packwood
Boren	Hatch	Quayle
Boschwitz	Hawkins	Roth
Byrd	Hecht	Rudman
Chafee	Heflin	Simpson
Cochran	Heinz	Specter
Cohen	Helms	Stennis
D'Amato	Humphrey	Stevens
Danforth	Kasten	Symms
DeConcini	Laxalt	Thurmond
Denton	Long	Trible
Dole	Lugar	Wallop
Domenici	Mathias	Warner
East	Mattingly	Wilson
Evans	McClure	Zorinsky
Garn	McConnell	
Goldwater	Murkowski	

NAYS—45

Andrews	Glenn	Melcher
Baucus	Grassley	Metzenbaum
Biden	Harkin	Mitchell
Bingaman	Hart	Moynihan
Bradley	Hatfield	Pell
Bumpers	Hollings	Pressler
Burdick	Inouye	Proxmire
Chiles	Johnston	Pryor
Cranston	Kassebaum	Riegle
Dixon	Kennedy	Rockefeller
Dodd	Kerry	Sarbanes
Durenberger	Lautenberg	Sasser
Eagleton	Leahy	Simon
Exon	Levin	Stafford
Ford	Matsunaga	Weicker

So the joint resolution (S.J. Res. 75) was passed, as follows:

S.J. RES. 75

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

The VICE PRESIDENT. The majority leader is recognized.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. PRESSLER]. Without objection, it is so ordered.

Mr. BUMPERS. Could we have order for just a moment?

The PRESIDING OFFICER. The Senate will be in order.

PROSPECTIVE LEGISLATION

IRS LOGGING REQUIREMENT FOR AUTOMOBILES

Mr. BUMPERS. Mr. President, with the majority leader's indulgence, I wish to take about 60 seconds to say that my mail becomes more voluminous and more hostile on the issue of contemporaneous logs for automobiles.

I had assumed that the first vehicle coming through here would have an amendment attached to it to repeal that, but there has not been any.

Now it is my understanding that that amendment, if it is ever offered here, will pass about 90 to 10.

Second, I am now told that under the IRS rules employers must allocate—most of them will do it by computer—the cost of the vehicle, then allocate 20 percent of the value of this to the employee and then start withholding income tax, social security, workman's comp, the whole schmeer of other things from that additional amount that is allocated to the salary of the employee.

I do not encourage people to disobey the IRS rules or the law, but it seems to me that that is something that is just as certain to die as anything I have ever seen around here.

My question—I thought maybe the chairman of the Finance Committee would be in the Chamber, but I do not see him. Perhaps the majority leader could give us some insight through conversations with him or any other insight he might have as to when we might get a chance to vote on that.

Mr. DOLE. Mr. President, I might say, in response to the question, there is a great deal of interest in the action indicated by the Senator from Arkansas.

I just visited with the distinguished Senator from South Dakota, Senator ABDNOR, who has a repeal measure all ready to go.

But I would hope we do not put it on the African famine relief bill.

Mr. BUMPERS. I certainly have no objection to that.

Mr. DOLE. Yes; I would guess that another, more appropriate opportunity to discuss that initiative will come along.

Mr. BUMPERS. It will take us about 3 days to pass it once it is offered, because every Senator will want to make a 2-hour speech to send to the press back home, so he can convince his folks that he single-handedly got it repealed.

It seems to me we should take it up when we do not have anything else to do.

Mr. SYMMS. Mr. President, will the Senator from Arkansas yield?

Mr. BUMPERS. I am happy to yield.

Mr. SYMMS. I thank the Senator for bringing it up.

I suggest to the majority leader to call up the African bill, pass it by unanimous consent right now. I do not think there is a Senator in the Chamber who opposes it.

The IRS and the Treasury Department do not have to take this action. I think we could do it now and have it over with.

Mr. DOLE. I guess that when we got a revenue bill this might well be the subject of an amendment. The majority leader would hope that the Senator would wait until that time.

Mr. BUMPERS. I thank the majority leader.

Mr. LEVIN. Mr. President, will the majority leader yield for another question?

Mr. DOLE. I yield.

UNEMPLOYMENT INSURANCE

Mr. LEVIN. Could he give us a little stronger indication when that might be? To give the Senator another problem, there is a deadline. There is a deadline coming up. The supplemental benefit program for unemployment insurance expires on March 31 and in most of our States we will be going from 40 weeks or 38 weeks or 36 weeks of unemployment insurance back to 26 weeks of unemployment insurance, and people who are on that program will just suddenly be cut off at the end

of this month. I do not think that is our intention, but it may be.

I am wondering if the majority leader, because of that impending deadline, can give us some indication when a vehicle might be coming so we could attempt to keep that program alive also.

Mr. DOLE. Let me withhold on that until I have a chance to discuss it briefly with the distinguished chairman of the Finance Committee. The Senator is correct, it does expire on March 31. If I might, let me ask Senator PACKWOOD that question and then make an announcement later today.

Mr. LEVIN. Would we be able to do that before the next vote?

Mr. DOLE. There may not be another vote. If we are going to have amendments coming out of the woodwork, we will not take up the bill.

Mr. LEVIN. I thank the Senator.

Mr. KENNEDY. Will the Senator from Kansas yield?

Mr. DOLE. Yes.

Mr. KENNEDY. Mr. President, I know there are many worthwhile points of interest to Members of this body.

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Those having conversation in the rear of the Chamber, please move into the cloakrooms, particularly among staff. Will all the conversations in the rear of the Chamber please move to the cloakrooms? The Senate will be in order.

Mr. KENNEDY. Mr. President, with all respect to those who talk about the vehicles of withholding and allocating time and the other matters of great importance, I would certainly hope that the majority leader will be able to ensure that this body will act on the next order of business expeditiously and that we will not shame the Senate by demanding of the majority leader and those who feel very strongly about it—and I believe that that feeling is shared by both sides of the aisle—that somehow we are holding up the Africa relief appropriations so that we are able to twist some committee chairman's arm or minority committee chairman's arm to take some action which individuals have some deep concern about.

I have as many concerns, I believe, as others in this body. But there is, I believe, at this time no matter which is of greater urgency and importance.

Unless we are able to take this action this evening, there will unquestionably be a loss of lives. I commend the chairman of the Appropriations Committee, Senator HATFIELD, for moving this legislation forward and for the work of the majority and minority leaders in insuring that this matter would be brought up, and the chairman of the subcommittee, Senator KASSEBAUM.

This has been a strong bipartisan effort. I certainly want to support the majority leader. Hopefully, we will be able to get some action. He has indicated, as I understand it, that if we are going to find that this legislation is nickeled and dimed, so to speak, we will not be able to meet our responsibilities in insuring its early passage.

I will speak on the substance of it, but I want to just support the comments of the majority leader in hoping that we can get immediate action on this legislation. Its importance cannot be underlined or stressed enough.

Mr. DOLE. Mr. President, let me respond briefly and then I will yield to the Senator from Georgia and the Senator from New Jersey.

It was my hope that we could have the chairman of the Appropriations Committee call up H.R. 1239 and that we might have unanimous consent that there be no amendments. I understand there may be a germane amendment—someone may want to increase the amount, but not have any other amendments.

I share the view expressed by the Senator from Massachusetts. This is an urgent matter. I hope we do not get bogged down in a lot of amendments that are in no way germane to the issue. If they are germane, obviously they should be entertained. I hope if we have an agreement we will be able to get to those germane amendments and get on with the matter.

Mr. HATFIELD. Will the majority leader yield?

Mr. DOLE. Yes.

Mr. HATFIELD. I would say, in accordance with what the majority leader has indicated, we have very strong signals from the House that they would be willing to accept our bill as we are ready to call it up without asking for a conference which could expedite this whole matter very quickly to the President's desk.

Second, we would expect to have here in the Senate within 30 days another supplemental vehicle, one which we could handle a composite of the amendments because it will be more than a single-issue supplemental.

So I urge the Senate to consider the priority and the urgency of this supplemental and getting it moved as quickly as possible—it has been delayed much too long already—with the recognition that there is another vehicle coming down the track on which there can be a multiplicity of issues attached.

Mr. DOLE. I thank the distinguished chairman of the Appropriations Committee. I hope that we can make that happen yet this afternoon.

Mr. MATTINGLY. Will the Senator yield?

Mr. DOLE. I yield to the Senator from Georgia.

Mr. MATTINGLY. Mr. President, I agree with the majority leader and chairman of the Appropriations Committee. With reference to the comments about limitations of the rules on recordkeeping, as a member of the Subcommittee on Treasury, Postal Service, and General Government, I have already drafted an amendment for the next supplemental that will withhold any funds for the implementation by the IRS with respect to that rule. When the supplemental comes along, of course, Mr. Egger will not like it in the IRS, but I think it would be satisfactory to everybody.

Mr. DOLE. I see shades of withholding.

Mr. BRADLEY. I know the majority leader is very concerned about a series of amendments. I just want to say to the Senator from Georgia that I hope that we will not have to go through that battle on this bill.

I would like to ask the majority leader a question. What is his plan for legislation on the floor of the Senate next week?

Mr. DOLE. Well, the plan is that all we have pending would be the war risk insurance bill, something that expired last October 1. It needs to be renewed. There is nothing else that has been reported out from the various committees.

We may be on the budget resolution next week. We are not certain about that. But that is really about what we have.

My hope is that we can finish action on this urgent supplemental. If we do that this evening, we will not be in session tomorrow, we will have a pro forma on Friday, not be in session on Monday, and we will meet again at 2 o'clock on Tuesday.

But this is urgent. We would like to dispose of it. If we cannot do it tonight, obviously—if Members wish to offer amendments—then we will just be in tomorrow.

Mr. BRADLEY. Will the majority leader give us some assurance that we would be able to turn to the war risk insurance legislation prior to the action on any other legislation?

Mr. DOLE. Does the Senator from New Jersey have in mind amending the War Risk Insurance Act?

Mr. BRADLEY. The Senator from New Jersey has in mind yielding to the majority leader's wish that we not amend this bill. I was simply looking to see if there is another vehicle.

Mr. DOLE. We are going to bring up whatever is available. We are not just going to stand in recess until—it might not be a bad idea, come to think of it—but we are not going to stand in recess until we have the budget resolution ready.

Mr. BRADLEY. I thank the majority leader.

AFRICAN FAMINE RELIEF—URGENT SUPPLEMENTAL APPROPRIATIONS, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar Order No. 12, H.R. 1239, the urgent supplemental appropriations for African famine relief.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. President, I have no objection, as far as I am concerned. There was a good bit of noise in the Chamber. I wanted Senators to hear the unanimous-consent request.

Will the Senator mind stating it again?

Mr. DOLE. Mr. President, my request was that we get unanimous consent to turn to H.R. 1239, the urgent supplemental appropriations for African famine relief.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 1239

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

TITLE I

CHAPTER I

AFRICAN FAMINE RELIEF

Public Law 480

For an additional amount for "Public Law 480", for agricultural commodities supplied in connection with dispositions abroad, pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, **[**$600,000,000**]** *$285,000,000* **[**of which $480,000,000 is hereby appropriated and made available through September 30, 1985**]** *of which $269,000,000 is hereby appropriated and $16,000,000 shall be derived from unobligated balances in the Commodity Credit Corporation***[**: Provided, That not to exceed $120,000,000 of the above program level of $600,000,000 (including $90,000,000 provided by Public Law 98-332) shall be available through September 30, 1985, from Commodity Credit Corporation inventory for sale on a competitive basis or barter to the African countries requiring emergency food assistance, or any country for use in assisting in emergency food assistance to Africa; and in the event Commodity Credit Corporation stocks are not available, the Corporation may purchase commodities to meet emergency requirements: *Provided further,* That not to exceed $100,000,000 of the above appropriated funds shall be available for inland transportation upon certification for each country by the Administrator of the Agency for International Development that without such funds the delivery of the emergency food would not be possible or would not take place in time to prevent starvation or unacceptable levels of loss or spoilage**]***: Provided, That of the amounts provided herein, funds shall be available for inland transportation upon certification for each country by the Administrator of the Agency for International Development that without such funds the delivery of the emergency food would not be possible or would not take place in time to prevent starvation or unacceptable levels of loss or spoilage.*

CHAPTER II

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", *such sums as may be necessary, but not more than* $137,500,000 for emergency relief and recovery assistance for Africa, *which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: Provided, That, notwithstanding any other provision of law, such assistance shall be available for the furnishing of seeds and fertilizer and for the carrying out of other basic agricultural rehabilitation: Provided further, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any such sums.*

OPERATING EXPENSES

Of the amount appropriated in this Act for "International disaster assistance", $2,500,000 shall be transferred to "Operating expenses of the Agency for International Development", to be used for monitoring food and disaster assistance in Africa.

DEPARTMENT OF STATE

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)), $25,000,000*: Provided, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any such sums.*

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", *notwithstanding any other provision of law, such sums as may be necessary, but not more than* $12,500,000 for emergency assistance in Africa, *which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: Provided, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any such sums.*

TITLE II

FUNDS APPROPRIATED TO THE PRESIDENT

EMERGENCY RESERVE FOR AFRICAN FAMINE RELIEF

In addition to funds and authority provided for in chapter I of title I of this Act, $225,000,000 to remain available until September 30, 1986, is provided as an Emergency Reserve for African Famine Relief for title II of Public Law 480, including inland transportation, to be used if funds and authority provided in chapter I of title I are exhausted and the administrator of the Agency for International Development prepares and submits to the Congress a plan to utilize such additional funds for African famine relief. Before such funds may be obligated or expended, the President shall certify that the use of such funds is essential to famine relief in Africa*: Provided, That funds provided under this title shall be available only to the extent an official budget request is transmitted to the Congress.*

TITLE III

GENERAL PROVISIONS

[Funds and authority made available in this Act which have not previously been authorized shall not be obligated until authorized**]** *Notwithstanding section 10 of Public Law 91-672 (22 U.S.C. 2412) and section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), funds appropriated by this Act shall be available for obligation and expenditure: Provided,* That none of the funds in this Act may be used to reimburse the Commodity Credit Corporation for the cost of wheat released from the Food Security Wheat Reserve: *Provided further,* That before funds provided in this Act may be obligated or expended, the Administrator for International Development shall certify that a plan has been established, on a country by country basis, that will ensure effective use of the funds and that the food provided by this Act will be delivered in a timely and efficient manner and be distributed to those most in need.

The Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall have the responsibility for determining the emergency food and disaster assistance needs for which funds are appropriated by this Act.

Mr. HATFIELD. Mr. President, this is the African famine relief supplemental reported by the Appropriations Committee on March 5. This is now March 20. This bill would provide a total of $685 million in additional funds for a variety of food aid and disaster relief programs. This is $315,000,000 below the level passed by the House, and $434,000,000 above the request of the administration.

Funding is provided in a number of different ways for several programs. For food donation under title II of Public Law 480, the committee recommends a supplemental appropriation of $269,000,000 with an additional $16,000,000 from unobligated balances in the Commodity Credit Corporation, for a total program level of $285,000,000. In addition, the committee has agreed with the House provision in H.R. 1239 creating an emergency reserve for African famine relief with another $225,000,000 for title II of Public Law 480, which funds are to be available until September 30, 1986, and can be expended only if four conditions are met: First, other available funds for title II are exhausted; second, the Administrator of AID sub-

mits a plan to Congress on the utilization of additional funds; third, the President certifies that the release of the reserve funds is essential to famine relief in Africa; and fourth, the President submits a budget request. The latter proviso was recommended by the committee so the President will take responsibility for additional necessary spending and not unfairly criticize Congress for supposed overspending above his request.

The committee has also recommended appropriations up to $175,000,000 for three disaster and refugee assistance programs administered by AID and the Department of State.

Mr. President, I would very, very seriously urge my colleagues to again consider the importance of this measure. There was some discussion that possibly there was not quite the degree of urgency that we once heard existed because the administration could possibly put together some money by transferring from one account to another and at least be able to maintain a level of help for the next few weeks or months.

Let me say that in checking this question again with the agencies, that there is no less a degree of urgency than there was when this bill was reported to the floor. So consequently I want to urge my colleagues to consider the urgency of this and not to waste another day. It is conceivable that the House could act upon this by taking it from the desk. They have indicated that if we send over the clean bill as reported from the committee, they might take it from the desk, act on it quickly, and send it down to the White House without a conference.

If we begin to adopt amendments to this bill, then I fear that we are in for a longer delay in delivering the food resources to help the hungry, the starving, the victims of famine, for it would require us to go to the House in conference. Even though it might be a short conference—because I can say that as far as any amendments that might be adopted over and above the urgency of this situation, I think it would be a relatively short conference—be that as it may, it is another few days of delay. Then it would have to come back for the respective Houses to adopt as a conference report.

We do have every expectation, according to Chairman WHITTEN of the House, that we will have another vehicle over here shortly after the Easter recess. So we would have that opportunity to handle other urgent and important issues which we hope you will refrain from adding or attempting to add to this one.

Mr. SARBANES. Will the chairman yield for a question?

Mr. HATFIELD. I yield to the Senator from Maryland for a question.

Mr. SARBANES. Is the chairman in terms of this procedure making reference to amendments that did not involve African aid as distinguished from amendments that did because the latter, I assume, if they moved some in the House, the House could simply take those and act upon them under this expedited procedure which the chairman outlined. Would that be correct?

Mr. HATFIELD. My emphasis of course is on nongermane amendments. That would not only raise the question of the requirement for a conference with the House but could also raise questions down at the White House where we have to ultimately get the signature of the President to an African program of relief.

Mr. SARBANES. But germane amendments are not raised?

Mr. HATFIELD. I am not at this point saying that germane amendments should be excluded. But again unless a germane amendment represented a minor change, if we get into major changes within the figures and the levels, we have again then a problem of what we will be dealing with both at the House of Representatives level and at the White House level.

I would like to quote from the "Statement of Administration Policy" on this bill:

> The administration would strongly oppose any further increases in funding, any decrease in flexibility in the use of funds, or any other extraneous amendments.

I do not know what the term "extraneous," means, as far as the White House is concerned, but I think we have gotten some pretty clear signals, Senator, that the level of funding that we reached in our committee was a compromise with the White House as much as it was with the House of Representatives.

Mr. MELCHER. Will the chairman yield?

Mr. HATFIELD. I think the Senator from Mississippi asked me next, and then I would be happy to yield to the Senator from Montana.

Mr. COCHRAN. Mr. President, I thank the Senator, the chairman of the committee. We worked very hard in the Appropriations Committee to review the reports, the need, and what we could do at this point as an urgent measure to help the starving.

Mr. President, television coverage of the famine in Africa, especially the photographs of starving children, has drawn an outpouring of emotion from the people in our country. The American people have responded generously, as individual citizens have sacrificed their time and their money to aid in famine relief. Nothing is more evident of America's desire to help those who are suffering than the overwhelming response to a Peace Corps request for volunteers to provide advice and assistance in the long-term development of African nations. Private volunteer organizations have also done an outstanding job in relieving the pain and suffering caused by the famine. They have been largely responsible for seeing that donated food gets to starving people.

One's initial reaction to this terrible famine which has so severely devastated sub-Saharan Africa, is to provide an unlimited source of funds for the famine relief effort. However, when the practical aspects of the situation are considered, a reasonable, systematic approach is the only way to assure that these critical needs will be met and our dollars wisely spent. The bill as reported from the Appropriations Committee on Tuesday, March 5, I feel, does just that.

Under title II of Public Law 480, commodities are supplied without cost to developing countries to combat malnutrition, and to meet famine and other emergency requirements. Ocean freight on shipments and overland or inland transportation cost to landlocked countries are also paid under this title.

Mr. President, the Senate bill provides an additional $285 million to funds already available in fiscal year 1985 for the Public Law 480, title II program. Of this amount, $269 million is an appropriation of new budget authority, and the remaining $16 million is to be made available from unobligated fiscal year 1984 title II funds. This action will ensure that sufficient funding for the U.S. commitment to the famine relief effort will be met.

Mr. President, the Appropriations Committee also concurred with the House provision which creates an emergency reserve for African famine relief. It is funded at a level of $225 million and is to remain available through the end of fiscal year 1986. The Senate did add a provision which would make these funds contingent upon submittal to the Congress of an official budget request. This emergency reserve will be available only if the President certifies that the use of such funds is essential to prevent famine in Africa.

The U.S. Government has traditionally provided approximately 50 percent of emergency food relief requirements. Other donors, including Canada and member nations of the European Economic Community provide the remainder of the necessary support. Many nations which are not able to provide commodities contribute funds and materials to assist in the processing, transportation, storage, and distribution of the commodities. The United States and other donor nations are actively encouraging increased support from these other countries.

The Food and Agricultural Organization of the United Nations estimates that the United States has so far committed about 51 percent of the food

provided this year. In this current fiscal year, through March 1, 1985, the United States has provided approximately 2.5 million metric tons of food to sub-Saharan Africa valued at approximately $797 million. The agency for International Development and the Department of Agriculture have done an outstadning job of utilizing various authorities available for increasing the regularly programmed amount of aid for Africa. These include the President's authorization for the use of 300,000 metric tons of wheat from the food security wheat reserve; the use of section 416 dairy donations, which is now projected to reach $59 million during the fiscal year; transfers from title I to title II appropriations; and reprogramming of title II programs. AID has assured us that the programs from which these funds were drawn have not been adversely affected.

Mr. President, the committee-reported bill does not include earmarked funds for inland transportation. The House bill earmarked $100 million for this purpose, but the Appropriations Committee did not feel it was necessary to earmark such funds. Because of our concern, however, that sufficient funding should be available for inland transportation, we have included a provision making the funds in the bill available for such purposes. We also included report language directing that inland transportation should be funded to the greatest extent practicable.

The House included, as a part of their famine relief bill, $120 million in Commodity Credit Corporation stocks for sale on a competitive basis or barter to famine-affected countries in Africa, or to other countries for the purpose of helping those affected countries. We have not concurred with that provision because $90 million of such authority is currently available and has not been used thus far this year. An additional $30 million is, therefore, not necessary.

Mr. President, I feel very strongly that this bill represents a balanced, effective approach to alleviating the problems of starvation on the African Continent. It provides the maximum amount of money which could be obligated by the United States this year, and provides for an emergency reserve in case this problem reoccurs next year. I urge the expedient approval of this bill.

I thank the Chair.

Mr. LEVIN. Mr. President, will the chairman yield?

Mr. HATFIELD. I yield to the Senator from Montana and then to the Senator from Michigan.

Mr. MELCHER. The chairman has described the need to move this bill as rapidly as possible, which I also subscribe to. I refer to an amendment which I believe the chairman has seen that I would like to offer, which deals with an additional 200,000 metric tons of agricultural commodities under section 416. Public Law 480 has a long track record of being of great assistance to hungry people, and it is a fine piece of law. However, section 416 is a little more recent and contains a little more flexibility. I am asking the chairman if he has any difficulty with the amendment that I propose that would add 200,000 metric tons which could be used for dairy products, and could be used for wheat, but costs something like $28 million additional.

Mr. HATFIELD. I respond that I have not seen the amendment. I would be very happy to look at it. I would like to see the amendment.

Mr. MELCHER. I thank the chairman.

Mr. HATFIELD. I yield to the Senator from Michigan.

Mr. LEVIN. I have a question of the chairman. Will the Senator yield for a question?

Mr. HATFIELD. Yes. I am happy to yield.

Mr. LEVIN. I also believe this bill should go forward without nongermane amendments, and so indicated that to our leadership. I also feel very strongly that we must at some near date find a vehicle to resolve the issue of the expiration of this Federal Supplemental Unemployment Benefit Program. I have asked the majority leader before, and he indicated he would get back to me. I respect that as I respect him. The chairman of the Appropriations Committee has indicated that within a month or so we will be getting perhaps a supplemental appropriations bill. My problem—indeed my question to him, and I know he has an unemployment problem as well at home in Oregon—is since the program runs out at the end of March, would it be possible for him to use his best efforts to get us a vehicle either by then or by the first week in April so that we would be able to resolve the issue one way or another as to whether we want this program to suddenly die?

A month, in other words, is too late for this program to continue, if we decide that we want to continue this program. Will the chairman be able to use his best efforts working with the majority leader, whom I know also is working at the moment on an answer to my question, to try to get us a vehicle in a timely fashion to resolve the Federal supplemental unemployment benefits question?

Mr. HATFIELD. I will yield to the majority leader to comment on other than appropriation vehicles.

Mr. LEVIN. I am referring to appropriations.

Mr. HATFIELD. But I must say to the Senator, in all frankness, I would not be very optimistic about getting another appropriation vehicle within that deadline that he indicates—end of March or the first week of April. We are somewhat dependent upon the House taking the initial action. The last information, the most current information that I have from the House Appropriations Committee, is that they are talking in a timeframe of 1 month or 30 days. That would in my estimation be beyond that first week of April deadline. There are other vehicles—that I would yield to the majority leader to anticipate with the Senator from Michigan—that might be possible to serve as such a vehicle other than an appropriation vehicle.

Mr. LEVIN. I do not want to press the majority leader further now, unless he has a response. That was not my purpose here. I look forward to a later response from the majority leader.

Mr. DOLE. If the Senator will yield, I am trying to locate Senator PACKWOOD now. It is something I have not followed as closely as I did last year. As soon as I am able to talk to him, I will report to the Senator from Michigan.

Mr. LEVIN. I thank the majority leader.

Mr. KENNEDY. Mr. President, I would like to make a brief comment. If the chairman of the committee is going to move the legislation, I understand there will be possible consideration of amendments.

Mr. President, I am pleased to join my colleagues today in supporting this bipartisan response to the urgent need for famine relief in Africa.

As anyone who has visited the relief camps knows, this urgent supplemental appropriatons is, in fact, urgently needed. Millions of men, women, and children across the African Continent face one of this century's worst famines, caused by drought, conflict, and years of agricultural decline.

At the outset, I want to commend the chairman of the Appropriations Committee [Senator HATFIELD] for moving expeditiously on this legislation, and for giving the assurance that if more is needed in the months ahead, he is prepared to respond once again—to make certain that the United States maintains its life-saving leadership in meeting 50 percent of the unmet food needs in Africa.

I also want to acknowledge the important contributions of the Senator from Wisconsin, [Senator Kasten], who is chairman of the Foreign Operations Subcommittee.

Last month I had the privilege of joining him in introducing a bill that would have given extraordinary flexibility to the President in responding to the escalating food and relief needs in Africa. We fashioned an open-ended appropriations bill that would, with congressional oversight, allow us to meet 50 percent of the food needs in Africa—whatever the dollar amount

that percentage might eventually be. We did so because there was developing an unnecessary dispute over what that dollar figure might or should be.

The plain fact is, Mr. President, that none of us knows that the precise dollar level is going to be, because of the changing circumstances in the field.

But on the basis of the information presented at the special U.S. Conference on the Emergency Situation in Africa, which was convened last week in Geneva, I believe the appropriations contained in this bill will be adequate if they are fully utilized by the administration.

Mr. President, I had the privilege to be the congressional member of the U.S. delegation—which was headed by Vice President Bush. The Conference brought together more than 100 concerned governments, most represented by their foreign ministers or other high-level officials. During 2 days of general debate, and 3 days of working-level meetings on conditions in the hardest hit countries—such as Ethiopia and Sudan—this U.N. Conference served not only to focus the world's attention on the crisis in Africa, but it also provided detailed information on what more the international community needs to do to avert an even greater famine. It also served to strengthen the role of the Secretary General's newly created Office for Emergency Operations in Africa, headed by Brad Morse, and to underscore the need for better coordination within the U.N. system in responding more effectively to the African crisis.

The basic document before the Conference—developed by Brad Morse's office on the basis of information from all the U.N. agencies—outlined in great detail the unmet food and relief needs in the affected countries of Africa for the remainder of this year. The total came to $1.5 billion.

Again as Brad Morse noted in his opening statement to the conference:

> There can be room for argument about any figures, including those which we have presented. But they have been checked out with all the principal sources of information and I am satisfied that they * * * represent a realistic assessment of present needs.

Mr. President, that is good enough for me. And I want to commend the Secretary General and Brad Morse for their leadership in calling the Conference last week, and for marshaling the energies of the U.N. system in developing the information necessary for governments to help meet the extraordinary needs in Africa today.

In light of the U.N.'s total assessment of unmet needs, it is clear that the funds we are appropriating today in this bill—combined with what we appropriated earlier in the fiscal year—will bring our total funding to the level we have committed ourselves, namely, 50 percent of the unmet food and relief needs in Africa.

This bill also incorporates some of the features of our draft legislation to provide greater flexibility to the administration in programing relief funds, in supporting ocean freight and inland transportation of food, and in waiving some of the so-called Hickenlooper restrictions on assistance to Ethiopia.

So, Mr. President, I support this bipartisan compromise because I believe it will be adequate to meet immediate needs. But we must recognize that, even with the emergency food reserve for 1986, this bill will really only deal with the remainder of this fiscal year and that we must be prepared to do far more in the regular 1986 foreign assistance appropriations bill.

There can be no doubt, Mr. President, that we are witnessing one of the worst human disasters of modern times—as drought and famine spread across the African continent.

The flashpoint today is Ethiopia and Sudan, but a dozen other nations will soon be facing similar disasters unless something more is done by the international community to help.

The drought in Ethiopia and Sudan is the worst in this century. The rains began to fail 2 years ago and there was essentially no rainfall at all in 1984. Although soil erosion, overgrazing, deforestation, and poor agricultural practices have also contributed to the creation of desert conditions in the once fertile areas of northern Ethiopia, there is no question that today's severe drought is the primary source of the current tragedy. This year, rural Ethiopia simply had no reserves of food to fall back on.

Some experts, including UNICEF and the U.S. Food and Agriculture Organization, had predicted the disaster as early as the beginning of 1984. But the international community failed to take the initial warnings seriously, in part because of the lack of urgency conveyed by the Ethiopian Government itself.

But for the past 5 months, a massive international relief effort has been underway. And America can be proud of what it has done so far. The United States is the leading contributor, and President Reagan and the administration deserve credit for their strong response. We are providing over half of Ethiopia's food requirements at the present time, despite our foreign policy differences with the Ethiopian Government. It is America's best tradition not to use food or humanitarian assistance as a weapon and we can be proud that we are not doing so today in Ethiopia.

But the most immediate need, Mr. President—greater even than the need for additional food—is to open mercy corridors into the northern provinces, so that international food convoys can bring supplies to victims in areas cut off from relief. The corridor concept is less far-reaching than a food truce, which has been rejected by the Ethiopian Government. Mercy corridors are a feasible response to save lives without seriously tilting the political balance in the rebel areas; they could be established in specific regions for specific periods along specific routes, under the auspices and flag of the United Nations or the International Red Cross—both of whom stand ready to undertake the task.

Together with the U.N., our European allies, and other African nations, the United States should mobilize its diplomacy to establish mercy corridors as soon as possible.

Above all, we should challenge the Soviet Union to insist that the Marxist Ethiopian Government grant permission for the establishment of these lifesaving mercy corridors. Without Soviet pressure, Ethiopia may continue to refuse to accept these corridors, and a million children may die—even though food is only a few miles and a single government away.

Unless we get food into these areas, we will continue to witness the flight of tens of thousands of Ethiopian refugees. In recent months, waves of refugees fleeing famine and conflict have poured across the western border of Ethiopia into Sudan, trekking long distances for food and shelter—which often are available in only short supply or not at all at the border camps in Sudan.

At the camps I visited in the Kassala area last December, 1,500 refugees were arriving daily. Over 250,000 Ethiopians have entered Sudan since last September, and another 250,000 will likely arrive in the coming months unless food can reach the isolated areas in northern Ethiopia.

In Sudan, we must break logjams of a different sort to deal with the twin problems of the growing number of Ethiopian refugees and the spreading drought that is also now threatening 3 to 4 million Sudanese with famine.

The international community already has a sufficient mandate, through the Office of the U.N. High Commissioner for Refugees, to assist Sudan with its refugee crisis. Yet the refugees who are risking death to cross the desert to the U.N. camps in eastern Sudan have, all too often, found no food there. The critical situation we saw in December has turned into a disaster in February. As I wrote recently to the U.N. High Commissioner for refugees, I fear that we are witnessing an inexcusable, man-made disaster in eastern Sudan that was, and still is, avoidable.

Current reports indicate that in the Wad Sharifie camp alone, the population has doubled in size since October, yet when we were there, U.N. food

supplies were based on the outdated October figure. A few days ago 5,000 refugees were at risk, and 50 were dying every day—double the number when we were there in December. New arrivals in this camp alone reached a level of 400 to 500 a day in January, and over 2,500 a day for all of eastern Sudan.

Despite this massive human flood, food supplies have not been commensurately increased, nor have contingency plans been adequate. Yet Port Sudan on the Red Sea is only 4 hours north by truck from Kassala. While we were at Wad Sharifie, we learned that a ship with 500,000 tons of grain had been waiting for weeks at the port caught in a bureaucratic controversy over whether the cargo should be warehoused in Khartoum or diverted to Kassala for refugee relief. I have never seen a more graphic demonstration of the truth that redtape kills.

The dimensions of the refugee disaster in Sudan are irrefutable. As a result of bureaucratic delays in the past, more food, more shelter and more medicine will have to be airlifted at great cost—when more effective earlier action could have shipped it by sea for far less cost and saved more lives.

Mr. President, elsewhere in Sudan, as well as other African countries, we are joining in the effort to get ahead of the curve—to avoid the tragedy of Ethiopia—by trying to get food out into rural areas to avoid the massive flow of people to urban areas in search of food.

In El Obeid, in central Sudan, I saw evidence of this effort, and it was the most hopeful sign I saw. AID and the American voluntary agency CARE have started an innovative program to feed drought victims in their own villages and revive their agriculture. There are few roads in this region, and the logistical problems in implementing the program are immense, but the alternative is worse—a massive famine in Sudan that could soon rival the horror of the current famine in Ethiopia. If the Sudanese people cannot obtain food in their rural areas, they will leave their homes, as the Ethiopians have, in desperation; they will flee to the towns and cities, abandoning the countryside and destroying any hope for the next harvest, even if the rains do come.

For the longer term, Mr. President, the central challenge is whether Ethiopia, Sudan, and other nations now suffering recurrent drought and famine in Africa can ever feed themselves again. Two decades ago, the same question was posed—and answered affirmatively—in Asia. In the 1960's, the United States acted to avert repeated famine in India, and today India feeds itself. Even in the Sahel, the previous flash point for famine in Africa in the 1970's and early 1980's, serious problems continue, but several nations are making steady progress.

The lesson of past experience is that a self-sustaining future for nations dealing with drought and famine is possible only through agricultural reform. In recent years, per capita food production has been rising steadily in Asia and Latin America, but it is sharply down in Africa. Unless this basic trend is reversed, there will be no longer-term progress. There is hope for Ethiopia and Sudan and other hard-hit nations if the United States and the West are willing to help—not just today, but tomorrow too.

Mr. President, this bill starts us down that path and signals the strong support that exists in Congress for continuing America's leadership in meeting the humanitarian and developmental needs of Africa.

I returned from my trip to the field with a clear conviction that much more can be done within the constraints of the programs currently being carried out by the United States, the United Nations, and private relief organizations. And despite the enormous suffering and adversity, there is a strong sense of dignity, pride and hope among the millions of people afflicted by the famine in Ethiopia and Sudan and other hard-hit nations of Africa. The need for help is urgent. I cannot emphasize enough that millions of lives are at stake, and that the actions we take today mean that thousands will live tomorrow. Americans have been moved to action at every level by this human tragedy, and what we do in the days and weeks to come will determine how many of the millions of innocent victims can still be saved.

Mr. President, for the RECORD, and for the benefit of my colleagues, I would like to insert the texts of the opening speech by Secretary-General Javier Perez De Cuellar at the U.N. Conference on the Emergency Situation in Africa, held last week in Geneva, as well as the opening statement of Brad Morse, the Director of the new Office for Emergency Operations in Africa.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SPEECH BY THE SECRETARY-GENERAL AT CONFERENCE FOR THE EMERGENCY SITUATION IN AFRICA, GENEVA, SWITZERLAND, MARCH 11, 1985

Excellencies, Ladies and Gentlemen, I declare open this Conference on the Emergency Situation in Africa. May I first take this opportunity to extend a warm welcome to all delegations for having accepted my invitation and to express the hope that this Conference will succeed in achieving its objectives.

I should like to extend a special welcome to the two distinguished Heads of State who are with us today: His Excellency Dr. Julius Nyerere, who has kindly accepted my invitation to address this Conference in his capacity as current Chairman of Organization of African Unity; and to His Excellency Brigadier-General Seyni Kountch, who will address this gathering in his capacity as Chairman of the Permanent Inter-State Committee against Drought in the Sahel. I am also pleased that the current Chairman of the Southern African Development Co-ordinating Conference, President Masire of Botswana, as well as interim head of the newly formed Inter-State Authority for Drought and Development in Eastern Africa, President Hassan Gouled Aptidon of Djibouti, have sent us messages on behalf of their organizations to be read by their respective Ministers of Foreign Affairs.

I wish also to welcome the Vice-President of the United States of America, His Excellency Mr. George Bush, who has just returned from a visit to some of the African countries most affected by the crisis. The presence of such distinguished personalities, as well as of many delegations headed by Ministers of State, certainly augurs well for the success of this Conference.

I am confident that following these statements, we will be in a much better position to appreciate the nature and magnitude of the crisis facing Africa, the measures which African countries are taking to cope with it and the assistance they require from the international community.

Many countries in sub-Saharan Africa are experiencing a disaster of tragic proportions. Thirty million men, women, and children face the grim reality of debilitating malnutrition, starvation and, in many cases, death. Even more are threatened. Thousands have already perished, others are slowly dying and uncounted more are sick, ravaged by disease born of slow starvation.

We have come together today as representatives of concerned governments and organizations, to assess the situation and the adequacy of our current response, and to mobilize the additional resources which are needed.

Your presence is testimony of the global concern for the plight of the African people. I am convinced that each state represented here will do everything possible to help the affected countries save lives and end suffering without any regard to political considerations.

We face an historic challenge. We must meet it, for in the interdependent world in which we live, human suffering knows no border; mountains and oceans are no barrier to despair; and the faces of starving children can be seen everywhere.

Distinguished Representatives, the affected countries of Africa deserve great credit for the valiant efforts they are making under extremely difficult circumstances. They have paid a heavy price in terms of their development aspirations. Some have also had to bear the added burden of accommodating the growing numbers of refugees from neighboring countries. At ICARA II last summer, we had an opportunity to review the situation of refugees in Africa and to agree on a common approach. This provided a basis for hope. But unfortunately in the months that have followed, the situation has deteriorated as hundreds of thousands have crossed borders in search of food.

Drought alone is not the sole cause of this terrible situation. Lands, already arid and fragile, have been subjected to the mounting pressures of growing numbers of people seeking the bare necessities of life. Per capita food production for domestic consumption has been declining. On top of all

of this was the negative impact of adverse international economic conditions.

For some years, the early warning signs of this crisis were there for all to see. The Lagos Plan of Action, approved by the Heads of African Governments in 1980, recognized the dangers and called for a collective response. Studies by the World Bank, FAO and the ECA struck the same theme and suggested remedial measures. More than a year ago, I repeated this warning, and urged the international community to undertake a major action in support of Africa.

The international community did respond. For example, food aid to Africa increased significantly. But the response has clearly fallen short of the growing needs. None of us can be happy with the present state of affairs.

Given the background, it is clear that the entire international community must be mobilized on a scale far exceeding anything done up to now. The war we wage on famine in Africa today threatens more lives than ever have been lost in any war in history. We have the ingenuity and the resources to win. What we need is the political will.

While we must increase our assistance to the affected countries, I am confident that they, in turn, will do their utmost to ensure that the most efficient use is made of the resources made available.

As for the United Nations system, I have received assurances from the Heads of the Specialized Agencies that they will continue to respond effectively to the crisis, and that they will coordinate their efforts to achieve the maximum utilization of resources.

As part of this process, I have established under my direct supervision a special unit—the Office for Emergency Operations in Africa—to assist me in coordinating the response of the United Nations and mobilizing the international community. I have placed at the head of this office three senior United Nations officials in whom I have utmost confidence—Mr. Bradford Morse, the Administrator of the United Nations Development Programme, Mr. Adebayo Adedeji, Executive Secretary of the Economic Commission for Africa, and Mr. Abby Farah, Under-Secretary-General for Special Political Questions. In addition, Mr. Maurice Strong of Canada has been appointed as Executive Co-ordinator of the Office.

They are receiving the full support and co-operation of all the relevent UN organization and Specialized Agencies.

I am particularly gratified to see the new endeavour taking shape, as it provides a unique and encouraging example of how the United Nations family can move in unison.

My objective is to help the affected countries develop a framework co-ordination for emergency efforts. For each country, there is a need to reach common agreement on the requirements, to mobilize the necessary resources, and to help to ensure that these resources are brought-to-bear in the most effective manner possible as part of a common international effort to deal with the emergency. The resident co-ordinators of the United Nations system have already initiated this process, in full consultation with the Governments concerned and the interested donor community.

INTRODUCTORY STATEMENT OF MR. BRADFORD MORSE, DIRECTOR, OFFICE FOR EMERGENCY OPERATIONS IN AFRICA AT THE CONFERENCE ON THE EMERGENCY SITUATION IN AFRICA

I am honoured to join with the Secretary-General in telling you how encouraged I am at your response to his invitation to assemble in Geneva today to address an issue of unprecedented urgency and importance. The desperate situation which faces millions of Africans as a result of the devastating drought that has affected a large portion of the continent has captured the attention and inspired the compassion of the world community.

Your response is especially gratifying since you have had relatively short notice of this Conference. We have all had but a short time to prepare for it. But your presence here today confirms your agreement that the immediacy of the African Emergency has made it imperative that we work together effectively, harmoniously and speedily to meet the challenge. As the Secretary-General pointed out, the potential magnitude of human suffering and death may be equivalent to that of history's most destructive wars. It requires the kind of response, both from the African nations and the international community, which only a war-time mobilization has previously achieved.

The representatives of the African Governments, particularly those of the countries most affected by the drought, can, I am sure, regard this Conference as evidence that Governments and people throughout the world share deeply with you the agony which this tragedy is inflicting on your peoples and your nations, and are prepared to share the immense burdens it has placed on you, to meet the immediate needs of those whose lives are at risk. And *we* know that we *must* share with you the heavy burdens, beyond the immediate emergency, as you face the enormous task of rehabilitation and the resumption of sustained and sustainable development to enable your people to realize their aspirations for a better life. We know that you have the potential to turn this night of sorrow into a morning of hope. We hope that your people have the toughness and determination to convert that potential into reality. And we want you to know that you can count on our compassion, our co-operation, our support and our friendship at this moment of urgent need and beyond the current crisis toward the constant goal of self-reliant, self-sustained and self-generating development—toward the day that future droughts cannot exact such devastating human costs.

The Secretary-General has entrusted me with the high responsibility, as Director of his Office for Emergency Operations in Africa, of ensuring that the resources of the organizations of the United Nations are mobilized and brought to bear in a concerted and unified response to the appeals of the Governments of the affected countries of Africa to help meet the exceptional and urgent needs generated by this emergency. I am privileged to share these responsibilities with my two esteemed African colleagues, Mr. Adebayo Adedeji, Executive Secretary of the United Nations Economic Commission for Africa and Special Representative of the Secretary-General in Africa, and Mr. Abdulrahim Farah, Under-Secretary-General for Special Political Questions, who serve as Deputy Directors of the Office for Emergency Operations. In addition, Mr. Maurice Strong, who served with such great distinction as Secretary-General of the Stockholm Conference on the Environment and as the first Executive Director of the United Nations Environment Programme, has agreed to serve as Executive Coordinator of the undertaking.

We have the benefit of the wholehearted support and co-operation of the Executive Heads of each of the principal organizations which relate directly to the Office of the Secretary-General—the United Nations Development Programs, the United Nations Disaster Relief Organization, the United Nations Children's Fund, the United Nations High Commissioner for Refugees and the World Food Programme. The Executive Heads of these organizations have joined with us in forging a working partnership which I believe is unique in United Nations experience. It is an exceptional step to meet what is clearly an exceptional challenge.

I am pleased to report, too, that we have been strengthened by the helpful co-operation of the Food and Agriculture Organization of the United Nations and its Director-General, Mr. Edouard Saouma. FAO has a central and vital role in meeting Africa's food and agriculture needs. We have also been privileged to have the co-operation of the World Health Organization in respect of its key role in meeting health-related needs. We have had continuing consultations with the World Bank and the International Fund for Agricultural Development, particularly in areas in which emergency measures may interact with the longer term rehabilitation and development programs in the affected countries.

The co-operation of our United Nations colleagues who are principally concerned with emergency-related activities has resulted in what might appropriately be called the "United Nations African Emergency Response System" which will ensure the most effective use of United Nations resources in identifying and monitoring needs, helping to mobilize and deploy the resources to meet these needs, and in co-operation with each country concerned, to ensure delivery of assistance where and when it is needed. The Office for Emergency Operations in Africa is probably the smallest element of this system but it is the focal point—the "switchboard"—which helps the several components to function as a system.

The Office has not taken on nor will it take on the functions of other organizations. Rather it will help them to mobilize additional resources and strengthen their capacities to perform their functions more effectively within the framework of the African Emergency Response System.

The very composition and financing of our Office demonstrates the co-operative nature of the enterprise. Most of our staffing and financing needs have been provided by redeployment of existing funds and staff by elements of the United Nations. Similarly, the organizations of the United Nations proper most directly involved in the African Emergency (UNDP, UNDRO, UNICEF and WFP) are taking vigorous steps to strengthen the capacity of their field organizations in the affected countries to deal with emergency related activities, and ensure that their structures reflect and complement the co-operative arrangements that have been put in place at the Headquarters level. This, too, is being done to the maximum extent possible by redeployment of existing personnel, but there are limits to the extent to which this can be done without impairing important on-going development responsibilities. In the interest of effectiveness and efficiency, we will address these needs in a unified way and we hope that there will be a positive response.

One of our principal tasks has been to evaluate the unmet needs of each of the countries most seriously affected by the drought. These assessments are presented in the "Report on the Emergency Situation

in Africa" which, with two corrigenda, is before you as the principal document for this Conference. These country-by-country assessments were conducted initially by representatives of the United Nations organizations in each country in close and careful consultation with the Government of the country concerned and bilateral and other donors.

The basic document of 22 February 1985 provides a snap-shot of needs as at the end of January 1985. Since then, we have been continuously updating them as new information is obtained on changing needs and new commitments which had not previously been clearly identified or confirmed at the country level. The corrigenda which you now have before you reflect changes (including newly confirmed commitments) of which OEOA was advised last week. Corrigendum 2 indicates unmet needs aggregating $1,719.6 million for the twenty countries covered by our report, but as noted in the footnote to the Table shown in Annex 1 of Corrigendum 2, that total should be reduced by US$185 million, the approximate value of 525,000 metric tons of cereal which have been pledged but not yet allocated to specific countries. The corrected aggregate of unmet needs, thus, is US$1,534.6 million.

There can, of course, be room for argument about any figures, including those which we have presented. But they have been checked out with all the principal sources of information and I am satisfied that the figures, as modified by the corrigenda, represent a realistic assessment of present needs. Later in my remarks, I will describe plans for country-specific meetings which will be held as a part of the process initiated by the Secretary-General at his 17 December 1984 meeting, and continued in our meeting today. The figures for each country can be examined with great care during the course of these meetings. I would therefore hope that they would not become a matter of dispute during the precious hours which are available to us today and tomorrow. As you know, good rains will increase local production beyond what has been estimated. But the failure of the next rains, particularly in some of the most critically affected areas, could rapidly give rise to needs well beyond those now indicated.

In any event, as you know, our estimates are for the 1985 crop season only, yet the emergency in many areas may well extend into 1986. There can be no doubt that what we have estimated as the level of unmet needs for 1985 is needed and, indeed, there can be no doubt that if the emergency continues, substantially more than this will be required.

May I note that our estimates have taken into account the feasibility of delivering the required assistance in time to ensure that needs to which they are addressed can in fact be met. This is a monumental task but we believe it can be done within the range of the estimates we have presented, provided all parties concerned collaborate as effectively as they can. Whenever possible, OEOA will encourage trilateral arrangements whereby cereal and other food surpluses currently available in a few Sub-Sahara African countries are marketed within the region to help meet the needs of critically-affected countries.

As pointed out in our Report, the unified appeal of the Secretary-General incorporates, and fully endorses, the individual appeals made by UNICEF, UNHCR, WFP, FAO, as well as an appeal which will soon be made by IFAD.

As I noted a moment ago, immediately following this Conference we will begin a process of consultations with the Governments of each of the affected countries covered in our Report, to which donor Governments, multilateral donors, United Nations organizations and non-governmental organizations will be invited. The first of these meetings will be held here in Geneva this week.

Similar consultations in respect of each of the other countries covered by the Report will take place shortly thereafter and a schedule of these meetings indicating their time and place will be announced as soon as possible. At each of these consultations, more specific details will be presented to translate the aggregated country level estimates included in our country profiles into concrete proposals to which donors will be able to respond in a more specific and concrete manner.

This consultative process will be greatly facilitated, too, by the meeting which FAO will hold in Rome on 29 March, as a follow-up to this Conference, at which the donors will be considering specific projects covering urgently needed pastoral and agricultural inputs. Those steps will, we hope, enable a package of assistance to be put together for each country that will help meet its specific unmet needs for 1985. All of this has to be compressed into a very brief period. But there is simply no alternative. The pressure of time already hangs heavily on us and it is increasing every day, indeed, every hour.

I have already said that the gathering, analysis and dissemination of information is one of our principal functions. I want to underscore the importance I attach to this activity. Information is the indispensible ingredient for effective co-ordination—information on changing needs, on pledges and commitments, on scheduling of shipments, on deployment of personnel, on deliveries, logistics, on bottlenecks and, of critical importance as well, on indicators pointing to potential new needs. The development and provision of such information on a timely and reliable basis will be of enormous help to the African Governments as well as to donors. We are working together with our co-operating organizations to improve the quality and presentation of the information available.

Finally, let me refer to the longer-term challenge which the African Emergency has presented.

For the people of Africa, this drought emergency has come at a time when their economies were already reeling from the devasting consequences of the world recession and the debt crisis which accompanied it for many of them. It has been a crushing burden, exacerbated in some cases by internal conflicts, and, in others, by external pressures. This grave set of circumstances has been compounded by the persistent obstacles to development which plagued most of the affected countries even before the present emergency. We must be frank in admitting that the emergency has revealed deficiencies in policies, in the allocation of resources and in management, particularly as they bear on food production and distribution. No one is more aware of this than our African friends themselves, who bear the responsibility for the changes which will have to be made. One of the most hopeful signs at this critical time is the determination of African Governments to make the necessary changes and to apply the sobering lessons learned from this emergency.

But both donor Governments and agencies have been parties to the mistakes of the past, and, indeed, in some cases have helped to induce and perpetuate them. They, too, must be prepared to change and to support African Governments with the kind of development assistance which they really need on a sustained basis during the period of recovery, rehabilitation and beyond. Emphasis must be placed on the kind of rapidly-disbursable aid which can inject immediate life into the economies of the countries. Of immediate importance will be funding to help maintain and improve the basic infrastructure so vital to recovery, much of which has been subject to serious deterioration. And countries which have used their own scarce foreign exchange reserves to meet emergency food needs, should not be penalized as a result of that decision in meeting their additional needs for development assistance which are thereby created. But most important of all, in my opinion, is a new unremitting effort to develop Africa's most important resource—its human capacity.

Of central importance will be the approach of the International Monetary Fund, the World Bank and major creditors in accommodating their requirements realistically and sensitively to the needs and capacities of the African countries. Their recovery depends on their being assured of an adequate net inflow of resources during this critical period. Emergency assistance could well be negated if the international community does not respond with generosity and realism to these needs.

Because of the extent of the emergency and the time over which it, and its consequences, will extend, there will inevitably be a growing fusion of emergency with development-related activities. There is much that can be done in development. And, equally, there is much that must be avoided. This includes especially the unnecessary displacement of people from their home areas and the creation of over-dependence on external food supplies which would impair prospects for long-term, self-reliant development.

Fundamental to the prospects for achieving food security and self-reliance in the countries affected is the balance between the ecological capacity of the land and the human and animal populations it must support. In broad areas of Africa today that balance has broken down and the environment is literally bankrupt. The march of the desert across a broad band of Central Africa has been accelerated by the recurrent series of droughts. In large areas of the continent the destruction is beyond repair, for all practical purposes in the foreseeable future. Resources must be concentrated on preventing the destruction from spreading. Large numbers of people will be permanently displaced. For many of them a return to agriculture may not be feasible. This will create huge structural problems in the countries concerned which will have to be addressed.

And we must never forget the cultural dimensions which are sometimes overlooked because they are not subject to the kind of quantification to which economic analysts are accustomed. But for the people who have been torn from their families, their neighbours, their lives and their homes the shock to the values, the traditions and cultures which have shaped their lives can be the most damaging blow of all. The policies and practices we adopt in helping them must be especially sensitive to this. Above all, we must learn to listen to them, to understand them and to support them in the paths they choose toward a better and more hopeful future.

Of special importance, too, is the role of women. In African societies, they bear the primary day-by-day burden of feeding their families. The ingenuity, resourcefulness and determination of African women in meeting the acute shortages of food, fuelwood and water produced by the drought is one of the great untold stories of this crisis. It is also one of the principal foundations on which a more promising future can be built. We must reinforce and support the role of women in building food security at the family level. For it is at this level that the needs of people become real and specific.

In discharging our responsibilities, we, in OEOA, intend to give high priority to working with the African Governments and the organizations responsible for various aspects of development to ensure that the lessons we all learn as a result of this crisis and the measures we take to deal with it contribute to the maximum extent possible to an era of hope of Africa.

Today that hope rests in very large measure on your response to the needs—unmet needs—which must be met if the lives of millions of Africans now at risk are to be protected and their suffering relieved.

You have already done a great deal—but so much more needs to be done.

We know that this comes at a difficult time when all Governments are experiencing financial stringencies and severe pressures on their own budgets. But despite this, in a world which will spend $1 trillion on armaments this year, we can surely find 15/10000 of that amount to relieve the anguish of Africa.

We *do* have the means to respond to this crisis; the question which this Conference poses is: "Do we have the will?" I believe that the crescendo of concern and support for Africa that we have seen on the part of people throughout the world provides a resounding "yes" to that question. And I hope and pray that the Governments who represent these people at this Conference will reflect that support and that concern. The needs which are before you must be measured not in terms of a deficit in resources available, but in terms of human suffering and of human lives which may be lost unnecessarily.

We dare not fail.

We must not fail.

Mr. KENNEDY. Mr. President, I want to underscore the sense of urgency that has been noted during the discussion of this issue on the floor this afternoon. I think all of us who have served in this body are familiar with circumstances when there is a supplemental appropriations bill where there is a sense of urgency about it. But I believe there has been no urgent supplemental appropriations bill in any recent years that is any more urgent than this bill before us. The fact of the matter is, Mr. President, that many of the voluntary agencies today are borrowing a good deal of money—these are church-related agencies—in anticipation of this legislation in order to be ready to meet very significant needs in the field.

I had the opportunity about 2 weeks ago to visit with the Secretary General of the United Nations and also to meet with the voluntary agencies, the heads of those agencies, in New York. They emphasized and stressed upon me the importance that all of them attach to this legislation. They have been so moved by the enormity of this tragedy that they have not only gone back to their donors for more aid, but in anticipation of a congressional response, they have extended themselves to really the breaking point.

Mr. President, I believe that the committee has responded to this need in a strong, bipartisan way. Historically, the United States has provided about 50 percent of need in terms of food in different parts of the world. There has been an honest assessment about what the needs are going to be over the period of this next year. No one can say with any degree of exactitude what those figures will be. The House figure is somewhat higher, a figure I would have supported.

But I do not question, Mr. President, that those who have supported this lower figure are equally concerned with the problem that we are facing in Africa. Should the resources in this supplemental not be sufficient to meet those needs, I am sure this body will insure that there will be a further appropriation by the U.S. Congress in responding to those needs.

I could go into greater detail in interpreting how this particular legislation would address some of the human needs that I saw in Ethiopia and Sudan over Christmastime. But, Mr. President, I believe this is good legislation and I would certainly hope that we would have a very strong vote in support of it by this body.

Mr. KASTEN. Mr. President, there are no words sufficient to describe the human tragedy which has unfolded in Africa over the last several months. Pictures in the media which the American people have watched with deep sorrow better describe what is going on in that part of the world. We have seen mortality rates in both Sudan and Ethiopia which have been described as exceeding the worst days of the Kampuchean crisis or the World War II siege of Leningrad. The American people have led the way in responding to this suffering with an outpouring of contributions to organizations and causes which are fighting this famine unprecedented except perhaps for the American response to Europe shortly after World War II. The measure we are dealing with today follows the example of our citizens and provides additional needed food and other assistance for those suffering in Africa.

Mr. President, the accounts in the bill under the jurisdiction of the Subcommittee on Foreign Operations, which I chair, are International Disaster Assistance, Migration and Refugee Assistance, and the U.S. Emergency Refugee and Migration Assistance Fund. We have suggested some language in this legislation which needs some explanation. Specifically, while we are providing for the higher amounts suggested by the House, we do so by making the funds available through fiscal year 1986 and by giving the administration some discretion to spend less sums if these higher amounts are not required. We also incorporate language in the bill which says that the money we are appropriating are for these purposes only, and by including such language we intend that any waiver authorities existing in the law may not be used to make these funds available for other purposes. One of the concerns I had in developing this legislation was that if the administration decided lesser sums were needed they would nonetheless use the money for other programs not intended by Congress by utilizing waiver authorities in the Foreign Assistance Act.

The committee is also recommending language which waives the necessity for authorization. In our report we indicated that this amendment would be dropped if authorization had in fact been enacted. While such authorization has passed the Senate, it is my belief that we should be on the safe side and keep this language as there is some doubt whether or not the authorization will be passed in the House.

The committee has avoided any earmarkings in the legislation, but in the report accompanying this legislation we do direct that certain amounts from International Disaster Assistance and the Refugee accounts be provided to the United Nations Office of Emergency Operations in Africa. The committee felt that such a contribution was crucial in order to ensure a multilateral effort.

Mr. President, before closing, I would like to express my deep appreciation to the senior Senator from Massachusetts, who has shown such leadership in this area. I look forward to working with Senator KENNEDY on similar matters in the future, and I commend him and his nonpartisan approach to these problems. I would also like to thank others who have been in the forefront of this issue, including Senators DANFORTH, COHEN, DURENBERGER, D'AMATO, JOHNSTON, SIMON and HART, who cosponsored the Kasten/Kennedy legislation. And, of course, I would like to commend the chairman of the full committee, who has a long record of leadership in this are. Finally, I wish to commend the ranking member of my subcommittee, Senator INOUYE, who as usual was very helpful during fomulation of this legislation.

Mr. KENNEDY. Mr. President, for the record, I would like to review with Senator KASTEN some of the reasons why we joined in introducing our draft bill on African famine relief last

month—which was an open-ended appropriation.

We took this approach, Mr. President, because we felt the extraordinary situation of escalating famine needs in Africa justified such a flexible approach.

Mr. KASTEN. Mr. President, will the Senator yield?

Mr. KENNEDY. I am pleased to yield to the distinguished Senator from Wisconsin.

Mr. KASTEN. Mr. President, when Senator KENNEDY and I joined in this legislation last month, we had two main considerations. The first was that until our legislation was put forward, there had not been a bipartisan approach, and we felt that such bipartisanship was crucial.

Second, the debate in Congress was bogged down in arguments over whose dollar figures were correct—some levels were even being described as "more humane" than others. We believed such arguments had no place in these discussions, but rather we must commit ourselves to helping to solve the problem.

Mr. KENNEDY. Mr. President, I fully agree with Senator KASTEN.

I still believe that the flexiblity of our bill was warranted—but I understand the concerns that members of the Appropriations Committee have over open-ended appropriations. And since the House has since passed a generous bill—and we are working today on similar figures which will meet immediate needs—I am pleased to join you in moving this compromise bill forward as fast as we can.

But I would like to ask the Senator from Wisconsin, who is the chairman of the Appropriations Foreign Operations Subcommittee, if he believes these figures will be fully utilized by the President—since we are giving the administration greater flexibility to obligate the funds "up to" certain ceilings?

As the Senator knows, there have been some concerns that there might be some within the administration, particularly within OMB, to restrict AID's programming of the funds for Africa.

After my conversations with senior members of the President's staff and Cabinet, I believe I can state for the record that I have their personal assurances that our Government will continue our strong support of the African relief effort, and provide 50 percent of the unmet food needs of Africa in the years ahead. Is that also the Senator's understanding?

Mr. KASTEN. Mr. President, that is my understanding, and let me further say that as chairman of the foreign operations subcommittee, I will use all of my influence to make sure that needed funds go forward under those programs under my jurisdiction. Further, like the Senator from Massachusetts, I believe that AID has done a commendable job, and will continue to do a commendable job in combating this famine, and I do not foresee any other agency getting in their way.

Mr. KENNEDY. Mr. President, I appreciate the Senator's response, and I look forward to working with him in the days ahead to assure that we fully utilize the funds appropriated in this bill to meet the needs which I have seen firsthand in the field.

Finally, Mr. President, let me ask the Senator whether he believes the funds appropriated to AID's international disaster assistance account can be used for inland transportation as well as ocean freight reimbursement for the voluntary agencies. As you know, there has been an extraordinary outpouring of generosity and support from the American people for the voluntary agencies' program in Africa. I believe, Mr. President, that nearly $100 million has been raised from the private sector—the churches and voluntary agencies—over these last 5 months alone. This is the most received by the voluntary agencies in response to any humanitarian crisis since World War II.

Many of these contributions are in kind—needed food, medicines and other relief supplies. But they do not have the resources to ship these voluntary contributions.

I realize we must be cautious and very strict in our ocean freight reimbursement program—to assure that only those supplies which are urgently needed are shipped at Government expense. But with proper controls I believe we should increase funding for this account to allow the voluntary agencies to maximize their use of needed relief supplies already donated by the American people.

Mr. KASTEN. Mr. President, the answer to the Senator's question is most definitely yes. In fact, it is this need for inland transportation which persuaded me that up to the higher amounts cited in the bill may be necessary. The Senator knows this better than I, due to his recent visit, but one of the real problems has been the unavailability of transportation, not food availability—at least recently. It does not do much good, however, if all of that food is in the ports, while the people are starving in the countryside.

Mr. KENNEDY. Finally, Mr. President, I would like to mention something that the Senator from Wisconsin and I have talked about when we reviewed some of the components of our famine assistance effort in Africa.

In adopting today this urgent supplemental appropriations we are recognizing that more assistance is obviously needed to meet the current emergency in Africa—but more alone is not enough.

For example, to the greatest extent possible, the food we supply should be fortified food which will provide the maximum nutritional help for the children in intensive feedings programs. It was clear to me during my trip to the field, that not enough processed food, the CSM—corn-soy milk—is available at the present time, and this shortage is costing lives.

This issue was forcefully made to me by John Wise, who is a special representative of the Krause Milling Co. in Milwaukee, WI. He was a member of my delegation to Ethiopia and Sudan, and I greatly benefited from his expertise and experience in the field.

He made the point that not only are these fortified foods crucial to the intensive feeding programs, but they are actually more cost effective in nutritional terms than simply sending unprocessed grains. By the time you consider the shipping costs and internal transportation of sending bulk grains, the nutritional return compared to processed foods is considerably less. You can get up to 40 percent more nutritional results from fortified foods than from whole grains, and for the same transportation and handling costs.

I would like to ask Senator Kasten whether in his subcommittee's review of AID's food programs for Africa, whether these fortified foods are being given sufficient priority.

Mr. KASTEN. Mr. President, as the Senator knows, I fully concur in his assessment on the important role these fortified foods should have in our famine relief effort—and I agree that we can and should be doing much more.

From my conversations with representatives of the food industries involved in producing these foods, it appears that our capacity to manufacture them has hardly been tapped.

There is a temptation in many quarters—and not just in AID, but in other countries as well—to respond to emergency food needs with whole grains. They are sometimes more readily available and they serve to make the tonnage of the contribution look better and larger.

But we cannot measure the effectiveness of our food assistance program on the basis of the tonnage we have shipped. The quality and character of that food must be considered as well.

I am hopeful that AID and the Food for Peace Program will give greater emphasis to including these fortified foods as a priority component of our total food assistance effort. This is not only crucial for the infant feeding programs—meeting the needs of the most vulnerable elements of the population—it is also cost effective.

Mr. President, our subcommittee will continue to monitor this program closely, and I appreciate the comments of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the distinguished Senator from Wisconsin, and I look forward to working with him in the days ahead.

Finally, Mr. President, I want to underscore that a critical part of the relief package we are enacting today is the appropriations for the nonfood needs involved in the relief effort

On the basis of my visit to the field, and my reivew of the outstanding request, I cannot emphasize enough the importance of the $175 million in nonfood emergency assistance provided for the African emergency under this legislation. Unless we can make available the health personnel and supplies needed to treat those who suffer from the diseases that attack people weakened from malnutrition, we will continue to see on our TV screens pictures of children dying from malaria, measles, and dehydration caused by diarrhea.

Unless farmers receive seeds, tools, and animals to replace those lost, they cannot plant and there will be no harvest regardless of the rains.

Unless affected countries receive assistance to improve water sources and food production and storage, they will remain vulnerable.

There is no question in my mind that the $175 million in emergency relief, recovery, and refugee assistance is urgently needed and can be well spent during this fiscal year. It is my understanding that AID's Office of Foreign Disaster Assistance already has some $98 million in proposals for immediate emergency relief from private voluntary agencies, international relief organizations, and U.S. missions waiting funding—and no funds left from those appropriated for fiscal year 1985.

Given the fact that the crisis has not subsided and is expected to continue well through autumn, if not beyond, we can certainly anticipate substantial additional requests through the end of this fiscal year.

In fact, recently international agencies have launched special global appeals for emergency assistance. UNICEF has appealed to donors for $67 million to meet emergency needs in nine African countries. Assistance would cover provision of drugs, vaccines, safe drinking water, and supplemental feeding programs. In February, UNDP announced it was seeking an additional $138 million from donors in emergency funds for such items as repair of wells, water storage, and seed production.

Mr. President, with respect to the $37.5 million for refugees out of the $175 million total, I am growing increasingly concerned over the refugee situation in Africa, particularly in Sudan. As many as 3,000 refugees a day are coming into Sudan from Ethiopia in search of food. Vice President Bush, after his recent visit to the Sudan, pledged continued U.S. assistance for the refugees in his address to last week's U.N. conference on the emergency situation in Africa held in Geneva.

Clearly, the funds provided in this bill are desperately needed to make good on that pledge, including funds for expanding water sources and other infrastructure in areas where there are large numbers of refugees, as proposed at the ICARA II conference last summer. As much as a third of the Sudanese population itself is at risk of starvation. The Sudan people have accepted large numbers of refugees in their midst. They need our help in coping with the newcomers.

Mr. President, if the African emergency is to be dealt with effectively and the beginning steps taken to assist African countries recover from the current food crisis, the United States must respond to requests currently in hand and to future requests for nonfood relief, refugee, and recovery assistance. I hope $175 million for the remainder of fiscal year 1985 will be enough. I am certain it will not be too much.

In conclusion, Mr. President, I would like to say a word about the important role—which this legislation explicitly recognizes—that the international and voluntary agencies play in today's relief effort in Africa. In Ethiopia and Sudan, and in all the other drought-affected African nations, it is the voluntary agencies who are on the frontlines, becoming the principal channel for our food and relief assistance.

Once again they are helping America to fulfill its humanitarian commitments to help those in need. They are, in a very real sense, America's helping hand reaching out to those who so desperately need food, medicine, and shelter. And they make certain that our assistance gets to the people who need it, and where it is needed most.

Mr. President, if there are profiles in courage today, it is the voluntary agency workers who are saving lives against all odds in small, forgotten places in Africa and around the world.

So it is entirely appropriate, Mr. President—indeed, it is the only way—for this legislation to specify that this assistance should be channeled, to the maximum extent practicable, through the various international and voluntary agencies.

But even as the voluntary agencies begin to play an expanding role in our international relief as well as developmental assistance programs, we must be mindful of some of the problems and burdens this increased responsibility is creating.

Three weeks ago, I met privately in New York with the directors of about 50 of the major voluntary agencies—to report on my trip to Africa—but more importantly to hear from them about their problems, their recommendations for action, and their experiences in the field. During this meeting it became clear to me that many of the procedures and requirements that AID and the Public Law 480 program currently impose upon the agencies has become unnecessarily bureaucratic and burdensome. In several instances they hamper the ability of the agencies to respond expeditiously and flexibly to emergency situations.

Some of these requirements are purely administrative, and hopefully we can work with the Administrator of AID and the appropriate Public Law 480 food for peace officers in revising and easing those administrative requirements. But other areas may require statutory changes.

I have asked the voluntary agencies to draw up some or the key administrative and statutory changes they feel are needed to make their work more effective and less burdensome—and I look forward to working with the distinguished chairman of the Foreign Operations Subcommittee, Senator KASTEN, in moving forward on these recommendations in the days ahead.

It has also become clear to me that we need to help strengthen the voluntary agencies—not only by continuing our funding of their programs in the field—but also in giving them institutional support here at home. For example, there is an interesting proposal to develop, on a systematic basis, a program to train young professionals as a source of recruitment for the voluntary agencies—such as those internship programs which now exist for AID, the World Bank, and several other international agencies.

It is abundantly clear, Mr. President, that the role and work of America's voluntary agencies will continue to grow in the implementation of our international development and refugee assistance programs, and we need to strengthen their ability to undertake these greater responsibilities.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, over the past several weeks, we have discussed at length the plight of the tragic millions in Africa who lack all the basic necessities—including those most critical for sustaining life itself, food and water.

I believe we are all agreed that we must act quickly to provide the means of relieving suffering and preventing death. Indeed, the Congress did act quickly and most responsibly when, in February, we sent an African famine relief bill to the President for his signature. Since the President vetoed that bill, because of the domestic farm credit provisions which had been appended, we are here to try again to provide funding for food and supplies

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so desperately needed in over 20 countries in Africa.

We do not know, indeed we may never know, how many have died because our response to tragedy has been delayed.

I would have preferred to provide even more assistance than is contained in the bill before us. When this appropriation was before the Senate Appropriations Committee, I was the author of an amendment which would have doubled the administration's request for food assistance—from $185 million to $370 million—and which, in addition, would have established an emergency reserve of $335 million to accommodate unforeseen needs in 1986. Although my amendment did not prevail, the committee reported a bill which I would urge my colleagues to approve. It raises the funding for food assistance to $285 million and provides an emergency reserve of $225 million. These funds should be adequate for the near term and the emergency reserve provides a cushion against an unexpected worsening of the current situation.

Mr. President, we need to act expeditiously to provide these funds—we have already had enough delay—and I hope that we can pass this bill quickly and send it to the President with all possible speed.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendments to H.R. 1239 be considered and agreed to en bloc and that the bill, as amended, be considered as original text for the purpose of further amendment, provided that no point of order would be waived thereby.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. I rise in support of this legislation.

Mr. President, recently I had an opportunity to travel to Ethiopia and Kenya and see firsthand the tragedy of Africa. Africa is a dying continent, hard hit by population explosion, misrule, and by drought and famine that today imperils the lives of tens of millions of people.

I must tell you that I have never seen anything quite like it. The pictures that we see on our television sets at home fail to accurately portray the dispair and destruction of that continent.

I visited two feeding camps in Ethiopia. At Mekele in the north 70,000 people were being kept alive; and at Alamata World Vision and the Sisters of Charity are feeding 30,000 more.

You walk through those camps and you are surrounded by dispair and destruction on all sides. I held a little baby boy in my arms. He was dying. He was dying because he did not have enough food to eat. You cannot face that reality and not have your life fundamentally changed.

But I want to tell you that the overriding impression that I brought home was not the destruction and the death that abounds, but the joy and hope on the faces of the young children that come running by the hundreds as you walk through those camps. They reach for your hands. They grab them. They squeeze them and they rub them against the sides of their dirty faces. These children have hope and they have life because of the generosity of the American people. They are fed with grain from sacks bearing the stamp "From the people of the United States of America."

The Government of Ethiopia does not acknowledge our help, but the people know that the Soviets are sending arms and the American people are sending food. Our assistance is being funneled through private voluntary organizations like World Vision that are on the job and getting results.

I was reminded very powerfully in that experience, Mr. President, of the harsh realities of this world.

America is free. There is little freedom in this world.

America is prosperous. There is little prosperity in this world.

America is at peace. There is, so little peace in this world.

We are blessed. We are free. We are prosperous. We are at peace. America is the hope of mankind and we must respond passionately and generously.

This is the right thing to do. This legislation should be approved. Our Nation should continue to reach out and help those people at home and overseas who have no chance of helping themselves.

I hope that, as we focus on this grave disaster that stalks the lives of millions and millions of our fellow men, we will always be reminded that it is our task to keep the American dream alive—not only for our children but for the children of the world.

I yield back my time, Mr. President.

Mr. EAST addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. I wonder if I may make an inquiry of the managers of the bill under question. I read in the Washington Times this morning that, if I may quote very briefly, and I would appreciate the answer of the distinguished chairman of the Committee on Appropriations, that Millicent Fenwick, American Ambassador to the U.N. food agency, said yesterday that the Government of Ethiopia uses donated food as a bait, a lure, to relocate hundreds of thousands of people against their will.

"It's heartbreaking," she said, citing reports from "witnesses whose integrity cannot be questioned."

Mrs. Fenwick, who represents the United States at the Food and Agriculture Organization and other U.N. agencies based in Rome, said in an interview that Ethiopian soldiers killed four villagers Feb. 19 "for refusing to get on the truck."

Critics have charged that Ethiopia's Marxist government has broken up families and moved people to the southern part of the country in an effort to depopulate areas controlled by rebel movements in the northern provinces of Eritrea and Tigray.

What I am concerned about is that, naturally, in a great spirit of beneficence, we give American tax dollars to famine-stricken countries in Ethiopia, but frequently, these very countries are controlled by Marxist-Leninist dictatorships that have brought about the famine. They, in turn, take the money that we send in order to impose further tyranny upon the people. So it is a case of misplaced humanitarianism.

I wonder how this legislation would guarantee against that. Because again, it is one of these situations: no one is opposed to helping famine-stricken people; yet, at the same time, we are using it to aid and abet the very tyrants who have brought about the plight of the people.

It is a catch-22 situation that I agonized over and I may be candidly forced to vote no on it. I would not want the record to indicate that I am voting no because I am against famine relief; I am going to vote no because I am against Marxist-Leninist dictators taking American food and using it to impose further tyranny upon their own people.

That is the question I raise, Mr. President. I do not wish to get overwrought about it, but I think it is a fair question to ask and the American taxpayer, I think, deserves an answer to it.

Mr. HATFIELD. Mr. President, I say to the distinguished junior Senator from North Carolina that it is a legitimate question, and I hope he will withhold his decision on his vote until he hears the response.

The fact is this administration is fully aware of the stance of the Marxist-Leninist Government of Ethiopia. The administration has made the request for this support, this aid. The administration is just as concerned about not providing that to a government that will withhold from its own people, where many of its policies have helped create this problem. That is why these resources are being distributed through private, nonpublic organizations in Ethiopia.

In just a few moments, the Senator from Montana will offer an amendment. The senior Senator from North

Carolina [Mr. HELMS] will offer an amendment to that amendment which will further tighten up any question, if there is such a question that has remained thus far in anybody's mind, that such aid that is incorporated in this bill will be specifically prohibited from being channeled through the Leninist-Marxist Government of Ethiopia.

That is, I think a reasonable approach. I think therefore it would not be true to say that we are providing aid paid for by taxpayers to the Government of Ethiopia. We are providing aid in this program to help the people who are starving.

If I may just recall one interesting moment of history, in the early 1920's Maxim Gorky, on behalf of the Lenin government of Moscow, sent a message to then Secretary of Commerce Herbert Hoover asking if he would help in raising funds and resources to help in the famine that had hit the Soviet Union, created in large part by their whole economic system. Without hesitation, Secretary of Commerce Herbert Hoover, who had made his name for food distribution in the World War I period, responded affirmatively. "For," he said, "starvation does not know political ideological barriers or boundaries."

He went forward and even the Presidium of the Supreme Soviet, following his efforts worldwide, passed a resolution commending him for saving the lives of 18 million Soviet citizens.

There were those voices raised that said, "Let them starve. They are Communists. This is the wrath of God being wrought upon the Soviet system." But fortunately, men like Mr. Hoover and others recognize that you cannot make people the victims of political leadership, whether good or bad; we have to look beyond that political leadership and reach out to those people who are the innocent victims of economic and political systems that have helped create that plight.

I think that is an interesting precedent in history. I am going to support the Helms amendment to the Melcher amendment. We are going to accept them both because we want to allay any fears that the Senator from North Carolina or others might have from reading this article that somehow we are aiding and abetting the cause of the Ethiopian Government. We are aiding and abetting the cause of people who are starving within Ethiopia, not the Government.

(Mr. MATTINGLY assumed the chair.)

Mr. KENNEDY. Will the chairman of the Appropriations Committee yield?

Mr. HATFIELD. Yes.

Mr. KENNEDY. Mr. President, as I understand it, the way this legislation is structured, any American assistance that is provided goes through the international and voluntary agencies, primarily the church-related agencies, and not directly to the Ethiopian Government.

Mr. HATFIELD. That is correct.

Mr. KENNEDY. I further understand that there are other countries—not many, but there are some—that do provide food directly to the Ethiopian Government. But that is not in this particular legislation.

I further understood that the funds in this bill will go not only to Ethiopia but to the Sudan, which is a country which is a strong supporter of the United States, and many of the other countries of Africa—the best estimate now is anywhere from 12 to 16—that may be adversely impacted by the drought. And they are countries which are in no way considered to be unfriendly to the United States. Do I understand that to be correct?

Mr. HATFIELD. The Senator from Massachusetts understands the structure of this legislation correctly.

Mr. KENNEDY. I thank the Senator.

AMENDMENT NO. 18

(Purpose: To direct use of surplus agricultural commodities acquired by the Commodity Credit Corporation for the purpose of emergency famine relief and recovery in Africa)

Mr. HATFIELD. Mr. President, I believe the Senator from Montana has an amendment that we are ready to accept.

Mr. MELCHER. Mr. President, I have an amendment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] for himself and Mr. DOLE propose an amendment numbered 18.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the Act insert the following:

DISPOSITION OF ADDITIONAL AGRICULTURE COMMODITIES UNDER SECTION 416 OF THE AGRICULTURE ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for fiscal year 1985, not less than two hundred thousand metric tons of agricultural commodities: *Provided*, That not less than one hundred thousand metric tons of the commdities made available under this sentence shall be in the the form of wheat or wheat products. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

Mr. MELCHER. Mr. President, the question raised by the Senator from North Carolina is I believe answered by the words "through private voluntary organizations." Food through section 416 of the Agricultural Act of 1949 will be made available through those voluntary organizations in Africa to the countries which need it. Section 416 is not in the bill at present, and I think that is an oversight. It is one that I would like to have corrected. This will be an additional 200,000 tons of food which would be either wheat or dairy products. If it is all wheat, it would come to approximately $28 million in CCC wheat, and I have to differentiate a little bit because under 416 it is a transfer of a commodity already owned by the U.S. Government and is off budget. While the value is $28 million, for budgetary purposes, it will not be considered on budget and therefore technically will not create a further deficit.

I think it is advisable that we require some use of 416 for some of these commodities because there is a little bit more flexibility under 416, and the private voluntary organizations are better able to make such applications if they are assured that they will be approved. There is a little bit less redtape and paperwork for them and they greatly appreciate that. I hope the amendment can be accepted.

AMENDMENT NO. 19

(Purpose: To condition the use of Commodity Credit Corporation-owned commodities)

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I have an amendment to the Melcher amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follow:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 19 to amendment No. 18:

On line 12 of the Melcher amendment strike the period at the end of the sentence and insert in lieu thereof the following: *": Provided further,* That none of the commodities made available for donation under this sentence shall be made available until the Secretary of Agriculture has certified to the Chairmen of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia."

Mr. HELMS. Mr. President, I am appalled at what the Government of Ethiopia is doing to its own people. Item 1: At a time when so many of the people of Ethiopia are starving to death, the Government of Ethiopia is

exporting food. Second, Millicent Fenwick, former distinguished Member of the House of Representatives, now American Ambassador to the U.N. food agency, said, I believe it was on the "Today Show" this morning, that the Government of Ethiopia is using donated food as, and I quote her: "A bait, a lure to relocate hundreds of thousands of people against their will." Mrs. Fenwick went on to say: "It is heartbreaking," and then she cited reports from "witnesses whose integrity cannot be questioned."

Now, Mr. President, Mrs. Fenwick represents the United States at the Food and Agricultural Organization and other U.N. agencies based in Rome, and she said in the interview that: "Ethiopian soldiers killed four villagers, for example, on February 19," quoting her, "for refusing to get on a truck."

So here we have a typical example of what happens to a Communist government, and I for one am unwilling to leave even the slightest loophole whereby the Government of Ethiopia can get its hands on one grain of corn or anything else sent by the American people to the starving people of Ethiopia. So I do hope that the amendment to the Melcher amendment will be accepted.

Mr. MELCHER. Will the Senator yield?

Mr. HELMS. Yes.

Mr. MELCHER. I have circulated the amendment on this side and there has been a recommendation from the distinguished Senator from Hawaii that in order to clarify the purpose of the Senator's amendment, the word "sole" be inserted on line 5, I guess it is, so that it would read, "otherwise be allowed to come under the 'sole' possession or control of the Government of Ethiopia." The one word "sole" would be inserted. Does the Senator object to modifying his amendment?

Mr. HELMS. If the Senator will yield, there is nobody in this Chamber for whom I have greater respect than the Senator from Hawaii [Mr. INOUYE], but I think, from my reading of this, it would complicate rather than clarify, and I hope he will allow me not to insert that word. I would rather not have the word "sole" in there.

Mr. INOUYE. Will the Senator yield?

Mr. HELMS. I do not have the floor; the Senator from Montana has the floor, but I know he will yield.

Mr. MELCHER. Yes; if I have the floor, Mr. President, I yield to my friend.

Mr. INOUYE. Mr. President, my concern is a very simple one. What if in the delivery of the food trucks of the Government of Ethiopia were utilized. How would that be defined? Because for that moment one can say that the food was in the possession of the Ethiopian Government.

Mr. HELMS. The question is "under the control of the Government of Ethiopia?" Is the Senator asking me what that means?

Mr. INOUYE. Under the Senator's amendment.

Mr. HELMS. I say to the Senator I do not know how it can be clearer. What is the problem of the Senator?

Mr. INOUYE. Let us assume that the Red Cross in hoping to get the food to certain peoples out in the desert called upon the Ethiopian Government to provide transportation and for the several hundred miles the food is placed on Ethiopian trucks. One can easily say that at that moment the goods are in the possession of the Ethiopian Government. Would that disqualify it?

Mr. HELMS. No. If the Senator would be willing to make legislative history that his addition of the word "sole" be confined to episodes of that kind, obviously I would have no objection to it. But the way I read it, with the word "sole" inserted, it has the other connotation. I may be absolutely in error about it, but I want to nail down that the Government of Ethiopia is going to have nothing to do with this food in terms of taking it over as they are now.

Let me say this to the Senator. The distinguished Senator from Missouri [Mr. DANFORTH] was in Africa not long ago. He brought back some 100 slides which he took in African countries. Picture after picture showed the pitiful emaciated people, children, adults, and behind them in so many cases were literally fat soldiers. They were getting the food. The people were getting no food.

As I said earlier, the Government of Ethiopia, at a time when they have this distressing famine, is exporting food. Now, if the Senator from Hawaii will state for the record any other instances which relates to his proposal to insert the word "sole," that will be fine in terms of legislative history. I have no objection to the word, but I just want to be clear as to what it means.

Mr. INOUYE. When the food is sent over from the United States on board ships, it has to land at some port, let us say, in Ethiopia. At that moment, it comes under the control of the customs officials at the port authority.

Under the definition of the Senator from North Carolina, would that mean that it is under the control and possession of the Ethiopian Government?

Mr. HELMS. Frankly, I do not know how to answer the question, because I do not know what dictatorial steps the Ethiopian Government would take to gain control of this donated food which Mrs. Fenwick has discussed this very day. It is sort of hypothetical, and I cannot answer the Senator's question.

The only thing I can say to the Senator is that, as one Member of the U.S. Senate, I do not want to run the slightest risk of the Government of Ethiopia taking over the largesse, the generosity, of the American people.

Mr. INOUYE. I will withdraw my suggestion, Mr. President, I just hope that this amendment will not in any way serve as an obstacle to our intent to deliver goods on time.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. HELMS. I believe the Senator from Montana has the floor.

Mr. MELCHER. Will the Senator from North Carolina yield for a question?

Mr. HELMS. If I have the floor, Mr. President, I will certainly yield.

The PRESIDING OFFICER. The Senator from Montana has the floor.

Mr. MELCHER. As drafted, the amendment applies only to section 416 foods. Is the Senator comfortable with the remainder of the bill on this point—whether or not the food will be handled properly?

Mr. HELMS. Is the Senator referring to his amendment?

Mr. MELCHER. I am referring to the amendment that the Senator has to my amendment and am merely inquiring, since his amendment applies only to my amendment and section 416, is he comfortable with the language in the bill under the food supplied under Public Law 480?

Mr. HELMS. Mr. President, will the Senator yield?

Mr. MELCHER. I yield.

Mr. HELMS. I am perfectly satisifed with the amendment of the Senator from Montana as amended by the Senator from North Carolina. Does that answer the question?

Mr. MELCHER. No; my question pertains to this: What about 480 foods? Does the Senator think that the restraints that he deals with in regard to my amendment, which is on 416, already in the bill, which he recommends on 416 foods, are the same restraints on 480?

Mr. HATFIELD. Mr. President, if the Senator will yield, can we not deal with the amendment of the Senator from Montana as stated, as read, as amended by the Senator from North Carolina? I would much prefer to move this bill along than try to create other problems with amendments. Can we not handle one amendment at a time? We are going to accept the amendment of the Senator from Montana.

Mr. MELCHER. I respond to the chairman that, yes, we can. I am just curious as to the position of the Senator from North Carolina on the foods covered by Public Law 480.

The chairman is correct: We can move the amendments, and then, if the Senator from North Carolina will yield, I will ask that question as we move the amendment, because it is really asking about how he feels about the remainder of the bill.

Mr. HELMS. Mr. President, it's important to remember what the United States has already done in response to the famine. All Americans can take pride in efforts their country has already launched to help the African people in their great hour of need. Let me explain this in detail.

Under the section 416 program, the Secretary of Agriculture is authorized to use surplus dairy and wheat product sitting in government warehouses for donations to needy people overseas. Using this program, the Secretary has already authorized over $50 million in surplus dairy products to African countries. The donation of surplus wheat, authorized by Congress last year, is being worked on at USDA, according to assurances given me.

Through the much larger Public law 480, for Food for Peace Program, our Government has purchased large amounts of American farm commodities to be sent to African countries either as donations under title II or on very favorable credit terms under title I. Through this program, the United States has provided almost as much food aid to sub-Saharan Africa as has all other countries combined.

In total, as of March 1, our Government has approved the use of almost 2½ million tons of food for combating the African famine. About 1.3 million tons of this came under title II of Public Law 480, and 900,000 tons fall under title I/III. In addition to the 50,000 tons of dairy products approved under section 416, our Government has also made available 300,000 tons of wheat from the wheat reserve. This is all being done to meet our self-imposed commitment to provide 50 percent of the total emergency food assistance required by African nations affected by the famine.

Equally impressive has been the outpouring of assistance from private citizens. Over the past few months, Americans have voluntarily provided aid agencies such as CARE, Church World Services, World Vision, and others, with more than $40 million.

Throughout the Nation there have been reports of children putting together projects to raise money, and churches passing around the collection plate—and getting record responses, or businesses pledging percentages of sales.

In some circles, particularly in the major media, it remains fashionable to run down America whenever possible. However, I believe that our response to the African crisis says a lot about our country, and the values for which our people stand.

This outpouring of support by our people leaves Congress with a grave responsibility—a responsibility to see that our assistance goes to those in need, and not to Marxist dictatorships.

As I indicated earlier, there are countless reports that food assistance is being cruelly misused by the Ethiopian Government, without question the Marxist Ethiopian Government has been using food to coerce hungry people to participate in relocation programs.

As I mentioned earlier, yesterday the U.S. Ambassador to the FAO, Mrs. Millicent Fenwick; charged that the Ethiopian Government is using donated food to force the relocation of hundreds of thousands of people against their will.

I ask unanimous consent that the Washington Times report be printed in the RECORD at the conclusion of my remarks.

My amendment, will prevent the commodities provided for in the Melcher amendment from coming under the control of the Marxist-Leninist Government of Ethopia.

Passage of my amendment will make clear our intent that the Ethiopian Government cannot use food donated by the American taxpayers to coerce its own people to leave their homelands against their will. They cannot use our assistance as part of programs where their military shoots its citizens, as was reported by Ambassador Fenwick. This amendment is intended to assure that our food goes only to hungry people.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 20, 1985]

FAMINE AID "USED," ENVOY SAYS

ROME.—Millicent Fenwick, American ambassador to the U.N. food agency, said yesterday the government of famine-stricken Ethiopia uses donated food as "a bait, a lure" to relocate hundreds of thousands of people against their will.

"It's heartbreaking," she said, citing reports from "witnesses whose integrity cannot be questioned."

Mrs. Fenwick, who represents the United States at the Food and Agriculture Organization and other U.N. agencies based in Rome, said in an interview that Ethiopian soldiers killed four villagers Feb. 19 "for refusing to get on the truck."

Critics have charged that Ethiopia's Marxist government has broken up families and moved people to the southern part of the country in an effort to depopulate areas controlled by rebel movements in the northern provinces of Eritrea and Tigray.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the second degree.

The amendment in the second degree was agreed to.

The PRESIDING OFFICER. The question now is on the amendment as amended.

Mr. EAST addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, I should like to make a final inquiry of the distinguished manager of the bill, because I am very sympathetic to the end of it.

As I understand the thrust of the bill, coupled with these amendments, it is that we could have quite strong assurance that the source of distribution will be then private sources, not governmental sources, and this would be true not only in Ethiopia but also in any other country.

Mr. HATFIELD. That is the way the bill has been structured. That is the intent of the administration in administering this aid. It is the intent of the legislative process that has occurred on this bill up to this point.

Mr. EAST. And there does seem to be in place—this is an inquiry—appropriate methods of monitoring and supervision to ensure that that, in fact, will be the case and that we do not run the risk, which I think all Senators would share, of simply giving bait or lure, as Mrs. Fenwick put it.

Mr. HATFIELD. I give the Senator that kind of assurance.

I should like to establish the caveat that we in no way can predict whether this government, at some point in time, would deliberately, unilaterally seize some resource that is in their country. But upon that kind of action, further resource would cease to flow. The point is that we are committed and structured so as to implement this commitment, to distribute it through private, nongovernmental channels and agencies and infrastructure and everything else that we can do independently.

Mr. EAST. As to the distribution problem, who, for example, does the Senator envision as being, let us say, the principal distributor or dispenser in Ethiopia?

Mr. HATFIELD. Private voluntary organizations that have been there, are there, and are working there at the moment, and with the assistance of our own governmental agencies, in terms of transportation from this point to Ethiopia, and their roles, as they are participants as observers, with these voluntary organizations.

Mr. EAST. By "voluntary organizations," are we talking about the Red Cross?

Mr. HATFIELD. World Vision, church organizations.

I should like to yield in a moment to the Senator from Virginia, who has been on the scene, who has been a part of the World Vision program and others.

We have a whole list of them, and I will read them. We have Catholic Relief Services, CARE, World Vision Relief Organization, Mercy Corps International, Lutheran World Relief,

League of Red Cross Societies, International Committee of the Red Cross, MAP International, Save the Children.

The Senator from Virginia has seen this first hand, I believe, and he can give testimony as to how it is operating.

So far as World Vision is concerned, I believe that Senator KENNEDY was there with that group, observing the way it operates. I am on the board of World Vision. It is probably one of the oldest interdenominational organizations in the world, with vast experience. They were probably one of the first organizations that were able to penetrate the Ethiopian situation politically. These are not amateurs. These are not people who are do-gooders and who decided to go over there one afternoon. These are professional people who have been trained and who have been experienced in the field.

Mr. TRIBLE. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. TRIBLE. Mr. President, I wish to confirm his statements by my own personal experience.

I went to Ethiopia for a mix of reasons, to identify with the tragedy of Africa, and to in some small way give something of myself, but I went as well to determine if the dollars and the food that we are sending are in fact being received by the people in need.

Mr. President, I can tell you from my own personal observation and from the discussions of an extensive nature that I had with our State Department officials and others in Ethiopia that that is the case. The assistance that we are providing is not being channeled through the central government of Ethiopia but rather through private voluntary organizations such as World Vision and others that are on the job getting results. Indeed, they are doing an heroic job.

I say further that I visited, as have other Members of the Senate, the feeding camps, Mekele in the north, where Catholic Relief Services and the Red Cross are and Alamata where World Vision and the Sisters of Charity, Mother Theresa's marvelous ministry, are feeding, caring for, and loving 30,000 more desperate people.

Mr. President, I can tell you that the assistance that we are providing is finding its way to the people who desperately need our help.

I encourage, once again, my colleagues to support this measure and help us do all we can to provide assistance to the millions and millions of people in Africa whose lives are at risk.

I thank my colleague for yielding.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EAST. Did I not have the floor?

The PRESIDING OFFICER. I do not recall—I believe the Senator from Oregon had the floor—if he yielded.

Mr. EAST. I had sought recognition and obtained it and then was inquiring of the distinguished manager of the bill.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, when the Senator is finished with his discussion, if I could ask him one additional question.

Mr. HATFIELD. Mr. President, will the Senator repeat? I am sorry. I was distracted.

Mr. EAST. That is perfectly all right. I appreciate the time and apologize to the Senate for protracting this debate perhaps longer than all of us would like.

But again I do think, in fairness, it is important that we get this matter clarified.

One, the Senator has been reassuring on the Ethiopian situation. Would I be correct in assuming this is generally true in terms of all distribution of whatever aid flows out of this bill to African countries generally beyond Ethiopia?

Mr. HATFIELD. The Senator is correct. This is the way the entire bill is structured at the request of the administration.

Mr. EAST. So one could safely vote for this mearsure, in view of the amendments that have been added, without any fear that this food as distributed under the bill with the American taxpayer footing the bill would be used in a clearly—immoral offensive way of a type that Mrs. Fenwick is describing.

Mr. HATFIELD. The Senator is correct.

Mr. EAST. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana, as amended.

The amendment (No. 18), as amended, was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. BURDICK. Mr. President, every American understands the importance and urgency of the legislation we are considering today.

In this country, attention has been focused on the terrible tragedy in Ethiopa, but the sad fact is that a major portion of the African continent is reeling from the effects of a cruel 3-year drought.

The facts are almost numbing; 24 countries and as many as 150 million people have been affected by the drought. In Ethiopia alone, it is estimated that 300,000 people have died from starvation. An American journalist traveling in Africa tried to put the extent of the tragedy in some perspective when he wrote, "For the first time, I realize how big this drought is. It is as big as all of America and even bigger. I have now traveled 3,000 miles and I have yet to outrun it."

Although the magnitude of this crisis seems overwhelming, we must not throw up our hands in despair. A concerted effort by donor countries, African countries and private relief organizations to meet immediate emergency needs in Africa can save millions of lives. An equally concerted long-term effort may help the continent to once again feed itself.

In the coming months, Congress will be taking a look at some long-term approaches to the food problem, but the problem we must address today in this Chamber is the immediate need of starving people, especially children, for food and medicine.

Mr. President, the American people have shown us the way by their generous contribution to famine relief organizations, and by their overwhelming response to the Peace Corps' call for volunteers to serve in Africa. They expect their Government to provide a speedy, full response to Africa's urgent appeal for humanitarian assistance. I urge my colleagues to approve this legislation without delay.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, I am very much in favor of using our surplus food for food aid for the hungry abroad. After all, we are blessed with an abundance.

I remind the Senate that this is a day set aside especially to recognize American agriculture.

We are blessed with an abundance from American agricultural producers, and we are in position to provide the food aid that is necessary to Africa and many other countries out of our abundance.

Particularly, I am impressed with the voluntary organizations that work throughout the world to assist in the distribution of these food commodities.

The private voluntary organizations that are principally distributing food in Africa, in Ethiopia, and the Sudan, are the Catholic Relief Services and CARE.

Bread for the World and Church World Service are to be noted as to be also outstanding among the private voluntary organizations in their work for distribution of food commodities from the United States to the malnourished abroad.

It is working with these private voluntary organizations over the pasts 1½ years that I learned of the difficul-

ties they are experiencing with Public Law 480, Food for Peace.

Mr. President, I wish to note their concerns and their difficulties for the entire Senate.

The applications are tied up with too much redtape, too much paperwork. Indeed, many applications require 6 months' time to have processed and to have approved, and 6 months is too long.

We have built up over the 30 years that we have had Public Law 480, Food for Peace, perhaps too much in the way of amendments and too much redtape.

So responding to their pleas and their pleas were very specific, we modified section 416, because that was their request.

Looking at 416 of the Agricultural Act, which was added to the basic agricultural body of law in 1981, they saw that many of the restraints and redtape procedures were eliminated and at that time they made some recommendations for broadening section 416 and also to add wheat to the commodities that were available through section 416.

I might state right now that section 416 started out with only dairy products being available, but about 1 year ago this Senate passed an amendment broadening 416, and the President signed it into law in April of last year. That is 11 months ago.

But so far under the broader provisions of section 416 the Department of Agriculture and AID have not approved any applications in any large amounts and none of those applications included wheat.

This is a bureaucratic morass that can develop with any bill that we pass or amendments that we pass here and holds up unnecessarily the approval of these applications.

The amendment offered to my amendment by the senior Senator from North Carolina adds another requirement, and that requirement is that commodities provided under my amendment through section 416 to these private voluntary organizations will have to be certified by the Secretary, meaning the Secretary of Agriculture, to the chairman of the Foreign Relations Committee in this body and the chairman of the Foreign Affairs Committee in the other body that none will come under the control of the Government of Ethiopia.

I do not particularly object to that amendment, but I point out that that amendment and those terms do not apply to the rest of the food that is provided under section 480.

The reason I do not object to the amendment of the Senator from North Carolina is that it spotlights, whether or not the Department of State through AID and the Department of Agriculture will promptly work on section 416 applications that are made available under this bill for African distribution.

When the private voluntary organizations are able to pinpoint the holdups and the actual delays which are unnecessary on food aid distribution to a helpless, starving, and malnourished people abroad, I think we should respond. Congress has responded to our broadening of section 416. But I do not believe our job is done until we have made it clear to the Department of State and the Department of Agriculture that we were acting to untangle the morass of delays which are unnecessary—I am not talking about necessary reviews, I am talking about unnecessary delays—and expeditiously provide the food aid for the hungry.

I have only taken a few moments to inform the Senate of my concerns in this regard. I hope we can act collectively as a body and through our committees to make certain that the unnecessary redtape is cleared up and that applications are promptly processed for section 416 food aid.

I have been working for several months with colleagues from both the House and the Senate to determine what kind of assistance is needed to meet the Africa crisis. Thousands of people, for lack of food, medicines, shelter, and other basic supplies, have been experiencing great suffering. We know about the great work being carried out by private voluntary organizations and the agency for international development in providing food and other necessities. But the need far outstrips even the generous levels of aid already going to Ethiopia and other African nations affected by the drought.

All parties agree that legislation is needed to provide substantial increases in both food and nonfood assistance. I sponsored S. 370 which would provide 1.4 million metric tons of food and transport for that food, and over $175 million for disaster and refugee assistance for the remainder of fiscal year 1985. The Senate Appropriations Committee has approved legislation for $285 million in food aid for fiscal year 1985, and a $225 million reserve of food aid to remain available through fiscal year 1986. It also approved up to $175 million in disaster and refugee assistance.

Of course, I am particularly pleased that the Senate has agreed to my amendment to add 200,000 metric tons of surplus commodities to the aid made available to Africa.

It is critically important that this funding be approved now. The Agency for International Development has run out of funding for emergency food aid. The Office of Foreign Disaster Assistance has vital emergency requests for aid pending now. Private voluntary organizations have indicated that they have proposals for emergency needs in Africa which total $98 million. The levels of disaster assistance stipulated in H.R. 1239 will be urgently needed in the next few months. Several of the most severely affected countries, including Sudan and Ethiopia, will have no harvest before the fall, so food and other emergency needs will continue to be very great.

The level set for disaster and refugee assistance is the minimum needed to undertake immediate relief and rehabilitation efforts. I urge you to approve this package of emergency assistance so that proposals for food, seeds, medicines, transportation, and other vital needs now awaiting funding can be quickly approved.

Mr. DOMENICI. Mr. President, I rise in support of the African famine relief supplemental appropriation bill now before us.

I would like to commend my distinguished colleague, Chairman HATFIELD, and the members of the Appropriations Committee for expeditiously reporting a bill to provide emergency food and disaster assistance to help the African people recover from devastating drought and famine.

H.R. 1239 provides $0.7 billion in budget authority and $0.3 billion in outlays for fiscal year 1985 famine relief and recovery assistance to Africa.

With congressional action to date and possible later requirements taken into account, the Senate Appropriations Committee is $4.4 billion in budget authority and $1 billion in outlays below its section 302(a) allocation under the first budget resolution.

I urge my colleagues to support the bill as reported by the Appropriations Committee so that food and recovery assistance can be provided to Africa without delay.

Mr. President, I ask unanimous consent that a table showing the relationship of the reported bill, together with possible later requirements, to the congressional budget and the President's budget request be printed in the RECORD at the conclusion of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS—SENATE-REPORTED BILL

Senate Appropriations Committee Status

[In billions of dollars]

	Fiscal year 1985—	
	Budget authority	Outlays
Action to date by Appropriations Committee[1]	553.3	542.3
H.R. 1239, Emergency Famine Relief and Recovery in Africa, as reported in the Senate	0.7	0.3
Possible later requirements	4.0	3.3
Adjustment to conform mandatory programs to budget resolution assumptions	−2.4	−0.6
Appropriations Committee total	555.5	545.1
Committee 302(a) allocation	560.0	546.2
House-passed level	555.7	545.2

FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS—SENATE-REPORTED BILL—Continued

Senate Appropriations Committee Status

[In billions of dollars]

	Fiscal year 1985—	
	Budget authority	Outlays
President's request	555.1	541.7
Appropriations Committee total compared to:		
Committee 302(a) allocation	−4.4	−1.0
House-passed level	−0.2	(2)
President's request	+0.4	+3.4

[1] Includes enacted regular appropriation bills, the continuing resolution, and other prior actions.
[2] Less than $50 million.
Note: Totals may not add due to rounding.

Mr. BRADLEY. Mr. President, we all know that the famine in Africa is a critical situation that needs immediate attention. We need to move this bill through the legislative process as rapidly as possible so that we can ensure that the food pipeline remains filled.

But we also have to address at some point in time one of the major underlying causes of the famine: rapid population growth in Africa. We need to discuss how we can help to reduce population growth rates in Africa or we will be doomed to repeat the tragedy in Africa throughout the world in the future. And within this context, we need to debate the administration's recent shift in policy, including the proposed cuts in funding for international population planning, the defunding of the International Population Planning Federation, the holdup in funding for the United Nations Fund for Population Activities, and the imposition of the new AID guidelines that go far beyond U.S. law by prohibiting financial support of nongovernmental international organizations if they are in any way involved with abortions.

I know that the Senator from Oregon [Mr. PACKWOOD] agrees that we need to reverse the new administration policy.

Mr. PACKWOOD. Mr. President, the Senator from New Jersey is absolutely correct. I am pleased to join my colleagues today to voice my strong opposition to the Agency for International Development's major shift in U.S. policy for international family planning activities.

Late August—1984—the distinguished Senator from New Jersey and I came to the Senate floor in protest of what we only anticipated to be AID's decision to cut off family planning aid to foreign organizations that use private funds to perform or promote abortions. Now, I am sorry to report, our worst fears have been realized. AID has implemented the policy the administration articulated at the United Nations Population Conference in Mexico City in August of 1984.

As I said on this floor last August, it is one thing to have a policy about funding of abortions in this country. We have had that battle on this floor many times. By and large, we do not fund abortions. We also do not fund abortions in any of our foreign assistance. I do not agree with these policies but we are not debating that point here. The point to be made today is that these policy decisions are appropriate ones for our own country to define.

But it is another matter for us to say that we are not going to offer funds to any private organization in its furtherance of population stabilization if that organization happens to use private or other non-U.S. funds to also offer abortion. That, I believe, Mr. President, is not our business.

Once again, I join my colleague from New Jersey in voicing strong opposition to AID's dramatic shift in our U.S. foreign aid policy. I know the Senator has some questions for the senior Senator from my own State of Oregon about when the Appropriations Committee may be able to examine AID's new international family planning funding policy.

Mr. BRADLEY. Mr. President, I would like to ask the distinguished chairman of the Appropriations Committee, who has long been concerned about population growth in less developed countries, whether he shares these concerns.

Mr. HATFIELD. I thank my colleague from the State of New Jersey for bringing up this very critical subject and opening discussion on the issues involved. As you point out, I have long been concerned about the tremendous problems facing lesser developed countries in trying to provide for an ever expanding population base.

Mr. BRADLEY. Does the chairman believe that the United States ought to deny funding to international organizations that do not use U.S. funds to perform abortions but do, with non-U.S. funds, either perform abortions or provide advice to families on abortions?

Mr. HATFIELD. As my colleagues well know I support Federal funding restrictions on abortion for any domestic or foreign assistance program. I also oppose any program which in any way attempts to force or coerce the destruction of human life. Nevertheless, in today's world I see very clearly the value of family planning services in averting the abortion decision. I have long supported funding for family planning programs, both in the United States and abroad and as chairman of the Appropriations Committee have supported increased funding for those programs. They have been very critical in developing answers to the problem of rapid population growth.

Mr. BRADLEY. Given the magnitude of the problem, Mr. President, I would like to ask the chairman when we would have an opportunity to debate this issue openly in the Senate—if not on this bill then instead possibly as part of the fiscal year 1986 foreign operations appropriations bill?

Mr. HATFIELD. As I am sure my colleague from New Jersey is aware, every effort has been undertaken to ensure that the famine relief legislation can move forward as expeditiously as possible and free from nongermane amendments. In that vein, I appreciate his willingness to resist offering an amendment to this bill on this matter.

Clearly there will be several opportunities to discuss this issue on the Senate floor during the coming weeks. A supplemental appropriations bill is in the process of being considered in the House covering several items and should be referred to the Senate and reported by the Senate Appropriations Committee shortly after the Easter recess. Also, I hope there will be an fiscal year 1986 foreign assistance authorization bill and fiscal year 1986 foreign operations bill this year, providing two other forums for this debate to take place.

Mr. BRADLEY. I thank the chairman for his response.

Mr. PACKWOOD. I also thank the chairman for his response.

Mr. BRADLEY. Mr. President, I am pleased by the rapid response by the Senate in approving this bill, which provides supplemental funds for African famine relief. This is one of the rare occasions where partisan divisions are forgotten and we are able to proudly act as one unified body for the benefit of humanity. Certainly there is little doubt in my mind—or in the hearts and minds of the vast majority of Americans—that we would act quickly to deliver needed emergency relief to Africa.

Rarely have I seen such an outpouring of public support to help resolve a major crisis. Almost $90 million has been donated by the American people to the many organizations that are working to feed the millions that are near starvation. This makes me very proud of Americans as a people. In addition, this year alone, the Federal Government has provided over 1 million tons of food aid, half the worldwide contribution. And now, with the passage of this legislation, we will be taking another step toward moving Africa out of its present immediate catastrophic state.

And Mr. President, the figures are truly catastrophic. We are faced with the possible death or permanent disability of some 14 to 20 million people in the 20 nations of Africa that are suffering food shortages and famine. Such facts and figures can leave one with a sense of frustration, numbness, and sheer dismay, but it is our responsibility to rechannel these emotions into positive actions—not only by providing immediate relief but also by de-

veloping long-range strategies so that 1 day Africans will be in a position to feed themselves.

Our hearts have been wrenched by the images of hungry children, just as they were in 1974 when there was serious drought in the Sahel region of Africa. Our unified efforts then saved many lives, just as our efforts now will save many lives. But the massive disaster assistance aid that we provided 10 years ago did little to help the people from the region withstand future drought; parts of the Sahel are on today's casualty list. And, sad to say, little that we are doing now will truly help Africa prepare for tomorrow. I fear that we will be back here 10 years from now providing more emergency food relief to help these same people cope with the next famine.

Mr. President, the relief that we provide today moves us in a positive direction toward addressing the immediacy of the present African situation. This bill provides $684 million in emergency relief, $434 million more than requested by the administration. The bill provides the food aid that is absolutely essential, as well as extremely important nonfood relief for the area. But as important as it is for this legislation to pass quickly, I hope that it is before the Senate just long enough to plant a seed in the minds of this Congress and administration: a seed that takes strong root to enable this Nation and this world to dedicate itself to long-range thinking about the problems in Africa and in other less developed countries.

A wise Chinese poet who lived before the birth of Christ said:

> If you are thinking a year ahead, sow seed. If you are thinking ten years ahead, plant a tree. If you are thinking one hundred years ahead, educate the people. By sowing seed once, you will harvest once. By planting a tree, you will harvest tenfold. By educating the people you will harvest one hundredfold.

There is certainly a message here. We cannot continue to simply offer emergency food aid for today. We must also plan for a better tomorrow.

This wise poet speaks of education, economic development, and agricultural development as keys to growth. How has Africa done in these three areas?

Mr. President, education is clearly central. We in America have always believed that investment in our people is the key to our future growth. So do many key African leaders. But, Mr. President, the population of Africa is now 531 million, up from 275 million in 1960. Buy the year 2000, the population is projected to be 855 million, and by 2020, 1.4 billion. At present, 59 percent of Africa is illiterate; how can Africa build enough schools to overcome illiteracy if the number of people nearly triples over the next 36 years?

We all know that part of the solution is long-term economic growth. But will economic growth be sufficient by itself to solve Africa's problems? In low-income Africa, where population growth is exceeding 3 percent a year in many countries, economic growth between 1980 and 1985 will average only 1.7 percent per year. That means that per capita income, which is already the lowest in the world, is falling. It is unlikely that growth will exceed 3 percent a year in the foreseeable future even with major increases in investment.

And what about food production? Will Africa be able to feed itself? Production has increased at only 2 percent a year over the past decade. And in the worst hit areas, agricultural production is actually declining 1 percent a year. Overcropping is leading to rapid soil erosion which in turn leads to an expansion of the deserts. Given the rapid increase in population in the poorest sections of Africa, per capita food production is falling and will most likely continue to fall.

It is no accident, Mr. President, that Africa is hungry. Bad weather does not by itself explain this crisis. I wish it were so easy. Population growth cannot outstrip agricultural output for long without a crisis of major proportions.

Certainly, Africa needs to promote agricultural and economic development as well as promote investment in its people. But one of the most efficient—and humane—ways to increase economic growth is by reducing the alarming rate of population growth. Ultimately, Africa should not have to be forced to rely on billions of dollars in charity to feed its hungry. Instead of a continued outpouring of U.S. food aid, let us invest in the future of the developing world by investing more in international family planning efforts. I truly believe that in many areas, including Africa, population planning efforts can provide the best "bang for the buck," in terms of per capita economic growth.

What has been the position of this administration with regard to international family planning activities? Rather than an increase in investment, the President has proposed a 14-percent cut in international population assistance programs. In addition, the administration is currently holding up the U.S. contribution to the United Nations Fund for Population Activities and has already defunded the International Planned Parenthood Federation. The loss in funding will be particularly felt in the famine-ridden regions of Africa, where IPPF has planned a major expansion of the minimal family planning activities now in existence. The administration wants to shift funds from international private organizations directly to foreign governments. But in many of these countries, government-to-government population aid is impossible, given the relations between our countries. Our only choice is to rely on international organizations like IPPF to promote family planning.

Mr. President, the administration's international population planning position is simply wrongheaded policy. We need to stop the administration from taking these actions. Since we are a nation that advocates high moral standards, we must seek out long-term solutions for our fellow man abroad. Supporting programs aimed at lowering the rates of population growth in less developed countries is a central component of this endeavor. I fully agree that we must do everything in our power to help children who are now starving. But let us also do everything in our power to avoid future famines from occurring.

Mr. DOLE. Mr. President, this urgent supplemental to provide food aid and nonfood aid to African countries suffering from extreme drought and famine conditions is very much needed in order for the United States to fulfill its commitment to provide 50 percent of the emergency food aid needs for sub-Saharan Africa.

PROVISIONS OF URGENT SUPPLEMENTAL

This appropriations measure which we are considering represents a constructive compromise between the House-passed supplemental and the recommendations of the distinguished Agriculture Appropriations Subcommittee chairman, Mr. COCHRAN, for $201 million in Public Law 480 funds. This compromise was offered by the distinguished chairman of the committee, Mr. HATFIELD, and it provides a comprehensive emergency funding package of food and nonfood aid totaling $685 million. This includes $285 million for Public Law 480 title II—including such sums as are necessary for inland transportation; $225 million for an emergency reserve; and $175 million in nonfood aid. The authorization for this $175 million for disaster relief and refugee assistance was considered and passed yesterday.

Mr. President, there are two very positive features in this supplemental: The reserve and nonfood aid funds can be carried over into fiscal year 1986, if not utilized this fiscal year. The Senator from Kansas believes that this represents a fiscally responsible approach to providing funds for African famine relief, because it does not force AID to program funds in a way that might ultimately be inefficient just to utilize the existing funds. This type of approach provides essential flexibility in allowing the administration to fulfill its obligations without programming money unwisely just to spend it.

HOUSE-PASSED APPROPRIATIONS

Mr. President, the House has passed a supplemental containing over $1 billion in African famine relief. It is my understanding that the other body is

willing to accept the Senate version of this urgent supplemental for African famine relief as a compromise, in lieu of going to conference. This would be very helpful in expediting passage of this essential funding, so that it will be in place before AID runs out of money. If both Houses of Congress pass this appropriations bill today, we will be that much closer to assuring that the United States can fulfill its commitment to providing food and nonfood aid to sub-Saharan Africa.

U.S. CONTRIBUTION

Thus far, the United States has contributed more than 51 percent of the emergency food aid to Ehiopia. Americans are, by their nature, a very generous people, who wish to share their bounty with less fortunate nations in times of need. Already, U.S. citizens have contributed about $100 million from private donations alone, this is in addition to the $450 million that the U.S. Government has sent to this part of the world in the form of direct food aid. We will continue to do our part as the famine continues and spreads into other sub-Saharan African countries, like the Sudan.

AFRICAN FAMINE SITUATION

For the last 2 years, the attention of the entire world has been focussed on the continuing tragedy of the famine in drought-stricken countries on the African Continent. TV news reports have brought this tragic situation into American living rooms with an immediacy and vividness that is more than haunting.

At least 20 sub-Saharan African nations are currently experiencing serious food shortages, and thousands of lives are at risk as a result. Thousands have already perished, because of this brought and accompanying famine. Thousands more suffer from severe malnutrition and related disease. More than food aid is needed—medical supplies, clothing and shelter assistance is necessary as well.

LONG-RANGE SOLUTION

Mr. President, obviously what ultimately needs to be done in order to avert this type of famine crisis from recurring in underdeveloped parts of the world involves long-Range agricultural and economic development policies. Unfortunately, there is a long way to go before progress is achieved in this direction in many parts of the world, due to many complex interracting factors.

It is well-known that in Ethiopia, political and transportation problems, along with a civil war, have hindered efforts to provide assistance to the starving people there. Nonetheless, Western nations have come to the aid of these innocent people who die daily from lack of adequate food and medical attention. The European Economic Community, along with the United States and Canada, are committed to sharing their food resources with these less fortunate third world countries in times of crisis, but it is desirable to prevent these crises from occurring at the outset. These nations have coordinated their efforts in the current African famine crisis to fulfull the requisite food aid need, along with other assistance in the form of medical and shelter supplies and transportation.

CONCLUDING REMARKS

Mr. President, both the distinguished Senator from Missouri, Mr. DANFORTH, and the distinguished Senator from Massachusetts, Mr. KENNEDY, have personally visited sub-Saharan African countries to witness the ongoing tragedy of the famine. Their first-hand accounts and photos of tragedy after tragedy, and the toll in human lives, make us all a little more aware of the desperate situation facing this part of the world.

This urgent supplemental for African famine relief is needed right now in Ethiopia, the Sudan and many other sub-Saharan African countries. We must provide this food and nonfood aid as expeditiously as possible to allow the United States to live up to its humanitarian commitments in Africa. I urge my colleagues to act on this measure today and send a bill clear of amendments on to the President for signature so that this greatly needed funding for African famine relief can be programmed and on its way to the people who are in such desperate need.

Mr. DANFORTH. Mr. President, this emergency famine relief bill for Africa will enable the United States to continue its generous and responsible contribution to the relief effort.

There is little need to reiterate the seriousness of the crisis facing Africa. We have all seen the haunting television images of starving people, rotting livestock, and desolate fields. Millions of lives hang in the balance. And the end to this human tragedy is not yet in sight.

Our Government and our people have responded generously to Africa's plight. In this fiscal year the United States has committed more than $500 million to African relief. Estimates are that $100 million have been contributed by the private sector. Thousands of Americans have volunteered their time and skills to the Peace Corps and the many private voluntary organizations participating in the relief effort. Yet the continent's enormous needs continue to overwhelm our best intentions.

No one disputes the need for increased aid for Africa. The focus of the debate has been on the amount of additional food assistance that the United States should provide. The lack of reliable data makes it difficult if not impossible to assess Africa's food aid needs with any degree of precision. Yet the price of miscalculation is high. If we overestimate the need and provide too much food, we will undermine local agriculture and reinforce dependency. If we underestimate the need we will jeopardize thousands, if not millions, of lives.

I believe that the bill before us offers a reasonable way out of this predicament. The level of funding for fiscal year 1985 emergency food aid of $285 million is based on a Congressional Budget Office estimate of the amount of food aid that can be effectively delivered and absorbed. The emergency reserve of $225 million provided for in the legislation ensures that additional resources will be available should the estimate of the continent's emergency food requirements prove too low.

Food is the continent's most fundamental need. But transport, basic agricultural inputs, shelter materials, and emergency medical supplies are also essential to the relief effort. Crowded refugee camps and feeding stations have become breeding grounds for malaria and measles. Desperately needed shipments of food and medicine have been held up for lack of fuel and vehicles. Shortages of seeds, tools, and fertilizer have hindered planting, thereby perpetuating the cycle of drought and famine. The United Nations Office for Emergency Operations in Africa recently estimated that more than $550 million is required to meet these urgent nonfood needs over the next 10 months. Clearly, most if not all of the $135 million which this relief bill makes available is going to be needed.

Finally, the bill before us provides up to $37.5 million for emergency refugee assistance. The onslaught of drought and civil strife has added hundreds of thousands of people to Africa's already enormous refugee population. Hundreds of thousands more will be uprooted if these conditions persist. Those African governments that willingly harbor refugees at a time when their own people face such severe deprivation are truly acting in a humanitarian spirit. They deserve our help.

Mr. President, I believe that this legislation will enable the United States to contribute its fair share to the African relief effort. Should the funds provided in this bill prove inadequate, however, I will fully support a second supplemental appropriation for African relief. What is needed now is quick action. Every day that we delay, thousands of victims are doomed to death. I urge my colleagues to support this legislation and to secure its speedy passage.

Mr. SARBANES. Mr. President, in 24 countries in sub-Saharan Africa, an estimated 150 million people face hunger and the threat of starvation. Hundreds of thousands have already died. The dimensions of the crisis are

without recent parallel. The human tragedy, which is almost beyond our ability to grasp, confronts us with a pressing moral responsibility.

As Flora Lewis of the New York Times, writing about the African tragedy, has observed:

The first essential point for the United States and its friends is that starving people have to be fed when there is abundance elsewhere. That simple duty must override all considerations of blame for calamity, interest, or anticipated advantage.

The reason lies in the purpose Western societies set for themselves, to make a decent life possible for anybody. Regardless of what other countries do or fail to do, it would betray the essence for what we consider Western civilization not to respond to such overwhelming need.

This bill, the African famine relief urgent supplemental appropriation, H.R. 1239, represents our effort today to meet that simple duty of which Ms. Lewis spoke. It appropriates an additional $285 million for Public Law 480, title II, food assistance, pursuant to the standing authorization of up to $1 billion which title II provides for emergency food assistance. It further appropriates $137.5 million authorized by S. 457, for disaster and health assistance—for vaccination programs to prevent or control epidemics among people whose resistance to infection has been reduced by malnutrition; for tents, blankets, and other kinds of the most basic shelter; for the seeds, fertilizer, and insecticides needed for planting this year; for water projects related to farming and to health and sanitation; for inland transportation when necessary to prevent starvation or spoilage. In addition, the bill appropriates $25 million for the U.S. Emergency Refugee and Migration Assistance Fund and an additional $12.5 million for supplementary funding of critical refugee needs arising out of the drought.

Mr. President, we have in effect pledged to meet one-half of Africa's unmet food needs in the present crisis, and that explains our action on H.R. 1239. The importance of the legislation cannot be overemphasized, for the legislation responds to a desperate and tragic situation. It is consistent with the overwhelming response that Americans everywhere, men, women, and children, have already shown by their contributions to the Nation's private voluntary organizations, which play such a critical role in carrying out the relief effort. It reflects the best humanitarian feelings of our people.

Having had the opportunity earlier this year to visit areas in Kenya and Mozambique afflicted by food shortage, I cannot think of more urgent legislation than that which is before us today. The situation in Africa presents a long-term and short-term challenge to us. Africa is the one continent in the world where there has been a decline in food production year to year over the last decade, at the same time that population has increased. But that long-term developmental problem, which must be addressed, has been severely compounded by the immediate problem of drought, hunger, and starvation. H.R. 1239 is our immediate response. I am gratified to think that our response is prompt and substantial, and that we understand what is at stake here—the purpose Western societies set for themselves to make a decent life possible for anyone.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The question is on the final passage.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], is necessarily absent.

I further announce that if present and voting, the Senator from Oklahoma [Mr. BOREN], would vote "yea."

The PRESIDING OFFICER (Mr. GRAMM). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—98

Abdnor	Gore	Metzenbaum
Andrews	Gorton	Mitchell
Armstrong	Gramm	Moynihan
Baucus	Grassley	Murkowski
Bentsen	Harkin	Nickles
Biden	Hart	Nunn
Bingaman	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Proxmire
Burdick	Heflin	Pryor
Byrd	Heinz	Quayle
Chafee	Helms	Riegle
Chiles	Hollings	Rockefeller
Cochran	Humphrey	Roth
Cohen	Inouye	Rudman
Cranston	Johnston	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dodd	Laxalt	Stennis
Dole	Leahy	Stevens
Domenici	Levin	Symms
Durenberger	Long	Thurmond
Eagleton	Lugar	Trible
East	Mathias	Wallop
Evans	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Wilson
Garn	McConnell	Zorinsky
Glenn	Melcher	

NAYS—1

Goldwater

NOT VOTING—1

Boren

So the bill (H.R. 1239), as amended, was passed.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon; and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer appointed Mr. HATFIELD, Mr. STEVENS, Mr. COCHRAN, Mr. KASTEN, Mr. STENNIS, Mr. INOUYE, and Mr. BURDICK conferees on the part of the Senate.

Mr. DOLE. Mr. President, let me thank the distinguished chairman of the Committee on Appropriations and others for their successful conclusion of this particular legislation. I think it is important.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, as I have indicated, there will be no further votes until possibly on Tuesday. We will not be in session tomorrow, and there will be a pro forma on Friday; we will not be in session on Monday.

We do have some matters to finish this evening. First is a resolution I think the Senator from Utah would like to offer for its immediate consideration. I understand it has been cleared on both sides.

COMMENDATION OF SENATOR GARN

Mr. HATCH. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The bill clerk read as follows:

A Senate resolution (S. Res. 104) commending Senator Garn.

S. RES. 104

Whereas Senator Jake Garn will become a pioneer as the first Senator to be a crew member of the Space Shuttle Challenger; and

Whereas he will make a lasting contribution to the scientific community by providing historic medical and life sciences data as a payload specialist; and

Whereas Senator Garn will serve as an outstanding example of how a non-astronaut can play a vital role in the space program; and

Whereas he will be utilizing the talents and experience accrued over many years as a pilot; and

Whereas he will acquire first-hand knowledge of the space shuttle program that will be of invaluable assistance as he continues his legislative leadership role in the space program; and

Whereas Senator Garn brings honor and respect to himself and to the United States Senate with his courage, skill and determination; so therefore, be it

Resolved, That Senator Jake Garn is hereby commended for his dedication to his country and the pursuit of excellence in the United States space program.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Does the Senator from Utah wish to be heard?

Mr. HATCH. Yes, Mr. President, I do.

UTAH IS PROUD OF SENATOR GARN

Mr. HATCH. Mr. President, I suppose that every junior Senator wonders if there will come a time when he will have to admit that it is unlikely that he will ever reach the heights attained by his senior colleague. I rise today to acknowledge that I am about to experience that moment. I do so without an ounce of resentment, but with a wee bit of envy, and with a great deal of pride.

What a terrific year it has been for Utah. One of our young women won the Miss America pageant; one of Utah's major universities won the NCAA National Football Championship; and now, Senator GARN has earned the opportunity to become the first public official to fly onboard the space shuttle. I say that he has earned this great opportunity not just because he has trained strenuously for the last few months in preparation for this mission, but because the interests and activities of much of his adult life have developed Senator GARN into a natural choice for such an adventure.

As a young man, Senator GARN served in the U.S. Navy as a pilot. He earned the rank of lieutenant and was responsible for flying patrol missions along the Yellow Sea and the coasts of China and Korea. He went on to serve in the Utah Air National Guard, from which he retired as a colonel. As a result of 20 years of military service, Senator GARN has flown more than 10,000 hours.

As a Member of the U.S. Senate, JAKE GARN has put his vast aviation experience to good use. During his first 2 years in the Senate, he was a member of what was then the Aeronautics and Space Committee and for the past 4 years, he has served as the chairman of the subcommittee which provides funding for NASA programs. With Senator GARN serving in that capacity, NASA has received neither blank checks nor blank stares. Senator GARN is a frequent advocate of changes in NASA proposals and priorities. He has worked hard to make sure that America had a strong space program that not only explored this last frontier but produced benefits to improve life on Earth. This, of course, is the heart and soul of the space shuttle program.

Another aspect of Senator GARN's lifelong preparation is one that all Americans can emulate: His excellent physical condition. At age 52, Senator GARN is in the best shape of his life. For a couple of years now, hoping that he might someday have the chance to fly with the astronauts on the space shuttle, JAKE has meticulously followed a regime of strict diet and regular exercise. With the support of his family, friends, and colleagues in the Senate, Senator GARN strived faithfully to ensure that if his chance came, he would be qualified.

So it was not surprising to me, nor most Utahans, after NASA announced that they were going to invite civilians to participate in some of their missions that they would eventually select Senator GARN. I know of no public official who is a better example of the kind of experience, knowledge, and physical condition that one would expect in the first public official to be a member of a space shuttle crew.

Finally, as a congressional observer onboard the *Challenger,* JAKE will bring new expertise to his responsibilities in the U.S. Senate. Why, some have suggested that orbiting the Earth is the ultimate opportunity for congressional oversight.

I hope that all of the Members of this body will join with me and all Utahans in expressing pride and support for this great accomplishment of Senator GARN. I also hope that we would remember him and his fellow crew members in our prayers; that they might all be returned safely to Earth after a successful mission.

Mr. President, I am proud of my senior Senator. I am happy to present this resolution. I am pleased that Members of the Senate are permitting me to do so at this time.

The PRESIDING OFFICER. Is there further discussion of the resolution?

The distinguished majority leader.

Mr. DOLE. Mr. President, I want to thank my distinguished colleague from Utah [Mr. HATCH] for offering this resolution.

SENATOR GARN—SENATE SPACE PIONEER

Mr. President, I want to join my coleagues in applauding Senator GARN for his dedication to the U.S. Space Program.

Senator GARN was a natural choice for one of the first civilians to be a crew member on a space shuttle mission. A former Navy pilot, Senator GARN has logged more than 10,000 hours of flight time. In addition, as chairman of the subcommittee with responsibility for funding the space program, he has detailed knowledge of the intricacies of the space shuttle program.

I know Senator GARN has taken a lot of joshing about his role in this *Challenger* mission. But the truth is, he is not only performing momentous medical and life sciences experiments, but he is also gaining authentic experience that will enrich his knowledge and make him the most informed congressional leader on space issues.

Senator GARN trained hard, studied hard, for this historic mission. All of us in the Senate wish him and the rest of the crew a safe and succcessful flight. And we want him to know we are proud to serve in the Senate with him.

Mr. HATCH. Mr. President, I thank the majority leader.

The PRESIDING OFFICER. Is there further discussion?

If not, the question is on agreeing to the resolution.

The resolution (S. Res. 104) was agreed to.

The preamble was agreed to.

ORDER OF BUSINESS

Mr. LEVIN. Will the majority leader yield?

Mr. DOLE. Yes, I yield.

Mr. LEVIN. Mr. President, the majority leader was kind enough to say earlier that he would make a check relative to the status of the Federal Supplemental Benefit Program. I wonder whether or not he has had the opportunity between then and now to do that.

Mr. DOLE. Mr. President, let me indicate that I have discussed it with the chairman of the Finance Committee [Mr. PACKWOOD]. He indicates that he is awaiting House action. It is my understanding that the House may be having some difficulty getting together on a bill. He indicated he was waiting on House action; he did not have any further plans; he did not have any vehicle available. I indicated to him that I would make that announcement on the floor.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Who has the floor, Mr. President?

Mr. LEVIN. I shall be happy to yield.

Mr. BYRD. I thank the distinguished majority leader for indicating, as I believe he did, that he would attempt to find a vehicle for this particular amendment. I hope I did not misunderstand.

Mr. DOLE. I hope that I said I would speak with the chairman of the Senate Finance Committee to see if that were possible. We have had inquiries on this side of the aisle and

that side of the aisle. Senator SPECTER has indicated he has a strong interest in a 30-day extension or something that would fill this gap, because it does expire on March 31.

I am not certain what the administration position may be. If I indicated otherwise, I probably have to reserve on that. I have discussed this with the distinguished chairman of the Committee on Finance. He indicates that he is awaiting House action and that he would be happy—he said he had discussed it with the Senator from Michigan. I failed to indicate at that time the interest of the minority leader because I heard the minority leader speak on this issue just the other day.

Mr. BYRD. Mr. President, if I may, I thank the distinguished majority leader. I did not mean to misrepresent the position that he had taken, and I am glad I said what I did because it gave the majority leader the opportunity to clarify his response for the RECORD. I respect that response by the distinguished majority leader, but I do want to add my own request that we try to find a vehicle to which we can offer an amendment. This is a matter that is of great urgency in my State, as I indicated in the statement which I gave today and to which the distinguished majority leader has referred.

I think it is a matter on which we need to take action, and I hope we can find a vehicle because a lot of people throughout this country, and my State as I say, are in urgent need of some action before March 31. I thank the distinguished majority leader.

Mr. LEVIN. I thank both leaders.

Mr. DOLE. Mr. President, I indicate to both Senators the chairman of the Finance Committee, Mr. PACKWOOD, indicated that he would be happy to discuss it further, and we will try to do that next week.

FEDERAL DRUG LAW ENFORCEMENT AGENT PROTECTION ACT OF 1985

Mrs. HAWKINS. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of S. 630, a Federal Drug Law Enforcement Agent Protection Act of 1985, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 630) to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnapping a Federal drug law enforcement agent.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mrs. HAWKINS. Mr. President, this bill provides a reward of $100,000 in seized drug assets for information leading to the conviction of anyone who kills or kidnaps a Federal drug enforcement agent.

I am calling this the Camarena Reward. It is named in honor of Enrique Camarena, the brave drug enforcement agent who gave his life in the war against illegal narcotics in Mexico last month.

It is too late for Enrique Camarena. But that does not mean we should not protect our men in the field.

Very often, those involved in these heinous crimes are merely acting on orders from the drug kingpins. Those who may be in on the arrangements are often poor and, frankly, not necessarily loyal. We should let the word go out around the world to those who have designs on the lives of U.S. drug enforcement agents:

"If you touch one of our people, your underlings will be given 100,000 United States dollars to lead the authorities to you."

The money for the Camarena Reward will come from the assets forfeiture fund, set up last year under the Comprehensive Crime Control Act.

Jack Lawn, the incoming Director of the Drug Enforcement Administration, told me last week that this legislation "would certainly verbalize the message that drug enforcement personnel are important, and that people of the United States will not tolerate attacks against our people."

This legislation provides poetic justice—as the drug traffickers' money is plowed back into law enforcement. It is also common sense. It will not cost the taxpayers one cent.

This is a good idea and an incentive all around. It is also a fitting tribute to the memory of the courageous Enrique Camarena.

Mr. President, I thank the majority leader and the minority leader for working out consideration of this bill at this late hour of the day.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Drug Law Enforcement Agent Protection Act of 1985."

SEC. 2. Section (e) of section 511 of the Controlled Substances Act (21 U.S.C. 881(e)) is amended by—

(1) inserting after "(e)" the following: "(1)";

(2) redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively; and

(3) striking out the matter following subparagraph (D), as redesignated, and inserting in lieu thereof the following:

"(2)(A) The proceeds from any sale under subparagraph (B) of paragraph (1) and any moneys forfeited under this title shall be used to pay—

"(i) all property expenses of the proceedings for forfeiture and sale including expenses of seizure, maintenance of custody, advertising, and court costs; and

"(ii) awards of up to $100,000 to any individual who provides original information which leads to the arrest and conviction of a person who kills or kidnaps a Federal drug law enforcement agent.

Any award paid for information concerning the killing or kidnaping of a Federal drug law enforcement agent, as provided in clause (ii), shall be paid at the discretion of the Attorney General.

"(B) The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28, United States Code, any amounts of such moneys and proceeds remaining after payment of the expenses provided in subparagraph (A).".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mrs. HAWKINS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank my distinguished colleague from Florida for calling this matter to our attention. I thank the distinguished minority leader for clearing it for immediate action. It is important. I am pleased that we have been able to accommodate the Senator from Florida.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services, and a treaty.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT ON ACTIVITIES IN THE FIELDS OF SCIENCE AND TECHNOLOGY—MESSAGE FROM THE PRESIDENT—PM-28

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act

for Fiscal Year 1979 (Public Law 95-426), I am transmitting the Administration's annual report on international activities in the fields of science and technology for Fiscal Year 1984. The report was prepared by the Department of State in cooperation with other relevant agencies, consistent with the intent of the legislation.

This Administration has recognized from the outset that the achievement of our most essential national goals—enhanced national security, increased industrial competitiveness, better health and quality of life for all our citizens—depends upon a strong and vital science and technology enterprise. In view of the impressive scientific and technological capabilities of many other countries, we are increasingly aware of the importance of international cooperation as a means of augmenting our strengths in these areas. The generation of new knowledge and progress in technology offer benefits to all nations committed to realistic and sustained economic growth. Indeed, the future of the world depends largely on science, technology, and the willingness of nations to marshal their greatest resources—human creativity and talent—to work together to solve the problems that challenge mankind. We in the United States are determined to help make that future a bright one.

Substantial efforts were made during 1984 to implement the title V legislation. In June, Secretary of State Shultz addressed a message to all our embassies abroad stressing the central importance of science and technology as a critical element of our foreign policy. In September, he followed that with a request for detailed descriptions of each mission's specific plans to better integrate science and technology into the conduct of our foreign affairs.

Consistent with our foreign policy objectives, we continue to emphasize government-to-government scientific cooperation in our bilateral and multilateral relations, in particular, fostering our cooperative relationships with the nations of Western Europe, with Japan and other democratic nations of the Pacific Basin, with India and the People's Republic of China, and with friends in our own hemisphere.

During 1984, we continued to participate in several cooperative scientific projects agreed upon at the Williamsburg Economic Summit in June 1983 and endorsed at the London Economic Summit in June 1984. As in the past years, we stressed the ability of cooperative efforts in science and technology to enhance the economic and military strength of the Western Alliance. We continue to support the NATO Science Committee's activities to stimulate collaborative research in significant frontier fields of science and to facilitate the exchange among member countries of their most promising young scientists and engineers. The importance the United States places on the NATO Science Committee was highlighted last Spring when we hosted the Committee's meeting in Washington.

During 1984, we continue to review our science and technology relationship with Japan. The U.S.-Japan Advisory Commission submitted a report to Prime Minister Nakasone and me entitled "Challenges and Opportunities in United States-Japan Relations." It suggested in particular that ". . . the time has come for a high-level review to determine possible improvements and new directions for mutually beneficial cooperation." Such review was launched in April, and I expect to be able to highlight its conclusions in my message accompanying next year's Title V report.

Last January, we reviewed the range of activities that have been carried out during the first five years of our Bilateral Cooperative Agreement in Science and Technology with the People's Republic of China, and took particular pleasure in extending that agreement for five more years. Cooperative research is now being conducted under twenty-three separate protocols within the broad auspices of that agreement, and accords in several new areas, including fossil energy, and space cooperation, are in the final stages of negotiation.

Significant strides were made in the special cooperative programs with India—in health, agrculture, and monsoon research—that emerged from my discussions with Prime Minister Indira Gandhi in July 1982. The government of India continues its support of these initiatives under the new leadership of Prime Minister Rajiv Gandhi.

Special reference must be made to our bilateral science and technology relationship with the Soviet Union. In past reports, I have stressed that cooperation with that country depends upon steps taken by its government to comply with recognized standards of international behavior. While that behavior is often far from constructive, I have approved during 1984 renewed cooperative efforts in carefully selected areas such as agriculture, health, and environmental protection and safety, that recognize complementary strengths and ensure mutual benefits. I took this action to convince Soviet officials of our desire for peace and our willingness to explore whatever roads might be open to take us there together.

We recognize that there are important opportunities to address science and technology issues within the technical agencies of the United Nations system, but such opportunities should be pursued only where there are realistic expectations of shared benefit and success. Where success proves beyond our grasp, we must reevaluate our position and find more effective alternatives. Such is the case with our participation in UNESCO. I stated at the end of 1983 our intention to withdraw from that agency should acceptable reforms not be undertaken within a year. That period expired on December 31, 1984, and we have withdrawn as planned. Despite U.S. withdrawal, we remain committed to the belief that genuine reform of UNESCO is a worthwhile goal, and in the coming year, we will work with all countries, individuals, and private organizations who seek improvement in UNESCO to achieve that purpose. When UNESCO returns to its original mission and principles, we will rejoin UNESCO and participate in the full range of its multilateral scientific programs.

In conclusion, I want to stress again the importance of cooperative scientific and technological arrangements in our assistance to developing countries. On November 22, 1984, in an address to members of an international association for research and development in nuclear energy, His Holiness John Paul II emphasized the importance he perceives in such arrangements. "Cooperation in the fields of science and technology is one of the most effective means not only for contributing to the physical welfare of people, but also of fostering the dignity and worth of every person."

The United States is committed to a role for scientific and technological cooperation in international affairs, and we will pursue this goal to the benefit of all nations willing to join us.

RONALD REAGAN.

THE WHITE HOUSE, *March 20, 1985.*

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 20, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the House has passed the following bill, without amendment:

S. 592. An act to provide that the chairmanship of the Commission on Security and Cooperation in Europe shall rotate between members appointed from the House of Representatives and members appointed from the Senate, and for other purposes.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 592. An act to provide that the chairmanship of the Commission on Security and

Cooperation in Europe shall rotate between members appointed from the House of Representatives and members appointed from the Senate, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

At 2:39 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1025. An act to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal years 1986, 1987, and 1988.

The message also announced that pursuant to the provisions of section 4(a) of Public Law 92-484, the Speaker appoints as majority members of the Technology Assessment Board the following Members on the part of the House: Mr. UDALL, Mr. BROWN of California, and Mr. DINGELL.

The message further announced that pursuant to the provisions of section 2(a) of Public Law 85-874, as amended, the Speaker appoints as members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House: Mr. YATES, Mr. WILSON, and Mr. MCDADE.

The message also announced that pursuant to the provisions of title 16, United States Code, section 715a, the Speaker appoints as members of the Migratory Bird Conservation Commission the following Members on the part of the House: Mr. DINGELL and Mr. CONTE.

The message further announced that pursuant to the provisions of section 5(b) of Public Law 93-642, the Speaker appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: Mr. SKELTON and Mr. TAYLOR.

The message also announced that pursuant to the provisions of section 2501 of title 44 of the United States Code, as amended, the Speaker appoints Mrs. BOGGS as a member of the National Historical Publications and Records Commission on the part of the House.

The message further announced that pursuant to the provisions of Public Law 453 of the 96th Congress, as amended, the chairman of the Committee on Merchant Marine and Fisheries appoints as members of the Board of Visitors to the U.S. Merchant Marine Academy for the year 1985 the following Members on the part of the House: Mr. BIAGGI, Mr. DYSON, Mr. SNYDER, and Mr. JONES of North Carolina (ex officio).

The message also announced that pursuant to the provisions of Public Law 301 of the 78th Congress, the chairman of the Committee on Merchant Marine and Fisheries appoints as members of the Board of Visitors to the U.S. Coast Gaurd Academy for the year 1985 the following Members on the part of the House: Mr. STUDDS, Mr. HUGHES, Mr. DAVIS, and Mr. JONES of North Carolina (ex officio).

MEASURE HELD AT THE DESK

The following bill was held at the desk by unanimous consent pending further disposition:

H.R. 1025. An act to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal years 1986, 1987, and 1988.

ENROLLED BILL PRESENTED

The Secretary reported that on today, March 20, 1985, she has presented to the President of the United States the following enrolled bill:

S. 592. An act to provide that the chairmanship of the Commission on Security and Cooperation in Europe shall rotate between members appointed from the House of Representatives and members appointed from the Senate, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-677. A communication from the Secretary of Defense Representative of Panama Canal Affairs transmitting a draft of proposed legislation to authorize appropriations for the operation and maintenance of the Panama Canal for fiscal years 1986 and 1987; to the Committee on Armed Services.

EC-678. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize appropriations for military construction for fiscal year 1986; to the Committee on Armed Services.

EC-679. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, an actuarial valuation report on the status of the military retirement system; to the Committee on Armed Services.

EC-680. A communication from the Acting Secretary of the Air Force transmitting, pursuant to law, a report on major defense programs whose cost has increased by more than 15% over the December 1983 baseline; to the Committee on Armed Services.

EC-681. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on the financial condition and operating results of the Working Capital Funds of the Department of Defense for the fiscal year ended September 30, 1984; to the Committee on Armed Services.

EC-682. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to permit the Secretary to approve certain regulations governing excepted service technicians of the National Guard; to the Committee on Armed Services.

EC-683. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to eliminate the requirement that notice of termination be given 30 days in advance to certain National Guard technicians; to the Committee on Armed Services.

EC-684. A communication from the Assistant Secretary of the Air Force transmitting a draft of proposed legislation to provide more equitable treatment for certain surviving spouses under the Survivor Benefit Program; to the Committee on Armed Services.

EC-685. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to extend and amend the National Flood Insurance Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-686. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Debentures Not Serving Purposes HUD Intended—Legislative Changes Could Help Increase Effectiveness and Minimize Interest Costs"; to the Committee on Banking, Housing, and Urban Affairs.

EC-687. A communication from the General Counsel of the Department of Transportation transmitting, pursuant to law, copies of budget requests by the Federal Aviation Administration to the Department; to the Committee on Commerce, Science, and Transportation.

EC-688. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations for implementation of the National Traffic and Motor Vehicle Safety Act and the Motor Vehicle Information and Cost Savings Act; to the Committee on Commerce, Science, and Transportation.

EC-689. A communication from the Vice President of AMTRAK transmitting, pursuant to law, a report on internal performance evaluations for fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-690. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to authorize appropriations for the National Climate Program; to the Committee on Commerce, Science, and Transportation.

EC-691. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on a proposed contract with the Central Utah Water Conservancy District, Bonneville Unit, Central Utah Project, Utah; to the Committee on Energy and Natural Resources.

EC-692. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, the EIA Annual Report for 1984; to the Committee on Energy and Natural Resources.

EC-693. A communication from the Chairman of the Nuclear Regulatory Commission transmitting a draft of proposed legislation to reduce the number of Federal Register notices required prior to entering into agreements with States; to the Committee on Environment and Public Works.

EC-694. A communication from the Chairman of the Nuclear Regulatory Commission transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Environment and Public Works.

EC-695. A communication from the Acting Administrator of the General Services Administration transmitting, pursuant to law, the Department of Defense report required under the Architectural Barriers

Act; to the Committee on Environment and Public Works.

EC-696. A communication from the Director of the Peace Corps transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Foreign Relations.

EC-697. A communication from the Managing Director for Administration, Federal Labor Relations Authority, transmitting, pursuant to law, the Authority's Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-698. A communication from the Secretary of the Railroad Retirement Board transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-699. A communication from the Chairwoman of the Personnel Appeals Board, General Accounting Office, transmitting, pursuant to law, the fiscal year 1984 Annual Report of the Board; to the Committee on Governmental Affairs.

EC-700. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority transmitting, pursuant to law, the Authority's 1984 Freedom of Information report; to the Committee on Governmental Affairs.

EC-701. A communication from the Chairman of the Administrative Conference of the U.S. transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1987-88-89-90; to the Committee on the Judiciary.

EC-702. A communication from the Executive Director of the Pennsylvania Avenue Development Corp. transmitting, pursuant to law, the Corporation's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-703. A communication from the Secretary of Education transmitting, pursuant to law, a report on final regulations for formula grants—local educational agencies and Tribal schools, Indian-controlled schools, establishment of Indian-controlled schools, enrichment projects, and Indian fellowship program; to the Committee on Labor and Human Resources.

EC-704. A communication from the Secretary of Labor transmitting, pursuant to law, the Annual Report of the Pension Benefit Guaranty Corporation; to the Committee on Labor and Human Resources.

EC-705. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals as of March 1, 1985; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Banking, Housing, and Urban Affairs, Agriculture, Nutrition, and Forestry, Armed Services, Select Indian Affairs, Small Business, Commerce, Science, and Transportation, the Judiciary, Finance, Energy and Natural Resources, Environment and Public Works, Governmental Affairs, and Veterans' Affairs.

EC-706. A communication from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the annual report of the Commission for 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-707. A communication from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation to extend HUD-FHA insuring authorities, authorize funding for certain programs, and amend certain existing authorities; to the Committee on Banking, Housing, and Urban Affairs.

EC-708. A communication from the President and Chairman of the Export-Import Bank transmitting, pursuant to law, a report on a transaction of the Bank involving exports to Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC-709. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to authorize appropriations for earthquake hazards reduction; to the Committee on Commerce, Science, and Transportation.

EC-710. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on a decision made to convert certain functions of the Coast Guard to performance under contract; to the Committee on Commerce, Science, and Transportation.

EC-711. A communication from The Assistant Secretary of the Interior transmitting, pursuant to law, a report on a proposed contract with the Yuma County Water Users' Assoc., Valley Division, Yuma Project, Arizona; to the Committee on Energy and Natural Resources.

EC-712. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on a request for a loan by Elsinore Valley Municipal Water District, California; to the Committee on Energy and Natural Resources.

EC-713. A communication from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation to authorize appropriations for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts; to the Committee on Environment and Public Works.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-107. A resolution adopted by the Senate of the State of Michigan; to the Committee on Agriculture, Nutrition, and Forestry.

"RESOLUTION

"Whereas, High interest rates, low prices for farm goods, credit policies, decreasing land values, and changes in international trade brought about by the strong dollar have combined to create a genuine crisis for this country's farmers; and

"Whereas, This crisis has driven them off the farm in increasing numbers causing a key element of America's heritage to disappear. Moreover, the financial problems facing the agricultural community extend throughout our state and our country's economy to include businesses concerned with transportation, banking, the manufacture of farm implements, and related industries, as well as farm credit institutions which are an integral part of Michigan's economy and must remain viable to respond to the needs of farmers as well as rural communities that depend upon them; and

"Whereas, Federal programs are a prominent part of the puzzle which determines the fate of America's farms, and are presently under consideration for cuts or elimination; and

"Whereas, This crisis and the overall changes in the structure of agriculture may have an impact on the future direction of Michigan's efforts to foster food processing enterprises and counteract water diversion. The effect of farm problems on providing social services in rural communities will be of growing importance to state government and there is a strong need for information in all of these interrelated areas; now, therefore, be it

"*Resolved* by the Senate, That the members of this legislative body hereby memorialize the Congress and the President of the United States to work for long-term, viable solutions to address the current and future economic crises facing agriculture and related businesses; to investigate the issue of farm credit; to make available to the states information through the United States Department of Agriculture as to the direction of federal policies and planning, especially as they relate to food processing and potential water diversion of the Great Lakes; to enact a budget which recognizes the present agriculture crisis; and to foster the survival of the full-time family farm; and be it further

"*Resolved*, That we also call upon the Governor of the State of Michigan to direct the higher education institutions of Michigan, including the Cooperative Extension Service, and the Michigan Department of Agriculture to gather data regarding the impact of financial problems on agriculture generally and especially on social services in our rural communities as well as evaluate the current Michigan Family Farm Development Authority for additional methods to assist beginning farmers in this state; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the Governor of the State of Michigan."

POM-108. A resolution adopted by the House of Representatives of the State of Kansas; to the Committee on Appropriations.

"HOUSE RESOLUTION No. 6040

"Whereas, The National Railroad Passenger Corporation, known as Amtrak, serves the transportation needs of the citizens of the state of Kansas; and

"Whereas, Since 1971, the number of Kansans served by Amtrak has continuously increased, and in 1984 over 50,700 persons used Amtrak to arrive in and depart from points in our state; and

"Whereas, Amtrak directly employs 28 people with an annual payroll of $735,000 and indirectly supports the employment of many more citizens of this state through the purchase of supplies and equipment from their employers; and

"Whereas, In 1984, Amtrak invested $107,120 in this state in passenger facilities; and

"Whereas, Amtrak has continually improved the quality of its service, its financial position and the number of passengers carried to the point where it transported 22 million people in 1984 and expects to increase the number of people transported by 2% to 3% in 1985; and

"Whereas, The budget presented to the Congress of the United States by the President would, if enacted, deprive Amtrak of the federal funding required for its continued existence; and

"Whereas, The effective elimination of Amtrak would result in serious adverse economic consequences to the state of Kansas and its citizens in terms of loss of investment, loss of income to equipment and sup-

plies contractors with Amtrak, loss of rail passenger service, loss of jobs and a concomitant strain on the Railroad Retirement System through the loss of many contributors to that system: Now, therefore,

"*Be it resolved by the House of Representatives of the State of Kansas*: That we urge Congress to provide sufficient funding through appropriation of that amount of money necessary to keep Amtrak in fiscal year 1986 in at least as sound a position operationally and financially as it had been in fiscal year 1985, thus providing that Amtrak can serve the people of Kansas and the nation as it has in the past; and

"*Be it further resolved*: That the Chief Clerk of the House of Representatives be directed to send enrolled copies of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of Transportation of the United States and each member of the Kansas Congressional Delegation."

POM-109. A joint resolution adopted by the Legislature of the State of South Dakota; to the Committee on the Judiciary.

"H.J. RES. 1001

"Whereas, the 1st Congress of the United States of America at its first session, in both Houses, by a constitutional majority of two-thirds thereof, adopted the following proposition to amend the Constitution of the United States of America in the following words:

"'*Resolved* by the Senate and House of Representatives of the United States of America in Congress assembled, two-thirds of both Houses concurring, That the following article be proposed to the legislatures of the several states, as an amendment to the Constitution of the United States, . . . which article, when ratified by three-fourths of the said legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz.:

"'ARTICLE —

"'No law varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened.'

"Therefore, be it resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

"Section 1. That the proposed amendment to the Constitution of the United States of America is hereby ratified by the Legislature of the State of South Dakota.

"Section 2. That certified copies of this preamble and Joint Resolution be forwarded by the Secretary of this State, to the Secretary of State of the United States, to the presiding officers of both Houses of the Congress of the United States, and to the administrator of the United States General Services Administration."

POM-110. A resolution adopted by the Senate of the Commonwealth of the Massachusetts; to the Committee on Labor and Human Resources.

"RESOLUTION

"Whereas, higher education is an investment in the youth of America; and

"Whereas, the more benefits we can give to the young people of America to receive a better education will be returned a hundredfold through higher salaries and increased taxes to Federal and State coffers; and

"Whereas, it is a known fact that all of the educational benefits that the Federal Government has bestowed upon the young people of America has redounded to the general benefit of the common good; now therefore be it

"*Resolved*, That the Massachusetts Senate hereby goes on record as opposing any ceiling per year on the amount of Federal assistance that a student can receive for higher education, and the said Massachusetts Senate is further opposed to any limit on families whose children need guaranteed student loans. The thirty thousand dollar limit per family does not take into consideration the number of children per family unit or the type of school that the young person may desire to attend. This limit tends to assist students who attend State sponsored schools of higher education and is therefore self defeating for the Federal Government to make such limitations; and be it further

"*Resolved*, That copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, presiding officers of each branch of Congress and to each Senator and Representative from Massachusetts in the Congress of the United States."

POM-111. A resolution adopted by the Pennsylvania State Veterans' Commission opposing any further cuts in veterans' programs and retirement benefits; to the Committee on Veterans' Affairs.

POM-112. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. No. 39

"Whereas, Hawaii's sugar industry is a vital component of the State's economy and has provided gainful employment and income for many of the State's residents; and

"Whereas, Hawaii's sugar producers are among the most productive, innovative, and efficient sugar producers worldwide; and

"Whereas, sugar is a widely produced commodity and almost every producing nation has highly protective market mechanisms to support its domestic sugar industry; and

"Whereas, United States' sugar producers cannot economically compete in a world market wherein better than 80 percent of the sugar is either controlled, pre-purchased or subsidized; and

"Whereas, despite the imposition of sugar import quotas, significant amounts of foreign surplus sugar are dumped in the United States which has contributed to depressed sugar prices; and

"Whereas, the sugar price support provisions of the 1981 Farm Bill have enabled U.S. domestic sugar producers to continue operations and have proven to be acceptable to nearly everyone; and

"Whereas, the sugar program has operated without cost to the government, given stability to domestic sugar prices, and assured consumers an adequate supply of sugar at reasonable prices; and

"Whereas, the price supports provided domestic sugar in the Farm Bill as well as the import quotas set by the U.S. Department of Agriculture will expire in 1986; and

"Whereas, the Farm Bill has worked well in the past and is in the best interests of agricultural producers and consumers throughout the United States as well as in Hawaii; now, therefore,

"*Be it resolved* by the House of Representatives of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, That the Congress of the United States is requested to include sugar price support provisions within its 1985 Farm Bill; and

"*Be it further resolved*, That certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Agriculture, and to each member of Hawaii's Congressional delegation."

POM-113. A resolution adopted by the Senate of the State of Georgia; to the Committee on the Judiciary.

"SENATE RESOLUTION 34

"Whereas, Article V of the Constitution of the United States authorizes Congress, whenever two-thirds of both Houses shall deem it necessary, to propose amendments to the Constitution; and

"Whereas, the affairs of this great country have reached a state where members of the House of Representatives cannot incur long election campaigns every two years without causing detriment to the United States; and

"Whereas, a member of the House of Representatives receives a salary of $72,726.00 for such service, and yet a candidate for such office must spend from $500,000.00 to $1,000,000.00 in a contested election for such office; and

"Whereas, the enormous expense of congressional elections and the frequency of having to run for office are discouraging many talented and capable citizens from seeking office in the United States House of Representatives. Now, therefore, be it

"*Resolved by the Senate*, That the members of this body urge Congress to propose an amendment to the Constitution of the United States to provide four-year terms of office for members of the United States House of Representatives.

Be it further resolved, That the Secretary of the Senate is authorized and directed to provide appropriate copies of this resolution to the President of the Senate; the President Pro Tempore, Majority Leader, and Minority Leader of the Senate; the Speaker of the House of Representatives; the Speaker Pro Tempore, Majority Leader, and Minority Leader of the House Representatives; and the members of the Georgia Congressional Delegation."

POM-114. A resolution adopted by the Senate of the State of Michigan; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE RESOLUTION NO. 53

"Whereas, Agriculture is a major contributor to the economy of the State of Michigan and is suffering from a serious financial situation that could affect the entire economic health of this state; and

"Whereas, Sustained high interest rates, declining land values, a strong U.S. dollar, reduced agricultural exports, low commodity prices, and successive years of weather-related problems have been major factors contributing to a lack of profitability and growing financial pressure on Michigan's agricultural industry; and

"Whereas, Agriculture and related industries have been estimated to directly contribute as much as $12 billion to the economy of the State of Michigan and that farm/agribusiness industry is suffering from a serious financial situation that will have an impact on the entire economic health of this state; and

"Whereas, The average Michigan farmer recorded a net income loss of $1,281 during 1983 compared to the previous year, and the

average U.S. net farm income dropped to $6,793 which represents an income $3,407 below the federal poverty level for a family of four, and this trend continues; and

"Whereas, Economists and farm leaders have predicted that this dilemma will broaden during the immediate weeks prior to the spring 1985 planting season and into 1986; now, therefore, be it

"Resolved by the Senate, That this legislative body, deeply concerned about the potential of current problems in agriculture developing into a crisis-like situation within the next twelve months, hereby memorializes the Governor of the State of Michigan to use the powers of the executive branch in working with the banking community, state and federal government units, universities, and all of agriculture to address this situation; and be it further

"Resolved, That the Michigan Senate calls upon the Governor to use all the powers available to the executive branch, including (1) paying special attention to the needs of displaced Michigan farmers in the use of discretionary funds under the Job Training Partnership Act, (2) establishing administrative procedures to help assure that property taxes reflect the decrease in land values, (3) that priority be given to tax refunds for eligible farmers and (4) the establishment of an agricultural "hot line" to assist farmers and direct them to the appropriate agencies and sources of assistance; and be it further

"Resolved, That the Reagan Administration and the United States Congress be memorialized to develop programs that help all family farms in a fair and equitable way during any change in farm programs; support funding for agricultural research as an investment to guarantee future efficiency; assure that farm product embargoes are not used as a tool of foreign policy; develop trade policies to help farmers have access to world markets and not face unfair export subsidies; establish a computer system to aid in forecasting supply and demand of agricultural products which would greatly reduce uncertainly and aid price stability; and, enact federal legislation authorizing the Commodity Credit Corporation to advance part of the non-recourse loan that farmers receive for sealing grain to pay for spring planting expenses. This advance could be handled by local Agricultural Stabilization Conservation Service offices which are already in place, requiring no extra funding, and would be paid back at the 9 1/8 percent rate at which the Commodity Credit Corporation receives money; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the Governor of the State of Michigan, the Speaker and Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the Chairpersons of the Senate and House of Representatives Agriculture Committees, the Secretary of the United States Department of Agriculture, the members of the Michigan congressional delegation, and legislative leaders of states in the midwest."

POM-115. A resolution adopted by the Council of the City of Marion, Ohio supporting Senate Bill S. 318 and House Bill H.R. 796, to continue the General Revenue Sharing Program for FY 86 and beyond; to the Committee on Foreign Relations.

POM-116. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Foreign Relations.

"RESOLUTION

"Whereas, the specter of the Yalta agreement casts a dark shadow on the post World War II ERA, for the establishment of Soviet domination over East-Central Europe and the de facto division of Europe has led directly to the ensuing East-West confrontation and the unresolved as yet struggle for Europe; and

"Whereas, forty years after the victory over Nazi Germany, United States troops provide the shield protecting the security of Western Europe, while Americans continue to bear the heavy burden of the arms race as an essential deterrent of Soviet aggressive policies; and

"Whereas, consolidation of its domination over Eastern Europe has opened the way for the Soviets to press efforts to gain a reponderant influence over the affairs of Western Europe, and for four decades Soviet policy has consistently attempted to break up the Atlantic alliance and drive a wedge between the United States and NATO countries and thus to "Finlandize" countries of Western Europe; therefore be it

Resolved, That the Massachusetts General Court, on the fortieth anniversary of the signing of the Yalta Agreement, hereby urges the Congress of the United States to enact a joint resolution to repudiate the sinister legacies of Yalta, Soviet domination over East-Central Europe and the de facto division of Europe; to reaffirm the right of East-Central European nations to determine their own socio-political system through a genuine, democratic process free of external pressures; and to emphasize United States support for the concept of Western European unity, able to oppose effectively Soviet attempts to subvert its political independence, and to undertake initiatives designed to engage countries of Eastern Europe in Economic, scientific, cultural and eventually political cooperation, leading to the ultimate goal of embracing them all in an all-European community of free nations, thus ensuring the stability and security of the continent; and be it further

"Resolved, That copies of these resolutions be forwarded buy the Clerk of the House of Representatives to the presiding office of each branch of the Congress and the Members thereof from this commonwealth."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Appropriations, without amendment:

S.J. Res. 75. Joint resolution to further approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles (Rept. No. 99-14).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Wanda L. Forbes, of South Carolina, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1988;

Margaret Phelan, of Kansas, to be a member of the National Commission on Libraries and Information Science, for a term expiring July 19, 1988;

Patricia Barbour, of Michigan, to be a member of the National Commission on Libraries and Information Science, for a term expiring July 19, 1988; and

Daniel W. Casey, of New York, to be a member of the National Commission on Libraries and Information Science, for a term expiring July 19, 1988.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND:

S. 697. A bill to amend title 10, United States Code, to establish a program to provide high school graduates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Armed Forces; to the Committee on Armed Services.

By Mr. BRADLEY (for himself and Mr. ABDNOR):

S. 698. A bill to amend the Age Discrimination in Employment Act of 1967 to exclude from the operation of such act matters relating to the age at which individuals may be hired, or discharged from employment, as firefighters and law enforcement officers by States and political subdivisions of States; to the Committee on Labor and Human Resources.

By Mr. BYRD (for himself, Mr. MOYNIHAN, and Mr. LEVIN):

S. 699. A bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs; to the Committee on Finance.

By Mr. EXON:

S. 700. A bill to promote interstate commerce by regulating the contractual arrangements between suppliers and dealers of office products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 701. A bill to promote interstate commerce by regulating the contractual arrangements between suppliers and retailers in the office machine and equipment industry, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMON:

S. 702. A bill to amend the Consumer Product Safety Act to strengthen the authority of the Consumer Product Safety Commission over amusement devices; to the Committee on Commerce, Science, and Transportation.

By Mr. FORD:

S. 703. A bill to designate certain National Forest System lands in the State of Kentucky for inclusion in the National Wilderness Preservation System, to release other National Forest System lands for multiple use management, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND (for himself, Mr. HEFLIN, Mr. DOLE, Mr. SIMPSON, Mr. LAXALT, Mr. HATCH, Mr. DENTON, Mr. SPECTER, Mr. MCCONNELL, Mr. DECONCINI, and Mr. HATFIELD):

S. 704. A bill to establish an Intercircuit Panel, and for other purposes; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 705. A bill to amend title 11 of the United States Code to aid in the reorganization of family farms; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 706. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SIMON:

S. 707. A bill to amend title 38, United States Code, to provide disability and death allowances, compensation, health care, and other benefits to veterans and the survivors of veterans who participated in atomic tests or the occupation of Hiroshima and Nagasaki and suffer from diseases that may be attributable to ionizing radiation; to the Committee on Veterans' Affairs.

By Mr. DECONCINI (for himself, Mr. CHILES, Mrs. HAWKINS, and Mr. DENTON):

S. 708. A bill to amend the Foreign Assistance Act of 1961 to permit certain enforcement activities outside the United States regarding the control of narcotics, and for other purposes; to the Committee on Foreign Relations.

By Mr. STAFFORD (for himself and Mr. MOYNIHAN):

S. 709. A bill to amend the Public Buildings Act of 1959 and for other purposes; to the Committee on Environment and Public Works.

By Mr. STAFFORD:

S. 710. A bill authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts; to the Committee on Environment and Public Works.

By Mrs. HAWKINS:

S. 711. A bill to clear certain impediments to the licensing of the vessel *La Reina* for employment in the coastwise trade; to the Committee on Commerce, Science, and Transportation.

By Mr. NUNN:

S. 712. A bill to amend the Internal Revenue Code of 1954 to provide tax-exempt accounts for job-training, and for other purposes; to the Committee on Finance.

By Mr. WILSON:

S. 713. A bill to prohibit the interstate sale and transportation of drug paraphernalia; to the Committee on the Judiciary.

By Mr. LUGAR (by request):

S. 714. A bill to authorize the Director of the United States Information Agency to make available to the Department of Defense and the military Departments photographs of military activities in the Republic of Vietnam for the purpose of developing and publishing military histories; to the Committee on Foreign Relations.

By Mr. BUMPERS (for himself, Mr. PRYOR, and Mr. BAUCUS):

S. 715. A bill to amend the act of May 29, 1884, to grant States and political subdivisions greater flexibility in conducting indemnity programs for the control and eradication of brucellosis of domestic animals, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MATTINGLY:

S. 716. A bill to expand and define the powers of banks, to limit certain brokered deposits, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. EAST (for himself and Mr. HELMS):

S. 717. A bill to suspend for 3 years the duty on secondary butyl chloride; to the Committee on Finance.

By Mr. ROTH:

S. 718. A bill to amend the Internal Revenue Code of 1954 to repeal the 10-percent additional tax on distributions (other than required distributions) from an individual retirement account; to the Committee on Finance.

By Mr. DURENBERGER:

S. 719. A bill to provide assistance to agricultural producers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 720. A bill to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOREN (for himself, Mr. BOSCHWITZ, Mr. ZORINSKY, Mrs. KASSEBAUM, Mr. PRYOR, Mr. DANFORTH, Mr. BAUCUS, Mr. GRASSLEY, Mr. BUMPERS, Mr. ABDNOR, Mr. EXON, Mr. PRESSLER, Mr. SYMMS, Mr. DURENBERGER, Mr. NICKLES, and Mr. HELMS):

S. 721. A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 722. A bill to designate certain national forest system lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself, Mr. BYRD, Mrs. HAWKINS, Mr. INOUYE, Mr. SARBANES, Mr. RIEGLE, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mr. HART, Mr. LEVIN, Mr. PRYOR, Mr. MOYNIHAN, Mr. SYMMS, Mr. HOLLINGS, Mr. WEICKER, and Mr. SIMON):

S. 723. A bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the Medicare Program; to the Committee on Finance.

By Mrs. HAWKINS (for herself, Mr. RIEGLE, and Mr. MOYNIHAN):

S. 724. A bill to provide that certain of the Social Security trust funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1986, and to clarify that specifications and directions with respect to such Trust Funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. CHAFEE (for himself, Mr. STAFFORD, Mr. DURENBERGER, Mr. BENTSEN, Mr. MITCHELL, and Mr. WARNER):

S. 725. A bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990; to the Committee on Environment and Public Works.

By Mr. MATHIAS:

S. 726. A bill to amend title 4 of the United States Code to complete the official seal of the United States; to the Committee on Foreign Relations.

By Mr. HEINZ (for himself, Mr. SPECTER, Mr. MOYNIHAN, and Mr. RIEGLE):

S. 727. A bill to clarify the application of the Public Utility Holding Company Act of 1935 to encourage cogeneration activities by gas utility holding company systems; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHAFEE:

S. 728. A bill to prohibit the entry of Japanese telecommunications products until Japanese markets are open to U.S. telecommunications products; to the Committee on Finance.

By Mr. LEVIN:

S.J. Res. 88. Joint resolution to designate the week beginning September 8, 1985 as "National Osteopathic Medicine Week"; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. DODD, Mr. BRADLEY, Mr. HATFIELD, Mr. METZENBAUM, Mr. STAFFORD, Mr. GORE, Mr. RIEGLE, Mr. ABDNOR, Mr. ANDREWS, Mr. GLENN, Mr. BURDICK, Mr. CHILES, Mr. CRANSTON, Mr. D'AMATO, Mr. EAGLETON, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. KERRY, Mr. LAUTENBERG, Mr. BYRD, Mr. LEAHY, Mr. LEVIN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. PACKWOOD, Mr. EXON, Mr. PRESSLER, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. ZORINSKY, Mr. HART, Mr. MATHIAS, and Mr. HARKIN):

S.J. Res. 89. Joint resolution directing that the National Institute of Health and the Alcohol, Drug Abuse and Mental Health Administration receive full funding in fiscal year 1985 for grants for individual investigator-initiated research; to the Committee on Appropriations.

By Mr. NUNN (for himself, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. CRANSTON, Mr. EVANS, Mr. FORD, Mr. HEFLIN, Mr. JOHNSTON, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. PACKWOOD, Mr. PRYOR, Mr. SASSER, Mr. STENNIS, Mr. SYMMS, and Mr. WARNER):

S.J. Res. 90. Joint resolution commemorating the 75th Anniversary of the Boy Scouts of America; to the Committee on the Judiciary.

By Mr. DOLE (for Mr. HUMPHREY (for himself, Mr. GRASSLEY, Mr. D'AMATO, Mr. SYMMS, Mr. TRIBLE, Mr. LAXALT, Mr. BOSCHWITZ, Mr. SPECTER, Mr. WILSON, Mr. GRAMM, Mr. THURMOND, Mr. HELMS, Mr. MCCLURE, Mr. CHAFEE, Mr. GORTON, Mr. MURKOWSKI, Mr. DANFORTH, Mr. DOMENICI, Mr. MATHIAS, Mr. SIMON, Mr. HOLLINGS, Mr. DIXON, Mr. BRADLEY, Mr. PRYOR, Mr. EXON, Mr. ZORINSKY, Mr. PROXMIRE, Mr. SASSER, Mr. PELL, Mr. LAUTENBERG, and Mr. KENNEDY)):

S.J. Res. 91. A joint resolution to designate March 21, 1985, as "Afghanistan Day"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RSOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SIMON:

S. Res. 103. A resolution expressing the sense of the Senate that the President should initiate negotiations with the Government of the Soviet Union on a long-term agreement on expanded trade in agricultural products; to the Committee on Finance.

By Mr. HATCH (for himself and Mr. DOLE):

S. Res. 104. A resolution commending Senator Garn; considered and agreed to.

By Mr. MATTINGLY:

S. Res. 105. A resolution to designate March 21, 1986, as "Henry Ossian Flipper Day"; to the Committee on the Judiciary.

By Mr. DOLE (for Mr. DURENBERGER (for himself, Mr. LEAHY, Mr. COHEN, Mr. HATCH, Mr. MURKOWSKI, Mr. HECHT, Mr. MCCONNELL, Mr. BENTSEN, Mr. EAGLETON, Mr. HOLLINGS, Mr. BOREN, Mr. GOLDWATER, Mr. MOYNIHAN, Mr. CHAFEE, Mr. LUGAR, Mr. WALLOP, Mr. BIDEN, Mr. NUNN, and Mr. EXON)):

S. Res. 106. A resolution to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 697. A bill to amend title 10, United States Code, to establish a program to provide high school graduates with technical training in skills needed by the Armed Forces in return for a commitment for enlisted service in the Armed Forces; to the Committee on Armed Forces.

SKILLED ENLISTED RESERVE TRAINING ACT

Mr. THURMOND. Today, I am reintroducing the Skilled Enlisted Reserve Training Act. This measure is virtually identical to S. 801, which I sponsored in the 98th Congress. While that measure was not acted upon last session, the Senate Armed Services Subcommittee on Manpower and Personnel held two hearings on the bill. The testimony presented at those hearings was highly supportive of S. 801.

The measure I am introducing today will help reduce the shortage of skilled enlisted technicians who are responsible for installing, operating, and maintaining the increasingly complex weapons systems of our Armed Forces. Studies indicate that through implementation of this act, a steady flow of much-needed technicians will be generated for the military at a substantial savings over the present system. This proposal involves an imaginative concept for training enlisted personnel in technological skills through community, technical, and junior colleges.

NEED FOR ALTERNATIVE SKILLED TRAINING SYSTEM

Mr. President, for the past several years, our Armed Forces have been putting in place increasingly sophisticated weaponry. Our national security, however, depends on more than the deployment of these advanced weapons systems; it demands a full complement of trained, skilled technicians who can install, operate, and maintain these systems.

A careful review of the military manpower situation reveals that there are pressing needs for trained specialists in many areas in both the Regular and Reserve Forces. Parallel needs in the Reserve components are much greater. There are serious shortages in many military occupation specialists, including those of electronics technician, builder, boiler technician, aviation machinist mate, tank systems mechanic, aerial survey sensor repairman, jet propulsion specialist, and others.

Mr. President, trends indicate that shortages in technicians are likely to increase in the future. Long-term projections are bleak. Fulfilling the manpower requirements of our Armed Forces today requires recruiting one out of every six males between the ages of 17 and 21. Because of the 1970's dip in the birthrate, by 1990 the United States will have to recruit one out of every three males in the age category of 17 to 21. This will be particularly difficult for our Armed Forces to accomplish because of the competition for individuals from that age group on the part of industry and higher education. This measure will provide a significant incentive for the youth of this Nation to choose military service and ensure a steady flow of technicians for the Armed Forces.

In view of the budget crisis, we should not overlook the cost savings possibilities of this proposal. This point was highlighted last year in hearings held in both Iowa and South Carolina. In his testimony at the Charleston, SC hearings, which I chaired last July, Col. Lyle Darrow, a noted Alabama educator who is the former president of the Community College of the Air Force, cited specific comparative costs which reflected substantial savings.

OPERATION OF THE PROGRAM

Mr. President, this legislation will provide the equivalent of a 2-year college scholarship. Each military service would offer stipends in the fields of technology that fill critical service skill requirements. Under this program, the trainee would complete basic training at a military installation, to be followed by schooling at a technical education center or community college in courses required for the specialization for which the individual enlisted.

Upon successful completion of college credit, an individual would than complete a regular tour on active duty, or a longer term of enlistment in a Reserve component unit. The maximum college training period would be for 2 years, and the maximum stipend would be for 18 months. The trainee would have the option to be obligated to active duty for at least 2 years, or to a Reserve unit for 6 years.

This proposal provides the military services with a valid pay back on their educational investment through an obligation after college training, rather than the military obligation preceding the education, as the GI bill provides.

SUMMARY

I wish to emphasize that several leading military associations have reviewed this legislation and have endorsed it. They include the National Guard Association of the United States, the Reserve Officers Association, the Veterans of Foreign Wars of the United States, the Association of the United States Army, the American Legion and the Air Force Association.

Mr. President, in summary, this training proposal will:

First, help solve a critical shortage of technicians now being experienced by our military forces;

Second, significantly reduce the costs of training technicians for the military;

Third, improve military readiness;

Fourth, provide a broader mobilization training base for technical skills for both the military services and private industry;

Fifth, tap and expand both the already-existing lateral entry program in the services and the involvement of our Nation's 2-year colleges in improving military preparedness and national productivity;

Sixth, contribute to the achievement of military objectives for an electronic battlefield and a 600-ship Navy; and

Seventh, greatly lengthen the productivity period of technicians in the military services.

Mr. President, more than 30 distinguished Members of the House of Representatives sponsored this innovative and vitally needed program in the last session of Congress. A counterpart to my bill has again been introduced in the House by Mr. BENNETT of Florida, one of the most knowledgeable congressional leaders on military affairs. As I reintroduce this bill in the Senate today, I invite other Senators to join me in supporting this new, more cost-effective approach to military specialization training.

By Mr. BRADLEY (for himself and Mr. ABDNOR):

S. 698. A bill to amend the Age Discrimination in Employment Act of 1967 to exclude from the operation of such act matters relating to the age at which individuals may be hired, or discharged from employment, as firefighters and law enforcement officers by States and political subdivisions of States; to the Committee on Labor and Human Resources.

AGE DISCRIMINATION IN EMPLOYMENT ACT PUBLIC SAFETY OFFICERS AMENDMENTS OF 1985

● Mr. BRADLEY. Mr. President, we rise today to introduce legislation that amends the Age Discrimination in Employment Act to allow States and municipalities the flexibility to determine entry and retirement ages for their public safety officers and firefighters. The bill is identical to legislation that we introduced last year on this subject.

Mr. President, Congress has already exempted from ADEA certain classes of Federal Government workers who regularly face unique mental and physical demands; since 1974, Federal firefighters and law enforcement officers, including members of the FBI, Secret Service, and Federal prisons, must retire at age 55. This bill extends the exemption to allow States and municipalities to determine retirement and entry ages for their own public safety officers and firefighters, just as Congress has done for similarly situated Federal employees.

This issue is coming to a head at this time because the Supreme Court recently held in EEOC against Wyoming that the Age Discrimination in Employment Act covers States and political subdivisions. A major consequence of this decision was to invalidate the laws of States and local governments which set retirement ages of less than 70 for public safety officers and firefighters. Needless to say, the Supreme Court decision has caused disarray in the affected State and local jurisdictions.

Mr. President, I am a strong proponent of the Age Discrimination in Employment Act. This bill should not be construed as an invitation to start chipping away at those protections. But older Americans have as much reason as anyone to insure that those who must perform emergency services are physically able to do so. Congress has already determined that age is a significant factor in job performance for a very select group of occupations—Federal firefighters and law enforcement officers. This legislation does not expand the number of occupations to be exempted; it merely offers State and local governments the option to exempt these same occupations regardless of whether the person works for the Federal Government or a State or local government.

This issue was brought to my attention last year by the Governor of New Jersey and the superintendent of the New Jersey State Police. They have asked for this legislative remedy. In addition, the National Governors Association, National Association of Attorneys General, International Association of Chiefs of Police, National Troopers Coalition, and numerous other law enforcement organizations have passed resolutions calling on Congress to exempt certain public safety officers from ADEA.

Mr. President, I realize that there are two sides to this issue. We need to have hearings on this issue this year in the U.S. Senate. We need to hear from all affected parties so that we can develop an appropriate legislative remedy. As we learn more about the issue, it may be necessary to modify the legislation to better meet the needs of the public and all affected parties. I look forward to working with my colleagues on this process.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 698

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment Act Public Safety Officers Amendments of 1985".

SEC. 2. Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended by redesignating subsection (g) the second time it appears as subsection (h) and by adding at the end thereof the following new subsection:

"(i) It shall not be unlawful for an employer which is a State, a political subdivision of a State, an agency or instrumentality of a State or a political subdivision of a State, or an interstate agency to fail or refuse to hire or to discharge any individual because of such individual's age if such action is taken with respect to the employment of an individual as a firefighter or as a law enforcement officer.".

SEC. 3. Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end thereof the following new subsections:

"(j) The term 'firefighter' means an employee the duties of whose position are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment, including an employee engaged in this activity who is transferred to a supervisory or administrative position.

"(k) The term 'law enforcement officer' means an employee, the duties of whose position are primarily the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of a State, including an employee engaged in this activity who is transferred to a supervisory or administrative position. For the purpose of this subsection, 'detention' includes the duties of—

"(1) employees of any penal institution; and

"(2) employees of any public health agency assigned to the field service of any penal institution;

whose duties in connection with individuals in detention suspected or convicted of offenses against the criminal laws of a State require frequent (as determined by the appropriate administrative authority) direct contact with these individuals in their detention, direction, supervision, inspection, training, employment, care, transportation, or rehabilitation.".

SEC. 4. The amendments made by this Act shall not apply with respect to any cause of action arising under the Age Discrimination in Employment Act of 1967 as in effect before the date of the enactment of this Act.●

By Mr. BYRD:

S. 699. A bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs; to the Committee on Finance.

(The remarks of Mr. BYRD and the text of the bill appear earlier in today's RECORD.)

By Mr. EXON:

S. 700. A bill to promote interstate commerce by regulating the contractual arrangements between suppliers and dealers of office products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 701. A bill to promote interstate commerce by regulating the contractual arrangements between suppliers and retailers in the office machine and equipment industry, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUPPLIERS AND RETAILERS OF OFFICE PRODUCTS AND EQUIPMENT

Mr. EXON. Mr. President, I am introducing two pieces of legislation, the Office Products User Protection Act and the Office Machine Equipment Dealers' Equity Act, which seek to provide some relief from serious problems our small office equipment dealers are having with manufacturer-suppliers.

The Office Products User Protection Act seeks to provide office equipment dealers with the assurance that they will continue to be supplied with spare parts to service customers for the period of the maintenance agreement as authorized by the dealer agreement or for 5 years whichever is longer. In those cases where the manufacturer-supplier fails to provide the necessary spare parts as provided in this bill, the dealer may bring an action in the district court of the United States. The purpose of this bill is simply to assure our small office equipment dealers that if a manufacturer-supplier terminates the dealer's contract, that dealer will be able to continue to service equipment which he has sold to his customers. Currently, dealers who are terminated by their suppliers have no way of providing maintenance to equipment already in service. As a result, these dealers not only lose these current customers, but also find their business reputations so tarnished that bankruptcy often follows. It is only equitable, therefore, that dealers continue to receive spare parts to maintain that equipment which is in customer service.

Mr. President, the second bill I am introducing is the Office Machine and

Equipment Dealers Equity Act. This bill seeks to provide office equipment dealers a remedy in Federal court for a range of abuses arising out of the dealership agreement and which the dealers are currently powerless to correct.

This particular bill has been drafted and redrafted over several years in an effort to ultimately address the legitimate grievances small office equipment dealers have with their manufacturer-suppliers which have arisen over the last 15 years. This bill seeks simply to hold both the dealer and the manufacturer to the terms of a dealer agreement, written or oral, and to act in good faith in carrying out the terms of the dealer agreement. In those cases where a dealer agreement is terminated and the manufacturer-supplier fails to show just cause, the dealer ultimately may bring an action against the manufacturer-supplier in Federal district court.

The Senate Commerce Committee has held several hearings on this issue over the last 5 years. The hearing record is replete with manufacturer abuses against dealers which have actually caused many reliable and well-managed office equipment dealerships to go out of business. In most of these cases, these dealers were terminated by a manufacturer-supplier for no just cause after years of effectively selling and servicing that supplier's product. Such actions on the part of the manufacturer-supplier have gone unchallenged in the past quite simply because the dealer has had no avenue to use to seek an equitable remedy. The Office Machine and Equipment Dealers' Equity Act would provide such an avenue.

Mr. President, I ask unanimous consent that the two bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office Products User Protection Act".

SEC. 2. For purposes of this Act, the term—

(1) "dealer" means any person, corporation, partnership, or other form of business enterprise resident in the United States or in any territory of the United States, operating under the terms of a dealer agreement and primarily engaged in the business of selling any office product of a supplier to an end-user of such office product;

(2) "dealer agreement" means any written or oral agreement or contract between any supplier engaged in commerce and any dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract for a definite or indefinite period;

(3) "distributor" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer of an office product which it manufactures, assembles, constructs, creates, or obtains in any manner from a manufacturer;

(4) "manufacturer" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer of an office product which it manufacturers, assembles, constructs, or creates;

(5) "office product" or "product" means any physical object or office machine software which is designed primarily for use in an office or business environment and which has a dealer cost greater than $100 per item, except that such term does not include—

(A) carpets, chairs, couches, dental equipment, desks, space dividers, draperies, lighting, or lighting fiscures, medical equipment, plants, sofas, stands, tables, telecommunications equipment, or textile products; or

(B) furniture designed specifically for integrated use with office machines;

(6) "supplier" means a manufacturer, distributor, or wholesaler engaged in commerce who enters into a dealer agreement with a dealer in order to supply the dealer with an office product for sale or transfer to an end-user, except that such term does not include a sale or transfer made ancillary to or as part of another transaction; and

(7) "wholesaler" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer primarily to a dealer of an office product which it obtains from a manufacturer or distributor.

TITLE I—DUTIES OF SUPPLIERS AND MANUFACTURERS

SEC. 101. Any supplier who has entered into a dealer agreement with a dealer shall provide such dealer, at then current dealer prices, parts, supplies, and technical information for products sold under such dealer agreement for the longer of—

(1) the period of the dealer's existing customer maintenance agreements which are sold as authorized by such dealer agreement; or

(2) five years from the date of installation of the product sold under such dealer agreement.

SEC. 102. Every manufacturer of office products shall, for a period of five years from the date of last manufacture of a product model, continue to make parts and supplies available to dealers at the then current dealer price.

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. (a) A dealer may bring an action against any supplier in the district court of the United States for any district in which such supplier resides, is found, or has an agent, without respect to the amount in controversy, and shall recover the damages sustained by the dealer and the cost of such action if the court finds that such supplier failed to comply with the provisions of section 101 of this Act.

(b) An action brought pursuant to this section shall be forever barred unless the complaint is filed within three years after the right of action first accrues. The action of any person under legal disability at the time the claim accrues may be commenced within one year after the disability ceases.

SEC. 202. No provision of this Act shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States.

S. 701

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office Machine and Equipment Dealers' Equity Act".

DEFINITIONS

SEC. 2. For purposes of this Act, the term—

(1) "dealer" means any person, corporation, partnership, or other form of business enterprise resident in the United States or in any territory of the United States, operating under the terms of a dealer agreement and primarily engaged in the business of selling any office product of a supplier to an end-user of such office product;

(2) "dealer agreement" means any written or oral agreement or contract between any supplier engaged in commerce and any dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract for a definite or indefinite period;

(3) "distributor" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer of an office product which it manufactures, assembles, constructs, creates, or obtains in any manner from a manufacturer;

(4) "good faith" means the duty of each party to any dealer agreement. and all officers, employees, agents, or other representatives of any such party, to act in a fair, equitable manner toward each other so as to provide each party freedom from coercion, intimidation, threats of coercion or intimidation, fraud, or unconscionable conduct by the other party, except that reasonable recommendation, endorsement, exposition, persuasion, urging, or argument shall not be deemed to constitute lack of good faith;

(5) "manufacturer" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer of an office product which it manufacturers, assembles, constructs, or creates;

(6) "office product" or "product" means any physical object or office machine software which is designed primarily for use in an office or business environment and which has a dealer cost greater than $100 per item, except that such term does not include—

(A) carpets, chairs, couches, dental equipment, desks, space dividers, draperies, lighting or lighting fixtures, medical equipment, plants, sofas, stands, tables, telecommunications equipment, or textile products; or

(B) furniture designed specifically for integrated use with office machines;

(7) "supplier" means a manufacturer, distributor, or wholesaler engaged in commerce who enters into a dealer agreement with a dealer in order to supply the dealer with an office product for sale or transfer to an end-user, except that such term does not include a sale or transfer made ancillary to or as part of another transaction; and

(8) "wholesaler" means any person, corporation, partnership, or other form of business enterprise engaged in the sale, consignment, exchange, or any other form of transfer primarily to a dealer of an office product which it obtains from a manufacturer or distributor.

TITLE I—CONTRACTS BETWEEN DEALERS AND SUPPLIERS

DUTIES OF SUPPLIER

SEC. 101. Any supplier who enters into a dealer agreement with a dealer shall—

(1) act in good faith in entering into the dealer agreement with the dealer;

(2) act in good faith in performing or complying with any provision of the dealer agreement; and

(3) act in good faith in terminating, canceling, or not renewing the dealer agreement and, when applicable, comply with the procedures set out in title II of this Act.

TITLE II—PROCEDURES FOR TERMINATION

TERMINATION

SEC. 201. (a) A supplier may terminate a dealer agreement which contains a specified expiration date before such date, or terminate at any time a dealer agreement which does not contain a specified expiration date, by offering the dealer involved fair and reasonable compensation for the value to the dealership of the dealer agreement, including a reasonable amount for goodwill. Such offer shall be made in writing not less than sixty days before the intended date of termination. This subsection shall not apply to the termination of a dealer agreement for just, good, or significant cause.

(b) A dealer agreement which does not contain a specified expiration date or is terminated prior to such date may contain a provision requiring the parties to submit to binding arbitration with regard to the amount of fair and reasonable compensation for the value to the dealership of the dealer agreement, including a reasonable amount for goodwill. In the absence of such a provision, the parties to an existing dealer agreement may agree in writing to settle their dispute regarding such compensation by arbitration. Any such provision or agreement shall be valid, irrevocable, and enforceable, except for any grounds that exist at law or in equity for revocation of a contract.

(c) Arbitration of such disputes, awards by arbitrators and confirmation of awards shall be governed by title 9, United States Code, to the extent that such title is not inconsistent with this section.

(d) An award by an arbitrator under this section shall be final and binding between the parties to the arbitration, but shall have no force or effect on any other person.

(e) Notice of the filing of any request for arbitration under this section shall be served upon the supplier involved, and such supplier shall not terminate or enforce the termination of a dealer agreement pending the outcome of such proceeding. The arbitrator shall award reasonable attorneys' fees and the cost of the proceeding to the prevailing party in any arbitration under this section.

TITLE III—MISCELLANEOUS PROVISIONS

PROCEDURAL REQUIREMENTS

SEC. 301. (a) A dealer affected by a violation of the provisons of this Act may bring an action for damages sustained by the dealer and the cost of the action if the dealer prevails, in any district court of the United States in any district in which the supplier resides, is found, or has an agent. In any such action, the supplier may assert in defense that the dealer failed to act in good faith.

(b) An action arising out of any provisions of this Act shall be filed not later than three years after the right of action first accrues. The action of any person under legal disability at the time the claim accrues may be commenced within one year after the disability ceases.

ANTITRUST LAWS

SEC. 302. No provision of this Act shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States.

By Mr. SIMON:

S. 702. A bill to amend the Consumer Product Safety Act to strengthen the authority of the Consumer Product Safety Commission over amusement devices; to the Committee on Commerce, Science, and Transportation.

AMUSEMENT PARK SAFETY ACT

● Mr. SIMON. Mr. President, I am pleased to introduce the Amusement Park Safety Act of 1985. Congressman HENRY WAXMAN joins me in this effort by introducing the same bill on the House side.

I introduced similar legislation last year as a result of an accident at the Great America Amusement Park in Gurnee, IL, which could have been prevented with proper inspection. Since 1981, the amusement park industry has been exempt from the authority of the Consumer Product Safety Commission, giving jurisdiction to the States. Unfortunately, only half the States have exercised their authority by passing inspection laws.

Amusement park patrons should feel safe while riding the exciting superloop or giant rollercoaster or other rides. As Consumer Products Safety Commissioner Chairwoman Nancy Harvey Steorts testified at last fall's hearing, "The bottom line is that the American consumer has no way of knowing the level of safety on a particular ride at a particular location."

The bill provides for a mechanism for the Federal Government to inspect rides only if the State does not provide an agency to undertake this task. The CPSC will have the authority to send investigative engineers to parks at which a serious or fatal accident has occurred even if that State has an inspection program. Also, the legislation requires that the discovery of any structural defect by an amusement park operation must be reported to the CPSC. This provision will provide industrywide information on common structural defects in amusement park rides.

Under the current system, we will not be able to avoid another season of senseless and avoidable accidents. The House soundly passed this bill on October 2, 1984. I look forward to speedy passage by both Chambers before another amusement park season passes.●

By Mr. FORD:

S. 703. A bill to designate certain National Forest System lands in the State of Kentucky for inclusion in the National Wilderness Preservation System, to release other National Forest System lands for multiple use management, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

WILDERNESS DESIGNATION FOR CLIFTY AREA

Mr. FORD. Mr. President, today I am introducing a bill that would preserve and protect the Clifty area in Kentucky's Daniel Boone National Forest by making it part of the National Wilderness Preservation System. This measure is strongly supported by several groups which have made the Clifty Wilderness designation a top priority. They include the Cumberland Chapter of the Sierra Club which represents the Sierra Club members of Kentucky, along with the Kentucky Wilderness Coalition. It is also supported by the Kentucky Department of Fish and Wildlife Resources.

I am pleased that my distinguished colleague, Representative CHRIS PERKINS of Kentucky's Seventh District, is introducing similar legislation today in the House.

The U.S. Department of Agriculture has recommended, after its second extensive Roadless Area Review and Evaluation [RARE II], that this area be designated as wilderness. The Clifty proposal comprises approximately 12,000 acres of the 673,000-acre Daniel Boone National Forest in southeastern Kentucky.

The roadless area studies under RARE I and RARE II represent a complete and thorough analysis of the need for this wilderness designation. However, the Clifty area is currently in a state of limbo, with its future undecided. The local residents and the communities involved deserve to have the issue addressed, with all of their questions answered.

My legislation also contains what has become known as "the compromise release" language, which has the support of the conservation groups and the U.S. Forest Service, paved the way for additions to the wilderness system, totaling more than 6.8 million acres in the lower 48 States. In the last Congress alone, wilderness bills were enacted for 20 of those States.

When Lyndon B. Johnson signed the Wilderness Act on September 3, 1964, the United States became the first nation ever to set up a system for the recognition and preservation of its scenic natural resources.

Two years later, President Johnson told Congress, and I quote:

Conservation is ethically sound. It is rooted in our love of the land, our respect for the rights of others, our devotion to the rule of the law. Let us proclaim a creed to preserve our natural heritage with rights and the duties to respect those rights: the right to clean water, and the duty not to pollute it; the right to clean air, and the duty not to befoul it; the right to surround-

ings reasonably from from man-made ugliness, and the duty not to blight; the right of easy access to places of beauty and tranquility where every family can find recreation and refreshment; and the duty to preserve such places clean and unspoiled; the right to enjoy plants and animals in their natural habitats, and the duty not to eliminate them from the face of this Earth.

According to the Wilderness Act, units of the wilderness system are areas "where the Earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain."

Mr. President, there is no more beautiful an area than the Clifty area and I introduce this bill in the hope that we can make this designation to preserve it for future generations.

By Mr. THURMOND (for himself, Mr. HEFLIN, Mr. DOLE, Mr. SIMPSON, Mr. LAXALT, Mr. HATCH, Mr. DENTON, Mr. SPECTER, Mr. MCCONNELL, Mr. DECONCINI, and Mr. HATFIELD):

S. 704. A bill to establish an intercircuit panel, and for other purposes; to the Committee on the Judiciary.

INTERCIRCUIT PANEL OF THE UNITED STATES ACT

Mr. THURMOND. Mr. President, I rise today to introduce, along with Senators HEFLIN, DOLE, SIMPSON, LAXALT, HATCH, DENTON, SPECTER, DECONCINI, MCCONNELL, and HATFIELD, a bill to establish an intercircuit panel of the U.S. Courts of Appeal.

As we are all aware, the workload of the Supreme Court has dramatically increased over the last 20 years. Each year the situation seems to become more acute. At the close of the term that ended in July 1934 there were more than 5,100 cases on its docket. Currently, it is impossible to give adequate attention to so many cases.

Almost 12 years ago, the Hruska Commission was established by the Congress to study the Federal appellate system. The Commission recommended that a national court of appeals be created to aid the Supreme Court with its burgeoning caseload. Over the years, scholars and judicial commentators have continued to support this proposal.

In the 98th Congress, Senators DOLE HEFLIN, and I introduced S. 645, the Court Improvements Act of 1983. Two parts of that measure, title II, to eliminate most statutes which require Federal courts to give priority to certain civil cases, and title IV, to create a State Justice Institute to promote excellence in the State courts, were enacted into law. Title VI of that bill, as reported out of the Courts Subcommittee of the Senate Committee on the Judiciary, was almost identical to the measure that I am introducing today.

The Intercircuit Panel Act would create an experimental, 5-year panel to exercise jurisdiction over certain cases referred to it by the Supreme Court. This panel would have no original jurisdiction. Composed of nine judges and four alternate judges, designated by the Supreme Court of the United States from active or senior status circuit judges, the panel would provide a uniform resolution in cases where there is a conflict on a question of law among the various circuit courts of appeal. The Supreme Court would retain the power to overrule or modify any decision of the panel consistent with its constitutional role as the highest court in the land.

Mr. President, this proposal has been specifically endorsed by the Chief Justice and has the strong backing of other members of the Supreme Court. Since no additional judgeships are created, it is a cost-effective response to the urgent need for relief from the ever-increasing workload of the Supreme Court, Further, a sunset provision would end the panel in 5 years unless expressly extended by Congress. Within that time, Congress can determine whether the panel should be continued.

I urge my colleagues to join me in supporting this necessary reform.

● Mr. HEFLIN. Mr. President, the judicial branch of our Government has been a major contributing factor in the progression of our free society. We recognize the importance of maintaining a strong, independent and viable judiciary that has the confidence of the American people.

Today however, the foundation of our judicial system is being threatened by an unprecedented explosion of litigation.

The sheer number of cases confronting our Federal courts is staggering and threatens to impede the thoughtful deliberation which is not only expected of our judicial officers, but is fundamental to the soundness of our judicial system.

Today, I rise to join with the distinguished chairman of the Judiciary Committee, Senator THURMOND, to cosponsor legislation to establish an intercircuit panel, which will decide cases referred to it by the Supreme Court of the United States. The panel will be established for an experimental 5-year period, and will be composed of nine judges and four alternate judges of the circuit courts, designated by the Supreme Court. The panel is not a cure-all for the problems facing the Federal judiciary, but it will provide some relief for an already overburdened Supreme Court.

In his report to the American Bar Association on February 17, 1985, Chief Justice Warren Burger related some rather staggering figures. At the beginning of the 1953 term, there were 1,463 cases on the docket. The Supreme Court rendered 65 signed opinions in that year. In the term completed last July, there were 5,100 cases on the docket. The Court rendered 151 signed opinions. Of those 151 opinions, 55 were cases involving conflicts among the circuits. In fact, Chief Justice Burger stated that in each of the past three terms, the Court decided an average of 48 cases involving conflicts. It is envisioned by the proponents of the panel concept that the panel will decide cases where conflicts exist among the circuits. Unless modified or overruled by the Supreme Court, decisions of the intercircuit panel would be binding on all courts of the United States.

Some of the proponents would limit the jurisdiction of the panel to cases resolving conflicts and cases settling questions of Federal statutory interpretation. This bill makes no such distinction. Cases referred to the panel would be at the discretion of the Supreme Court.

There are those who look upon the concept of the panel as a foreign invader, others believe that the panel is simply unnecessary. I am not convinced that the panel is the only way to solve the problems facing our courts, but I would rather err on the side of trying and failing than failing through inaction.

In the past, I have been an advocate of a permanent National Court of Appeals. In the 1970's, two independent studies recommended the creation of such a court to provide relief to the Supreme Court. In 1971, Chief Justice Burger appointed a seven-member study group to review the caseload of the Supreme Court. This group, headed by Prof. Paul A. Freund, recommended that Congress establish a seven-member National Court of Appeals.

In 1973, Congress established a Commission on Revision of the Federal Court Appellate System, called the Hruska Commission. This Commission was mandated by statute to study the structure and internal procedures of the U.S. Circuit Courts of Appeals system. The Hruska Commission also recommended a National Court of Appeals, although substantially different from the one recommended by the Freund group.

We lose the value of these studies if we fail to acknowledge their recommendations. The problem only increases each year. When our forefathers established one Supreme Court and provided for such inferior courts as the Congress may from time to time ordain, they established a system that has served us well. And it is good that any attempt to change that system is deliberate and well-reasoned. But our fear of change must not hinder our possiblity of progress.

Chief Justice Burger indicated that currently there are 758 district judges and 226 circuit judges authorized, and about 27,000 State court judges, all deciding cases which potentially may be

subject to review by the Supreme Court. That is a total of about 28,000 judges. The Supreme Court remains unchanged at nine.

It is unrealistic to expect nine individuals to handle the caseload now before the Supreme Court. Granted, there is no method of reform which will enable the court to hear all the cases now on the docket.

We have become a litigous society. We look to the courts to settle every facet of human relations. Some of the cases are meritorious, some contain issues of national significance, many are frivolous. But if we fail to provide some relief, the sheer number of cases may one day dictate the quality of justice rendered in our courts.

The purpose of the panel is not to usurp the power of the Supreme Court or the circuit courts of appeals, but to provide an auxiliary forum where cases that otherwise might not be heard, may have a forum.

This legislation establishes the panel on an experimental basis. There is a possibility the panel will not be successful. If not—we will have learned something. There is also the possibility that the panel will be successful. If so—we have accomplished something. Either way, we gain from the experience. The bigger risk comes in doing nothing at all.

I urge my colleagues to join me in supporting this legislation.●

By Mr. BURDICK:

S. 705. A bill to amend title II of the United States Code to aid in the reorganization of family farms; to the Committee on the Judiciary.

FAMILY FARM REORGANIZATION ACT

Mr. BURDICK. Mr. President, we face the very immediate problem of getting the 1985 crop into the ground. Congressional efforts to provide additional assistance failed on a Presidential veto. In view of that, this legislation is needed as a last chance effort to save family farming.

Our most immediate problem in the farm economy is credit availability. We are looking directly at the possibility of the most massive restructuring of credit obligations that this country has ever seen, unless we take measures across a broad front to ease the impending changes.

At today's farm income levels, some farmers are going to go bankrupt. There is not any doubt about that. And, it is very likely that farm income levels are going to go down. Even the Department of Agriculture predicts that farm income will decline this year. And, the Department of Agriculture has predicted that realized net farm income for the remainder of the decade is likely to remain under pressure from production expends increasing at a faster rate than gross revenue. The USDA goes on to say that in real terms, net income will continue to slide from recent levels and be well below levels of the early 1970's or even late 1960's.

Mr. President, farmers are currently holding about $210 billion in debt. Of that debt, one-third of the operators holding farm debt have debt-to-asset ratios at or greater than 70 percent. As a practical matter, economists will tell you that those operators have very little chance of succeeding. And during these times, when neither the marketplace nor the income supports in the farm bill allow these producers to recover their costs, those operators and the debt they hold are at very serious risk. Additionally, another one-third of the farm operators holding farm debt have debt-to-asset ratios at or exceeding 40 percent. Those people may have a chance to survive, although if the Department of Agriculture is right and net farm income trends downward for the rest of the decade, their chance to survive is slim.

So, two-thirds of farm debt is held by farm operators who are at serious risk. Thus, our agricultural sector is possibly in the position of shedding $100 billion to $136 billion in credit. If that is not enough to make you nervous, I do not know what is.

While we need adequate credit availability, and we need to improve farm income, we also need to provide our farmers with a better opportunity to reschedule some of this debt to permit them to pay it off over the longer course, rather than shed it through bankruptcy, thus compounding our general economic problems.

Therefore, I intend to introduce today, The Family Farm Reorganization Act, a new subsection within chapter 11, the reorganization chapter of the Bankruptcy Reform Act of 1978—the Code—is proposed to permit chapter 11 to fit more closely the needs of an individual farmer in a reorganization case.

The new subsection, similar to a chapter 11 subsection for railroad reorganizations, is proposed to treat the requirements of individual farmers conducting a farming operation who seek to rehabilitate their financial affairs under chapter 11. The objectives of the new subsection include the simplification of procedures in agricultural chapter 11 cases and the reduction of administrative costs to the farmer's estate. Additionally, the proposed provisions preclude imposition of liquidation plans presented by creditors in chapter 11 cases. Farmers have long been exempt from involuntary bankruptcy. These new provisions now carry that policy into farmer chapter 11 proceedings.

Chapter 11 is business designed and business oriented, having been drawn from predecessor chapters X and XI of the former Bankruptcy Act. The chapter now provides, among other things, for miltiple creditors committees, permits appointment of a trustee and an examiner, and allows for attorneys and other professionals to be employed by the committees and trustee in the course of a case. Those appointments and employment may be necessary and justified in complex business cases, but are not generally appropriate for a farmer's reorganization case where there is, most commonly, a straightforward need to operate a farm, see to the feeding of stock and the planting and harvesting of crops. The new subsection will allow the court to avoid the very high cost of employing attorneys, accountants, and other professionals except where there is a demonstrated need to protect the rights of the creditors. It does not preclude the appointment of creditors committees or the employment of professionals; it provides threshold requirements for their appointment and thus, in many cases, preserves assets necessary to run the farm and pay creditors.

This subchapter is limited to individuals who are farmers. Corporations or partnerships who fit the definition of farmer under the code [1] may continue to resort to the current chapter 11 provisions.

The proposed agricultural subchapter restores to farmers protection from involuntary submission to bankruptcy liquidation.[2] Current law permits the farmer or his creditors to file a reorganization plan. A plan may provide for the sale or disposition of farmed assets. The proposed agricultural subsection to chapter 11 precludes creditors from presenting a reorganization plan. If the farmer's rehabilitation plan is not accepted by creditors or a viable plan cannot be formulated, the farmer may move to dismiss or he may file under chapter 7.

Under the proposed subchapter, a plan can only be proposed by the debtor. Although the time for filing the plan is not prescribed, the proposed statute does authorize the court to fix a time for filing the plan. The standards for confirmation of a plan have been simplified; the tests of feasibility and best interest have been generalized to permit the court wide discretion in considering farm reorganization cases. The ability to impose acceptance of a plan on certain classes of creditors in particular circumstances, the "cram down" feature of the code, has been retained.

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[1] "Farmer" and "farming operation" are defined terms in the code. "Farmer" is defined at section 101(17) Code (11 U.S.C. S 101(17)); "farming operation" is defined at section 101(18) Code (11 U.S.C. S 101(18)).

[2] Although farmers may voluntarily file a bankruptcy case, the code provides in section 303(a) 11 U.S.C. S 303(a) that involuntary bankruptcy proceedings cannot be commenced against a farmer. The Bankruptcy Act of 1898, section 48 (11 U.S.C. S22), similarly excluded farmers from involuntary submission to a bankruptcy proceeding.

The new subsection also permits prompt and expeditious court authorization for the borrowing of funds where there is an immediate need. emergencies such as the feeding of farm stock often require quick action. a new provision enables the court to authorize obtaining credit without the range of formalities required to commercial business cases.

The proposed subsection newly permits the appearance in the case of State or Federal agricultural officials.

The agricultural subchapter is designed to fit within the statutory design of the Bankruptcy Code. Many of the provisions of the code remain applicable to farmer cases and provide the structure for the administration of the case. The addition of an agricultural subchapter to chapter 11 within the code leaves the code otherwise undisturbed.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 705

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Farm Reorganization Act."

SEC. 2. (a) Title 11 of the United States Code is amended by adding after subchapter IV of Chapter 11 the following new subchapter:

"SUBCHAPTER V—AGRICULTURAL REORGANIZATION

§ 1181. Inapplicability of Other Sections

Sections 1102 (Creditors and Equity Security Holders' Commmittees), 1103 (Powers and Duties of Committees), 1104 (Appointment of Trustee or Examiner), 1105 (Termination of Trustee's Appointment 1109(a) (The right of the Securities and Exchange Commission to be heard on any issue in a case), 1112 (Conversion or dismissal of the Case), 1121 (Who may file a plan and when it is to be filed), 1123(a)(5) (providing for means to execute the reorganization plan, to transfer of all or part of the property of the estate, to merge or consolidate property with that of another person, to sell all or part of the property of the estate), 1125 (Post petition disclosure statements), 1129 (confirmation standard for a plan), 1141(d)(3)(A) (Confirmation of plan is not a discharge of debts if the plan provides for liquidation of all or substantially all of the property of the estate), do not apply in a reorganization case concerning a farmer.

§ 1182. Definition

In this subchapter, debtor means an individual farmer, not a corporation or a partnership, engaged in a farming operation.

§ 1183. Right To Be Heard

The Department of Agriculture, the Attorney General or the Director of similar chief officer of the agricultural department or agency of any state in which property of the debtor is located may raise and appear and be heard on any issue in a case under this chapter and subchapter, but may not appeal from any judgment, order or decree entered in the case.

§ 1184. Creditors' Committee

(a) On request of 3 parties in interest, the court may order the appointment of a committee of unsecured creditors.

(b)(1) A committee of creditors appointed under subsection (a) of this section shall ordinarily consist of the persons willing to serve that hold the five largest unsecured claims against the debtor.

(2) On request of a party in interest and after a hearing, the court may change the membership or the size of a committee appointed under subsection (a) of this section if the membership of the committee is not representative of the different kinds of claims or interests represented.

§ 1185. Powers and Duties of a Committee

(a) At a scheduled meeting of a committee appointed under section 1183, at which a majority of the members of such committee are present, and with the court's approval, the committee may select and authorize the employment by the committee of an attorney, and if the debtor's debts exceed five million dollars, or if the debtor's financial records have not been adequately maintained, or the debtor's financial affairs are deemed by the court to be unduly complex, the committee may select and authorize the employment by the committee of an accountant.

(b) An attorney or an accountant employed pursuant to subsection (a) of this section may not, while employed by the committee, represent any other entity in connection with the case.

(c) A committee appointed under section 1183 of this subchapter of Chapter 11 may—

(1) Consult with the debtor in possession of the case;

(2) Investigate the acts, conduct, assets, liabilities and financial condition of the debtor, the operation of his farming and other businesses, the means to maintain the farming or other business and any other matter relevant to the case or to the formulation of a plan;

(3) Participate in the formulation of a plan, advise those represented by the committee of the committee's determinations as to any plan formulated and collect and file with the court acceptances of a plan;

(4) Request the dismissal of the case if there is no possibility of a feasible plan being accepted or if the debtor fails to comply with final orders of the court.

(d) As soon as practicable, after the appointment of a committee under section 1183 of this title, the debtor shall meet with the committee to transact such business as is necessary and proper.

§ 1186. Emergency Care of Stock

(a) The court may authorize the obtaining credit pursuant to section 364 of this title for the case, including feeding of stock owned by, or in the possession of, a farmer debtor without notice or a hearing where the court finds that credit is needed to obtain funds to care for stock, an emergency exists and that immediate and irreparable injury, loss or damage, will result if authorization to obtain credit for the care of stock is delayed, and that it is in the best interests of the estate to obtain credit and care for the stock. Notice shall be immediately given, by mail, to all creditors of entry of the order authorizing credit under this subsection and a copy of the order entered by the court hereunder shall be attached to the notice.

§ 1187. Who May File a Plan

Only the debtor may file a plan with a petition commencing a case or at any time in a case; however, the court on its own motion or upon motion of a party in interest, after notice and hearing shall by order fix a date after for filing the plan.

§ 1188. Contents of a Plan

(a) A plan shall provide adequate means for the execution of the plan as provided in section 1123 of this title except that contents subsections (a)(5) (A), (B), (C), (D) thereof can only be contained within a plan proposed or consented to by the debtor.

§ 1189. Confirmation of Plan

The Court shall confirm a plan only if all the following requirements are met:

(1) The plan complies with the applicable provisions of this title;

(2) The debtor has complied with the applicable provisions of this title;

(3) The plan has been proposed in good faith and not by any means forbidden by law;

(4) The plan is for the best interest of the creditors and is feasible;

(5) The debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to a discharge under 11 U.S.C. § 727;

(6) Where a plan is not accepted by an impaired class, the Court shall, nevertheless, confirm the plan if:

(A) With respect to a class of secured claims, the plan provides—

(i)(I) that the holders of such claims retain the liens securing such claims, whether the property subject to such liens is retained by the debtor or transferred to another entity, to the extent of the allowed amount of such claims; and

(II) that each holder of a claim of such class receive on account of such claim deferred cash payments totalling at least the allowed amount of such claim, of a value, as of the effective date of the plan, of at least the value of such holder's interest in the estate's interest in such property;

(ii) for the sale, subject to section 363(k) of this title, of any property that is subject to the liens securing such claims, free and clear of such liens, with such liens to attach to the proceeds of such sale, and the treatment of such liens on proceeds under clause (i) or (ii) of this subparagraph; or

(iii) for the realization by such holders of the indubitable equivalent of such claims.

(B) With respect to a class of unsecured claims—

(i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or

(ii) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

(C) With respect to a class of interests—

(i) the plan provides that each holder of an interest of such class receive or retain on account of such interest property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled, or the value of such interest; or

(ii) the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property.

§ 1190. Conversion or Dismissal

(a) If a plan is not proposed in the manner and within the time fixed by the court, or a plan is withdrawn before confirmed or a plan is not confirmed, the court may either on its own motion or on the motion of a party in interest, after notice to the debtor, debtor's counsel, and parties in interest and the conduct of an actual hearing, enter an order dismissing the case.

(b) The court may not convert a case under this chapter to a case under chapter 7 of this title unless the debtor requests such conversion."

(b) The table of sections of title 11, chapter 11 is amended by adding at the end thereof the following:

"SUBCHAPTER V—FARM REORGANIZATION

1181. Inapplicability of Other Sections
1182. Definition
1183. Right To Be Heard
1184. Creditors' Committee
1185. Powers and Duties of a Committee
1186. Emergency Care of Stock
1187. Who May File a Plan
1188. Contents of a Plan
1189. Confirmation of Plan
1190. Conversion or Dismissal"

By Mr. PROXMIRE:

S. 706. A bill to amend the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

(The remarks of Mr. PROXMIRE on this legislation appear earlier in today's RECORD.)

By Mr. DECONCINI (for himself, Mr. CHILES, Mrs. HAWKINS, and Mr. DENTON):

S. 708. A bill to amend the Foreign Assistance Act to permit certain enforcement activities outside the United States regarding the control of narcotics, and for other purposes; to the Committee on Foreign Relations.

PERMITTING CERTAIN ENFORCEMENT ACTIVITIES IN CONTROLLING NARCOTICS

Mr. DECONCINI. Mr. President, today I am introducing a bill for myself, Senator CHILES, and Senator HAWKINS, and Senator DENTON, which would effectively repeal section 481(c)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(c) commonly known in law enforcement circles as the "Mansfield amendment." As the war on narcotics traffickers, both overseas and here in our own Nation, escalates, this legislation will remove the shackles from our overseas law enforcement officers and allow them to more aggressively pursue the drug trafficker in both drug source and transshipment countries.

Mr. President, unless you are a hermit or live in a cave in the Grand Canyon, it is common knowledge that this country is under seige by the drug trafficker. The tragic brutal murder of one of our finest Drug Enforcement Administration [DEA] agents in Mexico and the threat against our Customs and Immigration officers along the Mexican borders by members of the drug community have focused renewed attention on the need to attack the drug menace at the source. The Mansfield amendment, is viewed by most law enforcement agencies as an impediment to allowing our drug enforcement agents in source and transit countries to assist host government law enforcement efforts go after the narcotics trafficker in those countries that are plagued with a serious drug threat. What was born nearly 10 years ago in response to a perceived overzealousness by our drug enforcement agents in Thailand, has remained on the books since 1975, weakening enforcement efforts overseas and frustrating our civilian law enforcement agents here at home. The bill that we are introducing today would take the shackles off of our drug enforcement agents in foreign countries, while, at the same time, directing our civilian law enforcement agencies to promulgate appropriate regulations to assure proper conduct of our individual agents overseas.

Mr. President, it might be appropriate at this point to briefly outline some of the history surrounding the adoption of the so-called Mansfield amendment nearly a decade ago.

In a report by Senator Mike Mansfield dated October 1975, entitled "Winds of Change: Evolving Relations and Interests in Southeast Asia," the Senator stated that the day before his arrival in Thailand, U.S. Drug Enforcement Administration agents and Thai police had carried out a joint raid on an opium refinery. His opinion of that activity was as follows:

This sort of U.S. anti-drug activities in Thailand seems to be highly dubious. Quite apart from the expenditure of U.S. funds, the direct participation by U.S. agents in police activities within Thailand amounts to involvement in internal Thai affairs. While it undoubtedly is meritorious in objective, it is a foot-in-the-door, a joint of entry which could lead to extensions and in the end, renewed entrapment in the internal affairs of that nation at renewed cost to the people of the United States. The sorry history of military and economic aid and other activity in Indochina and Thailand over the past two decades should serve as a precaution in this respect. Police actions, including local drug enforcement, are functions of indigenous governments. If there is a U.S. role, it should be limited to the exchange of information and intelligence with appropriate Thai or other officials. Beyond that point U.S. financial assistance for anti-drug operations at whatever level may be set by the Congress, in my judgment, is best channeled through international or regional organizations.

Regrettably, the briefing Senator Mansfield received in Thailand may have been unclear as to DEA's involvement in the seizure of a large heroin laboratory by Thai police on August 10, 1975, at Songkhla, Thailand. The fact is that DEA agents were only supportive, they furnished reliable information, they did not accompany the Thai police during the arrests and seizure of the laboratory, and arrived on the scene about 1½ hours after the Thai police had the situation under control.

Similarly regrettable, was that after Senator Mansfield made his report, DEA did not arrange for a full briefing of the Senator to explain not only the pertinent facts regarding the case in Songkhla, Thailand, but also to fully inform the Senator of DEA's operations and guidelines in foreign countries. This erroneous, uncorrected impression on the part of Senator Mansfield led to his submission of an amendment aimed at limiting DEA's activities in foreign countries.

The committee print of S. 2662, dated December 18, 1975, a bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, contained the following provision in section 303(c)(1):

Notwithstanding any other provision of law, no officer or employee of the United States may engage in any police actions in any foreign country with respect to narcotics control efforts.

DEA envisioned the provision as virtually obviating its operations in foreign countries and made its views known to various levels of the Government.

On February 6, 1976, President Ford sent a letter to Senator Mansfield indicating concern with the amendment, and that he believed any excesses can be avoided by careful and continuous scrutiny by the Executive branch and by promulgation of appropriate operating guidelines.

During Senate debate on February 5, 1976, Senators Percy and Mansfield engaged in a dialog attempting to explain the meaning of the provision. Senator Percy said that—

This amendment does not preclude American narcotic agents from engaging in other activities which are permissible under the law of the host nation and which would be of great help in the enforcement of Federal drug laws here in the United States. These include principally:

Undercover operations or other information-gathering methods, not involving the use of force, for acquiring tactical and strategic intelligence;

The handling and development of informants;

Evaluating intelligence, information—gathering, and drug law enforcement operations of foreign police officials;

Training foreign police officials to undertake special surveillance assignments, or contracting with private parties and informants to undertake such activities.

The Senate also had before it the report of the Senate Committee on Foreign Relations, which stated in part as follows:

In adopting this restriction, the Committee seeks to reconcile two important U.S. interests; motivating foreign governments to cooperate to the fullest degree in stopping drugs from reaching the U.S. and avoiding excessive U.S. intervention in the internal affairs of other nations. The range of actions carried out by U.S. narcotic agents

overseas covers a wide spectrum—from the innocuous (exchanging information and intelligence) to the clearly objectionable (actions involving the use of force and actions involving arrest of foreign nationals).

It is the Committee's intent that "police action," as used in this provision, is meant to prohibit U.S. narcotics agents abroad from engaging in actions involving the use of force and actions involving the arrest of foreign nationals—whether unilaterally (acting on their own) or as members of teams involving agents or officials of other foreign governments. And more broadly, it is the Committee's intent that the Drug Enforcement Administration and Chiefs of U.S. narcotics agents overseas not engage in any types of actions in which there is a reasonable risk of embroiling the U.S. in the internal affairs of other countries by tending to lead them into situations involving the use of force or the arrest of foreign nationals.

On February 18, 1976, the Senate passed S. 2662 by a vote of 60 yeas and 30 nays.

The House of Representatives had not included a similar provision in the House bill. Consequently, the committee of conference proceeded to rewrite the Senate provision in S. 2662. The conference committee adopted a substitute provision which would prohibit U.S. personnel from engaging or participating in direct police arrest actions in any foreign country in connection with narcotics control efforts. Essentially, the conference committee added the words "direct" and "arrest" to the Senate provision. The conference committee explained the intent of the provision as follows:

In adopting the provision the committee of conference seeks to insure that U.S. narcotics control efforts abroad are conducted in such a manner as to avoid involvement by U.S. personnel in foreign police operations where violence or the use of force could reasonably be anticipated. By 'arrest actions' the committee of conference means any police action which, under normal circumstances, would involve the arrest of individuals whether or not arrests, in fact, are actually made. The committee of conference intends that the U.S. Ambassador in any country where U.S. narcotics control activities are being carried out shall exercise close supervision over such activities to insure that U.S. personnel do not become involved in sensitive, internal law enforcement operations which could adversely affect U.S. relations with that country.

The committee of conference emphasizes that this provision is not intended to prohibit U.S. Government agencies from assisting foreign governments to enforce their own laws on narcotics trafficking by providing such assistance as training, technical equipment, and intelligence.

On March 24, 1976, DEA Administrator Peter B. Bensinger directed that specific DEA foreign guidelines be prepared in anticipation that eventually the Mansfield amendment would become law. Mr. Bensinger assigned DEA's Chief Counsel Donald E. Miller to draft the guidelines in coordination with other concerned DEA offices and the Department of State. Mr. Bensinger directed that the final paper would include DEA's general foreign mission and guidelines as to what DEA's representatives can and cannot do in foreign countries.

The provision as finally enacted by the Senate and House of Representatives in S. 2662 was as follows:

SEC. 504 * * *

* * * * *

(c)(1) Notwithstanding any other provision of law, no officer or employee of the United States may engage or participate in any direct police arrest action in any foreign country with respect to narcotics control efforts.

On May 7, 1976, President Ford sent a message returning S. 2662 without his approval. He gave as his reason that "the bill would seriously obstruct the exercise of the President's constitutional responsibilities for the conduct of foreign affairs." The veto message did not make any reference to the restrictions imposed on DEA's activities.

Subsequently, S. 3439 was introduced in the Senate and H.R. 13680 was introduced in the House with compromises in attempt to respond to the President's veto. H.R. 13680 was passed by the House on June 2, 1976, and includes the same language affecting DEA's foreign operations as did S. 2662. Senate bill S. 3439 was passed on June 25, and it too, contains the same provision affecting DEA.

On June 4, 1976, DEA Administrator Bensinger issued "DEA Functions and Guidelines Relating to Operation in Foreign Countries" to all affected DEA personnel, with instructions to insure that all employees are in full compliance as of June 21, 1976.

Mr. President, one only needs to look 50-60 miles off of the Florida coast to see that the amendment is hurting our drug interdiction efforts. I am referring to both Bimini and the Bahamas. For example, if a Customs aircraft is pursuing a drug smuggler who has been profiled as suspect, or who has actually been seen off-loading contraband, or air-dropping drugs to marine vessels, the smuggler can fly into the friendly confines of Bimini or the Bahamas leaving the Customs air officer with no alternative but to return to port. If the Mansfield amendment were repealed, arrangements could be worked out with the Bahamian Government to allow Customs to continue its pursuit and interdiction into the Bahamas, to assist Bahamian police make an arrest and seizure of the pilot, the plane, and hopefully, the contraband itself. Right now the Bahamian Government is unable to mount sophisticated air or marine drug interdiction operations. By working closely with Bahamian enforcement officials, our DEA, Customs and Coast Guard personnel could assist in interdicting large drug shipments before they are broken down and scattered among hundreds of small speedboats.

Finally, Mr. President, I am convinced that if the Mansfield amendment had not been on the books during the tragic, painful weeks of speculation about the fate of Mr. Camarena, our kidnaped DEA agent in Mexico, our drug enforcement agents would have been less constrained to aggressively pursue the arrest and interrogation of suspects in the case. We need to take the gloves off our drug enforcement agents overseas so that they can protect their associates and better pursue the drug trafficker who threatens their lives and ours.

Mr. President, I realize that this bill is perhaps a controversial step in law enforcement. I am willing to take that risk. I am willing to remove another barrier to tough, aggressive law enforcement. But most importantly, I am willing to take down another major drug enforcement impediment that hinders our outstanding drug enforcement agents as they do their dangerous, critical jobs. We owe them this. They need the tools to do the job. Removing the Mansfield amendment will give them another boost in their war against the drug trafficker overseas and here at home.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 708

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 481(c)(1) of the Foreign Assistance Act of 1961 (22 U.S.C.(c)(1) is amended to read as follows:

"Participation in Foreign Police Arrest Action and Interrogation

"(c) The head of any department or agency of the United States employing individuals who are authorized to engage or participate in any direct police arrest action in any foreign country with respect to narcotics control efforts, or any interrogation in connection with such efforts, shall prescribe regulations for the conduct of, and the procedures used by, such individuals."

Mr. CHILES. Mr. President, I am pleased to join with Senator DECONCINI in introducing legislation to repeal the Mansfield amendment. We are proposing this action as part of a continuing effort to strengthen our drug law enforcement capability. Every day it becomes more clear that we have yet to bring under control the flood of illicit narcotics into the United States. The record loads of cocaine, marijuana, and heroin provide a graphic reminder that whatever we have done in recent years to strenghthen our laws and beef up law enforcement resources, it is not enough.

We have the choice of accepting the status quo or redoubling efforts to thwart the drug traffickers. When you look at the costs of drug abuse to our society and what drug trafficking has done to the crime situation in this country, there really isn't any choice. We must continue to seek out every means that will shift the balance to favor the efforts of law enforcement. Repealing the Mansfield amendment is one way to shift that balance.

In a different time and perhaps for valid reasons at that time, Congress amended the Foreign Assistance Act to prohibit U.S. personnel from engaging or participating in direct police arrest actions in any foreign country in connection with narcotics control efforts. The stated purpose was to ensure that U.S. personnel not become involved in operations that could adversely affect U.S. relations with that country.

Frankly, Mr. President, we can't afford that kind of impediment. Nothing is going to more adversely affect our relationship with another nation than the fact that it is a source of drugs coming into the United States. If U.S. law enforcement personnel are able to participate in and support foreign efforts to break up drug trafficking operations, it is hardly in our national self-interest to restrict such assistance. Our active participation in such efforts is a signal of our seriousness of purpose. It is also a signal that we want, expect, and will be on hand to facilitate the arrest of major narcotics criminals.

I believe that in a cooperative relationship with host countries that are sincerely interested in stopping drugs and with appropriate guidelines to prevent any abuses, this change in law can be a significant boost toward a more successful partnership between the U.S. and other nations in attacking the drug trade. I hope we can move quickly to see this change accomplished.

By Mr. STAFFORD (for himself and Mr. MOYNIHAN):

S. 709. A bill to amend the Public Buildings Act of 1959 and for other purposes; to the Committee on Environment and Public Works.

TO AMEND THE PUBLIC BUILDINGS ACT OF 1959

● Mr. STAFFORD. Mr. President, the actions routinely taken by the Public Buildings Service under the direction of the Commissioner of Public Buildings affect the capacity of almost every other Federal agency to carry out their respective programs. The Public Buildings Service is the organizational unit within the General Services Administration which constructs, leases, renovates, operates, and maintains office and other space which houses Federal employees and the functions they perform. Federal employees approaching 1 million in number are assigned space within the 227 million square foot PBS inventory. More than 7,000 buildings—and the building-related health and safety of their occupants and visitors—are the responsibility of the Commissioner of Public Buildings. An annual budget in excess of $2 billion and 14,000 Federal employees are the financial and human resources at his command, making the Public Buildings Service the largest component within GSA.

Recognizing the importance of the Public Buildings Service and of the duties of the head of the Service, the legislation I am introducing today gives statutory standing to the Public Buildings Service within the General Services Administration and elevates the position of Commissioner by requiring Presidential nomination and Senate confirmation of the person who holds this position. It also raises the level of compensation to level IV of the Executive Schedule from level V.

The Public Buildings Service has been a component of the General Services Administration almost since the inception of GSA in 1949, but has never been recognized statutorily. Currently within GSA, only the Administrator is subject to the nomination and confirmation process. I believe that the size and nature of the functions carried out by PBS warrant the President's and the Senate's attention to the appointment of the Commissioner.

Presidential appointment and ultimately confirmation by the full Senate would add to the Commissioner's stature and authority as they handle the duties of public office. Furthermore, the stature that goes with Presidentially appointed posts, should help to attract a high caliber of talent to this important position, and I would hope it might encourage Commissioners to remain in office longer. There has been a frequent turnover in Commissioners in recent years. I am told that the current incumbent is the 14th Commissioner or acting Commissioner in 13 years. Under these circumstances it is difficult for the PBS to develop and implement coherent and consistent policies and standards or to undertake long-range planning. It has also diminished morale within the Service.

Mr. President, I believe that the significant responsibilities of the Commissioner of Public Buildings warrant this selection procedure which is widely used in other departments and agencies for positions of equivalent importance and responsibility. For example, as Chairman of the Committee on Environment and Public Works I have presided over many hearings to consider nominees for the nine Assistant Administrators of the Environmental Protection Agency.

Mr. President, this bill also addresses a matter concerning the Nancy Hanks Center located at the Old Post Office Building here in Washington. Public Law 98-1 which established the Center, provided for the erection of markers or displays commemorating the accomplishments of Nancy Hanks, who served with great distinction as the Chairman of the National Endowment for the Arts from 1969 to 1977. Furthermore, it authorized the Administrator of General Services to expend, in addition to specified public funds, monetary contributions received from private individuals and organizations for this purpose within 6 months after the date of its enactment, February 15, 1983. This provision has already been amended to extend the deadline from 6 months to 2 years after the date of enactment. This extended deadline expired on February 15 of this year.

Although a group of private citizens, chaired by the Commissioner of the Public Buildings Service, has been working diligently on the memorial project since 1983, its work has yet to be completed. A design proposal is soon to be ready for review, but its approval and the subsequent analysis of construction costs could take an additional year or more. Private donors wishing to honor Nancy Hanks require reliable information on final project costs to ensure that their contributions are sufficient to bring the project to fruition.

Mr. President, for these reasons I believe it is important to amend Public Law 98-1 once again in order to extend the period when private donations may be utilized to provide an appropriate memorial to Nancy Hanks in the Old Post Office Building.

In my judgment, no clear purpose would be served by establishing yet another deadline which, for reasons unforeseen at this time, might not be met. Therefore this legislation proposes to amend Public Law 98-1 by removing entirely the time restriction on the use of private financial contributions for the Nancy Hanks memorial.

Mr. President, I am glad that Senator DANIEL PATRICK MOYNIHAN joins me in introducing this legislation. Over the years he has been a leader in our efforts to improve—and in some cases to reform—the public buildings program and policies of the Federal Government. I value his continuing interest and significant contributions.

Mr. President, I ask that the text of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Public Buildings Act of 1959 (Public Law 86-249) is hereby amended by adding at the end thereof the following:

"SEC. 19. There is established in the General Services Administration the Public

Buildings Service. The Public Buildings Service shall be administered by the Commissioner of Public Buildings, who shall be appointed by the President, by and with the advice and consent of the Senate.".

(b)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"Commissioner of Public Buildings, General Services Administration.".

(2) Section 5316 of such title is amended by striking out the item relating to the Commissioner, Public Buildings Service, General Services Administration.

SEC. 2. Section 3(b) of Public Law 98-1 is amended by striking out "within two years of enactment of this Act".●

By Mr. WILSON:

S. 713. A bill to prohibit the interstate sale and transportation of drug paraphernalia; to the Committee on the Judiciary.

MAIL ORDER DRUG PARAPHERNALIA CONTROL ACT

Mr. WILSON. Mr. President, I rise today to introduce the "Mail Order Drug Paraphernalia Control Act," which will outlaw the interstate sale and shipment of drug paraphernalia. This legislation will prohibit the mail order and catalog sales of drug paraphernalia, which have grown drastically as a result of local government crackdowns on "head shops" and other entities selling drug paraphernalia.

Catalogs and publication promoting drug use, such as High Times, which has a circulation of approximately 4 million, advertise drug paraphernalia—devices which enhance or aid consumption of controlled substances. These products glorify the use of drugs and pander to the drug fantasies of our Nation's youth.

The mail order paraphernalia problem was brought to my attention by Steven Gersten of Los Angeles, CA. I am proud to say that this legislation is supported by such fine public groups as the National Federation of Parents for Drug-Free Youth, and a California affiliate of that organization, Californians for Drug-Free Youth. Many community and parent groups through the Nation have been active in the fight against drug paraphernalia, of particular note is Families in Action from Atlanta, GA.

First, let me say that drug abuse is one of this Nation's most serious domestic concerns. The use of marijuana in this country has reached startling dimensions. Nearly 65 percent of all young Americans have tried marijuana and 48 percent of these individual have used the drug more than 10 times. On August 12, 1982, Dr. C. Everett Koop, Surgeon General of the United States, spoke on the prevalence of marijuana use:

> In the past 20 years, there has been a 30-fold increase in the drug's use among youth. More than a quarter of the American population has used the drug. The age at which people first use marijuana has been getting consistently lower and is now most often in the junior high school years. Daily use of marijuana is greater than that of alcohol among this age group. More high school seniors smoke marijuana than smoke cigarettes.

The statistics are similarly alarming on use of other controlled substances. For example, almost 15 million Americans, including one out of every seven high school seniors, have used cocaine. The drug paraphernalia industry has a vested interest in encouraging this drug use.

Sales of drug paraphernalia have reached the billions. By 1977, the paraphernalia industry had started a trade organization and a trade journal, and published the first periodical devoted to drug paraphernalia. The drug culture's message is expounded by several drug oriented magazines, which are the primary advertisers of drug paraphernalia. Unfortunately, many readers of these publications—especially High Times, the most widely read drug oriented magazine—are still in high school or younger.

The paraphernalia industry has traditionally glamorized and promoted drug use. In fact, many forms of drug paraphernalia are sold with illustrations or instructions on their use, further increasing the likelihood of drug use. Many paraphernalia devices resemble common toys and send a dangerous message to our Nation's youth, namely that using illegal drugs is fun and games.

For example, the array of items designed for use by teenagers and young adults includes (i) "Space Guns" and toy football "power hitters," which allow marijuana smoke to be inhaled deeply into the lungs, (ii) frisbee's which have a small pipe attached, so that it may be thrown to a partner after smoking, (iii) pens that can be quickly converted into marijuana pipes, designed for inconspicious smoking in a classroom or a car. In addition, many paraphernalia devices resemble everyday products, such as chapstick holders, which are designed for concealing cocaine and other drugs. Rolling papers used to smoke marijuana now are available in a variety of flavors including cherry, strawberry, banana, and even peanut butter.

In addition to "kiddie paraphernalia," many other forms of paraphernalia are sold through the mail order and catalog method. These items include "bongs," which are long cylindrical devices designed for inhaling marijuana deep into the lungs; various types of pipes (chillums), which are designed solely for marijuana smoking; and roach clips, which allow a marijuana cigarette to be smoked after it has burned close to a smoker's fingers. There are also numerous products for the cocaine user: Cocaine kits, complete with straw, mirror, and razor blade and kits for testing the quality of cocaine. No list of paraphernalia is totally inclusive because the variety of drug paraphernalia expands proportionately to the imagination of the paraphernalia manufacturer.

Not only does paraphernalia encourage drug abuse, drug paraphernalia compounds the health problems associated with drug use. For example, "power hitters" and "bongs" increase the amount of marijuana that can be taken into the lungs and, hence, make the user more intoxicated. This smoke is taken deep into the lungs and is absorbed by the alveoli, delicate air pockets located in the lungs. This could increase the chance of lung related diseases.

The Drug Enforcement Agency [DEA] is to be commended for its efforts in the fight against the drug paraphernalia industry. Harry Meyers, Associate Chief Counsel of the DEA, is responsible for drafting the Model Drug Paraphernalia Act, which has been adopted by 38 States and hundreds of localities. American business has also joined in the fight against drug paraphernalia. Many chamber of commerce members will not sell drug paraphernalia in their shops. The president of Southland Corp. ordered all 7-Eleven stores to stop selling rolling papers. McDonald's Corp. redesigned its stirring spoons so that they could not be used to snort cocaine. The military has banned drug paraphernalia from its bases and put "head shops" off limits to its personnel.

I am proud to say that religious groups, youth groups, lawyers, and the court system have all teamed up to fight drug paraphernalia. However, the war against drug paraphernalia is not over. The paraphernalia industry has continually sought ways to circumvent the clear mandate of the public. By using the mail system to advertise, sell and transport drug paraphernalia, the paraphernalia industry has evaded State and local laws.

The legislation I introduce today will combat the mail order drug paraphernalia business. It gives Federal agencies, namely the Department of Justice and the Postal Service, the Federal legislation needed to fight this parasitic industry. For years paraphernalia dealers have studied the local statutes and found ways to violate the spirit, if not the letter, of this country's laws.

Specifically, this legislation, in section 102(a), makes it unlawful (i) to use the services of the Postal Service as part of a scheme to sell drug paraphernalia or (ii) to offer drug paraphernalia for sale and transportation in interstate commerce. Section 102(b) provides that persons convicted of an offense shall be imprisoned for not more than 3 years and fined not more than $100,000. Section 102(c) provides for the civil forfeiture of drug para-

phernalia. I am confident that the criminal penalties and civil forfeiture provided for in this legislation create the needed sanctions to punish the large paraphernalia merchants.

The most difficult task in drafting this legislation was crafting a definition of drug paraphernalia that was sufficiently definite to outlaw devices which are primarily designed or intended for use with controlled substances, yet not overinclusive so as to make certain devices illegal that have important, legitimate uses. Drug paraphernalia is defined in section 102(d) as "any equipment, product, or material of any kind which is primarily intended or designed for use in manufacturing, compounding, converting, concealing, or otherwise introducing into the human body a controlled substance." Section 102(d)'s definition of drug paraphernalia includes devices such as various types of pipes used for smoking marijuana, smoking and carburetion masks, roach clips, cocaine spoons, bongs, wired cigarette papers, cocaine freebase kits, and a variety of other drug paraphernalia which are sold through the mail.

Section 102(e) provides that factors such as, the instructions provided with the item, the way an item is marketed or displayed for sale, the existences and scope of legitimate uses of the item, expert testimony concerning the use of the item, and other relevant factors may be considered in determining whether an item constitutes drug paraphernalia.

In order to decrease the drug abuse problem in this country, especially among teenagers and young adults, we must outlaw devices primarily designed or intended to enhance or facilitate the ingestion of illegal drugs. By permitting the drug paraphernalia industry to flourish, we are indirectly condoning the abuse of controlled substances.

Mr. President, I ask unanimous consent that the text of the legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 713

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mail Order Drug Paraphernalia Control Act".

SEC. 102. (a) OFFENSE.—It is unlawful for any person—

(1) to make use of the services of the Postal Service as part of a scheme to sell any item which constitutes drug paraphernalia; or

(2) to offer for sale and transportation in interstate commerce any item which constitutes drug paraphernalia.

(b) PENALTY.—Anyone convicted of an offense under subsection (a) of this section shall be imprisoned for not more than 3 years and fined not more than $100,000.

(c) FORFEITURE.—Any drug paraphernalia involved in any violation of subsection (a) of this section shall be subject to seizure and forfeiture. Any such paraphernalia shall be delivered to the Administrator of General Services, General Services Administration, who may order such paraphernalia destroyed or may authorize its use for law enforcement or educational purposes by federal, state, or local authorities.

(d) DEFINITIONS.—The term "drug paraphernalia" means any equipment, product, or material of any kind which is primarily intended or designed for use in manufacturing, compounding, converting, concealing, producing, processing, preparing, injecting, ingesting, inhaling, or other wise introducing into the human body a controlled substance in violation of the Controlled Substances Act (Title II of Pub. L. 91-513). It includes, but is not limited to, items primarily intended or designed for use in ingesting, inhaling, or otherwise introducing marihuana, cocaine, hashish, hashish oil, PCP, or amphetamines into the human body, such as:

(1) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(2) Water pipes;

(3) Carburetion tubes and devices;

(4) Smoking and carburetion masks;

(5) Roach clips: meaning objects used to hold burning material, such as a marihuana cigarette, that has become too small or too short to be held in the hand;

(6) miniature spoons with level capacities of one-tenth cubic centimeter or less;

(7) Chamber pipes;

(8) Carburetor pipes;

(9) Electric pipes;

(10) Air-driven pipes;

(11) Chillums;

(12) Bongs;

(13) Ice pipes or chillers;

(14) Wired cigarette papers; or

(15) Cocaine freebase kits.

(e) EVIDENCE.—In determining whether an item constitutes drug paraphernalia, in addition to all other logically relevant factors, the following may be considered:

(1) instructions, oral or written, provided with the item concerning its use;

(2) Descriptive materials accompanying the item which explain or depict its use;

(3) National and local advertising concerning its use;

(4) The manner in which the item is displayed for sale;

(5) Whether the owner, or anyone in control of the item, is a legitimate supplier of like or related items to the community, such as a licensed distibutor or dealer of tobacco products;

(6) Direct or circumstantial evidence of the ratio of sales of the item(s) to the total sales of the business enterprise;

(7) The existence and scope of legitimate uses of the item in the community;

(8) Expert testimony concerning its use.

SEC. 103. EFFECTIVE DATE. This Act shall become effective 90 days after the date of enactment.

By Mr. LUGAR (by request):

S. 714. A bill to authorize the Director of the U.S. Information Agency to make available to the Department of Defense and the military departments, photographs of military activities in the Republic of Vietnam for the purpose of developing and publishing military histories; to the Committee on Foreign Relations.

RELEASE OF CERTAIN U.S. INFORMATION AGENCY PHOTOGRAPHS

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to authorize the USIA Director to make available to military departments photographs of military activities in Vietnam.

This proposed legislation has been requested by the Department of the Army and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Assistant Secretary of the Army for Manpower and Reserve Affairs to the President of the Senate dated March 5.

S. 714

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That notwithstanding the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461), the Director of the United States Information Agency shall make available to the Department of Defense and to the military departments, photographs of military operations and military related activities in the Republic of Vietnam for the purpose of development and publication of military histories by those departments. Such photographs shall be made available only upon the request of the Secretary of Defense or the Secretary of a military department and upon the reimbursement by the Department of Defense or the military department concerned, as the case may be, of the expenses of the United States Information Agency which are involved in making such photographs available.

DEPARTMENT OF THE ARMY,
Washington, D.C., March 5, 1985.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To authorize the Director of the United States Information Agency to make available to the Department of Defense and the military departments photographs of military activities in the Republic of Vietnam for the purpose of developing and publishing military histories."

The proposal is a part of the Department of Defense Legislative Program for the 99th Congress, and the Office of Management and Budget advises that, from the Standpoint of the Administration's program there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Army has been designated the representative of the Department of Defense for this legislation. The Army recomends that the proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the legislation is to authorize the Director of the United States Information Agency to release, to the Department of Defense and the military departments, Agency photographs of military operations and military related activities in the Republic of Vietnam. The Army and Air Force currently are compiling several volumes of military history regarding their presence in the Republic of Vietnam.

The required photographs depict scenes of the conflict in Southeast Asia prior to 1965, a period in which other sources do not provide sufficient coverage. The scenes are typically of French and Indochinese soldiers, leaders, people, terrain, various sect factions, and equipment. A volume on the early involvement, another on pacification, a pictorial history volume, and others will be adversely affected without the variety the requested photographs will provide. In many cases photographs from other sources are either not available or would entail considerable expense to procure.

The legislation is necessary because the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948 (32 U.S.C. 1461) prohibits the domestic dissemination of information compiled by the United States Information Agency. That provision is designed to protect the function of the United States Information Agency in compiling and preparing information about the United States for dissemination abroad in a manner that is designed for the oversea audience. The statutory protection enables the United States Information Agency to operate without considerations that its material will be published in the United States. The instant proposal does little to thwart that legislative policy.

COST AND BUDGET DATA

Any additional cost resulting from the enactment of this proposal will be negligible and will be absorbed in applicable appropriations.

Sincerely,

DELBERT L. SPURLOCK, JR.,
Assistant Secretary of the Army
(Manpower and Reserve Affairs).●

By Mr. BUMPERS (for himself, Mr. PRYOR, and Mr. BAUCUS):

S. 715. A bill to amend the act of May 29, 1884, to grant States and political subdivisions greater flexibility in conducting indemnity programs for the control and eradication of brucellosis of domestic animals, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

BRUCELLOSIS ERADICATION

● Mr. BUMPERS. Mr. President, I am reintroducing today a bill that will give the States more flexibility in battling brucellosis, a disease of animals—most importantly cattle—that causes abortions, infertility, weight loss, and reduced milk production.

Mr. President, I also want to take this opportunity to say that I intend to oppose the administration's budget proposal to slash the Federal Brucellosis Program by $15 million, which is roughly 20 percent, in fiscal year 1986.

Arkansas has a very critical problem now with brucellosis. I intend to do all I can to reduce Federal spending, and I intend to vigorously press for a spending freeze across the board, but I cannot in good conscience, in light of the brucellosis crisis in Arkansas, support a 20-percent cut in this important program.

This year, fiscal 1985, the State of Arkansas will receive right at $3 million from the Federal Government for veterinary services, of which 96 percent is used for the Brucellosis Program. Arkansas also received an additional $302,000 for the work of the brucellosis task force.

I want to assure my colleagues that Arkansas puts these funds to good use, and we need every dime. Through fiscal 1984, the last year for which I have complete figures, veterinary services in Arkansas included first point testing—market cattle testing—of 198,793 head at the sale barns—1,224 reactors—and 27,082 head at slaughter—159 reactors—for a total of 225,875 head tested, which is 33.42 percent of all eligible cattle tested, and 91.98 percent of all cattle backtagged. Their work also included field testing of 241,483 head in 9,962 herds including the ring test given to dairy cows; 51,481 head were given initial field tests; 69,518 head were given retests and 120,484 were given other type filed tests including adjacent herd testing. The veterinary service averaged testing 962 cows a day or 40 herds a day and were successful in locating 7,496 reactors.

In addition, at my pleading, and at the pleading of Arkansas officials, a brucellosis task force was sent to Arkansas last fall, and I ask unanimous consent that a table be printed in the RECORD at this point that details the work of that task force.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BRUCELLOSIS, TASK FORCE

[Oct. 1–Dec. 15, 1984]

Tested	Franklin county	Johnson county	Logan county	Scott county	Yell county	All other counties	Totals
Infected herds	23	43	53	26	58	98	301
Infected herds with reactors	9	9	9	5	13	33	78
Number of reactors	14	34	25	17	29	67	186
Adjacent herds	90	139	231	92	163	136	851
Adjacent herds with reactors	8	15	20	7	15	16	81
Number of reactors	47	85	48	10	42	66	298
MCI, slaughter, MCI herds	14	21	24	36	11	41	147
MCI, slaughter, MCI herds with reactors	5	1	9	8	6	22	51
Number of reactors	11	1	40	38	29	84	203
Other herds tested	23	34	73	75	102	91	398
Other herds with reactors	5	4	7	3	10	11	40
Number of reactors	28	6	17	6	22	30	109
Herds of calfhood vaccinated	69	104	190	164	122	122	755
Number of heifers vaccinated	536	655	1,389	757	1,425	883	5,645
Total herds tested							1,633
Total cattle tested							39,858
Total reactors							855
Average herd size							26.2

Note.—Other counties include Pope, Conway, Sebastian, and Faulkner.
Note.—From December 10 to December 15 there were 459 calves vaccinated in 46 herds—no county breakdown.

Mr. BUMPERS. Mr. President, I wanted to include this information in the RECORD to show my colleagues that Arkansas puts these funds to very good use, and they are critical to our brucellosis eradication program. In addition, Act 150 of 1985 was recently signed into law by the Governor, and shows the serious intent of my State to cooperate with the Federal Government in eradicating brucellosis. It provides, among other things, that on-farm vaccinations will be free to the producer, but a $3-per-head fee will be charged for vaccinations at the sale barn. If a heifer is taken to the barn unvaccinated and is over 12 months old, under this new State law it will be given a brand of "S" and sent to slaughter. This is a fairly tough law, and shows the nature of our commitment at the State level.

Now, Mr. President, the bill I am introducing today simply gives Arkansas and all of the States greater authority to use Federal funds more effectively, and will assist our efforts in eradicating brucellosis.

Since 1934, both Federal and State animal health authorities have cooperated in a concerted effort to eliminate brucellosis in the United States. Throughout the 1950's and 1960's the

eradication program was aggressively pursued and animal health experts predicted complete eradication by 1972. During my tenure as Governor of Arkansas, from 1970 through 1974, the State of Arkansas came within an eyelash of reaching total eradication, otherwise known within the industry as free status. Unfortunately, with eradication of brucellosis from the Nation within our grasp, President Nixon, in concert with Federal APHIS officials, recommended the abandonment of the calfhood vaccination program.

For many States, such as Arkansas, this was a fateful and disastrous decision. Infection rates nationwide began to skyrocket, forcing the USDA to adopt a new brucellosis eradication program, including the adoption of a free, A, B, and C classification system. Yet for Arkansas the increase in infection rates had already begun to jump and the new program was not effective. From less than 100-infected herds in the late 1960's, the infection rate jumped to 476 such herds in June 1983, forcing the Animal and Plant Health Inspection Service to announce on June 29, 1983, that Arkansas had been demoted from class B to class C status, a status Arkansas shares with Mississippi, Louisiana, and parts of Texas and Florida. A "C" rating is applied to States with infection rates in excess of 15 herds per 1,000 or with an adjusted market cattle identification [MCI] program reactor prevalence rate in excess of 3 reactors per 1,000 head of cattle tested.

After its demotion to class C in late June 1983, Arkansas was given 2 years to show substantial progress in reducing the prevalence of brucellosis or face a Federal quarantine. A quarantine, which would severely limit the export of cattle, would be devastating to Arkansas because Arkansas is largely a cattle exporting State. Recognizing the crisis, the Arkansas State Veterinarian and the Livestock and Poultry Commission, the Arkansas Cattlemen's Association, the Arkansas Farm Bureau, AMPI and other dairy co-ops and organizations, practicing veterinarians, and other farm organizations and industry groups have joined with the Federal APHIS officials in an effort to seek the most effective solution to the brucellosis disaster in my State.

The Animal Plant Health Inspection Service, through its Veterinary Service Agency, recently dispatched a brucellosis task force to Arkansas to aid in the control and eradication; program in our most brucellosis-infested counties, and Arkansas Veterinary Service personnel have been relocated in high-incidence areas in order to be more effective in the continuing control and eradication efforts.

The State, through the State Veterinarian and the Livestock and Poultry Commission, is also seeking greater authority in designing an effective program. Arkansas wants expanded authority in the use of designated indemnity funds provided to the State by APHIS. In this effort I have gladly agreed to help.

My bill is a State's option bill giving the States, or their political subdivision responsible for carrying out the brucellosis program, the authority to transfer indemnity funds into other brucellosis control programs in cooperation with the USDA. My bill would allow the States, upon notification of the Secretary, greater flexibility in designating how funds originally allocated for the indemnity program are utilized. States could use such funds for an indemnity program that would pay dairies for the destruction of nursing female calves of reactors instead of for the reactor cow itself. States will be allowed to choose whatever combination of options they believe to be the most effective.

Currently, the Animal Plant Health and Inspection Service is allowing States to transfer indemnification money into the testing and vaccination program. In fiscal year 1984, Arkansas took advantage of this by supplementing the calfhood vaccination program with $191,000 out of indemnity funds when the original allotment of $120,000 was exhausted. For fiscal year 1985, Arkansas requested that all indemnity funds be transferred to the vaccination program. My bill will simply codify the option presently allowed by APHIS and would allow a state to exercise this option at any time.

My bill also recognizes that an indemnity paid on reactor beef cows sent to slaughter is in most cases a premium for having brucellosis. Since the presence of brucellosis in a beef cow does not affect it quality as a slaughter cow, the indemnity paid actually affords a monetary advantage to the cattle farmer whose cow has brucellosis. This indemnity program except in the cases of pure bred or dairy cows, does little to encourage cattle farmers to eliminate brucellosis from the herds. However, the nursing female calves of the reactor cows, which themselves have a very high likelihood of becoming reactors, usually will not bring their worth as slaughter animals. Cattle farmers are reluctant to bring in such animals for slaughter and will continue to raise these potential reactors on the farm until they can be sold for slaughter at a more favorable price. Of course, this practice assures that the brucellosis infection will remain on the farm. My bill would simply give the States the option to pay indemnity; claims on the nursing female calves in lieu of claims on the reactor cows, for the purpose of encouraging farmers to bring in for slaughter more nursing calves exposed to brucellosis.

Again, my bill allows maximum flexibility. The State could adopt a program that would pay claims on the offspring of some kinds of cattle but not others. Or, paying claims for offspring could be substituted for the current indemnity program being conducted in the State. And, of course, a State could choose to reject this option altogether.

Finally, my bill will allow the States to continue or begin a program of whole herd depopulation, if justified, even if a State opts to divert all of its funds out of an indemnity program. Often whole herd depopulation is the best tool for eradicating brucellosis outbreaks, especially in States with free or "A" ratings.

I want to emphasize that my bill is a State's option bill. No State will be required to implement any particular program. Passage of my bill will simply allow the States, in cooperation with the USDA, more flexibility in combating brucellosis, a disease that annually costs cattlemen and dairymen millions of dollars.

The State could implement any or all of the four options my bill authorizes, in whatever combination it chose—testing and vaccination, whole herd depopulation, indemnity for reactor cows, and indemnity for offspring.

Even though the United States is 99 percent free of brucellosis, the last 1 percent will be the most difficult to eradicate. It poses a serious continued threat to the cattle and dairy industry nationwide, and I hope my colleagues will join with me in giving the states added flexibility, especially the "C" States like Arkansas, to help assure the complete eradication of brucellosis.

I want to underscore that this measure won't cost another dime in Federal dollars. I hope all Senators will join me in cosponsoring and pressing for passage of this bill. The situation in Arkansas is critical. I urge Congress to act on this measure quickly.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 715

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11 of the Act of May 29, 1884 (23 Stat. 31, chapter 60; 21 U.S.C. 114a) is amended—

(1) by designating the first and second sentences as subsections (a) and (c) respectively; and

(2) by inserting after subsection (a) (as designated by clause (1)) the following new subsection:

"(b) If the Secretary, in cooperation with a State or political subdivision thereof, conducts a program to control and eradicate brucellosis of domestic animals and provides

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money to such State or political subdivision under such program for the payment of claims growing out of the destruction of animals, and of materials, affected by or exposed to brucellosis, upon notification of the Secretary, such State or political subdivision may use such money for any of the following purposes or combination of purposes:

"(1) to test and vaccinate animals for brucellosis; and

"(2) to pay claims growing out of the destruction of female animals affected by or exposed to brucellosis; and

"(3) to pay claims growing out of the destruction of nursing female animal offspring of female animals affected by or exposed to brucellosis, in lieu of claims growing out of the destruction of female animals; and

"(4) to pay claims growing out of the destruction of entire herds of animals."●

By Mr. MATTINGLY:

S. 716. A bill to expand and define the powers of banks, to limit certain brokered deposits, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL SERVICES CLARIFICATION ACT

Mr. MATTINGLY. Mr. President, the following newsbrief regarding testimony to the Congress by Federal Reserve Chairman Volcker recently appeared in USA Today:

Banking system "a circus": Federal Reserve Chairman Paul Volcker called on Congress to bring order to what he described as a directionless and "totally unsatisfactory and disturbing" drift of the nation's banking system. "What you have is a circus going on in which every bank lawyer in the country is examining the laws to see what sunshine he can see between the gaps in legislative language to determine in what direction he might go."

I concur with Chairman Volcker's views and to address these concerns I am introducing today the Financial Services Clarification Act which is intended to resolve a number of legal questions concerning financial institutions that are the subject of ongoing litigation or regulatory proceedings and that continue to cause confusion in the marketplace.

I believe that a consensus exists in the Congress for clarifying these issues and closing certain loopholes so that affected institutions can proceed to develop their businesses and serve the public without the expense and uncertainty caused by current law. S. 716 thus seeks to make plain to the courts and the marketplace what current law means.

In brief, this bill would close the so-called nonbank bank and South Dakota loopholes; it would treat all FDIC-insured banks the same under the Glass-Steagall Act; and it would resolve three issues that are subject to ongoing litigation by making plain that State regional banking statutes are consistent with the Constitution, that insured depository institutions that are in sound condition may accept insured brokered deposits, subject to certain limitations, and that commercial banking organizations may underwrite and distribute commercial paper. Again, I believe that there is a consensus in the Congress on these issues, and I am introducing this bill in order to bring about what I hope will be speedy action on them.

I would add that I do not regard this as a final bill. In selecting these issues, I have not meant to foreclose others that are generating similar uncertainty and confusion. I welcome suggestions about such additions, as well as comments and suggestions concerning the provisions of S. 716.

Enactment of this bill will in no way clear the agenda of financial institutions issues that face us. As in the past, I stand ready to work with Chairman GARN and the other members of the Banking Committee to address all these issues and to develop appropriate legislation.

Mr. President, I ask that the text of the Financial Services Certification Act appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Financial Services Clarification Act".

TITLE I—FINANCIAL INSTITUTIONS CLARIFICATION

AMENDMENTS TO THE BANKING ACT OF 1933

SEC. 101. (a) Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is amended by inserting the following new paragraph after the first paragraph of such section:

"Notwithstanding any other provision of this section, a member bank may be affiliated in any manner described in section 2(b) of this Act with a depository institution securities affiliate, as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)).".

(b) Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is amended by inserting the following sentence at the end of the first paragraph of such section: "Notwithstanding any other provision of this section, an officer, director, or employee of any member bank may serve at the same time as an officer, director, or employee of any of its depository institution securities affiliates. The term 'depository institution securities affiliate' shall have the meaning ascribed to it in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)). For purposes of this section, the term 'depository institution securities affiliate' also means any securities broker or dealer, within the meaning of paragraph (4) or (5) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)), that (1) enters into a contractual arrangement with a member bank pursuant to which such broker or dealer makes its securities services available on the premises of such member bank, and (2) limits its activities to those in which a depository institution securities affiliate may lawfully engage pursuant to section 4(c)(15) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(15)).".

AMENDMENTS TO THE SECURITIES EXCHANGE ACT

SEC. 102. (a) Subparagraphs (i), (ii), and (iii) of paragraph (34)(A) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) are each amended by inserting immediately before the semicolons at the end thereof the following: "other than a depository institution securities affiliate as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j))".

(b) Section 15B(b)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78o-4(b)(1)) is amended by striking out "subsidiaries" in subparagraphs (B) and (C) and inserting in lieu thereof "affiliates".

AMENDMENTS TO THE BANK HOLDING COMPANY ACT

SEC. 103. (a) Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(1) by amending subsection (c) to read as follows:

"(c) 'Bank' means (1) an 'insured bank' as defined in section 3(h) of the Federal Deposit Insurance Act; (2) any institution organized under the laws of the United States, any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands, that accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties and is engaged in the business of making commercial loans. The term 'bank' does not include (i) a foreign bank having an insured or uninsured branch in the United States; (ii) an insured institution; (iii) an organization operating under section 25 or section 25(a) of the Federal Reserve Act; (iv) an organization that does not do business in the United States except as an incident to its activities outside the United States; (v) any institution that functions solely as a trust company, such as the type described in subsection (a) of the first section of the Act of September 28, 1962 (12 U.S.C. 92a(a)), and all or substantially all of the deposits of which are received solely in a fiduciary capacity; (vi) any credit union described in section 19(b)(1)(A)(iv) of the Federal Reserve Act; (vii) an industrial loan company chartered by the State of Hawaii which was required to obtain insurance under the Federal Deposit Insurance Act by the laws of the State of Hawaii as a requisite to accepting thrift accounts from the public; an industrial loan company (or industrial bank, Morris Plan bank, thrift and loan association, or similar institution established under State law) that applies to become an insured bank, as defined in section 3(h) of the Federal Deposit Insurance Act, at a time when the guaranty fund established pursuant to State statute to insure the deposits, accounts, or similar obligations of such a company has assets equal to less than 2 percent of the liabilities insured by such guaranty fund; or an industrial loan company (or similar State-chartered institution) that was chartered prior to July 1, 1983, except that (I) if a company exempted pursuant to this subparagraph accepts deposits that are withdrawable by check or similar means for payment to third parties and engages in the business of making commercial loans, it shall be a bank for purposes of this Act, and (II) notwithstanding the foregoing exemptions, an industrial loan company (or similar State-chartered institution) that is an insured bank shall be a bank for purposes of section 3(d) of this Act; or (viii) any institution which is acquired by a bank holding

company pursuant to approval granted by the Board under section 4 of this Act prior to the enactment of the Financial Services Clarification Act and which engages solely in credit card operations and that does not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or make commercial loans.";

(2) by inserting "or section 4(c)(15)" after "section 4(c)(8)" in subsection (h)(2); and

(3) by inserting after subsection (i) the following new subsections:

"(j) The term 'depository institution securities affiliate' means any corporation that (1) is engaged in the United States in one or more of the activities authorized pursuant to section 4(c)(15) of this Act, and (2) is a broker or dealer within the meaning of paragraph (4) or (5) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)), or an investment adviser within the meaning of section 202(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(11)). For purposes of this Act, a company engaged in any such activities (and other activities permitted by law) shall be deemed to be a depository institution securities affiliate only so long as it (A) is a bank holding company or is owned or controlled by a bank holding company, or (B) is a company that owns, controls or is affiliated with a bank which became a bank because of the amendment to section 4(a)(2) of this Act made by the Financial Services Clarification Act.

"(k) The term 'commercial loans' does not include (1) loans to natural persons primarily for personal, family, or household purposes, whether directly, indirectly or through the use of leases; (2) loans to charitable persons; (3) loans to finance the acquisition, improvement, development, and construction of residential or commercial properties; (4) loans to natural persons through use of credit cards or similar means of access; (5) the purchase of or investment in retail installment loans and accounts receivable; or (6) investments such as commercial paper, certificates of deposit, bankers acceptances and similar money market instruments, the extension of broker call loans, the sale of Federal funds, the deposit of interest-bearing funds, mortgage-backed securities, obligations of the United States and local and State governments, or agencies and instrumentalities thereof, and such other similar types of investments as may be permitted by the institution's primary regulator. An institution shall not be deemed to be 'engaged in the business of making commercial loans' if the aggregate principal amount of its outstanding commercial loans does not exceed 10 percent of the institution's total assets in three out of every four quarters and two out of every three years.

"(l) For purposes of this Act—

"(1) the term 'depository institution holding company' means bank holding company;

"(2) the term 'depository institution' means bank; and

"(3) the terms 'savings and loan holding company' and 'insured institution' have the meanings ascribed to them in section 408(a)(1) of the National Housing Act.".

(b) Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end of subsection (d) the following: "Any company that controls a company which was established or acquired on or after July 1, 1983, which became a bank as a result of the enactment of the Financial Services Clarification Act, and the establishment or acquisition of which would have been prohibited by this subsection had the definition of a bank in such Act been in effect at the time of establishment or acquisition shall divest such within 180 days of the effective date of such Act.".

(c) Section 4(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)(2)) is amended—

(1) by striking out subparagraph (B) and inserting in lieu thereof the following: "(B) those permitted under paragraphs (8) (except for those of an insured institution) and (15) of subsection (c) of this section subject to all the conditions and requirements specified in each respective paragraph or in any order or regulation issued by the Board under such paragraphs"; and

(2) by adding at the end thereof the following: "The two-year period referred to in this paragraph shall not apply to a company that becomes a bank holding company as a result of the enactment of the Financial Services Clarification Act and that acquired an institution between July 1, 1983, and the effective date of such Act which became a bank by virtue of the amendment to section 2(c) of this Act contained in the Financial Services Clarification Act. The two-year period referred to in this paragraph shall not apply to a bank holding company that acquired or established between July 1, 1983, and the date of enactment of the Financial Services Clarification Act an institution that became a bank by virtue of the amendment to section 2(c) of this Act contained in the Financial Services Clarification Act. A bank holding company that controlled an institution on July 1, 1983, which became a bank by virtue of the amendment to section 2(c) of this Act contained in the Financial Services Clarification Act may continue to own and control such institution and engage in any activity that it would have been permitted to engage in on July 1, 1983, under this Act, unless (i) such company acquires control of an additional bank or an insured institution, or (ii) such company's existing subsidiary bank commences accepting deposits that the depositor has a legal right to withdraw on demand and engages in the business of making commercial loans. A company that controlled an institution on July 1, 1983, which became a bank by virtue of the amendment to section 2(c) of this Act contained in the Financial Services Clarification Act and that was not a bank holding company on the date of enactment of the Financial Services Clarification Act, may continue to own and control such institution unless, after the enactment of the Financial Services Clarification Act, (i) such company acquires control of an additional bank or an insured institution, or (ii) such company's existing subsidiary bank commences accepting deposits that the depositor has a legal right to withdraw on demand and engages in the business of making commercial loans. For purposes of the preceding sentence, a company which, prior to June 27, 1984, acquired control of an institution that became a bank by virtue of the amendment to section 2(c) of the Bank Holding Company Act of 1956 contained in this Act, from an entity (not a bank holding company) which acquired such bank before July 1, 1983, shall be deemed to have controlled such bank (and any insured institution that is acquired from the same entity pursuant to a contract entered into prior to June 27, 1984) on and prior to July 1, 1983. For purposes of this subparagraph, a company shall be deemed to control a bank at such time as it has entered into a binding agreement to acquire such bank, the appropriate Federal banking regulator has decided not to disapprove such acquisition under the Change in Bank Control Act of 1978, and the appropriate State banking regulator, if any, has decided to permit, or not to disapprove, such acquisition under applicable bank holding company or change of control provisions of State law, if any".

(d) Paragraph (8) of section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended by inserting "or any subsidiary or affiliate thereof" after "controlling banks for a bank holding company".

(e) Section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended—

(1) by striking out the penultimate sentence thereof;

(2) by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (14) the following:

"(15) shares of any depository institution securities affiliate engaged in the following activities, or other activities permissible under this Act:

"(i) Any depository institution securities affiliate may conduct any securities or securities-related activity that a national banking association is not prohibited from conducting.

"(ii) Any depository institution securities affiliate may underwrite, deal in, sell, and distribute, as principal or agent or both, commercial paper issued by any entity.".

(f) Section 7 of the Bank Holding Company Act of 1956 is amended by inserting before the period at the end thereof the following: ", except that no State may prohibit the affiliation of a national banking association with a company engaged only in one or more of the activities described in paragraphs (8) and (15) of section 4(c) of this Act".

SECURITIES AFFILIATIONS OF NONMEMBER INSURED BANKS

SEC. 104. Section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) is amended—

(1) By redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3)(A) The provisions of section 20 of the Banking Act of 1933 (12 U.S.C. 377), relating to affiliations between member banks and organizations engaged principally in certain securities activities, and the provisions of section 32 of the Banking Act of 1933 (12 U.S.C. 78), relating to certain officer, director or employee relationships involving a member bank and a person or organization primarily engaged in certain securities activities, shall be applicable to every insured nonmember bank in the same manner and to the same extent as if such insured nonmember bank were a member bank.

"(B) This paragraph does not prohibit the continuation of such an affiliation or relationship which commenced prior to July 1, 1983, or the establishment of such an officer, director, or employee relationship in connection with an affiliation established before July 1, 1983.

"(C) An affiliation or officer, director or employee relationship that becomes unlawful as a result of the enactment of this paragraph may continue for a period of two

years after the date of enactment of this paragraph.

"(D) The provisions of this paragraph shall not apply to any foreign bank, as defined in section 1(b)(7) of the International Banking Act of 1978, solely because it has an insured branch in the United States, except that the provisions of section 32 of the Banking Act of 1933 shall apply to an insured branch as if it were an insured bank.

"(E) This paragraph shall not prohibit (1) the continuation of any affiliation or relationship with a nonmember bank that is controlled by a company that is not a bank holding company under the Bank Holding Company Act of 1956 but that controlled an institution on July 1, 1983, that became a bank by virtue of the amendment to section 2(c) of the Bank Holding Company Act of 1956 contained in the Financial Services Clarification Act, where the affiliation or relationship commenced on or prior to June 27, 1984, or (ii) the establishment of such an officer, director, or employee relationship in connection with any such affiliation established on or prior to June 27, 1984. For purposes of this paragraph, the term 'control' shall have the same meaning as in section 4(a)(2) of the Bank Holding Company Act of 1956, as amended by the Financial Services Clarification Act." and

(2) by inserting after the words in the first sentence of paragraph (4)(A), as so redesignated under paragraph (1) of this section, "or any lawful regulation issued pursuant thereto," the following words: "or any provision of section 20 of the Banking Act of 1933, as amended,".

TITLE II—DEPOSIT BROKERS

SHORT TITLE

SEC. 201. This title may be cited as the "Brokered Deposits Act of 1985".

AMENDMENTS TO THE NATIONAL HOUSING ACT

SEC. 202. (a) Section 401 of the National Housing Act (12 U.S.C. 1724) is amended by adding at the end thereof the following:

"(e) The term 'deposit broker' means any person, other than an insured institution or an affiliate thereof in respect of funds placed with that insured institution, which, for a fee, places funds or facilitates the placement of funds of third parties in accounts issued by an insured institution. The term 'deposit broker' shall not include a person in an agency relationship with an insured institution where, as of September 12, 1984, that institution utilized such persons to serve exclusively that insured institution for the purpose of soliciting deposit funds and providing loan applications services for residents of the State in which the institution is located and where such persons are regulated and examined by the Corporation. The Corporation may issues rules and regulations as necessary to implement this subsection.

"(f) The term 'short-term account' means any savings account which is (1) payable on a certain date less than one year after the date of deposit, (2) payable at the expiration of a specified period less than one year after the date of deposit, (3) payable upon written notice to be given less than one year before the date of repayment, (4) payable one year or more after the date of deposit and which bears interest at a rate indexed to the rate or yield on obligations or loans having a maturity of one year or less, (5) payable upon demand, or (6) a savings account which has no fixed maturity and with respect to which the insured institution must reserve the right to require notice (or the account holder may be required at any time to give notice) of less than one year before any withdrawal is made.".

"(b) The National Housing Act is amended by adding at the end thereof the following:

"INSURANCE OF BROKERED DEPOSITS

"SEC. 415. The Corporation may not promulgate any rule or regulation or issue any order or interpretation which would have the effect of causing the deposit insurance available to a person for deposits or accounts placed by or through a deposit broker to differ from the deposit insurance available to such person for deposits or accounts not placed by or through a deposit broker. The Corporation may issue rules and regulations in connection with the deposit insurance available pursuant to this section.

"LIMITATIONS ON BROKERED DEPOSITS

"SEC. 416. (a)(1) On and after the date of enactment of the Brokered Deposits Act of 1985, an insured institution may not accept or maintain short-term insured accounts placed by or through a deposit broker in excess of the lesser of—

"(A) 200 percent of such insured institution's net worth, as defined by regulation pursuant to section 403(b); or

"(B) 15 percent of such insured institution's total deposits.

"(2) Except as provided in subsection (c), an insured institution which fails to satisfy the minimum net worth requirements established by the Board shall not accept any additional insured accounts placed by or through a deposit broker.

"(b) Any accounts held by an insured institution as of the date of enactment of the Brokered Deposits Act of 1985 in excess of the limitations set forth by this section may be held by such insured institution until their stated maturity. For purposes of this section, an account without a fixed or stated maturity shall be deemed to have a maturity of one month from the date of enactment of the Brokered Deposits Act of 1985.

"(c) The Corporation may grant permission to any insured institution, upon notice and application, to have or obtain short-term insured accounts placed by or through a deposit broker in excess of the limitations established by this section. Such permission shall be granted by the Corporation in a flexible manner giving equal weight to both competitive factors and safety and soundness considerations.".

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 203. (a) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended by adding at the end thereof the following:

"(u) The term 'deposit broker' means any person, other than an insured bank or an affiliate thereof in respect of funds placed with that insured bank, which, for a fee, places funds or facilitates the placement of funds of third parties with insured banks.

"(v) The term 'short-term deposit' means a deposit which is (1) payable on a certain date less than one year after the date of deposit, (2) payable at the expiration of a specified period less than one year after the date of deposit, (3) payable upon written notice to be given less than one year before the date of repayment, (4) payable one year or more after the date of deposit and which bears interest at a rate indexed to the rate or yield on obligations or loans having a maturity of one year or less, (5) payable upon demand, or (6) a deposit which has no fixed maturity and with respect to which the insured bank must reserve the right to require notice (or the depositor may be required at any time to give notice) of less than one year before any withdrawl is made.".

(b) The Federal Deposit Insurance Act is amended by adding at the end thereof the following:

"INSURANCE OF BROKERED DEPOSITS

"SEC. 28. The Board of Directors may not promulgate any rule or regulation or issue any order or interpretation which would have the effect of causing the deposit insurance available to a person for deposits placed by or through a deposit broker to differ from the deposit insurance available to such person for deposits not placed by or through a deposit broker. The Board of Directors may issue rules and regulations in connection with the deposit insurance available pursuant to this section.

"LIMITATIONS ON BROKERED DEPOSITS

"SEC. 29. (a)(1) On and after the date of enactment of the Brokered Deposits Act of 1985, an insured bank may not accept or maintain short-term insured deposits placed by or through a deposit broker in excess of the lesser of—

"(A) 200 percent of such insured bank's unimpaired capital and unimpaired surplus; or

"(B) 15 percent of such insured bank's total deposits.

"(2) Except as provided in subsection (c), an insured bank which fails to satisfy the minimum net worth requirements established by the appropriate Federal banking agency shall not accept any additional insured accounts placed by or through a deposit broker.

"(b) Any deposits held by any insured bank as of the date of enactment of the Brokered Deposits Act of 1985 in excess of the limitations set forth by this section may be held by such insured bank until their stated maturity. For purposes of this section, a deposit without a fixed or stated maturity shall be deemed to have a maturity of one month from the date of enactment of the Brokered Deposits Act of 1985.

"(c) The appropriate Federal banking agency may grant permission to any insured bank, upon notice and application, to have or obtain short-term insured deposits placed by or through a deposit broker in excess of the limitations established by this section. Such permission shall be granted by such agency in a flexible manner giving equal weight to both competitive factors and safety and soundness considerations.".

TITLE III—INTERSTATE BANKING SHORT TITLE

SEC. 301. This title may be cited as the "Interstate Banking Act of 1985".

AMENDMENT TO SECTION 5155 OF THE REVISED STATUTES

SEC. 302. The first sentence of subsection (c) of section 5155 of the Revised Statutes (12 U.S.C. 36) is amended—

(1) by striking out "and" before "(2)"; and

(2) by inserting before the period the following: "; and (3) within any other State if (A) under the statute laws of the State in which the association is located, State banks are expressly authorized to establish and operate such branches, and (B) under the statute laws of the State in which the association is seeking to establish such branches, State banks located in the State in which the association is located are expressly authorized to establish such branches, subject to restrictions as to location of branches that such State may impose on such out-of-State banks. In determining whether or to what extent to permit

establishment or operation of a branch by a bank the principal place of business of which is in another State, a State may allow such branching (i) without restriction, or (ii) on the basis of the location of the States involved, the existence of laws providing for reciprocal treatment of banks located in its State, or other similar conditions".

AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956

SEC. 303. Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended—

(1) by inserting before the period at the end of the next to the last sentence the following: ", and the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be considered to be a State";

(2) by inserting before the last sentence thereof the following: "For the purposes of this section, a State may authorize a bank holding company, the banking operations of which are principally conducted in another State, to acquire, directly or indirectly, voting shares of, interest in, or all or substantially all of the assets of a bank located in such State. In determining whether and to what extent to permit such an acquisition by such a bank holding company, a State may allow such acquisition (1) without restriction, or (2) on the basis of the location of the States involved, the existence of laws providing for the reciprocal treatment of bank holding companies located in its State, or other similar conditions.".

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 204. Section 18(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(5)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by inserting "(A)" after "(5)"; and

(3) by adding at the end thereof the following:

"(B) The responsible agency shall approve any proposed merger transaction the result of which will be that an insured bank will operate branches in more than one State if (i) such transaction is otherwise permissible under this subsection, and (ii) such transaction is authorized by the laws of the States in which the branches will be operated; in determining whether and to what extent to permit such a transaction, a State may allow such a transaction (I) without restriction, or (II) on the basis of the location of the States involved, the existence of laws providing for the reciprocal treatment of banks located in its State, or other similar condition.".

AMENDMENTS TO THE NATIONAL HOUSING ACT

SEC. 305. (a) Section 407 of the National Housing Act (12 U.S.C. 1730) is amended—

(1) by redesignating subsection (r) as subsection (s); and

(2) by inserting after subsection (q) the following:

"(r) MERGERS INVOLVING MORE THAN ONE STATE.—In considering a reorganization or merger involving insured institutions the principal places of business of which are located in different States, the Corporation shall permit any such reorganization or merger if (1) it is otherwise in conformation with all applicable law, and (2) if the laws of the States in which such insured institutions are principally located expressly permit such a reorganization or merger involving insured institutions located in the State involved or permit establishment or operation of branch offices in the State involved. In determining whether or to what extent to permit such a merger or reorganization or establishment or operation of a branch office by an insured institution, the principal location of which is in another State, a State may permit such reorganization, merger, or branching (i) without restriction, or (ii) on the basis of the location of the States involved, the existence of laws providing for reciprocal treatment of insured institutions located in its States, or other similar conditions.".

(b) Section 408(e)(2) of the National Housing Act (12 U.S.C. 1730a(e)(2)) is amended by inserting new flush language following the end of subparagraph (B) thereof, as follows:

"The Corporation shall allow a savings and loan holding company whose operations are principally conducted in a State to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional association located in another State, if the laws of such State expressly permit such acquisition. In determining whether and to what extent to permit such an acquisition by such a savings and loan holding company, a State may allow such acquisition (A) without restriction, or (B) on the basis of the location of the States involved, the existence of laws providing for reciprocal treatment of savings and loan holding companies located in its State, or other similar conditions.".

By Mr. EAST (for himself and Mr. HELMS):

S. 717. A bill to suspend for 3 years the duty on secondary butyl chloride; to the Committee on Finance.

SUSPENSION OF DUTY ON SECONDARY BUYTL CHLORIDE

● Mr. EAST. Mr. President, Senator HELMS and I are introducing legislation today to suspend for 3 years the duty on secondary butyl chloride.

Secondary butyl chloride is imported from Europe for use as a feedstock in the production of organic lithium, or lithium related compounds. The cost of this commodity is significant in finished product cost. Import duty on secondary butyl chloride is 18 percent.

Elimination of the duty makes sense to us for several reasons. There is no domestic production to protect in the United States, nor is it reasonable to expect a U.S. producer to manufacturer this commodity. This would require expensive capital equipment and access to process technology. The market is very limited. On the other hand, the market served by domestically manufactured products is impacted by imports, and the extra cost of the duly undermines our competitive position.

Since the 1960's, when U.S. production of secondary butyl chloride ceased, all supplies have been imported from Europe. A continuing effort to find supplies in the United States has not been successful. Production requires expensive capital equipment resistant to extremely corrosive conditions. Demand is relatively small and sporadic. Production technology is highly specialized and important to increase yield of output product per unit of feedstocks. These factors discourage potential new suppliers. Competitive economics simply are not available to other than the existing producer.

Mr. President, an import duty of 18 percent applied to secondary butyl chloride penalizes U.S. industry and favors foreign competitors. The tariff does not protect U.S. producers of secondary butyl chloride simply because there are no producers to protect. The high tariff rate favors foreign producers who compete against U.S. butyllithium producers. The import duty on secondary butyl chloride should be eliminated.

For these reasons, but primarily because there is no domestic producer of secondary butyl chloride to derive benefit from reimposition of a duty, Senator HELMS and I urge that the duty on the chemical be suspended for 3 years.●

By Mr. ROTH:

S. 718. A bill to amend the Internal Revenue Code of 1954 to repeal the 18-percent additional tax on distributions (other than required distributions) from an individual retirement account; to the Committee on Finance.

INDIVIDUAL RETIREMENT ACCOUNT EXTENSION ACT

● Mr. ROTH. Mr. President, I rise today to introduce S. 718, the Individual Retirement Account Extension Act of 1985. This bill would remove the 10-percent penalty tax on early withdrawals from IRA's. The IRA would be converted to a generalized savings vehicle in which people could save for a downpayment on a home, for education, for retirement, or any purpose.

There is no subject more important to long-term economic growth than the tax treatment of personal savings. In our Tax Code today we have a serious bias against personal saving and this bias contributes to our dismal savings rate. It is essential that we remove this bias to provide an expanded pool of capital for modernization and innovation. I can think of nothing more important to the long-term growth of this Nation than to unleash individual savers in this country.

IRA's have been an incredible vehicle for middle-class savers and have produced new savings for our economy. Recently, the Investment Company Institute released the results of a study it sponsored that surveyed taxpayers about IRA usage. According to the study IRA's added $10 billion in new saving in 1983, money that would have been spent if not for IRA's. Only 3 years after IRA's had been liberalized some 23 million households had IRA's and nearly two-thirds of these had incomes under $40,000.

Part of the institute survey addressed the question of the 10 percent penalty tax on distributions before the age of 59½. The conclusion was that as

many as 19 million new households might open IRA's if the penalty tax were removed. This is especially true of individuals under age 40.

Mr. President, our middle-class citizens have a great potential to be savers if only the Government would stop penalizing them. IRA's have gone a long way to provide a vehicle for middle-class savers. Last year, a Congressional Research Service study showed that 74 percent of the total money contributed to IRA's came from taxpaying families with less than $50,000 of income. Families with incomes between $10,000 and $20,000 in income contributed over $3 billion to IRA's.

IRA's have been very important and it's time to liberalize them. It's time to recognize that our citizens are intelligent enough to determine the best uses for their savings without being locked in. Families should be able to save for education or for housing or for any purpose they deem wise without government interference.

My bill would allow them to save without the Government telling them what they can and cannot do. My bill would generate new savings and would take the next step toward eliminating the double taxation of saving in this country.

Other countries have recognized the importance of personal savings and if we are to remain competitive in world markets we must recognize it, too. Today I want to compare some numbers on savings rates. These numbers will come from two countries. Then I want to compare the tax treatment of saving in these two countries.

Since 1976, the U.S. saving rate has hovered around 6 percent. It's been down to 5 percent and up to 6.9 percent. For the decade before that it had been around 9 percent.

The Japanese, on the other hand have had a savings rate in excess of 20 percent over the same period. Mr. President, I just returned from Japan a few weeks ago and let me tell you that the Japanese are doing very well. They're growing, they're optimistic about the future. Everyone I met, from the Prime Minister Nakasone on down said the same thing. The amazing growth of the Japanese economy has been possible only because they had such a huge pool of personal saving to draw on. They have plenty of capital to innovate, to modernize, to develop new technologies—all because of their rate of personal saving.

Why do the Japanese save so much more than we do. There are many theories but the inescapable conclusion is that the Japanese save more in large part due to their tax code. A Japanese family of four can save over $100,000 tax free. For all intents and purposes, the double taxation of savings has been repealed in Japan.

Our Tax Code, on the other hand, contains an inherent bias against saving through double taxation. Saving is done out of after-tax dollars and then the income from saving is taxed at high rates. This lack of neutrality between the tax treatment of saving and consumption is one reason our saving rate is so low.

Now, Mr. President, there are those that say that tax treatment has no effect on saving behavior. It's interesting that these same people are worried what will happen to charities if the tax treatment is changed or want to change tax rules to change behavior with respect to tax shelters. Commonsense argues that if you lower the tax penalties on saving, people will save more.

Besides commonsense there is a considerable new body of economic literature that supports the proposition that savings behavior is quite responsive to tax treatment. Research done recently by Larry Summers of MIT at the National Bureau of Economic Research shows savings to be quite responsive to changes in the after-tax return to savings. This supports previous work by Michael Boskin of Stanford, David Bradford of Princeton and many other economists on the cutting edge of public finance economics.

It only stands to reason that the new research is showing these results. Previous research dealt with a period where interest rates were highly regulated. But since the advent of money market accounts and other vehicles, savers have been free to search for higher rates of return in a more competitive market.

We have an untapped source of economic growth in our country—the great savings potential of the middle class. It is time to remove the obstacles so that Americans can save. IRA's were the first step. Now that they have been proven to be a resounding success it is time to take the next step and remove the cumbersome regulations that prevent many savers from using IRA's. It is time to remove the penalty for early withdrawal.

Mr. President, I ask unanimous consent that the text of the bill be printed following my statement. I further ask unanimous consent that the Investment Company Institute survey press release, entitled "IRA's: The People's Choice" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 408(f) of the Internal Revenue Code of 1954 (relating to additional tax on certain amounts included in gross income before age 59½) is amended to read as follows:

"(f) ADDITIONAL TAX ON CERTAIN AMOUNTS INCLUDED IN GROSS INCOME UNDER SUBSECTION (E).—

"(1) DISTRIBUTIONS BEFORE 59½ IN DISQUALIFICATION CASES.—If an amount is includible in gross income for a taxable year under subsection (e) and the taxpayer has not attained age 59½ before the beginning of such taxable year, the tax under this chapter of the taxpayer for such taxable year shall be increased by an amount equal to 10 percent of the amount so includible.

"(2) EXCEPTION FOR DISABILITY CASES.—Paragraph (1) shall not apply if the disqualification under subsection (e) is attributable to the taxpayer becoming disabled (within the meaning of section 72(m)(7)).".

(b) The amendments made by this section shall apply to distributions after the date of enactment of this Act in taxable years ending after such date.

IRAs ADD BILLIONS TO NEW SAVINGS, BUT POTENTIAL STILL UNTAPPED

WASHINGTON, DC, February 28.—Contributions to Individual Retirement Accounts (IRA's) during the 1983 tax year added $10 billion to new U.S. savings—$10 billion from current earnings that otherwise would have been spent. Although 1984 IRA contributions cannot be tallied until April 15, if these trends continue, at least as much will be added again.

By late last year, only 3 years after IRA's were liberalized, some 23 million households had opened a retirement account. Nearly two-thirds of these had household incomes under $40,000 per year. Thus, the IRA program is already helping a broad spectrum of the American public achieve their retirement goals. Millions more would take advantage of this program if Congress would expand the spousal IRA, permit additional nondeductible contributions, or allow limited access to the account.

These findings from a report released today by the Investment Company Institute, the national association of mutual funds, are among several drawn from a new survey designed to probe not only how Americans have responded to IRA's, but also how they might react to additional legislative changes.

Based on data collected by Market Facts, Inc. and analyzed by the Institute, the survey "confirms the astounding success of the IRA program," says Institute President David Silver. "In addition to providing millions of Americans with the opportunity to plan for retirement, this do-it-yourself program allows each IRA owner to choose from among the full range of savings/investment options available, ensuring an undistorted flow of stable, long-term capital to finance industry, commerce, and agriculture."

IRA assets climbed from $26 billion at the start of 1982, when nearly everyone with earned income became eligible for these plans, to $132 billion at the end of 1984.

"With their 1985 contributions," notes Silver, "those who have put away the maximum $2,000 each year since 1982 will bring their IRA balances to $8,000, before any earnings. And with that much accumulated, IRA owners should begin to realize their accounts are much more than just year-end tax deductions. They're long-term investments. The question of how and where to get the most for their money should weigh more heavily."

Mutual-fund IRA's, now accounting for $16 billion, have outpaced the growth of the market as a whole. Because of their long-

term investment performance record, mutual funds and IRA's make an excellent match. Stock funds, for instance, have averaged an annual return of more than 15 percent during the past decade, compared to 7.3 percent for consumer prices.

But despite the rapid growth of IRA assets, about three out of five U.S. households in groups most likely to open an IRA (heads of households under age 65, household incomes $15,000 or more) have not yet done so. The Institute, which helped spearhead the drive to liberalize IRA's, set out to study how the IRA program could be improved, so that more people would participate. The resulting survey identified three barriers to IRA investment. From the survey responses, an attempt was made to estimate how individuals might respond if these barriers were removed. Here's what could happen if Congress made the following three modifications.

1. Equal Footing for Spousal IRA. A married couple with both spouses working outside the home can set up two IRA's and contribute a combined $4,000 per year. However, if one spouse is nonemployed, the couple can set up a regular and a "spousal" IRA, but is limited to only a combined $2,250 per year. Many individuals eligible for a spousal account feel the amount is not large enough to amass a sizeable retirement nest-egg. If the spousal ceiling were raised to $2,000, the same as for the regular IRA, the Institute estimates that, of those IRA owners eligible for a spousal account, as many as 5 million households might open or expand one, based on projections from survey respondents.

The Treasury Department's tax-reform proposals call the existing IRA limitations "illogical and inequitable as applied to married couples." Treasury has proposed lifting the ceilings on both the spousal and the regular IRA to $2,500, so that a married couple, whether one or both spouses work outside the home, could contribute a maximum $5,000 annually.

The Senate passed a spousal increase last year and at least 10 bills already introduced in this Congress would expand either the regular, the spousal, or both types of IRA. "There's really no excuse for the spousal equity," Representative W. Henson Moore (R-LA), a key Congressional leader in getting IRA's liberalized. "In some ways, the woman working at home needs an individual retirement plan more than anyone else, since she hasn't got the chance to build up a pension or other supplement to Social Security."

2. Additional Nondeductible Contributions. Currently, no more than $2,000 per year can be contributed to an IRA; contributions are tax-deductible and all earnings accumulate tax-deferred until withdrawal. The survey sought to elicit information about the effect of permitting additional nondeductible contributions with tax-deferred earnings. Based on the survey responses, the Institute estimates that, if these contributions were allowed, about 6 million households would be "highly likely" to make them. As might be expected, the older the respondent, the more likely he or she would make such a contribution. Many older Americans (ages 50 to 65) feel the current limits do not allow sufficient funds to build in the time remaining before their retirement.

3. Limited Access Without Penalty. One commonly mentioned obstacle to opening an IRA is the lack of access. An IRA owner who withdraws funds for any reason before the age of 59½ incurs a 10-percent tax penalty (in addition to normal taxes). If people were permitted to withdraw IRA funds without penalty for the purchase of a home, education expenses, or financial emergencies, as many as 19 million households (with heads of households under age 65, household incomes of $15,000 or higher) would be more likely to open an IRA, based on projections from survey respondents. Younger respondents (under age 40), presumably with major expenditures still ahead of them, were particularly inclined to do so.

Data for this study were obtained from a survey of 5,000 households conducted late last year by Market Facts, Inc., a major market research firm. The questionnaire used was jointly developed by the Institute's Research Department and Market Facts, with the results tabulated by Market Facts and analyzed by the Institute in its report, "IRAs: The People's Choice." About 3,500 or 70 percent of those who received the questionnaire responded; the income and age distributions of the sample closely match those of the U.S. household population.●

By Mr. DURENBERGER:

S. 719. A bill to provide assistance to agricultural producers; to the Committee on Agriculture, Nutrition, and Forestry.

MODIFIED AGRICULTURAL DEBT RECOVERY ACT

● Mr. DURENBERGER. Mr. President, I rise today to introduce the Agricultural Debt Recovery Act of 1985. There are many producers whose short-term cash-flow requirements threaten to drag them into bankruptcy. The latest USDA figures show 243,000 farms have a debt-asset ratio higher than 70 percent. With few exceptions, those with a debt assist ratio higher than 70 percent will not make it through the next 18 months. The key is to prevent the farmers currently in the 40 to 70 percent range from graduating into the 70 percent and up bracket. To survive, these farmers need three changes in current policy:

First, their short-term debt must be restructured into long-term debt.

Second, their interest on principal must be reduced.

Third, there must be sharing of risk among the borrower, the lender and the Government.

Unfortunately rural lenders are not in a position where they can stretch out repayment periods or reduce interest rates on their own. Rural lenders need the Federal Government to shoulder some of the debt burden.

While there are a number of Federal programs designed to ease farmers credit needs, they are clearly inadequate. For starters, the Farmers Home Administration lacks both the technical and financial resources to handle the demand for credit. In addition, the unwillingness of lenders to participate in the President's debt restructuring program seems to indicate that it is unworkable for capital-starved rural banks.

I believe one reason lenders are not using the President's program is because they can't carry 100 percent of the loan on their books at this time. If the Farmers Home Administration would be willing to assume the risk for a portion of that debt, I am confident many borrowers would be able to make it in the long term. A Minnesota group Communicating for Agriculture, has a plan which gives lenders and the FmHA this option.

The bill does this in five ways:

First, it allows an approved lender to restructure a borrowers loan by utilizing both FmHA guarantees and FmHA direct insured loans.

Second, it caps, at 35 percent, the amount of the loan which may be covered by direct FmHA loans.

Third, it stretches out the repayment period on the direct FmHA loan portion from 7 years to 15 years.

Fourth, if the approved lender decides to place 35 percent of an individuals loan under the direct loan program, the guarantee on the remaining portion would drop to 60 percent.

Fifth, loans made or guaranteed by the FmHA would carry an interest rate set at no more than 2½ percent above the discount rate, which works out to about 11 percent.

In short:

First, it shares risk by limiting the loan guarantee to 60 percent;

Second, it restructures debt by extending the payback period to 15 years; and

Third, it reduces interest expenses by stretching out the payback and capping interest rates.

Mr. President, this bill is not going to take care of every farmers problem, but if it helps just one, we should act on it with dispatch. I ask unanimous consent that the bill and a descriptive analysis of it be printed in the RECORD, as follows:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Modified Agricultural Debt Recovery Act of 1985."

SEC. 102. Section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994), as amended by section 607 of the Emergency Agricultural Credit Act of 1984 (Public Law 98-258; 98 Stat. 140), is amended by adding at the end thereof the following new subsection:

"(f) In addition to any loans authorized to be guaranteed before the date of the enactment of the Modified Agricultural Debt Recovery Act of 1985, $5,000,000,000 in loans for fiscal year 1985 are authorized to be guaranteed under the Agricultural Credit Insurance Fund or Rural Development Insurance Fund."

APPROVED LENDER PROGRAM

SEC. 203. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. (a) In determining the eligibility of a lender to participate in the approved lender program established by exhibit A to subpart B of part 1980 of title 7, Code of Federal Regulations, the Secretary shall—

"(1) approve or deny an application of a lender to participate in such program within ten business days after receipt of such application;

"(2) require, as a condition of eligibility for such participation, that a lender demonstrate agricultural loan losses charged against reserves (net of recovery) that do not exceed 3.5 per centum on the most recent five year moving average;

"(3) permit the substitution of five years' experience in making and servicing agricultural loans for any educational requirement for the designation of a person to process and service loans under such program; and

"(4) permit a lender who does not qualify for such program to contract with an approved lender to process and service loans under such program.

"(b)(1) In carrying out such approved lender program, except as provided in paragraphs (2) and (3), the Secretary shall permit an approved lender (with the approval of the Secretary)—

"(A) to make and service real estate and operating loans insured or guaranteed under this title; and

"(B) to convert a commercial loan made for agricultural purposes into an insured or guaranteed loan, a guaranteed loan into an insured loan, or an insured or guaranteed loan into a low-income limited resources loan, or any combination thereof, if the borrower of the loan to be converted agrees to such action and meets the requirements prescribed under this title for such loan.

"(2) An approved lender may not convert into an insured loan under paragraph (b)(1) more than 35 per centum of the total principal and interest due on a commercial loan or guaranteed loan.

"(3) If an approved lender converts under paragraph (b)(1) a commercial loan or guaranteed loan into a combination of an insured loan and a guaranteed loan, the Secretary may not guarantee the repayment of more than 60 per centum of the total principal and interest due on the guaranteed loan.

"(c)(1) The Secretary shall approve or deny a completed application received from an approved lender for an insured or guaranteed loan under this title within ten business days after receipt of such application.

"(2) If the Secretary does not approve or deny such application within ten days after receipt, such application shall be considered to have been approved by the Secretary.

"(d) Notwithstanding any other provision of this title:

"(1) The interest rate of any loan made or serviced under such approved lender program may not exceed a rate which is equal to the discount rate established pursuant to section 14(d) of the Federal Reserve Act (12 U.S.C. 357) plus two and one-half per centum per annum.

"(2) Loans made under such approved lender program shall be payable in not to exceed fifteen years.

"(e) If the borrower defaults on a loan insured or guaranteed under such program and the loan is liquidated, the lender and the Secretary shall be entitled to a pro rata share of the proceeds of such liquidation based on the dollar value of such proceeds.".

GUARANTEED LOANS

SEC. 204. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) (as amended by section 203 of this Act) is amended by adding at the end thereof the following new section:

SEC. 350. If a borrower obtained a loan guaranteed under this title before the date of the enactment of the Agricultural Debt Recovery Act of 1985 and the borrower is not able to repay the total indebtedness of the borrower under this Act in accordance with a manageable debt repayment schedule, the Secretary may make and insure a loan to such borrower in such amount and on such terms and conditions as will permit the borrower to repay such indebtedness in accordance with a manageable debt repayment schedule.".

FARM DEBT RESTRUCTURING CA MODIFIED DEBT RECOVERY PROGRAM

CA is proposing a farm-debt restructuring plan designed to build on present programs, and target farm borrowers who are in financial difficulty yet who can be helped with the right program. (See Example 3 for an illustration of CA Modified Debt Recovery Program.)

Today, many farmers find themselves in a financial bind. While about 30% of farmers have little or no debt and are doing well economically, there are between 30% and 40% of all farmers who have substantial debt and are in various stages of financial difficulty.

WHO ARE THESE FARMERS IN DIFFICULTY?

According to recently released figures, approximately two thirds of the nearly 215 billion dollars of farm debt nationally is held by borrowers slipping toward insolvency. In January, 1984, approximately 19 percent of the farmers nationally had debt to asset ratios of over 40 percent. Less than one year later, this figure increased to nearly 29 percent. The deterioration in the farm economy is shown in Table 1.

TABLE 1.—CHANGE IN FINANCIAL CONDITION OF U.S. FARMERS BY DEBT-TO-ASSET RATIO, JANUARY, 1984 TO DECEMBER, 1984

	Debt-to-asset ratio			
	0–10	11–40	41–70	Over 70
Operators (percent):				
January, 1984	58.0	24.0	11.0	8.0
December, 1984	41.1	30.2	16.6	12.1

Source: Federal Reserve Bulletin, January, 1984. Farm Journal Survey, December, 1984.

According to Professor Neal E. Harl of Iowa State University, in testimony presented at a hearing of the House Agriculture Subcommittee on Conservation, Credit and Rural Development on February 7, 1985, 28 percent of the total farmers in Iowa were sliding toward insolvency. Table 2 shows the financial condition of Iowa farmers as of January, 1984 comparing them to December, 1984 figures from the central region of the country.

TABLE 2. CHANGE IN FINANCIAL CONDITION OF IOWA FARMERS BY DEBT-TO-ASSET RATIO, JANUARY, 1984 TO DECEMBER, 1984

	Debt-to-asset ratio			
	0–10	11–40	41–70	Over 70
Operators (percent):				
January, 1984	36.0	35	18.0	10
December, 1984	31.5	26	21.5	21

Source: Iowa Farm Finance Survey. Farm Journal Survey, December, 1984.

According to Professor Harl, "recent data indicate that a sharp movement has occurred to borrowers in the 41-70 percent category and to the over 70 percent group. Moreover, a significant number from 11-40 percent category have moved into the 41-70 percent group."

WHAT IS THE NATURE OF THE FARM DEBATE?

Nationally, the total farm debt has increased dramatically. In 1971, total farm debt totalled around $54 billion; in 1976, around $91 billion; and in 1984, total farm debt stands at $215 billion.

Farmers as a group have a much higher debt to income ratio now than in the past. In 1950, the overall debt-to-income ratio stood at less than 1; in 1960, it doubled to 2, changed to over 3 in the early 1970's, to 8 in 1980 and to 10 in 1984. Today the average farmer is trying to support $10 of debt for every $1 of income.

But even more important, the nature of the debt has changed dramatically. Debt today has a much shorter maturity.

Much of the debt is short term with interest rates tied to current loan rates. Even real estate debt is based on variable interest rates or is based on relatively short contract purchases. Maturities on a great deal of real estate debt has moved from 20-25 years in the 1960's and 1970's to 10-15 years or less today.

CAN FARMERS WITH HEAVY DEBT LOADS BE SAVED?

For a substantial segment of the 30% to 40% of farmers who have substantial debt and who are in various stages of financial difficulty, economic survival is a serious question. To help this group there must be a restructuring of farm debt. This group, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but became a crushing burden when conditions changed.

In this group of farmers, there are many good farmers facing bankruptcy for lack of a way to make the transition from an economy of high inflation, raising land values and low interest rates to one of low inflation, sinking land values and high interest rates.

Many of the farmers in this group can be helped and saved with the right debt restructuring programs.

CA'S DEBT RESTRUCTURING PROPOSAL

In order for farm debtors to pay off debt obligations, a major restructuring of indebtedness will be necessary.

The number one feature of any debt restructuring program is to stretch out principal payments into a manageable debt repayment schedule. The second major feature must provide for a lower rate of interest, and third, for farm lending to continue, the risks must be shared.

The CA proposal utilizes existing FmHA programs and expertise of commercial lenders to accomplish this.

These are the Approved Lenders Program, Insured Operating Loan Program and Limited Resource Program. CA's Debt Restructuring Plan modifies slightly these existing FmHA programs to create a program of modified recovery debt credit.

The heart of the CA debt restructuring proposal is the utilization of FmHA's Approved Lender Program, with some minor modifications.

FMHA APPROVED LENDER PROGRAM

Under FmHA's Approved Lenders program, a qualified commercial lender is ap-

proved in advance to process FmHA Guaranteed Loans. The approved lender makes the loan, services the loan and collects the loan, thereby reducing the paperwork and time required for FmHA approval of loan guarantees. The lender is responsible for seeing that proper and adequate security is obtained and maintained. FmHA makes the final decision on farmers' eligibility, use of funds, and credit worthiness.

WHO DOES THE APPROVED LENDERS PROGRAM HELP?

In today's farm economy, there are many farmers whose debt-to-assets ratio between 40% and 70% who are caught in a 'credit availability gap.' These farmers are not in serious enough financial difficulty for consideration by the lender of last resort, FmHA. Yet, they do not quite meet the credit standards of private commercial lenders.

This group is a relatively stronger class of farm borrowers than normal FmHA borrowers. The problem for this class of farm borrowers is that their cash flow is inadequate under current high interest rates and low commodity prices, though their basic personal net worth and equity remains relatively strong. The security behind the loan is strong enough to satisfy the bank lender, yet the loan is classified by bank regulators as a classified loan. For the bank, every classified loan reduces the amount of available assets against which credit can be made available, resulting in less credit being available to farm borrowers.

THE FMHA LOAN GUARANTEE PROGRAM

FmHA Loan Guarantees are designed to provide the credit necessary for family farmers to conduct successful operations. The loans are to be used for the purchase of farm machinery and equipment, basic livestock, annual operating expenses and refinancing for authorized operating loan purposes. Interest rates may be fixed or variable and cannot exceed the rate common in the area. The terms of the loan may be up to seven years on basic security. Quality loans may be guaranteed up to 90% while high risk loans may receive less than a 50% guarantee.

HOW WILL THE APPROVED LENDERS PROGRAM HELP?

Utilizing FmHA's Loan Guarantee Program, the commercial lender will have the additional security to make a bankable loan to farmers who find themselves in a "credit gap". The program is not a bailout for lenders. Unless the loan meets requirements, with a reasonable chance for success FmHA will not approve it.

The program will help, first, by making credit available. Second, the banker will use the bank's own (pre-FmHA approved) loan forms familiar to both the borrower and the banker, reducing FmHA's paper-handling load. Third, credit will be available on a much quicker basis, assuring that available guarantee loan funds reach eligible farmers as quickly as possible. Fourth, the banker and borrower are familiar with each other, helping to insure tht better loans will be made. Fifth, the borrower is most likely to stretch out the loan payback. A commercial lender will normally have a maximum of five years on the loan while under the FmHA Loan Guarantee Program, a maximum of seven years is possible. This extra two years can assist the farm borrower in achieving an attainable cash flow-payback program.

CA'S MODIFIED DEBT RECOVERY PROGRAM

CA proposes to utilize FmHA's Approved Lenders Program and Operating Loan Programs to achieve a significant plan for farm debt restructuring. To achieve this will require some modification of each of these programs.

MODIFICATIONS TO THE APPROVED LENDERS AND DIRECT LOAN PROGRAMS

A basic modification to the Approved Lender Program is to place a maximum rate to be charged on interest. Under the Approved Lenders Program, interest rates may not exceed the prevailing interest rate in the areas in which the loan is made.

Under the modified Approved Lenders Program, a maximum interest rate would be set at 2½% above discount rate. This would yield an interest rate of 10½% at December 31, 1984 rates.

Clearly, there is a need to lower interest rates in order to create a more achievable positive cash flow-debt repayment plan for many farm borrowers. In addition to the obvious advantage of lower interest rates, by lowering the maximum interest rate which a commercial lender may charge under the Approved Lenders Loan Program, the result will be to create opportunities for additional farm borrowers to take advantage of the Loan Guarantee Program. A lower maximum interest rate will encourage the lender to graduate the borrower to a regular commercial status.

The second basic change in the Approved Lenders Program would be to limit the Approved Lenders guarantee to a maximum of 50% whenever the direct lending authorities of the FmHA (Insured Loan Program and Limited Resource Program) are used by a lender to restructure a loan.

FMHA OPERATING LOAN PROGRAM

FmHA Operating Loans are made for both operating expenses and farm ownership. Ownership loans may carry an interest rate as low as 5½% and may be written up to 40 years. Operating loans may carry an interest rate as low as 7¼% and may be written up to 7 years. Under the Direct Loan Program, appraisals are done by the FmHA and security in the loan is named and itemized per lender.

MODIFICATIONS TO THE DIRECT LOAN PROGRAM

In order to restructure farm debt, lower interest rates and longer pay back terms will be required to attain a manageable, attainable cash flow for many farm borrowers.

The CA Modified Debt Recovery Program would incorporate into the Approved Lenders Program the use of FmHA Operating Loans in the same manner as the FmHA Guaranteed Loans. The pre-FmHA approved commercial lender would process the paperwork for FmHA Operating Loans, using the commercial lender's forms. FmHA would still have the final say-so on the loan under a shortened turn around approval or denial. Appraisals would be done by the pre-FmHA approved commercial lender or qualified appraiser. The main change in the present FmHA Direct Operating Loan Program would be to share security on a prorated dollar value basis. This last change is important to create an environment where the financial risk is shared and one which will create far fewer complications than the present system of named security.

MODIFIED CREDIT ILLUSTRATION

Under the CA Modified Debt Recovery Program, there can be a significant debt restructuring which will assist present financially troubled borrowers who have a stronger asset base yet who can neither qualify for FmHA loans or regular commercial lender loans.

As an illustration:

Farm Borrower with $100,000 of indebtedness—cash flow shows $21,000 available for debt retirement.

EXAMPLE 1.—FARM BORROWER WITH COMMERCIAL LENDER

	Loan term 5 yr.
Cash required for:	
Principal reduction	$20,000
Interest payment	13,500
Total	33,500
Payment deficit	12,500

Note.—Loan interest rate 13½ percent.

EXAMPLE 2.—FARM BORROWER UNDER APPROVED LENDERS PROGRAM (NO MODIFICATIONS)

	Loan term	
	7 yr	15 yr [1]
Cash Required for:		
Principal reduction	$14,285	$6,666
Interest payment	13,500	13,500
Total	27,785	20,166
Payment deficit	6,785	0

[1] Only available for self-perpetuating assets (dairy herd, etc.), up to 15-year amortization with 7th year balloon.

Note.—Loan interest rate is 13½ percent.

EXAMPLE 3.—FARM BORROWER UNDER CA MODIFIED DEBT RECOVERY PROGRAM DEBT IS DIVIDED BETWEEN APPROVED LENDER LOAN AND INSURED LOAN (3A) AND LIMITED RESOURCE LOAN PROGRAMS (3B)

	Approved lender loan (3A)	Approved lender loan (3B)
FmHA guarantee loan	$50,000	$50,000
Loan term (years)	7	7
Loan interest rate (percent)	10½	10½
Repayment required for:		
Principal reduction	$7,143	$7,143
Interest payment	5,250	5,250
Total	12,393	12,393
	Plus Insured Loan	Plus Limited Resource
FmHA operating loans	$50,000	$50,000
Loan term (years)	15	15
Loan interest rate (percent)	10¼	7¼
Payment required for:		
Principal reduction	$3,333	$3,333
Interest payment	5,125	3,625
Total	8,458	6,958
Total payment required for:		
Principal reduction	$10,476	$10,476
Interest payment	10,375	8,875
Total	20,851	19,351
Cash flow balance	149	1,649

From the examples, the Modified Debt Recovery Program has accomplished a significant reduction in interest rates and has extended payments over a longer period of time to achieve a reasonable and achievable cash flow.

The Modified Debt Recovery Program covers the three areas of need: restructuring of debt, adjustment of interest and sharing of risk. The Modified Debt Recovery Program shares the risk by bringing the Government in on a maximum of 50% guaran-

tee of the Approved Lender Program. Debt is restructured by adding the direct lending programs and interest is lowered through the direct lending programs to a minimum of 7¼% and a maximum of 2½% plus Discount Rate on the Approved Lender portion. The Modified Debt Recovery Program utilizes the assets of the FmHA and adds the expertise of Commercial Lenders.

CA MODIFIED DEBT RECOVERY PROGRAM—CREDIT DISK NO. 32

	Farm real estate debt (January 1984) (In billions of dollars)					Shared by lender (percent)	
	1980	1981	1982	1983	1984	1980	1984
FL Banks	29.89	36.29	43.26	47.09	48.12	35.00	43.00
FmHA	6.83	7.64	8.44	8.76	10.07	8.00	9.00
Life Ins	11.96	13.27	12.66	13.14	12.31	14.00	11.00
Commercial	8.54	8.6	8.44	8.76	8.95	10.00	8.00
Ind and Oth	28.18	30.56	31.65	31.76	32.45	33.00	29.00
Total	85.4	96.36	104.45	109.51	111.9	100.00	100.00
	Farm nonreal estate debt (January 1984)						
PCA	17.69	19.87	21.14	20.27	18.58	22.01	18.22
FmHA	8.84	12.1	14.42	14.94	15.48	11.00	15.18
FICB	.8	.86	.96	.85	.82	1.00	0.80
Commercial	31.36	31.97	32.67	36.28	38.18	39.01	37.45
Ind and Oth	16.88	18.14	19.22	19.21	18.58	21.00	18.22
CCC	4.82	5.18	7.69	14.94	10.32	6.00	10.12
Total	80.39	88.12	96.1	106.96	101.96	100.00	100.00
Total	165.79	184.48	200.55	216	213.86		

AVERAGE D/A RATIO, BY SALES CLASS

[Jan. 1, 1984]

10 to 20	15.7
20 to 40	15.9
40 to 100	19.4
100 to 200	21.5
200 to 500	27.0
More than 500	36.6

Analysis	Amount (billions)
Non-re total	101.96
FmHA	15.48
CCC	10.32
Non-commercial	18.58
Balance	57.58
Excluding high risk	23.03
Excluding part time	5.00
Balance full time	29.548
Est. full time, in trouble with 40–70 pct d/a ratio	2.9548

CA PROGRAM—RESTRUCTURE $2,954 BILLION IN CURRENT DEBT

[In millions of dollars]

Two programs	A	B	Total
Amount:			
Guarantee approved lender	[1] 590.96	[1] 739.70	[1] 1,329.66
Interest subsidy	0	0	0
Administrative cost	41.3672	51.709	93.0762
Total	41.3672	51.709	93.0762
FmHA OL	0	0	0
Limited resource	[2] 0	[2] 738.70	[2] 738.70
Insured	886.44	0	886.44
Subsidy, CCC at 10, 5	16.62	180.06	196.68
Administrative cost	132.97	110.81	243.77
Total	149.59	290.86	440.45
Total credit	1,477.40	1,477.40	2,954.80
Total government cost	190.95	342.57	533.53
Annual government cost	15.88	26.78	42.66

[1] Much of the credit would be available government subsidized interest.
[2] Subsidies would be required for 55 percent of the credit under plan.

(Prepared by: Communicating for Agriculture, February 12, 1985.)●

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 720. A bill to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes; to the Committee on Energy and Natural Resources.

ACADIA NATIONAL PARK IN THE STATE OF MAINE

Mr. MITCHELL. Mr. President, I am introducing, with my colleague, Senator COHEN, legislation to establish a permanent congressionally mandated boundary for Acadia National Park in Maine.

Companion legislation is being introduced in the House of Representatives by Representatives SNOWE and MCKERNAN. I hope the Senate and House will act on these measures promptly.

Acadia was the first national park created east of the Mississippi, and it remains the only substantial area, nearly 40,000 acres, in which the pristine beauty of the New England coast is acessible. In 1984 the Park Service recorded 4.2 million Acadia visitors.

It is a nesting site for almost 150 bird varieties, and over 320 bird varieties have been seen in the park. Just last May, seven peregrine falcons were reintroduced to the park as part of the effort to reestablish a breeding population of this bird on the east coast.

In addition, Acadia contains geology, fauna, flora, and climate that make it a unique part of the National Park System.

Acadia is located along a biological transition zone where the cold Nova Scotia current so affects the atmosphere that alpine plants bloom at sea level.

Within its boundaries Acadia contains the only true fiord on the American Atlantic coastline, a region where deep ocean and pines and rocks create a scene of splendor unlike anything else on the entire seaboard.

The natural beauty of the site and its unique coexistence with fishing villages and towns which have existed since the beginnings of European settlement on the North American Continent combine to make Acadia an experience unlike any other in our Nation.

The need for this legislation arises from a historical fact: Acadia was created by private donations of land in the early years of this century; and its charter, while authorizing further expansion of the park through donations, does not authorize acquisition of land through purchase. The park may accept donations in all of Hancock County and in Knox County east and south of the Penobscot River ship channel.

This combination, the inability to purchase desirable land for inclusion in the park and the ability to accept donations with little constraint, poorly serves the interests of local towns and residents or the preservation of the park's unique resources.

The park's open-ended authority to acquire land by donation creates uncertainty and instability for surrounding communities which face continuing erosion of the local tax base. For each acre of land which is donated to the park, regardless of the value of that land, the local government receives 75 cents annually in lieu of property taxes. In many cases this represents a serious loss of tax revenue.

Limitations on the park's authority to purchase property has resulted in somewhat haphazard land acquisition. Key parcels have been omitted from park property and in-holdings abound. Consolidation of park land is essential for the protection and sound management of its important resources.

The legislation I am introducing today represents a compromise solution to these problems that is intended to serve both the long-term interests of the park itself and the future needs of the communities who are the park's neighbors.

Like any compromise, this bill asks both sides to give and to take. In exchange for deleting 700 acres it currently owns, and limiting the area in which it may exercise its charter right to accept donated lands, the park is given the right to purchase designated parcels equaling 1,900 acres, which are now in private hands.

The towns, in exchange for this limited incursion into tracts that might otherwise remain on town tax rolls, gain the assurance that the boundaries of the park will not expand indefinitely. Without that assurance it is impossible for the towns to plan for the future.

This measure is based on the efforts of many individuals who have worked long and hard to find a fair resolution of the problems confronting Acadia. Local officials and residents, successive park superintendents, local and national conservation groups, and former and present members of the Maine congressional delegation have all contributed to its provisions.

The bill largely reflects the mediated agreement of 1979. This agreement was the product of years of effort to reach consensus on the necessary components of Acadia legislation. While there was not unanimous support for the agreement, it was endorsed by most of the parties interested in resolving the difficult Acadia issues and provides a sound basis for this legislation.

Controversy over the boundaries of Acadia National Park has lasted for decades. It has prevented the consolidation of park lands in a way that best serves the interests of local residents, the interests of the millions of park visitors, and the interests of future generations, for whom we have a responsibility to maintain the park and its resources. I hope that this legislation will finally resolve the Acadia dispute. I urge all who believe, as I do,

that a permanent park boundary is an important and desirable objective, to work with me for its enactment.

Mr. COHEN. Mr. President, I am pleased to join my colleague from Maine, Senator MITCHELL, in sponsoring legislation to establish a permanent boundary for Acadia National Park, one of the most beautiful gems in the national park system. This legislation is the product of years of difficult negotiations among many interested parties, and it represents a compromise in the best sense of the word. It is our goal, in presenting this bill to the Senate, to achieve a lasting resolution of a long-standing problem which has negatively affected both the park and the local towns and area residents.

The need for this legislation arises from the unusual circumstances under which Acadia National Park was founded. Most of the parcels of land which have been incorporated into the various national parks around the country were already in the public domain when the idea of creating a national park was suggested. Acadia National Park has operated under distinctly different circumstances, since a significant percentage of its acreage was given to the Park Service by private donors.

Acadia is a spectacularly beautiful place and a lasting testament to the philanthropic nature of those familiar with Mount Desert Island and its surrounding environs. However, its unique evolution has led to serious problems. The original charter of Acadia National Park prohibits the Park Service from acquiring additional land, either through purchase or eminent domain. It can, however, accept donations throughout the Mount Desert Island area and on the mainland of Hancock County.

This approach has proved to be unsatisfactory for Park administrators, who must administer a jigsaw-puzzle of a park, and for area towns, who have watched their property tax base gradually erode as more land is donated to the park. The impetus for resolving this mutually disagreeable situation has been present for quite a long time, but the means of achieving a fair resolution have proven elusive. I hope that the bill introduced today will have the effect of moving all parties toward a final solution.

The legislation draws a permanent boundary around Acadia Park and provides for the exchange of parcels between the Park Service and the various local towns. It also gives the Park Service the authority to acquire or accept donations of specific parcels of land. This will have the effect of consolidating the current park configuration and creating a more sensible administrative scheme for park management. The towns on Mount Desert Island, and in other areas of Hancock County, will benefit from the certainty created by a permanent boundary, which will allow them relief from the unpleasant prospect of continued erosion of their tax rolls. Regional planning efforts, crucial to the future economic stability of Hancock County, can also proceed only with the conclusion of this unhappy chapter of park history.

Acadia's many visitors, some 4 million in 1984, know of its unique beauty—a combination of rugged cliffs and mountains, churning seas, peaceful spruce forests and placid lakes. It is clearly in our best interests to preserve this land for the enjoyment of future generations, and we will share with the Park Service the benefits of a clarified charter for Acadia. At the same time, we must recognize the unusual constraints within which park management must operate. In doing so, we come to the realization that area residents and town managers have legitimate concerns regarding the future of their tax base and their ability to meet their responsibilities for road management, sewage treatment and other administrative tasks.

There is no doubt in my mind that both the Park Service at Acadia and the local towns should benefit from the existence of the park in the area. The ability to make this a mutually beneficial relationship has been hampered by the terms of the park's charter and both parties have suffered as a result. The need to achieve a compromise in the interest of future cooperative planning is at hand, and this legislation attempts to strike the first chord for harmony.

I commend this legislation to my colleagues and urge its prompt passage by the Senate.

By Mr. BOREN (for himself, Mr. BOSCHWITZ, Mr. ZORINSKY, Mrs. KASSEBAUM, Mr. PRYOR, Mr. DANFORTH, Mr. BAUCUS, Mr. GRASSLEY, Mr. BUMPERS, Mr. ABDNOR, Mr. EXON, Mr. PRESSLER, Mr. SYMMS, Mr. DURENBERGER, Mr. NICKLES, and Mr. HELMS):

S. 721. A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL TRADE AMENDMENT ACT

Mr. BOREN. Mr. President, today on behalf of Senators BOSCHWITZ, ZORINSKY, KASSEBAUM, PRYOR, DANFORTH, BAUCUS, GRASSLEY, BUMPERS, ABDNOR, EXON, PRESSLER, SYMMS, DURENBERGER, NICKLES, and HELMS, I am introducing a bill which would reverse the action by Judge Green in the Transportation Institute case which significantly expanded the scope of the cargo preference law, thereby reducing the resources available for promoting export sales of agricultural commodities.

In a landmark court decision, on February 21, the U.S. district court in Washington, DC, ruled that the Commodity Credit Corporation's Blended Credit Program is subject to the Cargo Preference Act of 1954. On February 26, the Agriculture Department announced, pursuant to the court's decision, that it was suspending approval of all registrations for Blended Credit Programs for Egypt, Iraq, Morocco, and Tunisia, effectively negating some $536 million—3.6 million metric tons—worth of grain exports.

Prior to the ruling, the Department of Agriculture had been abiding by a 1963 Justice Department opinion exempting direct credit, blended credits, and credit guarantees from the 50-percent U.S.-flag vessel cargo preference rule. The recent court ruling negates the previous decision with respect to the Blended Credit Program. Additionally, the ruling opens the door for application of cargo preference to the GSM-102—Credit Guarantee—Program.

Mr. President, this decision is a major expansion of cargo preference and will prove very costly to the United States through reduced farm exports. Additionally, the ruling will negate other innovative export incentive programs under consideration which are needed to meet foreign competition and offset the strength of the U.S. dollar.

Applying cargo preference requirements to blended credit will increase the landed cost of U.S. grain by 15 to 30 percent. This more than offsets the 2-percent interest buy down provided to buyers through blended credit. The United States simply cannot compete under these terms and will be shut out of these commercial markets. At a time when our dollar is overvalued some 30 to 35 percent, it is particularly crucial that we not increase the price of our commodities.

There is no question that the application of cargo preference to the Blended Credit Program will substantially reduce the amount of grain exported under this program. The added costs of Public Law 480 shipments as a result of cargo preference have increased year after year, thereby reducing the amount of money available for the shipment of agricultural products.

To gain a proper understanding of what this court decision means to agricultural exports, it is necessary to look at the facts relevant to cargo preference costs over the past few years. In an April 6, 1983, letter from Maritime Administrator Shear, several interesting facts were brought to light. First of all, the USDA/FAS subsidy to the maritime industry was $63 million in 1980, $65.1 million in 1981, and $97.7 million in 1982. The total number of seamen involved in the shipment of agricultural exports amounts to 1,668.

If one were to break down merely the USDA/FAS subsidy, it would amount to over $58,000 per seamen in 1982. The total subsidy to the maritime industry, from all agencies, amounted to $174.4 million in 1982. This breaks down to a per seamen subsidy of over $104,000.

According to the Agency for International Development [AID], the additional costs of shipping on U.S.-flag vessels under Public Law 480, alone, were $77.6 million in 1983; $97.5 million in 1984, and are estimated to run $118.3 million in 1985.

The ocean freight differential for shipping on U.S.-flag vessels will run anywhere from $30 per ton to $80 per ton. If we look at the minimum amount, only, the $30 per ton added cost translates into 80 cents per bushel of wheat, 76 cents per bushel for feed grains and 80 cents per bushel for soybeans. The increased strength of the dollar relative to other currencies has already added at least $1 to the price of wheat over the past few years. Are we now going to add another 80 cents to the wheat that is exported under the Blended Credit Program? If we do, the program will be extremely costly if utilized at all.

The application of cargo preference requirements to the Blended Credit Program will result in increased costs of between $50 and $70 million in 1985. If cargo preference is applied to the GSM-102—Credit Guarantees Program—an additional $125 million will be needed for additional shipping costs.

Not only will the court decision, if permitted to stand, add to the costs of our export programs, it will likely result in the United States having the highest level of yearend wheat stocks in history, over 42 million tons. Yearend Government-owned wheat stocks are already estimated to more than double this year with an annual cost to the Government of $150 to $170 million to store this grain. The cost of storing an additional 3.6 million tons will likely total another $50 to $55 million.

Mr. President, what the court decision in effect does is substantially cut the budget for agricultural exports by decreasing the amount of funds available for exports and give the budget savings to the maritime industry, if we are able to export any commodities under the Blended Credit Program.

I agree that we need to maintain a vital merchant marine. That is not at issue today and was not really the issue of the court decision. Rather, the issue today is whether the American farmer should primarily bear the burden of subsidizing the merchant marine. If the merchant marine is in need of subsidizing to a greater extent than what was already provided for prior to the court decision, let us acknowledge the need to increase funding for the maritime industry. Frankly, I don't see how I can tell my Oklahoma farmers that we need to increase the subsidy for seamen, who in 1982 were subsidized over $100,000, while at the same time, substantially decreasing farm income.

Net farm income, in constant dollars, is at its lowest since the Great Depression. The subsidy for cargo preference taken out of the USDA/FAS budget, alone, is higher than it has ever been. Once again, it appears that our farmers are being asked to pay when they are least able to afford to pay.

Agricultural exports are already down substantially. Wheat exports have dropped from 1.77 billion bushels in the 1981-82 marketing year to 1.43 billion bushels in the 1983-84 marketing year. Agricultural exports as a whole have gone from $43.8 billion in 1980-81 to $38 billion in 1983-84 and it is estimated this will decline to $35.5 billion for the present marketing year. The volume of agricultural exports has also declined. In 1980-81, we exported 126.3 million tons; in 1983-84 we exported only 143.6 million tons.

Mr. President, we are facing a crisis in agriculture. It is estimated that we will lose 13 percent of our farmers in Oklahoma this year due to lack of adequate income. How can I defend a policy that wants to take even more income away from the remaining farmers? I cannot. We must act quickly to reverse the court decision. The legislation I am introducing today will allow us to do so.

Our legislation will make certain that cargo preference requirements do not apply to export activities of the Commodity Credit Corportion and the Department of Agriculture, except for those related to its traditional food assistance programs. While I expect the recent court decision to be appealed and subsequently reversed, I do not believe we can wait for the court to act. Each day the Blended Credit Program is not in operation, we are losing valuable export sales.

I, personally, believe we need to go further than merely reversing the court decision. I would support legislation which removed all costs of cargo preference from the Department of Agriculture budget. As I have said before, if we want to subsidze the merchant marine industry, let's provide for it in the Maritime Administration budget and no where else. The American people have a right to know for what they are paying. As it stands now, over $100 million of funding appears to be supporting the export of agricultural products when in reality it is going to the merchant marine industry.

Even though I support more than a mere reversal of the decision, I am not introducting a bill to that effect today. I am taking the middle ground at this point. I am not talking about taking anything away from the merchant marine industry that it had prior to the court decision.

The bill we are introducing today will preserve the cargo preference requirements for the kind of transactions that historically have been subject to cargo preference—namely, exports under the Agricultural Trade Development and Assistance Act of 1954—Public Law 480.

Under our legislation, the CCC and USDA could continue those programs that make exports of U.S. agricultural commodities competitive in world markets with sales of other countries without having to fund the extra expense attendant to cargo preference. These include, among others, the CCC Export Sales Program—GSM-5—the CCC Export Credit Guarantee Program, and the Blended Credit Program which combines credit under the GSM-5 Program with Government guaranteed private credit under the GSM-102 Program. It also includes export subsidy programs—whether the subsidies are paid in cash or in kind—addressed to the same objective, programs under which stocks of agricultural commodities are made available to U.S. exporters, users or foreign purchasers at world prices, and any other innovative program to expand agricultural exports.

Mr. President, this legislation is both timely, essential, and cost effective. We cannot stand by and watch our agricultural exports decline further. We cannot allow a further erosion of our markets due to the strength of the dollar and cargo preference requirements. We simply must act swiftly to reverse the court decision and put the Blended Credit Program back in operation.

I urge my colleagues to support this vital legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 721

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Amendment Act of 1985".

SEC. 2. Section 5 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Export activities of the Corporation under this Act, and activities of the Corporation or the Secretary to promote the export of agricultural commodities under any other Act, shall not be subject to cargo preference requirements, except with respect to exports under the Agricultural Trade Development and Assistance Act of 1954.".

Mr. PRYOR. Mr. President, I am pleased to join the distinguished Senator from Oklahoma [Mr. BOREN] and several other colleagues in introducing

legislation to make clear the scope of the so-called cargo preference law. This legislation is needed, Mr. President, because a recent Federal court decision expanded the types of food shipments that come within the cargo preference statute. Unless the bill we're introducing today is enacted, our farmers will have a more difficult time competing in world markets. This result is something they simply cannot afford at a time when income is so low and exports are being devastated by several factors, including a strong dollar.

The Cargo Preference Act of 1954 requires that 50 percent of all cargoes generated by the Federal Government shall be shipped on U.S.-flag vessels. This act was passed, as I understand it, in an effort to ensure that our country maintained a viable merchant fleet. When the act was passed, Mr. President, it was intended that food shipments under traditional food assistance programs, like the Public Law 480 Program, would come within the act. The bill we're introducing today would not change that result. The bill would, however, clarify that other export activities of the Department of Agriculture, like the so-called blended credit programs would not be subject to the cargo preference provisions. This change would restore the cargo preference law to what was originally intended, and will help move more of our agricultural commodities in world markets.

It's important to note, Mr. President, that traditional food assistance programs of the USDA would still be within the Cargo Preference Program. The bill will simply reverse a recent Federal court decision, which held that all other export programs of the Department of Agriculture must also come within the statute. The effect of this decision will be to significantly reduce the resources available to ship and promote our commodities at a time when our farmers must gain access to foreign markets if we're going to see an improvement in net farm income. Crippling the export programs of the USDA will not only be devastating to our agricultural producers, Mr. President, but it could also do nothing to help our merchant fleet. If the program is destroyed, there is the possibility no commodities will be shipped.

Mr. President, our farmers have been seeing their income decline for the last several years. They are being hit with barriers in other countries, like quotas, high tariffs, and subsidies. Also, they are attempting to sell their production at a time when the dollar is at record highs against foreign currencies. If, on top of all of these things, we allow virtually all USDA export-assistance programs to be swept within the cargo preference statute, we'll only make the situation much worse. All of us talk about finding ways to increase exports of farm commodities in an effort to improve farm income. This bill offers us an opportunity to do just that. It is a good change; it is consistent with what was originally intended; and more importantly, it will help our farmers sell more of the food they produce. With the problems our farmers face trying to sell crops overseas, Mr. President, we must not throw more obstacles in their path.

Again, Mr. President, I commend the efforts of the Senator from Oklahoma. I hope the appropriate committee will hold a hearing on this important measure in the very near future, and I urge my colleagues to support this bill.

Mr. BUMPERS. Mr. President, I am pleased to join today with Senator BOREN, Senator BOSCHWITZ, and the others who have put in a lot of work into developing this bill which carves an exception out of the cargo preference law. Like other Senators who are very concerned about the continual slide of agricultural exports, I was very disappointed with the recent U.S. district court ruling that the Blended Credit Program came under the purview of cargo preference and which indicated that the GSM-102 program would also be included. As my colleagues know, the blended credit is a program instituted in 1983 which uses GSM-5 interest-free direct credit, combined with export credit guarantees of the GSM-102 program, to attain an overall lower interest blend credit program designed to increase our agricultural exports to developing countries. With the continued strength of the U.S. dollar against foreign currencies, such programs as blended credit, GSM-5 and GSM-102 are vital if we are ever to hope to be competitive in foreign markets.

No one needs to be told how serious the crisis is in agricultural America. Government-assisted exports have been the only bright spot on the economic horizon and we are shooting ourselves in the foot by either subsidizing exports under the blended credit or GSM-5 program or guaranteeing commercial sales under GSM-102 and then turning and defeating all efforts by attaching cargo preference. The blow from the recent court decision is even more critical when one realizes that the USDA is projecting another slide in export sales in fiscal year 1985 to $34.5 billion from the slight surge to $38 billion in 1984. The $34.5 billion figure already reflects a $1 billion decline from projections just 1 month ago and the outlook for the rest of the fiscal year is bleak. In the context of this already poor outlook, the Federal court ruling will be devastating, and such a ruling will effectively eliminate the Blended Credit Program unless Congress acts.

Again, I commend Senator BOREN, Senator BOSCHWITZ, and the others for their strong support for agriculture and urge the rest of my colleagues to support this vital bill.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 722. A bill to designate certain national forest system lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

NEVADA WILDERNESS ACT

● Mr. LAXALT. Mr. President, I introduce in behalf of myself and my distinguished colleague, Senator HECHT, a bill to designate certain areas within the State of Nevada for inclusion within the National Wilderness Preservation System.

Mr. President, the introduction of this bill represents the end product of many months of intense review of the many candidate areas, the sampling of opinion in the State, discussions with appropriate State officials, a weighing of possible resource conflicts and tradeoffs, and a review of percieved national goals and the Wilderness Act mandate. All members of the Nevada delegation to Congress participated in these reviews. An identical bill will be introduced in the House of Representatives by Congressman Barbara Vucanovich.

Briefly, the bill will establish three new wilderness areas in Nevada and add to the only existing wilderness area. The acreage total is about 137,000 acres.

Those familiar with the wilderness candidates which have been considered and with the evaluation process will recognize the proposal as a modest one. The bill reflects, however, the full measure of nonimpacted, conflict-free candidates and will make an important contribution to the wilderness preservation system for future generations.

A number of areas were considered but are not included in this bill. Areas with established nonconforming commercial recreational activities were excluded. Areas on which considerable evidence of mineral or petroleum potential exists were not included and, frankly, the delegation gave considerable latitude to the evidence supporting mineral and petroleum potential in our decisions.

I note, Mr. President, that Congressman REID is not a cosponsor of this bill in the House of Representatives. He has participated fully in the discussions of the Nevada delegation and supports the introduction of this bill. He will, however, visit certain of the candidate areas not included in the bill for additional personal evaluation. We do not expect to move forward on passage of the bill prior to his comple-

tion of that further evaluation. We expect, Mr. President, to invite full public input and participation at the State level and will, of course, expect to work with our colleagues in the Congress on the national interest in this effort.

This bill represents, I believe, the last Western State wilderness bill deriving from the Forest Service Rare II evaluation. Hopefully that is only reflective of a full consideration of the various interests and a sifting of priorities prior to this draft.●

● Mr. HECHT. Mr. President, today I am privileged to join my senior colleague, Senator LAXALT, in introducing legislation to designate certain national forest lands in Nevada for inclusion in the National Wilderness System. A similar bill is being introduced in the House by Congresswoman VUCANOVICH, and we hope this legislation will receive the prompt and favorable endorsement of Congress.

The State of Nevada is one of the few remaining States to adopt a State Wilderness Act. The reasons for this are many, but foremost among them is the fact that most Nevadans are very suspicious and even hostile toward proposals aimed at restricting their access to Nevada's public lands. The citizens of Nevada are still reeling from the ill-conceived MX "racetrack" proposal of the late 1970's. We are now grappling with a number of controversial land use proposals, ranging from nuclear waste and military land withdrawals to several Federal wilderness proposals covering millions of acres of our State's land base.

Mr. President, we are constantly reminded of our public land statistics and the resource compromise we must make in our daily decisions. Of Nevada's 70.2 million acre land base, only 18 percent is held in State or private ownership. The other 82 percent is owned by the Federal Government. And within this 82, there is a potential 10 percent of these lands withdrawn from mineral entry.

The national forest wilderness designations we are proposing today represent only a small fraction of the acreage proposed by the Sierra Club and other national conservation groups. Let me say at the outset that our legislation is not a repudiation of these groups' views, but rather, it reflects our recognition that national forest wilderness must be viewed in the broader perspective of the other proposed restrictions—including National Wildlife Refuge and BLM wilderness areas—which must be dealt with in the near future. Today's legislation is, of necessity, a conservative wilderness bill.

To the uninitiated, Nevada's Great Basin appears to be a barren, high elevation desert between the Sierra Nevada and Rocky Mountain Ranges. This is a false impression, and anyone who has ventured even a few miles from Nevada's cities or Interstate highways will quickly tell you that the beauty of our national forests is one of the best-kept secrets in the American West.

The dozens of discontinuous mountain ranges that ripple across our State, like so many waves in a sea, harbor some of the most unique alpine ecological zones in the world. Due to this alternating basin and range topography, Nevada's mountains are home to numerous rare subspecies of plants and animals. One can also find pristine trout streams, desert bighorn sheep, and the majestic bristlecone pine, the oldest living organism on our entire planet. Today's legislation will ensure the preservation of a representatives grouping of these spectacular national forest areas.

On the other hand, the Silver State is also richly endowed with an abundance of rare and precious minerals, many of which are known to occur in and adjacent to proposed wilderness areas. Since the 1850's, Nevada has been a leader in the domestic production of gold, silver, lead, copper, zinc, molybdenum, tungsten, mercury, and flourspar. Mining is the backbone of Nevada's rural economy, and today we are experiencing an exploration "boom" which is unrivaled in the entire intermountain West.

The future of Nevada's entire rural economy is dependent on the continued mulitiple-use of our Federal lands. With the public lands exempted from local property taxation, revenues for local schools, roads, and public services must come from the careful multiple-use development of our Federal lands.

All of us in the Nevada congressional delegation believe strongly in the diversification of our State's economy. I dare say, however, that no one believes we should forsake our mining and ranching heritage in the indiscriminate rush to create wilderness preserves. Wilderness designation requires a careful balancing of these competing interests, and I believe that the introduction of today's legislaton is a solid first step toward achieving such a balance.

In closing, let me reiterate my belief that this legislation is right for the people of Nevada and our Nation. To quote the famous conservationist Aldo Leopold:

> At thing is right only when it tends to preserve the integrity, stability and beauty of the community; and the community includes the soil, water, fauna, and flora, as well as the people.

As this legislation begin the long process of committee review, public hearings, markups, and floor action, I urge my colleagues not to forget the people of Nevada. They are the ones who must ultimately live with the decisions we make in this body.●

By Mr. MATSUNAGA (for himself, Mr. BYRD, Mrs. HAWKINS, Mr. INOUYE, Mr. HART, Mr. LEVIN, Mr. SARBANES, Mr. RIEGLE, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mr. PRYOR, Mr. MOYNIHAN, Mr. SYMMS, Mr. HOLLINGS, Mr. WEICKER, and Mr. SIMON):

S. 723. A bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the Medicare Program; to the Committee on Finance.

OCCUPATIONAL THERAPY MEDICARE AMENDMENTS

Mr. MATSUNAGA. Mr. President, I am introducing today with the cosponsorship of Senators BYRD, MR. MATSUNAGA. MR. PRESIDENT, I AM INTRODUCING TODAY WITH THE COSPONSORSHIP OF SENATORS BYRD, HAWKINS, MOYNIHAN, PRYOR, INOUYE, SARBANES, RIEGLE, KENNEDY, KERRY, LEAHY, SYMMS, HOLLINGS, WEICKER, HART, LEVIN, and SIMON, S. 723, a bill to authorize payment for occupational therapy service under the Medicare Supplemental Medical Insurance Program—part B—in certain settings that presently are not covered by Medicare, including skilled nursing facilities, rehabilitation agencies, public health agencies, or in private practice. The bill would also set a limit of $500 per year, per beneficiary for occupational therapy provided in a private practice setting.

As we begin the 99th Congress, many pressing issues remain from the previous Congress. One problem which concerns us all is the fate of the Medicare system. During the last Congress, I introduced legislation—S. 1615—similar to the bill we are reintroducing today, to improve the accessibility of crucial rehabilitation services, in appropriate settings, while at the same time providing some offsetting savings to the Medicare Program.

S. 1615 was cosponsored by eight Members of the Senate. The companion bill in the House, H.R. 2116, was cosponsored by over 70 Members. The House bill was referred jointly to the Committee on Ways and Means, and the Committee on Energy and Commerce. The Ways and Means Committee reported the bill favorably on September 28, 1984, stating that—

> The value of occupational therapy to Medicare patients, and especially the avoidance or shortening of the need for institutional care that may be possible through the appropriate provision of these services, merits a modest expansion of Medicare coverage of occupational therapy services.

Unfortunately, the Energy and Commerce Committee did not have time to act on the bill before the adjournment of the 98th Congress.

Few measures have the potential both to increase benefits and decrease costs as this amendment has. Occupa-

tional therapy is a medically necessary rehabilitative service which provides treatment for persons suffering from strokes, rheumatoid arthritis, cerebral palsy, multiple sclerosis, spinal cord injury, severe burns, and mental disorders. Occupational therapists provide splinting and specialized treatment to reduce pain and deformity, train patients to function independently at home, prescribe strengthening and endurance activities, and teach mobility techniques to prevent bedsores. Occupational therapy not only addresses pain, weakness, or loss of function, it also helped individuals recover their physical independence enabling them to return to their homes and communities.

Currently, occupational therapy is a fully covered service in a hospital, hospice, skilled nursing facility, or home health setting under part A of Medicare, and is covered under part B in a hospital outpatient department, a comprehensive outpatient rehabilitation facility, a home health agency, and when incident to physician services. Our proposed amendment would revise title XVIII of the Social Security Act by providing that occupational therapy be a covered service under part B of Medicare when provided in a skilled nursing facility, clinic, rehabilitation agency, public health agency—as are physical and speech therapy—or in private practice—as is physical therapy. The intent is not to expand benefits significantly, but to refine the current program.

Patients in skilled nursing facilities are frequently transferred to part B Medicare coverage when their part A benefits are exhausted. When this occurs, occupational therapy is no longer covered, treatment is discontinued and the patient's progress toward recovery and independence is seriously jeopardized. Occupational therapy can often make the difference between continued institutionalization and discharge to the home. It is crucial, therefore, that reimbursement be available throughout the skilled nursing home stay.

In one study conducted by Joel S. Feigenson, M.D., published in the May-June 1981 issue of Stroke which examined nonacute care in rehabilitative facilities such as skilled nursing homes, it was reported that 190 out of 258, or 80 percent of the patients were returned to their homes after an average stay of only 43 days. All of the patients in the study—258—would have been sent to long-term, maintenance-care facilities if they had not received therapy. Other subsequent studies confirm these data, and support the need for therapy services to be provided in skilled nursing facilities.

Patients who have returned home after a hospital stay also continue to need rehabilitative services such as occupational therapy. If they are not homebound, they can receive such services in organized outpatient settings. Out-of-hospital treatment has become increasingly important under the Medicare prospective payment system. The new system often means that patients are being discharged from the hospital sooner. Without adequate coverage for rehabilitative services, the recidivism rate for patients, particularly the elderly increases.

In this connection, Mr. President, I wish to direct the attention of my colleagues to two recent physician-directed, controlled trial studies. One study, by D.S. Smith, and others, published in the Februrary 14, 1981, issue of the British Medical Journal, showed that patients with stroke who continued to receive rehabilitation services after hospital discharge made further progress toward independence than similar patients whose progress was merely monitored. In the second study by W.M. Garraway, and others, published in the September 27, 1980, issue of the British Medical Journal, it was found that patients with stroke who had their rehabilitation program interrupted before the end of hospitalization did not make further progress and, in fact, many lost the skills of independence gained during the hospital stay. The authors of this study concluded that the therapeutic management of stroke continues well beyond the acute phase. Both of these studies concluded that occupational therapy was a vital component in the therapeutic program.

Two studies citing occupational therapy as a major element in achieving positive functional and cost-effective results are also worth noting. The first is the Feigenson article published in Stroke which I mentioned previously. The other Feigenson study appeared in the October 1981 issue of Neurology. The authors of these articles conclude that multidisciplinary rehabilitation was an effective method of improving functional outcomes, returning individuals to the community, and minimizing long-term health care costs.

The treatment in community-based settings proposed for inclusion is less costly and more accessible than the now-covered hospital care. The Congressional Budget Office [CBO] has established a cost estimate for this legislation of $10 to $14 million for the initial year. We believe this is a modest expenditure of Medicare dollars compared to the benefits that would accrue to beneficiaries and the system. Moreover, the CBO estimate does not include any offsetting savings, which would occur once this bill is enacted into law. The average cost of 1 hour of occupational therapy treatment at the outpatient department of a hospital is $63. In comparison, the cost in a rehabilitation facility, such as an Easter Seal Center, is only $48, and in an outpatient clinic an even lesser $36. If just 20 percent of Medicare beneficiaries received their occupational therapy treatment in a community setting rather than at the outpatient department of a hospital, the Medicare Program could save $4.8 million.

Mr. President, the extension of Medicare part B coverage of occupational therapy services as delineated in the bill being introduced today is the type of necessary change we must enact in order to reduce rising health care costs, while maintaining and improving the quality of rehabilitative services for beneficiaries.

I urge my colleagues to join in supporting this proposed legislation which will enable Medicare patients to continue the progress made during their hospital stay and, more importantly, to avoid recurring disability and rehospitalization.

Mr. President, I ask unanimous consent that the bill, as introduced be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 723

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (C) of section 1832(a)(2) of the Social Security Act is amended to read as follows:

"(C) outpatient physical therapy services (other than services to which the second sentence of section 1861(p) applies) and outpatient occupational therapy services (other than services to which such sentence applies through the operation of section 1861(g));".

(b) Section 1833(g) of such Act is amended—

(1) by striking out "next to last sentence" and inserting in lieu thereof "second sentence", and

(2) by adding at the end thereof the following new sentence: "In the case of outpatient occupational therapy services which are described in the second sentence of section 1861(p) through the operation of section 1861(g), with respect to expenses incurred in any calendar year, no more than $500 shall be considered as incurred expenses for purposes of subsections (a) and (b).".

(c)(1) Section 1835(a)(2)(C) of such Act is amended—

(A) by inserting "or outpatient occupational therapy services" after "outpatient therapy services",

(B) in clause (i), by inserting "or occupational therapy service, respectively" after "physical therapy services", and

(C) in clause (ii), by inserting "or qualified occupational therapist, respectively," after "qualified physical therapist".

(2) The third sentence of section 1835(a) of such Act and section 1866(e) of such Act are each amended—

(A) by inserting "(or meets the requirements of such section through the operation of section 1861(g))" after "1861(p)(4)(A)" and after "1861(p)(4)(B)", and

(B) by inserting "or (through the operation of section 1861(g)) with respect to the furnishing of outpatient occupational therapy services" after "(as therein defined)".

(d)(1) Section 1861 of the Social Security Act is amended by inserting after subsection (f) the following new subsection:

"OUTPATIENT OCCUPATIONAL THERAPY SERVICES

"(g) The term 'outpatient occupational therapy services' has the meaning given the term 'outpatient physical therapy services' in subsection (p), except that 'occupational therapy' shall be substituted for 'physical therapy' each place it appears therein.".

(2) Section 1861(s)(2)(D) of such Act is amended by inserting "and outpatient occupational therapy services" after "outpatient physical therapy services".

(3) Section 1861(v)(5)(A) of such act is amended by inserting "(including through the operation of section 1861(g))" after "section 1861(p)".

(e) The amendments made by this Act shall apply to expenses incurred for outpatient occupational therapy services funished on or after the first day of the first month that begins more than 60 days after the date of the enactment of this Act.

Mrs. HAWKINS. Mr. President, I rise to join the distinguished Senator from Hawaii [Mr. MATSUNAGA] in once again cosponsoring the Occupational Therapy Medicare Amendments of 1985. Last session of Congress we made encouraging progress in having our legislation considered by the full Senate and House of Representatives. The House Ways and Means Committee favorably reported this legislation from their committee in 1984. Unfortunately, that favorable action occurred too late in the session to enable the bill to be considered by the full House and Senate. I am very encouraged that the 99th congress will again give this legislation favorable consideration and extend Medicare coverage to occupational therapy in expanded settings.

Occupational therapy is a medically prescribed treatment designed to improve or restore functions that have been impaired by illness, injury or birth defect. Any family who has had a member recovering from a stroke, on-the-job accident, multiple sclerosis, cerebral palsy or other disability knows first hand the value of occupational therapy. But under current law, medically necessary occupational therapy services are covered by Medicare only when they are provided as part of a covered inpatient or outpatient hospital service, posthospital extended care services in a skilled nursing facility, home health services, comprehensive outpatient rehabilitative facility, and hospice care. The Health Care Financing Administration has obviously recognized the value of occupational therapy, yet it still denies reimbursement if this needed service is provided in a clinic, a rehabilitation agency, a public health agency, a therapists office or the individuals home. This legislation would remedy that situation by extending coverage for occupational therapy to encompass treatment performed in a wider variety of settings.

I believe that this extention of coverage is imminently reasonable and cost effective. I have long been a supporter of extending Medicare coverage to alternative forms of health care, especially those provided in the patient's own home. The services and care provided by occupational therapists can make a tremendous difference not just in decreasing hospital confinement, disability and the ultimate cost of health care, but also in enabling individuals to return to their jobs and live full and productive lives.

The wife of a former staff member, Mrs. Duanne Schoultz of Orlando, FL, is a registered occupational therapist who specializes in therapy for the hand. Her services and the services of over a 1,000 occupational therapists in Florida have enabled countless individuals to return to the jobs they love and do well. The value of the services of an occupational therapist would justify expanded coverage even if the settings were more expensive, but they are not. Various studies have shown the cost effectiveness of providing coverage to occupational therapy in clinics, rehabilitation agencies and skilled nursing facilities whose overhead is much lower than institutionalized settings. I can understand the reluctance of the budget-conscious administration which is concerned that this expanded coverage may result in care to individuals who may otherwise have neglected occupational therapy because of the inconvenience of traveling for the treatment. But that narrow viewpoint overlooks the benefits of clients who return to their jobs and lead more productive lives because of the therapy they have received.

Mr. President, I urge my Senate colleagues to join me in supporting this needed legislation. Hopefully this will be the session of Congress in which expanded Medicare coverage for occupational therapy is enacted into law.

By Mrs. HAWKINS (for herself, Mr. RIEGLE, and Mr. MOYNIHAN):

S. 724. A bill to provide that certain of the Social Security trust funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1986, and to clarify that specifications and directions with respect to such trust funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

EXCLUDING SOCIAL SECURITY TRUST FUNDS FROM THE FEDERAL BUDGET PROCESS

● Mrs. HAWKINS. Mr. President, today I am introducing legislation which will remove Social Security and the hospital insurance portion of the Medicare Program from the unified Federal budget. Mr. President, this separation has already been approved by Congress. During consideration of the Social Security Amendments of 1983, Congress adopted this exact measure, but the effective date isn't until fiscal year 1993. The bill I am introducing today simply moves the effective date up to fiscal year 1987.

Social Security and the hospital insurance portion of Medicare are self-supporting since their resources come from their own tax. Therefore, they should not be weighed against other Federal programs which compete for scarce general revenues. Prior to 1969, Social Security and Medicare programs were not part of the unified budget. Since their inclusion, we have witnessed various proposals to reduce some types of Social Security benefits primarily for the purpose of meeting short-term budgetary goals. Because these programs are independently financed, changes should be made exclusively on the basis and constraints of the programs, and not due to the policy goals or budgetary constraints of the Government as a whole. Once separated from the budget process, Members of Congress would no longer be tempted to look to Social Security—which has long-range goals—to accomplish short-range budgetary and economic objectives.

Additionally, Mr. President, our elderly citizens, the majority of which are on fixed incomes, would no longer have to live with the fear that payment of Social Security benefits or the cost-of-living increase is conditional upon the status of the overall Federal budget rather than solely upon the financial condition of the trust funds. Social Security is not a discretionary spending program. It is a long-term contract that our Government has entered into with the workers of this country and should be removed from the unified budget.

Mr. President, another compelling reason why this legislation is needed now is because it will provide a clearer picture of this Nation's indebtedness. I cannot overstate the importance of this point—especially in these times when fiscal prudence is an absolute necessity. How can this Congress get its financial house in order unless it knows precisely what condition the house is in and allows the public to see those exact figures? This will be especially important during the coming years when the Social Security trust funds are expected to show large surpluses. Their apparent good health will misrepresent the overall financial condition of the Government. The obvious problem this can create is that continuing to include Social Security in the budget may eventually distort decisionmaking in the budget process

itself. Trust fund excesses could easily diminish the incentive to constrain the costs of running our Government, or worse, it could be an inducement to greater spending in programs financed by the general fund.

As I stated previously, Congress has already affirmed its belief that Social Security should be separated from the unified budget. Under current law, however, the reconciliation phase of the budget process, if exercised, potentially can force the appropriate committees of jurisdiction to report out legislative changes in Social Security and Medicare to meet budget targets. Many believe that the provision enacted in 1983 to separate the trust funds is ambiguous about whether changes in the programs can still be made during the reconciliation process.

The bill I am introducing today clarifies that point—no changes can be made during the reconciliation process. Again, this is only for clarity and simply removes the programs from the budget process entirely to ensure that they are truly autonomous.

Mr. President, if adopted, this bill will accomplish three things. First, changes in the Social Security Program will no longer be made on the basis of budgetary considerations. Second, we will have a clearer picture of our country's deficit and our action to deal with those figures will not be misguided. Finally, Mr. President, I believe that this legislation will help to improve the perception in the minds of the elderly that the trust funds are independent and stable.

The fact that we have dealt with Social Security in the annual congressional debate in the last few years has literally held the program hostage at the expense of the recipients. Each year we have forced them to fear possible changes so that proposed spending restraints in programs financed by the general fund will be easier to swallow. This is unfair. I no longer want to see Social Security benefits used as a pawn in the budget process. Payment of those benefits or the COLA's is not a game and should always be independently considered.

Mr. President, the National Commission on Social Security Reform, the bipartisan panel to resolve Social Security's financial problems in 1983 recommended this separation. Yes, it is necessary in 1993, but it is also necessary in 1987, 1988, and so forth, and in fact, its obvious that this legislation was needed for fiscal year 1986. Therefore, I urge my colleagues to accelerate the separation that has already been approved.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 346(a)(2) of the Social Security Amendments of 1983, is amended by striking out "1992" and inserting in lieu thereof "1986".

(2) Section 346(b) of the Social Security Amendments of 1983 is amended by striking out "1992" and inserting in lieu thereof "1986".

(b) Section 710(a) of the Social Security Act (42 U.S.C. 911 note), as amended by section 346(b) of the Social Security Amendments of 1983 (to be effective with respect to fiscal years beginning on or after October 1, 1986, as provided in the amendments made by paragraph (2) of subsection (a) of this Act), is amended—

(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end thereof the following new paragraph:

"(2) No concurrent resolution on the budget considered under section 301, 304, or 310 of the Congressional Budget Act of 1974 (2 U.S.C. 632, 635, 641), or any amendment thereto, or conference report thereon, may contain any specifications or directions described in the second sentence of section 310(a) of such Act with respect to any Trust Fund specified in paragraph (1) of this subsection or with respect to revenues attributable to the taxes specified in such paragraph.".●

By Mr. CHAFEE (for himself, Mr. STAFFORD, Mr. DURENBERGER, Mr. BENTSEN, Mr. MITCHELL, and Mr. WARNER):

S. 725. A bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990; to the Committee on Environment and Public Works.

ENDANGERED SPECIES AUTHORIZATION

● Mr. CHAFEE. Mr. President, I am pleased to introduce today on behalf of myself, Senators STAFFORD, DURENBERGER, BENTSEN, MITCHELL, and WARNER, a bill to reauthorize appropriations for the Endangered Species Act. Although the substantive requirements, prohibitions and other portions of the act will continue to be effective provisions of law, the current authorization for appropriations will expire on September 30, 1985.

To ensure a timely reauthorization, the bill being introduced today is offered as vehicle for discussion. A hearing on the bill is scheduled for April 16, and I encourage witnesses to present constructive criticism and specific suggestions at that hearing. It is my hope that we can repeat the success we had in 1982, when we raised the level of debate about this law to the arena of facts and intellectually honest discussion. Too often the debate in the past has centered around arguments based on emotion and undocumented fear.

The 1973 Act passed the Senate by a vote of 92 to 0 and drew only 12 opposing votes in the House. The near unanimity of the Congress provided a remarkable and gratifying example of bipartisan concern manifested in a farsighted law. After several years of controversy it was encouraging to see a return, in 1982, to the unanimous bipartisan support for this important program.

The Nation has had 12 years of experience with the act. That experience shows that the act has worked well. It has evolved to permit greater flexibility and predictability with regard to economic development and major revisions are not needed. The act was thoroughly reviewed and amended in 1978, 1979, and again in 1982, to address the concerns of various interest groups and administrations. I believe that further legislative changes are not needed and that we must now focus on how the law is being and should be administered. While I will give careful attention to the issues raised in the course of this reauthorization process, the information that I now have persuades me that a simple reauthorization, such as this bill, is the best way to proceed.

This is an issue that people care about deeply. It is an issue that goes beyond narrow special interests. It is an issue the importance of which is beyond dispute. The needless extinction of a single species can be an act of recklessness. By permitting high rates of extinction to continue, we are limiting the potential growth of biological knowledge. When we allow man to engage in activities that will contribute to the extinction of a species, we are allowing a process that is tantamount to book burning; but it is even worse in that it involves books yet to be deciphered and read.

The public is painfully aware of the fact that extinction is an act of awesome finality. It is incumbent upon this body to never forget it.

Mr. President, the May 1982 edition of Audubon magazine contained an article by David Quammen entitled "Jeremy Bentham, the Pieta, and a Precious Few Grayling." A portion of that article is of particular interest in connection with consideration of this legislation. The potential, unknown utility of genetic diversity is the most frequently cited justification for the preservation of endangered and threatened species. Mr. Quammen eloquently notes the limitations of such a utilitarian approach to legislation and suggests a compelling, alternative argument. I ask that the excerpt I refer to, from pages 100 and 101 of the magazine, be printed in the RECORD at this time.

The material referred to follows:

EXCERPT FROM "JEREMY BENTHAM, THE PIETA, AND A PRECIOUS FEW GRAYLING"

(By David Quammen)

In June 1978, the U.S. Supreme Court ruled that completion of the Tellico Dam on the Little Tennessee River was prohibited

by law, namely the 1973 Endangered Species Act, because the dam would destroy the only known habitat of the snail darter. One argument in support of this prohibition, perhaps the crucial argument, was that the snail darter's genes might at some time in the future prove useful—even invaluable—to the balance of life on Earth, possibly even directly to humanity. If the *Penicillium* fungus had gone extinct when the dodo bird did, according to this argument, many thousands of additional human beings by now would have died of diphtheria and pneumonia. You could never forsee what you might need, what might prove useful in the line of genetic options, so nothing at all should be squandered, nothing relinquished. Thus it was reasoned on behalf of snail darter preservation (and thus I have reasoned elsewhere myself). The logic is as solid as it is dangerous.

In fact the whole argument by utility may be one of the most dangerous, even ominous, strategic errors that the environmental movements is currently making. The best reason for saving the snail darter was this: precisely because it is flat useless. That's what make it special. It wasn't put there, in the Little Tennessee River, it has no ironclad reason for being there; it is simply there. A hydroelectric dam, which can be built in a mere ten years for a mere $119 million, will have utility on its side of the balance against snail darter genes, if not now then at some future time, when the cost of electricity has risen above the cost of re-creating the snail darter through genetic engineering. A snail darter arrived at the hard way, the Darwinian way, across millions of years of randomness, reaching its culmination as a small ugly perch roughly resembling an undernourished tadpole, is something far more precious than a net asset in potential utility. What then, exactly? That isn't easy to say, without gibbering in transcendental tones. But something more than a floppy disc storing coded genetic lingo for a rainy day.

Another example: On a Sunday in May 1972, an addled Hungarian named Laszlo Toth jumped a railing in St. Peter's Basilica and took a hammer to Michelangelo's Pietà, knocking the nose off the figure of Mary, and part of her lower eyelid, and her right arm at the elbow. The world groaned. Italian officials charged Toth with crimes worth a maximum total of nine years' imprisonment. Some people said aloud at the time, but no one of liberal disposition, that capital punishment would be more appropriate. What probably should have been done was to let Italian police sergeants take Toth out into a Roman alley and smack his nose off, and part of his eyelid, and his arm at the elbow, with a hammer. The Pietà was at that time 473 years old, the only signed sculpture by the greatest sculptor in human history. I don't know whether Laszlo Toth served the full nine years, but very likely not. Deoclecio Redig de Campos, from the Vatican art-restoration laboratories, said at the time that restoring the sculpture, with glue and stucco and substitute bits of marble, would be "an awesome task that might take three years," but later he cheered up some and amended that to "a matter of months." You and I know better. The Michelangelo Pietà is gone. The Michelangelo/de Campos Pietà is the one now back on display. There is a large difference. What, exactly, is the difference? Again hard to say, but it has much to do with the snail darter.

Sage editorialists wrote that Toth's vandalism was viewed by some as an act of leftist political symbolism: "Esthetics must bow to social change, even if in the process the beautiful must be destroyed, as in Paris during *les évènements*, when students scrawled across paintings 'No More Masterpieces.' So long as human beings do not eat, we must break up ecclesiastical plate and buy bread." The balance of utility had tipped, the only directly useful form of art, after all, is that which we call pornographic.

Still another example: In May 1945 the Target Committee of scientists and ordnance experts from the Manhattan Project met to hash out a list of the best potential Japanese targets for the American atomic bomb. At the top of the list they placed Kyoto, the ancient capital city of Japan, for eleven centuries the source of all that was beautiful in Japanese civilization, the site of many sacred and gorgeous Shinto shrines. When he saw this, Henry L. Stimson, a stubbornly humane old man who had served as Secretary of State, under Herbert Hoover and was now Truman's inherited Secretary of War, got his back up: "This is one time I'm going to be a final deciding authority. Nobody's going to tell me what to do on this. On this matter I am the kingpin." And he struck the city of shrines off the list. Truman concurred. Think what you will about the subsequent bombing of Hiroshima—unspeakably barbarous act, or a justifiable one in the given circumstances—think what you will about that; still the sparing of Kyoto, acknowledged as a superior target in military terms, was very likely the most courageous and imaginative decision anyone ever talked Harry Truman into. In May 1945, the shrines of Kyoto did not enjoy the balance of utility.

"By utility is meant that property in any object, whereby it tends to produce benefit, advantage, pleasure, good, or happiness (all this in the present case comes to the same thing), or (what comes again to the same thing) to prevent the happening of mischief, pain, evil, or unhappiness to the party whose interest is considered; if that party be the community in general, then the happiness of the community; if a particular individual, then the happiness of that individual." This was written by Jeremy Bentham, the English legal scholar of the eighteenth century who was a founder of that school of philosophy known as Utilitarianism. He also wrote, in Principles of Morals and Legislation, that "an act then may be said to be conformable to the principle of utility . . . when the tendency it has to augment the happiness of the community is greater than any it has to diminish it." In more familiar words, moral tenets and legislation should always be such as to achieve the greatest good for the greatest number. And by number is meant, of course number of humans.

This is a nefariously sensible philosophy. If it had been adhered to strictly throughout the world since Bentham enunciated it, there would now be no eccelesiastical plate or jeweled papal chalices, no Peacock Throne (vacated or otherwise), no Apollo moon landings, no Kyoto. Had it been retroactive, there would be no Egyptian pyramids, no Taj Mahal, no texts of Plato; nor would there have been any amassing of wealth by Florentine oligarchs and hence no Italian Renaissance; finally, therefore, no Pieta, not even a mangled one. And if Bentham's principle of utility—in its economic formulation, or in thermodynamic terms, or even in biomedical ones—is applied today and tomorrow as the ultimate touchstone for matters of legislation, let alone morals, then there will eventually be, as soon as the balance tips, no snail darter, nor much of anything else that we value principally for nonutilitarian reasons.●

● Mr. BENTSEN. Mr. President, I am today joining Senator CHAFEE and other concerned Members of the Senate in introducing the Endangered Species Act of 1985.

Authorization for appropriations to carry out the purposes of the act under several of its sections will expire on September 30, 1985, if the 99th Congress does not take action. The bill we are introducing today would authorize, for a 3-year period, $33.9 million for the Department of the Interior, of which $6 million would be available for State programs, $3.5 million for the Department of Commerce, and $1.85 million for the Department of Agriculture to carry out their responsibilities under the act. For fiscal years 1989 and 1990, a total of $50 million for these agencies would be authorized.

Today, the United States continues to enjoy an abundant diversity of wildlife. This country is home to at least 400 mammal species, 460 species of freshwater fish, and tens of thousands of invertebrate species. There are some 22,000 plant species.

It is estimated that the entire North American Continent lost only about 40 birds and 50 mammalian species during the 3,000 years of the Ice Age. Yet more than 500 species had subspecies of animals and plants have become extinct since the Pilgrims landed at Plymouth Rock.

We almost lost the Whooping Crane from our Texas shores.

Upon enactment of the Endangered Species Act of 1973, the Federal Government set in motion a national program to preserve imperiled plants and animals here and throughout the world.

Through the years as we have reauthorized and amended the act there has continued a healthy debate over various proposed amendments and provisions in the legislation, but there has been no serious challenge to the fact that the act is needed and, in fact, was long overdue.

Appropriations for the Endangered Species Act were reauthorized in 1978, 1979, and 1982. The act was thoroughly reviewed and amended to address the concerns of successive administrations, conservationists, industry, and State wildlife agencies. In my view, it is now time to direct our attention to the manner in which the act is administered. While I will give careful attention to the issues raised as this measure is considered and debated, information that I now have persuades me that a straightforward reauthorization, such as the bill we are introducing today, is the best way to proceed.●

● Mr. MITCHELL. Mr. President, I am pleased to join Senator CHAFEE as a sponsor of the Endangered Species Act of 1985. The Endangered Species Act, like other landmark environmental and conservation laws, receives widespread support in my State of Maine and throughout the Nation. And the United States, because of the protection it affords endangered species, is looked to as an example for other nations throughout the world. This measure reaffirms this country's obligations to help save endangered and threatened plants and animals.

The bill would authorize, for a 3-year period, current funding levels of $33.9 million for the Department of the Interior, of which $6 million would be available for State programs, $3.5 million for the Department of Commerce, and $1.85 million for the Department of Agriculture to carry out their responsibilities under the act. For fiscal years 1989 and 1990, a total of $50 million would be authorized.

Protecting endangered species becomes more crucial with each passing year. As many as one to three species per day are becoming extinct and that rate may increase to one per hour by the end of this decade. As much as 20 percent of all life forms on Earth will be lost by the year 2000.

Some would suggest that we will neither notice nor miss many of the species or their genetic material that is forever lost to us. That is not a risk we should take. Surely our lives would be diminished esthetically by the loss of the bald eagle or the grizzly bear. And our lives would be diminished materially by the loss of the evening primrose with its hoped for application to coronary heart disease, arthritis, or eczema, or the loss of the rare Mexican perennial grass, which may provide us with perennial corn.

Nearly 40 percent of the world's medicines are derived from plant and wildlife species. Extracts from more than 500 species of marine invertebrates have anticancer effects. I for one am not prepared to choose which of these species we can do without. Nor would I prejudge the value of other species whose importance is as yet unknown.

The tragedy of extinction which the Endangered Species Act is meant to guard against is not a tragedy which will occur with fanfare, with warning. Rather, it is the tragedy of small, incremental and irreversible losses in our world's genetic heritage that we may not notice until it is too late. As prudent stewards of our world, we must maintain and strengthen the ability of this law to prevent this loss. That is the nature of endangered species protection to which I am committed and which this legislation reaffirms.

Appropriations for the Endangered Species Act were reauthorized in 1978, 1979, and 1982. On each occasion, the act was substantially amended. The 1978 amendments included a provision to enable exemptions from the act's requirement that Federal projects not endanger species. In 1979, the exemption process was clarified, increased public participation was provided, and earlier discussions of potential problems created by projects was required. In 1982, the reauthorization included amendments to accomplish the following:

Accelerate the listing—or delisting—of species as endangered or threatened;

Ensure that listings are based solely on biological factors;

Acknowledge the responsibility of the States for managing non-endangered resident species of wildlife;

Encourage the establishment of new or experimental populations of endangered species;

Eliminate unfair references in the act of "sporting" activities as a cause of endangerment of species;

Reduce the potential for conflict between sections 7 and 9 of the act;

Streamline and shorten the section 7 exemption process;

Reduce uncertaintly for industry by requiring that permit applicants concur in any extensions of consultation under section 7 of the act; and

Provide additional protection for plants on Federal lands.

The amendments to the Endangered Species Act have reflected the concerns of successive administrations, the States, sportsmen, and other conservationists, and industry. The provisions enhance the workability of the Endangered Species Act while attempting to continue the protection provided endangered species and the preservation of their genetic diversity. They reflect the thorough review which the act has undergone.

It has been beneficial to the act, in most instances, to subject it to scrutiny and evaluation. However, it has become increasingly difficult for the Department of the Interior to promulgate regulations under the act in a timely manner. In addition, concerns have been raised that administration of the act is not consistent. These problems are not surprising given the large number of amendments which have been made to the act in recent years.

The reauthorization which we are introducing today would not amend the act. Based on the information which I have received, I believe that to be the best course of action. I look forward to the hearings and debate on this legislation and will seriously consider any concerns which are raised. However, for now, I favor a reauthorization without amendments so that the Department of the Interior and the U.S. Fish and Wildlife Service can get on with the consistent and thoughtful administration of the act.●

By Mr. MATHIAS:

S. 726. A bill to amend title 4 of the United States Code to complete the official seal of the United States; to the Committee on Foreign Relations.

GREAT SEAL ACT OF 1985

● Mr. MATHIAS. Mr. President, today I send to the desk a bill to authorize the casting of the reverse side of the Great Seal of the United States.

I hope that the entire Congress will act favorably on this particular legislation, as did the Senate in the 2d session of the 98th Congress, and thus fulfill the wishes of our Founding Fathers. In 1782, the Continential Congress approved a two-sided seal to be the official seal of the United States. That seal consisted of the two images found on the back of the $1 bill today: the American eagle and the unfinished pyramid. The eagle, clutching in its talons 13 arrows and the olive branch, has been used as the official seal of our Government for 200 years. But the image of the unfinished pyramid, designed as the reverse of the seal, has never been cast.

In 1884, shortly after the seal's centennial in 1882, Congress approved legislation appropriating funds to complete the seal. But, although the obverse side had been recast several times, the intent of Congress regarding the seal's reverse side was again ignored.

We are now past the end of the seal's bicentennial. It is high time that the reverse side be struck and the seal's imagery completed. Careful thought and consideration went into the design of both sides of the seal; each is significant and emblematic of what our Nation stands for.

I have learned much about the seal's history, its creation and the meaning of its images, from Dr. Robert Hieronimus of Baltimore, who has written extensively on the subject. On June 20, 1982, the bicentennial of the adoption of the Great Seal, he spoke in Philadelphia about its meaning and origins. I commend his remarks on that occasion to my colleagues, and ask unanimous consent that they be printed in the RECORD along with a copy of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE BICENTENNIAL OF THE GREAT SEAL OF THE UNITED STATES

Two-hundred years ago today, as you may already know, was a very important day not only at Independence Hall, but for the entire nation. As Philadelphia celebrates its tricentennial, America celebrates its Great Seal's bicentennial.

On July 4, 1776, Benjamin Franklin, Thomas Jefferson, and John Adams were assigned the task of designing our Country's Great Seal, whose purpose to this day vali-

dates the President's signature and signifies the United States Government. Officially our Great Seal has two sides.

We are most familiar with the Seal's Obverse, or front. It bears an eagle with shield holding thirteen arrows and an olive branch. The Reverse, known primarily from its appearance on the back of the one-dollar bill since 1935, is composed of an unfinished pyramid with an eye in a triangle suspended above it.

The combination of these two images represents what our founding fathers believed to be America's identity, purpose, and destiny.

Let's get back to July 4, 1776, the day of America's independence and the beginning of our nation's Great Seal.

Both Jefferson and Franklin suggested similar biblical themes—the Israelites escaping Pharaoh. John Adams turned to a Greek mythological motif. Much to Franklin's dismay, none of their ideas was adopted. Du Simitière, an artist enlisted by the first committee, is credited with introducing the shield, *E Pluribus Unum*, 1776 (found in Roman numerals on the pyramid's base) and the eye of providence in a triangle.

In 1780, four years later, a second committee was formed. Francis Hopkinson, a native Philadelphian, who designed the first American flag, contributed the red and white stripes within a blue background for the shield, a radiant constellation of thirteen stars, the bundle of arrows, and an olive branch held in the eagle's talons. Perhaps Hopkinson's most significant contribution was made indirectly through his use of an unfinished pyramid on a 1778 fifty-dollar colonial note, which was utilized by William Barton in the third committee of 1782.

Barton was enlisted by the Secretary of Congress, Charles Thomson, for the third and final committee. Barton, an artist and native Philadelphian, suggested an eagle, the unfinished pyramid, and thirteen red and white stripes on the shield. All of his ideas were accepted. Thompson substituted an American bald eagle for Barton's European species and added the two mottoes to the Seal's Reverse—*Annuit Coeptis*, which means "God prospers our undertakings," and *Novus Ordo Seclorum*, "The New Order of the Ages."

On June 20, 1782, after six years of deliberation, the design for America's Great Seal was approved by Congress.

Here we are two hundred years later! You may be asking, "What's so important about America's Great Seal?" Well, bear with me for just a moment more of history.

On Sept. 16, 1782, George Washington used the Obverse Seal on documents negotiating the exchange, subsistence and better treatment of prisoners of war. Perhaps due to expediency, a die for the Reverse was not cut.

In 1825, 1841, 1877, 1885, and 1903 dies were cut for the Obverse of the Great Seal, but the Reverse, with the pyramid and the eye in the triangle, was repeatedly neglected! To this day only half of the United States' Great Seal has been used in its official capacity as defined by the Continental Congress in 1782. Is there some important meaning in this fact?

The Obverse Seal depicts a nation capable of continual rebirth—the eagle is symbolically related to the phoenix. We are strong courageous defenders of justice (arrows), generous and humanistic (olive branch). The cluster of stars above the eagle (which was referred to as a "Crown of Glory") symbolizes the spiritual unity of all, or common purpose of the states. America's destiny is to maintain the principles carried in the eagle's beak. *E Pluribus Unum*—"Out of Many, One." The Obverse Seal thus represents our outer image—what we stand for in the world.

It is the Reverse side of the Great Seal which delineates the significance and values of America's inner strength and accord. The pyramid is symbolic for the strength and duration of matter, the physical nation. Suspended above it is the "All Seeing Eye of Providence" representing inner direction or spiritual guidance. The radiant eye illuminates and completes the unfinished apex of the pyramid. *Annuit Coeptis*, "He favors our undertaking," communicates the union of spirit and matter, a perceived blessing upon *Novus Ordo Seclorum*, America, "the New Order of the Ages".

Throughout the world the pyramid, or mountain, symbolizes a place of initiation where one is introduced to the process of self-reliance. Each stone (individual) contributes to the stability of each layer (state). The interdependent, yet self-governing layers (states), comprise the whole (nation). The pyramid's solidarity depends on the integrity and method of organization used to manifest the principles which guide its construction. The Reverse Seal symbolizes America's inner self.

On May 18, 1982 Senator John Warner of Virginia, on behalf of himself and Senators Goldwater (Arizona), Nunn (Georgia), and Pell (Rhode Island) submitted Resolution No. 394 which calls for the striking of the Reverse Seal's die, as fulfillment of 1782 and 1884 Congressional laws, and that the week beginning June 20 be proclaimed "Great Seal Bicentennial Week, announcing the cutting of dies for the complete Seal". The Resolution came before the Senate floor with an additional twenty-three cosponsors, representing over half the States of the Union.

Two days ago, on June 18, 1982, the Senate voted unanimously in favor of the Resolution. Let us pray that on this day of the Great Seal's Bicentennial, that our Senate's resolution be proclaimed by our Nation's leader, President Reagan.

Several other people must be cited for their determination and conviction that our Founding Fathers' intentions be fulfilled, who in addition to the Senate have participated in an effort to complete America's Great Seal. They are: Barbara Honneger, Donald E. Channell, Chuck Goodspeed, Paul Zammarian, and Jill Meyerhoff-Hieronimus.

For those interested in a comprehensive study of America's Great Seal, the 1978 State Department publication, The Eagle and the Shield, authored by the late Richard S. Patterson and Richardson Dougall, is to my knowledge the finest historical work on the subject.

I am honored to have shared this commemorative day with all of you. Thank you, Mr. Hobart Cawood, Superintendent of Independence National Historical Park, for distributing the Great Seal Brochures which I prepared for this occasion.

Let's remember—We are not just the people from Philadelphia. We are not just the people from the east coast. We are not just the people from America, not North America. We are people from the planet earth. We are earth people.

S. 726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Great Seal Act of 1985".

SEC. 2. The Congress finds that—

(1) the Continental Congress, on June 20, 1782, adopted the design of the Great Seal of the United States consisting of an obverse and reverse side, however, only a die for the obverse side was cut and has been in use since September 16, 1782;

(2) the Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and eighty-five, and for other purposes", approved July 7, 1884 (23 Stat. 194, chapter 332), appropriated funds to cut dies and make appliances to make impressions for both the obverse and reverse sides of the seal, however, only a die for the obverse side was cut; and

(3) the will of the Continental Congress and the United States Congress to cut dies for the complete seal has never been fulfilled. There exists a die and appliances only for the obverse side of the seal.

SEC. 3. The Secretary of State shall cut a die and make appliances for making an impression of the reverse of the seal to complete the official Seal of the United States.

SEC. 4. Section 41 of title 4, United States Code, is amended to read as follows:

"§ 41. Seal of the United States.

"The obverse of the seal heretofore used by the United States in Congress assembled, together with the reverse of such seal as adopted in 1782 by the Continental Congress, is declared to be the seal of the United States.".

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.●

By Mr. HEINZ (for himself, Mr. SPECTER, Mr. MOYNIHAN, and Mr. RIEGLE):

S. 727. A bill to clarify the application of the Public Utility Holding Company Act of 1935 to encourage cogeneration activities by gas utility holding company systems; to the Committee on Banking, Housing, and Urban Affairs.

ENCOURAGING COGENERATION ACTIVITIES BY GAS UTILITY HOLDING COMPANY SYSTEMS

Mr. HEINZ. Mr. President, today I am introducing on behalf of myself and Senators SPECTER, MOYNIHAN, and RIEGLE, legislation to allow the Nation's three registered gas utility holding companies to participate in cogeneration activities.

I introduced virtually identical legislation in September of last year, but unfortunately, there simply was not enough time to enact it before the 98th Congress came to a close. Since then, it has become even more evident that Pennsylvania, along with other States in our region, has tremendous potential for saving energy through the use cogeneration. A recent study prepared for the Department of Energy indicates that—both in terms of total potential power generation and in terms of the number of potential plant sites—Pennsylvania is among the Nation's five States with the greatest cogeneration potential. That study

found 307 potential plant sites in Pennsylvania, as well as 277 potential plant sites in Ohio and 327 plant sites in New York. (See, "Industrial Cogeneration Potential (1980-2000) for Application of Four Commercially Available Prime Movers at the Plant Site," prepared for the U.S. Department of Energy by Dun & Bradstreet Technical Economic Services and TRW Energy Development Group, DOE/CS40403-1, vol. 1 at 41, 60-61 (August 1984)).

In 1978, Congress passed the Public Utility Regulatory Policies Act [PURPA] in response to increasing energy problems. PURPA included incentives for cogeneration activities which were directed to all businesses, to ensure the widest possible utilization of domestic energy resources. However, when Congress passed PURPA, it effectively excluded three companies from participating in cogeneration projects. These companies—Consolidated Natural Gas, National Fuel Gas, and Columbia Gas—are the only natural gas companies registered under the Public Utility Holding Company Act of 1935 [PUHCA].

All three companies have operations in Pennsylvania and throughout the Ohio Valley. This region has an energy-intensive base of industry, and thus cogeneration could substantially reduce its industrial energy costs, retain jobs, avoid plant closings, and help fight foreign competition.

Cogeneration reduces an industrial plant's costs by lowering the cost of needed steam or heat through more efficient energy use. These savings occur because cogeneration makes by-product electricity either from what is otherwise waste heat or through more efficient fuel use. The efficiency of the process also yields facilities which are environmentally sound, and which result in reduced air pollution. The resultant cogeneration benefits are passed onto the industrial customer from third-part cogenerators through various mechanisms such as shared fuel savings or steam price markdowns.

Although cogeneration clearly is taking hold in many U.S. regions, this is not the case in Pennsylvania and the Ohio Valley, where we also find it increasingly difficult to compete with growing and mostly foreign competition. There have been more than 100 plant closings in this region over the past 4 years. Cogeneration offers our heavy industry a chance to become more competitive by reducing an important component of production costs. For example, energy accounts for 30 percent of the materials cost of producing steel, and is an important part of the cost of production of glass, paper, cement, and chemicals.

Current Pennsylvania employment rests on a manufacturing base of 1.1 million jobs, of which some 300,000 are in energy-intensive industries. Over 126,000 jobs are in steel alone. Six large steelmills and additional smaller ones have closed in this region over the last 4 years. Just one cogeneration facility located at a steel plant could help prevent an additional closing and protect 3,000 or more jobs.

However, a given industry cannot always take the lead in developing cogeneration facilities because they require a large capital investment. A cogeneration plant may cost $25 million, in comparison with $1.2 million for a regular steam boiler without cogeneration. While our energy-intensive industries are obviously anxious to reduce their high energy costs, their first order of investment must logically be in areas at the core of their business, such as the improvement or modernization of aging plants and production lines.

The involvement of the three registered gas utilities in cogeneration activities is both seriously needed and eminently logical; 70 to 85 percent of the energy output of a typical cogeneration plant is thermal, not electrical. Thus, cogeneration is a natural outgrowth of the gas industry's thermal knowledge and historic service to its industrial customers. While many cogeneration facilities use natural gas-fired engines or turbines, which are routine in gas pipeline operations, the gas industry's expertise is equally applicable to cogeneration facilities where the fuel source is coal, biomass, or waste fuels.

Mr. President, the registered gas companies, which currently are barred from any cogeneration ownership whatsoever by the oversight I mentioned earlier, appear to have the resources and expertise to assist in the establishment of cogeneration in the Ohio Valley and elsewhere. Their participation could enhance competition for cogeneration projects to the economic benefit of our region and our Nation.

This bill is simple and essentially free standing. It would not amend PURPA; nor would it tamper with any of the broad conceptual issues and safeguards imbedded in both PURPA and PUHCA. The legislation operates principally by allowing the SEC, notwithstanding the limitations in section 11(b)(1) of PUHCA on the operations of registered gas utility holding companies, to permit these companies to participate in cogeneration activities directly or indirectly through subsidiaries. The legislation applies only to those companies.

Finally, the bill does not affect the applicability of the provisions of PUHCA, other than section 11(b)(1), to registered gas utility holding companies. Thus, gas system companies wishing to participate in cogeneration projects will still be subject, for example, to the requirement that they obtain the SEC's permission to acquire assets, securities, or other interests; to the restrictions on intercompany loans and intercompany transactions; and to the requirements of regular reporting and recordkeeping.

Moreover, the SEC will retain the power to investigate and institute enforcement actions and to forbid involvement in any cogeneration or other project which would be detrimental to the public interest, the interests of investors or consumers, or to the proper functioning of the holding company system administered by the SEC.

Mr. President, I urge my colleagues to support this worthwhile legislation which will save energy, protect our environment, and help make American industry more competitive.

Finally, Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 11(b)(1) of the Public Utility Holding Company Act of 1935, a company registered under said Act solely by reason of direct or indirect ownership of voting securities of one or more gas utility companies, or any subsidiary company of such registered company, may acquire or retain, in any geographic area, any interest in any qualifying cogeneration facilities as defined pursuant to the Public Utility Regulatory Policies Act of 1978, and shall qualify for any exemption relating to the Public Utility Holding Company Act prescribed pursuant to section 210(e) of the Public Utility Regulatory Policies Act. Nothing herein shall be construed to affect the applicability of provisions of the Public Utility Holding Company Act, other than section 11(b)(1), to the acquisition or retention of any such interest by any such company.

By Mr. CHAFEE:

S. 728. A bill to prohibit the entry of Japanese telecommunication products until Japanese markets are open to U.S. telecommunication products; to the Committee on Finance.

CONCERNING JAPANESE TELECOMMUNICATION PRODUCTS

● Mr. CHAFEE. Mr. President, for more than 4 years now the administration has worked to achieve a better balance in our bilateral trade relations with Japan. Yet despite the best efforts of our trade negotiators market access in Japan is still far from a reality.

Negotiations toward a more equitable trade relationship with Japan have become a disheartening repetitious game. The Japanese beg for patience while deliberately creating new and sophisticated obstacles to U.S. entry into their markets. We have played out this game on cigarettes, beef, citrus,

and satellites. Now we must play it out again, with predictable results, over telecommunications equipment, electronics, and lumber products. My biggest concern is telecommunications trade, a sector where we make the best equipment in the world.

I have no hopes that the April 1 deadline for new Japanese telecommunications ordinances will bring with it new and major concessions from the Japanese. A few concessions hardly warrant rejoicing over our success. The problems we have had with weak implementation by foot-dragging midlevel bureaucrats in Japan leave no room for optimism that agreed concessions will be implemented to our advantage.

We have no choice but to take drastic steps. I propose that we close our market to Japanese telecommunications equipment until the Japanese are ready to give us true and equal access to theirs. The bill I introduce today would deny entry to their equipment until U.S. trade officials certify that we are able to sell in Japan on the same basis they have been selling to us.

The Japanese telecommunication market, that is, apparent consumption, is about $5 billion, having grown since 1980 by about $200 million per year, according to CRS. Yet, despite our preeminence in telecommunications, the United States ran a $900 million trade deficit with Japan in 1984. Japan's share of our market is growing. According to the International Trade Commission, the growth rates of U.S. imports of telephone and telegraph apparatus from Japan exceeded the rate of increase from all other sources. By 1981, Japan attained almost 50 percent of the market share of imports of these products or $500 million in value. This market share will continue to grow.

How many times do we have to insist that the Japanese markets be opened? American telecommunications and electronics producers clearly deserve a fair chance to compete in the markets of their biggest competitor. Furthermore, Japanese consumers clearly deserve the chance to buy the best products available.

We understand that free and open markets best serve our economic interests. As evidence of our commitment to free and equitable trade with Japan, we have removed restraints on Japanese auto imports. Now we have every right to expect similar concessions from them. Yet no amount of negotiating from our best negotiators will change their approach. The Japanese must see for themselves that their own best interests are served by further trade liberalization. They risk a dangerous and destructive political backlash in this country of their telecommunications ordinances due to be published April 1, and their subsequent implementation of these ordinances, effectively slam the door on U.S. competition. The competitive edge we have in telecommunications products, the market opening that has resulted in this country as a result of the AT&T divestiture, and the opportunities represented by the Japanese market impels us to demand full and true openness before we count these negotiations a success. I am not convinced that a concession or two now by the Japanese after such past recalcitrance in these negotiations should be heralded a success.

Our problem here is not just telecommunications. We have had and will have difficulties with sector after sector. The problem also is not ours alone. The Japanese obsession with an export surplus has meant that all countries with which Japan does business are kept out of its lucrative market.

Of course, a nation should be concerned about its trade balance, just as we are about our mounting and alarming deficit, and its macroeconomic causes. But I do not quarrel per se with the trade deficit we have with Japan. That is not the question or indeed the problem. The real problem is not our imbalance with Japan, but rather the inaccessiblity to that market of our products which are acknowledged to be superior to the products that they are themselves manufacturing.

We need not demand a balance in our trade with Japan. The whole point of trade is to shop around the world for the best available products at the best available prices. And we expect the same attitude from Japan. Foreign firms—not just American ones—that have a natural market in Japan should be able to pursue it. Otherwise the basic political requirement for trade, a sense of mutual advantage, vanishes.

Mr. President, the American people and this Congress have reached a point of frustration. I, for one, one of the most supportive in this body of the accessibility of the American market to Japanese products, have reached my frustration point as well. We must now enact some form of retaliation. This bill I am now introducing is simple and clean cut. It prohibits any entry of Japanese telecommunications products into the United States until our trade officials can certify to this Congress that we enjoy the same access to Japan's telecommunications market that they have enjoyed here. No other solution is available to us. We must act swiftly to maintain the edge we have in this sector. We are not trying to rectify past difficulties. We now have the opportunity to influence Japan's regulatory framework with respect to imports into a newly privatized market where we can be very competitive. If draconian steps are required to exercise this influence then so be it. The United States can no longer afford to be the free and open trading partner in the face of Japan's increasingly merchantilistic policies.

I know many of my colleagues will join me in support of this bill.

I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no telecommunication products produced or manufactured (in whole or in part) in Japan may be entered, or withdrawn from warehouse, for consumption in the customs territory of the United States during the period which—

(1) begins on the date that is 15 days after the date of enactment of this Act, and

(2) ends on the date on which the written statement described in subsection (b) is submitted to the Congress.

(b) The written statement referred to in subsection (a) is a written statement in which the Secretary of Commerce and the United States Trade Representative certify that telecommunication products which are produced or manufactured in the United States have equal access to the markets of Japan.

(c) For purposes of this Act, the term "telecommunication product" means any of the following articles of the Tariff Schedules of the United States (19 U.S.C. 1202):

684.57, 684.58, 684.59, 684.65, 684.66, 684.67, 684.80, 685.10, 685.12, 685.14, 685.16, 685.18, 685.20, 685.22, 685.24, 685.25, 685.28, 685.30, 685.32, 685.34, 685.39, 685.48, 685.49, 688.17, 688.18, 688.41, 688.42, 707.90.●

By Mr. LEVIN:

S.J. Res. 88. Joint resolution to designate the week beginning September 8, 1985, as "National Osteopathic Medicine Week"; to the Committee on the Judiciary.

NATIONAL OSTEOPATHIC MEDICINE WEEK

● Mr. LEVIN. Mr. President, today I am introducing a joint resolution I sponsored during the 98th Congress which will designate the week beginning September 8, 1985, as "National Osteopathic Medicine Week." My colleague from Michigan, Congressman FORD introduced the House counterpart to this joint resolution on February 28, 1985.

Congressional recognition of the osteopathic medical profession is long overdue. While the number of osteopaths has grown steadily during the last 40 years, there are still many Americans that are unaware of the distinctions and the similarities between D.O.'s—doctors of osteopathic medicine—and M.D.'s. Congressional approval of this joint resolution will provide a vehicle for educating the public and will give credit where credit is due.

There are more than 20,500 D.O.'s in the country today providing health

care to Americans. D.O.'s have traditionally been family practice oriented, serving in the small towns and rural communities of America. The D.O.'s approach to treatment stresses care to the entire person, rather than the isolated illness or symptom, because what happens to one part of the body can affect other parts of the body. D.O.'s pay particular attention to the musculoskeletal system, with the goal of improving each patients' physical, emotional and mental well-being.

Mr. President, there are currently 30 osteopathic hospitals in the State of Michigan. Last year I had the opportunity to tour the country's first freestanding osteopathic hospital for children and adolescents in need of psychiatric treatment, which is located in Detroit, MI. The Michigan Osteopathic Medical Center [MOMC] opened its 60-bed Child & Youth Mental Health Hospital in September 1982. We are fortunate to have this unique hospital located in an area of great need in our State.

In Michigan, we are also proud to be the home of the Michigan State University College of Osteopathic Medicine—a leading national medical school. This and other colleges of osteopathic medicine continue to emphasize the importance of making health services available to those persons located in rural areas and in the areas of greatest need.

I hope other Senators will join me in paying tribute to this unique and valuable medical profession. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 88

Whereas osteopathic medicine has been practiced in the United States since 1874 and is based upon the philosophy that every patient should receive complete personal health care;

Whereas the osteopathic profession is dedicated to providing comprehensive health services to entire families, while stressing the uniqueness of each individual;

Whereas more than twenty thousand osteopathic physicians practice throughout the United States, emphasizing primary health care while also representing all medical specialties, caring for more than thirty-five million Americans;

Whereas over two hundred osteopathic hospitals are located in thirty-one States with more than twenty-five thousand beds, providing comprehensive care to approximately eight hundred and seventy-seven thousand patients, and annually accounting for some six and one-half million patient-days of care to the American public; and

Whereas fifteen colleges of osteopathic medicine located throughout the United States currently enroll nearly six thousand students engaged in an education emphasizing a holistic approach to health, focusing (both in didactic and clinical training) on family, community, and preventative medicine, and increasingly, providing a biomedical and behavioral research component: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 8, 1985, is designated "National Osteopathic Medicine Week". The President is requested to issue a proclamation calling upon all Government agencies and people of the United States to observe this week with appropriate ceremonies and activities.●

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. DODD, Mr. BRADLEY, Mr. HATFIELD, Mr. METZENBAUM, Mr. STAFFORD, Mr. GORE, Mr. RIEGLE, Mr. ABDNOR, Mr. ANDREWS, Mr. GLENN, Mr. BURDICK, Mr. CHILES, Mr. CRANSTON, Mr. D'AMATO, Mr. EAGLETON, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. KERRY, Mr. LAUTENBERG, Mr. BYRD, Mr. LEAHY, Mr. LEVIN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. PACKWOOD, Mr. EXON, Mr. PRESSLER, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. ZORINSKY, Mr. HART, and Mr. MATHIAS):

S.J. Res. 89. A joint resolution directing that the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration receive full funding in fiscal year 1985 for grants for individual investigator-initiated research; to the Committee on Appropriations.

DIRECTING FULL FUNDING FOR GRANTS FOR INDIVIDUAL INVESTIGATOR-INITIATED RESEARCH

● Mr. KENNEDY. Mr. President, I rise today to introduce a joint resolution calling for the reversal of the OMB directive limiting NIH and ADAMHA funding to 5,462 new and competing grants this fiscal year.

The administration has not requested a rescission or a deferral. Instead, OMB has directed NIH and ADAMHA to change their normal practice of making 1 year renewable grants and to make 2 or 3 year grant awards to enough grantees to use up the money appropriated for fiscal year 1985. This action is a clear violation of the spirit of the Congressional Budget and Impoundment Act and could be used to evade congressional intent for programs in many other areas of the budget. Indeed, if the administration is allowed to follow this procedure, the Congressional Budget and Impoundment Act requirement for congressional approval of rescissions and deferrals might as well be repealed.

The administration's apparent contempt for congressional intent is even more startling in view of the fact that the congressional mandate for an expanded NIH research effort was a key part of the compromise, supported by the administration, that permitted last year's Republican budget resolution to pass the Senate.

Not only does this action jeopardize future good-faith negotiation, but the directive is bad policy. The congressional target of 7,083 new grants is not capricious or arbitrary. Studies dating from 1979 and 1980 in both HEW and the Institute of Medicine focused on serious concerns in the scientific community regarding funding of biomedical research. The number of funded grants was neither stable nor adequate to capture the cascade of new knowledge occurring. Recommendations from those studies included an increase in funding so that more projects judged excellent would be undertaken, and that a stable funding base be established for 5,000 grants a year, with steady growth upward, in the number to be funded.

That base has now been interpreted by the administration as a ceiling. In fact, the number of grants to be funded in fiscal year 1985 under the OMB directive would be nearly 10 percent below the number funded the previous year.

The administration's action ignores the widely recognized fact that science is on the frontier of critical breakthroughs in the diagnosis and treatment of diseases that impose hardships and suffering on millions of Americans. The short-term budget savings that may arise from reducing this critical research effort will be paid for many times over in the form of premature death and unnecessary illness for millions of Americans.

Thirty-three of my distinguished colleagues join me in sponsoring this resolution to overturn the unwise directive from OMB, and to reinstate full NIH funding for fiscal year 1985.

● Mr. GORE. Mr. President, I am pleased to join in introducing this important corrective legislation, which will reverse the Office of Management and Budget's arbitrary cut in research support for the National Institutes of Health. At issue is not only our continuing ability to fight disease and improve the health of the American people, but also the prerogative of the Congress to ensure that the laws it writes are properly administered.

OMB has ordered NIH to ignore a congressional mandate to fund approximately 6,500 new and competing research grants in fiscal year 1985 and instead fund only 5,000, a level actually below last year's level. The administration has not requested a rescission or deferral. Instead OMB has directed NIH to forward fund enough grantees to use up the money appropriated for fiscal year 1985 while keeping the number of grants awarded at 5,000. If we allow the administration to follow this procedure, the Congressional Budget and Impoundment Act requirement for congressional approval of rescissions and deferrals becomes meaningless.

Biomedical research is essential to our fight against disease, and the re-

search programs at NIH, including grants, program projects, clinical research centers, and research training, have repeatedly proven their value in this effort. We do not need to apologize for the level of support health reseach receives. We will, however, need to apologize to millions of our citizens and their families if we allow the support to erode as the administration has directed.

The effect of OMB's directed cuts undermine our efforts far more deeply and dangerously than the immediate losses in these programs.

One side effect that is deeply disturbing is that these cuts, if allowed to stand, will create a systematic bias against innovative research, research that is often considered risky but which can result in quantum leaps forward in our understanding. Under the current system, approved research proposals are scored on a scale of 100 to 500 by the individual study sections within each Institute. A score of 100 being the best and 500 being the lowest. With the OMB directed cuts most Institutes will be forced to limit funding to only those proposals that score higher than 150. This will eliminate all but safe, established research, since a single low score by a member of a study section, which is likely in the case of an innovative proposal, would often mean a final score lower than the 150 cutoff.

Of equal concern, to allow the cuts OMB has directed, will send a message to our young promising researchers that as a nation we have lost our commitment to excellence in biomedical research. We will be telling them to look for a career elsewhere. This would be tragically shortsighted and we must not allow this to happen.

The resolution we are introducing today states in clear, unmistakable terms Congress' commitment to assure that its legislative intent is followed. Its enactment will assure our young researchers and the public that the Nation's commitment to better understanding the mechanisms of disease will not falter.

Mr. President, we are on the verge of critical breakthroughs in the diagnosis and management of our most costly diseases. Costly in suffering and in dollars. I believe the opportunities for progress have never been better. Let us make certain that we will continue to see our past efforts through.

I urge all of my colleagues to join us and insure swift enactment of this important measure.●

Mr. GLENN. Mr. President, I am pleased to join Senator KENNEDY and over 30 of our colleagues in introducing this resolution which reaffirms our commitment to federally funded biomedical research. At the same time, I regret that this resolution in necessary to ensure that the administration follows the clear congressional intent of the law. The purpose of Senate Joint Resolution 89 is to reverse the arbitrary decision of the Office of Management and Budget [OMB] to significantly reduce the number of congressionally approved biomedical research grants awarded by the National Institutes of Health [NIH], and the Alcohol, Drug Abuse, and Mental Health Administration [ADAMHA].

Last year, in approving the 1985 appropriations bill for NIH and ADAMHA, both the Senate and House Appropriations Committees and the Congress approved funding to award approximately 7,083 new and competing individual investigator initiated research grants. However, OMB has directed NIH and ADAMHA to change from their normal practice of making 1-year renewable grants to making 3-year grant awards to enough grantees to obligate the money appropriated for fiscal year 1985. In practice, this directive will fund only 5,462 new research grants, a number which is actually below last year's level.

The congressional target of 7,083 new grants was not a random figure that emerged from the respective Appropriations Committees. Rather, it was based on independent studies of biomedical research needs. The target recognizes that science is on the frontier of critical breakthroughs in the diagnosis and treatment of diseases that impose hardships on millions of Americans. These diseases include Huntington's disease, multiple sclerosis, Alzheimer's disease, arthritis, and diabetes.

As the senior Democrat on the Senate Special Committee on Aging, I cannot support such a penny-wise and pound-foolish approach to medical research. In recent years we have witnessed a steady decline in the percentage of important NIH-approved research proposals that have been funded. Such a reduction in the Federal Government's commitment to basic, fundamental research is unacceptable to me and represents what I believe to be misunderstanding of national priorities.

The resolution we are introducing today directs that the National Institutes of Health, and the Alcohol, Drug Abuse, and Mental Health Administration receive full funding in fiscal year 1985 for grants for individual investigator-initiated research. It overturns the administration's action and assures that the legislative intent of Congress is followed. I urge my colleagues to join in cosponsoring this important legislation.

By Mr. NUNN (for himself, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. CRANSTON, Mr. EVANS, Mr. FORD, Mr. HEFLIN, Mr. JOHNSTON, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. PACKWOOD, Mr. PRYOR, Mr. SASSER, Mr. STENNIS, Mr. SYMMS, and Mr. WARNER):

S.J. Res. 90. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America; to the Committee on the Judiciary.

75TH ANNIVERSARY OF THE BOY SCOUTS OF AMERICA

● Mr. NUNN. Mr. President, I am pleased to offer today, along with 22 cosponsors, a Senate joint resolution officially recognizing the year 1985 as the "75th Anniversary of the Boy Scouts of America." This measure is designed to honor the nearly 5 million members and volunteers of this organization and to recognize the contributions of Scouting to American life.

The Boy Scouts of America was incorporated by William Boyce here in Washington, DC, on February 8, 1910. It has grown and flourished through the years and is now the largest volunteer organization of its kind in the world.

For 75 years the Boy Scouts of America has been preparing boys for manhood with a solid background in self-sufficiency and moral integrity. The purpose of Scouting is clear: To build leadership, forge a sense of ethics, expand personal horizons, and promote both physical and mental fitness. Its values are stated in the Scout law:

> A Scout is trustworthy, loyal, helpful friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent.

And the spirit of Scouting is summed up in its famous motto, "Be Prepared."

However, there is one aspect of Scouting that deserves special recognition. The Boy Scouts of America has taught young men the value of being good American citizens. This organization helps train the American citizens we will rely on to protect our liberty in the years ahead. Let us not underestimate the value of this training. As the world has changed in the past 75 years, and Scouting with it, this is one constant in the Boy Scouts: the preparation of good citizens.

Many Americans, from statemen to astronauts, have participated in Scouting and benefited from its program. In fact, many Members of this body are former Scouts, and seven colleagues, in addition to myself, are former eagle Scouts. As you know, the eagle rank is the highest rank in Scouting. The Scout who attains this rank must be physically strong, mentally awake, morally straight, self-reliant, responsible, and a good outdoorsman. The eagle Scout must also give service to his home, school, and community. I count my attainment of eagle rank as one of my greatest and most satisfying achievements.

Mr. President, the celebration of the Diamond Jubilee of the Boy Scouts of America provides an excellent opportunity to recognize the contribution of this organization to the enrichment of our Nation's young people, and to congratulate and commend the volunteer adult leaders who make the Scouting program possible. I hope the Senate will act expeditiously in honoring this organization by designating 1985 as the "75th Anniversary of the Boy Scouts of America."

Mr. President, I ask unanimous consent that the full text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 90

Whereas the Boy Scouts of America is our Nation's largest organization for young people and has served our Nation's youth since the founding of the organization in 1910;

Whereas more than 70 million people have benefited from membership in this highly regarded youth organization, and millions more have benefited from the service, inspiration, and leadership provided by the Boy Scouts;

Whereas Scouting builds character and fitness, teaches good citizenship skills, and provides leadership development opportunities for all young people regardless of their race, religion, or socio-economic background;

Whereas the Boy Scouts encourages conservation of natural resources through environmental awareness;

Whereas the Boy Scouts has remained true to its original values and purposes as outlined in its Federal charter, while also demonstrating its ability to be innovative;

Whereas the Scout Oath, Scout Law, Scout Slogan, and Scout Motto, which express the essential principles of Scouting, are the same now as they were in 1910;

Whereas Scouting is supported by religious, civic, educational, fraternal, and community organizations, and is encouraged by the continued commitment of such organizations to its values, ideals, and traditions;

Whereas the Boy Scouts of America is moving into the future with even greater emphasis on personal ethics, values, and the importance of the family;

Whereas many Members of Congress have participated in the Boy Scouts, including some who have become Eagle Scouts; and

Whereas the 75th anniversary of the founding of the Boy Scouts of America provides an opportunity to recognize the contribution of the organization to the improvement of our Nation's youth and to congratulate and commend the volunteer adult leaders who make the Boy Scouts possible: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year 1985 is designated as the "75th Anniversary of the Boy Scouts of America", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such year with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 12

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 12, a bill to protect communications among Americans from interception by foreign governments, and for other purposes.

S. 63

At the request of Mr. GOLDWATER, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 63, a bill to encourage the rendering of inflight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies.

S. 84

At the request of Mr. INOUYE, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Florida [Mrs. HAWKINS], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of S. 84, a bill to incorporate the Pearl Harbor Survivors Association.

S. 210

At the request of Mr. D'AMATO, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Alabama [Mr. DENTON] were added as cosponsors of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of social security benefits.

S. 260

At the request of Mr. HEINZ, the names of the Senator from Illinois [Mr. DIXON], the Senator from Hawaii [Mr. INOUYE], the Senator from Michigan [Mr. RIEGLE], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 281

At the request of Mr. PRYOR, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 329

At the request of Mr. HECHT, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 329, a bill entitled the Highway Speed Modification Act of 1985.

S. 352

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 352, a bill to amend the Urban Mass Transportation Act of 1964.

S. 410

At the request of Mr. JOHNSTON, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 410, a bill to repeal the Commercial and Apartment Conservation Service, and for other purposes.

S. 477

At the request of Mr. ANDREWS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 477, a bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition.

S. 509

At the request of Mr. LEVIN, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 509, a bill to extend the Federal Supplemental Compensation Act of 1982.

S. 531

At the request of Mr. DECONCINI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 531, a bill to authorize the appropriation of funds for the operation and maintenance of a special operations wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Enforcement, and to require certain reports.

S. 571

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 571, a bill to amend subchapter II of chapter 53 of title 31, United States Code, relating to currency reports.

S. 572

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 572, a bill to amend title 18, United States Code, to create an offense prohibiting the laundering of money in the furtherance of criminal activities.

S. 598

At the request of Mr. KASTEN, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 598, a bill to make persons who produce agricultural commodities on highly erodible land ineligible for certain agricultural benefits, and for other purposes.

S. 664

At the request of Mr. NICKLES, the name of the Senator from Missouri

[Mr. DANFORTH] was added as a cosponsor of S. 664, a bill to facilitate the competitiveness of exports of U.S. agricultural commodities.

SENATE JOINT RESOLUTION 1

At the request of Mr. KENNEDY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 1, a joint resolution calling for a mutual and verifiable freeze and reduction in nuclear weapons.

SENATE JOINT RESOLUTION 20

At the request of Mr. SYMMS, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 20, a joint resolution proposing an amendment to the Constitution of the United States with respect to the English language.

SENATE JOINT RESOLUTION 22

At the request of Mr. HOLLINGS, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 22, a joint resolution designating March 1985 as "National Mental Retardation Awareness Month."

SENATE JOINT RESOLUTION 28

At the request of Mr. BOSCHWITZ, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 29

At the request of Mr. GLENN, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 29, a joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 46

At the request of Mr. MATSUNAGA, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 46, a joint resolution relating to NASA and cooperative Mars exploration.

SENATE JOINT RESOLUTION 50

At the request of Mr. RIEGLE, the names of the Senator from Nevada [Mr. LAXALT], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 50, a joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

SENATE JOINT RESOLUTION 59

At the request of Mr. HATCH, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Maryland [Mr. SARBANES], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Alabama [Mr. HEFLIN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate "National Science Week."

At the request of Mr. CRANSTON, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 59, supra.

SENATE JOINT RESOLUTION 70

At the request of Mr. ZORINSKY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Joint Resolution 70, a joint resolution to proclaim March 20, 1985, as "National Agriculture Day."

SENATE JOINT RESOLUTION 72

At the request of Mr. DANFORTH, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of Senate Joint Resolution 72, a joint resolution to designate October 16, 1985, as "World Food Day."

SENATE JOINT RESOLUTION 79

At the request of Mr. MATHIAS, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 79, a joint resolution to designate April 1985, as "Fair Housing Month."

SENATE JOINT RESOLUTION 82

At the request of Mr. DANFORTH, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 82, a joint resolution to designate the week of March 17, 1985, through March 22, 1985, as "National Camp Fire Week."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from New Mexico [Mr. DOMENICI], and the Senator from Florida [Mr. CHILES] were added as cosponsors of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE RESOLUTION 82

At the request of Mr. D'AMATO, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of Senate Resolution 82, a resolution to preserve the deduction for State and local taxes.

SENATE RESOLUTION 92

At the request of Mr. KASTEN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Resolution 92, a resolution calling for imposition of countervailing duties on pork.

SENATE RESOLUTION 103—EXPRESSING THE SENSE OF THE SENATE WITH REGARD TO AGRICULTURAL TRADE NEGOTIATIONS WITH THE SOVIET UNION

Mr. SIMON submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 103

Whereas it is in the best interest of the United States to take advantage of the significant Soviet market for agricultural and food processing equipment and technology, hereafter in this resolution referred to as "agricultural products," particularly agricultural products relating to seed and seed stock, breeding livestock, fertilizers and other agricultural chemicals, irrigation, deslination and drainage systems, and food processing;

Whereas expanded exports of agricultural products would increase production, employment, sales, and profits in a sector suffering the effects of severely depressed domestic market conditions;

Whereas the Government of the Soviet Union has declared its intention to expand significantly imports of agricultural products;

Whereas the United States continues to be consigned to the position of supplier of last resort in this important market, despite the fact that the United States enjoys an unparalleled competitive advantage in agricultural products;

Whereas increased exports to the Soviet Union would expand sales to a market with which the United States has traditionally enjoyed a bilateral trade surplus and would further help redress an historically high United States trade deficit;

Whereas in addition to the direct bilateral benefits of increased sector sales, expanded exports to the Soviet Union would indirectly enhance the global technological competitiveness of United States suppliers of agricultural products;

Whereas expanded trade in agricultural products would improve a deteriorated East-West political climate and, in general, would enhance prospects for progress on a wide range of unresolved bilateral issues, among them arms control, regional issues, and human rights;

Whereas exports of non-strategic products with no direct military significance should be limited only by free market forces;

Whereas restricting trade in non-strategic products, as was demonstrated by the grain embargo, is neither an appropriate nor an effective means of furthering foreign policy objectives; and

Whereas the 1983-88 long-term grain agreement between the United States and Soviet Union has proven the effectiveness of a bilateral trade agreement in restoring confidence in the United States as a reliable trading partner: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should, as soon as practicable after the date of the adoption of this resolution, report to the Congress his intention to initiate negotiations on a five-year agreement on trade in agricultural products with the Government of the Soviet Union, to be effective as soon as possible, but not later than October 1, 1985. Such an agreement should include—

(1) provisions for expanded trade in agricultural products;

(2) provisions for information exchanges and trade facilitation, as well as assurances that United States suppliers of agricultural products will receive fair and equal access to the Soviet market; and

(3) credible mutual assurances, pursuant to the policy contained in Article II of the American-Soviet grain agreement, signed August 25, 1983, that contracts for agricultural products shall be fully performed by both countries.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President, the Secretary of State, the Secretary of Agriculture, The Secretary of Commerce, and the United States Trade Representative.

● Mr. SIMON. Mr. President, I am pleased today to submit a resolution expressing the sense of the Senate that the President promptly initiate negotiations with the Soviet Union on expanded trade in farm and food processing equipment and technology.

The resolution urges that an export control exemption, comparable to that contained in article II of the 1983-88 long-term grain agreement, be a part of such an agreement.

In brief, the agreement would: Restore confidence in the United States as a reliable supplier, and thus work to open up the important Soviet market to U.S. exporters; improve the health and profitability of the Nation's seriously depressed farm equipment industry, at the same time helping to redress a trade deficit of unprecedented proportions.

The Soviet Union has embarked on an ambitious program to expand its food production and processing capabilities. Significantly expanded farm equipment imports figure prominently in their plans. U.S. suppliers badly need the opportunity to compete for this new business.

Finally, improved trade ties with the Soviet Union would help improve the climate in East-West relations, thereby enhancing prospects for progress on a broad range of unresolved bilateral issues, among them arms control, regional concerns, and human rights.●

SENATE RESOLUTION 104—COMMENDING SENATOR GARN

Mr. HATCH (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 104

Whereas Senator JAKE GARN will become a pioneer as the first Senator to be a crew member on the Space Shuttle Challenger; and

Whereas he will make a lasting contribution to the scientific community by providing historic medical and life sciences data as a payload specialist; and

Whereas Senator GARN will serve as an outstanding example of how a non-astronaut can play a vital role in the space program; and

Whereas he will be utilizing the talents and experience accrued over many years as a pilot; and

Whereas he will acquire first-hand knowledge of the space shuttle program that will be of invaluable assistance as he continues his legislative leadership role in the space program; and

Whereas Senator GARN brings honor and respect to himself and to the United States Senate with his courage, skill and determination, so therefore, be it

Resolved That Senator JAKE GARN is hereby commended for his dedication to his country and the pursuit of excellence in the United States space program.

SENATE RESOLUTION 105—DESIGNATING HENRY OSSIAN FLIPPER DAY

Mr. MATTINGLY submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 105

Whereas March 21, 1986, marks the one hundred and thirtieth anniversary of the birth of Henry Ossian Flipper;

Whereas Henry O. Flipper was born into slavery in Georgia;

Whereas Henry O. Flipper attended the United States Military Academy from 1873 until 1877 where, in the face of the ostracism and racial prejudice of his fellow students, he exhibited extraordinary courage, dignity, and perseverence;

Whereas in 1877 Henry O. Flipper became the first black graduate of the United States Military Academy;

Whereas Lieutenant Flipper was an officer in the Army until 1882 and served with distinction in the Victorio campaign of 1880;

Whereas he continued to serve his Nation for the next fifty years, in spite of the fact that his military career was terminated in 1882 by a court martial which was later proved erroneous;

Whereas, on December 13, 1976, the Army Board for Corrections, upon reconsidering the court martial of Lt. Henry O. Flipper, directed that records be corrected to show that he was separated from the Army on a Certificate of Honorable Discharge as of June 30, 1882;

Whereas Henry O. Flipper held important positions in the Federal civil service, including special agent for the Court of Private Claims for the Department of Justice and special assistant to the Secretary of the Department of the Interior;

Whereas Henry O. Flipper's engineering accomplishments, including "Flipper's Ditch", now a National Historic Landmark at Fort Sill, Oklahoma, are credited with improving life in the Southwest;

Whereas Henry O. Flipper was also an author, newspaper editor, cartographer, interpreter, translator, surveyor, and authority on Mexican laws; and

Whereas Henry O. Flipper's life exemplified the United States Military Academy motto of "Duty, Honor, Country", and his accomplishments were remarkable in an era when blacks were denied certain rights: Now, therefore, be it

Resolved, That the Senate declares March 21, 1986 as "Henry Ossian Flipper Day", and encourages the people of the United States to observe this day with appropriate ceremonies and activities.

Mr. MATTINGLY. Mr. President, tomorrow marks the 129th anniversary of the birth of Henry Ossian Flipper. Henry Flipper was one of Georgia's outstanding native sons—a man who was born into slavery in Georgia but who rose above the social injustices of his day and served this Nation for over 50 years in the military, the Federal civil service, and in a distinguished private career. When Flipper, the first black graduate of the U.S. Military Academy, died in Atlanta in 1940, he did so in relative obscurity. In recent years, however, a number of historians have turned their attention to a study of Henry Flipper's life and have found in it the chronicle of a truly great American. His is a legacy of courage, honor, patience, perseverence, service, and longsuffering. I believe we as Americans are long overdue in recognizing his accomplishments and I rise today to bring attention to his inspiring story—to recount briefly some of his major contributions to our Nation and to introduce a resolution to declare March 21, 1986, the 130th anniversary of his birth, as "Henry Ossian Flipper Day."

In 1873, at the age of 19, Henry Flipper entered the U.S. Military Academy at West Point. He was not the first black man to do so. In fact, five other blacks had preceeded him to West Point. But 4 years later in 1877 Henry O. Flipper became the first black to graduate from the Academy and to receive a commission in the Regular Army.

Those 4 years at West Point were a trial for Henry Flipper. His fellow students maintained a virtual silence toward him, speaking to him only to mock or taunt or to insult him. Such ostracism and overt prejudice would have defeated a lesser man and filled him with hatred. But such was not the case with Henry Flipper. His own words are profound and moving. For despite painful adversity, he resolved that "the kind of treatment we receive at the hands of others depends entirely upon ourselves." And he went on to say in his testimonial a colored cadet at West Point, "there is a certain dignity in enduring prejudice which evokes praise from those who indulge it, and also often discovers to them their error and its injustice." Time proved Flipper right, for when his name was called at commencement the crowd and his fellow cadets applauded him.

The Army's first black officer accepted a commission in the 10th Calvary, one of the Army's two Negro mounted units, the "Buffalo Solders." Flipper was sent first to Texas and from there to Oklahoma, then Indian

territory. From his commissioning until 1882. Lieutenant Flipper performed distinguished field duty during the 1880 Victorio Campaign and served at Forts Elliott, Condro, Quitman and Davis in Texas and Fort Sill, OK. During this time he was responsible for the engineering and construction of "Flipper Ditch," now a national historic landmark in Fort Sill. That ditch was credited with draining the mosquito-infested swamp and improving life at the malaria plagued post. In addition, he was responsible for constructing a wagon road from Fort Sill to Gainesville, TX, and for installing a telegraph line form Fort Elliott to camp supply, Indian territory.

The tragic side of Henry Flipper's life was a dishonorable discharge from the Army in 1882 for conduct unbecoming an officer and a gentleman. Lieutenant Flipper knew that his court martial was unjust, and for the next 50 years he worked unsuccessfully to have it proved erroneous. In 1976, 36 years after his death, however, his court martial was reconsidered. At last, Lieutenant Flipper, was exonerated. The Army Board of Correction of Military Records ordered the record corrected to show that Lieutenant Flipper was separated from the Army on a certificate of honorable discharge as of June 30, 1882. Lieutenant Flipper's remains were moved from a grave in Atlanta and reinterred in his birthplace, Thomasville, GA, where he was given a burial with full military honors.

An interesting reenactment of Lieutenant Flipper's court martial entitled "The Trial of Henry Flipper" was aired by PBS television here in the Washington area during Black History Month in February. In addition, the court martial has been the subject of several historians' study. One such article, "The Court Martial of Lieutenant Henry O. Flipper: An Example of Black-White Relationships in the Army, 1881," by Dr. Bruce J. Dinges, examines the racial prejudice issue which led to the Flipper trial and verdict.

After his dismissal from the Army, Flipper embarked on an outstanding career in the service of this Nation through private business and then Federal civil service. Lesser men who had undergone such an unjust ordeal would not have continued in the service of the country at whose hands he had been shamed. But once again, Henry Flipper demonstrated the remarkable strength of his character.

In 1891, Flipper successfully represented the town of Nogales, AZ, before the court of private land claims. Later he was appointed as a special assistant of the Justice Department for the court of private claims and during his tenure in that position he is credited with saving the Government thousands of acres of disputed land in the Southwest.

During his time in civilian life, when he had served as chief engineer for the Sierra Mining Co., Flipper became a friend of Albert B. Fall of New Mexico. When Senator Fall's Foreign Relations Subcommittee was holding hearings on the impact of the Mexican Revolution on the U.S. economy, he summoned his friend Flipper to Washington to serve as interpreter and translator for the subcommittee. Fall was made Secretary of the Interior under President Harding and he appointed Flipper as his special assistant at the Interior Department. This appointment made Flipper among the highest ranking blacks in the U.S. Government at the time.

Mr. President, the accomplishment which I have recounted do not begin to give a full account of Henry Flipper's contributions to the Nation he loved. They do, I believe, provide a convincing case that Henry Flipper played a significant role in the history of this country. Ernest Hemingway defined a hero as one who exhibited "grace under pressure." By that definition, Henry Ossian Flipper is a hero indeed. But for too long, he has been an unrecognized, a forgotten hero. I believe that it is time we changed that. I have joined with a number of citizens from Thomasville, Flipper's hometown, and from elsewhere throughout the State of Georgia and the Nation, as well as several of my colleagues, in requesting that a commemorative postage stamp be issued in his honor. The measure I am submitting today is another means of bringing well-deserved recognition to Henry O. Flipper. I urge my colleagues to cosponsor and support this resolution to declare March 31, 1986, as "Henry Ossian Flipper Day."

SENATE RESOLUTION 106—COMMENDING LT. GEN. LINCOLN D. FAURER FOR DISTINGUISHED SERVICE

Mr. DOLE for Mr. DURENBERGER (for himself, Mr. LEAHY, Mr. COHEN, Mr. HATCH, Mr. MURKOWSKI, Mr. HECHT, Mr. MCCONNELL, Mr. BENTSEN, Mr. EAGLETON, Mr. HOLLINGS, Mr. BOREN, Mr. GOLDWATER, Mr. MOYNIHAN, Mr. CHAFEE, Mr. LUGAR, Mr. WALLOP, Mr. BIDEN, Mr. NUNN, and Mr. EXON) submitted the following resolution; which was considered and agreed to.

S. RES. 106

Whereas Lieutenant General Lincoln D. Faurer, United States Air Force, has served his nation with dedication, honor and distinction for 35 years since his graduation from the United States Academy in 1950;

Whereas General Faurer's career has been one of outstanding accomplishment and devotion to duty, culminating with four years of service as Director of the National Security Agency, where he has been responsible for managing some of our country's most complex and technologically sophisticated intelligence collection systems;

Whereas General Faurer's many commendations and awards testify to his extraordinary skill and outstanding leadership;

Whereas during a period of rapid technological change and accelerated demand for timely, accurate Signals Intelligence information to support both national and defense intelligence requirements, General Faurer has guided the National Security Agency to unprecedented levels of achievement and has thus made a major contribution to the national security of the United States;

Whereas General Faurer also has made significant contributions to the successful furthering of National Security Agency missions involving communications and computer security through his energetic and effective management of complex, rapidly evolving programs;

Whereas General Faurer has earned the respect, admiration, and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former Members of the Intelligence Committees of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our nation's intelligence activities: Now, therefore, be it

Resolved, That on the occasion of his retirement from active duty, the United States Senate express and record its deep appreciation to Lieutenant General Lincoln D. Faurer for his exceptionally distinguished service to the United States Air Force, the national and defense intelligence communities, and the national security of the United States.

AMENDMENTS SUBMITTED

DEVELOPMENT AND SECURITY ASSISTANCE AUTHORIZATION

DODD AMENDMENT NO. 17

(Ordered referred to the Committee on Foreign Relations.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill (S. 660) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes; as follows:

On page two, line 8, and on page two, line 12, strike out "$5,655,000,000" in both places and insert in both places in lieu thereof "$5,464,500,000"; and

On page eleven, line 17, strike out "$949,350,000" and insert in lieu thereof "$805,100,000"; and

On page thirteen, line 3, strike out "$65,650,000" and insert in lieu thereof "$56,221,000"; and

On page fifteen, line 20, strike out "$2,824,000,000" and insert in lieu thereof "$2,626,000,000"; and

On page seventeen, line 10, strike out "$792,352,000" and insert in lieu thereof "$755,551,000"; and

On page eighteen, line 25, strike out "$223,071,000" and insert in lieu thereof "$200,000,000"; and

On page thirty-one, line 12, strike out "$57,529,000" and insert in lieu thereof "$50,217,000".

Mr. DODD. Mr. President, today I am introducing an amendment to the President's foreign assistance authorization request, for the purpose of reducing the funding level of those programs which would otherwise receive higher funding than is currently provided by the continuing resolution of appropriations for fiscal year 1985. Adoption of my amendment would reduce the President's fiscal year 1986 request by a total of $609,363,000 and would basically freeze foreign aid at the present level of funding.

The only exception authorized by my amendment is one which allows for increased military assistance to Israel and Egypt. The President has requested an additional $525 million in foreign military sales grants for these two countries. My amendment permits this increase, but does so without sacrifice to the overall savings of $600 million-plus.

Mr. President, I take this action because I believe that foreign aid can no longer be immune from the necessary budget cuts the Congress is imposing in virtually all other areas of Federal spending. When we are sacrificing our young, surely foreign aid should not be treated as a sacred cow. But that is what the President's foreign aid request would have us do. Without any increase for Israel, the President's fiscal 1986 Economic Support Fund [ESF] request shows a 7.5-percent increase. That is too high. Without any increase for Israel, the request for grant Military Assistance [MAP] shows an increase of 18 percent. That is too high. And the total request for all military aid and related programs shows a hefty increase of 12.8 percent. That is too high.

My amendment simply returns these increases, with the sole exception of additional FMS grants for Israel and Egypt, to their current funding level. This amounts to a modest cut of 4.1 percent in the President's total foreign aid request of $14.8 billion. I am convinced this reduction can be absorbed without any damage to the goals or objectives of the program.

Mr. President, when the Foreign Relations Committee meets next week to mark up this legislation, it is my intention to propose these reductions as a framework for arriving at a new foreign aid total—one which for all practical purposes is equal to the present level of funding. I hope this new total will be approved by the committee, but just as importantly, I hope the committee will agree to shift aid resources to reflect a more balanced approach in our foreign aid programs.

I want to make it clear, for example, that I am deeply concerned by the proposed reductions in important efforts such as the Child Survival Fund—zeroed out in the President's request—or in health programs which are cut by 34 percent. The reallocation of resources from these important development efforts to military and security assistance programs is something we must address in the committee's markup, and I want to stress that my amendment does not prejudice the case regarding these matters. Indeed I intend to join with other of my colleagues in restoring some of these reductions—but within the reduced total my amendment would establish.

Mr. President, I ask unanimous consent that a table showing the impact of the amendment be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

IMPACT OF PROPOSED DODD AMENDMENT TO S. 660

Account	Fiscal year 1985 CR	Fiscal year 1986 request	Lower of CR or request	Amendment savings
Agriculture	755,551,000	792,352,000	755,551,000	36,801,000
Population	290,000,000	250,017,000	250,017,000	0
Health	223,138,000	146,427,000	146,427,000	0
Child Survival Fund	25,000,000	0	0	0
Education	188,833,000	183,533,000	183,533,000	0
Energy, SDA	200,000,000	223,071,000	200,000,000	23,071,000
ASHA	30,000,000	10,000,000	10,000,000,	0
Disaster	25,000,000	25,000,000	25,000,000	0
Sahel	97,500,000	80,500,000	80,500,000	0
Subtotal, AID	1,835,022,000	1,710,900,000	1,651,028,000	59,872,000
ESF [1]	2,626,000,000	2,824,000,000	2,626,000,000	198,000,000
Peacekeeping	44,000,000	37,000,000	37,000,000	0
AID Operating Expense	391,533,250	387,000,000	387,000,000	0
Trade Credit Program	(300,000,000)	(200,000,000)	(200,000,000)	0
TDP	21,000,000	20,000,000	20,000,000	0
HIGS	40,000,000	0	0	0
Housing Guaranty Authority	(160,000,000)	(45,000,000)	(45,000,000)	0
International Narcotics Control	50,217,000	57,529,000	50,217,000	7,312,000
International organizations and programs	358,676,000	196,211,000	196,211,000	0
Antiterrorism	5,000,000	5,000,000	5,000,000	0
Military AID (MAP)	805,100,000	949,350,000	805,100,000	144,250,000
IMET	56,221,000	65,650,000	56,221,000	9,429,000
FMS [2]	4,939,500,000	5,655,000,000	5,464,500,000	190,500,000
Guaranty reserve	109,000,000	0	0	0
Subtotal, military	5,909,821,000	6,670,000,000	6,325,821,000	344,179,000
Total	11,281,269,250	11,907,640,000	11,298,277,000	609,363,000

[1] ESF levels are net of AID to Israel.
[2] The Dodd amendment provides a $400,000,000 increase for Israel and a $125,000,000 increase for Egypt.

FAMINE RELIEF AND RECOVERY IN AFRICA

MELCHER (AND OTHERS) AMENDMENT NO. 18

Mr. MELCHER (for himself, Mr. METZENBAUM, Mr. BOREN, Mr. BAUCUS, and Mr. DOLE) proposed an amendment to the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes; as follows:

At the appropriate place in the Act insert the following:

DISPOSITION OF ADDITIONAL AGRICULTURAL COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for fiscal year 1985, not less than two hundred thou-

sand metric tons of agricultural commodities: *Provided*, That not less than one hundred thousand metric tons of the commodities made available under this sentence shall be in the form of wheat or wheat products. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

HELMS AMENDMENT NO. 19

Mr. HELMS proposed an amendment to amendment No. 18 proposed by Mr. MELCHER (and others) to the bill H.R. 1239, supra; as follows:

On line 12 of the Melcher amendment, strike the period at the end of the sentence and insert in lieu thereof the following: ": *Provided further*, That none of the commodities made available for donation under this sentence shall be made avaylable until the Secretary of Agriculture has certified to the Chairman of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia."

NOTICES OF HEARINGS

SUBCOMMITTEE ON DEFENSE APPROPRIATIONS

Mr. STEVENS. Mr. President, I wish to announce the Defense Appropriations Subcommittee will continue its hearings for nongovernmental witnesses on March 27. Outside witnesses who could not appear this week will be heard in room SD-192, at 10 a.m. in the Dirksen Senate Office Building.

I make this announcement at this time so that any other interested members of the public will have time to contact the subcommittee if they desire to appear and testify on defense and military spending issues in the context of the President's fiscal year 1986 budget request.

Anyone wishing to testify may telephone the subcommittee staff directly at 224-7255.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, March 20, to hold a hearing on Capital Investment, Debt, Credit, and Taxes in Agriculture, but not to exceed the hour of 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Defense Acquisition Policy of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 20, to hold a hearing on cost estimating in support of the contract negotiations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 20, 1985, to receive testimony on the fiscal year 1986 military construction authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 20, to hold an open hearing followed by a closed session to receive testimony on the Military Space Program, including ASAT, in review of the fiscal year 1986 DOD authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 20, to hold a hearing on foreign assistance proposal for the Near East and South Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Investigations of the Committee on Government Affairs be authorized to meet during the session of the Senate on Wednesday, March 20, 1985, to conduct a hearing on the media's role in the deglamorization of drugs.

The PRESIDING OFFICER. Without objection, it is to ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 20, in closed session, to hold a hearing on fiscal year 1986 Intelligence budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 20, in order to receive testimony concerning the following nominations:

U.S. CIRCUIT JUDGE

Carol Los Mansmann, of Pennsylvania, to be U.S. circuit judge for the third circuit;

U.S. DISTRICT JUDGE

Carolyn R. Dimmick, of Washington, to be U.S. district judge for the western district of Washington;

J. Thomas Greene, of Utah, to be U.S. district judge for the district of Utah;

Mark L. Wolf, of Massachusetts, to be U.S. district judge for the district of Massachusetts.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ARMS CONTROL NEGOTIATIONS

● Mr. LUGAR. Mr. President, as one of the cochairmen of the Senate arms control observer group, I was privileged to travel to Geneva last week with the Senate leadership and seven other members of the group for the opening of the arms control negotiations with the Soviet Union. The majority leader and the minority leader are to be commended for their leadership in this endeavor; their presence in Geneva meant a great deal to our negotiators, and it underscored the support our negotiators will need as they proceed along the path of negotiations.

Mr. President, the talks in Geneva will likely continue for many months and even years. The members of the arms control observer group sought to demonstrate that the administration's arms control efforts enjoy broad, bipartisan support in the Senate. Patience and perseverence will be required by our negotiators. Those qualities and attributes must be matched by the Senate and the American people. Senator BYRD put it well when he cautioned our negotiators not to become discouraged with the pace and course of the negotiations; he said that the Senate would not become discouraged unless our negotiators became discouraged.

Our trip to Geneva was indicative as well of the seriousness of purpose with which the Senate intends to pursue its role under the Constitution with respect to the arms control process. We will advise and consult with our negotiating team, both here and in Geneva, and we will monitor and report to the Senate on the course of the negotiations.

We had several opportunities to meet with our negotiators prior to the initial negotiating rounds. Our discussions with the negotiating team, both here and in Geneva, allowed us an opportunity to state our views and to engage in a confidential exchange of information. We had as well a very useful debriefing from our negotiators

following the conclusion of the first negotiating session.

We came away from the Geneva talks both with an appreciation of the complexity of the issues to be negotiated and with a profound respect for the talents of the American negotiators. Max Kampelman, John Tower, and Mike Glitman are well prepared for their assignments and have entered into the negotiations with a sense of creativity and flexibility but, most importantly, with a clear recognition of the need to negotiate an agreement that serves and enhances American national interests.

The members of the arms control observer group are not negotiators; we can advise—we can consent—but we must leave to our negotiators the difficult task of working out an agreement.

As we tender our advice, we must ask ourselves: Would we consent in the form of a treaty to that which we would so freely advise our negotiators to pursue. The art of the possible in domestic politics must be informed and tempered by the art of the feasible in international negotiations. For we are dealing here, ultimately, not with the fate of a seat in Congress or the longevity of an administration—we are dealing with the national security interests of the United States.

The observer group has pledged itself to advise, to observe, to monitor, and to share with its Senate colleagues. But we must practice what we preach: We pledge nonpartisanship; we must practice it. We pledge solidarity with our negotiators; we must not undermine them. We have pledged confidentiality; let us respect it. We have promised advice and, where appropriate, consent; let us practice the former in ways that maximize the prospects for the latter. Let us issue that advice confidentially as a group and individually to the negotiating team both in Washington and Geneva, not mount campaigns for alternative negotiating approaches which will disadvantage our negotiators.

I am confident that, and the visit of the observer group to Geneva confirms, that the Senate observers take their roles as seriously as do the negotiators.

Second, the observer group is mindful of what arms control can reasonably be expected to accomplish and what it cannot do. Just as arms control is a component of, not a substitute for, our Nation's security posture, so arms control alone is incapable of carrying or sustaining the Soviet-American relationship. An arms control-bound Soviet-American dialog would not address sufficiently the profound differences between the two countries. The very political vulnerability of past arms control agreements suggests that major progress in arms talks must be undergirded by improvements in the political foundation of the relationship.

That broader political understandings and greater mutual trust are essential to progress in arms control is illustrated by the controversy surrounding the arms control compliance issue. Some Americans are inclined at times to debate not whether there have been Soviet violations—most agree there have been—but whether the Soviets have violated the spirit or the letter of past arms control arrangements. We are facing a compliance/verification mismatch that is indicative of the lack of even minimal trust in the relationship. The slow erosion of the ABM Treaty might not be substantially affected by Soviet clarifications regarding their intentions with the Krasnoyarsk radar. However, a Soviet willingness to clarify such intentions in the context of the deliberations of the Standing Consultative Commission might contribute somewhat to a greater degree of trust.

Despite agreement that the confidentiality rule would guide the conduct of the negotiations, the Soviet side has already started to negotiate with Western publics. Like it or not, these Geneva negotiations will also proceed along two tracks: a hopefully substantive track in Geneva and a propaganda track directed toward Western public opinion. But let us not rise to the bait; Congress should not compete in the public domain with the Soviets over preferred solutions or outcomes to the talks. Nor should we return to that past, unhelpful practice of prejudging military modernization decisions in light of preferred arms control negotiating outcomes.

But if we Senate observers do not have a direct negotiating role in Geneva, all Members of the Senate do have a direct role to play in Washington as part of the backup team. We cannot legislate arms control agreements. We can, however, contribute to the development of a national security posture that is conducive to progress in arms control. Those opportunities are afforded us in debates and votes on defense modernization programs, strategic and theater, nuclear and nonnuclear; in decisions relative to foreign military and economic assistance; on technology transfer policy, and the like. Senate support in meeting the requirements of deterrence and a strong national defense today will help create the necessary conditions for progress in Geneva tomorrow.●

ALLAN BOESAK'S DREAM FOR SOUTH AFRICA

● Mr. KENNEDY. Mr. President, Alan Boesak is a colored South African minister who lives in Cape Town. He is chaplain at the University of the Western Cape in South Africa, and he is also president of the World Alliance of Reformed Churches. Last year, a wave of unrest swept through the townships in the Vaal Triangle prompting a brutal and repressive response by the South African security forces. In reaction to the violence by the South African authorities, Reverend Boesak gave a speech in which he criticized the unnecessarily harsh measures being employed by the South African military. He accused the South African Defense Force of having committed atrocities against the unarmed civilian population in the townships.

The South African Government reacted quickly to Reverend Boesak's speech. The Minister of Law and Order, Louis Le Grange, publicly announced that a dossier on Boesak had been opened and directed that he—Boesak—be charged with a criminal violation of section 27 of the Police Act. That provision makes it an offense for any person to publicize any untrue matter about any member of the South African security forces without having reasonable grounds to believe that the statement is true.

Reverend Boesak responded to the threats from Minister Le Grange with a speech in Cape Town. This speech was reprinted in the February edition of Sojourners magazine.

Reverend Boesak relies on truth as a defense to Minister LeGrange's allegations. He begins with a definition of "atrocity," stating that an atrocity is "a repellent deed, an inhuman act, something that offends orderly human decency. An act that is inexcusable and ought not to be defended." Reverend Boesak goes on to say that:

> When I read of a little boy of 3 years old, who was playing in the yard with his friends and was shot dead by the police while he was playing, then I think that that is an atrocity. And if it is true, I will say it.

But Allan Boesak is making a more important point in this speech, and it is a point that must be understood by the Members of the Senate as we approach the issue of what the appropriate policy should be for the United States as it deals with apartheid and South Africa. As Reverend Boesak puts it:

> Apartheid is a violent system . . . It is a system that can only be maintained by ongoing violence, by wanton violence. It is a system that would not survive for one single moment if there were no police force, or if there were no army, or if there were no violent reaction from the government every single time the people protest.

Allan Boesak and the courageous people inside South Africa who work with him in the effort to end apartheid through nonviolent change have a vision for their future. As Reverend Boesak wrote-

> I have seen a new South Africa. I have seen a land, not of apartheid, not of death, not of chains, but a land of joy and a land of freedom and a land of peace . . . I have seen

a new land where our children will no longer be bound down by the yoke of racism . . . I have seen a land where our people shall work and enjoy the fruits of their labor . . . I have seen a land where families will no longer be broken up, and where mothers and fathers will enjoy the love and the respect of their children . . . I have seen a land where the misery of relocation is no more, and where the graves dug for little children who will tomorrow die of hunger remain empty. . . . I have seen a land where those of us who fight for freedom and for justice and for the self-respect of this country will no longer be sent to prison, will no longer be tortured, will no longer be threatened, will no longer be shot on the streets of our nation, but will be rewarded with honor and with the presence of justice. . . . And I have seen a land where we together will build something that is worthwhile, that is faithful to what we believe.

Mr. President, I ask that this speech by Rev. Allan Boesak be printed in the RECORD.

The speech follows:

I HAVE SEEN A LAND

(By Allan Boesak)

Now that we are all welcomed, let's get down to serious business. The Minister [of Law and Order, Louis Le Grange] has ordered that I be charged under Section 27 of the Police Act. There are people who thought that I had been detained, because when you hear "section" in this country, then you know. He had also said that he has now ordered the police to open a dossier on me. I was a little disappointed, I must say. I had thought that they had dossiers from way back when. Now I know they only started two weeks ago.

The Police Act says any person who publicizes any untrue matter in relation to any member of the [defense] force—when that force member or the force itself is functioning—without having reasonable grounds that that statement is true, shall be guilty of an offense. Then they tell you that there is a fine of up to 10,000 Rand [$4,500], or five years, in jail, or both.

Now, what angered the minister is apparently what I had said on a visit to Australia, where I had an interview with a person who had asked me what I thought about what is happening in South Africa. Among other things, we talked about the unrest of the last three months. We talked about the campaign of the United Democratic Front [UDF] and other organizations to get people to stay away from the polls [during the election of parliaments for Indians and people of mixed race]. We talked about the success of all of that and about the meaning of what we were seeing in South Africa.

"What does it mean," he asked me, "when 7,000 troops are asked to go into, or ordered to go into, the [black] townships?" And I said that that means we have an undeclared state of civil war. I thought it was clear and honest, and I thought I was simply saving what I saw was the truth. The minister is upset about that.

He is even more upset because I talked about the role of the military and of the South African Defense Force. I said that we know they are committing unbelievable atrocities in the townships. I mentioned only one example of that: the example of the little boy who was shot in both legs by a policeman. That was told to us by the people we visited as a delegation of the South African Council of Churches [SACC] in Sebokeng in September.

Now I do not know whether the minister knows what an atrocity is. I have looked it up. It is, it says, a repellent deed, an inhuman act, something that offends orderly human decency. An act that is inexcusable and ought not to be defended. Now when I hear, or when I read of a little boy of 3 years old, who was playing in the yard with his friends and was shot dead by the police while he was playing, then I think that that is an atrocity. And if it is true, I will say it.

When I hear that little Thabo Sibeko—who was 6 years old—was sitting on the front stoop of his home playing with other children and got shot, so that he actually died as he went into the home crying for his mother, I ask myself what kind of threat could he have been to any policeman? I think that that is an unbelievable atrocity. It should not have happened.

If the minister does not know that, then he must go into these townships and speak to those people. Or if he does not know it, I am almost tempted to say then may the day come that he will experience and know what it means. And he will never again say that this is not an atrocity.

It is very clear that either he does not know or he does not want to know what his police are doing in the townships. And if he does not know and if he does not want to know, he should not be the minister, he should not be in the government. And in fact, not only should be not he the minister, the government should not be government at all.

I wonder what one expects when you let the police and the army move into the townships and then you order a blackout of all news. The press is not allowed to go in there, the press is not allowed to monitor the situation, to come and report what they see and what they have experienced. What do you think will happen when there is no possibility for public scrutiny on what the police and the military are doing in the townships?

For when you move against defenseless people, and you move in with full military preparedness, armed to the teeth, what do you think is going to happen when you let these people loose on defenseless civilians and on children? When the thing that they have been trained for in the army—the only thing that they have been trained for in the army—is to kill as efficiently as possible?

You know, we don't think about that. But when you take a person from civilian life and remake him into a soldier, the one thing that we train him for is to kill efficiently. That is what soldiers do, you know. And when they move into the townships and there is no control or no possibility of control, then of course you must prepare yourself that things will happen that you would not like to happen.

But when they happen, you must not try to make other people who speak about it out to be liars and slanderers of the country. You must rather try to find out whether it is true. This the minister has not been willing to do. I think that that is wrong.

I think that the South African public and our people have a right to know what is happening in the townships. You cannot say that because SABC-TV does not show it, it does not happen. You cannot say that because the press is prohibited from publishing everything, it does not happen.

I have said so before, and I will say it again. The whole world saw, on their television screens, how South African policemen beat men and women and children who had done nothing. They saw what happened on August 27 in Lenasia, and in other townships. They saw since then what has happened, especially during the first months of the unrest in the townships in the Vaal Triangle and on the East Rand.

Now this Government has made laws which make it well-nigh impossible for the press to report these things. They made laws which protect the military, which protect the police, like this act, numbered 27. They have indemnity laws, so that it is almost impossible for us, as ordinary people, to get to the truth and to say, "This is actually what happened." There is an all-pervading atmosphere of violence and of threats and of intimidation, so that even these people who have suffered under the violence of the police sometimes are too afraid to come out and testify to it.

Apartheid is a violent system. We have said so often before. It is a system that can only be maintained by ongoing violence, by wanton violence. It is a system that would not survive for one single moment if there were no police force, or if there were no army, or if there were no violent reaction from the government every single time the people protest.

In every police state, the police and the army are not really instruments at the service of all of the people, but they become instruments of the most vicious kind of oppression to maintain the position of power of those who see themselves as the powerful group. And this police state is no exception. This is what we have seen over the last three months.

Again when we read these things that have happened to our people, and when you read what happens to people like little Thabo Sibeko, the question for me is not only what kind of mentality does that policeman have, but the question is ultimately and finally, "What kind of climate has been created in a country where such a thing is actually possible, where a policeman can do it and get away with it?" That is the question that we have to ask.

So the responsibility for the violence that we have to live with every day, the responsibility for the violence that is systemic, both enter the system of apartheid. The responsibility for the impossibility of people to really work for peace without getting a threat of death, that responsibility I lay squarely at the door of the South African government. They are responsible; and they must be told this. And I will tell them as long as God gives me breath in my body.

I recognize that it is the responsibility of the minister to protect his police force, but I must also say that it is my responsibility to protect my people. I will not allow these things to happen. And I know about them. I am being told about them by the very mothers and fathers who have seen their children die and kept quiet about it. If I hear it, the world will know it as long as I can speak.

I want you to remember that it is your responsibility as well. The responsibility to defend those who are defenseless, to speak for those who are voiceless, to make sure that the world understands what is happening, and to make sure that we in this country are aware of what is happening is not only the responsibility of one or two people. It is our joint responsibility. The minister, because I have done this, has called me a liar and a slanderer. He must take responsibility for those words.

I have in my possession affidavits, and I will read simply a few examples of what has happened to people during the last few months since the police and the military in-

vaded the townships, and since we have had this unrest. There was a little boy called Walter Pule Makhata, a schoolboy aged 14 from Naledi, Soweto. He went to the shop to buy a loaf of bread, was hit by birdshot, and found dead.

In Katlehong, three children, one of them mentally retarded, were allegedly assaulted by police on the 13th of September 1984. The police fired tear gas smoke into the house and walked in, asking where the children were. And when they found them, they started to kick and hit them all over their bodies. This happened to children. This is taken from a SACC affidavit. Who is the liar, Mr. Le Grange?

On Friday, September 28, the horrendous example of the young boy who was shot in the police van by the policeman. His name is Jacob Moleleke.

On August 15 an unnamed boy, who called himself A.B., aged 15, was on the roof of his house in Watville Benoni, with two other people, doing repairs. There were no apparent disturbances in the area at that time. Then the police came through shooting tear gas cylinders. Some people ran out from the streets into A.B.'s house for shelter. The other two men on the roof fled, but he lay down on the roof. A policeman mounted the ladder to the roof, came up to him, and discharged a tear gas cylinder into his face. He has lost his left eye as a result.

If this is not an atrocity, what is? And if the minister does not know it, he must make it his business to know it.

Nicholas Mldulwa, 10 years old, was sent out by his father one evening to fetch firewood. The area was so quiet that his father actually thought that this was safe to do. A combi [station wagon] came by; a shot was fired. The father ran out and found his boy hit on the left side of his forehead with a rubber bullet. The police came and told him to keep the matter quiet. He refused, went to the lawyers, and signed an affidavit. He even gave the registration number of the vehicle.

Elsie Nana, 19 years old, was arrested while attending a prayer vigil. She was assaulted on the third of October, was told to write a statement and give details about whatever she knew about the activities of other people. She was two months pregnant. When she told them this during the assault, she was kicked and hit with a rubber baton repeatedly on her stomach.

All of this the minister can ask from the people who have made these affidavits. All I want to ask him is, "Who is the liar? Who is the slanderer? Who is the one who is trying to cover up deeds like this?"

As long as these things happen, and as long as we hear about it, it will be our responsibility to testify against the evil that is gripping this country. We will not refuse. We will not stop doing this.

We will refuse to be intimidated. It seems to me that the South African government thinks that these things that happen, these atrocities—yes, atrocities, Mr. Minister—will stop us from demanding our freedom. But the South African government must learn that the time that they can avert a change—a fundamental change in South Africa—by merely reaching for a gun is over. We will no longer be silenced by fear, or by intimidation, or even by the wanton killing of our people.

The demands are there and are clear: release the political prisoners; unban the organizations; scrap all these laws that have made South Africa a hell for so many people to live in; stop killing our children and our people on the street. Let us participate in an open, democratic society. Then there will be peace in this country.

The state threatens to ban the organizations, and they threaten to ban the United Democratic Front. It will be a little difficult because, I have often said, the UDF is the people of South Africa. They cannot ban the people. The UDF embodies the dreams of the people of South Africa, and they cannot ban that dream. The UDF embodies the aspiration of the people toward a free and just society. They cannot ban that.

They can do whatever they want; but the determination of our people to be free will remain and will become the real reality that even Mr. Le Grange and his government will have to face. so it seems to me that all of the threats that we see will not really, in the end, help the South African government.

There are threats against individuals. I do not know what the minister has in mind for me. I have just heard that I will be charged, and over the last week the threats have come in more frequently than before.

Someone has called me up and said that the system has many ways to get at you. And they will do that. I do not know what he means. I do not understand. But it does not matter now. That is no longer the most important thing in my life.

The most important thing is what I want you to remember tonight: what we are fighting for, what we are struggling for, what our people are suffering for, what our people are dying for. That is worthwhile. Let us not give that up.

Let us remember that no threats and no form of intimidation and no trick that the system can play on any one of us, including myself, can bring us to the point where we will be silent, where we will accept the situation as it is. Because if we do that, we might as well give up and die.

We sometimes die a thousand times before we die. Because when we are afraid, we die every day a little bit. We die in our humanity, and we die in our determination, and we die in our self-respect. Let us not come to that point.

For me it is clear. I have experienced in this last year something within the community of the UDF that will remain with me as long as I live. I have experienced support, and I have experienced a determination, and I have experienced a love for freedom that is a precious gift that we have. We must not give that up. This is what we have to continue to work for.

I have seen a new South Africa. I have seen a land, not of apartheid, not of death, not of chains, but a land of joy and a land of freedom and a land of peace. Let us fight for that land. I have seen a new land where our children will no longer be bound down by the yoke of racism. Let us fight for that land. I have seen a land where our people shall work and enjoy the fruits of their labor. Let us fight for that land.

I have seen a land where families will no longer be broken up, and where mothers and fathers will enjoy the love and the respect of their children. Let us fight for that land. I have seen a land where the misery of relocation is no more, and where the graves dug for little children who will tomorrow die of hunger remain empty. Let us fight for that land.

I have seen a land where those of us who fight for freedom and for justice and for the self-respect of this country will no longer be sent to prison, will no longer be tortured, will no longer be threatened, will no longer be shot on the streets of our nation, but will be rewarded with honor and with the presence of justice. Let us fight for that land. And I have seen a land where we together will build something that is worthwhile, that is faithful to what we believe.

Let us not give that up, but make tonight a new dedication for that moment. Because I believe it does not matter what happens now. I believe that the freedom that we have struggled for and the freedom that we have died for will become a reality. You can make it happen. God bless you.●

AID TO AFGHANISTAN

● Mr. HUMPHREY. Mr. President, the current situation in Afghanistan, where Soviet troops have entered their fifth year of murderous occupation, compels us to devote all possible attention to that beleagured country. It is not merely that the Soviets have embarked upon the goal of subjugating, and eventually, of absorbing Afghanistan into the Soviet empire. Significantly, they have selected as the means to that end the pulverization of Afghan society; the "rubbleization" of an entire nation.

It is fashionable in the West to describe Afghanistan as Russia's Vietnam. Current estimates suggest that between 100,000 and 150,000 Soviet troops are bogged down in that inhospitable land. In spite of a massive investment of manpower and material resources, the Soviets have been unable to conquer the country. The Afghan Army remains ineffective and of questionable loyalty; the political cadre is equally unreliable. Spreading her resources, bleeding her army, sapping her ability to maintain other worldwide commitments, it is contended, Soviet withdrawal from Afghanistan is a certainty, not soon perhaps, but a certainty.

Mr. President, I think it is imperative that we dispel once and for all this notion of a parallel between Afghanistan and Vietnam. Such illusions will only blind us to the gravity of the threat which faces us in Afghanistan and can only discourage our willingness to assist the Afghan people to the degree actually necessary. The fact of the matter is that there are great differences between the two scenarios.

On one level, the Soviets have taken a lesson from the American experience in Vietnam. The Russians understand that a critical factor in their ability to continue with a reign of terror in Afghanistan is the degree to which public opinion is aware—or unaware—of the atrocities being committed there by Soviet troops. In this the Soviets have been quite successful: The Soviet press, as we know, is all but a joke; meanwhile, journalists from the international press have been warned that they will be shot on sight if found in Afghanistan. Deprived of film footage, the resistance in Afghanistan has

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been all but ignored of late by the electronic media.

On another level, the Soviet strategy in Afghanistan differs from our own campaign in Southeast Asia in the timeframe envisioned before victory is achieved. Whereas we are unaccustomed to prolonged military involvements and tend to judge engagements in terms of a "quick victory," the Russians take a long-range view of history, assessing their involvement in Afghanistan in terms of 20, 30, 40, even 50 years. "Time changes everything," one official noted, "in another 10 or 20 years, the new generation of Afghans will view our presence differently."

Mr. President, the goal of Soviet strategy in Afghanistan is not pacification, nor merely subjugation; it is, to quote Ambassador Kirkpatrick, "the complete transformation of Afghan society and politics," and to that end, "they have already made substantial progress." On the one hand, the Soviets have resorted to a military strategy which the scholar Louis Dupree has termed "migratory genocide" and "rubbleization"—essentially the depopulation of Afghanistan through mass murder and the forced exodus of over one-quarter of the Afghan people to Pakistan and Iran.

On the other hand, the Soviets have embarked on a long-term program to develop a cadre of loyal quislings among the next generation of Afghans. The Soviet strategy here is to destroy the schools in Afghanistan and to remove the youth, 8- and 9-year-olds, to the Soviet Union for a Marxist "education." When these properly educated Afghan youngsters come of age, they will be capable of staffing such positions in Afghanistan as the Soviets find it convenient or necessary to fill with indigenous help. Indeed, in a country where the educational infrastructure will have been decimated, these Soviet-trained quislings will be the only Afghans capable of overseeing the population.

Mr. President, it is for this reason that, when confronted with the Soviets' strategy of victory through the long-range transformation of Afghan society, we must consider the many different ways in which assistance may be rendered to the Afghan people. The Wall Street Journal of March 15 contained a very informative piece by Susan Garment on the efforts of the National Endowment for Democracy in Aghanistan. Entitled "Fighting Culture Wars in Afghanistan," the article details the work which this relatively young organization has undertaken in the preservation of democratic ideas and principles around the world. In Afghanistan, funds from the National Endowment for Democracy have been used to write and distribute textbooks, train teachers and open schools in areas controlled by the freedom fighters. This educational assistance is particularly important if the next generation of Afghans is to ward off the tyranny of Soviet-educated administrators and overseers. Additionally, the endowment has supplied the freedom fighters with portable video cameras, so that the reality of Soviet terror in Afghanistan can be recorded and displayed before the world.

Food, medicine, and the wherewithal to defend themselves are all necessary components of a comprehensive program of assistance to the Afghan people. The maintenance of an indigenous educational community is equally important and deserves our attention.

Mr. President, I ask that Ms. Garment's article be printed in the RECORD.

The article follows:

FIGHTING CULTURE WARS IN AFGHANISTAN

(By Susanne Garment)

There is nothing like the thought of hanging to concentrate the mind, and nothing like a crisis to show what an organization is or is not good for. This week the National Endowment for Democracy, a private but government-funded group recently established to support the growth of democracy throughout the world, went before a House subcommittee for its annual appropriations hearing. Star of the occasion was Republican Rep. Hank Brown of Colorado, who accused the Endowment of wasting taxpayers' money on things the rest of the U.S. government was already doing. Clearly, Rep. Brown was not taking his bearings from the question of how to improve American performance in a crisis of democracy like the current Soviet war against Afghanistan.

In the good old post-World War II days, the U.S. gave a certain amount of covert aid to political and cultural institutions that promoted democratic, American-style ideas in various countries. During the Vietnam War, the belief spread among our opinion leaders that we should not stick our self-interested noses into other nations' sacredly indigenous affairs in this way. The official U.S. aid shriveled, and few private American organizations were willing or able to fill the breach.

But not everyone in American politics looked upon this purification as a good thing. Thus it came to pass that Ronald Reagan, in a 1982 speech to the British Parliament, proposed a new unit to take up the job of watching out for the health of democratic ideas. The speech turned into an organization that was finally declared official by Congress in November 1983.

At the beginning the project looked like a sure loser. It couldn't be secret anymore, of course. The projects the Endowment dealt with would be initiated and carried out by private organizations, so the government would not dirty its hands with operational details. The board would give voice to the whole howling range of American politics—business and labor. Republicans and Democrats, hawks and doves. Surely the organization's policies would emerge as pious platitudes, proclaiming impartial disgust with hostile dictators on the left and friendly dictators on the right.

It is something of a miracle that Endowment President Carl Gershman was able to keep this bunch on speaking terms long enough to spend any of that money Rep. Brown is so worried about. The labor movement is the biggest single force in the Endowment so far, because at the beginning only labor had pre-existing organizations already engaged in the sort of work that the fledgling Endowment wanted to support. Therefore, others on the board, Democrats at least as much as Republicans, were always looking to take a whack at the unions. The Democratic Party has been tussling over which ideas and people should henceforth control it, so people from the various Democratic factions have made trouble for one another. *Realpolitik* fans have not been able to see why we truly need a democratic think tank in Guatemala, while a certain sort of idealist has recommended projects like U.S. Soviet youth leadership exchanges as the route to democratic nirvana.

Puzzlingly, though, the Endowment has not only survived but has given support to a pretty consistently good list of projects. Money has gone to help plan an international youth conference in Jamaica, to strengthen democratically based cooperatives in Chile, to help support the independent newspaper "La Prensa" in Nicaragua. And, of course, there has been money for Afghanistan.

Consider the Endowment's most recent effort in the face of the Soviet occupation of Afghanistan. Over the last few weeks expert witnesses have been testifying on the current situation to the Congressional Task Force on Afghanistan. From them we get a consistent idea of what the Afghans need now. They need effective arms. They need food in the face of the Soviets' deliberate destruction of agriculture. They say they also urgently need education, both within the country and outside it. This request would not naturally go to the top of a U.S. policy maker's list. But the Afghans know that the Soviets aim to pacify the country in the long run by such devices as destroying the schools and taking the young children away for Marxist education in the Soviet Union. Such tactics may not bear fruit next month but could destroy the culture of Afghan independence in the generation to come.

The Endowment has just awarded an education grant to American Friends of Afghanistan. The money will go to writing, reprinting, and distributing textbooks in areas controlled by freedom fighters; to training Afghan teachers and sending them home to reopen schools, and to give Afghans portable video cameras—plus training—so they can bear witness to the invasion's impact. Yes, this is a small effort compared with a nice bunch of missile launchers. But there is no doubt that the state of the spirit inside Afghanistan and the state of opinion abroad can be changed so as to affect Soviet calculations of what this war is worth to them. Two days ago the United Nations Human Rights Commission in Geneva issued its strongest resolution yet on Afghanistan, condemning Soviet torture, bombing of civilians and destruction of agriculture. The vote followed a report last week from within the U.N. bureaucracy accusing the Soviets of torture and chemical warfare. Such U.N. actions would have been unthinkable a decade ago. The small new Endowment is already beginning to give us a few bangs for our bucks. Would that more publicly funded agencies could give such a clearly satisfying account of themselves.●

IMPORTATION OF FISHING TACKLE

● Mr. HOLLINGS. Mr. President, one industry affected by U.S. concessions to our trading partners is the fishing tackle industry.

While duties on fishing tackle imported to the United States have been reduced, thousands of American jobs have been lost to offshore production. Today, most fishing tackle is produced abroad, where the standard of living is much lower and Government subsidies are available. The result is that in 1980, imports of fishing rods were valued at almost $27 million. In 1984, imports had risen to over $60 million—an increase of 124 percent in just 4 years.

One of the few surviving U.S. manufacturers is the Shakespeare Co., which accounts for 800 jobs in my home State of South Carolina. In order to compete with foreign manufacturers, Shakespeare has had to invest in research and development to improve their fishing rods. They have also invested in equipment to modernize their manufacturing and to implement their innovative designs.

Further, in order to convince the American consumer to buy American products, Shakespeare is offering a $50 U.S. savings bond with the purchase of its newest line of fishing rods, called the Liberty fishing rod. With the sale of each of these innovative rods, Shakespeare is making a donation to restore the Statue of Liberty. I commend the Shakespeare Co. for the efforts it has made and continues to make to compete with foreign manufacturers.

Like many other industries in America, this one is modern and fully capable of competing. The problem is Government not competing. While other nations mobilize for the global economic contest, we sit up in the stands caterwauling about "free trade, free trade, protectionism, protectionism," as if those words had any relevance to the present economic competition. Unless our Government wakes up and gets in the game with a trade policy demanding reciprocity from our trading partners, this Nation will go the way of England. And the commendable efforts of all our companies to prepare for the competition will count for naught because of a government which refuses to enforce our trade laws and refuses to join the fray. Let us wake up before it is too late.●

PREVENTION OF NUCLEAR EXCHANGES

● Mr. LUGAR. Mr. President, the president of the American Society for Public Administration, Mr. Bradley Patterson, has written forcefully on the need for the United States and the Soviet Union to adopt measures designed to prevent inadvertent nuclear exchanges through a strengthening of institutions, processes, and crisis management practices in both countries.

I ask that his memorandum be printed in the RECORD in full.

The memorandum follows:

AMERICAN SOCIETY FOR PUBLIC ADMINISTRATION.
Washington, DC, February 27, 1985.

Memorandum for:
Secretary of State Shultz.
Secretary of Defense Weinberger.
Foreign Minister Gromyko.
Defense Minister Sokolov.

Inadvertent nuclear war between the U.S. and the U.S.S.R. would be the most unforgivably tragic occurrence in world history.

Such a tragedy, however, may now be a danger as likely or even more likely than pre-planned aggression.

As "The Guns of August" demonstrates, the world stumbled into war in 1914. Through rationality and through adroit, although ad hoc diplomacy, the U.S. and the U.S.S.R. avoided war in the crises of 1962 and 1973.

Public administration is the art of governing. Inadvertent nuclear war would be the ultimate failure of that art.

We, the 17,000 members of the American Society for Public Administration, now believe it is our professional duty to urge the governments of the U.S. and of the U.S.S.R. to focus the arts and skills of professional public administration on one of their most urgent tasks: strengthening institutions and processes through which inadvertent nuclear war can be avoided. Ad hoc procedures, improvised at the eleventh hour, are no longer sufficient.

From what we know about national security crises over the last forty years, each was characterized—on both sides—by inadequate information, poor international communications, shortness of time, a lack of pre-arranged procedures and demands to "do something" even as options were constricting. The result: seat-of-the pants improvisations which, luckily, let us all muddle through.

In a time when thousands of nuclear weapons are at the ready (some, likely in the future, in the hands of inexperienced officials or pernicious terrorists) the leaders of the U.S. and the U.S.S.R. owe their peoples—owe the world—more than continuing to rely on luck.

Our two nations now need to have in place the most sophisticated politico-military public administration crisis management practices.

We in ASPA, being what we are, have a duty to call upon the U.S. and the U.S.S.R. leaders to build up these practices at once.

A beginning has been made: the "Hotline" and its upgrading, the Nuclear Accidents Prevention Agreement of 1972, the Incidents At Sea Agreement of 1972, the Prevention of War Agreement of 1973 and the Confidence-Building Measures Agreement incorporated in the Helsinki Accord of 1975.

In his United Nations speech last September 23, President Reagan said: "I am committed to redoubling our negotiating efforts to achieve real results: . . . concrete practical measures to enhance mutual confidence, to reduce the risk of war".

In Moscow, General Secretary Chernenko, in a speech March 2, 1984, called for "norms" in U.S.-U.S.S.R. relations and specifically, should danger of nuclear conflict arise, "to hold consultations without delay in order to prevent a nuclear conflagration."

We in ASPA are therefore convinced that the U.S. and the U.S.S.R. have no disagreement about the importance of taking measures to avoid inadvertent nuclear war. Unlike perhaps other matters on the March arms control agendas, this is an area where the practical objectives of both nations converge.

Here in America, in the Ninety-Eighth Congress, the U.S. Senate passed S. Res. 329 calling for U.S.-U.S.S.R. agreement on additional confidence-building measures and for the establishment of nuclear risk reduction centers in both nations, the latter staffed by U.S. and U.S.S.R. professionals skilled in military and diplomatic affairs.

From President Reagan, from the Senate sponsors of S. Res. 329, and from the Nuclear Negotiation Project at the Harvard Law School (in its report to the U.S. Government entitled: "Beyond the Hotline: Controlling a Nuclear Crisis)" There now have come a series of specific, constructive proposals for using the skills of public administration to build informal but effective war-avoidance machinery. Ambassador Goodby, the U.S. negotiating team at Geneva and the U.S.S.R. delegations as well are all familiar with these proposals and with the importance of reaching both multilateral and bilateral accords.

The American Society for Public Administration urges the U.S. Secretaries of State and Defense, and also urges the U.S.S.R. Foreign and Defense Ministers to have these proposals put on the table at Geneva or in a supplementary bilateral forum and to institutionalize the inherent U.S.-U.S.S.R. concurrence in this area by reaching agreement on most if not all of them.

BRADLEY H. PATTERSON, Jr.,
President.●

PRESERVING THE CONSTITUTION: THE AUTOBIOGRAPHY OF SENATOR SAM ERVIN

● Mr. HOLLINGS. Mr. President, when Sam Ervin retired from the Senate over 10 years ago, I expressed the hope that he would continue to speak out and write on behalf of the causes he espoused during his long and distinguished career. This, happily, he has done, and recently his third book, "Preserving the Constitution: The Autobiography of Senator Sam Ervin," appeared. It is a book filled with wit and wisdom, driven by an abiding faith in the values and traditions which built this land and founded four square on Sam Ervin's reverence for the instrument of our democracy, the Constitution of the United States.

I commend this book to my colleagues here in the Senate and indeed to all the citizens of this Republic. Sam Ervin lived through some of the most profound years of our country's existence. He not only lived history—he, far more than most, helped to make history.

As a decorated soldier in World War I, as a practicing attorney, as scholar of the law and of history, as State legislator, as North Carolina Supreme

Court Justice and as U.S. Senator, Sam Ervin dedicated his brilliant mind and his every effort toward leaving his country an even better place than he found it. The tough ones had a habit of coming his way. Immediately recognized as a man of unflinching integrity when he arrived in the Senate, he was involved in the sensitive hearings concerning Senator Joseph McCarthy of Wisconsin. Twenty years later we turned to him for the even more traumatic Watergate hearings and he presided over those hearings with sagacity and judgment and tremendous common sense. Legislatively, his was a formative influence on much of the landmark criminal justice legislation of the era. The Criminal Justice Act of 1964, the Law Enforcement Act of 1965, the Bail Reform Act of 1966, the Narcotic Addict Rehabilitation Act of 1966, the Military Justice Act of 1968, the Omnibus Crime Control and Safe Streets Act of 1968, and the Bill of Rights for American Indians—this is only a partial catalog of initiatives Sam Ervin fought successfully for over the years. The causes which he championed then motivate him still, and his reverence for our democratic system of government is still the guiding light of his politics.

The grace and native wit for which Sam Ervin was so famous in the Senate serve him still today, and they are written on almost every page of this new book.

In the State magazine published in Raleigh, NC, there appeared in January a brief but excellent review of "Preserving the Constitution: The Autobiography of Senator Sam Ervin." The review was written by T. Harry Gatton, and I ask that it be included at the conclusion of my remarks.

Before I end, let me repeat the hope I expressed 10 years ago. Mr. Sam, keep writing, keep sharing with us that deep sense of history, that feel for America, that faith in the bedrock principles that made you such a distinguished Senator and one of the giants of our time. You have added still another laurel to what seems an almost endless wreath. Your country is indebted to you once again.

The review follows:

[From the State Magazine, Raleigh, NC, January 1985]

PRESERVING THE CONSTITUTION: THE AUTOBIOGRAPHY OF SENATOR SAM ERVIN

(T. Harry Gatton)

This is the third of three important books that former U.S. Senator Sam J. Ervin, Jr. has authored since his retirement a decade ago from his long career as a public servant. The first was *The Whole Truth: The Watergate Conspiracy.* Last year from the Morganton sage came *Humor of a Country Lawyer* that has kept readers laughing over the wide range of vintage anecdotal humor.

Now comes Senator Ervin's vivid autobiography, an encompassing work that he has pursued for a decade "in the hope that something I may have said or done may prompt others to fight as I have fought for the preservation of the Constitution and the freedoms it enshrines."

This monumental work, dedicated to his beloved "Miss Margaret," is an account of his heritage and memories of his personal scrapbook, written in his own words and classic style. Using quotations from his friends, poets, the Bible, philosophers and other historical figures, Senator Ervin brings forth his ideas. His enjoyable narrative reflects a deep intellect devoid of guile, based on his love of the law, dedication to public service, and the precious memories of a useful life that began over 88 years ago in Morganton.

Senator Ervin retired from his U.S. Senate office in 1974. During his 20 years in that body he was at the vortex of many significant issues. He served on the Watkins Committee which prepared the report on the censure of Senator Joseph McCarthy. He wrote and led the fight for the Bill of Rights for Indians. His work as Chairman of the Watergate Committee placed the modest gentleman in history's archives as "Senator Sam" for leadership in restoring confidence in the Constitution.

Columnist James J. Kilpatrick has labeled Ervin "the last of the Founding Fathers," and his Senate colleagues called him "the conscience of the Senate."

When he left the Senate, noted Washington editorial cartoonist Gib Crockett captured the significance of Ervin's love and devotion for the U.S. Constitution. Depicting a departing Ervin from his office, the cartoon showed a smiling Ervin presenting the Constitution to a respectful public, captioned, "Take care of it and it will take care of you."

The Michie Company has done a splendid public service by publishing the Ervin autobiography, fully illustrated, a book widely acclaimed by his admirers.

The venerable Ervin acknowledges the pitfalls of writing an autobiography. "Be that as it may," the North Carolina statesman says, "I lay to my soul the flattering unction that I have been motivated by a higher desire. I love the Constitution and the freedoms it enshrines. I love America, and entertain the abiding conviction that it cannot endure as a free Republic unless those entrusted by its men and women with the powers of government keep their oaths to support the Constitution."

Sam Ervin retains his mental brilliance and love of good stories, although his active regimen has been reduced somewhat by the erosion of time. The Sam Ervins are a rare breed in this day. It is no wonder that he occupies a unique and revered place in the annuals of this state and nation.●

CHARLES W. ROCHNER

● Mr. LUGAR. Mr. President, I should like to make special recognition today of Inspector Charles W. Rochner, who retired March 17 after 20 years of duty in the U.S. Secret Service.

A native of Brownstown, IN, Chuck joined my staff 18 months ago as a congressional fellow on leave from the U.S. Department of the Treasury. Instead of returning to the Secret Service, Chuck decided to retire and establish his own business as a security consultant. His first job will be to head security for the 1987 Pan-American Games to be held in Indianapolis.

After graduating from Indiana University in 1963, Chuck responded to his country's call for more Secret Service agents following the assassination of John F. Kennedy. From 1966 to 1975, Chuck worked in the White House supervising the protection of Presidents Johnson and Nixon. He was also in charge of supervising protection of Presidents Carter and Reagan during their Presidential campaigns.

In 1984, Chuck was selected by the Secret Service to serve in my office as a congressional fellow sponsored by the Office of Personnel Management. He worked closely with me on numerous law enforcement concerns in my State.

In addition to becoming a trusted adviser, Chuck has also become a friend, sharing my enthusiasm for personal fitness and health. He has been a frequent running companion of mine in Washington and back in Indiana.

While I will miss Chuck's service in my office, I look forward to his successes in his new endeavors with the Pan-American Games and in private business.●

STERNBERG FAMILY HONORED

● Mr. JOHNSTON. Mr. President, this Saturday evening, the Sternberg family of Baton Rouge, LA, will be presented with the B'nai B'rith International Family Award.

I am gratified by this great honor to the Sternbergs. The award is noteworthy for several reasons:

The Sternbergs are the first Louisiana family ever to receive this high honor.

It is the first such award to be presented to any family in 4 years.

And this award is presented to a family that has worked tirelessly to stengthen the economy of Louisiana, as well as to give most generously of themselves for the benefit of the people of Louisiana and the United States.

I would like to quote briefly from the reasons that B'nai B'rith has cited for its selection of the Sternbergs:

The Sternberg tradition of excellence was brought to America nearly 50 years ago by Erich Sternberg. He was sent to these shores not simply to open a department store but to save his family from Hitler's onslaught. He devoted himself to his work. His direct personal approach, his meticulous attention to detail, his sheer diligence and enthusiasm fueled the success of Goudchaux's and enabled him to rescue nearly 100 relatives and friends from Germany. Commitment to family and commitment to business, this was Erich's legacy. His wife and his children have honored that legacy and fulfilled Erich Sternberg's dreams—they have, in fact, surpassed them.

Today Hans, Josef, Insa, Donna and Lea are still running their stores as Erich did, with care, perserverence and attention to detail. And even now, when that little store on main street in Baton Rouge has blossomed into a two-city chain of modern de-

partment stores, Goudchaux's and Maison Blanche. Customers still enjoy the Sternberg touch: quality merchandise, presented with style and personal concern.

The Sternbergs have remained true to Erich's deep commitment to his people and his tradition. They have expressed their love of Judaism in their homes and in their community. They have taken a leadership role in their synagogues, in the Jewish federation and in B'nai B'rith. The Sternbergs are among the founders of the B'nai B'rith Hillel Foundation at Louisiana State University and have contributed signficantly to the activities of the B'nai B'rith Youth Organization in Baton Rouge. The Sternberg family closes its stores on the High Holy Days in deference to the tradition that has bound this family together for centuries.

That ever-radiating Sternberg warmth. It is the hallmark of this family. It is perceptible in the Sternbergs' generous commitment to a vast array of charitable, civic and religious organizations. It can be seen in their dedication to the revitalization of Baton Rouge and New Orleans. It is evident in their support for B'nai B'rith Youth Services. It is demonstrated by their longstanding membership in B'nai Brith.

Like B'nai B'rith, the Sternbergs are a family that honors tradition, a family that lives harmoniously and gives of itself generously. A family to be deeply respected, a family truly to be honored.

Mr. President, as a Louisianan and as an American, I take pride in the accomplishments of Mrs. Lea Sternberg, her sons, Hans and Josef, her daughter, Insa, her children-in-law, and her grandchildren. As we honor them on Saturday evening we honor all Americans.●

TAX IMPOSED ON TRAVEL LITERATURE IMPORTED TO CANADA

● Mr. WARNER. Mr. President, over the past 3 years I, along with other Senators and Members of the House of Representatives, have been working to encourage the Canadian Government to abolish a tax harmful to the U.S. travel industry and to relations between our two countries.

This tax was implemented in 1982 and required all persons sending travel literature into Canada to pay a tariff equal to 9 percent of the value of that literature.

Now, Mr. President, I don't want to imply for a moment that Canada or any other country should not levy taxes or have the freedom to establish their tax program in whatever fashion they deem appropriate.

What I do want understood, however, is that this particular tax was a nuisance because it was levied in a very uneven manner, and it had the net effect of obstructing the free flow of travel and travel information between the United States and Canada.

Further, this tax stood as an incredible exception to the standards established under the Florence Agreements in which 100 nations, including the United States, consented to not tax travel literature imported from other nations which participated in this accord.

Canada does not honor or abide by this agreement.

But, Mr. President, in this life we learn that it is the squeaking wheel that gets the grease, and all things come to he who waits.

Yesterday, as a part of the accord signed by President Reagan and Canadian Prime Minister Mulroney, this nuisance tax which, by the way, is now levied at 10 percent, was targeted for elimination by the Canadians.

And, while I would like to say that it was all due to my diligence and perseverence, the fact of the matter is that this agreement was reached after a very lengthy negotiation process that included many of our colleagues both here in the Senate and the House of Representatives, Ambassador William Brock of the Office of the U.S. Trade Representative, and Under Secretary Donna Tuttle of the U.S. Travel and Tourism Administration.

These are the individuals who helped achieve this success, and it is these individuals who deserve all the credit.

As cochairman of the Senate Tourism Caucus, the Senator from Virginia extends his congratulations to President Reagan and Prime Minister Mulroney on this agreement, and he extends the gratitude of America's travel and tourism industry to all those on both sides of our northern border who made this agreement possible.●

THE TRAVERSE CITY HIGH SCHOOL DEBATE TEAM

● Mr. LEVIN. Mr. President, it is with great pride that I call my colleagues attention to the fact that the Traverse City High School Debate Team captured the 1985 Michigan Class A championship on February 2, 1985. This was the first State debate championship for Traverse City, and it was achieved only after Traverse City won 11 straight rounds during a 3-day competition.

The Traverse City Debate Team was led by their head coach, Jeanette Mason, and received assistance from Traverse City businessman, Mike Nolan, and teacher, Al Kniss. Team members include Wayne Schmidt, Jeff Rush, Steve Obuchowski, and Erik Scharf, who are all seniors.

The debate topic for this year was "Resolved: That the Federal Government should provide employment for all employable U.S. citizens living in poverty." The countless hours of hard work and the sacrifices made by these students is admirable. Their preparations have improved their communications skills at the same time that they have increased their knowledge of an important issue to Michigan and the Nation.

I am pleased to have this opportunity to congratulate the Traverse City Debate Team on its well-deserved championship.●

REMARKS OF GREEK AMBASSADOR PAPOULIAS

● Mr. SIMON. Mr. President, through the years, I have been to Greece and Cyprus a number of times and, on one occasion, had the opportunity also to visit Turkey. It is imperative, for the security and stability of that area of the world, that there be a satisfactory resolution of the Cyprus situation. It has come close to resolution, and I have the uneasy feeling if the United States would make it more of a priority, rather than put it on a back burner, we could move in the right direction.

I have had the privilege, recently, of discussing the Greek situation with friends such as Andrew Athens, Nick Melas, Sam Maragos, and Jim and Betty Pyrros. I also discussed the situation with the Greek Ambassador to the United States, His Excellency George Papoulias, and he mentioned to me that he had just spoken to the AHEPA conference.

I asked for a copy of his remarks, and I am inserting them in the RECORD. Greece is a democracy that has been our good friend. Clearly, there are some strains in that friendship, particularly in recent days, but Greece is a democracy and we must respect her to do things from time to time we do not applaud, just as we do things Greece does not applaud. But the friendship should remain. We also want to maintain friendship with Turkey, and we can do both. That is going to become much more likely as soon as the Cyprus situation is settled and settled equitably.

I urge the Government of the United States to do everything we can to make clear our feeling of political kinship to the democracy in Greece and to urge our friends in Greece and Turkey and Cyprus to work out a quick, equitable solution to the problem there.

The remarks of the Greek Ambassador to the AHEPA conference are worth reading and I am inserting them in the RECORD at this point.

REMARKS BY HIS EXCELLENCY THE AMBASSADOR OF GREECE, MR. GEORGE PAPOULIAS AT THE AHEPA CONFERENCE, FEBRUARY 7, 1985

Mr. President, it is evident that the holding of this conference was prompted by the fact that there is not enough, or at least not always, comprehension in the United States of Greece's foreign policy, and of the difficulties we are encountering in a dangerous external environment. There is no reason to hide that criticism is sometimes directed in the United States against the Government of Greece through the press and other means, whereby, often with feigned innocence, some try to create the impression that they do not quite understand why we Greeks are worried about relations with

NATO, about Turkish policies directed against Greece and about the attitude towards these problems of successive U.S. administrations over the past 10 or 15 years. So, instead of giving you what some quarters might call a "litany of complaints", I prefer to invite you to look at these problems as the average Greek citizen would do.

What the Greek people want is quite simple, namely: (a) to survive; (b) to assure our progress and prosperity within our traditional democratic values and institutions, and (c) to have an adequate feeling of security, without which the two previous points would be meaningless.

To achieve these aims, we follow a policy of friendship and cooperation with all countries, neighboring or distant. Nobody can seriously claim that Greece is threatening anyone, militarily or otherwise.

In addition, we have the conviction that we have done enough, be it in our small way, for the defense of democracy and civilization, during the first and second World Wars, when the Greek people sustained casualties on a scale that you would find shocking. We just want to live in peace.

Turning now to NATO, I would submit that the "rationale" for being a member of an alliance is that it increases the feeling of security of all the nations concerned. I do not think anyone could dispute that. Let us now see what kind of "real world" confronts the Greek nation after Greece and Turkey joined NATO in 1951. I am afraid that I have no choice but to state that, instead of enhancement of our security and protection of our legitimate national interests, far reaching changes have been brought about to our detriment.

The following sad panorama is unfolding before the eyes of the "average Greek citizen" since Greece and Turkey joined NATO as allies:

The Greek Orthodox community in Turkey has been virtually eliminated through systematic and often brutal measures applied by Turkish governments, so that out of more than 120,000 Greek Orthodox living in Istanbul and nearby islands, equal to, if not larger than the Turkish minority in Cyprus, only 4,500 have remained—a pitiful remnant of a once flourishing community, whereas we still have in Greece a prospering Muslim minority of 120,000 people that Ankara is trying to manipulate for its own political purposes. This is certainly not in compliance with the Lausanne Treaty provisions and has seriously upset in a negative manner for Greece the balance established by that Treaty. Whenever we remind our friends and allies of this point, they prefer to let it pass in an embarrassed, at best, silence.

200,000 Greek Cypriots have been forcibly removed, by our Turkish ally, from the occupied northern part of the Republic of Cyprus, as the result of Turkish aggression, on the pretext of the coup perpetrated by the Greek military dictatorship in 1974. As a result, there is no Greek Cypriot physical presence anymore in a part of the Island where Hellenism flourished as far back as the first millenium before Christ.

It is natural that we should have the darkest fears as regards the future of the Island unless a just and viable solution is urgently found to the problem.

It hardly needs emphasizing that, as long as the Cyprus tragedy remains unsolved, it cannot be forgotten in Greece that the United States administrations supported the military dictatorship which, not only deprived Greeks of their democratic freedoms, but caused also the catastrophe in Cyprus.

It is certainly not a coincidence that, while Turkey was attacking Cyprus in the summer of 1974, Ankara issued the notorious Notam 714 in an attempt to divide the Aegean airspace and bring under its control the air communications between the Greek mainland and the Greek eastern islands. Just imagine the feeling of security the Greek people would have if we had to ask permission from Turkey every time we had to send a plane to various places of our territory!

Such blatant contempt of international law could not be allowed to pass.

However, the problem still lingers on because of Turkish insistent attempts, through NATO, to push westwards the operational limits of the Tactical Air Headquarters provided for by the Rogers Agreement. This, inversely, would mean that Greece would lose control of the defense of a most sensitive part of its own territory. To demand this from Greece would not only be political madness but, also, grossly unfair, especially if it came from an Alliance which is supposed to give equal protection to the territory of all its members.

Alongside the developments I have already mentioned, a new terminology has emerged in Turkey to describe the eastern Greek islands, which allow me to say, have been a beacon of civilization since the earliest times and the birthplace of Pythagoras, Homer, Hippocrates, to name only a few. These islands have come to be described as mere "protuberances" on the so-called continuation into the sea of the Anatolian plateau, as if the Greek territories, continental or insular, were deprived of their rights on the continental shelf, as recognized to all the countries of the world under International Law.

Relative to these developments was also the formation, by Turkey, of the 4th Army in April 1975, following the Turkish invasion of Cyprus. This Army is deployed along the west coast of Turkey, opposite to the Greek islands. It has to be understood that all the tactical forces of the 4th Army are under Turkish national command, and not assigned to NATO.

All the units of the 4th Army are equipped with American weapons. Without going into detail, suffice it to say that the 4th Army is composed of units whose strength amounts to 120,000 men, and, contrary to Turkish claims that this army is a skeleton one for training purposes only, it has been established that its training units are rapidly becoming operational and this fact, coupled with the increase of special forces and other rapid deployment units including helicopters, constitutes a direct threat against the Greek islands.

As regards the naval forces, it has to be noted that the largest part of the Turkish landing fleet is concentrated in Izmir, Focea and vicinity, i.e., opposite the Greek islands of Samos, Chios and Lesvos. Specifically, more than 40 percent of the LST and 80 percent of LCT, LCU, LCM and LCJ are stationed permanently opposite the Greek islands. The amphibious lift of this fleet, at any time, is estimated to 166 combat tanks and 4,600 men. It is to be noted that the Turkish landing ships, except for the larger LSD or LST, are small in size, low in speed, and not in conformity with specifications for NATO missions. They have been clearly designed for transport of materiel and troops over small distances and towards targets which can only be the Greek islands.

Attention is also drawn to the fact that two Helicopter Battalions are located in the area of the 4th Army and can carry to nearby targets a force of about one infantry battalion plus equipment.

All these massive amounts of American military equipment, including American fighter and other aircraft, are used annually for military maneuvers which take place as close as possible to the Greek islands. A typical scenario of a Turkish TASMO exercise (Tactical Air Supported Maritime Operation) is for the Turkish Fleet to steam at full speed south of the Straits (instead of north to the Black Sea), sail west around the Greek islands, be joined by the Turkish naval units from the port of Izmir and Focea, and for the combined Force to make a landing at a location called Doganbey, not far from the Greek island of Samos. Live ammunition is used in these exercises, including the use of napalm bombs. Let it also be noted that the Turkish General Staff has selected a rugged terrain similar to that of the Greek islands for their simulated landings, rather than a more flat terrain similar to Warsaw Pact countries.

To sum up, thanks to American and Allied aid, Turkey not only maintains a military establishment larger than its economic capability, but has formed an independent attack force whose aim cannot be Warsaw Pact targets, which do not exist in the area, but potentially exposed parts of Greek territory. This explains also why Greece had to take elementary defensive measures in accordance with Article 51 of the United Nations Charter.

Another issue which is seriously disrupting NATO exercises in the Aegean is the question of Limons. Here, the resonsibility lies squarely with Turkey, so you will allow me to deal with this issue in some detail:

When the Turkish Government asked, through a Note Verbale dated 11, April 1936, for the convocation of a conference for the abolition of the Convention of Lausanne, of 24 July 1923, and the remilitarization of the Straits, the Greek Government replied, through its Note Verbale of 20 April 1936, that it accepted the proposed conference on the categorical condition that any modification of article 4 of the Convention would confer on Greece the same benefits that would be conferred on Turkey, i.e., remilitarization also of the Greek islands of Limnos and Samothrace. On May 5, 1936, the Turkish Ambassador in Athens, Mr. Rusen Esref Unaydun, addressed an official letter [1] to then Prime Minister of Greece, conveying to him the text of an official declaration of the Turkish Government, reading as follows:

"We are entirely in agreement with the militarization of these two islands, Samothrace and Limnos, at the same time as the militarization of the Straits." Nothing could be clearer. Not only this, but the Turkish Government, in the same letter, expressed its readiness to envisage, at a later stage, the militarization of the other Greek islands mentioned in the Treaty of Lausanne, apart from Samothrace and Limnos.

Subsequently, on July 31, 1936, when the Turkish Foreign Minister, Mr. Rustu Aras, deposited the new Convention of Montreux for ratification by the Turkish Grand National Assembly, in the presence of Kemal Ataturk and Prime Minister Ismet Inonou, he made the following declaration:

[1] Letter recently published from original in the Archives of the Greek Foreign Ministry. For text of letter, see annex 1.

"The provisions concerning the islands of Limnos and Samothrace which belong to our friend and neighbor Greece, and which had been demilitarized by the Treaty of Lausanne in 1923, are abolished, also, by the treaty of Montreux, and we are particularly pleased that what is good for us is good for our friends the Greeks . . ." etc.

It is very disheartening that the descendants of Kemal Ataturk are not respecting the word of their Government and try to renege on their own official pledges. However, the abolition of the Convention of Lausanne and its substitution with the Convention of Montreux as well as the official declarations of the Turkish Government have brought about, irrevocably, their legal consequences, which no amount of distortion can change.

For the Turkish Government to assert now the contrary constitutes a gross interference in Greece's sovereign rights. It remains, also, highly unsatisfactory that NATO and the Western Allies, while admitting privately that Greece is right on the question of Limnos, fail to take a public stand that would put an end to the disruption of NATO maneuvers in the Aegean.

As Prime Minister Papandreou stated, it is inconceivable that Greece should take part in any exercise, when Greece's sovereign rights are not respected and when NATO, yielding to Turkish blackmail, does not include in its exercises Greek national territory, as provided for by the Charter of the Alliance.

Let me just add as a sideline that there is another curious and disturbing aspect of Turkey's stance on this issue. Turkey seems to be insisting that only the Dardanelles Straits, under its own control, should be militarily strengthened within the NATO context, whereas the whole corridor of the Aegean down to the Mediterranean should remain unarmed and defenseless. Could it be that Turkey wishes to hold a very strong negotiating card between East and West regarding the use of the Straits, should the situation arise for an application of the Atlantic Treaty provisions and procedures? The fact that Turkey did not fulfill its obligations towards Greece and its other Allies at the time of Nazi onslaught during the second World War and managed to remain neutral surely justifies some doubts for the future.

Mr. President, the facts I have laid out before you, give, I believe, an accurate idea as to the perceptions in Greece with regard to the responsibility of Turkey and the failure of NATO to deal fairly between two of its members and to give meaning to the Alliance's role for Greece. They also indicate that the United States of America, as the leading member of the Alliance and the main supplier of arms to Turkey, has not been able to restrain the provocative and expansionist aims of Ankara.

So, the situation goes on festering and the atmosphere is poisoned by repeated incidents in the Aegean caused by the staging by Turkey of large-scale military exercises, in which Greek air-space is violated and International Civil Aviation regulations are breached to the danger of civilian air traffic.

In these circumstances, it would be totally unjustified if the natural disappointment of the Greeks and their feelings of frustration from the lack of understanding by the leading members of the Alliance, were to be construed as "anti-Americanism". I would rather submit that it is a word coined to reverse the apportionment of responsibilities, and to confuse cause and effect.

The Greek Government, as the Prime Minister Mr. Papandreou said, still waits for the United States and the Alliance to demonstrate that they understand Greece's legitimate concerns. When this happens, there will be no impediment to the restoration of our traditional ties of friendship and cooperation with this great country. This very important consideration will decide the future direction of the U.S.-Greek relations which is the point we are debating now. And we do certainly believe that there are no irreconcilable differences. Further, we have nothing against the Turkish people and we would be ready and willing to resume good neighborly relations and live in harmony in our region, if only Ankara stopped baiting us in the Aegean and in Cyprus. It should be reminded that the dialogue between Greece and Turkey on economic, commercial and touristic matters which the Turkish Prime Minister says he is favoring now, had in fact started in summer 1983 at the initiative of the Greek Government, but Ankara chose to move on with the UDI in Cyprus.

In the meantime, the Greek Government and the whole of the Greek nation, united, will continue the struggle for the defense of their rights and for a just and viable solution in Cyprus.

Let it also be stressed that the Greek people will not tolerate any further worsening of the balance of forces in the Aegean and will consider the maintenance of the 7 to 10 ratio both in quantity and in quality, as a sine-qua-non condition for future relations between ourselves and the Alliance.

We are, therefore, deeply grateful and appreciative to those members of Congress and other American friends who have understood our position and worked hard to support it in Congress and elsewhere. We are also extremely grateful to the AHEPA, its members and the Greek-American community for the devotion, dedication they are showing to our great heritage as well as for the selfless and ceaseless support they are lending to our national causes and Cyprus. I am sure that the work of this conference will add another landmark to the long history of AHEPA's defense of democracy and justice in the interest both of Greece and the United States, this great democracy where you have the privilege to live.

(Text of letter, dated May 6, 1936, addressed by the Turkish Ambassador in Athens Rusen Esref Unaydun to the Greek Prime Minister Ioannis Metaxas. Original: French.)

His Excellency GENERAL I. METAXAS,
President of the Council of Ministers, Minister of Foreign Affaires, Athens.

MR. PRIME MINISTER, I have had the honor to receive the letter that Your Excellency kindly sent me, dated April 22, 1936 as well as the Royal Hellenic Government's Note in response to the Note of the Government of the (Turkish) Republic, dated April 11, 1936.

Thanking Your Excellency for the speed with which the Government of the friendly and ally country has replied to my Government's Note, may I be allowed to refer to the passage of your letter pertaining to the declaration made by (Foreign) Minister Aras to the Charge d'Affaires of Greece in Ankara on the possible rearming by Greece of the Greek Islands of the Aegean Sea, irrespective of the rearming of Samothrace and Limnos in order to confirm to Your Excellency the conversation (Foreign) Minister Aras had with the Charge d'Affaires of Greece Mr. Vattichiotti, whom he had met on the occasion of the French Ambassador's departure, and during which he had told him that Turkey would consider in the most favorable spirit any measure that the Hellenic Government would deem useful to take, in order to ensure the security of the islands under Greek sovereignty.

The scope of this conversation had already been defined, on behalf of (Foreign) Minister Aras by the Assistant Secretary General of the Ministry of Foreign Affaires of Turkey to the Charge d'Affaires of Greece on the latter's request, in the following declaration:

"The militarization of the Greek Islands presently considered is that of Samothrace and Limnos. We are fully in agreement on the militarization of those two islands in parallel with that of the straits. The other Greek Islands of Aegean Sea are the topic of the dispositions of article 13 of the Lausanne Treaty, pertaining to the territorial clauses.

The militarization of these islands is thus correlated to the security of our common maritime border. This question, therefore, may be studied between us in the near future so that we may reach a friendly solution.

For the time being it is preferable not to raise it, since our Balkan allies are very suspicious on questions related to the revision of territorial clauses."

Furthermore, the Assistant Secretary General had added as an explanation, that the security of the common maritime border may for instance imply eventually for Greece the armed defense of these Islands, should any third power wish to avail itself of the opportunity to strike an offensive against Turkey or land forces on its coasts.

In bringing the above to Your Excellency's attention I have the honor, upon instructions from my Government, to give the assurance that, as of now, the Government of the (Turkish) Republic is ready, as already indicated in the above-mentioned declaration, to initiate, with a view toward a friendly solution, any negotiation concerning the rearming of the Greek islands of the Aegean Sea at any time in which Greece would raise this question.

Please accept, Mr. Prime Minister, the assurances of my highest consideration.

RUSEN ESREF UNAYDUN.

THE NEXT FOUR YEARS: THE U.S. AND THE WORLD ECONOMY

● Mr. MOYNIHAN. Mr. President, it is budget time again in Washington. A fact I well know as a member of the Senate's Budget Committee. And it would be well for us, when thinking about the budget, to remember that the United States does not function in a vacuum. Deficits and budgets in this country play a crucial role in the world economy. A case in point: the United States is about to become a net debtor nation. The effects of this have yet to be seen, but it is a change in the global economy which must give us pause to think.

And when thinking these things through, we must look beyond the confines of Capitol Hill to what those who have been studying these matters have to say. An excellent embarkation

point is, "The Next Four Years: The U.S. and the World Economy." Published by the Aspen Institute for Humanistic Studies, this work was written by William D. Eberle, Richard N. Gardner, and Ann Crittenden. Each a first rate academic.

We would do well to read what they have written. To that end, I ask that "The Next Four Years: The U.S. and the World Economy" be printed in the RECORD.

The material follows:

THE NEXT FOUR YEARS: THE U.S. AND THE WORLD ECONOMY

(By William D. Eberle, Richard N. Gardner and Ann Crittenden)

INTRODUCTION

The next four years present unprecedented challenges of economic policy-making to the second Reagan Administration. It faces the urgent need to reduce large and continuing budget deficits, to bring greater stability to international finance, to strengthen a seriously threatened world trading system, to manage a still precarious international debt situation, and to help meet the critical capital requirements of the developing countries.

Answers to these questions cannot be further evaded or postponed without threatening the welfare of the United States and the cooperative international economic order established at the end of the Second World War. We are living on borrowed money and on borrowed time. For the United States and for other countries, an economic moment of truth has arrived.

The way in which the Administration handles these issues will affect the world economy for years to come. For if one thing is still as true as it was forty years ago, it is that the United States, with the strongest economy and the strongest currency in the world, is still at the center of the international economic system. Its internal economic decisions, for better or for worse, are the greatest single influence on that system. The United States is no longer in a position to write the rules of the international economic game, but it still shapes the economic environment in which everyone else must play.

Although the United States is the key actor, other nations have major responsibilities. Europe, Japan and the developing countries have not sufficiently faced up to the hard economic choices essential to their own well-being and that of the global economy. Part of the new reality is that international economic responsibilities will have to be better shared in the future than they have been in the past.

There is also a crying need for greater cooperation among the international economic institutions, among economic policymakers in different countries, and among financial, trade and development ministries within countries. The linkages between nations and between policy sectors are now too close for piecemeal management by fragmented jurisdictions.

What is most urgently needed now, as we confront 1985, is not a set of new international initiatives, but fundamental changes in the domestic policies of the key economic players. Unless these domestic changes are made, whatever international order still exists is in jeopardy. And paramount among these policy shifts has to be the assertion of strong leadership on the part of the United States.

This report is designed to clarify public thinking on the economic issues facing the new Administration and other governments. We maintain that an essential first step in dealing with any of these issues—and the most pressing economic decision facing the second Reagan Administration—is the need for the United States to restore a balanced domestic economic policy.

We therefore propose, as our first recommendation, that the President, as soon as possible, convene a meeting with the leaders of the House and the Senate of both parties to produce a bipartisan deficit reduction package. The reduction of the deficit is not a panacea. But it is a prerequisite for restoring order to an international economic climate that is increasingly characterized by fragmentation and drift. With American leadership putting its own house in order, the outlook is still optimistic. Without it, we risk an economic crisis of global dimensions. That is the opportunity, and the danger, of the four years ahead.

In the following pages, we offer proposals in the four areas of finance, trade, debt and development. None of these issues can be dealt with in isolation. Without improved domestic economic policies in the United States, Europe and Japan, the world will continue to suffer from high real interest rates, destabilizing capital flows, and volatile and misaligned currency relations. Without a more orderly and rational set of exchange rates, the postwar system of multilateral trade will eventually collapse under protectionist pressures. And without lower interest rates, more open markets, and larger international capital flows, the Third World nations will be unable to service their debts and meet minimum development goals necessary for the fulfillment of basic human needs and the survival of democratic institutions.

I. THE U.S. DEFICIT, THE DOLLAR, AND THE INTERNATIONAL MONETARY SYSTEM

The single greatest threat to international financial stability today is the present unsustainable course of the U.S. economy. The Congressional Budget Office (CBO) estimates that even assuming a continuation of the current recovery at approximately 3 to 3½ percent real growth over the next five years, and even assuming a 2 percent drop in real interest rates, Federal budget deficits will rise from $182 billion in fiscal 1985 to $263 billion in fiscal 1989. Using CBO projections Martin Feldstein, former Chairman of President Reagan's Council of Economic Advisers, further estimates that even with a 5 percent rate of real growth for the next five years—a record of economic performance we have never come close to achieving—we would still have a deficit of more than $150 billion in fiscal 1989. There is thus no chance whatever that we can "grow out of the deficit," unless we make fundamental changes in our tax and spending policies.

Indeed, due to the recent economic slowdown, the Reagan Administration's Office of Management and Budget now estimates the deficit for fiscal 1985 at $210 billion—more than the CBO forecast of $182 billion cited above. Thus the CBO deficit projection seems unlikely to prove too pessimistic. And this projection tells us that with the continuation of present policies our national debt, which has already doubled from $700 billion in 1981 to over $1400 billion today, will double again to about $2800 billion by 1989. Annual interest payments on that debt, which were as little as $7 billion in 1960 and $96 billion in 1981, will be $181 billion in this fiscal year.

Our unprecedented deficits reflect a combination of the significant tax reduction of 1981, the explosion in defense spending, the dramatic rise in debt interest payments, and the automatic increases in Congressionally-mandated social programs. Payments on debt interest, defense and Congressionally-mandated entitlements now account for more than 80 percent of the Federal budget. By fiscal 1989, according to the CBO projections, these three items will exceed revenues by $64 billion. This means we will have a deficit even if we eliminate the entire apparatus of national civilian government.

These figures reflect a nation living beyond its means and failing to build for its future. In the verdict of the financial markets, these deficits will eventually be monetized by increasing the money supply. The markets also foresee half of our domestic savings used just to finance our deficits, leaving insufficient savings available for the needs of the private sector. Such expectations contribute to high interest rates and to lower levels of private investment, less housing, lower productivity gains, and ultimately to lower growth.

The U.S. budget deficit has serious international ramifications as well. It is being financed by huge capital flows from abroad, money which is needed to help revive the sagging economies of Western Europe and the Third World. The inflow of foreign funds stimulated by high interest rates has pushed up the value of the dollar, with devastating effects on American export industries. The strong dollar had helped produce a staggering trade deficit of more than $130 billion in 1984 which could reach $150 billion in 1985, has already generated protectionist responses and built up tremendous pressure for additional protectionism. Even when service transactions and unilateral transfers are taken into account, our deficit on current account is over $100 billion in 1984 and figures to be near $120 billion in 1985. In short, we are now borrowing $100 billion or more each year from other countries.

Within the next few months, the United States will become a net debtor nation for the first time since 1914. If we continue to borrow from other nations as a result of rising domestic deficits, we will have a net foreign debt in three years greater than that of Mexico, Brazil and Argentina combined—well over $300 billion. We will no longer, as in the past, be able to count on net international investment earnings to finance our trade deficits. On the contrary, we shall have to accept future reductions in our consumption standards to service our growing indebtedness to foreign nations. In a very real sense, present policies are placing a mortgage on the lives of future generations.

In plain language, the longer Americans continue to consume more than they produce, the longer they and their children will have to consume less than they produce. While we tell the heavily indebted developing countries to "put their houses in order," the fact is that under present policies we could not ourselves qualify for a loan from the I.M.F. And we are manifestly violating our obligations under the Fund's Articles to cooperate with other countries to lessen the extent and duration of imbalances in the international balance of payments.

The present rate of U.S. foreign borrowing, in our view, is unsustainable. It has

been wryly remarked that selling bonds abroad has become a major American export industry. Now this has been supplemented by massive borrowing abroad by U.S. banks. But will foreigners be willing to finance indefinitely this huge amount of U.S. borrowing? It is misleading to argue that the large amounts of foreign money now in U.S. securities and banks "have no place else to go"—some of that money will begin to move elsewhere if confidence in U.S. economic management is shaken and investors seek to avoid large losses from an anticipated fall in the dollar. Moreover, a run on the dollar could be precipitated if foreigners become saturated with dollar holdings and become unwilling to go on lending us $100 billion a year of new money. A cessation or even a sharp reduction of our present large inward capital flows would trigger a liquidity crisis, drive up U.S. interest rates and precipitate a collapse of stock and bond prices.

We are not predicting that such a frightening scenario is about to come to pass. At the moment, confidence in the United States and in the dollar remains high, and prospects for a "run on the dollar" seem remote. But a central characteristic of international finance today is its extreme unpredictability and volatility. Literally anything can happen in a "world monetary system," as Helmut Schmidt has said, which "does not deserve the name." We are also concerned with the political implications of large and continuing U.S. external deficits, which will aggravate Alliance relations and erode the willingness of the American people to bear their share of NATO defense costs and international development financing. We wonder, in short, whether a nation going deeper and deeper into debt to other countries can also remain the world's strongest political power and the leader of the world's democratic forces.

As a crucial first step toward restoring equilibrium in the international financial system, we urge the President to seek a bipartisan consensus with the Congress on a four-year deficit reduction package. Such a package will necessarily require compromise from the leadership of both political parties. Among the main elements we suggest slowing the rate of real increase in the defense budget to 5 percent, reducing civilian spending through health cost containment and the trimming of farm subsidies, and increasing tax revenues through such devices as the following:

Eliminating the deduction of interest payments except for mortgage interest payments on principal residences up to a ceiling;

Imposing a modest oil import fee and a gasoline tax (e.g., $4 per barrel and 20¢ per gallon);

Narrowing the scope of the accelerated depreciation and investment tax credits presently allowed; and

Some form of minimum tax on the economic income of corporations;

We estimate that these tax measures and expenditure reductions could yield between $100-$120 billion per year between now and fiscal 1989. More will have to be done, but this would represent a reasonable beginning.

Quite apart from its value in raising additional revenue, we consider the first of our tax proposals of special importance for policy reasons. The present deductibility of all interest payments (a feature virtually unique to U.S. tax law) artificially stimulates borrowing and raises U.S. and world interest rates; while the deductibility provision cuts the effective rate of interest for wealthy U.S. individuals and corporations, foreign borrowers, including the heavily-indebted developing nations, bear the full brunt of the resulting higher interest charges. Elimination of deductibility (except for mortgage interest payments on principal residences up to a ceiling) would help restore better balance to both the U.S. and the world economy.

The second of our tax proposals—the modest oil import fee and gasoline tax—by offsetting recent and likely future declines in world oil prices, would maintain pressures for energy conservation (and provide a modest encouragement to domestic production) without raising U.S. energy costs significantly compared to those prevailing a few months ago.

At the same time, other nations need to set in motion complementary policies aimed at restoring some balance to international financial flows. The Western European countries are beginning to recognize that they need to provide more opportunities for productive investment in their own economies—by encouraging entrepreneurship; by permitting the transformation of obsolete industries: by loosening up rigid labor markets; by reducing the role of government in their economies; and in some cases, by easing monetary or even fiscal policy to promote faster growth and more jobs.

Japan needs to relax still further the restrictions on its imports and its capital markets. Stimulation of Japanese internal demand is also essential if Japan is to reduce its huge trade surpluses that have produced so much of the recent protectionist surge in the United States and the rest of the industrialized world. Large-scale international borrowing by Japanese government agencies and private firms could also be encouraged to achieve a better balance of international financial flows and exchange rates.

The developing countries, for their part, will need much more responsible and imaginative economic management than they have had in the past, if they are to adjust to a world of more limited capital flows. This includes better incentives for industrial and agricultural production, more realistic exchange rates, the reduction of public sector deficits and more effective means of keeping what capital they have from leaving the country.

With the increased interdependence which exists today, including the high degree of capital mobility among nations unforeseen at Bretton Woods, it is even more essential that countries adjust their domestic economic policies with a view to maintaining a mutually beneficial world economic system. It is no longer possible to have complete national policy autonomy and maintain an open international system of trade and capital flows. If we wish to preserve the latter we shall have to accept some limitation on the former.

At the 1982 Economic Summit meeting in Versailles, it was decided that Finance Ministers from the key currency countries would meet quarterly with the Managing Director of the International Monetary Fund to discuss coordination of macroeconomic and exchange rate policies. This decision was reaffirmed at the Williamsburg Summit. Unfortunately, however, there is little evidence to suggest that these decisions have led to a meaningful process of international policy coordination. To have any practical result the key currency countries, including the United States, must demonstrate the political will to take seriously international factors in their domestic policy decisions. We believe the United States should now lead in the establishment of an improved system of multilateral surveillance to review the domestic fiscal and monetary policies of the key currency countries. This is an essential step towards achieving more stable currency relationships in better relation to underlying competitive conditions—an objective as much in the interest of the United States as of its economic partners.

The instrument for such multilateral surveillance, in our view, should be a group such as the Interim Committee of the International Monetary Fund, or possibly the smaller Group of 10. The world is not ready, obviously, for supranational control of national economic policies, nor even, perhaps, for "target zones" of key currencies maintained by a combination of national policy commitments. But we believe a group of Finance Ministers and their deputies should now meet at least every three months, and in special session when circumstances so require, to seek consensus on the changes that are needed in national policies in the interest of international monetary stability. Rules of procedure such as the formal recording of decisions and a process of follow-up monitored by the IMF staff could provide a discipline in the current surveillance process that is presently lacking.

Intervention in the exchange markets will be of limited value if domestic policies are not better coordinated. If a more meaningful system of multilateral surveillance is established, however, the G-10 countries could, in appropriate circumstances, undertake cooperative exchange market intervention to restore more orderly exchange market conditions and exchange rates more reflective of purchasing power parities.

The importance of establishing international cooperation in the formation of domestic policies cannot be overstated. Financial flows now dwarf trade flows; some $20 to $30 trillion in capital flows now cross the foreign exchange markets in a year, compared with roughly $2 trillion in goods and services. With exchange rates responding to international capital movements and often bearing little relation to trade competitiveness, grate pressure is developing to divorce the exchange rates in the capital and goods markets. This separation of rates can be achieved by two means: import restrictions and export subsidies which permit a country to maintain international competitiveness despite an overvalued currency; or taxes and other limitations on free capital movements which dilute the impact of interest rate differentials on the exchange rate. However, either method would undermine the progress which has been made towards an open international trade and investment system, and run the risk of political manipulation and economic inefficiency. It would be far better to avoid the need for restrictions through pursuit of more international-oriented fiscal and monetary policies within the key trading nations.

II. INTERNATIONAL TRADE, THE GATT SYSTEM, AND ADJUSTMENT POLICIES

The overwhelming trend in international trade today is the steady drift toward more managed trade. By one estimate, as much as 50 percent of world trade is under some form of management by governments. A multitude of restrictive trade agreements have sprung up outside the framework of

GATT, producing a new climate of uncertainty that is impeding the growth of trade and investment. These bilateral export restraint agreements now cover textiles, steel, autos, shoes, and numerous agricultural products, all in violation of the normal trading rules set forth in the GATT. In addition, countries have increasingly adopted "industrial policies," using direct and indirect subsidies, government procurement policies, foreign investment incentives, export performance requirements and the like. As a result, the concepts of multilateralism and open markets embodied in GATT which have served the world well are in danger of being abandoned barely forty years after their adoption.

Even the United States, which was firmly committed in the postwar era to the principle of open multilateral trade, has been turning recently to regional and bilateral trade agreements—the Caribbean Basin Initiative, a free trade agreement with Israel, and a sectoral free trade arrangement now under discussion with Canada. Similar bilateral arrangements have been explored with Saudi Arabia and the ASEAN countries of Southeast Asia. These kinds of agreements may serve a useful purpose provided they are brought within the multilateral framework, which means making them compatible with GATT rules or phasing them out after a fixed time period. But if the process of Balkanization of trade continues, it is not an overstatement to suggest that the GATT could become as obsolete as the old Bretton Woods system of fixed exchange rates.

Thus trade policy is at a crossroads. In our view, the U.S. should take the lead in renewing the industrialized nations' commitment to reducing trade barriers in a multilateral framework. It should propose that GATT be updated to face the challenge of bilateral agreements and industrial policies, subjecting both to a multilateral process of notification and surveillance, while it also develops new rules to cover service trade and trade-distorting investment practices.

In specific terms, we recommend:

1. A new round of multilateral trade negotiations to extend the GATT's effective mandate to cover bilateral restraint agreements, industrial policies, services, agriculture, and trade-distorting investment practices.

2. The parties to GATT should work out procedures and rules for the administration of bilateral restraint agreements. The GATT should be prenotified of their formation and be given authority to exercise surveillance over them, including the monitoring of their impact on all parties. An adjustment plan should be drawn up for the industry or region affected by each agreement and a date set for its termination. The GATT should undertake to review each pact periodically to see that the necessary adjustments are taking place on schedule.

3. The GATT should establish a new surveillance committee on trade-distorting domestic policies, whether called industrial policies or otherwise. Countries adversely affected by the trade-distorting domestic policies of other GATT members could question these policies and seek changes, even where no specific violations of existing GATT rules are involved. The committee could seek to develop agreement on which industrial and other domestic policies are consistent with the letter and spirit of the GATT and which are not.

4. The United States should practice the economic efficiency it preaches abroad, by granting protection only under specific conditions. Any company or industry seeking import protection from the International Trade Commission or the White House should be required to submit an adjustment plan showing how it will restructure in order to restore competitiveness or get out of the business in question. The plan could include commitments to increase investment in modernized plant and equipment, restrain wage increases and executive compensation, or shift into new lines of production. After a given time period (e.g., 5 years), the protection would automatically expire and not be renewable.

5. The United States should strengthen its adjustment assistance program for workers displaced by imports, which has been severely reduced in recent years. The revitalized program should put its main emphasis on worker training and retraining rather than the simple income maintenance that was the main feature in past years.

6. The United States should embark on a comprehensive national program to enhance its international competitiveness. In addition to a better macroeconomic policy leading to lower interest rates and a properly aligned dollar, this primarily means developing our neglected human capital—preparing the skilled work force we shall need in future years through more investment in education at all levels, particularly in math, science and engineering. It means encouraging more spending on civilian research and development through tax incentives and government support to universities. It means an anti-trust policy that permits the pooling of research by companies in the same industry. It means tax incentives focused more effectively on promoting new investment in plant and equipment. And it means a strengthened Export-Import Bank that assures American exporters credits and credit insurance fully competitive with that provided by other countries.

In the controversy over whether or not the U.S. should have an "industrial policy," it is often forgotten that our government is already intervening like a brain-damaged octopus. The challenge is to move from random, politically-motivated actions and subsidies that frequently impede industrial adjustments to more limited and rational interventions that enhance the competitiveness of the United States. It has been estimated that Washington presently dispenses some $100 billion a year to industry directly and in the form of "tax expenditures" without any priorities and virtually no consideration of how these various subsidies combine to affect a given industry or the economy as a whole. For example, the United States spends five times more in research and development in commercial fishing than on research and development in the steel industry. The government provides a special $500-$600 million annual tax benefit to the timber industry, but no such special tax advantages for semi-conductors. It is doubtful whether any national interest is served by the haphazard allocation of national resources that results from this hodge-podge of policies.

7. Accordingly, we recommend an immediate effort by the Council of Economic Advisers to determine exactly how existing government programs of direct and indirect subsidy affect specific industries and the economy as a whole, with a view toward rationalizing the government's already massive intervention in the economy and promoting national competitiveness.

III. INTERNATIONAL DEBT

To the surprise of many observers, the Third World debt situation is no worse today than two years ago, when the Mexican and Brazilian payments crises first erupted. The recent successful rescheduling of the Mexican debt has provided breathing space, and similar reschedulings may soon be negotiated with other countries. Such reschedulings are useful, but they do not "solve" a crisis that will be with us for decades.

Between $800 and $900 billion of debt is still owed by developing nations; about $400 billion of it by Latin countries alone. The situation in some of the major debtors—notably Argentina—is extremely problematic, and elsewhere borrowers such as the Philippines will clearly have grave difficulty in servicing their foreign debts in this decade.

There is a limit to which the major debtors will be willing to maintain austerity policies that sacrifice domestic growth and standards of living for the sake of repaying foreign creditors. Most governments will find it politically and economically impossible to maintain the present adjustment process unless private and official capital flows combined with expanded export opportunities are available beyond the amounts that are presently foreseeable.

A key issue is where the additional capital is going to come from in the near term, pending the restoration of economic growth. The commercial banks—the principal source of the past decade—have made it abundantly clear that they will not be increasing substantially their exposure in the Third World. In 1983, according to World Bank figures, net financial transfers from banks to the developing countries were actually negative by an amount of $11 billion, and in 1984 bank lending to less developed countries has recovered only slightly. Even debtor nations who have continued to service their obligations have been hurt by the widespread resistance to new bank lending abroad.

Some means of restoring the long-term credit available to these countries, and to debtors undergoing major adjustments, must be found. The World Bank estimates, for example, that if the debtor nations are to maintain adequate growth, export and debt service performances they will need an annual growth in current debt of about 4.5 to 5%.

It is in the interests of the United States and other industrialized countries to find ways of making this capital available. The economic costs of debt defaults shaking the stability of our banking system or of vanishing developing country markets for our exports are obvious. Largely because of the economic contraction in developing countries, the U.S. alone lost $18 billion of exports between 1980 and 1982, which, according to the Overseas Development Council, eliminated approximately 600,000 jobs. Between 1982 and 1983, industrial countries' exports to developing ones dropped by $43 billion. It has been estimated that growth rates in the developed world would have been one-half of one percent higher in 1983 if those exports had remained at their 1982 levels.

We therefore recommend:

1. A doubling of the capital of the World Bank or, alternatively, the establishment of a Bank subsidiary with a higher "gearing ratio" than that of the Bank itself—i.e., the ability to make loans greater than its total capital.

2. Greater coordination between the IMF and the IBRD in devising growth-oriented policies for the debtor countries. Much as a troubled industry needs a long-term adjustment plan to put it back on track, these countries need long-term growth strategies, backed by Bank funds, as well as the Fund's traditional short-term stabilization policies.

3. A more active role by the World Bank in co-sponsoring new loan syndications with commercial banks to debtor countries as a means of keeping private capital flowing.

4. The World Bank, the industrialized countries, and the heavily indebted countries should cooperate in creating new incentives for direct private investment in the developing countries, including investment insurance and possibly some means of converting debt into equity.

5. The GATT, working with the World Bank and IMF, should seek significant trade barrier reductions on behalf of developing countries.

IV. LONG-TERM DEVELOPMENT

In their relations with Third World countries, the United States and other developed nations face both short-term questions of debt repayment and long-term questions of economic growth and political stability. As we move to deal with the former we should not lose sight of the latter.

The real victims of the international economic forces at work today are, as always, the weakest: the poorest countries who perenially bear the heaviest burdens of adjustment. The debt burden, the high interest rates, the costly dollar, deteriorating terms of trade and protectionism have combined to erase many of the gains made during the 1960's and 1970's. Current economic forecast envisage a recovery in Latin America so slow that the per capita income of 1980 will be barely regained by 1990. For sub-Saharan Africa, the World Bank foresees that, without action, per capita income in the year 2000 will actually fall below the level of 1960.

Harsh cuts in virtually every Third World budget have produced sharp declines in spending on health, family planning, education and research, all at the expense of these societies' futures. Similarly, much of the progress in servicing the international debt has come at the cost of many countries' long-term well-being, as they have stripped their forests, depleted their mineral reserves, and preempted their agricultural lands to produce commodities for needed foreign exchange.

With so many of the forces buffeting these countries beyond their control, the international community has a moral obligation to provide some capital transfers back into their economies. Moreover, such assistance is in the industrialized countries' own economic self-interest. The developing countries are among the best customers of the industrialized world—as much as 35–40 percent of the exports of the developed countries are purchased by the developing countries. As the last three years have demonstrated, when growth lags in the South, the factories in the North are among the first to feel it.

Moreover, the collapse of democratic forces in countries like Mexico would create a more hostile world environment and threaten vital U.S. interests.

We therefore urge the following measures:

1. The industrial nations should increase the resources and lending programs of the World Bank and the IMF above the levels presently authorized. Fund conditionality should be made more flexible and more oriented toward long-term structural adjustment.

2. The industrial nations should maintain, in real terms, their past levels of support for the International Development Association, the chief source of concessional development finance for the poorest countries. This would require a change in U.S. policy in favor of a $12 billion IDA replenishment, instead of the current U.S. insistence on a replenishment of $9 billion. The current U.S. policy saves the U.S. less than $250 million per year but costs IDA $750 million annually from other donors.

3. The industrialized countries should expand their bilateral assistance programs, particularly those that are targeted toward improvements in agricultural productivity, management capabilities, and meeting the basic needs of the poor, including education, health and family planning.

4. Even though we urge an expansion of World Bank and IDA lending, we also urge that these two agencies look more carefully at the market criteria of their loans, to be sure that they are not financing the production of products already in world surplus.

5. Both developed and developing countries must devote more attention and resources to helping reduce Third World rates of population growth. If present trends continue—and they are likely to do in the absence of greater action—Africa's half a billion people will grow to almost 3 billion, India's 700 million to more than 1.2 billion, Mexcio's 70 million to 200 million, before stabilizing some time in the next century. Such increases will almost certainly be accompanied by higher rates of abortion and female infanticide and will destory any hope of economic progress and political stability.

In the final analysis, the developing countries' futures will depend upon their own policies. As Paul Hoffman remarked at the beginning of the Marshall Plan, "only the Europeans can save Europe." The developing countries must get their own economic houses in order, and only their own commitment to wealth-creating strategies, to incentives for industry and agriculture, to improved savings rates, to better managed public projects, and to more responsive bureaucracies, can assure them a decent future—no matter what the United States and the industrialized world do.

6. The industrialized countries should therefore support efforts by the more successful newly industrializing countries, such as South Korea, to share their experiences with other developing countries. South-South international development exchanges should be greatly expanded, for they offer a depoliticized, collegial setting for the transmission of expertise on economic development. They can provide an attractive alternative to the more paternalistic economic assistance models of the past.

V. INTERNATIONAL POLICY COOPERATION AND INTERNATIONAL INSTITUTIONS

There is a widespread sense of disillusionment with existing institutions, and little enthusiasm for establishing new ones. Yet as our previous discussion suggests, there is no way that American interests can be advanced without a greater effort to strengthen the International Monetary Fund, the World Bank, and the GATT, and to get them to work together more effectively. This should be a high priority both for the United States and other countries.

There is also a pressing need for some forum where the inter-related problems of exchange rates, trade, debt and development can be discussed and negotiated among nations. We believe that this can only be accomplished at the highest level, among heads of government, who have the authority to make the critical trade-offs that will inevitably be necessary.

We therefore urge that:

1. The industrialized nations should revitalize the summit process, which in recent years has degenerated into an annual media extravaganza, long on photo opportunities and short on substance. The summits now need to be used to put the stamp of approval on package deals or policy trade-offs in which the seven summit countries take real commitments to modify their policies in the general interest. To help assure the follow-up of these agreements, a small prestigious group of private individuals should be appointed to issue a frank and public report to governments, evaluating their post-summit performance of agreed obligations—a report card, in effect, that could inject some discipline into what has become a superficial and even cynical process.

2. The United States should develop a new mechanism to integrate economic decision-making within the United States government, so that domestic economic management, trade policy, international debt and international development policy are all shaped in harmony with a full understanding of their interrelationships. We strongly urge a bold Presidential initiative to integrate all domestic and international economic policy-making in the White House, under the authority of a senior Presidential advisor working with the appropriate Cabinet officers.

In conclusion, we repeat our appeal for more effective leadership on the part of the United States. Today, as never before, American economic policies have a global impact, and the international consequences of those policies reverberate on the U.S. economy in ways we need to take more seriously. In such a world, the U.S. must act, above all, to reduce its unprecedented budget deficits.

Clearly, the U.S. has an obligation, both to itself and to the rest of the world, to manage its economic affairs in ways that strengthen, not weaken, the international financial and trading system. So do other nations. This will require not only more balanced domestic policies but a greater degree of international cooperation in which every sovereign nation makes its fair contribution to a needed economic adjustment.

For too long, American economic policy has been made as if the rest of the world did not exist. That is an illusion which this country no longer has the luxury to entertain. The next four years will require American leadership that is at once more realistic, more consensual, and more sensitive to our domestic responsibilities, than we have ever seen.

Other countries could not reasonably ask for more, and we cannot reasonably settle for less.●

SBA: A VITAL SOURCE OF VENTURE CAPITAL

● Mr. WEICKER. Mr. President, I wish to continue today in bringing to the attention of the full Senate, important testimony and discussions entered into during three recent hearings conducted by the Committee on Small Business in order to consider S.

408. This legislation, which I introduced last month with Senator BUMPERS, authorizes Small Business Administration programs and activities for fiscal years 1986–88.

Today I would like to focus my remarks on the SBA's Small Business Investment Center [SBIC] and Minority Enterprise Small Business Investment Center [MESBIC] venture capital programs.

The Small Business Investment Act of 1958 which first authorized the Small Business Investment Company [SBIC] Program, recognized "that small business concerns are faced with a real difficulty in obtaining long term and equity capital required for adequate growth and development. Commercial banks are not able to furnish such financing; their function lies primarily in short- and intermediate-term lending; they do not supply venture capital or long-term credit." This funding void still exists today, and the SBA's venture capital programs are filling this critical credit gap.

SBIC's and minority enterprise small business investment companies [MESBIC's] are SBA licensed companies which, through a private and public sector partnership, provide equity capital, long-term loans, and management assistance to small businesses. SBIC's are responsible for many of our Nation's great small business success stories. Companies which have stimulated the economy and provided thousands of jobs, such as Apple Computer and Federal Express, would not have started without SBA financing.

In return for a commitment to invest in small businesses, SBIC's are licensed by the SBA and authorized to issue loans backed by Federal guarantees. To be licensed as a SBIC, a company must have at least $1 million in private sector, paid-in capital. Before an SBIC can leverage any funds, it must have first committed at least 60 percent of its own capital to investments in small business concerns.

The SBA through its SBIC and MESBIC venture capital programs, provided $2 billion in equity capital to approximately 70,000 firms, creating 250,000 jobs. The assisted companies have produced jobs, economic gains, and tax revenues far exceeding the Government's outlays, and should be maintained.

On September 21, 1983, President Reagan addressed the National Association of Small Business Investment Companies [NASBIC] at their 25th anniversary commemoration. The President delivered this eloquent testimonial to the success of the SBA's equity capital programs, inspiring every SBIC manager, small business entrepreneur, Member of Congress, and SBA official present:

S.B.I.C.'s and MESBIC's have been pioneers of private sector/Government efforts to expand the availability of venture capital for small businesses. Your product and service breakthroughs, the jobs created and retained, the economic gains, and yes, the additional taxes collected over the last quarter century from your program's success have real meaning for all of us.

You've proven that public/private partnership can do things that Government alone cannot accomplish. The ingenuity perseverance, and profit motive of the private sector works remarkably well with Government encouragement. This is where you fit in. And it's not just money. Even more than the impressive financial assistance you've provided is the development of a reservoir of human capital. The S.B.I.C. managers have strengthened the ability of the small business sector to innovate, compete, and grow.

The sole role of the minority enterprise small business investment companies, which we also recognize tonight, is to assist small businesses whose ability to compete is hampered by racial or ethnic considerations. This mission ties in directly with my goal of ensuring that all Americans share in the opportunities of our free enterprise system.

President Reagan concluded his remarks by thanking the programs' leaders, and encouraging SBA Administrator James Sanders, to:

. . . keep up the good work at SBA so that the years to come will be even better for SBICs and the small businesses they serve.

Mr. Sanders has followed the President's advice.

William R. Thomas, Chairman of NASBIC, and president of Capital Southwest Venture Corp., Dallas, TX, used hard facts and figures to knock the wind out of Budget Director David Stockman's assertion that the SBA doles out "subsidized credit." Mr. Thomas pointed out that:

There's no subsidy in the SBIC program. When SBIC's borrow from the Federal Financing Bank, through an SBA guaranty, they pay more than the cost of money to the Treasury. For the past 17 months, operating SBIC's and those applying for licenses have paid sufficient fees to cover most of the costs of operating the investment arm of SBA, and for the past 2 months, SBIC's have paid a user fee when they borrow. We estimate that this new user fee will bring in more than $2 million each year. Thus, just by paying these fees, SBIC's offset all the costs of the program, without taking into consideration taxes paid by SBIC's themselves, their partners or shareholders, and the increased taxes paid by SBIC portfolio companies and their employees.

It should be noted here that SBA borrowers can only obtain market-rate, collateral secured loans. Contrary to what some mistakenly believe, there's no such thing as a free lunch at the SBA.

Mr. Thomas further countered OMB's claims with these comments:

Mr. Stockman implied in his statement last week that we do not need SBIC's now that a large venture capital industry exists. I reject that conclusion for five reasons. (1) SBIC's still account for more than 20 percent of the resources of the total venture capital universe and the loss of the more than $2-billion committed to SBIC's would be an enormous blow to U.S. small businesses. (2) In common with every other SBIC and venture capital manager, I know that the entire venture capital industry cannot finance all the qualified investment opportunities we see—it's not a case of too many dollars chasing too few good deals. (3) Most SBIC's invest in situations which are not feasible for other venture capital firms. By using leverage, SBIC's can make an acceptable return on their invested capital by providing funding to entrepreneurs in traditional industries. For that reason, SBIC's are able to assist a much wider range of businesses that the firms in other segments of the venture capital industry . . . (4) The SBIC industry has a far greater geographical dispersion that the rest of the industry; there are licensees in 46 States. Small business benefits from this broad distribution of SBIC's. (5) The highly cyclical nature of the non-SBIC segment of the venture capital industry could mean that no venture capital dollars would be available if there were no SBIC's.

The SBIC Program represents more than 20 percent of our Nation's venture capital financing, and generates tax revenues far in excess of the Government's outlays. Mr. Thomas explained:

I can tell this committee without equivocation that the SBIC Program is a profitmaker for Uncle Sam. Surveys undertaken by the Government itself, as well as studies conducted by Arthur D. Little, Inc. and Deloitte, Haskins & Sells, have demonstrated beyond question that SBIC's and their portfolio companies return to the Federal treasury in increased tax revenues far more than the handful of dollars expended by the Government.

The committee staff illustrated this fact with the following chart, showing the growth in sales, jobs, and taxes paid by 10 outstanding recipients in SBIC loans. These firms head the roster of SBIC-backed companies exemplifying capitalism at its dynamic best. They also represented almost $199 million in Federal tax revenues collected by Uncle Sam in just 1 year.

I submit for the RECORD the following table, SBIC Program: A public-private partnership that works.

The table follows:

SBIC PROGRAM: A PUBLIC-PRIVATE PARTNERSHIP THAT WORKS

Since their inception in 1958, SBIC's have provided $5.0 billion in venture capital to approximately 70,000 firms. Many of these small firms have experienced remarkable economic growth, generating new jobs and revenues. In the last ten years, SBA estimates over 250,000 new jobs have been created by small firms receiving SBIC financing.

Examples of Small Companies That Received Financing from the SBIC Program:

	At time of SBIC financing				As of last available data				
	As of	Sales	Profits	Employees	As of	Sales	Profits	Taxes	Employees
Apple Computer, Inc	Sept. 30, 1977	$773,977	$41,575	63	Sept. 30, 1983	$982,769,000	$76,714,000	$69,408,000	2,050
Federal Express Corp	June 30, 1973	6,769,112	(4,460,896)	518	May 31,1984	1,436,305,000	115,430,000	(15,964,000)	18,400
Intel Corporation	Dec. 31, 1969	565,874	(1,887,808)	218	Dec. 31, 1983	1,121,943,000	116,111,000	62,344,000	19,400
Rolm Corporation	July 3, 1970	292,253	(358,586)	32	July 1, 1983	502,642,000	60,952,000	25,409,000	7,049
Cray Research, Inc	Dec. 31, 1972	58,327	(3,137)	12	Dec. 31, 1983	125,008,000	26,071,000	19,991,000	1,551
Pandick, Inc	May 31, 1965	3,315,665	55,497	655	Aug. 31, 1983	121,086,000	10,038,000	9,653,000	1,300
Lifeline Systems, Inc	Dec. 31, 1979	707,000	(260,000)	19	Dec. 31, 1983	9,644,000	348,000	12,000	220
Digital Switch Corp	June 30, 1979	0	(639,532)	20	Dec. 31, 1983	127,052,000	25,473,000	19,737,000	894
NBI, Inc	June 30, 1976	451,186	(859,809)	55	June 30, 1983	96,780,000	4,590,000	1,095,000	1,846
Network Systems Corp	Dec. 31, 1975	25,690	(348,099)	12	Dec. 31, 1983	47,030,000	10,030,000	7,275,000	462
Recorded totals		12,959,084	(8,720,795)	1,604		4,570,259,000	445,757,000	198,960,000	53,172●

● Mr. WEICKER. Mr. President, it should be noted here that many SBIC borrowers are high-tech firms, on the cutting edge of American economic and technical growth, and job creation.

Mr. Thomas put into perspective the SBIC program's impressive job creation record by citing a Deloitte, Haskins & Sells economic impact study which concluded "that a new, permanent job is created for each one-time SBIC investment of $6,500 * * *. Based on the Deloitte analysis * * * the industry's investments are creating over 65,000 new jobs a year."

Cray Research, Inc., the world's leading supplier and developer of supercomputers and supercomputing technology, is a stunning SBIC success story. The company received an SBIC loan in 1975, and grew to be an outstanding generator of revenue for its principals, and for the Government as well.

John F. Carlson, the firm's executive vice president and chief financial officer, made the following statement illustrating the very tangible way that Cray has been able to repay the Government for its investment.

Through the success of Cray Research, Inc., the American taxpayer has realized a direct revenue gain of over $100 million over the last seven years. Cray's total employment has grown to over two thousand people with a total payroll of over $60 million per year. Despite the company's strength today, however, the company came close to failing in 1975 due to a lack of sufficient capital. At that time, emergency venture capital was raised from several companies, the majority of which were funded by the Small Business Investment Company (SBIC) Program. A number of experts familiar with both the specific case and the difficult state of the venture capital markets in 1975 agree that the SBIC funding was a "make or break" component of the financing. Put another way, the taxpayers' investment of less than $500,000 in SBIC funding for Cray Research in 1975 is currently yielding a direct revenue return of over $30 million per year in corporate and personal income taxes. Since 1975, Cray Research has already contributed over $100 million in total tax revenues and has generated over two thousand jobs.

Mr. Carlson traced the firm's financial roots and described the market imperfection that forced Cray to seek SBIC financing:

Cray Research was founded in 1972. The first financing for the startup was provided by fifteen private individuals and a large investment by Commercial Credit Company. This financing was sufficient to fund the company until early 1974, when the second round of financing was raised with the thought that the company could make it to product introduction without another major capital infusion. By mid-1975 it was clear that the company could not survive without a third round of financing. At that time, Mr. Seymour Cray, the company founder and chief executive, began to seek additional financing in the midst of an extremely difficult venture capital market. After being denied a bank line of credit essential to keep the company going for more than two months, Mr. Cray finally received help from an SBIC that agreed to assemble the required capital. When the task was complete, eleven capital companies, seven of which were SBIC investors, joined to raise $1.8 million. This amount then was pooled with another $500,000 from private investors, enough to ensure that Cray Research could continue until its successful public offering a year later. Of the $1.8 million, over $1 million, or almost sixty percent, was from SBIC sources.

Mr. Chairman, the role of the SBIC program in securing continuation capital for Cray Research in 1975 cannot be overemphasized. Some may claim that if the SBIC had not been there, Cray would have found another way. Our venture capitalizers tell us otherwise.

Mr. Thomas refenced Mr. Carlson's testimony and cited the Cray example to show how the gains produced by this one SBIC winner has compensated for program losses:

At NASBIC's annual meeting last November, an official of the investment division of SBA stated that SBA had written off only $38-million in loans to SBICs during the first 25 years of the program. That's an average of $1.5-million a year. We estimate that the average outstanding leverage during that 25 year period has exceeded $500-million, so you can see that SBA's average loss on its portfolio is less than one-half of one percent a year. On February 21, John Carlson of Cray research told your committee that his company owed its existence to the work of an SBIC; he also stated that Cray research has already paid a total of $83-million in Federal corporate taxes in the few years since it became profitable. Think of it, Uncle Sam has lost a total of $38-million on its loan to all SBICs, but has received more than twice that amount in taxes from just one company.

Mr. Stockman has made the claim that the SBA "* * * serves almost no rigorously defined public policy purpose." A clear illustration of the fallacy in his allegation is the fact that minority business owners do not compete on a level playing field, and are very often shut out of credit markets and other business opportunities. The SBA, through its MESBIC Program, has opened and expanded business and market opportunities within the minority community.

Patrick Owen Burns, chairman of the American Association of Minority Enterprise Small Business Investment Companies [AAMESBIC] issued this strong statement refuting Mr. Stockman's claim:

First, I would like to point out that, contrary to Mr. Stockman's statement, the MESBIC program serves a very well-documented public policy objective. MESBICs are mandated to invest "solely in small business concerns which will contribute to a well balanced national economy by facilitating ownership in such concerns by persons whose participation in the free enterprise system is hampered because of social or economic disadvantages." As Mr. Stockman himself admitted in his testimony, in some cases public interest and social policy gains outweigh the importance of pure market efficiency.

Mr. Burns responded to OMB's claims that SBA programs reduce marketplace efficiency, job creation, and economic growth by presenting these impressive MESBIC statistics:

Since 1976, the MESBIC industry has invested over $391 million in 4,772 small business concerns. MESBIC investments since 1977 have helped to create or maintain over 75,000 jobs. More importantly in terms of the budget, MESBIC investments since 1978 have generated Federal and State tax revenues of approximately $487 million. When combined with the unemployment wages saved through MESBIC job generation, the total benefit over the seven year period is approximately $886 million. In looking at the annual cost to the Government of administering the MESBIC program, the excess Government revenue over costs is well over $150 million.

Edward Lewis, publisher and chief executive officer of Essence Communications, Inc., told the committee how his firm got its start with help from the MESBIC Program:

Clarence Smith and I founded essence back in 1970 with start-up financing from MESBICs and other sources. Like many new ventures, we started with sound and exciting ideas—got the product off to a good

start—but soon began to feel our financial foundations wobbling. In 1973 our three-year-old brainchild had 25 employees, sales of $1,500,000 and losses so heavy that I still shudder to remember.

Part of our start-up financing had come from the MESBIC industry, and while most investors in a situation like ours would move quickly to cut their losses, our venture capital investors stayed for the long haul. In fact, these MESBIC executives worked the numbers carefully—from operating costs to market potential—and determined that essence had the growth and profitability potential to warrent a large financial commitment than before.

Five MESBIC's syndicated an investment in essence of over $1 million.

* * * Essence magazine, the leading magazine for black women, now has a circulation of 800,000 and advertising revenues of $11,000,000 * * * the company employs 90 people, and has revenues of $20,000,000. * * * Our projections for next year are $25,000,000 in revenue and profits will be substantial. In addition to the fine publication we have created, the market we serve, the excellent women and men we employ, the taxes we pay and the profits we enjoy, essence had repaid $800,000 to our MESBIC investors who have paid back their loans along with dividends to the Small Business Administration.

Mr. Lewis credits the success of Essence to several key factors, including MESBIC's long-term involvement. He states:

* * * Just as important as the product, market and management, our MESBIC investors were committed to Essence's success and tenacious about getting there. They believed the product was important to the black market, and they saw a winner. The MESBIC's were there to stay.

Mr. Lewis continued by adding his voice to the view expressed by so many that abolishing the SBA is an ill-conceived attempt at bringing down the deficit. He said,

Budget cutters most often couch the debate in terms of value received for use of the taxpayers dollars. The deficit must go down and I think that this measure of value is a valid one. Unfortunately, however, adversarial rather than problem solving approaches to our shared problem lead to extraordinarily narrow definitions of value.

Judgments of how well SBA spends tax dollars should be measured in terms of jobs created, and the consequent reduction of dependence on government assistance. Value should also be measured in terms of businesses created that become part of community economic infrastructures, and the amount of payroll and income taxes these businesses pay to local, State and Federal Governments.

SBIC's and MESBIC's are public-private partnerships helping scores of aspiring entrepreneurs to realize their dreams.

Through these program avenues, the Government has been meeting the commitments of eager innovators, long on ideas and short of ready cash, and has become a silent partner in important technical advancements, job generation, and a prospering economy.

If American entrepreneurship, our tax rolls, employment opportunities, and the economy are to continue to flourish, these programs must be maintained.

Tomorrow, I will continue with an overview of the SBA's 7(A) Loan Guarantee Program.

ARKANSAS GENERAL ASSEMBLY URGES REJECTION OF PRESIDENT'S PROPOSED BUDGET FOR FARM PROGRAMS

● Mr. BUMPERS. Mr. President, on February 22 the Arkansas Legislature adopted and the Governor signed a resolution calling on the Congress to reject the President's proposed budget for farm programs. The strongly-worded resolution calls the President's proposed changes in farm programs "untimely and unreasonable," says that they will impose a serious hardship on the farmers of the country, and expresses the fear that they "could lead to the destruction of the agriculture economy of the Nation."

Mr. President, every Member of this body knows that the President's agriculture budget is dead as a doornail and was on the day it was submitted to Congress. It is dead precisely for the kinds of reasons set out in this resolution adopted by the Arkansas General Assembly. State legislators all across the country in farm States, men and women who know farmers and farming, know that the virtual elimination of farm programs is not in the interest of our Nation or our farmers. Our deficits are staggering, and we have to deal with them. I intend to do my part as a Member of the Senate, but the President's farm budget is bad policy and will not pass. The Budget Committee rejected it just last week.

I commend this resolution to my colleagues, and I ask that the resolution be printed in the RECORD.

The resolution follows:

S. CON. RES. 7

Whereas, officials of the current Presidential administration have developed a package of proposed changes in various farm programs and will submit the various proposals to the U.S. Congress in the near future; and

Whereas, the proposals to be submitted to Congress include the reduction of price support programs, the termination of set-aside programs, elimination of the farm-owned grain reserve program, new limits on direct subsidy payments, the phase out of dairy supports, and a gradual elimination of "target price" payments; and

Whereas, the State of Arkansas and the nation rely heavily on the agricultural economy and any action at the national level which is detrimental to agriculture and the American farmer has a serious adverse effect on the State of Arkansas and the nation as a whole; and

Whereas, the farmers of this State and the nation are currently in a serious agricultural depression and even moderate changes in government farm programs could have a widespread catastrophic impact on the American farmer and the overall economy of the country; and

Whereas, this is a most inopportune time for the consideration of any substantial reduction in U.S. farm support programs or any other change in U.S. farm policy which will adversely affect the American farmer, now therefore, be it resolved by the Senate of the Seventy-fifth general assembly of the State of Arkansas, the House of Representatives concurring therein:

It is the consensus of the Arkansas General Assembly that approval by the U.S. Congress of the changes in farm programs proposed by the present administration officials would be highly detrimental to Arkansas farmers and farmers of the nation and would adversely impact the entire economy of the country and that this is a most inopportune time for the Congress to make any major changes in government farm programs or policies.

Be it further resolved that the General Assembly sincerely urges the current session of the U.S. Congress to reject any proposed changes in U.S. farm programs which would have a serious advese effect on the farmers of this country and on the overall economy of the nation.

Be it further resolved that upon adoption of this Resolution a copy hereof shall be transmitted by the Secretary of State to the presiding officer of the U.S. Senate, the U.S. House of Representatives, and to each member of the Arkansas Congressional Delegation.

THE 75TH ANNIVERSARY OF THE BOY SCOUTS OF AMERICA

● Mr. CHAFEE. Mr. President, it is my pleasure and privilege to cosponsor the resolution commemorating the 75th anniversary of Boy Scouting in America.

The story of the 1910 founding of the Boy Scouts of America by William Boyce exemplifies the very spirit of Scouting itself. When Boyce, a Chicago publisher, lost his way in a London fog, a British Scout came to his aid. The young man refused a tip, saying that as a Scout he would not accept payment for doing a good turn. This gesture inspired Boyce to meet with Robert Baden-Powell, the British founder of Scouting, and the result was the incorporation of the Boy Scouts of America on February 8, 1910.

As a society, we owe a great debt to Scouting. From Scouting's ranks our country has drawn some of its most exceptional citizens. Over the course of its 75-year history, BSA has made a crucial investment in the future of the Nation by building the character and spirit of our youth.

It is, therefore, fitting that we should commemorate the achievements of those 75 years of Scouting, and show our support for an organization which has enriched so many lives. What Calvin Coolidge said of Scouting in 1926 still holds true today:

Not only is it based on the fundamental rules of right thinking and right acting, but it seems to embrace in its code almost every virtue needed in the personal and social life of mankind. It is a wonderful instrument for good.

Mr. President, as we today look back on the many contributions of the Boy Scouts of America over the past 75 years, Scouting organizations across the country are looking forward to the next 75 years—adapting the timeless values of Scouting to a rapidly changing world and embracing the future with confidence and optimism.

Mr. President, it gives me great pleasure to salute the thousands of Scouts and Scout leaders whose dedication and vision ensure Scouting's place as an instrument of good in our society. I do so with gratitude for its contributions of the last 75 years, and with confidence that the next 75 will bring even greater successes.●

THE HUMAN RIGHTS OF THE PEOPLE OF LITHUANIA

● Mr. CHAFEE. Mr. President, February 16, 1985, the anniversary of Lithuania's declaration of independence, passed quietly, without fanfare, fireworks, or elaborate celebration. It passed mainly unnoticed because the people of Lithuania are neither independent nor are they free. Under domination by the Soviet Union since June 1940, the people of Lithuania have been deprived of the basic human rights and personal freedoms that we in the United States take for granted.

Free to speak our minds, free to gather with whom we choose, free to worship in any church, it is difficult for Americans to fully comprehend the suppression under which so many courageous people live. We think of these basic personal liberties as rights rather than privileges, and while they are indeed rights—basic human rights—they are denied to literally millions of human beings.

The people of Lithuania are prisoners in their own homeland. The right to self-determination has been stripped away from them. Their country has been absorbed into the tyranny of totalitarianism. Yet, they continue to fight to retain their culture and heritage. They are a proud and courageous people.

It is through their struggle and that of so many other suppressed peoples that we must reaffirm our commitment to human rights. On days such as February 16, it is important to recognize and pay tribute to those who are denied freedom and independence.

Let us once again call to mind the struggle and hardships of the Lithuanian people, and acknowledge the contributions Lithuanian Americans have made to our great Nation.●

RADIO MARTI

● Mr. CHILES. Mr. President, I believe the Cuban people have a right to the truth and that there is no better way of conveying the truth to them than through the broadcasts of Radio Marti.

The Cuban people have a right to know there are Cuban advisers in Angola and in Ethiopia and throughout Africa. Knowledge of this might prod them to ask why their tiny nation's resources is appropriated to foreign ventures of this kind. They have a right to know of their government's involvement in Central America. This includes the shipping of arms into this volatile region. They have a right to know of the botched up attempt to establish a Cuban arsenal base in Grenada. This might spur questions from the Cuban people on why government policy includes fomenting revolution in other parts of the world. And they have a right to know world opinion of the Castro regime's complicity in the drug trade and its violations of human rights. Again, this may lead to more questions. Legitimate questions which will have the effect of holding Cuba accountable for its actions.

Mr. President, there is so much the people of Cuba do not know about their own government's actions. And there is so much Radio Marti can tell them. We have all heard of the ostrich who sticks his head in the sand. Through no fault of their own Cubans are a people totally in the dark, like the ostrich they are unaware of the activity around them. The Cuban Government keeps the tightest of grips on the information available in Cuba. An active effort is made to ensure that the ostrich keeps his head buried.

Realizing the misinformation that is prevalent in Cuba today, the Congress approved Radio Marti as a source of objective information but, again, I have to ask where is Radio Marti?

This is a question uppermost in the minds of my Cuban-American constituents. Here are a people who fled their native land for the freedom revered in America. They reserve the highest regard for this country and our democratic principles. They reserve the highest regard for our President. Here are a people who have welcomed the establishment of Radio Marti for at long last it will be broadcasting the truth to their compatriots in Cuba. It is understandable that they are frustrated by the delay encountered in getting Radio Marti on the air. One can comprehend why they are anxious to get its message across. And one can understand their exasperation when they are given promised dates for the initial broadcasts followed up by lame excuses for yet another delay.

The administration would be wise to set a specific date for the initial broadcasts of Radio Marti and to stick to it. I have said it many times before, the Cuban people have been in the dark too long. Radio Marti's message needs to be heard loud and clear and soon.●

DANNY R. BROWN, OF GADSDEN, AL, ELECTED TO THE BOARD OF DIRECTORS OF THE NATIONAL NETWORK OF RUNAWAY AND YOUTH SERVICES

● Mr. DENTON. Mr. President, I rise to congratulate of fellow Alabamian, Danny R. Brown of Gadsden, on his recent election to the board of directors of the National Network of Runaway and Youth Services. The national network represents over 600 programs that provide safe shelter for runaways and professional counseling to reunite children with their families.

Many of the programs that make up the national network are funded by the Runaway and Homeless Youth Act, which was recently reauthorized through 1988. The act provides funds for community-based programs that have the primary purpose of serving the immediate needs of runaway youth and their families. The act authorizes grants for such services as temporary shelter, counseling, and aftercare, in settings outside the law enforcement and juvenile justice systems. The program is handled by the Administration for Children, Youth, and Families, within the Office of Human Development Services of the U.S. Department of Health and Human Services.

In fiscal year 1983, federally funded runaway and homeless youth centers provided ongoing crisis intervention and shelter care services to approximately 50,000 young people. Another 150,000 young people received one-time counseling or referral services on a drop-in basis.

Approximately 50 percent of the young people who received ongoing services were reunited with their families. Twenty-five percent were placed in other positive living arrangements, such as with friends, relatives, or in group or foster homes. Seventeen percent were placed in other stable living situations, such as boarding schools. Only about 8 percent returned to the streets.

Mr. Brown, who will Chair the rural caucus of the national network, is the executive director of the successful 13th Place in Gadsden, AL. Since it opened its doors in 1976, 13th Place has provided temporary shelter, care, and counseling for over 1,000 children in crisis situations. It serves runaways, children forced to leave home by their parents for one reason or another, walk-in referrals, and referrals from the Alabama Department of Pensions and Securities, juvenile probation officers, police departments, and schools.

The facility offers more than just food and shelter for homeless young people. Under the leadership of Mr. Brown the professional and dedicated staff works to deal with the crisis situations that caused the children to be homeless and get these children back

into stable living environments. In its efforts to resolve the crisis situations, the staff of 13th Place involves the families and relatives of the runaways. As I have noted, in the past, families may be either the source or the solution of the problem. By rebuilding broken families, the number of runaways can be greatly reduced.

I commend Mr. Brown for his commitment to working with troubled children and their families. He knows the problems that face the young people of Alabama, and he is extremely talented in helping them turn their lives around, and, where possible, reuniting them with their families.

Mr. Brown can receive no stronger commendation than recognition by his peers for a job well done. His election to the board of directors of the national network represents that recognition. I commend Mr. Brown, and I wish him continued success in his service to the children of Alabama and of our country as a whole.●

ACID RAIN

● Mr. CHAFEE. Mr. President, I want to express my disappointment at conclusions reached during summit meetings last week between President Reagan and Prime Minister Mulroney regarding acid rain.

Once again, the administration has taken the bold step of proposing further study of acid rain. This notion of more study is contrary to findings of every single report on the impact of acid rain on the streams and waterways of the Northeast.

A report released earlier this year concluded that four out of five of my State's cleanest waterways are either dying or being endangered by acid rain. In at least two of these acid levels are high enough to kill fish. But even with these kinds of statistics and others from Vermont, New York, Maine, and New Hampshire, the solution we are offered is further study.

It is a major disappointment to me that any action by the Congress will apparently be opposed by the administration as being unnecessary until this new study is completed. Last year the Environment and Public Works Committee reported clean air amendments that would have reduced sulphur emissions by about 40 percent over 10 years in 31 Eastern States. Once again, this year I predict that similar legislation will be reported from our committee. I fervently wish the administration would support it.

I want to include at this point in my statement a copy of the article from the Providence Journal which summarizes the findings of the Rhode Island survey.

The article follows:

MOST RHODE ISLAND WATERS TESTED ERODING FROM ACID RAIN

(By C. Eugene Emery, Jr.)

PROVIDENCE.—Nearly four out of five of Rhode Island's most pristine waterways are either dying or endangered by acid rain, according to a yearlong survey by a Rhode Island College chemist.

The chemist, Kenneth Borst, said the result of the project show that in most of the 38 lakes, ponds, brooks and rivers that were sampled, the surrounding knoll is losing the natural buffering material that neutralizes the acid in acid rain.

In addition, the acid levels in at least two of the state's waterways are high enough to kill most species of fish.

The Borst study is the first largescale attempt to assess the local impact of acid rain.

The 38 waterways sampled, Borst said, represent about half the freshwater areas in Rhode Island, and were chosen because they have been listed repeatedly by the State Department of Environmental Management as the highest-quality waterways.

"We picked the best," Borst said.

But chemical analyses showed that those ponds and rivers were anything but pristine!

19 of the 38—50 percent—were found to be "endangered," which means they are close to running out of the buffer needed to neutralize acid rain.

Nine—24 percent—are in "critical" condition. "That means they are so close (to running out of buffering material) that with a little more acid rain, you've shot that waterway," Borst said.

Two—Brandy Brook in Glocester and the Ponaganset River in Foster—are already acidified, with pH readings of 5 and below. Once the pH is below 5, many types of aquatic life begin to die slowly.

"Acidified ponds are usually crystal clear," Borst said. "They look wonderful to an outsider, but to living organisms, they're death."

The study was done with Lex Wilktront and 27 other volunteers from the local chapter of Trout Unlimited, a fishing organization. The volunteers have been taking monthly samples since last March, a job that often required cutting through thick ice to get at the water.

The effort was patterned after a statewide acid rain monitoring project in Massachusetts, which has also used volunteers to sample about half the state's waterways.

That study found that 5 percent of the lakes were acidified—the same as the Borst study—but that a far smaller proportion of Massachusetts waterways have fallen into the "critical" or "endangered" categories.

Borst's Rhode Island data have been submitted for analysis by the researchers in the Massachusetts project. Although the Massachusetts scientists have not had time to independently look at the numbers—the February readings were taken only last week—project coordinator Armand Ruby said initial results show that Borst and his colleagues have been doing high-quality research.

William Lapin, a fisheries biologist in the DEW's Division of Fish and Wildlife who said he has studied several of the waterways contained in Borst's sampling, agreed that Borst's data were properly obtained and analyzed.

Lapin also said the results were not unexpected, because the buffering abilities of the watersheds feeding rainfall to many of Rhode Island's waterways lack the limestone that neutralizes the acid in acid rain.

Acid rain is caused when pollution from power plants and automobile exhaust combines with moisture to form sulfuric and nitric acids. These acids then fall to earth in rain or snow. Precipitation in the Eastern United States has become increasingly acidic since at least the 1950s.

Recent tests by the DEM have shown that the pH of precipitation falling in Rhode Island has ranged from 4.1 to 4.6, making it more than 10 times more acidic than pure rain, which has a slightly acidic pH of 5.7.

By comparison, vinegar has a pH of 3, battery acid has a pH of 1 and distilled water has a pH of 7.

The water in lakes and rivers is usually slow to reflect the high acid levels found in rain and snow because the precipitation must first seep through the soil, where such chemicals as the calcium bicarbonate from limestone neutralize the acid.

As a result, most of the pH levels in Rhode Island's waterways are not harmful. Borst's results show that only three have average levels below 5.5, a point at which such fish species as rainbow trout and smallmouth bass begin to die, and that 22 out of the 38 have pH levels above 6, which is not considered dangerous.

But Paul Godfrey, director of the Water Resources Research Center at the University of Massachusetts, told an acid rain conference at the University of Rhode Island recently that the pH numbers can be misleading.

The importance measurement, he said, is how much more acid a lake can neutralize. The technical term is "buffering capacity."

Once the calcium bicarbonate buffer is used up—Godfrey refers to it as a lake's supply of "environmental Rolaids"—the acid in acid rain is no longer neutralized.

At that point, the acid level in a lake or stream may rise with each rainfall, shooting up so rapidly that most of the aquatic life dies with little warning.●

GANNETT OUTDOOR CO. OF MICHIGAN CELEBRATES 100 YEARS

● Mr. RIEGLE. Mr. President, 1985 marks the 100th anniversary of the Gannett Outdoor Co. of Michigan. This occasion gives me the opportunity to congratulate the firm on their long history and advertising innovation.

From its humble beginnings in 1885 as Walker and Co. through today's application of fiber optics as an advertising tool, Gannett Outdoor has exhibited an exceptional pattern of growth.

During its first 20 years, Detroit-based Walker and Co. was family owned and operated. New plant facilities were constructed in 1904. The company was incorporated in March 1907 and continued a rapid expansion pattern which included the acquisition of companies in the southeast Michigan area. In 1922, Walker and Co. purchased a large warehouse from Cadillac Motor Car Co. at 88 Custer Avenue in Detroit. This building continues to serve as the headquarters of the Gannett Outdoor Co. of Michigan. By 1928, the firm had replaced horses and

wagons, becoming a totally motorized operation.

1929 proved to be devastating to many businesses throughout the United States. In spite of overwhelming odds, the firm continued expansion through the purchase of additional companies in Saginaw, Flint, Grand Rapids and Detroit and its consolidation with Bellows Neon Sign.

From 1941 to 1945, the company assisted in making Detroit the "Arsenal of Democracy" by supporting the war effort through the manufacture of tank and aircraft parts. Following the war, the firm erected the first neon art sign, depicting a man playing the piccolo.

Walker and Co. was purchased by Robert O. Naegele and became Naegele Outdoor Advertising Co. of Michigan in December 1960. This decade fostered many new and inventive advertising concepts, including the rotating bulletin plan, three dimensional units, animated canvas motion effects and the introduction of mechanical boards.

By 1974, Karl Eller had purchased all of Naegele's Michigan Co., and Eller Combined Communications was merged with Gannett Outdoor Co. in 1979. Gannett Outdoor has continued in the development and application of improved advertising techniques through the conversion of all paint units to halophane lighting and the installation of the first fiber optics signing in the country.

In Michigan communities where Gannett outlets are located, Gannett has made significant contributions to charities, educational institutions and distressed areas through the national Gannett Foundation.

At the centennial of this important company, I salute Gannett Outdoor Co. of Michigan's distinguished history, spectacular growth and dedication to innovation in advertising.●

THE ALAN SHAWN FEINSTEIN WORLD HUNGER PROGRAM

● Mr. CHAFEE. Mr. President, a major new program has been established at Brown University in Providence, RI, to study the social and political causes of world hunger.

The Senate will soon consider legislation to provide emergency relief for the nations of sub-Saharan Africa which have been devastated by famine. It is vitally important for the United States and other nations to continue to meet the urgent needs of African nations beset by the hunger crisis.

In addition, we must work to alleviate hunger by examining its causes and assessing the policy considerations associated with this alarming worldwide problem. The exciting new program recently unveiled at Brown University has as its goal the relief of world hunger and the recognition of individuals and organizations working toward that goal.

This unique 5-year $1.6 million program is named in honor of Alan Shawn Feinstein, the Cranston, RI, businessman and philanthropist who, as the inspiration for the project, contributed not only his financial support, but also his rare dedication and his singular vision.

The program's comprehensive approach will involve at least three multidisciplinary centers at the university: the A. Alfred Taubman Center for Public Policy and American Institutions, directed by Thomas J. Anton, a public policy expert who was instrumental in setting up the new hunger program; the Population Studies and Training Center, directed by sociologist Sidney Goldstein, and the Center for the Comparative Study of Development, directed by economist Morris David Morris, who will also serve as interim director of the hunger program.

In addition to establishing new graduate and undergraduate courses on world hunger and domestic poverty, the university will also sponsor major research projects in the field. The program will support promising graduate degree candidates through two new fellowships, and invite experts from abroad to spend extended periods of time at Brown working on this problem. And—starting in 1986—the Alan Shawn Feinstein Medal will be awarded yearly, in recognition of individual or group contributions to the alleviation of world hunger.

Mr. President, as we work here in the Senate to pass legislation relieving the ongoing crisis in Africa, the struggle against world hunger continues on many other fronts. Brown University's establishment of this promising new program is one response to the problem of world hunger which clearly demonstrates a profound understanding of both the complexity and the urgency of the issue. All those involved in making this worthy project a reality are to be commended for their hard work, their generosity, and their unique perspective.●

JOB CORPS MUST BE MAINTAINED

● Mr. HEINZ. Mr. President, the Congress has been asked to terminate the Job Corps. In response, my distinguished colleagues, the Senator from Utah [Mr. HATCH] and the Senator from California [Mr. CRANSTON], introduced legislation expressing the sense of the Congress that the Job Corps Program should be maintained. I am pleased to join them as a cosponsor of Senate Concurrent Resolution 22, and I urge my colleagues to do the same, for there are few programs which provide such valuable service to our Nation as the Job Corps.

Since 1964 more than 1.2 million disadvantaged young people have been given shelter, education, and job training and placement through the Job Corps centers nationwide. More than 65 percent of the program's participants are placed in unsubsidized employment, while others go to continue their education or enter the Nation's armed services. This program returns to the U.S. Treasury 145 percent of the funds invested in it. This benefit to the Government is achieved through increased tax payments by the participants, and through lowered dependence on public assistance.

Mr. President, my State of Pennsylvania has three Job Corps centers—Pittsburgh, Keystone, and Red Rock—each of which has enjoyed great success in placing their enrollees in profitable employment, educational opportunities, and public service. These young people have gone on to become a great credit to Pennsylvania and the Nation. The Job Corps has performed invaluable service.

A constituent of mine Mr. President, Ben Allan Mitchell, is leaving the Pittsburgh Job Corps to go on to college-levels studies. Last winter he wrote to the President in support of the Job Corps. For the information of my colleagues I ask that the text of the letter which Mr. Mitchell sent to the President be printed in the RECORD at the conclusion of my remarks. It is an eloquent appeal for the continuation of a program which has so deeply affected and improved the lives of its participants.

The letter follows:

PITTSBURGH, PA,
December 7, 1984.

President RONALD REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am a student at the Pittsburgh Job Corps Center. I am concerned with the cutting of the Job Corps Program.

For some people, Job Corps is a last resort. I expect to enter the college program in January. I would not be able to go to college if it wasn't for this program.

I know that there are some negative attitudes toward the Job Corps, but there are so many positive aspects. The most important one is that it gives young people a chance for a good life instead of one filled with crime, or going on welfare.

So I urge you to think of all the young people you will destroy if you cut the funding to this program.

I was brought up to believe that this country was the land of opportunity. However, if you cut the program, what kind of future do you think this country will have.

Please Mr. President, think before you decide to cut funding to the Job Corps Program. Remember, you have the future of millions of people in your hands.

Sincerely,

BEN ALLAN MITCHELL,
Corpsmember,
Pittsburgh Job Corps Center.●

NATIONAL WOMEN VETERANS RECOGNITION WEEK

● Mr. CHAFEE. Mr. President, I am pleased to join with my distinguished colleagues, Mr. CRANSTON, Mr. MURKOWSKI, Mr. DECONCINI, Mr. SIMPSON, Mr. SPECTER, and Mr. LEAHY, in supporting Senate Joint Resolution 47 designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

The distinguished contributions of our Nation's dedicated women veterans are rarely praised and seldom recognized. Although women represent over 4 percent of the overall veterans population, they currently take advantage of a much smaller percentage of benefits available to persons who have served in our Nation's Armed Forces.

I commend Senator CRANSTON for his effort last year to begin to reverse this trend, and create greater public awareness of the contributions of women to the armed services. In addition, more must be done to make sure that women veterans are aware of what their efforts have earned them in the way of educational and medical benefits.

"National Women Veterans Week" is a tradition we must continue. Again, I applaud this effort to create greater public awareness of women veterans, and I urge my fellow colleagues to join with me in supporting Resolution 47.●

COMMENDATION OF LT. GEN. LINCOLN D. FAURER

Mr. DOLE. Mr. President, I send a resolution to the desk on behalf of Senator DURENBERGER (for himself and Senators LEAHY, COHEN, HATCH, MURKOWSKI, HECHT, MCCONNELL, BENTSEN, EAGLETON, HOLLINGS, BOREN, GOLDWATER, MOYNIHAN, CHAFEE, LUGAR, WALLOP, BIDEN, NUNN, and EXON) and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object——

Mr. DOLE. The resolution cites Lt. Gen. Lincoln D. Faurer for exceptional service.

Mr. BYRD. Mr. President, I remove my reservation.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 106) to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 106) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 106

Whereas, Lieutenant General Lincoln D. Faurer, United States Air Force, has served his nation with dedication, honor and distinction for 35 years since his graduation from the United States Military Academy in 1950;

Whereas, General Faurer's career has been one of outstanding accomplishment and devotion to duty, culminating with four years of service as Director of the National Security Agency, where he has been responsible for managing some of our country's most complex and technologically sophisticated intelligence collection systems;

Whereas, General Faurer's many commendations and awards testify to his extraordinary skill and outstanding leadership;

Whereas, during a period of rapid technological change and accelerated demand for timely, accurate Signals Intelligence information to support both national and defense intelligence requirements, General Faurer has guided the National Security agency to unprecedented levels of achievement and has thus made a major contribution to the national security of the United States;

Whereas, General Faurer also has made significant contributions to the successful furthering of National Security Agency missions involving communications and computer security through his energetic and effective management of complex, rapidly evolving programs;

Whereas, General Faurer has earned the respect, admiration, and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former Members of the Intelligence Committees of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our Nation's intelligence activities: Now, therefore, be it

Resolved, That on the occasion of his retirement from active duty, the United States Senate express and record its deep appreciation to Lieutenant General Lincoln D. Faurer for his exceptionally distinguished service to the United States Air Force, the national and defense intelligence communities, and the national security of the United States.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE HELD AT DESK

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate receives from the House, H.R. 1025, a bill to authorize appropriations to carry out the Anadromous Fish Conservation Act, during 1986, 1987, and 1988, it to be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFGHANISTAN DAY

Mr. DOLE. Mr. President, I send a resolution to the desk on behalf of Senator HUMPHREY and others and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S.J. Res. 91) to designate March 21, 1985, as "Afghanistan Day."

The Senate proceeded to consider the joint resolution.

The cosponsors of Mr. HUMPHREY's joint resolution are Senators GRASSLEY, D'AMATO, SYMMS, TRIBLE, LAXALT, BOSCHWITZ, SPECTER, WILSON, GRAMM, THURMOND, HELMS, MCCLURE, EAST, NICKLES, CHAFEE, GORTON, MURKOWSKI, DANFORTH, DOMENICI, MATHIAS, SIMON, HOLLINGS, DIXON, BRADLEY, PRYOR, EXON, ZORINSKY, PROXMIRE, SASSER, PELL, LAUTENBERG, AND KENNEDY.

Mr. HUMPHREY. Mr. President, on behalf of 32 of my colleagues and myself, today I introduce a resolution calling on the President to designate March 21, 1985, as Afghanistan Day. March 21 is traditionally celebrated in Afghanistan as New Year's Day. However, on this March 21, as on the five previous March 21's, there will be little for the Afghan people to celebrate.

It has now been a half-decade that the Afghan freedom fighters have resisted the brutal occupation of their country by Soviet military forces. The plight of the Afghan people is as compelling as it is clear. They have been subjected to a campaign of bombing, pillaging, gassing, starvation, and forced exodus which can only be described as "rubbleization," to quote Louis Dupree.

Over 4 million Afghans, one-quarter of the population have been driven into exile in Pakistan and Iran. Those who remain have witnessed the deliberate destruction of their farms and villages, part of a Soviet-strategy designed to force the Afghan population into Soviet-controlled cities. Many Afghans have been the victims of torture and the hideous destruction of human life at the hands of the Soviet military forces, in clear violation or virtually every standard of human rights.

Nevertheless, the Afghan resistance movement has perserved in a valiant campaign to free their country from the yoke of Soviet imperialism. While much of the world has transferred attention to more recent, flashier issues, the freedom fighters have not lost their determination and their hope for an independent Afghanistan. Indeed, the proud spirit of the people of Afghanistan, their refusal to submit to Soviet tyranny, Soviet tanks, and Soviet torture, remains an inspiration to many people, whether free or, like the Afghans, suffering under the burden of despotism.

Our resolution recognizes this courageous struggle being waged half a world away. We condemn the Government of the Soviet Union for 5 years of military terrorism and their attempted subjugation of Afghanistan, and we call upon the Soviets to negotiate a political settlement based upon the principles of the six pertinent U.N. resolutions. Finally, we call upon the President to proclaim March 21, 1985, as Afghanistan Day.

We feel that, some two centuries after our own War of Independence, this body should recognize and honor this courageous fight being waged in the name of liberty and self-determination.

Mr. BYRD. Mr. President, on June 19, 1984, I introduced a resolution calling for all appropriate steps to ensure that the people of Afghanistan have the necessary food and medical supplies during the Soviet occupation. That measure passed without a dissenting vote, and it stands as a strong statement of the Senate's support for the Afghan people in their struggle against the brutality of Soviet occupation. Subsequently, the administration increased emergency humanitarian assistance to the people of Afghanistan.

I have continued to raise the issue of Soviet occupation of Afghanistan in the Senate. I have offered my colleagues regular updates of events in that sad country.

Yesterday, I commented upon recent efforts of the Soviets to link Afghanistan to other international issues, and I called my colleagues' attention to recent reports of the fighting.

I welcome Senator Humphrey's initiative to designate March 21 as Afghanistan Day. I hope this will help focus attention on the plight of the Afghan people, and I ask that I be added as a cosponsor of this measure.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and to be read a third time.

The joint resolution was read a third time and passed.

The preamble was agreed to.

The joint resolution (S.J. Res 91), together with its preamble, is as follows:

S.J. RES. 91

Whereas the occupation by the Soviet Union of Afghanistan continues unabated, causing immense privation to and suffering among the people of Afghanistan;

Whereas the Soviet occupation of this independent and sovereign land has now entered its sixth year;

Whereas the Soviet occupation forces now total over one hundred fifteen thousand troops;

Whereas the international community is increasingly focusing its attention on the Soviets' gross violations of human rights in Afghanistan, including routine torture, the massacre of civilians, the forced evacuation of rural areas, and the incarceration without trial of tens of thousands of political prisoners;

Whereas the number of refugees forced to flee Afghanistan has created the world's largest refugee population in Pakistan;

Whereas the proud spirit of the people of Afghanistan, represented by the resistance to occupation and the struggle to regain sovereignty remains an inspiration to all people, whether free or under the yoke of tyranny; and

Whereas the people of Afghanistan observe March 21 as the start of their New Year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) condemns the Government of the Union of Soviet Socialist Republics for five years of military terrorism and attempted subjugation of Afghanistan;

(2) calls on the Soviet Union to commit itself to a negotiated political settlement for Afghanistan, based upon the principles spelled out in six resolutions of the United Nations General Assembly on the war in that country; and

(3) designates March 21, 1985 as "Afghanistan Day" in honor of the struggle of the Afghan people to regain their freedom, and authorizes and requests the President to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR FILING OF REPORTS

Mr. DOLE. Mr. President, I ask unanimous consent that committees have between the hours of 9 a.m. and 3 p.m. on Friday, March 22 to file reports, and that they be appropriately referred where applicable.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object—I apologize to the distinguished majority leader—Mr. President, I remove my reservation and I apologize to the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME FOR FILING OF BUDGET COMMITTEE REPORT

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Budget have until 9 p.m. tonight to file the report to accompany the budget resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a protocol amending the Interim Convention on North Pacific Fur Seals between the United States, Canada, Japan, and the Soviet Union, signed at Washington on October 12, 1984 (Treaty Doc. 99-5), transmitted to the Senate today by the President of the United States.

I also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I am pleased to transmit herewith, for Senate advice and consent to ratification, the Protocol Amending the Interim Convention on Conservation of North Pacific Fur Seals between the United States, Canada, Japan, and the Soviet Union, signed at Washington on October 12, 1984. I am also transmitting for the information of the Senate (1) a related statement of concerns, and (2) the report of the Department of State on the Protocol.

The Interim Convention was signed in 1957 and replaced an earlier convention concerning fur seals dating back to 1911. Under these conventions, the herds were protected and managed, and though there has been a decrease in recent years, the population has increased significantly from 300,000 seals at the turn of the century to approximately 1.2 million presently. The Interim Convention has been extended previously in 1963, 1969, 1976, and 1980. This Protocol provides for the extension of the Interim Convention for four years until 1988. Accompanying the Protocol for purposes of information is a statement of concerns signed by the four Governments.

I urge the Senate to consider this matter at an early date and give its advice and consent to ratification of the Protocol.

RONALD REAGAN.

THE WHITE HOUSE, *March 20, 1985.*

MARYLAND DAY 1985—THE 351ST ANNIVERSARY

Mr. MATHIAS. Mr. President, the name Maryland is euphonious. It is almost onomatopoeic. It has a pleasant, happy sound that suggests a good place. Maryland sounds feminine, sweet and pleasant, but with dignity. It is, however, close to merryland, a place to be happy.

Cooks all over the world recognize this fact and advertise their creations as "a la Maryland." It creates an association with a pleasant image and obvi-

ously enhances the attraction of the dish or the appetite of the diner or, hopefully, both.

It is too bad that Shakespeare missed a visit to Maryland. Had he been able to sail up the Chesapeake and enjoy the hospitality of Maryland, he would never have asked: "What's in a name?"

Think what a difference it would have made if Lord Baltimore had tried to found his colony in the New World while the King and Queen of England were newlyweds. It will be remembered that the King made it a condition that Lord Baltimore's colony be named in honor of the Queen.

The Queen of England had been born a princess of France and baptized Henriette Marie, in honor of both her parents, Henri IV and Marie de Medici. But "Henriette Marie" was difficult for lusty 17th century Englishmen to pronounce. They were suspicious of the French, anyway. There was no Jody Powell or Jim Brady or Bill Moyers to solve a serious public relations problem for the government. So resort was had to the empiric method, old-fashioned trial and error.

For a while, Henriette Marie was styled Queen Henry. That did not last long with the English public, but it was the way the Queen was known in her first days in England. If Lord Baltimore had sought a charter for his colony during that period, the Free State might be known today as Henryland!

Then we would know what is in a name. Could anyone sell Henryland fried chicken or Henryland beaten biscuits? Would anyone drink Henryland rye whiskey? Not likely.

Luckily for us, the English did not take easily to the practice of calling their Queen "Henry." After all, they had recently enjoyed the golden age of Elizabeth and were more used to romantic female names, such as Guinevere and Berengaria.

Since it was politically unwise as well as practically impossible to persuade the people to employ the whole "Henriette Marie" or even the slightly less French "Henrietta Maria," it was finally decided to experiment with what was left—just plain Mary. And that was the time when Lord Baltimore approached the King, asking for permission to found a colony and was delighted to accept the Queen's current name for it.

So Maryland is fortunate to be blessed with a name that we all enjoy and appreciate, and it is fitting that on the 351st anniversary of the founding of Lord Baltimore's colony, we remember the French princess who gave us her name.

Maryland takes pride in her traditions, her history, and her culture. We are proud of our progress. But we take special pride in our people!

We hope that the Nation will join us in celebrating March 25, 1985, as Maryland Day.

ORDER FOR RECESS UNTIL FRIDAY, MARCH 22

Mr. DOLE. Mr. President, I ask unanimous consent at this time that when the Senate completes its business today, it stand in recess until Friday, March 22, for a pro forma session only. There will be no business transacted.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, MARCH 26, 1985

ORDER FOR RECESS FROM FRIDAY MARCH 22, UNTIL 2 P.M., TUESDAY, MARCH 26, 1985

Mr. DOLE. Further, Mr. President, I ask unanimous consent that when the Senate recesses following the pro forma session on Friday, March 22, it stand in recess until 2 p.m., Tuesday, March 26, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that following the two leaders under the standing order, there be special orders of not to exceed 15 minutes each for the following Senators: WEICKER, PROXMIRE, DIXON, and BUMPERS.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 3 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following the conclusion of routine morning business, it will be the intention of the majority leader to turn to any legislative or executive items cleared for action, and possibly Calendar No. 15, S. 413, war risk insurance. There is some possibility that the budget resolution will be on the Senate floor sometime next week. While we will not be meeting the remainder of this week, there are many of us involved in working on budget matters, and it may be that that will be ready for consideration next week.

RECESS UNTIL 10 A.M. FRIDAY, MARCH 22, 1985

Mr. DOLE. Mr. President, there being no further business, I move that the Senate stand in recess until 10 a.m. on Friday, March 22, 1985.

The motion was agreed to; and at 6:36 p.m. the Senate recessed until Friday, March 22, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 20, 1985:

IN THE COAST GUARD

The following cadets of the U.S. Coast Guard Academy for appointment to the grade of ensign:

James Adase
Timothy T. Aguirre
Christopher D. Alexander
Steven J. Andersen
Timothy J. Atkin
Meredith L. Austin
Kelly A. Barnes
Peter G. Basil
Bryan W. Beard
Lincoln H. Benedict
Brian G. Benson
Darwin L. Blakemore
Tom J. Blinkinsop
Carlyle A. Blomme
Paul J. Brabham
Terry W. Brandsma
Jeffrey R. Brandt
John T. Broadway
Peter J. Brown
Dean C. Bruckner
Christopher A. Buckridge
Daniel C. Burbank
Sean F. Byrnes
Wayne D. Cawthorn
Daniel J. Christovich
Donald P. Coffelt, Jr.
Andrew W. Connor
Kevin F. Conroy
Peter J. Coxon
Kevin P. Crawley
Vincent D. DeLaurentis
Paul E. Deveau
Mark A. DeVore
Christopher K. Donahoe
James B. Donovan
Michael G. Dorchak
Lori A. Dowd
David N. Edelson
Scott P. Ehrhorn
Willard S. Ellis
Bryan R. Emond
Edward N. Eng
Eric R. Engvall
John E. Evensen
John J. Fagan
Joseph B. Favero
Lisa M. Festa
Thomas E. Flanagan
Scott A. Fleming
Edward R. Fontaine
Carl B. Frank
Alynn K. Fullaway
John A. Furman, Jr.
Edward A. Gagarin
Marc E. Gage
Roch E. Garand
Edward J. Gibbons
Stephan P. Giondomenica
Richard P. Girard II
William D. Gittler
Stephen M. Goddard
Vincent C. Gracchi
Sean D. Griffiths
Richard S. Groseclose, Jr.
Kelly L. Hatfield
Michael J. Haycock
Douglas J. Henke
John J. Hickey
James F. Higgins
F. David Hoffman, Jr.
Mark J. Huebschman
Thomas J. Hughes
Dawna H. Irwin
Dale M. Jones, Jr.
Robin E. Kane
Kinda L. Keene
William C. Keppler III
Stephen F. King
Frank H. Kingett
David S. Klipp
John M. Knox
James G. Kolbe
Davis L. Kong
William S. Krewsky
Paul W. Krynick
Gary D. Lakin
Bobby M. Lam
Michelle M. Lauzon
Richard T. Leitner
Cameron J. Lewis
Bryan C. Litscher
Michael J. Lodge
Jeffery D. Loftus
Christopher J. Lutat
Phillip J. Lutzi
James J. Lynch
Arlyn R. Madsen, Jr.
Ronald J. Magoon
Glen E. Magrane
David J. Martin
William J. Martin
Christopher A. Martino
Mark G. Maser
Denise L. Matthews
Mark F. McCabe
James L. McCauley
Joseph C. McGuiness
Michael P. McKenna
Robert R. McKenna
Charles W. Mello, Jr.
Gregory S. McLellan
Craig A. Meyer
Pamela A. Mencel
Matthew E. Miller
Charles D. Michel
James M. Montgomery

John M. Mitchell
Mary K. Morrissey
Mark E. Mooney
Wayne A. Mulenberg
Bradley D. Nelson
Gregory T. Nelson
David W. Newton
Robert T. Newton
Aldo Noto
Douglas H. Olson
Daniel B. Owens
John R. Pasch
Robert C. Patton III
Robert J. Paulison
Paul E. Perlt
Joseph D. Phillips
Brian R. Pierce
Brian F. Poskaitis
Valerie C. Poysky
Kevin M. Pratt
John F. Prince
Timothy J. Quiram
Alan L. Racavich
Jerald S. Rainey
Manual R. Raras III
Joseph M. Re II
Neal F. Reardon
Chris P. Reilly
Christopher L. Roberge
Karen M. Roberts
Jeffrey C. Robertson
Michael J. Roer
Byron H. Romine, Jr.
John E. Rosen
Stephen C. Rothchild
Nicholas F. Russo
Stephen S. Scardefield
Jeanne M. Schilder
Damian R. Schmitt
Stephen J. Schreiber
Joseph D. Schruender
Robert S. Schuda
Christopher P. Scraba
Michael J. Scully
Todd P. Seaman
Robert W. Shene
Michael W. Shomin
John P. Sifling
David M. Singer
Krisa A. Sloma
Lawrence E. Smith
Sherry L. Smith
Todd A. Sokalzuk
Frederick J. Sommer
Gray S. Spenik
Richard J. Stahle
Thomas A. Stanek
Michael W. Stanley
Will O. Stevenson, Jr.
Mary A. Stolarski
Kelly S. Strong
John D. Sweeney IV
Paul F. Thomas
Christopher J. Thornton
David G. Throop
Jerry C. Torok
Dana Tubbs
Keith J. Turro
Louis T. Vinciguerra
Joseph M. Vojvodich
Robert P. Wagner
Michael A. Walz
Robert B. Watts
Edgar B. Wendlandt
Charles S. Wengenroth
Gerald W. Wilson, Jr.
Thomas P. Wyman

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the grades indicated:

To be lieutenant commander

Susan M. Krupanski

To be lieutenant

Joseph W. Bodenstedt
Edward O. Coates
David A. Conklin
Shane M. Daigle
David A. Daubert
Jon G. Farrow
Bruce K. Huertas
Stephen E. Lawrence
Curtis A. Lundstrom
Daniel J. McCann
Robin D. Orr
William D. Osborn
Rosemary Pezzuto
Douglas F. Premoe
Martin E. Reeves
Eric A. Rosenberg
John G. Tuttle
David K. Watts
Claudia P. Wells

To be lieutenant (junior grade)

Kenneth O. Adamson
Al J. Bernard
Mark D. Bobal
Odie Briscoe
Christopher E. Cosden
James S. Cumming
Timothy J. Cunningham
Michael C. Dollahite
Dennis Fahr
Jeffery Fay
Roger B. Gayman
William C. Glidden
Glenn A. Gorton
Gary E. Hiatt
Lawrence H. Hoffman
Richard N. Janelle
Kevin S. Kinnebrew
Ronald J. Kochan
Mary E. Landry
Carl H. Lautenberger
Dennis W. Lawrence
Phillip M. Litherland
Michael E. Maes
Eddie D. Mayenschein
Frederic W. McKinnon, Jr.
James F. McManus
Scott A. Newsham
Thomas S. Orzech
Frances L. Propst
Ted J. Purdy
Thomas M. Quin
Walter J. Reger
Eugene G. Rodgers
David L. Scott
Kyle K. Scott
Dennis M. Seehaus
Eric J. Shaw
Robert C. Spero
Stephen L. Spickler
Stephen A. Stott
Gerald M. Swanson
Gordon Swink
Howard N. Vanhouten
Michael W. Walter
Harry D. Williams III

To be chief warrant officer

Ralph D. Looman
George F. Hillegas

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Lincoln D. Faurer, xxx-xx-xxxx, U.S. Air Force.

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the officer be appointed in a grade higher than captain.

LINE OF THE AIR FORCE

Abbott, John T., Jr., xxx-xx-xxxx
Acosta, Daniel J., xxx-xx-xxxx
Adams, Charles H., xxx-xx-xxxx
Adams, Dana C., xxx-xx-xxxx
Adams, David A., xxx-xx-xxxx
Adams, Ellis C., xxx-xx-xxxx
Adams, John H., Jr., xxx-xx-xxxx
Adams, Michael E., xxx-xx-xxxx
Adams, William K., xxx-xx-xxxx
Adamson, Richard L., xxx-xx-xxxx
Akers, Mary C., xxx-xx-xxxx
Aki, Richard A., Jr., xxx-xx-xxxx
Albers, Edward R., xxx-xx-xxxx
Alblinger, Kimberly K., xxx-xx-xxxx
Alderman, James V., xxx-xx-xxxx
Alexander, John A., xxx-xx-xxxx
Alexander, Marvin L., xxx-xx-xxxx
Aley, Clarence R., Jr., xxx-xx-xxxx
Allbee, Stephen E., xxx-xx-xxxx
Allen, Eva L., xxx-xx-xxxx
Allen, George R., xxx-xx-xxxx
Allman, Stephen P., xxx-xx-xxxx
Alred, Mark A., xxx-xx-xxxx
Alston, Douglas H., xxx-xx-xxxx
Altchek, Jason W., xxx-xx-xxxx
Aluise, Joseph L., Jr., xxx-xx-xxxx
Amend, James N., xxx-xx-xxxx
Ames, David S., xxx-xx-xxxx
Amezquita, Gilbert M., xxx-xx-xxxx
Ampleman, James S., xxx-xx-xxxx
Amspacker, Michael R., xxx-xx-xxxx
Anderson, Niels T., xxx-xx-xxxx
Anderson, Bryan K., xxx-xx-xxxx
Anderson, Carl W., xxx-xx-xxxx
Anderson, Gordon A., xxx-xx-xxxx
Anderson, Michael L., xxx-xx-xxxx
Andres, Mark M., xxx-xx-xxxx
Andrews, Henry L., xxx-xx-xxxx
Andrews, William J., xxx-xx-xxxx
Andrews, William, Jr., xxx-xx-xxxx
Angley, Michael, xxx-xx-xxxx
Angus, Brad G., xxx-xx-xxxx
Ansty, Todd M., xxx-xx-xxxx
Anthony, Craig D., xxx-xx-xxxx
Anthony, Phillip J., xxx-xx-xxxx
Applegate, Bradley J., xxx-xx-xxxx
Arancio, John P., xxx-xx-xxxx
Arata, Harold J., III, xxx-xx-xxxx
Arey, Chic A., xxx-xx-xxxx
Armstrong, Chris A., xxx-xx-xxxx
Armstrong, Donald R., Jr., xxx-xx-xxxx
Armstrong, Steven E., xxx-xx-xxxx
Arnold, Jonathan A., xxx-xx-xxxx
Arrington, David P., xxx-xx-xxxx
Ashby, Larry N., xxx-xx-xxxx
Askew, Stell B., III, xxx-xx-xxxx
Asmus, Wolfgang C., xxx-xx-xxxx
Atkinson, Mark A., xxx-xx-xxxx
Aton, James K., III, xxx-xx-xxxx
Auchter, Steven V., xxx-xx-xxxx
Augustine, Charles K., xxx-xx-xxxx
Auten, John C., xxx-xx-xxxx
Avellaneda, Maria E., xxx-xx-xxxx
Avila, Jorge G., xxx-xx-xxxx
Ayers, Paul L., xxx-xx-xxxx
Bachelor, Kenneth H., xxx-xx-xxxx
Baechtold, Margaret Y., xxx-xx-xxxx
Baez, Octavio NMI, Jr., xxx-xx-xxxx
Bagley, William W., Jr., xxx-xx-xxxx
Bagnaschi, Steven A., xxx-xx-xxxx
Bahosh, Mark B., xxx-xx-xxxx
Bailey, Jimmie D., II, xxx-xx-xxxx
Bailey, Tracy A., xxx-xx-xxxx
Baillie, Daniel E., xxx-xx-xxxx
Bain, Laura S., xxx-xx-xxxx
Baker, Robert G., xxx-xx-xx...
Baldassarre, Paul G., xxx-xx-xxxx
Banks, Daniel C., xxx-xx-xxxx
Banks, Eric A., xxx-xx-xx...
Barasch, Stuart J., xxx-x...
Barber, Glen D., xxx-xx-xxxx
Barefoot, Seavy M., xxx-x...
Barham, Tracy D., xxx-xx-xx...
Barker, Harvey L., Jr., xxx-xx-xxxx
Barnes, Amos C., III, xxx-xx-xxxx
Barrera, Jose, Jr., xxx-x...
Barry, Brian J., xxx-x...
Bartlett, Samuel T., xxx-xx-xxxx
Barton, Michael C., xxx-x...
Baskin, Richard R., xxx-xx-xx...
Bass, Philip D., xxx-x...
Bassett, Dana K., xxx-xx-xxxx
Bateman, Jerry L., xxx-xx-xxxx
Battles, Patricia W., xxx-xx-xxxx
Bazo, Joseph E., xxx-xx-xxxx
Bean, Eugene K., xxx-xx-xxxx
Beane Edison A., Jr., xxx-xx-xxxx
Beatovich, William V., xxx-xx-xxxx
Beck, John B., xxx-xx-xxxx
Beck, Lewis M., xxx-xx-xxxx
Beck, Vernon F., xxx-xx-xxxx
Beddows, James J., III, xxx-xx-xxxx
Beery, Edward N., xxx-xx-xxxx
Beggs, Robert C., xxx-xx-xxxx
Bell, Arthur F., xxx-xx-xxxx
Bell, Eldon E., Jr., xxx-xx-xxxx
Bell, Michael M., xxx-xx-xxxx
Bellomy, Robert S., xxx-xx-xxxx
Belsma, Leslie O., xxx-xx-xxxx
Bender, Gary C., xxx-xx-xxxx
Benedetti, Dale P., xxx-xx-xxxx
Bennett, Gordon R., xxx-xx-xxxx
Bennett, Kenneth L., xxx-xx-xxxx
Benzie, Jeffrey P., xxx-xx-xxxx
Bergeron, Daniel E., xxx-xx-xxxx
Berliner, Brian M., xxx-xx-xxxx
Bernard, William J., xxx-xx-xxxx
Berry, John A., xxx-xx-xxxx
Berryman, Alan T., xxx-xx-xxxx
Berteaux, Michael R., xxx-xx-xxxx
Beville, Bruce R., xxx-xx-xxxx
Bickers, Caroline W., xxx-xx-xxxx
Biglands, Brian L., xxx-xx-xxxx
Bille, Matthew A., xxx-xx-xxxx
Billick, Thomas W., xxx-xx-xxxx
Binford, Robert G., III, xxx-xx-xxxx
Bingman, Phillip E., xxx-xx-xxxx
Bisgrove, Christopher P., xxx-xx-xxxx
Bishop, Michael L., xxx-xx-xxxx
Bitsky, Kenneth Scott, xxx-xx-xxxx
Blackburn, John James, xxx-xx-xxxx
Blackmon, Eric L., xxx-xx-xxxx
Blackmon, Samuel E., xxx-xx-xxxx
Blackmun, Mary A., xxx-xx-xxxx
Blanchard, Andrew J., xxx-xx-xxxx
Bliss, Jodie L., xxx-xx-xxxx
Blocker, Edward L., xxx-xx-xxxx
Blodgett, Thomas F., xxx-xx-xxxx
Blood, Glen K., xxx-xx-xxxx
Bochain, Louis G., xxx-xx-xxxx
Boeheim, Robin C., xxx-xx-xxxx
Boera, Michael R., xxx-xx-xxxx

Bogart, Mark J., xxx-xx-xxxx
Bollman, Alexander, xxx-xx-xxxx
Bonanno, Peter J., xxx-xx-xxxx
Bonfiglio, Joseph F., xxx-xx-xxxx
Borkowski, Mark S., xxx-xx-xxxx
Botella, William, xxx-xx-xxxx
Bothmann, Donald R., Jr., xxx-xx-xxxx
Botine, Alan V., xxx-xx-xxxx
Boucher, Dwane R., xxx-xx-xxxx
Bouchie, James L., xxx-xx-xxxx
Boudinot, Todd A., xxx-xx-xxxx
Boudreaux, Timothy M., xxx-xx-xxxx
Bourke, Gregg B., xxx-xx-xxxx
Bowen, David L., xxx-xx-xxxx
Bowers, David A., xxx-xx-xxxx
Bowman, Paul A., xxx-xx-xxxx
Boyce, Richard L., Jr., xxx-xx-xxxx
Boyd, Larry C., xxx-xx-xxxx
Boyer, David L., xxx-xx-xxxx
Boylan, John P., xxx-xx-xxxx
Brackett, David B., xxx-xx-xxxx
Braithwaite, Brent D., xxx-xx-xxxx
Brandt, Mark S., xxx-xx-xxxx
Brasure, Leann D., xxx-xx-xxxx
Brattrud, Gale L., xxx-xx-xxxx
Brescia, Rosemarie M., xxx-xx-xxxx
Bressler, Siegmund, xxx-xx-xxxx
Brick, Mary J., xxx-xx-xxxx
Bricker, Raymond V., xxx-xx-xxxx
Briggs, Deidre E., xxx-xx-xxxx
Brink, Jonathan C., xxx-xx-xxxx
Britt, David J., xxx-xx-xxxx
Brogan, Robie J., xxx-xx-xxxx
Bronson, David W., xxx-xx-xxxx
Bronson, Jerry W., xxx-xx-xxxx
Brookshire, Alan L., xxx-xx-xxxx
Broten, Paul B., xxx-xx-xxxx
Brown, Bobby G., xxx-xx-xxxx
Brown, Derek W., xxx-xx-xxxx
Brown, Edward D., xxx-xx-xxxx
Brown, Larry C., xxx-xx-xxxx
Brown, Marian J., xxx-xx-xxxx
Brown, Robert H., xxx-xx-xxxx
Brown, Ronald G., xxx-xx-xxxx
Brown, Scot C., xxx-xx-xxxx
Brown, Scott W., xxx-xx-xxxx
Brown, Thiess M., xxx-xx-xxxx
Brown, Thomas J., xxx-xx-xxxx
Browning, David J., xxx-xx-xxxx
Brummond, Stephen M., xxx-xx-xxxx
Brunetto, Anthony F., xxx-xx-xxxx
Bryant, Oliver L., Jr., xxx-xx-xxxx
Bryson, Tony, xxx-xx-xxxx
Buckles, Curtis L., xxx-xx-xxxx
Buckley, Richard G., xxx-xx-xxxx
Buckley, William M., xxx-xx-xxxx
Bucknam, Mark A., xxx-xx-xxxx
Buffington, John W., Jr., xxx-xx-xxxx
Bullard, Bradley S., xxx-xx-xxxx
Bullock, Harold E., xxx-xx-xxxx
Bunker, Joseph P., xxx-xx-xxxx
Bunn, Terrell L., xxx-xx-xxxx
Buntyn, Dale L., xxx-xx-xxxx
Burch, Eric W., xxx-xx-xxxx
Burd, Jane S., xxx-xx-xxxx
Burd, Lawrence T., xxx-xx-xxxx
Burgess, Robert J., xxx-xx-xxxx
Burk, Judy V., xxx-xx-xxxx
Burkes, Tim R., xxx-xx-xxxx
Burkhalter, Paul D., xxx-xx-xxxx
Burklow, Kerry H., xxx-xx-xxxx
Burley, Brian N., xxx-xx-xxxx
Burnett, Kevin A., xxx-xx-xxxx
Burnett, Randall E., xxx-xx-xxxx
Burnham, Alma J., Jr., xxx-xx-xxxx
Burnish, John J., III, xxx-xx-xxxx
Burns, Charles S., xxx-xx-xxxx
Burns, James M., xxx-xx-xxxx
Burns, Joseph M., xxx-xx-xxxx
Burrer, Dennis J., xxx-xx-xxxx
Burton, Clayton A., xxx-xx-xxxx
Burton, Robert D., xxx-xx-xxxx
Bush, Bruce A., xxx-xx-xxxx
Buterbaugh, Gregory S., xxx-xx-xxxx
Butler, Stanley R., xxx-xx-xxxx
Butters, Brewster S., xxx-xx-xxxx
Buttner, Richard M., xxx-xx-xxxx
Bybee, Kyle W., xxx-xx-xxxx
Byrne, Michael, xxx-xx-xxxx
Byron, James A., xxx-xx-xxxx
Byrum, Raymond L., xxx-xx-xxxx
Cadalbert, Mark A., xxx-xx-xxxx
Cagle, William V., xxx-xx-xxxx
Cahill, Christopher J., xxx-xx-xxxx
Cain, Anthony C., xxx-xx-xxxx
Cale Linda M., xxx-xx-xxxx
Call, William R., xxx-xx-xxxx
Callahan, Howard D., xxx-xx-xxxx
Callan, Michael W., xxx-xx-xxxx
Calvert Ned F., Jr., xxx-xx-xxxx
Camp, James E., xxx-xx-xxxx
Campbell, Kevin S., xxx-xx-xxxx
Campbell, Melanie A., xxx-xx-xxxx
Campbell, Robert M., Jr., xxx-xx-xxxx
Canfield, Ronald K., xxx-xx-xxxx
Cannizzo, Paul A., xxx-xx-xxxx
Cannon, Kevin M., xxx-xx-xxxx
Cantrell, Hugh D., xxx-xx-xxxx
Cantwell, Christopher J., xxx-xx-xxxx
Caragianis, George E., xxx-xx-xxxx
Carbajal, Frank X., xxx-xx-xxxx
Carey, Duane G., xxx-xx-xxxx
Carillo, Donald A., xxx-xx-xxxx
Carle, William J., xxx-xx-xxxx
Carpenter, Randall L., xxx-xx-xxxx
Carr, Robert H., Jr., xxx-xx-xxxx
Carr, Stephen S., xxx-xx-xxxx
Carraway, Russell L., xxx-xx-xxxx
Carroll, David P., xxx-xx-xxxx
Carrothers, Craig W., xxx-xx-xxxx
Carruth, Melvin L., xxx-xx-xxxx
Carson, Kenneth R., xxx-xx-xxxx
Carson, Michael G., xxx-xx-xxxx
Carter, Michael J., xxx-xx-xxxx
Carter, William R., xxx-xx-xxxx
Caruso, Philip R., xxx-xx-xxxx
Caruso, Robert C., xxx-xx-xxxx
Cassell, Carol A., xxx-xx-xxxx
Casten, Richard E., xxx-xx-xxxx
Castillo, Domingo G., xxx-xx-xxxx
Cather, Parris A., xxx-xx-xxxx
Ceplecha, Christopher S., xxx-xx-xxxx
Chadderdon, Robin A., xxx-xx-xxxx
Chambers, Mark J., xxx-xx-xxxx
Chancey, Jonathan M., xxx-xx-xxxx
Chapa, Joseph O., xxx-xx-xxxx
Chaplin, Edmond E., xxx-xx-xxxx
Chapman, Mark E., xxx-xx-xxxx
Chapman, Mark T., xxx-xx-xxxx
Chapman, Raymond J., xxx-xx-xxxx
Chapman, Robert W., Jr., xxx-xx-xxxx
Chapman, William G., xxx-xx-xxxx
Charles, Grant M., xxx-xx-xxxx
Chavez, Arthur S., xxx-xx-xxxx
Chavez, Richard M., xxx-xx-xxxx
Cheatham, David T., xxx-xx-xxxx
Cheek, Ralph D., xxx-xx-xxxx
Cheney, Eugene J., xxx-xx-xxxx
Cherry, David M., xxx-xx-xxxx
Chesebrough, Michael J., xxx-xx-xxxx
Chihos, Daniel G., xxx-xx-xxxx
Childress, Timothy G., xxx-xx-xxxx
Chilton, Lawrence K., xxx-xx-xxxx
Chisholm, Aaron R., xxx-xx-xxxx
Christenson, Jan, xxx-xx-xxxx
Christie, Larry M., xxx-xx-xxxx
Ciabattoni, James A., xxx-xx-xxxx
Ciccotello, Conrad S., xxx-xx-xxxx
Cioffi, Mark E., xxx-xx-xxxx
Claiborne, Theresa M., xxx-xx-xxxx
Clark, Allen L., xxx-xx-xxxx
Clark, Delores P., xxx-xx-xxxx
Clark, Gregory R., xxx-xx-xxxx
Clark, Jimmy R., xxx-xx-xxxx
Clark, Robert B., III, xxx-xx-xxxx
Clark, Robert F., xxx-xx-xxxx
Clark, Russell S., xxx-xx-xxxx
Clark, Stephanie K., xxx-xx-xxxx
Clarke, Stanley E., III, xxx-xx...
Clayton, Stanley C., xxx-xx-xxxx
Clemens, Margaret B., xxx-xx-xxxx
Clerx, Bernard C., xxx-xx-xxxx
Clinton, Stephen W., xxx-xx-xxxx
Coats, Danny T., xxx-xx-xxxx
Coble, Barry B., xxx-xx-xxxx
Coe, Patrick A., xxx-xx-xxxx
Coehoorn, Lynn E., xxx-xx-xxxx
Cofield, John A., xxx-xx-xxxx
Coggin, David W., xxx-xx-xxxx
Coggins, William R., xxx-xx-xxxx
Cohan, Cynthia M., xxx-xx-xxxx
Cohen, Steven R., xxx-xx-xxxx
Coker, Alan N., xxx-xx-xxxx
Colafrancesco, Karen A., xxx-xx-xxxx
Cole, Brian J., xxx-xx-xxxx
Cole, James B., xxx-xx-xxxx
Coleman, Benita M., xxx-xx-xxxx
Coleman, Frederick R., xxx-xx-xxxx
Coley, Christopher E., xxx-xx-xxxx
Collier, John T., xxx-xx-xxxx
Collins, Alan B., xxx-xx-xxxx
Colman, Donovan P., xxx-xx-xxxx
Combs, Jean L., xxx-xx-xxxx
Conant, Philip A., xxx-xx-xxxx
Connors, John P., xxx-xx-xxxx
Connors, Randy T., xxx-xx-xxxx
Conoley, John J., III, xxx-xx-xxxx
Considine, Thomas P., xxx-xx-xxxx
Constantino, Vincent J., xxx-xx-xxxx
Conway, Gerry L., xxx-xx-xxxx
Cook, Bonnie J., xxx-xx-xxxx
Cook, Cynthia L., xxx-xx-xxxx
Cooney, Michael J., xxx-xx-xxxx
Cooper, Jerry A., xxx-xx-xxxx
Copp, William W., xxx-xx-xxxx
Coppa, Mark C., xxx-xx-xxxx
Corbett, Michael A., xxx-xx-xxxx
Cordon, David C., xxx-xx-xxxx
Corey, Lori A., xxx-xx-xxxx
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Schwalbe, Kathryn A., xxx-xx-xxxx
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Sears, Denise M., xxx-xx-xxxx
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Skov, Randall A., xxx-xx-xxxx
Skuse, Debra F., xxx-xx-xxxx
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Sly, Albert L., xxx-xx-xxxx
Smart, Terry L., xxx-xx-xxxx
Smith, Charlotte R., xxx-xx-xxxx
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Smith, Jacob Y., III, xxx-xx-xxxx
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Springer, Timothy M., xxx-xx-xxxx
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Staley, Ellen J., xxx-xx-xxxx
Stamm, Rickey L., xxx-xx-xxxx
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Surina, Mark J., xxx-xx-xxxx
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Sykes, Terrence C., xxx-xx-xxxx
Szpila, Gerald E., xxx-xx-xxxx
Tabor, Troy L., xxx-xx-xxxx
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Tallent, Alton J., III, xxx-xx-xxxx
Tanoff, Gregg F., xxx-xx-xxxx
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Tatterfield, Diane Carol, xxx-xx-xxxx
Tatum, James K., xxx-xx-xxxx
Taylor, Clinton E., xxx-xx-xxxx
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Tenhagen, Donald C., xxx-xx-xxxx
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Tulberg, Ellsworth E., Jr., xxx-xx-xxxx
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Turner, Rebecca P., xxx-xx-xxxx
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Twamley, James S., xxx-xx-xxxx
Tyler, Donald T., xxx-xx-xxxx
Tymes, Nathaniel, Jr., xxx-xx-xxxx
Uhle, William W., Jr., xxx-xx-xxxx
Ujfalusi, Maria J., xxx-xx-xxxx
Umphlet, Charles L., xxx-xx-xxxx
Urscheler, James W., xxx-xx-xxxx
Valavanis, Mark N., xxx-xx-xxxx
Valentic, Paul A., xxx-xx-xxxx
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Valko, William J., xxx-xx-xxxx
Vandenburg, Burton L., xxx-xx-xxxx
Vandine, Charles B., xxx-xx-xxxx
Vankeuren, Richard J., xxx-xx-xxxx
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Vasquez, Robert A., xxx-xx-xxxx
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Vause, Dirk C., xxx-xx-xxxx
Veile, Mark A., xxx-xx-xxxx
Venable, John R., xxx-xx-xxxx
Vergara, Gonzalo I., xxx-xx-xxxx
Vignaroli, Edward A., xxx-xx-xxxx
Vincent, Eric, xxx-xx-xxxx
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Viola, Dennis J., xxx-xx-xxxx
Vittum, Susan L., xxx-xx-xxxx
Vizzier, Douglas D., xxx-xx-xxxx
Voelk, Michael E., xxx-xx-xxxx
Vonjouanne, Henry V., xxx-xx-xxxx
Vraa, Keith A., xxx-xx-xxxx
Vuncannon, Deborah A., xxx-xx-xxxx
Wachtler, Patrick J., xxx-xx-xxxx
Waddell, Kellie M., xxx-xx-xxxx
Wagner, Rebecca A., xxx-xx-xxxx
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Westmeyer, Monty H., xxx-xx-xxxx
Weston, Perry X., xxx-xx-xxxx
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Whaley, Scott E., xxx-xx-xxxx
Wheeler, Christian B., xxx-xx-xxxx
Wheeler, Curt L., xxx-xx-xxxx
Whelihan, Thomas J., xxx-xx-xxxx
Whitaker, Linda E., xxx-xx-xxxx
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Whitt, Marcellus J., Jr., xxx-xx-xxxx
Whitted, Jeffrey L., xxx-xx-xxxx
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Whyte, Gary L., xxx-xx-xxxx
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Wilde, Nicholas P., xxx-xx-xxxx
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Williams, Brett T., xxx-xx-xxxx
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Wilson, Charles W., III, xxx-xx-xxxx
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Wood, Douglas W., xxx-xx-xxxx
Woodcock, John R., xxx-xx-xxxx
Woodie, Eldon A., xxx-xx-xxxx
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Young, Craig W., xxx-xx-xxxx
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Young William A., JR., xxx-xx-xxxx
Yundt, David W., xxx-xx-xxxx
Zabkar, Lynn M., xxx-xx-xxxx
Zambetti, Felix A., III, xxx-xx-xxxx
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Zepka, Debra L., xxx-xx-xxxx
Zetsch, Barry M., xxx-xx-xxxx
Ziebarth Richard E., xxx-xx-xxxx
Ziebis, Claudia R., xxx-xx-xxxx
Ziegra, James C., xxx-xx-xxxx
Zimmerman, Bruce M., xxx-xx-xxxx
Zimmerman, Deborah J., xxx-xx-xxxx
Zimmerman Michael W., xxx-xx-xxxx
Zink, Russell P., xxx-xx-xxxx
Ziomek, David A., xxx-xx-xxxx
Zollmann, Steven, J., xxx-xx-xxxx

IN THE NAVY

The following-named commanders of the U.S. Navy for promotion to the permanent grade of captain, pursuant to title 10,

United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS

Albert, Philip Richard
Auman, James Richard
Bergin, Francis T., Jr.
Beuttel, Stephen C.
Bohan, John Stephen
Bottomy, David P.
Callaway, Robert A., Jr.
Catron, Phillip Wood
Chambers, James Richard
Collins, Daniel Robert
Coullahan, James D., Jr.
Crim, Jerry R.
Cruickshank, James C.
Curto, Frank S., Jr.
Danitschek, Carl Norman
Danziger, Richard Ellis
Driver, James Robert
Emery, Jefferson Craig
Faber, Myron Morris
Fetter, Theodore Walker
Frost, David Sidney
Gavrell, George Joseph
Gemelli, Ralph Joseph
Gentry, James Lawrence
Golembieski, Michael E.
Goyer, Peter Francis, Jr.
Gunnett, Sylvia Roberta
Hartman, David Scott
Hibbard, Blaine Zook, Jr.
Hughes, Robert Edward
Imes, Richard Kelly
Jackson, Frederic L.
Johnson, Dennis Larry
Kennedy, Joseph Davy
Kerr, James H.
Kilpatrick, Michael E.
Koett, John William
Krasner, Robert D. J.
Kung, Martin Datung
Labrador, Augusto N.
Laughlin, Larry W.
Maraist, Donald Joseph
Mayo, Richard A.
McCaughey, Brian George
McLaughlin, Charles R.
Means, James Franklin
Menon, Padman, Achutha
Nakahara, Hank Hudebobu
Patel, Thakorbhai G.
Pellegrini, Arthur E.
Peterson, Daniel Reuben
Poole, Joel R.
Rabetoy, Gary M.
Rasmussen, Clyde Mervyn
Resnick, Jack S.
Ricciardi, Joseph M.
Rogers, Jerry Ray
Rosenblatt, Cheryl Dian
Ross, William Bruce
Rozendal, Robert Henry
Saul, Charles D., III
Shanahan, William James
Sims, Kenneth Lee
Spencer, Jerry Douglas
Tanksley, Marion Hollis
Taub, Martin
Thorp, James W.
Tibbits, Paul A.
Verkleeren, John Luce
Westbrook, John Andrew

SUPPLY CORPS (31XX)

Bishop, Henry Harold, II
Campisi, Ronald Alexander
Cheney, James Cowser
Christopher, Donald Dominic
Conti, Carmen Daniel
Deloach, Stephen James
Downer, Glenn Ivan
Ebbers, Richard Earl
Elliott, Ernest Alexander
Fronczkowski, Ralph Edward
Gabor, John Bernard, Jr.
Graeter, William F., II
Hall, David William
Hephner, Patrick Jean
Hunter, Don Loren
Jaffin, Frederick T., Jr.
James, William Byrd
Ketcham, Richard Dean
Lessa, Joseph Gerard, Jr.
Mayer, Carl, Michael
Mayes, Robert David
McCock, Kevin William
McGavran, Samuel Brown
Mesterhazy, Andrew Paul
Meyer, Fred Lewis
Mitchell, Ralph Melvin, Jr.
Modrowski, Richard Walter
Mullen, John David
Payne, David Almon
Reagan, Joseph Emmett
Robie, Ralph Lon, Jr.
Robinson, Richard D.
Rumsey, Charles Gary
Ruppmann, Heinz Otto
Tarantino, David Arthur
Tastad, Michael Louis
Tucker, James Thomas
Tuggle, Richard Carl
Vigrass, David Harry
Wilkinson, Ronald Carr
Yeatts, Ralph Leroy

CHAPLAIN CORPS (41XX)

Baldwin, John Francis
Bevins, John Joseph
Day, Richard Thayer
Fiol, John Robert
Hettish, Richard Clyde
Holderby, Anderson Byron, Jr.
Matthia, Robert William
Parker, Charles Roy
Sestito, Joseph Nicholas
Starling, Ira Carroll, Jr.
Wright, John Milton

CIVIL ENGINEER CORPS (51XX)

Ahl, John Stuart
Coston, Oscar Lee, Jr.
Cugowski, Ralph Marshall
Dames, Thomas Allan
Donnelly, William Patrick
Doughtery, James Michael
Elkins, John Carroll
Falke, John Whelan
Gagen, Robert Edward
Goodermote, Wayne Keith
Hadbavny, Ronald Stephen
Hendrickson, Jack Ellis
Hilderbrand, William Casey
Hull, David Nelson
Kelley, Timothy Charles
Meeks, Kenneth Wayne
Schlesinger, Francis David
Watson, Francis Xavier
Wesion, James Edward

JUDGE ADVOCATE GENERAL'S CORPS

DeCarlo, Nicholas Peter
Hughes, Winston Jackson
Rossi, Robert Raymond
Swayze, Frank Benjamin
Williams, Duvall M. Jr.

DENTAL CORPS

Acquavella, Richard F.
Altaras, David Eugene
Beastall, Raymond H.
Brandt, Alfred Edward
Cunningham, Walter T.
Daley, Arthur Stuart, Jr.
Davies, Jonathan F.
Davis Kenneth Junior
Esquire, Robert Gregory
Hargrave, John Walter
Malin, David Morgan
Moe, Robert Clarence
Post, Robert Michael
Rapps, Daniel M.
Richards, Mark Warren
Rog, Richard Paul
Scott, Steven Hall
Smyth, Robert Neil
Taybos, George Michael
Wattenbarger, Clyde K.

MEDICAL SERVICE CORPS

Barnhill, Russell Wynn
Benander, Douglas Norma
Brant, Robert Henry
Carney, William Patrick
Carpenter, Gordon Lee
Chaput, Raymond Leo
Cole Dennis E.
Cook, Elvis Donald, Jr.
Cote, Robert Raymond
Daily, Ottis Patrick
Daniel, Paul Edwin
Hayes, Charles Herbert
Heston, Frank David
Johnson, Paul William
King, William Goodrich
Ludwig, William Carl
Mataldi, Alan Elio
Moore, Leonard Lee
Nacrelli, Walter Andre
Newman, Reginald Edward
Pheeny, Harold Thomas
Rausch, Jack Lee
Raymond, Lawrence Foste
Reuter, Nancy D.
Smith, James Leroy
Smith, James Peter, Jr.
Smith, William Walter
Wildes, Dudley Joseph
Wilson, Everett Lynn
Windholz, Francis Leo

NURSE CORPS

Ciurlik, Margaret Mary
Covington, Norma Ann
Cronin, Claire Mary
Downs, Robert James
Engel, Joan Marie
Holmes, Sandra Anthony
Iwata, Miki
Jackson, Charles Ray
Kerdus, Mary B.
Lindelof, Sandra Sue
Lufkin, Janice Mae
McCumber, Susan Anne
Murphy, Rosemary Ellen
Pruchniak, Joan Louise
Ward, Maureen Winifred
Yahner, Ann S.

LIMITED DUTY OFFICER (SUPPLY)

Earlston, Robert Paul

LIMITED DUTY OFFICER (CIVIL ENGINEER CORPS)

Kannegieser, Andrew Anthonyy

EXTENSIONS OF REMARKS

SPEECH FOR THE ASSOCIATION OF AMERICAN LAW SCHOOLS

HON. ROBERT GARCIA
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. GARCIA. Mr. Speaker, I am inserting in the CONGRESSIONAL RECORD today some interesting reading for my colleagues. It is a speech delivered by Newton Minow to the Association of American Law Schools. The speech includes some very perceptive thoughts on major issues facing our political system and I commend the article to my colleagues.

SPEECH FOR THE ASSOCIATION OF AMERICAN LAW SCHOOLS

(By Newton N. Minow)

Your meeting is a most appropriate time and place to announce the completion of a major work of legal scholarship. After thirty-five years, I have finished a comprehensive study of European Comparative Law. Your invitation enables me to share my exhaustive research with our nation's law professors.

After careful study of four legal systems in Germany, France, the Soviet Union and Italy, here are my conclusions:

In Germany, under the law, everything is prohibited except that which is permitted.

In France, under the law, everything is permitted, except that which is prohibited.

In the Soviet Union, under the law, everything is prohibited, including that which is permitted.

And in Italy, under the law, everything is permitted, especially that which is prohibited.

Now, there may be some of you who are not interested in these finer points of European comparative law, and may ask, so what? What about the United States? I suggest that is why there are American law schools and law professors. For it is your task to analyze and debate what is prohibited and what is permitted in the United States. We have a never ending search for the answers, especially because we ask American law professors for even more: we ask that you teach us not only what is prohibited and what is permitted, but also why—and we also ask you to reflect on what should be prohibited and what should be permitted.

It is a high privilege for a practicing lawyer to speak at your annual meeting. The three cornerstones of our profession—the judges, the teachers, and the practitioners—have much to say to each other, and I am honored to bring my perspective to this indispensable dialogue.

As a partner in a large law firm which searches in your schools for talented young men and women to join our practice, my partners and I thank you for giving us splendid lawyers who are well trained and even, in recent years, well mannered.

Yet, while law firms are in your debt for producing practicing lawyers, my thesis today is that our country's citizens are too often being shortchanged by our law schools and the gifted men and women who teach in them.

I take as my text an article which my partner, Ben Heineman, Jr., wrote last year:

"Put simply, the law schools—especially the top 25 that believe they are in the top 10—should be a major source of vision about the kind of society America ought to be in its third century . . .

"Yet few outside observers, and few candid insiders, would say that the nation's law schools and law professors are possessed by a breadth of vision or are taking a comprehensive view of the major problems that this society must address in the decades ahead, either in the public or private sector."

While I agree with Ben, I am reassured by the theme of your 1985 Annual Meeting: "The Law Teacher and the Public Interest: Professor Deeds Goes to Washington." One question we will be discussing this afternoon is: Do law teachers have a special obligation to illuminate politics and public life?

To me the answer is clear. Your analytical skills are needed, not only to study but also to safeguard principles of law, especially in this confusing time of rapid technological revolution. Your vision is needed if we are to avoid narrow approaches to legal questions—such as what is permitted and what is prohibited in terms of rigid, either/or choices. Last month, Judge Bork reminded us in an important opinion: "The temptation to adhere to sharply-defined categories is understandable. Judges generalize, they articulate concepts, they enunciate such things as four-factor frameworks, three-pronged tests, and two-tiered analyses in an effort, laudable by and large, to bring order to a universe of unruly happenings and to give guidance for the future to themselves and others. But it is certain that life will bring up cases whose facts simply cannot be handled by purely verbal formulas, or at least not handled with any sophistication and feeling for the underlying values at stake. When such a case appears and a court attempts nevertheless to force the old construct upon the new situation, the result is mechancial jurisprudence."

Judge Bork is right. As technology rushes forward in the remaining 15 years of this century, traditional definitions of life itself fail to offer useful answers to new questions. Life support machines extend breathing; do they extend life? As technology rushes forward, do traditional perspectives of the Constitutional war power extend to pushing a button which may blow up the world?

Civilization, said H. G. Wells, is a race between education and catastrophe. I believe it is also a race between law and technological and social change in modern life. Your unique ability to study and apply principles of law to the issues posed by onrushing technological and social change is needed to provide the light of reason.

Here are a few issues of modern life where the law, it seems to me, has thus far been of little help in even asking the right questions, much less in reaching useful answers.

First, the relationship between politics, public office and the public interest. Running for office in our country is a hard, miserable, frustrating and intimidating experience. A candidate must be up and at the voters at 6:00 a.m. shaking hands at the factory gate or the commuter station. A candidate must raise enormous sums of money. A candidate must submit to the most intense scrutiny by the media, and serve up his or her entire family for public examination. A candidate must abandon any notion of privacy, disclose all sorts of personal information, financial data, and expect and accept abuse and constant criticism.

As a result, some people have found it much easier to take a short cut and avoid the political process. All you have to do is simply announce one day that you have been appointed as a representative of the "public interest." If you appoint yourself, you don't have to subject yourself or your family to all the rigors of a campaign. Yet, in the past 10 or 15 years, self-appointed representatives of the public have come to be regarded and treated, especially by the media, as somehow being more legitimate and authentic representatives of the public than the men and women who were elected according to the law.

Why? Traditional legal analysis would tell only a small part of the story—that certain elective offices are created for which persons standing for election must have certain qualifications. But in the real world, forces outside the law-especially post-Vietnam, post-Watergate cynicism about public officials—have changed modern life to the point where self-appointed citizens are often perceived as more representative than our elected officials.

Second, last year I served as Chairman of the Search Committee for the next President of Northwestern University. Our Committee reflected various parts of the institution: trustees, faculty, alumni, and students. We conducted a nationwide search for eight months; simultaneously, our nation searched for nominees for the next President of the United States. Having been a delegate for years to the Democratic National Conventions, it quickly became apparent to me that the way we search for university presidents offered significant lessons compared to the way we noninate our Presidential candidates. When our country began, President George Washington was chosen through the Electoral College which was designed much more like a university search committee than the 1984 primaries and caucuses.

Again, a traditional legal view, based on the literal requirements of the Constitution, would tell us that the Electoral College remains inviolate in the Constitution. But the real world tells us that this part of the Constitution has little to do with modern life.

A third issue concerns changing economic conceptions and the law. In our firm's practice, we counsel different industries and professions trying to adjust to the new world of deregulation. We see pluses and minuses in adapting to deregulation of communications, transportation, banking and medical care. It is currently fashionable for some economists to argue that the all-knowing marketplace is the solution to all problems and, and a result, we see many young lawyers who know the price of everything—and

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the value of nothing. (Do you remember what one economists said to the other economist? "It may work in practice, but it doesn't work in theory.") But just as many regulators of the seventies were too narrow and rigid, so many deregulators of the eighties are too narrow and rigid. The pendulum is now swinging from everything is prohibited to everything is permitted, for the overregulation of the seventies to what could become the anarchy of the nineties.

What is needed—and has begun at some of your schools—is a new and more subtle form of legal analysis to assess how varying amounts of intervention in markets really work in modern life.

Each of these questions is an example where law, which is the indispensable instrument for orderly change in our governance, has almost become a bystander, an observer, a non-participant. While all of us have been looking for what is permitted and what is prohibited in our law libraries, we failed to look out the window where other things were happening.

When we look in the books to read the Constitution, we learn that the Constitution is subject to amendment only through specific, prescribed procedures. I suggest to you that sometimes the law and the Constitution are amended without any of us realizing it. Sometimes, as in the case of the Electoral College, this happens through the evolution of political practices, and sometimes, this happens when the Constitution is amended by technology. Then it happens silently and instantly.

For example, consider the relevance of political jurisdictions. When the technology of television developed, the television and advertising industries quickly saw that television signals did not correspond with political boundaries. A television signal spreads through the air in a circle with a radius of about sixty miles. Viewers of a signal broadcast from my hometown of Chicago live in the City of Chicago, the Cook County suburbs, the other five county metropolitan area of Chicago, and in other parts of Illinois, Wisconsin, Indiana and Michigan. The same situation exists throughout the United States, and across our national boundaries into Canada and Mexico. When this became apparent, the broadcasting and television industries quickly acted. They drew their own map, ignoring city, county, state and national boundary lines, and divided the country into 211 ADI's—Areas of Dominant Influence. They didn't call for a Constitutional convention or persuade Congress to change any laws. They simply threw away the official governmental maps and boundaries and adapted to the new technology, by defining their business in terms of ADI's, instead of cities, counties, states, and the nation.

In government, however, we haven't acted—or reacted to the new technology.

For example, government failed to act and react while television fundamentally altered the balance between our three branches of government. Only one branch, the Executive, has access to television on its own terms, essentially at the discretion of the President. Congress now knows that television fundamentally altered legislative debates. The other day, Senator Howard Baker observed that Senators do not need to participate much in Senate debates these days because "if no one listens, the Senators don't care because they go outside the Senate floor and someone will listen to them with a television camera."

While Presidents and Senators learned about television, most academics have been slow learners, and closed their eyes to the impact of television.

Suppose I gave you a test with this multiple choice question: Which of the following is the most influential educational institution in America? (a) Harvard (b) Yale (c) the University of California (d) Northwestern University (e) Notre Dame University (f) Your own University (g) None of the above.

The correct answer is (g) None of the above: the correct answer is television.

Watching television is how most Americans spend most of their time—close to eight hours a day in the average home. Most Americans now receive most of their information through broadcasting. As Professor Benjamin Barber observes:

"The community of citizens governing themselves face-to-face has given way to the mass society, and live talk has been replaced by telecommunications. Once a nation of talkers, we have turned into a nation of watchers—once doers, we have become viewers—and the effect on our democracy has been profound."

Yes, the effect on political processes has been more profound than any other technological change since the printing press. And its effect on the democratic process, its effect on law, its effect on government, and its effect on politics all are a set of questions which call for more attention from the best legal minds in America.

Television does enlighten citizens and does advance the democratic process in ways far beyond the capacity of any other medium. Television's coverage of the Watergate hearings and the impeachment hearings gave the American people more than a civics lesson; it also gave them front row seats in the hearing room and a sense of unparalleled participation. The Presidential debates, with all their faults, do bring the candidates into millions of homes and offer citizens a first-hand chance to evaluate the candidates.

But, with all the advanced through this powerful medium, there are also setbacks to the democratic process, Theodore White, the best historian-journalist in our time, said it best when he wrote last year that the flood of money that gushes into politics to buy television time is the pollution of democracy.

I propose that you law professors address, analyze, and reflect on this question: What is the best way to harness this great gift of television to improve and advance the electoral process? You have the expertise, analytical skills, and vision to find ways—constitutional ways consistent with First Amendment freedoms—to achieve four goals:

First: To promote rational political discussion in Presidential campaigns.

Second: To reduce the amount of money required to run for political office, especially to buy television time.

Third: To shorten campaigns.

Fourth: To assure basic access to television for all significant candidates for President and Vice President.

Let us examine each goal.

First, to promote rational political discussion in Presidential campaigns. Sophisticated campaign strategists and political consultants new create commercials and spots which dominate the airwaves at a cost of many millions of dollars. In my own State of Illinois in the recent Senate election, our major candidates, Paul Simon and Chuck Percy, found our Illinois situation even worse than usual. A California businessman—unauthorized by Simon—spent more than $1.1 million of his own money to "help" Simon by buying radio and television commercials that attacked Percy. Although Simon disavowed the ads, he could not stop them. A law, which I think could be drafted to satisfy Constitutional tests, is needed to stop not only this form of assault on the democratic process, but to stop all political commercials. John O'Toole, Chairman of one of the nation's leading adverting agencies, Foote, Cone and Belding, put the issue in plain English: "The time has come to stop trivializing the electoral process by equating a candidate and a public office with an antiperspirant and an armpit. It is time to stop selling television spots to political candidates."

Second, to reduce the amount of money required to run for political office, especially to buy television time. Once the major Presidential candidates are nominated, they now receive more than $40 million in public funds for the campaign. In 1984, most of that money went to purchase television time, almost all of it to purchase commercials of thirty or sixty seconds. In the primaries, approximately $85 million was raised and spent by the candidates, mostly for commercials.

Presidents of the television age, starting with Presidents Eisenhower and Kennedy, saw the problem coming and urged reform. Now, more than twenty years later, the problem is more than twenty times worse. Why on earth should the American people spend millions out of the public treasury so that the Republican and Democratic candidates can flood the air with thirty second television commericals contributing nothing to political enlightenment? If this money is to be spent, at least let us insist that the candidates appear live to deal with issues. I ask you to search for ways, constitutional ways, to eliminate this pollution of democracy, and use this great medium to inform and enlighten us.

If you are not indignant at the current situation, I remind you of what Kipling did not say: "If you can keep your head while all others about you are losing theirs, maybe you don't understand the seriousness of the situation."

Third, to shorten campaigns. If you've ever been in Great Britian during a political campaign, you saw campaign periods strictly limited to a three-week period during which no candidate can buy television time. Instead, the parties are allocated an amount of political time on the air to use as they wish—with the parties sharing the time and taking their own cases to the voters. No commercials. No payments for time. And Western civilization was not impaired—and has survived.

Fourth, to assure basis access to television for all significant candidates for President and Vice President. As you know, our Federal Communications Act requires that all candidates for the same office be treated equally by broadcasters. This means that if a broadcaster gives or sells time to one candidate, time must be made available on the same terms to his or her opponent. There are certain exceptions for news programs and interviews. The Presidential Debates, with which I was deeply involved in 1976 and 1980, were conducted under regulatory and judicial interpretations of these exceptions—an interesting legal story, but too long to go into here. I believe that not all candidates need to be treated equally; there were 229 candidates for President in 1984; not all of them were serious. How can we distinguish between serious, significant can-

didates—and the others? How do we do this under the law, under the Constitution, under our sense of fundamental fairness?

While the courts have dealt with some of these issues, the law remains murky.

These four goals are worthy of the serious analysis, research, and thought which legal scholars give to other questions every year. While I do not read widely in the law reviews these days, I do skim the tables of contents, and I find bountiful articles on the finer, esorteric points of law such as: (1) Can a policeman look under a blanket in the automobile trunk when he stops a suspicious driver who may be carrying drugs? (2) Protected "puffery" in commercial speech. (3) The application of the Due Process Clause to an unending stream of actions. (4) Liability of construction lenders to contractors, subcontractors and materialmen. While these issues are worthy of your skills, I suggest that basic issues involving the effect of the electronic media on politics and governance deserve equal time.

Why do I suggest that this issue of television and politics be examined in the law schools? Because law schools are unique institutions in our society, unlike any other part of the academic world. As one privileged to serve as a trustee of several major American universities, I see excellent graduate schools whose function is to train teachers to impart knowledge of English Literature. I see excellent schools where engineers and scientists are trained to create new technological progress. I see business and management experts trained through MBA programs to run complex business and public organizations. I see excellent medical schools train physicians and surgeons to help keep our good health and preserve and prolong life. These are essential, vital and valuable contributions to our society.

But law schools are unique. A law school is the only place where the life of the mind is joined with the practical, real world search for justice, for ethical values, for fairness, for the protection of individual rights and responsibilities, and for the preservation of principles of a free society. As the world of technology becomes more and more complex, your unique competence as professors of law is called upon to reconcile these precious values with the technological revolution and the Information Age.

In only two years, we approach the bicentennial of our Constitution to celebrate what the Jeffersons, Franklins, and Madisons gave us in 1787. Where are the 1987 Jeffersons, Franklins and Madisons? I hope some of you are in this room today.

I was lucky in law school to have some wise teachers who passed on enduring lessons to me. Some may say that these lessons have little to do with the law—and others may say they have everything to do with the law. My law professors, some of whom are here today, taught me the value of civility in dealing with contentious matters, the need for respect for opposing views, and the necessity of continuing lifetime learning after law school. Some statements still ring through my memory, such as: "Civilization advances when what had been perceived as a misfortune comes to be perceived as an injustice . . ." and "the challenge is to become one in spirit—if not necessarily in opinion."

More than thirty years ago, I accompanied my boss, Adlai E. Stevenson, when he addressed the Association of American Law Schools on December 28, 1953. He spoke of the need for justness . . . and the need for a compassionate eye and a strong arm to see that each individual, no matter how weak or unappealing, is dealt with fairly and justly. And he reminded law professors of the university's essential mission: to search for truth and to communicate that truth to succeeding generations.

Today, more than thirty years later, two of my daughters and my son-in-law—all lawyers—are here as part of a succeeding generation. To them—and to you—I leave the words of a great teacher, Professor John Fairbank, about the student-teacher relationship and the debts a student owes a teacher: "For all students who feel indebted to their teachers, the rule is 'Don't feel you should try to pay it back. Instead, pass it on.' "●

DRIVER EDUCATORS COMMEND GM

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. CARR. Mr. Speaker, during the recent holiday season, many organizations throughout the country undertook intensified education efforts to inform the public about the dangers of drinking and driving.

In this regard, the General Motors Corp., as part of its customer information series, sponsored an excellent advertisement in numerous newspapers and magazines nationwide. Entitled "How to Talk to Teenagers About Drinking and Driving," the ad is aimed at the high-risk age group, those between 16 and 24, which is overrepresented in alcohol-related fatal crashes. The ad presents facts, encourages parents to discuss drinking and driving with their teenagers and to set a good example.

The American Driver and Traffic Safety Education Association (ADTSEA), the organization representing driver education instructors, recently commended General Motors for this fine public service advertisement and for its longstanding support for driver education.

Mr. Speaker, I join in commending GM, and ask that a copy of the well-done advertisement and the ADTSEA letter be included in the RECORD.

HOW TO TALK TO TEENAGERS ABOUT DRINKING AND DRIVING

Teenagers can get into a lot of trouble with alcohol. Even teenagers who don't drink. Often they aren't aware of the facts.

A new view of the statistics shows where part of the problem lies, and can lead to a better communication between adults and teenagers.

Teenagers are in the high-risk group. People between the ages of 16 and 24 represent only 20 percent of the licensed drivers of our country. But that same group is involved in 42 percent of all the alcohol-related fatal crashes. When you think about that, two tragic things are revealed:

First, not all teenagers killed in such accidents are themselves drunk at the time. Often they have had nothing to drink at all, but are passengers in cars driven by teenagers who have been drinking.

Second, because teenagers are often on the roads late at night, especially on weekends, when most crashes involving alcohol occur. They are targets for cars driven by people who have had too much to drink.

Some facts about alcohol you might want to discuss with teenagers are often surprising to adults:

One can of beer, as well as one eight-ounce glass of wine, and one 1½-ounce drink of 86-proof liquor are all equally intoxicating. The risk is the same regardless of what you've been drinking.

The legal definition of intoxication is based on "Blood Alcohol Concentration" or "BAC." If you have a BAC of .10, you are legally drunk in most states. But for drivers or drinkers who are less experienced, a BAC of .05, or sometimes lower, can be dangerous.

Even relatively low levels of alcohol can reduce your tolerance to injury, increasing the danger in an accident.

Arm your teenagers with the facts and give them time to reflect on them.

If expected to show good judgment, teenagers are more likely to live up to it.

Please discuss the problem of drinking and driving with your teenagers now, and if you think this advertisement will help, ask them to read it.

And keep in mind, that the best way to teach young people—as they may tell you—is by example.

The people of General Motors care, and urge teenagers, and their parents, to give serious thought to the dangers of drinking and driving. It's something we all can do.

AMERICAN DRIVER AND TRAFFIC SAFETY EDUCATION ASSOCIATION

Alexandria, VA, December 14, 1984.

Mr. ROGER B. SMITH,
Chairman of the Board, General Motors Corp., 3044 West Grand Boulevard, Detroit, MI.

DEAR MR. SMITH: Through the years, General Motors' commitment to driver education has been obvious to members of the American Driver and Traffic Safety Education Association.

The "How to Talk to Teenagers About Drinking and Driving" ad in the December 10 issue of U.S. News & World Report is yet another evidence of GM interest in and concern for youthful citizens. Your emphasis on parental involvement in alcohol awareness (beverage equivalency, BAC, and impairment) is right on target. Providing youth with facts on which they can reflect can help them to make the right judgments in the many situations they're certain to face.

On behalf of the driver education teachers who instruct about two million young people annually, this Association commends and thanks you for General Motors' continuing involvement and support.

Sincerely,

WILLIAM D. CUSHMAN,
Executive Director.●

INTRODUCTION OF RURAL ELECTRIC COOPERATIVE LEGISLATION

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. FOWLER. Mr. Speaker, today I am introducing legislation to correct an oversight in current law which adversely affects rural electric cooperatives. I am pleased to be joined in sponsoring this legislation by my colleagues from the Ways and Means Committee: Mr. ARCHER, Mr. FLIPPO, Mr. JENKINS, Mr. ANTHONY, Mr. VANDER JAGT, Mr. DUNCAN, and Mr. MATSUI.

A cash or deferred arrangement under section 401(k) of the Internal Revenue Code is an increasingly popular form of providing employee benefits in a profit sharing or stock bonus plan. In a section 401(k) plan an employee may elect to defer a part of compensation and place the deferred amount in a section 401(k) plan established by his employer. Compensation deferred in a 401(k) plan is not subject to Federal income tax until paid, and when paid is eligible for favorable tax treatment.

The National Rural Electric Cooperative Association [NRECA] has investigated the use of section 401(k) for the benefit of its members. Present law permits section 401(k) plans only as part of a profit sharing or stock bonus plan. Because rural electric cooperatives do not have stockholders, they cannot adopt a stock bonus plan. Since rural electric cooperatives are nonprofit, tax exempt organizations, they cannot adopt profit sharing plans.

Because of these problems, I believe that the best remedy is to make a change in the Internal Revenue Code to permit the adoption of 401(k) features in the money purchase pension plans of the rural electric cooperatives. Because my bill is narrowly drawn, to cover only rural electric co-ops, it will have a negligible revenue impact according to the Joint Tax Committee.

Rural electric cooperatives have been a vital force in improving the quality of life for rural Americans over the last half-century. My legislation is an equitable, low-cost way of insuring that these co-ops can continue to attract the high calibre of employees who have enabled them to accomplish their goals.

The text of the legislation follows:

H.R. 1615

A bill to amend the Internal Revenue Code of 1954 to allow a defined contribution plan of a rural electric cooperative to include a qualified cash or deferred arrangement

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. DEFINED CONTRIBUTION PLAN OF RURAL ELECTRIC COOPERATIVE MAY INCLUDE QUALIFIED CASH OR DEFERRED ARRANGEMENT.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 401(k) of the Internal Revenue Code of 1954 (relating to cash or deferred arrangements) are each amended by striking out "(or a pre-ERISA money purchase plan)" and inserting in lieu thereof ", a pre-ERISA money purchase plan, or a rural electric cooperative plan".

(b) RURAL ELECTRIC COOPERATIVE PLAN DEFINED.—Subsection (k) of section 401 of such Code is amended by adding at the end thereof the following new paragraph:

"(6) RURAL ELECTRIC COOPERATIVE PLAN.—For purposes of this subsection, the term 'rural electric cooperative plan' means any pension plan—

"(A) which is a defined contribution plan (as defined in section 414(i)), and

"(B) which is established or maintained by a rural electric cooperative as defined in section 457(d)(9)(B))."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 1984.●

CONGRESS MUST ACT TO INTRODUCE STABILITY INTO THE REGULATION OF NUCLEAR POWER

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BROYHILL. Mr. Speaker, my colleague from California, Representative CARLOS J. MOORHEAD, and I recently received a report on backfitting and licensing practices at the Nuclear Regulatory Commission prepared by Mr. James Tourtellotte, chairman of the Commission's own regulatory reform task force, that we wish to bring to the attention of our colleagues who are concerned with how the Federal Government regulates nuclear power. It is now widely recognized that many of the problems plaguing our Nation's nuclear power program are due in large measure to the manner in which the Federal Government regulates this industry. One significant factor contributing to regulatory uncertainty is the Nuclear Regulatory Commission's practice of imposing new or modified safety requirements without systematic analysis of cost-effectiveness or impact on overall safety, a practice commonly referred to as backfitting. This practice is one of the major reasons why I joined a bipartisan group of colleagues in introducing H.R. 1029—legislation to reform the nuclear licensing and regulatory process.

The report we are bringing to your attention today is a candid and comprehensive critique that suggests the true magnitude and scope of the problem with the Nuclear Regulatory Commission's undisciplined promulgation and application of regulatory requirements. Mr. Tourtellotte's fundamental assertion is that requirements are altered and imposed, and backfits ordered, by competent NRC staff who are attempting to make incremental improvements in safety, but who are not making such decisions on a principled basis, and who are in fact forcing utilities to comply with requirements not legally required nor technically necessary. Mr. Tourtellotte's report concludes that the problem is industry-wide, and that "there is substantial amount of evidence suggesting that the staff's backfitting practices which have cost consumers billions of dollars have made nuclear plants more difficult to operate and maintain, have injected uncertainty and paralyzing delay into the administrative process and in some instances may have reduced rather than enhanced public health and safety." This report is filled with examples, and documents the crucial need to introduce stability into the regulation of nuclear power.

Some have expressed a belief that legislation like H.R. 1029, the Nuclear Power Standardization Act of 1985, is unnecessary because they believe the Nuclear Regulatory Commission already has the authority to get its house in order. I hope this is the case. The Nuclear Regulatory Commission initiated rulemaking on the backfitting problem in December. I commend the Commission for moving forward on this difficult matter, and look forward to their adoption of a meaningful backfit regulation. Mr. Tourtellotte's report raises serious questions, however, as to whether the Nuclear Regulatory Commission is capable of making the fundamental reforms necessary to stabilize the regulatory process without legislation. Mr. Tourtellotte concludes in his general observations on licensing that "there appears to be a deep seated set of values among the staff and staff management of the NRC which perceives there is nothing wrong in failing to follow the statute, their own rules or Commission direction with respect to the imposition of requirements on licensees." Should this be an accurate assessment of the regulatory climate pervasive at the NRC, there can be no doubt as to the need for legislation to introduce the regulatory stability necessary to promote the development and use of standardized nuclear powerplant designs. Mr. Tourtellotte should be commended for his candor, and I urge my colleagues to read his report

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carefully and to support H.R. 1029, the Nuclear Powerplant Standardization Act of 1985. Mr. Tourtellotte's report can be obtained by contacting Rob Fitzgibbons of the Energy and Commerce Committee minority staff at extension 226-3400.●

HARLEM'S NORTH GENERAL HOSPITAL: A SUCCESS STORY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring a unique story of success to the attention of my colleagues.

North General Hospital, in central Harlem, is one of two hospitals which are used by the poor of this neighborhood. It provides medical services for people who cannot afford medical care at other private hospitals, and is an institution which fills a large gap in community health care.

Under the able direction of its president, Eugene L. McCabe, North General has been brought back from the brink of bankruptcy. With Federal and State aid, Mr. McCabe mobilized the hospital's staff to lend a hand in renovating and repairing the aging facilities. He and his staff have successfully saved North General Hospital.

I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD. It describes the spirit which has inspired the rebirth of a pillar in the community.

[From the New York Times, Mar. 9, 1985]

HOSPITAL'S STAFF HELPS IMPROVE FISCAL HEALTH OF NORTH GENERAL

(By Carlyle C. Douglas)

When it became apparent that an elevator was stuck at North General Hospital recently, the first person to attend to the problem, rushing to the basement to see what could be done, was Eugene L. McCabe, who also happens to be president of the hospital.

Mr. McCabe's willingness to involve himself in a minor problem simply because he was around is characteristic of his approach to running the financially troubled Harlem hospital. It is an approach largely shared by the employees of the 200-bed hospital since its difficult birth five years ago.

With the help of banks, local businessmen and politicians, and its own workers' union, North General has survived from financial Band-Aid to Band-Aid as its health steadily improved. But along the way, it has also helped itself.

In recent renovation work, for example, costs were cut significantly when members of the 740-member staff pitched in on tasks that would otherwise have fallen to outside contractors. Nurses picked color schemes and furniture, members of the engineering department laid floors and installed lighting, and all departments were represented on a committee that coordinated the work.

VOLUNTARY TEACHING HOSPITAL

In 1979, in the rundown, 60-year-old collection of buildings previously occupied by the Hospital for Joint Diseases, North General became the only nonprofit voluntary teaching hospital in Harlem.

It was established, Mr. McCabe said, because the State Health Department required Joint Diseases to "leave a viable hospital behind" to help fill the vacuum created when it moved to East 17th Street and became the Orthopedic Institute.

Situated at 124th Street and Madison Avenue, the hospital serves an area that, with a ratio of perhaps one physician to 10,000 residents, is among the most medically deprived communities in the state.

The area's poor are served mainly by two public institutions, the 762-bed Harlem Hospital in central Harlen and the 597-bed Metropolitan Hospital Center on the southern edge of East Harlem. The move to save North General gained impetus in 1981, when the 500-bed Sydenham Hospital, a municipal institution in central Harlen, was closed.

NEAR FINANCIAL COLLAPSE

North General came near financial collapse that same year, Mr. McCabe said, mainly because the plan fashioned for it by state and Federal agencies left North General with inadequate working capital. In addition, he said, the Orthopedic Institute's "contribution to our viability" is still under negotiation.

In the meantime, Mr. McCabe has worked steadily at holding together the patchwork of loans and grants that help the institution meet its $43 million annual budget.

"A lot of people felt this hospital couldn't make it," Mr. McCabe said as he showed off the recently renovated eighth floor. But a lot of people also felt it could, and Mr. McCabe, previously a managment counsultant with Booz, Allen & Hamilton Inc., proved to be good at bringing them together.

For instance, he asked Basil Paterson, the former New York State Senator and Secretary of State who is now in private law practice, to help get the State Health Commissioner, Dr. David Axelrod, involved in North General's problems.

RESTRUCTURE DEBT

The hospital has received more than $1.4 million in state aid, and Mr. McCabe said he was working with Dr. Axelrod and others to restructure North General's debt.

And, four years ago, when Mount Sinai Medical Center began negotiating for state approval for its $488 million rebuilding plan, state health officials said they would approve it if Mount Sinai agreed to affiliate with North General, providing considerable assistance to its struggling neighbor to the north.

The affiliation, agreed upon in late 1983, has provided some assistance to North General's teaching program, but not as much as Mr. McCabe is seeking. He said he hoped to come to an agreement with Mount Sinai officials this year to increase the exposure of North General medical sudents to Mount Sinai's physicians. State officials apparently are satisfied with Mount Sinai's intentions in that regard, for last week the New York State Hospital Review and Planning Council approved the rebuilding plan.

Mr. Paterson, who serves as a mediator in labor disputes, also helped obtain the aid of District 1199 of the Union of Hospital and Health Care Employees. The union, whose president, Doris Turner, rallied workers to the hospital's cause despite occasional late paychecks, provided North General with a $1.3 million letter of credit last year.

CONCERN FOR JOBS

Like most of North General's staff and patients, most of 1199's members are black. And while the union's action reflected a concern for jobs—North General is Harlem's largest private employer—union leaders also said it reflected their concern for the quality of health care in the community.

By at least one measure, that quality would seem to have been enhanced by North General's existence.

A survey last year by the Peoples Medical Society, a national organization based in Emmaus, Pa., that describes itself as an independent, nonprofit health-care consumer group with 60,000 members, ranked North General higher than either of the public hospitals in Harlem and higher than most acute-care hospitals in the city.

The organization asked 3,524 New York physicians, 3,013 nurses and 2,064 consumers which of 76 hospitals, based on their personal knowledge, they would agree to be admitted to if they became seriously ill.

The answers of the 642 consumers, 332 nurses and 164 physicians who responsed resulted in North General ranking 21st among the 76 hospitals. That tied North General with New York Infirmary-Beekman Downtown Hospital, and put it well above Harlem and Metropolitan Hospitals, which ranked 50th and 54th. North General is also accredited by the Joint Commission on Hospital Accrediation, a Chicago-based organization that passes on the mettle of hospitals around the country.

Accompanying Mr. McCabe on a tour of North General's eighth floor, Thomas Long, North General's associate administrator for operations, estimated that using outside contractors to renovate the floor's 8,000 square feet would have cost $30 to $35 per square foot. With the aid of the staff, he said, that cost was cut to $10 a square foot.

INTENSIVE CARE UNIT

Though Mr. McCabe plans to renovate a floor at a time from the top down, the other floors are on hold while work goes ahead on a more immediate project—an intensive care unit on the third floor. What will be a 10-bed unit, including five beds for coronary care, is now a hive of workers dodging dangling wires and stepping over the debris of construction. When it is complete, the $2.5 million unit will be able to serve as a magnet for top-flight physicians, Mr. McCabe said.

While North General no longer faces an immediate threat, the money problems continue, largely, Mr. McCabe said, because of the hospital's willingness to accept uninsured patients.

He said half of the 20,000 people who pass through North General's emergency room every year end up being treated free, costing the hospital about $1 million annually. Delinquencies among clinic and hospital patients are much smaller—almost all are covered by some form of public assistance or private insurance—but nevertheless account for another $400,000 in losses.

But Mr. McCabe said he was "extremely optimistic" about North General's future as a community-oriented hospital.

That optimism is shared to some extent by Randolph Guggenheimer, chairman of North General's board of trustees. "There will be no dramatic $10 million endowments," he said, "but there are sources of funds, and Mr. McCabe is extremely capable of tapping them. It's a project that absolutely *has* to succeed."●

ETHNIC AND MINORITY AFFAIRS CLEARINGHOUSE IN FCC CALLED FOR IN BIAGGI BILL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation which would establish an Ethnic and Minority Affairs Clearinghouse in the Federal Communications Commission. It is similar to legislation I proposed in the last Congress.

The purpose of the clearinghouse is to provide a centralized mechanism within the Federal Communications Commission to keep records on complaints and grievances regarding radio and television broadcast programming which unfairly depicts ethnic and minority groups. At the present the FCC has a combined complaint bureau and public affairs office where complaints involving unfair depictions and at least 12 other categories are compiled. According to the most recent FCC reports for fiscal year 1984, there were a total of 614 complaints under the category of racial, ethnic, religious, criticism, ridicule, humor and stereotyping. This averages out to more than one complaint a day for the entire fiscal year or more than twice the number compiled in fiscal year 1981, the most recent year that FCC compiled these statistics.

I believe these numbers are significant enough to warrant specific attention by the FCC, and I believe the best way to ensure this would be with a clearinghouse.

My legislation would vest the Ethnic and Minority Affairs Clearinghouse with a number of other responsibilities including but not limited to—

Collect, analyze, and prepare information from public and private agencies related to the portrayal of ethnic and minority groups by radio and television broadcast programming and furnish this information without charge to interested groups;

Carry out an educational program which encourages the positive portrayal of ethnic and minority groups in radio and television broadcast programming and which demonstrates the importance of such a positive portrayal on the part of the mass media;

Conduct an annual conference which shall be designed to focus public attention upon the images of ethnic and minority groups depicted by radio and television broadcast programming.

I view this clearinghouse as an appropriate vehicle for the FCC to better carry out its legislative and regulatory mandates relative to ensuring that those radio and television stations that they license do not contribute to the problem of discrimination against ethnic and minority groups. One should not forget that the granting of a license by the FCC does carry with it certain responsibilities to conduct themselves in the public interest. To me that includes all the public in our pluralistic society.

The underlying hope I have is that this bill will help to promote a greater sensitivity on the part of the media and the FCC relative to the coverage and depiction of ethnic and minority groups. Television and radio have an enormous influence on day-to-day life in the United States and that influence should be used to promote more positive and accurate images of ethnic and minority groups.

I am pleased to report that an identical bill has been sponsored in the Senate by the distinguished Senator from New York, Mr. D'AMATO. I would also like to pay tribute to the efforts of Mr. Joseph Giordano, director of the American Jewish Congress Center on Ethnicity, Behavior and Communications on behalf of my legislation.

A final point I wish to stress about this legislation. It is not designed in any way to try and mandate any specific programming relative to ethnic or racial groups. It is also not designed to promote censorship against any radio or television program. It is instead designed to be a positive force in projecting a better image of ethnic and racial groups on radio and television.

At this point in the RECORD, I wish to submit the full text of my legislation for the review of my colleagues.

H.R. —

A bill to amend the Communications Act of 1934 to establish an Office of Ethnic and Minority Affairs within the Federal Communications Commission

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this act may be cited as the "Ethnic and Minority Affairs Broadcast Clearinghouse Act of 1985".

SEC. 2. Section 5 of the Communications Act of 1934 is amended by inserting after subsection (d) the following new subsection:

"(e)(1) There shall be established within the Commission an office of ethnic and minority affairs to be known as the 'Ethnic and Minority Affairs Clearinghouse'. The Ethnic and Minority Affairs Clearinghouse shall—

"(A) establish a clearinghouse for complaints and grievances regarding radio and television broadcast programming which unfairly depicts ethnic and minority groups and which is contrary to the public interest;

"(B) collect, analyze, and prepare information from public and private agencies related to the portrayal of ethnic and minority groups by radio and television broadcast programming, and furnish such information, upon request and without charge, to public and private agencies that serve the needs and interests of such groups;

"(C) carry out an educational program (i) which encourages the positive portrayal of ethnic and minority groups in radio and television broadcast programming and (ii) which demonstrates the importance of such a positive portrayal on the part of the mass media;

"(D) conduct an annual conference which shall be designed to focus public attention upon the images of ethnic and minority groups depicted by radio and television broadcast programming and encourage the participation of such individuals and organizations, public and private, that serve the needs and interests of such ethnic and minority groups;

"(E) prepare and transmit to the Congress an annual report which details the activities of the Ethnic and Minority Affairs Clearinghouse, including a compilation of all grievances filed under subparagraph (A); and

"(F) make such information available to assist the Commission in carrying out its legislative and regulatory mandates enactment of the Ethnic and Minority Affairs Broadcast Clearinghouse—

"(2) Not later than ninety days after the date of the enactment of the Ethnic Affairs Broadcasting Clearinghouse Act of 1983, the Commission shall establish the Ethnic Affairs Clearinghouse and provide appropriate staff and services for it to carry out its functions under this subsection.".●

INCOME MAINTENANCE INTEGRITY ACT

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. ROWLAND. Mr. Speaker, I rise this morning to discuss H.R. 1443, the Income Maintenance Integrity Act, which I introduced in the House of Representatives last week.

Very simply, this proposal would encourage States to adopt a comprehensive program of computer cross matching of the Social Security numbers of their public assistance caseloads, with the Social Security numbers on file at financial institutions.

The purpose of such a cross match program is to identify those welfare recipients who, through their bank accounts, are defrauding the public assistance system by possessing assets which total significantly above the legal limits for the programs involved.

Cross matching is not an untried welfare fraud strategy. Two States in particular, the Commonwealth of Massachusetts and my State of Connecticut, have commenced such programs. In Massachusetts, over $11 million in illegal welfare recipient bank assets have been unearthed since 1982. In Connecticut, a limited test cross match of welfare recipient Social Security numbers against the Social Security numbers of depositers at just six Connecticut banks, revealed that several hundred welfare recipients were in violation of basic asset ceiling provisions. I might point out that in Connecticut, this test cross match was conducted at a small fraction of the over 140 financial institutions in existence. Savings from this small test program are estimated to be over $320,000, but when

one considers that future welfare payments are avoided since many of the clients are terminated from the rolls, the savings even from this six bank cross match will easily run into the millions of dollars.

Mr. Speaker, a systematic program of cross matching recipient Social Security numbers with financial institutions is, in my mind, one of the most efficient methods to ferret cheating out of the system. It is not as time consuming and labor intensive as face-to-face interviews or home visits by caseworkers. Rather, the process simply involves a State welfare agency obtaining from a bank a computer tape that lists the Social Security numbers of all depositers. This file is then cross matched against the Social Security numbers of the welfare caseload. When a "hit" occurs, a welfare recipient bank account has been identified and the account balance is screened to determine if excess assets have been, or are being, possessed by the recipient. In those cases where fraud is shown to exist, the State can commence the recovery process.

Since this technique of computer cross matching is relatively new, only a few States now employ it. But based on the experience of computer cross matching to date, the Department of Health and Human Services estimated on November 16, 1983, that if all States initiated a comprehensive cross match program, initial savings of $465 million would result, with subsequent annual savings of $245 million occurring.

Mr. Speaker, given the deficit problem, I do not think we should ignore the bottom line of potential savings under this program. I would like to stress that a cross match of the assets on deposit at banks by welfare recipients does not hurt the truly needy. What it does is effectively identify cheaters who are defrauding the public assistance system and who thereby deny scarce Social Security service dollars to the needy. Both the Massachusetts and Connecticut cross match programs have unearthed a litany of examples where certain individuals were hiding assets in the bank involving $10,000, $15,000, $20,000, and more, at the same time they were collecting AFDC, food stamps, Medicaid, or SSI.

What I propose to do under the Income Maintenance Integrity Act is encourage—not mandate—States to adopt this type of approach. States who employ an approved cross match program would receive Federal reimbursement for 75 percent of the administrative costs of the program, rather than the usual and customary one-half, 50 percent. I believe this could serve as a powerful incentive for States to implement cross matching.

Built into this legislation are numerous safeguards for the welfare clients which should serve to ease the mind of social service advocates. No client could be terminated from public assistance without a "fair hearing;" all documents and bank records would be kept confidential to afford all recipients a strong degree of privacy, and the bill also mandates that State bank cross match programs would have to be approved by the Secretary of Health and Human Services in order to qualify for the enhanced level of administrative reimbursements—75 percent.

What should also be noted about this proposal is that it could actually increase social welfare funding to the truly needy.

Under the bill, if a State takes its share of the recoupments—that is, money recovered from welfare cheaters—and "plows back" the savings to the truly needy in the form of higher welfare benefits or job training and education programs, the State will be reimbursed for all—100 percent—of administrative costs. Since a State would normally be entitled to retain one-half of the total savings generated by cross matching, this "plow back" provision could result in over $100 million in previously unavailable moneys being made available to the truly needy.

Mr. Speaker, how many programs are there that save money and help the truly needy at the same time? I believe this is one and I would welcome cosponsors of the Income Maintenance Integrity Act.

Following these remarks are the text of H.R. 1443, a statement which was issued March 6 relative to the proposal, and a news release from a March 6 press conference which I held.

H.R. 1443

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Income Maintenance Integrity Act".

SEC. 2. (a) Any State which has in effect a plan submitted and approved as provided in section 3, and which has established and is carrying out procedures under such plan for cross-matching its public assistance rolls against the records of financial institutions in the State with the objective of—

(1) verifying the income and status of the individuals on such rolls and determining whether or not such individuals (or their families or households) are actually eligible for the aid, assistance, or benefits involved, and

(2) taking such actions as may be necessary or appropriate under and in accordance with the law governing the program involved, based on the results of such cross-matching, to remove ineligible individuals from the rolls and otherwise eliminate or prevent fraud and abuse in that program,

shall be entitled to receive Federal payments, as provided in section 4, to defray part or all of the costs of carrying out such cross-matching and administering such plan.

(b) There are authorized to be appropriated such sums as may be necessary to provide for such payments.

(c) For definitions of "cross-matching", "public assistance rolls", and other terms used in this Act, see section 6.

SEC. 3. (a) In order to qualify for Federal payments under this Act, a State must have submitted to the Secretary of Health and Human Services, and had approved by the Secretary, a plan providing for the cross-matching of its public assistance rolls against the records of financial institutions in the State on a regular basis with the objective specified in section 2(a), setting forth in detail the procedures to be used in such cross-matching, and otherwise complying with the requirements of this Act.

(b) The State's plan must—

(1) provide for the establishment or designation of a single State agency to administer or supervise the administration of the plan;

(2) provide that the cross-matching and related activities under the plan will be carried out in accordance with guidelines which shall be prescribed by the Secretary, and which shall be designed to promote the feasibility and cost effectiveness of such activities and to guarantee that the privacy of the individuals involved will be protected (in the manner described in paragraph (5) and otherwise) to the maximum extent possible;

(3) provide that the State will compile a separate report on the cross-matching of its rolls for each of the various public assistance programs involved in any calendar quarter, or combine the results of the cross-matching of the rolls for any two or more of such programs into a single report, and will make any such report available upon request to the Federal agency or agencies having jurisdiction over the program or programs involved;

(4) provide that every applicant for aid, assistance, or benefits under a federally-assisted public assistance program in the State, at the time of application, will be notified in writing of the procedures and requirements established or provided under the plan (and that every individual who is already receiving such aid, assistance, or benefits on the date of the plan's approval, within 30 days after such date, will be notified in writing of such procedures and requirements), including a clear description of such procedures and requirements with specific reference to the fact that both names and social security account numbers will be used in the cross-matching for the purpose of discovering and eliminating fraud and abuse;

(5) provide (in accordance with the guidelines prescribed by the Secretary under paragraph (2)) that—

(A) the public assistance rolls, financial institution records, and related materials needed for the cross-matching will be made available only to the persons actually engaged in such cross-matching in accordance with the plan,

(B) the information derived from the cross-matching will be made available only to persons who can demonstrate that they legitimately require such information in order to carry out the objective described in section 2(a)(2), and

(C) all applicable provisions of law requiring the use of safeguards to restrict the disclosure of information concerning applicants for or recipients of aid, assistance, or benefits under federally-assisted public assistance programs will be complied with;

(6) provide that, if the cross-matching produces information which indicates that any individual receiving aid, assistance, or benefits under a federally-assisted public assist-

ance program is ineligible for such aid, assistance or benefits and should be removed from the rolls, or that any such individual should have the amount of his or her aid, assistance, or benefits under the program reduced, such individual shall be notified in writing of the fact that such information has been obtained and shall be given an opportunity in a fair hearing to offer evidence rebutting such indication before the State commences its regularly prescribed procedures for terminating or adjusting aid, assistance, or benefits under the program involved;

(7) provide satisfactory assurances that cross-matching under the plan is permitted under applicable State and local laws, and that every financial institution in the State, every agency or offical of the State, and every agency or official of any of its political subdivisions having jurisdiction over or custody of any records or materials needed for cross-matching under the plan will be required to make those records or materials available upon request for purposes of such cross-matching; and

(8) contain such other terms, conditions, and requirements as the Secretary may consider necessary or appropriate to ensure that the plan will effectively carry out the purposes of this Act.

(c) The Secretary shall approve any plan submitted by a State which satisfies all of the requirements of subsections (a) and (b).

SEC. 4. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a plan approved under section 3, for each quarter beginning on or after October 1, 1985, and ending before October 1, 1988, an amount equal (except as provided in subsection (b)) to 75 percent of the costs incurred by such State in administering such plan and in carrying out the cross-matching and related activities provided for thereunder.

(b) If the State demonstrates to the satisfaction of the Secretary that all of the funds recouped in any quarter from ineligible or overpaid recipients as a result of information produced by cross-matching under the plan (after returning the Federal share of such funds to the appropriate Federal agency) will be set aside and used by the State in one or more federally-assisted public assistance programs, either by being returned directly to the program or programs involved or by being placed in a special fund for use in carrying out such programs, the Secretary's payment to the State for that quarter under subsection (a) shall be in an amount equal to 100 percent (rather than 75 percent) of the costs involved.

(c) Payments to a State under this section shall be made quarterly, in advance, on the basis of the Secretary's estimates of the costs to be incurred by the State in administering the plan and in carrying out the cross-matching and related activities involved; except that the amount of any such payment as otherwise determined under this subsection shall be increased or reduced to the extent necessary to take account of any sums by which the corresponding estimates made by the Secretary for prior payments to the State were greater or less than they should have been.

SEC. 5. (a) Notwithstanding any other provision of law, any Federal agency or official having jurisdiction over or custody of records needed for purposes of cross-matching by a State under its approved plan shall make such records (or so much thereof as may be pertinent) available to such State upon its request for such purposes.

(b) Any State or Federal law which governs or is directly concerned with the administration of one or more federally-assisted public assistance programs, and any State plan or agreement which has been entered into under such a law for purposes of any such program, shall incorporate or be deemed to incorporate the provisions and requirements of this Act.

(c) To the extent that appropriate arrangements can be made between any two or more States for purposes of this Act (and are specifically incorporated in the plans of such States approved under section 3), the cross-matching of its public assistance rolls against the records of financial institutions by any one of such States under its approved plan may include the matching of such rolls against the records of financial institutions in the other such State or States (and against the public assistance rolls of the other such State or States).

SEC. 6. For purposes of this Act—

(1) the term "cross-matching", as it applies to any public assistance roll with reference to the records of any financial institution, means a comparison of the names and social security account numbers of the individuals included on such roll with the names and social security account numbers of the individual included in such record;

(2) the term "public assistance roll" means a list of the individuals who are receiving aid, assistance, or benefits in any State under one or more federally-assisted public assistance programs (and may include individuals whose applications for such aid, assistance, or benefits are pending at the time of the cross-matching involved);

(3) the term "federally-assisted public assistance program" means—

(A) a program of aid to families with dependent children assisted under part A of title IV of the Social Security Act,

(B) a medical assistance program assisted under title XIX of the Social Security Act,

(C) a State-administered supplementation program of the type described in section 1616 of the Social Security Act (including a program of payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66); and

(D) the food stamp program under the Food Stamp Act of 1977;

(4) the term "financial institution" means a commercial bank, savings bank, trust company, savings and loan association, building and loan association, homestead association, cooperative bank, credit union, or other consumer finance institution;

(5) the term "State", when used with respect to the public assistance rolls for any federally-assisted public assistance program, has the same meaning as when used in or for purposes of that program; and

(6) the term "Secretary" means the Secretary of Health and Human Services.

SEC. 7. This Act shall become effective October 1, 1985, and (unless extended by law) shall expire September 30, 1988.

[News Release, Mar. 6, 1985]

ROWLAND INTRODUCES BILL TO CURB WELFARE FRAUD AND HELP TRULY NEEDY

Congressman John G. Rowland, 5th District, Conn., today introduced his first piece of legislation: an innovative plan to ferret out fraud in the nation's welfare system while boosting assistance to the truly needy.

Rowland's plan would save taxpayers nearly half a billion dollars in its first year alone, and hundreds of millions in following years. It would provide states with large federal incentives to implement programs to "cross-match" the social security numbers of welfare recipients against their bank accounts to determine if the recipients were hiding excessive and illegal assets.

What makes Rowland's plan a major innovation in welfare reform is its provision to provide the greatest incentive—a 100 percent reimbursement of administrative costs—to those states that use their share of the total savings to increase welfare benefits for the truly needy or to provide job training and education programs for recipients.

"I'd like to stress that this proposal would not penalize the poor," Rowland said. "It's aimed at getting the cheats out of the program so we can save the taxpayers money and vital and scarce social service dollars can be reserved for the truly needy."

Rowland, a former state Representative, is the author of the successful law that implemented cross-matching in Connecticut. In a pilot test project of just six of the state's 150 banks, over 3,300 welfare recipients were found to have hidden assets totaling more than $11 million. The program has been so successful that Gov. William O'Neill recently endorsed an expansion of it.

Rowland's proposal would allow the states to decide whether to pursue bank cross-matching, but offer them powerful incentives to do so.

Any state that agreed to adopt the program would automatically receive a federal reimbursement for 75 percent of all administrative costs. The state would also get to keep 50 percent of the savings, with the other half turned over to the federal government.

However, those states that agreed to plow back their share of the savings to help the truly needy would be reimbursed for all administrative costs.

"The debate over social welfare policy usually is divided along two lines: There are those who want ever increasing expenditures and who, frankly, are blind to abuses in the programs. On the other side are opponents of welfare who resist new ideas to make the system work," Rowland said.

"I think there's a middle ground in this debate and that's why I am proposing the Income Maintenance Intergrity Act," he said. "Let's realize that there are abuses in the welfare system, and try some new and innovative techniques to correct them."

Rowland said that in the days ahead he would be working with members of Congress from both parties and Administration officials to build support for his welfare reform measure.

STATEMENT OF JOHN G. ROWLAND

Today I am introducing the "Income Maintenance Integrity Act," a bill which is designed to encourage States to ferret out fraud from the welfare system while at the same time boosting assistance to the truly needy.

Very simply, this proposal will build on the success of a Connecticut law which I authored in 1983 to systematically "cross match" Social Security numbers of recipients of public assistance with financial institutions. That's to determine if those individuals are hiding assets in excess of what is allowed by law.

In a pilot test project involving just six banks, over 3,300 welfare recipients were found to have hidden assets totalling over 11 million dollars. The Connecticut "cross match" law has been so successful that Governor O'Neill and Income Maintenance

Commissioner Stephen B. Heintz have endorsed an expansion of the program.

If the cross-match program were implemented in all 50 States, the U.S. inspector general of the Department of Health and Human Services estimates that over 465 million dollars could be saved initially. There would also be recurring savings of over 250 million dollars per year if all States adopted such a program.

My proposal would create a strong incentive for States to adopt the model Connecticut cross match law by providing a 75% reimbursement for all administrative costs of doing these bank asset checks. But more importantly, I am proposing that in those cases where States decide to "plow back" the savings from those who are found to be cheating—in the form of higher welfare benefits to the truly needy—that the Federal Government pick up the full cost—a 100 percent reimbursement.

I am willing to commit the Federal Government to expending one dollar for administrative reimbursements if it means that ten dollars is saved by removing from the welfare rolls those who are defrauding the public assistance system.

In Connecticut, our estimates are that a comprehensive, cross match program could save in the range of three million dollars per year, which would mean that one-half of this amount—the State's share of the savings—could be used to increase welfare benefits or provide job training and education programs to recipients. Again in these cases the Federal Government would pay 100% of the administrative costs.

I'd like to stress that this proposal would not penalize the poor. It's aimed at getting the cheats out of the program so we can save the taxpayers money and vital and scarce social service dollars can be reserved for the truly needy.

This proposal is also flexible; that is to say that I am not proposing to mandate this on the States. It will be up to them to decide if they want to pursue bank cross matching. But since the proposal would reimburse States between 75% and 100% of the cost of performing the matches, a very powerful incentive will exist to make this welfare reform measure successful.

The debate over social welfare policy usually is divided along two lines: There are those who want ever increasing expenditures and who, frankly, are blind to abuses in the programs. On the other side are opponents of welfare who resist new ideas to make the system work.

I think there's a middle ground in this debate and that's why I am proposing the Income Maintenance Integrity Act. Let's realize that there are abuses in the welfare system, and try some new and innovative techniques to correct them.

At the same time, with a sprawling $200 billion dollar deficit looking us in the eyes, this proposal would have the effect of saving the Federal Government hundreds of millions of dollars.

I believe this legislation will also help bolster support for public welfare programs, which are often correctly viewed as being tainted by fraud and waste. The public will see that our efforts are aimed at those persons who are sucking in public assistance dollars at the same time they have excessive assets hidden in the bank.

Since my term commenced, I have made it a point to work closely with officials in the State of Connecticut of matters which are of mutual interest. Such is the case with the proposal I am introducing today. The Income Maintance Integrity Act will closely parellel a major welfare reform measure which will have its public hearing tomorrow before the general assembly's human services committee. That bill provides for several amendments to the bank cross match law which I sponsored in 1983, and also proposes solutions to such problems as long-term welfare dependency. Many of the components of that welfare reform bill could be funded out of the savings which will occur through my bank cross match proposal.

The bottom line of this bill is that we will save taxpayer dollars and at the same time, help the truly needy. I am not aware of many proposals in Congress that do this. In the days ahead, I will be working with Members on both sides of the aisle to build support for this significant and innovative welfare reform measure.●

LEFTIES FOR REAGAN

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. LIVINGSTON. Mr. Speaker, an enormous sea change has taken place in the American spectrum of ideologies. The American people are much less radicalized. The sixties are behind us.

Hippies have transformed into yuppies. The leftwing, rebellious student activists who vowed to "bring down our Government" in that decade are now cutting deals on Wall Street and sitting on our city councils.

This transformation was signified in an extraordinary article published in the Washington Post Sunday magazine on March 17, 1985. The article is written by Peter Collier and David Horowitz, who are former editors of Ramparts magazine.

Ramparts was the flagship of the counterculture in the 1960's. The magazine was staunchly anti-American and pro-Vietcong. It lavished praise on the Soviet Union and donated money for combat gear to the Black Panther guerrillas.

For two former editors of this radically leftwing to write that they have become conservatives and have voted for Ronald Reagan is an event of almost historic proportions.

But for these former leftist stalwarts to write a treatise tracing the outcomes of recent histories of Cuba, Vietnam, Nicaragua, and Ethiopia, and concluding that "no leftist revolution has yet provided impressive returns on either (social justice or economic well-being) and most have made the lives of their people considerably more wretched" is an extraordinary event.

For them to recognize the "moral selectivity" of the left, the atrocities of Soviet, and Soviet-sponsored regimes, and the appropriateness of President Reagan's "evil empire" tag for the Soviet Union is almost beyond belief.

As we now prepare to rejoin the debate on how to combat the current imperialistic moves of the Soviet Union in Central America, and face many of the same arguments that were exercised against our involvement in Vietnam, this wonderful article by Mr. Collier and Mr. Horowitz should be considered as required reading by everyone who joins the debate.

So that all my colleagues may have easy access to this piece of cogent writing, I would like to include its text at this point in my remarks in the RECORD:

LEFTIES FOR REAGAN

(By Peter Collier and David Horowitz)

When we tell our old radical friends that we voted for Ronald Reagan last November, the response is usually one of annoyed incredulity. After making sure that we are not putting them on, our old friends make nervous jokes about Jerry Falwell and Phyllis Schlafly, about gods that have failed, about aging yuppies ascending to consumer heaven in their BMWs. We remind them of an old adage: "Anyone under 40 who isn't a socialist has no heart; anyone over 40 who is a socialist has no brain."

Inevitably the talk becomes bitter. One old comrade, after a tirade in which she had denounced us as reactionaries and crypto-fascists, finally sputtered, "And the worst thing is that you've turned your back on the Sixties!" That was exactly right: casting our ballots for Ronald Reagan was indeed a way of finally saying goodbye to all that—to the self-aggrandizing romance with corrupt Third Worldism; to the casual indulgence of Soviet totalitarianism; to the hypocritical and self-dramatizing anti-Americanism which is the New Left's bequest to mainstream politics.

The instruments of popular culture may perhaps be forgiven for continuing to portray the '60s as a time of infectious idealism, but those of us who were active then have no excuse for abetting this banality. If in some ways it was the best of times, it was also the worst of times, an era of bloodthirsty fantasies as well as spiritual ones. We ourselves experienced both aspects, starting as civil rights and antiwar activists and ending as coeditors of the New Left magazine Ramparts. The magazine post allowed us to write about the rough beast slouching through America and also to urge it on through noneditorial activities we thought of as clandestine until we later read about them in the FBI and CIA files we both accumulated.

Like other radicals in those days, we were against electorial politics, regarding voting as one of those charades used by the ruling class to legitimate its power. We were even more against Reagan, then governor of California, having been roughed up by his troopers during the People's Park demonstration in Berkeley and tear-gassed by his National Guard helicopters during the University of California's Third World Liberation Front Strike. But neither elections nor elected officials seemed particularly important compared with the auguries of revolution the left saw everywhere by the end of the decade—in the way the nefarious Richard Nixon was widening the war in Indochina; in the unprovoked attacks by paramilitary police against the Black Panther Party; in the formation of the Weather Underground, a group willing to pick up the gun or the bomb. It was a time when the apocalypse struggling to be born seemed to

need only the slightest assist from the radical midwife.

When we were in the voting booth this past November (in different precincts but of the same mind) we both thought back to the day in 1969 when Tom Hayden came by the office and, after getting a Ramparts donation to buy gas masks and other combat issue for Black Panther "guerrillas," announced portentously: "Fascism is here, and we've all going to be in jail by the end of the year." We agreed wholeheartedly with this apocalyptic vision and in fact had just written in an editorial: "The system cannot be revitalized. It must be overthrown. As humanly as possible, but by any means necessary."

Every thought and preception in those days was filtered through the dark and distorting glass of the Vietnam war. The left was hooked on Vietnam. It was an addictive drug whose rush was a potent mix of melodrama, self-importance and moral recititude. Vietnam was a universal solvent—the explanation for every evil we saw and the justification for every excess we committed. Trashing the windows of merchants on the main streets of America seemed warranted by the notion that these petty bourgeois shopkeepers were cogs in the system of capitalist exploitation that was obliterating Vietnam. Fantasizing the death of local cops seemed warranted by the role they played as an occupying army in America's black ghettos, those mini-Vietnams we yearned to see explode in domestic wars of liberation. Vietnam caused us to acquire a new appreciation for foreign tyrants like Kim II Sung of North Korea. Vietnam also caused us to support the domestic extortionism and violence of groups like the Black Panthers, and to dismiss derisively Martin Luther King, Jr., as an "Uncle Tom." (The left has conveniently forgotten this fact now that it finds it expedient to invoke King's name and reputation to further its domestic politics.)

How naive the New Left was can be debated, but by the end of the '60s we were not political novices. We knew that bad news from Southeast Asia—the reports of boggeddown campaigns and the weekly body counts announced by Walter Cronkite—was good for the radical agenda. The more repressive our government in dealing with dissent at home, the more recruits for our cause and the sooner the appearance of the revolutionary Armageddon.

Our assumption that Vietnam would be the political and moral fulcrum by which we would tip this country toward revolution foresaw every possibility except one: that the United States would pull out. Never had we thought that the United States, the archimperial power, would of its own volition withdraw from Indochina. This development violated a primary article of our handme-down Marxism: that political action through normal channels could not alter the course of the war. The system we had wanted to overthrow worked tardily and only at great cost, but it worked.

When American troops finally came home, some of us took the occasion to begin a long and painful reexamination of our political assumptions and beliefs. Others did not. For the diehards, there was a post-Vietnam syndrome in its own way as debilitating as that suffered by people who had fought there—a sense of emptiness rather than exhilaration, a paradoxical desire to hold onto and breathe life back into the experience that had been their high for so many years.

As the post-Vietnam decade progressed, the diehards on the left ignored conclusions about the viability of democratic traditions that might have been drawn from America's exit from Vietnam and from the Watergate crisis that followed it, a time when the man whose ambitions they had feared most was removed from office by the Constitution rather than by a coup. The only "lessons" of Vietnam the left seemed interested in were those that emphasized the danger of American power abroad and the need to diminish it, a view that was injected into the Democratic Party with the triumph of the McGovernite wing. The problem with this use of Vietnam as a moral text for American policy, however, was that the pages following the fall of Saigon had been whited out.

No lesson, for instance, was seen in Hanoi's ruthless conquest of the South, the establishment of a police state in Saigon and the political oblivion of the National Liberation Front, whose struggle we on the left had so passionately supported. It was not that credible information was lacking Jean Lacouture wrote in 1976: "Never before have we had such proof of so many detained after a war. Not in Moscow in 1917. Not in Madrid in 1939, not in Paris and Rome in 1944, nor in Havana in 1959. . ." But this eminent French journalist, who had been regarded as something of an oracle when he was reporting America's derelictions during the war, was dismissed as a "sellout."

In 1977, when some former antiwar activists signed an Appeal to the Conscience of Vietnam because of the more than 200,000 prisoners languishing in "reeducation centers" and the new round of self-immolations by Buddhist monks, they were chastised by activist David Dellinger, Institute for Policy Studies, fellow Richard Barnet and other keepers of the flame in a New York Times advertisement that said in part: "The present government of Vietnam should be hailed for its moderation and for its extraordinary effort to achieve reconciliation among all of its people."

When tens of thousands of unreconciled "boat people" began to flee the repression of their communist rulers, Joan Baez and others who spoke out in their behalf were attacked for breaking ranks with Hanoi.

Something might also have been learned from the fate of wretched Cambodia. But leftists seemed so addicted to finding an American cause at the root of every problem that they couldn't recognize indigenous evils. As the Khmer Rouge were about to take over, Noam Chomsky wrote that their advent heralded a Cambodian liberation, "a new era of economic development and social justice." The new era turned out to be the killing fields that took the lives of 2 million Cambodians.

Finally, Vietnam emerged as an imperialist power, taking control of Loas, invading Cambodia and threatening Thailand. But in a recent editorial, The Nation explains that the Vietnamese invaded Cambodia "to stop the killing and restore some semblance of civilized government to the devastated country." This bloody occupation is actually a "rescue mission," and what has happened should not "obscure the responsibility of the United States for the disasters in Indochina," disasters that are being caused by playing the "China card" and refusing to normalize relations with Vietnam. These acts on the part of the United States "make Vietnamese withdrawal from Cambodia unlikely"; only the White House can "remove the pressures on Vietnam from all sides [that] would bring peace to a ravaged land." Such reasoning recalls the wonderful line from the Costa-Gavras film "Z": "Always blame the Americans. Even when you're wrong, you're right."

Another unacknowledged lesson from Indochina involves the way in which Vietnam has become a satellite of the Soviet Union (paying for foreign aid by sending labor brigades to its benefactor). This development doesn't mesh well with the left's ongoing romantic vision of Hanoi. It also threatens the left's obstinate refusal to admit that during the mid-70's—a time when American democracy was trying to heal itself from the twin traumas of the war and Watergate—the U.S.S.R. was demonstrating that totalitarianism abhors a vacuum by moving into Africa, Central America, Southeast Asia and elsewhere. Instead of evaluating the Soviets because of the change in what we used to call "the objective conditions," the left rationalizes Soviet aggression as the spasms of a petrified bureaucracy whose policies are annoying mainly because they distract attention from U.S. malfeasance around the world.

If they were capable of looking intently at the Soviet Union, leftists and liberals alike would have to concur with Susan Sontag's contention (which many of them jeered at when she announced it) that communism is simply left-wing fascism.

One of the reasons the left has been so cautious in its reassessments of the Soviets is the fiction that the U.S.S.R. is on the side of "history." This assumption is echoed in Fred Halliday's euphoric claim, in a recent issue of New Left Review, that Soviet support was crucial to 14 Third World revolutions during the era of "detente" (including such triumphs of human progress as Iran and South Yemen), and in Andrew Kopkind's fatuous observation that "the Soviet Union has almost always sided with the revolutionists, the liberationists, the insurgents." In Ethiopia? Propped up by 20,000 Cuban legionnaires, the Marxist government of Mengistu Haile Mariam has as its main accomplishment a "Red Campaign of Terror" (its official designation) that killed thousands of people. Where were those who cheer the Soviets' work in behalf of the socialist zeitgeist when this episode took place? Or this past fall when the Marxist liberator squandered more than $40 million on a party celebrating the 10th anniversary of his murderous rule while his people starved? Where were they to point out the moral when capitalist America rushed in 250 million metric tons of grain to help allay the Ethiopian starvation while the Soviets were managing to contribute only 10 million metric tons? Where are they now that Mengistu withholds emergency food supplies from the starving provinces of Eritrea and Tigre because the people there are in rebellion against his tyranny?

Reagan is often upbraided for having described the Soviet Union as an evil empire. Those opposed to this term seem to be offended esthetically rather than politically. Just how wide of the mark is the president? Oppressing an array of nationalities whose populations far outnumber its own, Russia is the last of the old European empires, keeping in subjugation not only formerly independent states such as Estonia, Latvia and Lithuania (Hitler's gift to Stalin), but also the nations of Eastern Europe. Every country "liberated" into the Soviet bloc has been transformed into a national prison, where the borders are guarded to keep the inmates in rather than the foreigners out.

The war in Afghanistan is much more a metaphor for the Soviets' view of the world than Vietnam ever was for America's. Of

the approximately 16 million people living in Afghanistan at the time of the Soviet invasion, an estimated 1 million have already been killed and wounded. There are now about 4 million refugees, a figure that does not include "internal" refugees—the hundreds of thousands of villagers forced to leave their scorched earth for the Soviet-controlled big cities, the only places where food is available. Or the thousands of Afghan children who have been taken to the Soviet Union to be "educated" and who will eventually be returned to their native land as spies and quislings.

Soviet strategy is based on a brutal rejoinder to Mao's poetic notion (which we old New Leftists used to enjoy citing) about guerrillas being like fish swimming in a sea of popular support. The Soviet solution is to boil the sea and ultimately drain it, leaving the fish exposed and gasping on barren land. The Russian presence is characterized by systematic destruction of crops and medical facilities, indiscriminate terror against the civilian population, carpet bombings and the deadly "yellow rain" that even the leftist People's Tribunal in Paris (successor to the Bertrand Russell War Crimes Tribunal) has said is being used in Afghanistan.

During each December anniversary of the Soviet invasion, when liberal politicians rediscover the mujaheddin guerrillas in the hills, after 11 months of moral amnesia, there are blithe references to Afghanistan as "Russia's Vietnam." Those who invoke the analogy seem to think that simply by doing so they have doomed the Russian storm troopers to defeat. But this analogy is based on a misunderstanding of what Vietnam was and what Afghanistan is. Unlike America's high-tech television war, Afghanistan is one of those old-fashioned encounters that take place in the dark. The Soviets make no attempt to win hearts and minds; the My Lais that are daily occurrences there cause no shock because they do not appear on Moscow TV; there are no scenes of peasant children whose hands and faces have been destroyed by antipersonnel bombs in the shapes of toy trucks and butterflies a Los Angeles physician we know saw strewn over the Afghanistan countryside; there are no images of body bags being offloaded from Soviet transports. Because there is no media coverage, there can be no growing revulsion on the home front, no protests on Soviet campuses and in Soviet streets, no clamor to bring the boys home.

Afghanistan is not Russia's Vietnam not only because the nation committing the atrocities never sees them, but because the rest of the world is blacked out, too. At the height of the Vietnam war there was a noncombatant army of foreign journalists present to witness its conduct. In Afghanistan they are forbidden, as are the Red Cross and all other international relief agencies that were integral to what happened in Vietnam. And without these witnesses, Afghanistan is a matter of "out of sight, out of mind."

In Vietnam we waged a war against ourselves and lost. The Soviets will not let that happen to them. The truth of the Vietnam analogy is not that guerrillas must inevitably bog down and defeat a superior force of invaders, but that war against indigenous forces by a superpower can be won if it is waged against a backdrop of international ignorance and apathy. The proper analogy for Afghanistan is not Vietnam at all but rather Spain—not in the nature of the war, but in the symbolic value it has for our time—or should—in terms of democracy's will to resist aggression. Aid to the mujaheddin should not be a dirty little secret of the CIA, but a matter of public policy and national honor as well.

Perhaps the leading feature of the left today is the moral selectivity that French social critic Jean-Francois Revel has identified as "the syndrome of the cross-eyed left." Leftists can describe Vietnam's conquest and colonization of Cambodia as a rescue mission," while reviling Ronald Reagan for applying the same term to the Grenada operation, although better than 90 percent of the island's population told independent pollsters they were grateful for the arrival of U.S. troops. Forgetting for a moment that Afghanistan is "Russia's Vietnam," leftists call Grenada "America's Afghanistan," although people in Afghanistan (as one member of the resistance there told us) would literally die for the elections held in Grenada.

The left's memory can be as selective as its morality. When it comes to past commitments that have failed, the leftist mentality is utterly unable to produce a coherent balance sheet, let alone a profit-and-loss statement. The attitude toward Soviet penetration of the Americas is a good example. Current enthusiasm for the Sandinista regime in Nicaragua should recall to those of us old enough to remember a previous enthusiasm for Cuba 25 years ago. Many of us began our New Leftism with the Fair Play for Cuba demonstrations. We raised our voices and chanted, "Cuba Si! Yanqui No!" We embraced Fidel Castro not only because of the flamboyant personal style of the barbudos of his 26th of July Movement but also because Castro assured the world that his revolution belonged to neither communists nor capitalists, that it was neither red nor black, but Cuban olive green.

We attributed Castro's expanding links with Moscow to the U.S.-sponsored invasion of the Bay of Pigs, and then to the "secret war" waged against Cuba by U.S. intelligence and paramilitary organizations. But while Castro's apologists in the United States may find it expedient to maintain these fictions, Carlos Franqui and other old Fidelistas now in exile have made it clear that Castro embraced the Soviets even before the U.S. hostility became decisive, and that he steered his country into an alliance with the Soviets with considerable enthusiasm. Before the Bay of Pigs he put a Soviet general in charge of Cuban forces. Before the Bay of Pigs he destroyed Cuba's democratic trade union movement, although its elected leadership was drawn from his own 26th of July Movement. He did so because he knew that the Stalinists of Cuba's Communist Party would be dependable cheerleaders and efficient policemen of his emerging dictatorship.

One symbolic event along the way that many of us missed was Castro's imprisonment of his old comrad Huber Matos, liberator of Matanzas Province, and one of the four key military leaders of the revolution. Matos' crime: criticizing the growing influence of Cuban communists (thereby jeopardizing Castor's plans to use them as his palace guard). Matos' sentence: 20 years in a 4-by-11 concrete box. Given such a precedent, how can we fail to support Eden Pastora for taking up arms against early signs of similar totalitarianism in Nicaragua?

What has come to Cuba's revolution to break the chains of American imperialism? Soviets administer the still one-crop Cuban economy; Soviets train the Cuban army; and Soviet subsidies, fully one-quarter of Cuba's gross national product, prevent the Cuban treasury from going broke. Before the revolution, there were more than 35 independent newspapers and radio stations in Havana. Now, there is only the official voice of Granma, the Cuban Pravada, and a handful of other outlets spouting the same party line. Today Cuba is a more abject and deformed colony of the Soviet empire than it ever was of America. The archrebel of our youth, Fidel Castor, has become a party hack who cheerfully endorsed the rape of Czechoslovakia in 1968 and endorses the ongoing plunder of Afghanistan today, an aging pimp who sells his young men to the Russians for use in their military adventures in return for $10 billion a year.

In leftist circles, of course, such arguments are anathema, and no historical precedent, however daunting, can prevent outbreaks of radical chic. Epidemics of radical chic cannot be prevented by referring to historical precedents. That perennial delinquent Abbie Hoffman will lead his Potemkin village tours of Managua. The Hollywood stars will dish up Nicaraguan president Daniel Ortega as an exotic hors d'oeuvre on the Beverly Hills cocktail circuits. In the self-righteous moral glow accompanying such gathering, it will be forgotten that, through the offices of the U.S. government, more economic and military aid was provided the Sandinistas in the first 18 months following their takeover than was given to Somoza in the previous 20 years, and that this aid was cut off primarily because of the clear signs that political pluralism in Nicaragua was being terminated.

Adherents of today's version of radical chic may never take seriously the words of Sandinista directorate member Bayardo Arce when he says that elections are a "hindrance" to the goal of "a dictatorship of the proletariat" and necessary only "as an expedient to deprive our enemies of an arguement." They will ignore former Sandinista hero and now contra leader Eden Pastora who sees the junta as traitors who have sold out the revolutionary dream ("now that we are occupied by foreign forces from Cuba and Russia, now that we are governed by a dictatorial government of nine men, now more than ever the Sandinista struggle is justified"). They will ignore opposition leader Arturo Cruz, an early supporter of the Sandinista revolution and previously critical of the contras, when the worsening situation makes him changes his mind and ask the Reagan administration to support them in a statement that should have the same weight as Andrei Sakharov's plea to the West to match the Soviet arms buildup.

American leftists propose solutions for the people of Central America that they wouldn't dare propose for themselves. These armchair revolutionaries project their self-hatred and their contempt for the privileges of democracy—which allow them to live well and to think badly—onto people who would be only too grateful for the luxuries they disdain. Dismissing "bourgeois" rights as a decadent frill that the people of the Third World can't afford, leftists spreadeagle the Central Americans between the dictators of the right and the dictators of the left. The latter, of course, are their chosen intruments for bringing social justice and economic well-being, although no leftist revolution has yet provided impressive returns on either of these qualities and most have made the lives of their people considerably more wretched than they were before.

Voting is symbolic behavior, a way of evaluating what one's country has been as well as what it might become. We do not accept Reagan's policies chapter and verse (especially in domestic policy, which we haven't discussed here), but we agree with his vision of the world as a place increasingly inhospitable to democracy and increasingly dangerous for America.

One of the few saving graces of age is a deeper perspective on the passions of youth. Looking back on the left's revolutionary enthusiasms of the last 25 years, we have painfully learned what should have been obvious all along: that we live in an imperfect world that is bettered only with great difficulty and easily made worse—much worse. This is a conservative assessment, but on the basis of half a lifetime's experience it seems about right.●

MR. REAGAN'S TOXIC JOKE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. FLORIO. Mr. Speaker, a recent editorial in the Bergen Record contained some thoughtful comments on the administration's Superfund bill. The editorial suggests that the administration's bill, which proposes as $5.3 billion fund over 5 years, is unreasonable considering that the bill would also double the State's contribution to the fund.

States are already experiencing difficulty meeting their shares for the costs of Superfund cleanups. In addition, the States must deal with thousands of hazardous waste sites on their own without any contribution from the Federal Government. I believe the administration's proposal runs counter to the clear efforts of Congress last year to help the States meet their Superfund responsibilities by, for example, offering them assistance in paying for the long-term operation and maintenance costs at finished Superfund sites, which in many cases substantially exceed the costs of the initial remedy.

The editorial also mentions that the administration's bill relies heavily on a new "waste-end" tax on those who cart hazardous waste to landfills or incinerators. Such a tax, the author stated, would only encourage midnight dumping and other illicit practices.

I commend this thoughful column to my colleagues' attention.

[From the Bergen Record, Feb. 27, 1985]

MR. REAGAN'S TOXIC JOKE

In the chronicles of conservation, years hence, the Reagan administration will be remembered as the sponsor of clear-cutting in the national forests, oil drilling on every coast, and the march of souvenir shops and hot-dog stands into the wilderness. It's not surprising then that the president's new plan to clean up toxic-waste dumps is long on creative arithmetic and short on commitment to a livable environment.

The 1980 Superfund bill expires in September, and reauthorization bills are pending in both houses of Congress. Last Friday, Mr. Reagan introduced his counterproposal. The 1980 bill authorized $1.6 billion over five years to clean up the most perilous of the 22,000 toxic-waste dumps that scar the countryside. Mindful of the severity and technical complexity of the cleanup effort, Congress is talking about raising $7.5 billion to $10 billion for 800 of the most dangerous dumps over the next five years.

Mr. Reagan's bill posits $5.3 billion to be spent by 1990, which sounds reasonably generous. When you get to the fine print, though it's not. The funding of the cleanup would be redesigned in a manner that is unfair and virutally guaranteed to fail.

Right now the costs are paid from federal and state treasuries, together with a tax on the petroleum and chemical firms that produce the underlying toxics. Mr. Reagan would end federal contributions and double the states' share.

That would be a calamity for New Jersey. The state calculates that 95 of its dumps (the largest number in the nation) are eligible for Superfund cleanup, and the federal Environmental Protection Agency has already agreed on 36 of them. Engineering design—the least expensive part of the process—is underway on most of the 36, and New Jersey's share so far has been about $4 million. State officials, including Governor Kean, are worried that Mr. Reagan will get his wish—to raise the state contribution from 10 percent to 20 percent—just as New Jersey enters the more expensive treatment-and-disposal phase of cleanup. No one in Trenton is ready to guess what that might cost or how it would be paid for.

Mr. Reagan would continue the tax on basic manufacturers, but add a new "waste-end" tax for those who actually bring drums and tank trucks of poisonous materials to landfills or incenerators. As environmentalists have been quick to point out, this would invite illicit "midnight" dumping. Faced with a stiff fee at the disposal point, a lot of haulers and waste generators may resort to running hoses down storm sewers or discharging their cargoes along highways. The whole point of federal intervention in the first place was to counterbalance the strong economic incentive for midnight dumping.

Finally, the administration says, the balance of the proposed $5.3 billion would come from lawsuits against polluters. In four years, the EPA has collected $7 million in such suits. The speaks for itself.

The president's Superfund bill is a bad joke. Fortunately, a great many members of Congress seem to have recognized that. This proposal won't pass, nor should it.●

INTRODUCTION OF THE LABOR-MANAGEMENT NOTIFICATION AND CONSULTATION ACT OF 1985

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. FORD of Michigan. Mr. Speaker, for many years I have introduced legislation to enable the Federal Government to help prevent plant closings and mass layoffs and to assist businesses, communities, and workers in the event that such dislocations could not be prevented. Despite the unqualified support of organized labor and a growing national perception that business closings—and particularly manufacturing plant closings—have become epidemic, the plant closing bills I introduced in the past never attracted more than 85 cosponsors and never reached the House floor. Because they were comprehensive in approach and sought to regulate extensively how businesses conduct closures, relocations, and major work force reductions, those bills generated tremendous opposition in the business community and never received support from Republican Members of Congress.

In light of this history, it has become clear that a new, more politically viable approach must be taken if any assistance is to be provided to the millions of American workers who lose their jobs in mass layoffs and plant closings every year.

That new approach is embodied in the Labor-Management Notification and Consultation Act of 1985, which I have introduced today, together with Mr. CONTE and Mr. CLAY. The LMNCA does not attempt to solve all of the serious problems caused by economic dislocation. It does not deal with such important issues as severance pay, transfer rights, continuation of health benefits coverage, pension rights, local government tax losses, or employee ownership. Rather, it is a modest attempt to address only two of the worst problems involved in plant closings: That workers and communities are often taken by surprise by sudden closures and that employees and their representatives usually have no meaningful input into decisions which can drastically change their lives.

To prevent surprise and the harm that flows from it, the LMNCA requires employers to notify their workers and the Federal Mediation and Conciliation Service 90 days in advance of any permanent layoff of 50 or more employees. This requirement applies to closures, relocations, subcontracting, the introduction of new technologies, reductions because of a falloff in orders—in short, to any case where a business intends to layoff 50 or more workers in a 12-month period.

Most businesses will have no trouble meeting this requirement, but if an employer cannot provide 90 days prenotification because of unavoidable business circumstances, the notice period may be reduced or eliminated.

Ninety days notice that a major employer in a community intends to close its doors and eliminate all of its jobs is not much: In many cases it may not be enough time for the community to put into place an adjustment process to help the displaced employees, let alone to find a buyer for the closed facility. In every case, however, it will provide time for individual employees

and their families to begin searching for new employment or training, to begin adjusting their budgets for the income loss they will sustain, and for government agencies to begin planning the delivery of adjustment services. It is not just humane; it is economically efficient for society to require some minimal amount of advance notice before employers terminate large groups of employees. As the President's Commission on Industrial Competitiveness pointed out, the most effective time to provide assistance to displaced workers is before they are laid off:

> Where possible, early identification of the worker to be displaced should be encouraged. Delay in identifying these individuals directly contributes to prolonging the adjustment process—a process already made difficult by the individual's denial of the problem, lack of job search skills, and absence of alternative job or occupation at a comparable wage. Employers should be urged to provide early notification of plant closings, and joint public-private efforts providing prelayoff assistance (such as those authorized by JTPA) should be emphasized.

The usefulness of advance notice is more than just commonsense. Researchers who have investigated the process by which laid off workers adjust and find new jobs learned 20 years ago that advance notice was crucial to success. George Shultz, now the Secretary of State of the United States, was a consultant to the Armour Co. and the meat cutters' union during a period of massive consolidation and technological change in the meat processing industry. In "Strategies for Displaced Workers," Shultz and his coauthor, Arnold Weber, concluded that 6 months or preferably a year's advance notice was

> . . . a procedural prerequisite for constructive action. It gives the various organizations some time to organize their programs, and permits individuals to adjust their own plans, as well as to consider the various options with care.

More recently, a group of researchers in Maine quantified the impact of prenotification. They showed that when companies give advance notice of a closure, the resulting unemployment is significantly less severe. If as little as 1 month of advance notice were given, the overall unemployment resulting from the closure—both direct and indirect—would decline from five worker-months of unemployment to four, a 20-percent decline.

The second requirement the act would impose on employers—that they consult with their employees during the notice period about alternatives to a closure or layoff—is also economically efficient. Nearly everyone today recognizes that labor-management cooperation and the solicitation of employee input into workplace decisions are essential to improvement of American productivity and international competitiveness. Certainly, there is no subject of greater interest to employees than whether or not they will continue to be employed, whether they will have an income to support their families and health insurance to protect them in the event of illness. If management will not accept employee input into decisions concerning the very existence of the employees' jobs, why should management, or the American public, expect employees to provide input into decisions concerning productivity, product quality, or efficiency? Cooperation has to be a two-way street.

The potential benefits of the consultation process are enormous. When employees are given sufficient notice of a proposed closing they may be able to find serious flaws in the assumptions and analysis of company management and to dissuade the company from its plans; they may be able to arrange a sale to a new owner or to themselves; at the very least, they may understand the need for an agree to make wage or benefit concessions that could maintain the profitability of the operation.

The last few years provide several examples of the potential value of such consultation.

In the autumn 1982, the General Motors Corp., which should have enough resources to make decisions in its own best interest, decided that its carburetor plant in Tuscaloosa, AL, was no longer profitable. Despite GM's best cost-cutting efforts, the plant was $500,000 short of meeting GM's profit target and would have to close. Two hundred jobs would be lost if the plant closed, so GM agreed to give the University of Alabama and the UAW a chance to find ways to cut operating costs. The university paid GM rent of $500,000 a year for access to the plant, with any operating savings to be subtracted from the rent. Within 7 months, the university's students had identified $470,000 in annual cost savings, $175,000 in potential savings, and convinced GM to move new product lines into the plant.

At Chryler's Detroit trim plant, local management and the UAW local union were told by corporate officials in 1982 that the plant was costing the company $20 million a year that could be saved by contracting out. The plant would close and 709 employees, mostly women, would lose their jobs and be thrown into one of the Nation's bleakest labor markets.

The plant's manager did his own analysis and found that Chrysler had overstated the plant's costs by nearly 100 percent. Even so, the plant would have to be closed unless another $6.4 million in savings could be found within 6 months. The company and the union jointly hired an outside consultant who developed a successful plan to increase productivity and cut costs. Without new machines, robots, quality circles, or a plant closing, Chrysler saved $6.4 million a year, 700 workers saved their jobs, and we taxpayers were spared paying for unemployment benefits, food stamps, and Chrysler's tax write-offs.

A third case from 1982 is somewhat less dramatic, but it shows, as the other cases do, what can be done with a little time. The Dan River Corp. announced in December 1982 that it planned to close its unprofitable Print Works in Chickamauga, GA, a textile mill which was the town's major employer.

City officials worked feverishly for 2 months to find a buyer for the plant, for they knew that a shutdown would wreck the local economy: The property tax rate would have to be raised 20 percent, the local power system would have to be sold, and the school system would have to lay off teachers. The city's mayor raised $1.5 million, putting up his own house as collateral the day before the scheduled closing in order to raise the last $100,000. A year later, 250 of the original 300 employees were at work, and the company was profitable.

It is time for everyone to realize that the managers of American business don't always know what's best for their own firms, much less what's best for their employees and their communities. There is far too much at stake to let disinvestment decisions be made in distant corporate boardrooms without any input from those whose lives will be most directly affected. Like second opinions in surgery, consultation can be a means to prevent unnecessary trauma, misguided solutions, and otherwise avoidable deaths of ailing corporations.

The stakes in a plant closing are much greater for employees than many people realize. Not just the employees' income and retirement security are at risk, but also their mental and physical health. Victims of plant closings typically suffer from hypertension, abnormally high cholesterol and blood sugar levels, a higher incidence of ulcers, respiratory diseases, unduly high propensities to gout and diabetes, and hyperallergic reactions. The mental health effects can be even more critical: Depression, anxiety, substance abuse and aggressive feelings frequently translate into spouse abuse, child abuse, crime, or suicide.

Research by Prof. Charles Craypo of Cornell University provides dramatic evidence of the impact of plant closings on the affected workers. Professor Craypo studies the effects of a brewery closing in South Bend, IN, on the workers who lost their jobs. His most significant finding: The displaced workers' mortality rate following the closing was 16 times higher than normal for people of their age.

The bill I have introduced today has one other major feature: It would establish a National Commission on Plant Closings and Worker Dislocation, a 15-member bipartisan panel appointed by the Speaker of the House and the Senate majority leader. The Commission's purpose would be to study the many issues we have chosen not to address in this legislation—health insurance for displaced workers, retraining, severance pay, transfer rights, pension protections, et cetera—and, in the tradition of the President's Bipartisan Commission on Social Security, to recommend administrative or legislative action to address them. Mr. CONTE, Mr. CLAY, and I see the notice and consultation requirements of this bill as the least common denominator for good business practices. It would be my hope that the Commission could forge a consensus for greater responsibility on the part of business and government, but ultimately, I intend to support any recommendation of the Commission which receives bipartisan, consensus support.●

NO COLA ELIMINATION FOR SOCIAL SECURITY RECIPIENTS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BIAGGI. Mr. Speaker, I wish to again today address the issue of the cost-of-living increase for those senior citizens on Social Security next scheduled for January 1, 1986. I stand firmly in support of having that COLA granted and am opposed to all attempts to freeze/eliminate it.

I wish to share with my colleagues the result of a small but significant poll conducted by the nationally syndicated columnist Beverly Stephen who writes for among other papers the New York Sunday News. Of the 3,515 responses she received to the question, Should Social Security recipients receive their full cost-of-living increase—only 19 said no.

As Ms. Stephen observes, it was not so much the results of the poll that were so significant but also the amount of letters that were precipitated by those surveyed. I insert into the RECORD the entire column of Ms. Stephen entitled "The Verdict: Elderly Deserve Cost-of-Living Raise." It appeared in the Sunday, February 10, 1985, Sunday News.

The letters speak for themselves and I hope they are persuasive to the extent that we maintain the 1986 COLA.

The article follows:

[From the New York Sunday News, Feb. 10, 1985]

THE VERDICT: ELDERLY DESERVE COST-OF-LIVING RAISE

(By Beverly Stephen)

Dear Mr. President: I recently wrote a column detailing how Social Security is fast becoming Social Insecurity what with all the talk about freezing cost-of-living raises, Medicare cuts and taxing benefits. I asked readers to write in a simple "yes" or "no" on the issue of whether Social Security recipients should receive their full cost-of-living raises. The readers overwhelmingly voted yes. I received 3,515 responses. Of these only 19 voted no.

Many readers were not content with a simple "yes" or "no." They had more to say and they said it in long, heartfelt letters. They wrote about how fearful they are when there is talk about cuts in Social Security. They wrote how their meager incomes have eroded as the costs of medicine, fuel, food, rent or property taxes have increased year after year. They asked why, after suffering through the Depression and World War II (for some, through World War I as well), after raising families, after working all their lives, they were reduced to worrying about pennies.

I would like to share these letters with you in the hope that they will help you more fully understand how much it frightens the elderly when you or members of Congress talk about Social Security and Medicare cuts. I am printing excerpts from some of the letters here. In addition, under separate cover, I am mailing you the 3,500-plus letters and cards responding to the original column.

"I am a widow, 85 years old. I only get $196 per month and just about get along. Since you are old you are naturally sick and I'm crippled up with arthritis and unable to walk. I don't know how much longer I can take it. I pray every night for the good Lord to take me."—Long Island

"I feel great anxiety every day when I read or hear that something will change on Social Security or Medicare. I have paid into Social Security from the beginning in the '30s and am still paying into it as a part-time teacher. I shall retire at 75 this June. I will have to live on a very small private-school pension and my Social Security. I'm not sure I'll have enough. It has been one of my reasons for working so long. It really upsets me that my government plays musical chairs with my life. It causes such anxiety that sometimes I can't sleep. I feel I can't trust my own government anymore."—Manhattan

"On Jan. 12, 1985, I had to pay $88 for eyeglasses. I have cataracts and require bifocal lenses. The doctor's exam shows I need a hearing aid badly but the cost is $500. I can't afford one so I must live in a quiet world."—Selden, NY

"I am 86 and a veteran of World War I, and my wife is 77 and both (of us) were in the Depression. I wish the people running our country would favor the people who went through hell for the country."—Brooklyn

"I am 83 years old and my husband is 84 and if you knew how we eat to make ends meet. I get $126 a month, my husband gets $507. After paying rent and medical bills there is not much for food. We are both on medication which we must pay for. I take 6 heart pills and 3 pressure pills a day. My husband also has 7 pills a day so you see how I have to live. I hope President Reagan could read this letter. Say a prayer for me. Some time I like to kill myself."—Brooklyn

"I am 67 years young. I have worked all my life—never on unemployment—married twice, first to a U.S. Army paratrooper, second to an Army tank driver in World War II. Now I am a widow. My Social Security and $6,000 in money market is all I have. Medication is high. One medicine is $34. Poverty is death to me. I don't want to be subsidized. I don't want charity."—East Brunswick, NJ

"I thank God I am not dependent on Social Security alone. I am one of the fortunate ones, but with bank interest rates continuing to drop I start to wonder. My Blue Cross, etc., is $95.20 every three months besides Medicare monthly costs. We should get coverage for medicine."—Long Island

"After raising two sons and retiring, I've gone through the little savings I had. I can't afford a Broadway show or a vacation of any kind it's so difficult pinching pennies. Luckily we have senior citizen activities and meals or otherwise I'd have to sit home from morning till night."—Bronx

"I am a widow, age 64, living alone on Social Security trying to make ends meet. After putting three children through school on a small income there is not much left for saving for old age when a visit to a doctor costs $25, but what really breaks my back is my real estate tax, especially school tax. Please would someone relieve us senior citizens of this terrible burden after we did our share educating our kids."—Sag Harbor, N.Y.

"I am 71 years old. We are living on borrowed time so why keep threatening us with one thing after another. But to tax Social Security is the pits. We pay into Medicare and cannot get glasses or hearing aids. If we get an increase in Social Security, they take it back on Medicare so we never see the increase but everything else keeps going up. It's a rat race."—Manhattan

"I am 84 and I know what medical expense is—cancer for 10 years."—Manhattan

"Why is it, that after our seniors have worked, in many cases over 50 years, raised their families and given their children every possible advantage, that they are confronted with just making ends meet? Their years of service in private industry or as homemakers and parents seem to be of no consequence. Our economy and world-standing was built on the backs of our older citizens who sacrificed through wars and the Depression."—North Bergen, N.J.

Mr. President, on behalf of the readers who took the time and trouble to write these very personal letters, I ask you to read their words and take them to heart whenever you are making decisions that affect the elderly. Thank you.●

ASBESTOS WORKERS' RECOVERY ACT

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MURPHY. Mr. Speaker, I rise today to reintroduce the Asbestos Workers' Recovery Act, which provides a system for compensating the victims of asbestos-related illnesses.

Since 1918 the Federal Government has been aware of the hazardous ef-

fects of asbestos. However, millions of unsuspecting American workers have been exposed to dangerous levels of asbestos and are now unable to lead full lives.

The loss of income and immense medical bills have not been adequately compensated through workers' compensation, and, therefore, thousands of victims have turned to our judicial system for redress. There are currently close to 25,000 asbestos cases pending in Federal courts, and 8,000 cases pending in the State courts. New cases are now being filed at a rate of more than 500 per month. Claimants are forced to wait several years before their case is tried, and unfortunately only one-half are successful. In those cases that are successful close to two-thirds of the money paid by the defendants goes to the attorneys for both sides leaving only 35 cents to 37 cents of each dollar paid out for the victims. This is a terrible waste of the available resources for victim compensation. It is very possible that under the present system many of the involved defendants could be bankrupted by the pending cases, and most of the funds will have been paid to our Nation's attorneys, not the victims of asbestos diseases.

In order to address this inequity I believe it is necessary for the Government to establish a comprehensive system of compensation for asbestos victims with all involved parties participating, including the Federal Government. At least one-half of those individuals now suffering from asbestos-related diseases were exposed while employed directly by the Federal Government, or in federally controlled shipyards. Before, during, and after the Second World War the U.S. Government acted as procurer, stockpiler, and supplier of asbestos, and as employer of the men and women working in the shipyards. By 1943 the U.S. Government had:

First, recognized its responsibility for the health and safety of Government and contract shipyard workers;

Second, acknowledged, at least internally, that shipyard workers were being exposed to serious health risks;

Third, promulgated standards ostensibly designed to protect the workers; and,

Fourth, acknowledged that if its safey standards were to be all effective in safeguarding the workers, they had to be stricly and faithfully enforced.

The Government continued, however, to abdicate its responsibility; it continued to expose shipyard workers to undue health risks; and it failed for at least another 30 years to implement or enforce its own safety standards in any meaningful way.

It is essential that all responsible parties be involved in compensating these victims and the record demonstrates the Federal Government is a responsible party.

The Asbestos Workers' Recovery Act creates a trust fund to compensate the victims of asbestos-related diseases. The asbestos-related disease trust fund will be funded by imposing assessments on the defendants in the current asbestos litigation, including the United States. The Federal Government will contribute one-half of the program's costs, not to exceed $150 million per year. The remaining 50 percent will be paid by the private entities responsible for the mining of asbestos and the manufacturing of asbestos products.

Under the Asbestos Workers' Recovery Act, a worker who contracts an asbestos-related disease would first file a claim with the appropriate State or Federal workers' compensation program. In most cases, approval of that claim would automatically entitle the worker to the new supplemental benefit authorized by the Asbestos Workers' Recovery Act, roughly equivalent to the average of net settlements and awards received now through asbestos litigation. When State workers' compensation laws are inadequate to protect occupational disease victims because of unreasonable statutes of limitations or other technical deficiencies, the worker would nevertheless be eligible to apply for the Federal supplemental benefit. This benefit would be payable in a lump-sum amount, or claimants could elect to have all or a portion of the award paid in the form of an annuity.

A full section-by-section summary of this legislation is included for the Members' review.

As chairman of the Education and Labor Subcommittee on Labor Standards, I intend to convene a series of hearings on the problems facing those individuals suffering from asbestos-related disease, and the broader issue of occupational disease compensation. I expect it will be a difficult process, and will require consideration of many proposals to provide relief to these people. My main concern is for the victims and ensuring that they receive fair compensation for their disabilities.

I expect a very open dialog with representatives of all parties involved in this issue and look forward to considering all views.

Thank you Mr. Speaker.

SECTION-BY-SECTION SUMMARY OF THE ASBESTOS WORKERS' RECOVERY ACT

INTRODUCTION

The "Asbestos Workers' Recovery Act" (the "AWRA") replaced inefficient and complex asbestos tort litigation with an administrative compensation system. The objective of the Act is to provide injured workers with prompt compensation, without wasting enormous sums on legal fees and without extended delay in the courts. The Act achieves this goal without creating a new federal bureaucracy and without federal intervention or preemption of state-controlled workers' compensation systems.

Under the AWRA, a worker who contracts an asbestos-related disease would first file a claim with the appropriate state or federal workers' compensation program. In most cases, approval of that claim would automatically entitle the worker to the new "supplemental benefit" authorized by the AWRA, roughly equivalent to the average of net settlements and awards received now through asbestos litigation. Where state workers' compensation laws are inadequate to protect occupational disease victims because of unreasonable statutes of limitations or other technical deficiencies, the worker would nevertheless be eligible to apply for the federal supplemental benefit. This benefit would be payable in a lump-sum amount, or claimants could elect to have all or a portion of the award paid in the form of an annuity.

All supplemental benefits would be paid out of a special Asbestos-Related Disease Trust Fund created under the Act. The program will be funded by assessments imposed on the defendants in the current asbestos litigation, including the United States. Because of its role as importer, stockpiler, and distributor of asbestos and its control of the wartime shipbuilding program in which most claimants were exposed to asbestos, the federal government will contribute 50 percent of the program's costs. The remaining 50 percent will be paid by the private entities responsible for the mining of asbestos and the manufacturing of asbestos products. Thus, federal funds are required only to the extent of government responsibility for exposure of workers to asbestos, primarily in the wartime shipyards.

Sections 1, 2 and 3

The preliminary sections of the AWRA state the name of the Act, provide the table of contents, set out congressional findings and purposes, and define the terms used in the proposed legislation.

Title I, sections 101–104

The first title of the AWRA establishes the supplemental benefits program including the criteria for eligibility and the procedures to be followed to obtain compensation.

Title II, sections 201–205

Title II imposes assessments and establishes an "Asbestos-Related Disease Trust Fund" to collect and hold funds and to pay supplemental benefits.

Title III, sections 301–306

The third title of the AWRA declares that the supplement benefits payable under Title I, together with any applicable workers' compensation awards, are a claimant's exclusive remedy. These sections also describe the avenues for judicial review under the Act, and cover other administrative matters.

SECTION-BY-SECTION SUMMARY OF THE ACT

Section 1—Short title and table of contents

The proposed legislation is entitled the "Asbestos Workers' Recovery Act."

Section 2—Findings and purpose

This section describes the inadequacies of existing state workers' compensation programs and common-law remedies for dealing with the significant number of individuals suffering death or injury from occupational exposure to asbestos. Two key factors exacerbate this problem: the fact that 60 cents out of every dollar spent on resolving asbestos claims goes for attorneys' fees and other

costs and not to the injured claimants; and the government's refusal to contribute its fair share to judgments or settlements in asbestos litigation.

Section 2 further explains the unique set of circumstances that has involved the entire asbestos industry and the federal government in circumstances resulting in asbestos disease for thousands of workers. Asbestos-related occupational disease often fails to manifest itself for years or decades after the harmful exposure. The use of case-by-case litigation to allocate and enforce financial responsibility among the many suppliers, employers, and other parties who may have participated in the exposure in the thousands of particular cases, is therefore an unacceptably slow, unpredictable, and inefficient process.

The federal government directly shares in the responsibility because the large majority of asbestos disease victims claim to have been exposed to asbestos while working in government-controlled shipyards during and after World War II when there was no acceptable substitute for the product. In fact, the federal government assumed control of production and distribution of all asbestos supplies in the U.S. during World War II and subsequently sold asbestos fiber from government stockpiles.

Finally, although the existing state workers' compensation programs will remain the primary vehicle for providing benefits for asbestos disease, a national solution is essential.

The Act would therefore establish a mechanism by which all involved parties will share the cost of providing prompt, exclusive, equitable compensation to persons suffering from asbestos-related occupational disease.

Section 3—Definitions

The relevant terms used throughout the legislation are defined in this section. The key terms include—

"Asbestos defendants."—private entities and the United States, which will finance benefits under section 201 of the Act. An "original" asbestos defendant is a mining or manufacturing company that had been sued in the asbestos litigation before January 1, 1983, and is required to participate in the program. An "added" asbestos defendant is any other entity that petitions to join the program.

"Asbestos-related disease."—any disease that can be caused by occupational exposure to asbestos, as determined by a newly created National Medical Panel under Section 104.

"Occupational exposure."—exposure of an employee arising out of or in the course of employment; or exposure of a member of the employee's household, resulting from a prior exposure of the employee.

TITLE I—SUPPLEMENTAL BENEFIT

Title I outlines the supplemental benefits program. It identifies who may apply for benefits, describes the conditions for eligibility, and establishes the procedures to be followed to obtain compensation.

Section 101—Entitlement to supplemental benefits

This section prescribes the amount of the "supplemental benefit" payable for disability or death resulting from occupationally-related asbestos disease. The maximum supplemental benefit available for total disability or death is equal to 92 times the statewide average weekly wage. (This amount approximates the net amount that plaintiffs obtain through the tort system—that is, about $35,000.)

For partial disability, the compensation is in proportion to the degree of disability; and the compensation level may be redetermined upon significant additional loss of earning capacity or upon death. The amount of the supplemental benefit may also be reduced where disability or death resulted only in part from asbestos, if the applicable workers' compensation law would provide for such a reduction.

The payment under Section 101 is to be made in a lump-sum, or, at the claimant's option, the benefit may be placed in an annuity arranged by the Secretary of Health and Human Services with a financial institution.

The supplemental benefit will be reduced by the amount of any prior recovery by the claimant through settlement, court judgment, or a Chapter 11 reorganization plan. No offset will be allowed, however, for any workers' compensation, unemployment compensation, disability insurance, or other payments under state or federal law; and no supplemental benefit will be subject to tax, attachment, garnishment, or other legal process.

Supplemental benefits may only be paid from the Trust Fund, and do not constitute a general obligation of the United States.

Section 102—Claims procedure

This section states the procedure that a claimant must follow in order to obtain a supplemental benefit. A claim may be filed by the affected person, or, in the case of death, by his spouse or child. The section ordinarily permits a claim to be filed within two years after the claimant becomes eligible for benefits.

Claims will be submitted to the Secretary of Health and Human Services, who will ordinarily act in reliance on a certification by the applicable workers' compensation agency as to whether the claim is meritorious (as provided in Section 103). The Secretary will use the same personnel and procedures as he uses in reviewing Social Security disability claims.

Section 103—Reliance on workers' compensation programs

Before filing a claim for a supplemental benefit, the claimant must first apply for workers' compensation from the appropriate state or federal agency, unless workers' compensation would clearly be denied or was provided by settlement without an application to the agency.

Where the applicable workers' compensation program has made determinations as to the nature and extent of any disability, or as to whether the injury was caused by occupational exposure to asbestos, Section 103 requires the Secretary of Health and Human Services to rely exclusively on those determinations—thus avoiding the need for a new, costly federal bureaucracy. In three situations, however, the Secretary need not rely upon the judgments of the workers' compensation agency and must make independent determinations.

First, there may be cases in which the workers' compensation agency approved an application without making the relevant findings, or in which a claim was settled without any action by the compensation agency. Likewise, there may be no findings because an application was summarily denied on procedural or technical grounds, such as when the claim is made after the statute of limitations under workers' compensation has expired. The Secretary would also make an independent decision when the claim for a supplemental benefit is made by a household member not ordinarily covered by workers' compensation.

Second, if there is inordinate delay by the workers' compensation agency in rendering a decision, the Secretary may proceed without waiting for the workers' compensation determinations.

Third, on the question of whether a certain kind of disease can be caused by asbestos, the Secretary must follow the determinations of the National Medical Panel under Section 104, even if the workers' compensation agency holds different views.

In these exceptional cases where the Secretary rules on a claim without reliance on a prior decision of the workers' compensation agency, the Secretary will still apply the applicable workers' compensation law.

Section 104—National medical panel

A "National Medical Panel on Asbestos-Related Diseases" is established, consisting of a chairman and four members, to determine what kinds of diseases can be caused by occupational exposure to asbestos. Supplemental benefits are allowed only for diseases listed by the Panel.

The Secretary of Health and Human Services will appoint medical scientists to the Panel. Nominees will be proposed by the American College of Pathologists, the National Cancer Institute, the American Thoracic Society, and the International Association of Industrial Accident Boards and Commissions; these nominations will be collected, screened, and forwarded to the Secretary by the National Academy of Sciences.

The Panel will publish its initial list of diseases that can be caused by asbestos within 120 days after the Act is passed, and may revise the list if warranted by additional evidence. If a claimant's disease is not on the Panel's list, the Panel will reconsider whether the disease can be caused by asbestos if the claimant presents medical evidence that was not previously considered by the Panel.

The Panel will also publish Medical Assessment Guidance Documents for asbestos-related diseases. The documents will contain specific medical diagnostic criteria and other recommendations, to be applied by Federal agencies in reviewing applications for supplemental benefits and workers' compensation benefits.

TITLE II—FINANCE

Title II imposes assessments on the asbestos defendants, and establishes an Asbestos-Related Disease Trust Fund to collect the proceeds and to pay supplemental benefits.

Section 201—Assessments

This section imposes the assessments needed to finance the supplemental benefits payable under Title I. The assessments are designed to result in sufficient funds to meet the anticipated obligations of the Trust Fund.

Each asbestos defendant (as defined in section 3) is charged semi-annually a percentage of the total amount paid out in supplemental benefits during a previous six-month period. The assessment is reduced by certain amounts already paid by the defendant pursuant to a settlement, judgment or court-approved reorganization to people subsequently awarded supplemental benefits.

The asbestos defendants (other than the United States) will enter into an agreement governing the allocation among themselves of their responsibility to pay assessments under the Act. The Secretary of the Treasury will assign 50% of the assessments to the parties to the agreement, to be allocated

among the parties pursuant to the agreement, and 50% to the United States.

Where an asbestos defendant has insurance providing coverage for asbestos-related occupational injuries, a portion of that defendant's assessment will be levied directly against the insurance company. The insurer's liability will not exceed the outstanding face value of the policy plus an allowance for the insurer's obligation to defend in asbestos lawsuits. Within the bounds of this limitation, each insurance company will be charged a portion of the defendant's assessment, in proportion to the individual insurance company's share of the total insurance available to the defendant from all insurers.

Rules are included in Section 201 to assure full contribution to the Trust Fund by companies in Chapter 11 reorganization or in Chapter 7 liquidation. The traditional rules of successor liability will also apply, to further assure that every company pays its fair share to the Trust Fund.

Section 202—Asbestos-related disease trust fund

The assessments collected under the previous section are deposited in the new "Asbestos-Related Disease Trust Fund" within the Department of the Treasury. Included within this deposit is the 50 percent contribution of the United States, which, together with short-term loans from the Treasury for start-up and similar purposes, cannot exceed a $150 million appropriation for any fiscal year. The funds collected within the Trust Fund may be disbursed only to pay supplemental benefits, to reimburse various administrative expenses, and to fund grants and contracts under Section 205.

Section 203—Administrative provisions

This section details the procedures for the administration of the Trust Fund, including the designation of a Managing Trustee, requirements for the investment of assets, and the procedure for short-term borrowing for start-up and similar purposes. The section also outlines the Trust Fund's right to bring actions to recover funds from insurers and others who are liable for the claimant's injury.

Section 204—Trust fund committee

The administration of the Trust Fund is to be overseen by an "Asbestos-Related Disease Trust Fund Conservation Committee" established by this section. The Committee makes recommendations to Congress regarding the amounts of assessments to be collected and the need for changes in the structure of assessments, to ensure that it remains equitable for all contributors. The Committee can also review claims against the Trust Fund, direct the awarding of grants and contracts, and consult with respect to any contemplated recovery actions under Section 203.

Section 205—Grants and contracts for program improvement

This section establishes a special program to fund projects that will improve the administration of the Act. The Trust Fund Committee, with the advice and assistance of the Secretary of Labor, may determine that any governmental body or not for-profit organization should receive a grant or contract for up to two-thirds of the cost of certain projects. To be eligible for funds, the project must assist a state workers' compensation agency in improving its capacity to make eligibility determinations, ensure the availability of specialists to diagnose asbestos-related diseases, or establish medical assessment evaluation units for determining the sources and causes of asbestos-related diseases. One-half percent of the Trust Fund monies will be set aside to finance the grants and contracts under this section.

TITLE III—MISCELLANEOUS

Section 301—Third part and tort actions

The supplemental benefits under Title I, together with any workers' compensation for which the claimant is eligible, are declared to be a claimant's exclusive remedy for damages resulting from occupational exposure to asbestos. Any asbestos defendant (including the United States) that pays an assessment, and any insurance company that pays an assessment, is exempt from all liability for asbestos-related damage except under a workers' compensation law. The restriction imposed by this section applies to all actions pending on or commenced after the effective date of the Act.

Section 302—Separability; nullifying circumstances

This section describes the conditions under which the AWRA may become inoperable. If any of several key provisions is found to be invalid, unconstitutional, or substantially ineffectual, or if there is insufficient funding of the Trust Fund, the entire Act becomes null and void.

Section 303—Administrative authority and judicial review

The avenues for judical review under the AWRA are described in this section. Reveiw of any final action taken under the Act can be obtained in the United States Courts of Appeals. All disputes involving assessments under Section 201 or the constitutionality of any provision of the Act will be consolidated and heard by a special three-judge court.

Section 304—Administrative costs and expenses

All governmental costs of administering the new program will be reimbursed out of the Trust Fund.

Sections 305 and 306

These sections describe certain conventions used in drafting the proposal, and establish that the Act will be effective on the date of enactment.●

HIGHER EDUCATION AND THE FEDERAL BUDGET

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. DOWNEY of New York. Mr. Speaker, last month our distinguished former colleague, Dr. John Brademas, testified before the Committee on Education and Labor about the Reagan administration's Federal budget proposals dealing with higher education. As you are aware, Dr. Brademas, who served on the Committee on Education and Labor for 22 years, is now serving as the president of New York University. I think that his testimony deserves our careful consideration and I request that it be included in the RECORD.

TESTIMONY OF DR. JOHN BRADEMAS, PRESIDENT, NEW YORK UNIVERSITY

INTRODUCTORY REMARKS

Mr. Chairman and members of the Committee, I should like at the outset of my testimony to extend a warm greeting to the distinguished Chairman of the Committee, Congressman Gus Hawkins; the distinguished ranking minority Member of the Committee, Congressman Jim Jeffords; the distinguished Chairman of the Subcommittee on Postsecondary Education, Congressman William D. Ford—all valued friends of many years.

I offer all of you my best wishes as you undertake the responsibilities of leadership even as I am confident you will fashion in this Committee an impressive record of legislative achievement in the 99th Congress.

I want also to note the presence of another colleague and friend, himself a recognized authority on Federal higher education policy, your Subcommittee Staff Director, Tom Wolanin.

It is, of course, a particular personal pleasure for me to be here today because, as you know, for the entire length of my own service in the House of Representatives—twenty-two years—I was a member of this Committee and of the Subcommittee on Postsecondary Education. And, if you will allow me to say so, I take continuing pride in having worked with some of you here today and all of your predecessors for over two decades to help shape the policies of our national government in support of education and other areas of American life.

Let me here underscore a significant fact about my years in Congress—it is that support for education, including higher education, has always been bipartisan. For example, I worked closely for many years and on many legislative initiatives with our former colleague and good friend, Al Quie, Republican of Minnesota.

That tradition of bipartisanship continues. Congressman Ford's predecessor as subcommittee chairman—who for some inexplicable reason decided to take up residence in the other body—now Senator Paul Simon, worked closely with Congressman John Erlenborn, a Republican, and with the current ranking minority Member of the Committee, Mr. Jeffords.

I should also like to take this opportunity to acknowledge one of your newest members, who follows his distinguished and beloved father to this institution and this panel. It is reassuring indeed to see the name "Perkins" on the Committee roster once again, and I salute Chris Perkins.

As many of you know, for the past three and a half years I have had the privilege of serving as President of New York University, one of the foremost urban universities in the nation and one of the largest private universities in the world. I must tell you that as a result of my experiences on the campus, I am even more convinced of the wisdom of the judgments that you and I and those who served before us made over the last quarter of a century in adopting policies to support the colleges and universities of our country and the students who attend them.

You will also not be surprised to learn that I have not lost my concern about public policy for higher education—a concern that goes beyond the needs and interests of my own university. For example, I served recently on the National Commission on student Financial Assistance and chaired the Graduate Education Subcommittee of the Commission. In December 1983 the Commission issued a report on graduate education which enjoyed the unanimous support of its twelve members—among them, Congressmen Ford and Erlenborn

and Senators Claiborne Pell and Robert Stafford.

So I come before you today as one who wears several hats: that of a former member of Congress and of this Committee; the president of a major private university; and a member of the bipartisan National Commission on Student financial assistance. My remarks today will reflect all three perspectives.

As those here with whom I served will recall, I was also a strong champion of providing Federal funds for both public and independent, or private, colleges and universities, and I still am.

Yet this morning I want to draw particular attention to the indispensable contribution to our core of knowledge and the preparation of new generations of men and women, of the independent colleges and universities of the United States. I want also to insist that these independent institutions are today gravely threatened by the budget and tax proposals now being pressed by the Reagan Administration.

Next I want to identify for the Committee the areas where our colleges and universities, especially the independent ones, will, if the spending cuts in the Reagan budget for fiscal 1986 go into effect, be most seriously damaged.

Finally, I want to show how the policies Mr. Reagan is here pursuing are directly at odds with other stated goals of the Reagan Administration, namely to encourage more private initiatives and freedom of choice in education; to enhance excellence in teaching, research and learning; and to ensure economic prosperity and a strong national defense.

A PERSONAL PERSPECTIVE

Education is one topic about which it is difficult for me *not* to feel intensely. I am the son of a Greek immigrant father and Hoosier schoolteacher mother. I was raised in a family for whom education was central. So deep was my father's commitment that he used to say, "John, I'll never leave much money to my children but I will leave you all a first-class education." And he did. The Brademas family today includes, in addition to a former member of Congress and university president, a university professor, a schoolteacher and a successful businessman.

Like many of you, one of my brothers and I were direct beneficiaries of one of the first forms of Federal aid to education, the GI Bill. With its help, I was able to go to Harvard. My brothers and sister all graduated from Big Ten colleges, including Indiana, Illinois, Michigan and Purdue, and I am proud to say that among the four of us, we have nine earned degrees. Let me say, too, that all the Brademas children worked while in college for our family faced a situation confronted by many families today; there were four children in college at the same time.

The personal journey for me from Indiana to Washington, D.C. was such that by the time I entered Congress in 1959, I specifically sought a seat on this Committee. The reason was that I already had deeply felt views about the place of education in the life of our nation. Education had not only enriched my own life but impressed upon me the importance of education as a ladder to advance.

The several measures in support of education that many of you on this Committee, both Republicans and Democrats, and I helped write, were a direct expression of our concern that an opportunity for a college education should be denied no talented and motivated student because of financial need.

Today I see disturbing signs that the commitment that informed that approach is being eroded. Evidence for this assertion is in a budget that calls for deep slashes in aid to able but needy students who want to go to college; in public statements by the Secretary of Education—the most highly placed official in our government dealing with education—contemptuous of the values of a college education; in an Administration ideology that points to wealth rather than need as the key to educational opportunity.

Despite all its rhetoric about the importance of education to our national life, the Reagan Administration is pursuing a course of action that is undermining the schools, colleges and universities of the United States.

These are strong words but they are justified. Before I explain why, let me put the debate in context by describing that sector of the education enterprise on whose behalf I appear today.

IMPORTANCE OF INDEPENDENT HIGHER EDUCATION

There is widespread agreement that independent colleges and universities are a hallmark of our American freedoms. The United States is the only country in the world with a major system of private higher education that is not under government control.

Independent colleges and universities bring to American higher education more flexibility, more diversity, more freedom to risk and innovate. It was the independent sector that first introduced junior colleges, general education, cooperative education and study abroad.

Independent colleges and universities are, at their best, models of excellence. For example, a 1977 report of the National Science Board credited 56 percent of the major breakthroughs in astronomy, chemistry, earth science and mathematics over two decades to work done at independent colleges and universities. The remaining discoveries were divided between public universities and other sources.

Independent colleges and universities act both as check upon and spur to quality for our public counterparts.

And if we are to take seriously our words about the value of a pluralistic system of higher education in the United States, we must be alarmed about the implications for independent colleges and universities, in particular, of the cutbacks in Federal funds for student aid and for other purposes now being advocated by the Administration.

Now I happen to have been present at the University of Notre Dame in May 1981 when President Reagan declared, "If ever the great independent colleges and universities . . . give way to and are replaced by tax-supported institutions, the struggle to preserve academic freedom will have been lost."

Mr. Chairman, the political leadership of this country is itself eloquent testimony to the central role of independent higher education. Of the 535 Members of Congress, 315 hold degrees from independent colleges and universities. So do 21 of the 32 members of this Committee.

Eleven of the 12 members of President Reagan's Cabinet attended private institutions, including Secretary of Education Bennett, a graduate of Williams College and Harvard. Donald Regan, the White House chief of staff, is a University of Pennsylvania graduate; Vice President Bush is a Yale man while, of course, in the Oval Office sits the most famous alumnus of Eureka College, Eureka, Illinois.

HIGHER EDUCATION UNDER ATTACK

Independent colleges and universities are, therefore, a principal source of the skills and intelligence, of the discoveries, that are crucial to intellectual life, our economic strength and our position in the world. But I must report to this Committee that if the policies now being pursued by the Reagan Administration are implemented, more and more young Americans will find the doors to independent institutions of higher learning slammed shut.

Let me speak first of the Administration's attack on financial aid. These programs—Guaranteed Student Loans, College Work Study, Pell Grants—upon which hundreds of thousands of American young people rely in order to go to college have been among the hardest hit by the Reagan budget cuts, dropping from $10.8 billion in 1981 to $7.9 billion in 1984, a decline in current dollars of more than 25 percent.

Following on the heels of these spending reductions of the last four years, the higher education budget which the Administration announced three weeks ago calls in fiscal 1986 for yet another 25 percent slash below the adjusted fiscal 1985 level.

Mr. Chairman, can you imagine the hue and cry from Secretary Weinberger if the President ordered him to slash the defense budget by 25 percent instead of raising it the 13 percent he first requested?

The cuts the Administration wants to make in Federal aid to students can only be described as colossal.

According to an American Council on Education analysis, here are the consequences of the Reagan budget:

Some 808,000 able but needy students from middle-income families would be dropped from elibility for Pell Grants in academic year 1986-1987. For example, at NYU this change would mean nearly half the students now receiving Federal aid other than GSLs would be ineligible.

Seven other aid programs [Supplemental Educational Opportunity Grants (SEOG); National Direct Student Loans (NDSL); State Student Incentive Grants (SSIG); Graduate and Professional Opportunities Program (GPOP); Jacob Javits National Graduate Fellowships; Public Service Fellowships; fellowships for minorities attending law school] providing another 2 million awards for undergraduate and graduate students would be abolished.

The Reagan budget would stike at all Pell Grant recipients this fall (academic year 1985-1986) by asking Congress to scale back from $2,100 to $2,000 the increase in the maximum grant provided in the FY 1985 appropriation.

Almost one million current borrowers would be removed from the Guaranteed Student Loan program by capping eligibility—no matter how many children in the family—at adjusted gross family incomes of $32,500. At New York University, 25 percent of all current GSL recipients could no longer borrow under this program.

The Administration could impose a $4,000 annual limit on the total aid any student could receive from all Federal aid programs. ACE estimates that this "mega-cap" would reduce awards by an average of $1,200 for some 430,000 undergraduates, half of whose family incomes are below $12,000.

The majority of those affected by this "mega-cap" would be needy students attending independent institutions. According to

the National Association of Independent Colleges and Universities, more than one-fourth (27.3 percent) of all aid recipients attending independent institutions would have their awards reduced by an average of $1,585.

The $4,000 cap, when coupled with the requirement that all students must contribute at least $800 toward educational costs before they can even be considered for Federal aid, would virtually assure that poor students would not be able to meet, to cite the example of my own state, the average cost of $11,000 a year to attend an independent college or university.

In fact, of the approximately 7,200 students at New York University receiving some form of Federal aid, 4,830 students—more than half—would lose under the Reagan proposal. The Reagan budget would reduce by one-third the total dollar amount of assistance these students now receive.

An estimated 200,000 graduate students across the country would be affected by the cap—about one-third of Federally aided graduate students, and two-thirds of those attending independent institutions.

Finally, the Administration's budget would simply eliminate about a dozen categorical programs with modest funding totaling nearly $100 million, designed to strengthen academic quality. These include all programs of Federal aid to libraries and for international education. Mr. Reagan would also kill off graduate fellowships of all kinds within the Department of Education, support for facilities renovation, and the Fund for the Improvement of Postsecondary Education.

FIPSE—an initiative of the Nixon Administration—with limited resources, has sponsored an impressive array of reforms and innovation in higher education since its establishment in 1972. It is passing strange to me that an Administration committed to excellence in education should seek to end such a program.

Now Mr. Chairman, I have concentrated this morning on education programs under the jurisdiction of this Committee. But such a focus does not capture the entire picture. Other Administration proposals will also have an impact on higher education.

The Administration's FY 86 budget would raise total funds for research and development by 12 percent. But the bulk of that rise is slated for the Department of Defense, and within DOD, for weapons and tactical systems development. NASA and the National Science Foundation are to receive minor increases. All other major Federal research agencies, including the Department of Energy and the National Institutes of Health, to which most universities look for support, will experience a decline in their R & D budgets.

Support for basic research will be increased, under the Administration's budget, by only 1 percent.

The budget seeks the termination of all health professions education training grants, including one program expressly designed to aid minorities, the Health Careers Opportunities Program.

And the budget calls, over the next five years, for removal of $12 billion from Medicare that currently supports graduate medical education.

Nearly all of these proposals will weaken the capacity of our nation's institutions of higher learning to prepare scholars and scientists and to conduct first class research.

Mr. Chairman and members of the Committee, what are we to make of all this?

A DECLARATION OF WAR

Here I would defer to the interpretations being placed on the Administration's budget by leaders of Congress of both our political parties.

For example, the distinguished Chairman of the Senate subcommittee on education, Robert T. Stafford, Republican of Vermont, has already declared the proposed student aid caps and income limits "absolutely ludicrous." And I must here note that both New York State's distinguished Senators, one a Democrat and one a Republican, Daniel Patrick Moynihan and Alfonse D'Amato, have sharply attacked the Reagan proposals for higher education.

Let me interject as well a comment on OMB Director David Stockman's testy statement a few weeks ago to the effect that college and university presidents are more worried about financing their institutions than the well being of their students.

This, of course, is nonsense, and I agree with the new White House Chief of Staff, Donald Regan, that Mr. Stockman has "lost his cool under pressure."

Of course college university presidents are interested in financially stable institutions. Without them, where would students study?

And, of course, we are interested in adequate financial assistance for students who need it. Otherwise, what is the point of having the institutions?

And Mr. Chairman, let me join those who take strong exception to Secretary Bennett's characterization of college students as preoccupied with cars, stereos and three week vacations on the beach.

The reality on the nation's campuses today is far different from the picture painted by Administration officials.

My own institution—New York University—has a long history as a school of opportunity for the sons and daughters of less affluent Americans. Today two-thirds of our students receive some form of financial assistance, from Federal and non-Federal sources.

The students who come to New York University and their families are not wealthy. Our financial aid office estimates that nearly four of every five undergraduate students at NYU work, either part-time during the week or full-time on the weekends, to help pay for their college education.

Many of our students at NYU are commuters; many are the sons and daughters of first-generation Americans. The diversity of ethnic, religious and racial background, and of income level represented at New York University is something we value highly as do many other independent colleges and universities in the United States.

Yet these are the students who are hurt most directly by the cutbacks in loans and grants.

Finally, let me take issue with what I consider to be Secretary Bennett's "straw man" argument, namely that belt-tightening by families of moderate means is necessary in order to provide resources for the neediest students. As Washington Post columnist David Broder wrote last Sunday—and here, Mr. Chairman, I would ask permission to have Mr. Broder's excellent article inserted in the record of this hearing—Mr. Bennett makes "a nice populist argument, but it happens to be malarkey."

Of course, the Administration's proposals will hurt students from middle-income families, especially where there is more than one child in college. Such families struggle hard to meet rising educational costs. But their sacrifice will not aid low-income families.

For the Reagan education budget restricts access to postsecondary education for poor students as well. Under the Reagan proposal, for example, low-income families would be asked to contribute a larger share of the first $5,000 of their discretionary income (the jump would be from 11 to 18 percent) in order to be eligible for Pell Grants. That is an extra $350.

In addition, the maximum Pell grant would be reduced by $100.

In other words, it is poor families who are being asked to come up with hundreds of dollars extra a year to send a child to college.

Mr. Chairman, let me put the point bluntly:

Ronald Reagan's proposals for higher education represent, in effect, a declaration of war on American colleges and universities—especially independent institutions—and on students from both low- and middle-income families.

Private institutions, heavily dependent on tuition for income, are especially endangered by the cuts in student aid. Twenty years ago, some 50 percent of the students in our colleges and universities attended independent ones; that figure has today dropped to less than half that.

Mr. Chairman, this is not Great Britain or Japan. This is the United States of America.

We have a commitment to ensure continuing access and choice to able but needy students.

By withdrawing help from students who most need it, we will, I fear, move toward the creation of a two-tier system of higher education in our country, with independent universities for the rich, and state or municipal colleges for everyone else.

Mr. Chairman, let me make the point another way:

If the higher education budget advocated by the Reagan Administration were to become law, hundreds of thousands of young Americans would be denied the opportunity to study at the very institutions attended by Vice President Bush, White House Chief of Staff Regan, OMB Director Stockman and 11 of the 12 members of President Reagan's Cabinet.

No longer would many talented students from low- and middle-income families be able to enroll at Harvard, Yale, Stanford, NYU, MIT, the University of Chicago and the other independent colleges and universities at which members of the Reagan Cabinet studied.

If these institutions were good enough for President Reagan's top advisors, why aren't they good enough for other able but needy young men and women?

TRIPLE WHAMMY

Distressing as are these steep cuts in student financial aid, also alarming are the implications for education of the tax simplification plan devised by the Department of the Treasury.

First, the Treasury proposal would significantly weaken incentives to individuals and corporations to make charitable contributions and would thereby gravely undermine private support of higher education.

Let me remind you here of two of the recommendations of the Treasury Department. One would allow cash donations to charity to be deducted only to the extent they exceeded 2 percent of a taxpayer's income. Another would allow taxpayers who donated stocks and other assets to charity to deduct only what they originally paid for the asset plus an adjustment for inflation—and not,

as at present, deduct the market value of the property.

It is estimated that these Treasury proposals would reduce gifts of cash to colleges and universities in the United States by 28 percent, and gifts of property by 38 percent. Our best estimates, based on totals giving to New York University in 1983-84, are that we would lose $10.2 million in cash and $7.5 million in property—annually.

Moreover, the Treasury Department's proposal to eliminate deductions for state and local taxes would do even further harm to the institutions of education in high tax states like New York both by cutting the tax base on which the public school and university systems rest and by creating a greater tax burden for potential donors, who would thus be less likely to contribute to higher education.

The Reagan Administration, through these efforts both to slash needed funds for education and to amend the tax laws in the ways I have explained, would, in effect, subject American higher education to a "triple whammy."

At one and the same time, the Administration would:

First, reduce Federal funds for student aid and for other educational programs;

Second, undermine the ability of state and local governments to make up for the shortfall; and

Third, cripple efforts on the part of our colleges and universities to raise private funds from individuals and corporations.

IRONIES ABOUND

Here I must observe that the budget proposals and Treasury tax plan contradict Mr. Reagan's own philosophy. Ironies abound.

An Administration that calls for the government to get off our backs and allow a wider scope for private initiative is pursuing policies that will damage private colleges and universities the most.

The Reagan ideology that justifies reductions in Federal aid to education assumes that private philanthropy and state and local governments can make up the difference. And yet, as I have just made clear, the tax changes now under review will reduce contributions from non-Federal sources, not increase them.

An Administration rhetorically committed to achieving excellence in education is calling for an end to foreign language assistance, termination of FIPSE, elimination of all graduate fellowships and withdrawal of support for research libraries. This is an agenda for mediocrity, not excellence.

Finally, an Administration that has placed economic prosperity and a strong national defense at the top of its agenda apparently fails to see the close connection between these goals and the health of our schools, colleges and universities.

As we move toward the final decade of the 20th century and the start of the 21st, it must be obvious that America cannot have a vibrant, thriving economy without well-educated men and women.

And how can we begin to implement defense budgets of the magnitude contemplated by Mr. Reagan—over $300 billion annually—without people who are highly trained in a variety of disciplines? Even assuming it's a good idea, how can we embark on a "Star Wars" without scientists, engineers and computer analysts? Where will these people come from?

GRADUATE EDUCATION

I find particularly disturbing in this regard the Administration's proposals in respect of research and education at the most advanced levels.

Indeed, just over a year ago, as I said earlier, the bipartisan National Commission on Student Financial Assistance issued a report warning of signs of trouble in the nation's graduate capacities, including serious shortages in doctoral talent, obsolete laboratories and outdated library collections, and the potential loss of a generation of scholars in certain fields in the humanities and social sciences.

We made clear in our report that support of the graduate enterprise was the responsibility of many sectors in our society: state governments, foundations, and business and industry. But the Commission also agreed—unanimously—that indispensable to excellence in graduate education is the support of the Federal government.

What has been the response of the Reagan Administration to our report, endorsed unanimously, I remind you, by a Commission appointed, one third each, by Speaker O'Neill, Senate President pro tempore Strom Thurmond and President Reagan himself?

The Reagan budget calls for the elimination of all graduate education programs in the Department of Education, including the new Jacob Javits National Graduate Fellows program to assist scholars in the arts, humanities and social sciences; the Graduate and Professional Opportunities Program to help minority and disadvantaged students pursue graduate studies; and the Public Service Fellowship Program.

In my view, Mr. Reagan does not seem to understand that when he attacks education, at the undergraduate as well as the graduate level, he is really attacking our prospects for a strong and growing and competitive economy . . . and he is attacking our capacity for a powerful and effective foreign and defense policy.

In short, Mr. Reagan simply doesn't seem to understand the implications of his war on education for our future as a strong and secure nation and a free and democratic people.

BIPARTISAN TRADITION

Let me conclude my remarks today on a theme that I raised at the outset.

I served in Congress with six Presidents—three Democrats: Kennedy, Johnson and Carter; and three Republicans: Eisenhower, Nixon and Ford—and every one of them, working with members of both parties in the House and Senate, signed laws for Federal support of education and initiated them.

The same bipartisan spirit that I knew in Washington also, I was pleased to discover, characterizes the attitude of the political leaders of the State of New York, where such distinguished Republicans as State Senate President Warren Anderson so capably carries the flag first unfurled by one of the greatest architects of education in New York State, Nelson Rockefeller and such outstanding Democrats as Govenor Mario Cuomo and Assembly Speaker Stanley Fink champion the cause of education.

Ronald Reagan, therefore, marks a seachange in the attitude of an American President toward the role of the Federal government in education. It has been heartening, then, at least to me, to see in the last two years here on Capitol Hill a renaissance of the bipartisan coalition in support of education that characterized all my time in Congress.

As an old vote-counter myself, Mr. Chairman, I make bold to predict in this forum that both Republicans and Democrats in Congress will once more resist the Administration's attacks on American education.

In my opinion, Mr. Chairman, the battle over aid to higher education will not be one between Democrats and Republicans. Rather it will be a contest between, on the one hand, the bipartisan tradition of legislators and Presidents of both parties who have worked to open the door of educational opportunity and, on the other, a narrow ideological view determined to close that door.

CONCLUSION

For, Mr. Chairman, both Democrats and Republicans in Congress understand, if the present Administration does not, that funds expended on our schools, colleges and universities and on the research they undertake have not been thrown to the four winds.

Such monies have been among the best investments our country has ever made, returning dividends to all of us many times over in our health and prosperity and our security as a free people in a dangerous world.

Presidents and Congressmen of both parties—and in particular the members of this great Committee—have wisely followed the advice of Alfred North Whitehead who warned, "In the conditions of modern life, the rule is absolute: The race which does not value trained intelligence is doomed."

Mr. Chairman, I have confidence that the Congress of the United States, with Democrats and the Republicans working together, will act to insure that our country continues to understand the value of trained intelligence.●

HOPE FOR NICARAGUA: THE SAN JOSE DECLARATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MICHEL. Mr. Speaker, on March 3, 1985, the democratic forces of Nicaragua issued a "Document on National Dialogue of the Nicaraguan Resistance." This document "signed by the various resistance leaders and read to members of the Nicaraguan exile community in San Jose, Costa Rica," is one of the major statements made concerning the present and the future of Nicaragua. I commend it to your attention.

At this point, I wish to insert in the RECORD a translation of the "Document on National Dialogue."

DOCUMENT ON NATIONAL DIALOGUE OF THE NICARAGUAN RESISTANCE

We, democratic citizens, representatives of all sectors of the Nicaraguan Resistance, announce to the Nicaraguan people, to the governments and peoples of the Americas and of the world, the following manifesto:

THE PRESENT SITUATION OF NICARAGUA

In recent years, the Sandinista Front has submerged our people in a crisis without precedent in our national history.

At this time, the impact of this crisis is evident in the economic, political, social and moral spheres of the nation.

This situtation is rooted both in the abandonment of the Original Program of Government and the Fundamental Statute as well as in the interference of the Soviet Bloc in our internal affairs.

Both factors, the sole responsibility of the Sandinista Front, have brought about a sharp conflict whose protagonists are the governing party on the one hand and the Nicaraguan people on the other.

The Nicaraguan people reject, of course, the imposition of a regime which in essence contradicts the values and aspirations which gave birth to the revolutionary process. They are founded on the recovery of freedom, democracy and social justice so often postponed because of the Somoza regime.

In conclusion, the national crisis we face did not grow out of a confrontation between imperialism and the revolution, as the Sandinista Front pretends, but out of the contradictions which emerge from the clash between democratic expectations of the Nicaraguan people and the imposition of a totalitarian system such as that which is being implanted in our country by the Sandinista Front.

This conflict, which has produced a civil war, today threatens to destroy the Nicaraguan nation. And as stated in the recent document of the Nicaraguan Democratic Coordinator, it cannot be resolved through negotiations between the governments of other nations and the Sandinista Front nor through sectarian dialogues.

From that perspective, it is clear that the elections of November 4, 1984, by virtue of having been a farse, contributed nothing toward the resolution of the national crisis. This view has been supported by the Inter-American Commission of Human Rights in its report for the period 1983-84, as well as by the political groups which decided to participate in the "elections", as they stated in the document entitled "Proposals of Minimum Concurrence for the Renewal of the National Dialogue," issued in January of this year.

The solution to the national crisis can only be found through a genuine understanding among all Nicaraguans that might end the civil war and lead to the reconciliation of the Nicaraguan family.

We wish to emphasize that this initiative is not taken merely to search for a quota of power, but rather it seeks only to establish in Nicaragua the rule of law which will permit the people to live in peace and to go about resolving our problems within a new constitutional order.

COMMON ASPIRATIONS

We aspire to the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and rescue our national identity and sovereignty.

We aspire to reconstructing Nicaragua, to promoting its development in accordance with a model which gives priority to the dispossessed sectors.

We aspire to the establishment of a political system which guarantees a real separation of powers, authentic pluralism and a just, efficient mixed economy.

In order to carry out the foregoing, the following is required:

(a) To recognize the primacy of civilian society with respect to the State and to assure through it the dissolution of the totalitarian state-party-army trilogy.

(b) Full respect for human rights and fundamental freedoms of expression, assembly, religion and education.

(c) De-militarization of society and the absolute subjection of police functions to civilian authority.

(d) A foreign policy which has as objectives the preservation of national sovereignty, peace and harmony with neighboring countries in particular, and effective reactivation of the historical aspirations of Central American Unity.

(e) An economic system which provides for the development of the private sector which includes cooperative enterprises, as well as the clear definition of the participation of the State as a subsidiary economic agent and promoter of social development.

(f) Institutionalization of a multi-party electoral system which guarantees free elections, alteration in power and respect for the minority.

(g) Freedom to organize unions.

(h) A modern, productive process of integral agrarian reform.

(i) Administrative decentralization and effective autonomy for municipal government.

(j) Full recovery of the Atlantic Coast, integrating it completely in the national life, guaranteeing respect for the culture and traditions of the various ethnic groups of the region and of the rest of the country within a framework of effective municipal autonomy, exercised in the context of the insolubility of the Nicaraguan nationality.

(k) General amnesty and pardon for political crimes and related crimes.

(l) Expulsion from the country of all foreign internationalists, military advisors and troops, including those who may be found using the identity of deceased Nicaraguan citizens and those who have been improperly naturalized.

THE LAST AND DEFINITIVE SUMMONS

After having carried out multiple peace initiatives in the last three years directed toward establishing a constructive dialogue with the Sandinista Front that would end the civil war and lead to the reconciliation of the Nicaraguan family, we recognize that those efforts have been fruitless because of the intransigence of the Sandinista regime and because of the designs of the Soviet bloc.

The Sandinista Front, by ignoring and failing to comply with the agreements made in the past, has lost the necessary credibility to reach a good faith understanding. Such is the case of the agreements reached with the XVII Consultative Meeting of the OAS Council of Ministers, the Original Program of Government, the Fundamental Statute, the Eighteen Points of Concurrence of the Forum for Discussion of National Problems, and the promises to carry out a free and honest election, among others.

Therefore, in view of the gravity of the moment, and conscious of our civic responsibilities and of the urgent need to save our people from greater suffering, we accept the call to convene issued by the Nicaraguan Democratic Coordinator and we call upon the Sandinista Front, for the last time, and in definitive and absolute fashion, to participate in a national dialogue which will end the national crisis. This dialogue should follow these modalities:

CONVOCATION

The Nicaraguan Bishops Conference is the entity with the necessary moral authority to organize and coordinate the National Dialogue. In this regard, we reiterate the petition made to it by the Democratic Coordinator to convene the National Dialogue.

PARTICIPANTS

In order that the dialogue be efficient and produce the desired results, it is necessary to structure it in accordance with Nicaraguan reality. There are two political tendencies in Nicaragua: the totalitarian one which for the moment has accepted the Sandinista Front as its vanguard, and the democratic one which is divided into armed organizations and civilian organizations; therefore, the Dialogue should be between these two political tendencies so that both can name their respective delegates, as many as the Bishops Conference feels is appropriate.

OBSERVERS AND GUARANTORS

We suggest to the Bishops Conference that it request the participation of the Central American Governments in the Dialogue as guarantors of the agreements which may be reached, given the fact that the sister peoples of Central America are, in the final analysis, are those which have been most directly affected by the Nicaraguan crisis.

The presence of these governments as guarantors in no way hinders the presence as observers or even as guarantors of other governments and democratic entities of the American continent.

MINIMUM REQUIREMENTS

We support fully the minimum requirements demanded by the Democratic Coordinator in order to initiate the National Dialogue. They are: Suspension of armed activities, with a cease-fire in situ; lifting of the state of emergency; absolute freedom of expression and assembly; general amnesty and pardon for political crimes and related crimes; entry into effect of the right of asylum and habeus corpus, adding the granting of full protection of the physical and moral integrity of those members of the Resistance who participate in the Dialogue, in the event that it should take place in Nicaragua.

The application of these measures should be carried out under the supervision of the guarantor governments.

TEMPORARY PERMANENCE OF THE EXECUTIVE

If this dialogue is carried out, we commit ourselves to accept that Mr. Daniel Ortega continue acting as head of the Executive Branch until such time as the people pronounce themselves in a plebiscite. During this period, Mr. Ortega should govern in fulfillment of the promises of the Nicaraguan Revolutionary Government Junta contained in the document of July 12, 1979 and directed to the Secretary General of the Organization of American States, and in fulfillment of the Original Program of Government, the Fundamental Statute and the American Human Rights Convention and the Pact of San Jose.

INITIAL POINTS OF THE AGENDA

Although it will be up to the Bishops Conference to establish a definitive agenda, by agreement of the parties, we urge it to include as of now the following points:

(1) That the legal procedure and actions of the government conform immediately to the American Convention of Human Rights, or the Pact of San José, which was ratified by the Nicaraguan Government of National Reconstruction on September 25, 1979, declaring it the law of the land and committing the national honor to its enforcement.

(2) The dismantlement and immediate dissolution of all the party repressive organisms such as the CDS (Sandinista Defense Committees) and the other para-military organs.

(3) education of military strength, the apolitical nature of the army, an end to the arms race, and the withdrawal of all foreign military troops and advisors and internationalists.

(4) Immediate dissolution of the National Constituent Assembly.

(5) A new provisional electoral law.

(6) A new provisional law for political parties.

(7) Re-structuring of the electoral system in accordance with the above provisional laws.

(8) Calling of elections for a National Constitutent Assembly.

(9) Calling of municipal elections.

(10) Calling of a plebiscite on the conduct of new presidential elections.

INITIATION OF THE NATIONAL DIALOGUE, INSTRUMENTATION AND DEADLINES

In order to carry out the National Dialogue proposed by the Democratic Coordinator, on the basis for the statements contained in this document, and conscious of the Leninist tactic of stalling in order to consolidate the totalitarian program of the Frente Sandinista, said Dialogue must begin by March 20, 1985. This date cannot be postponed. If by April 20, 1985 the National Dialogue has not begun or has not progressed in clear and substantial form, it will be definitely suspended by the Nicaraguan Resistance, thereby terminating the possibilities for a peaceful resolution of the national crisis.

If the Nicaraguan Bishops Conference considers it useful to hold conversations with this group for purposes of preparations leading to the speedy realization of the Dialogue, we announce our immediate availability to participate in such conversations. To that end we appoint as our representatives Mssrs. Arturo J. Cruz, Alfonzo Robelo and Adolfo Calero.

May love for our fatherland overcome selfishness and foreign involvement, so that the National Directorate of the Sandinista Front will respond positively to this our last effort to grant to our country a civilized solution.

God Save Nicaragua!●

RESPECTED IRISH-AMERICAN NEWSPAPER CONDEMNS VIOLENCE IN NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BIAGGI. Mr. Speaker, as chairman of the Ad Hoc Congressional Committee for Irish Affairs, I wish to lend my support to the views expressed in the editorial of the Irish Echo for March 9, 1985. It is entitled "The Cycle of Violence."

Throughout my years of association with the cause of peace and justice for Northern Ireland I have always maintained that violence serves as the primary impediment to our achieving a lasting political solution for Northern Ireland. I have also contended that if we are to condemn violence—we must be honest and recognize that there are two forms of violence in Northern Ireland—civilian and official and they are both wrong.

In recent weeks there has been a renewed outburst of both forms of violence in Northern Ireland. This coupled with the position taken by Prime Minister Thatcher in rejecting consideration of any of the recommendations of the New Ireland Forum has posed a major setback to the movement toward a political solution. I hope it will not be too long before we are back on track. However, as this editorial so eloquently points out, there can be no progress until we break the cycle of violence.

The editorial follows:

THE CYCLE OF VIOLENCE

Violence is wrong. Sometimes we must speak in the simplest of terms. By adding codicils to the simple term we only fool ourselves.

Thus when many of us say, "violence is wrong but . . ." we really mean violence can sometimes be condoned.

Too often this translates to "violence is wrong when the other side does it to us, but not when our side does it to them."

But all of these false justifications are wrong. Worst of all in the cycle of violence which has marked Northern Ireland for more than a decade and a half.

In this macabre dance of death one side retaliates for the other's act of violence. Tit for tat. Killing for killing. Maiming for maiming.

Last week in Northern Ireland, British troops lying in ambush shot dead three IRA men when they could have captured them alive. Then, the IRA bombed a police station killing nine officers and continuing on a rampage of violence.

In sort of Kafkaesque atmosphere, both sides say they were right to do what they did. And both condemn their adversaries as murders for what they did. If this isn't a kind of madness, what is it?

How then can the cycle of violence be ended? There is an alternative to violence, which is nurtured by injustice. That alternative is justice.

But justice cannot be obtained when the British Government refuses to even consider proposals aimed at finding a solution. If violence is to stop, justice must be implemented in Northern Ireland.

If it is not implemented there will be more violence—by the British Army, by the nationalist paramilitaries of the IRA and INLA and by the loyalist paramilitaries of the UDA, UVF etc.

Justice will end the violence. Nothing else will.●

EXEMPT AGRICULTURE EXPORTS FROM CARGO PREFERENCE REQUIREMENTS

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. ENGLISH. Mr. Speaker, today we are joining in a bipartisan effort to introduce legislation which would exempt agriculture exports, with the exception of Public Law 480 and AID. exports, from the cargo preference requirements which presently restrict American commodities in international trade.

Present cargo preference rules generally require that whenever the Government is involved with export cargo, at least half of that cargo must be shipped on U.S. vessels. A recent Federal court ruling expands these requirements to all blended-credit exports, and leaves the door open for additional applications of the cargo preference restrictions. As a consequence of the court's ruling, the U.S. Department of Agriculture has already suspended $536 million worth of U.S. commodity trade scheduled for shipment. Trade embargos, falling prices, plummeting land values, high interest rates, and unfair foreign trade restrictions and subsidies have devastated the American farmer. Further trade cutbacks brought about by this American shipping policy will victimize American farmers and trading interests even more, and foreign competitors will quickly replace us in the international market.

The proposed bill would reverse the action by Judge Green in the Transportation Institute case which significantly expanded the scope of the cargo preference law, thereby reducing the resources available for promoting export sales of agricultural commodities. It would make clear that cargo preference requirements do not apply to export activities of the Commodity Credit Corporation and the Department of Agriculture, except for those related to its traditional food assistance programs.

Thus, the Corporation and USDA could continue those programs that make exports of U.S. agricultural commodities competitive in world markets with sales of other countries without having to fund the extra expense attendant to cargo preference. These include among others, the CCC export sales program (GSM-5), the CCC export credit guarantee program, and the blended credit program which combines credit under the GSM-5 program with Government guaranteed private credit under the GSM-102 program. It also includes export subsidy programs—whether the subsidies are paid in cash or in kind—addressed to the same objective, programs under which stocks of agricultural commodities are made available to U.S. exporters, users, or foreign purchasers at world prices, and any other innovative program to expand agricultural exports.

At the same time, the bill preserves the cargo preference requirements for the kind of transactions that historically have been subject to cargo preference—namely, exports under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480).

The text of the legislation follows:

H.R. —

A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities, and for other purposes

Be it enacted by the Senate and House of Representatives of our United States of America in Congress assembled,

That Section 5 of the Commodity Credit Corporation Charter Act is amended to add at the end thereof the following:

"Export activities of the Corporation under this Act, and activities of the Corporation or the Department of Agriculture to promote the export of agricultural commodities under any other Act, shall not be subject to cargo preference requirements, except to the extent otherwise required for exports under the Agricultural Trade Development and Assistance Act of 1954."●

HISTORIC COMMEMORATION OF THE 40th ANNIVERSARY OF THE CONCLUSION OF WORLD WAR II AND THE HOLOCAUST

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. SUNDQUIST. Mr. Speaker, last week, I had the privilege of attending the historic commemoration of the conclusion of the Second World War and Holocaust at the Baron Hirsch Cultural Center in my hometown of Memphis, TN.

The keynote speaker at this event was Benjamin Meed, the president of the American Gathering of Jewish Holocaust Survivors and members of the United States Holocaust Memorial Council. His remarks were enlightening, yet moving and I would like to share them with my colleagues at this point in the RECORD:

40 YEARS OF FREEDOM FROM HOLOCAUST TO NEW LIFE

My fellow Holocaust survivors, sons and daughters, and distinguished guests: It is a long way from Warsaw, Vienna, Budapest, Auschwitz and Buchenwald to Memphis, Tennessee. So much distance, such a different environment and so much time. It took 40 years.

During the Nazi era, in the ghettoes and the death camps, in every village and city, in the fields and the forests, mothers and fathers, our sisters and brothers swore us to a sacred oath. "Yiddin gedenkt". Jews remember! Jewish historians and simple people kept telling us to remember and not to let others forget. This was the commandment of our martyrs, the most precious legacy that we must transmit from generation to generation.

It is difficult to comprehend what happened to our people.

I remember another Sunday, I can still see the Warsaw fighting ghetto aflame and feel the smell of the smoke that hovered over Warsaw 42 years ago. And I can never forget the Polish families strolling in their Sunday finest, outside the church on Krasinski Square, swinging their children on a carousel while Jewish children and their parents were being killed and burned only a few thousand feet away.

It was my destiny to be there that day. I stood by observing, pretending to be a gentile boy, wearing the mask of indifference to the murder of my own people. Who can forget?

Today, many say they did not know. How could they have not known? On the cattle cars to Auschwitz and Treblinka—throughout Poland, Czechoslovakia and Hungary—for on the way to death, we criss-crossed Europe, day after day—night after night—we called for help in Yiddish and Polish—in Greek and Ukranian—in Dutch and Flemish—in Russian and French—and the world would not listen as we were herded together from the four corners of Nazi Europe to be murdered only because we were Jews.

We are still asking the questions—How did it happen? Who failed? Where were the free world peoples' leaders? But these questions should not distract our attention from the real murderers—the Nazis and their collaborators—or from the profound failure of the world political and church leaders. All of them knew—and did nothing, they kept silent. Their silence has yet to be judged by history.

When survivors first came to America, we were isolated. Our experience was alien and our memories, our nightmares we could only share among ourselves. Americans—Jew and non-Jew alike, did not want to hear our story. When they spoke to a survivor, they avoided the Holocaust. And when they looked at us, it was with pity or suspicion—sometimes even with the unspoken accusation, "How did you survive and not the others?" Nobody knew how painful that question was. Nor did they understand that we could not answer it. We bit our tongues not to explode. We were beyond fury. While we were struggling for survival, where was the world? Where were the people to answer our pleas for help, our cries of desperation? And yet, in another sense, we could not answer that question, for I and others still don't know why I survived and my brother and sister, Mordecai, David and Sarah did not?

So we survivors were drawn closer to each other. Each year, we remembered alone. We met in small groups to relive the memories of the world that was—to share the memories that there had been a life—a vibrant, vital Jewish community before the Holocaust. And we came together to cry—to mourn—and to remember.

As individuals we were struggling to learn a new language, to enter a new culture, to build a home, to make a living.

We came to America with nothing but a love of freedom and here we have rebuilt our lives and our families with dignity—for which we are grateful.

We had children and although most of us are without a formal education, we knew a lot about life and hatred. Our schooling ended as soon as the Nazis arrived. But we taught our children Jewish and human values and we worked hard so that they would become fully American and remain fully Jewish. And above all to be a mensch.

At that time, we were called refugees. Yet we loved this country with the passion of those who for the first time breathe the air of freedom and who rejoice in a society of tolerance, pluralism and justice. Having seen what we have seen, having witnessed the evil of Nazism, we understood the unique blessing of America—the country of freedom and opportunity for all.

Today, survivors can be found in every walk of life: In business, in industry, in the arts, in science, in medicine and in government. And some of them in leading positions for the benefit of our Nation and mankind.

Though in early years, Americans were unwilling to listen, we have lived to see a dramatic change in attitude. We are no longer refugees. We are survivors of the darkest chapter of humanity—and today Americans are willing to learn from our tragic experience.

After the Holocaust, Jews and non-Jews are not the same—a lot has changed. Today, Americans have a responsibility toward people everywhere who are under attack.

From many public forms, the Holocaust is being taught and its lessons have begun to sear the conscience of America.

President Carter appointed a President's Commission on the Holocaust. Congress voted unanimously to form the United States Holocaust Memorial Council and national days of remembrance so that this country—second after Israel—is committed by law to remembrance.

President Reagan participated in annual days of remembrance ceremonies at the White House, and in the presence of 20,000 at the American gathering of Jewish Holocaust survivors in Washington, promised:

"As a man whose heart is with you and as President of a people you are now so much a part of, I promise you that the security of your safe haven here and in Israel will never be compromised. Our most sacred task now is ensuring that the memory of this greatest of human tragedies, the Holocaust, never fades; that its lessons are not forgotten***."

Soon there will be erected in Washington, a living memorial museum to remember the Holocaust—the tragic experience of the Jewish people—not only for Jewish children, but for the sons of farmers from Kansas, and factory workers from Illinois—for children of the South and the North and for their parents. The memorial will stand in the Nation's capital as a reminder to the leaders of the free world of what can happen when men and women of good will are indifferent and when intolerance and evil are allowed to flourish.

Throughout this country, in cities such as New York and Philadelphia and in small towns like Great Barrington, Massachusetts or Vineland, New Jersey, the Holocaust is taught as part of the curriculum. More than 500 colleges and universities offer courses on the Holocaust—and survivors have been called upon to speak to us about their experience as a warning to the world of the threat of the ultimate cataclysm—a nuclear holocaust.

We have come a long way—we have achieved much.

Yet, we survivors fear. We fear vulgarization and commercialization of the Holocaust. We fear its dilution—joining it in a sea of human tragedies both great and small—and losing the unique moral dimension of its meaning and it implication. And we still fear that it will be forgotten. There are already many who would like to deny it.

In early May, the leaders of the world will gathered in Europe to celebrate the 40th anniversary of the allied triumph over nazism ending World War II. Let us remember that the Nazis fought two wars—the World War and the war against the Jews. The Nazis came closer to winning their battle against the Jews than they did to defeating the mighty armies of the West and the East. And they fought the war against the Jews with greater ferocity and intensity than they fought the World War.

On the eve of defeat in the East, they evacuated the prisoners of Auschwitz, buying still more time to kill additional Jews. All the while, the world paid attention only to the military battle. President Roosevelt and Prime Minister Churchill told Jewish leaders and men of good will that they would not be diverted from the military battle to oppose Hitler's war against Jews. So Auschwitz was not bombed and America did not open it shores to refugees. The British did not lift the white paper and allow Jews to go to Palestine. And few spoke out until its was too late.

Forty years ago, when the war ended, we did not celebrate. We could not celebrate when we were surrounded by the ashes and the corpses of our loved ones. We returned to places that were once thriving with Jews and there was no one. Synagogues had become barns. Strangers lived in our homes. And the world went on as if the Jewish people had never lived.

After VE-day and our liberation, we were stunned. As we walked around in a daze, disillusioned and abandoned by everyone, we turned to each other. "Amchu" was our password. "Are you one of our people?" And survivors were drawn to each other. Within a year, many survivors married—almost all to fellow survivors. Why? We were alone with our nightmares and we feared being alone. So we joined together. Within three years, we had children—yes, we dared to raise another generation of Jews—we answered death with new life.

But the survivors have lived the whirlwind of history. Within three years from our liberation the Jewish people established its homeland—the home of most survivors.

Many of us went from the ashes of Auschwitz and the indignity of DP camps—to the battle lines of Jerusalem. And the State of Israel was reborn.

Four years ago, Holocaust survivors gathered in Jerusalem—to bear witness to Jewish history. Six thousand Jews from 14 countries came to Jerusalem to proclaim their legacy and to transmit it to their children and to the Jewish people. We thought then that the world gathering in Jerusalem would be the final time that survivors were reunited on Earth.

Yet something happened—a movement of remembrance was galvanized. Throughout the years, survivors had gathered alone. We spoke and people listened to us—one by one, but in Jerusalem we spoke collectively and for a moment, the entire Jewish people listened and the echo was heard world-wide.

So, after Jerusalem, it was natural that we meet in Washington, D.C. to speak to the world from the capital of the free world. More than 20,000 survivors came together. We were joined by the President and the Vice President; by Congress and national leaders. We told our tale—not for sadness or morbidity—but for the sake of life, and a future for others.

You see, we survivors feel that we were spared death for a purpose—to bear witness. We carry within us the secrets of a disease—the madness of the world or perhaps the cold, calculating cruelty of people lacking morality and decency. And this secret may serve as a vaccine against the ultimate evil. It may be the antidote to indifference and hatred. So, when we share our story, it is not for us that we remember. We are beyond personal ambition. It is not for our children. They know much. It perhaps may not be for the Jewish people. They have learned the lessons of the Holocaust and it has governed their response to emergencies in Israel, their solidarity with Soviet Jews and their rescue of Ethiopian Jewry.

No—it is for the world. Our memory may be the vaccine that immunizes the world against fear, complacency in indifference.

Survivors came back from the pit of hell. We carry memories of evil, and our story is the knowledge that the unthinkable, the impossible, was possible—and is possible. Therefore, we must always be vigilant and recognize the signals of danger, anti-Semitism and bigotry.

On April 21-23 we will join together in Philadelphia for the inaugural assembly of the American Gathering of Jewish Holocaust Survivors. We will be joined by our childern who will be integrated into the leadership of our movement of remembrence. Survivors are no longer young and—each year, death claims more and more of us. We are a vanishing breed. Time is not on our side.

But we have more than 200,000 children of survivors—future leaders of America and of American Jewry—and we want them to become a vital part of our work.

And as the world leaders gather to celebrate the end of World War II, we will remember the German Nazi atrocities committed against the Jews and the war against the world—and speak—not only of military valor and victory—but of our suffering, Jewish physical and spiritual resistance and never forget the decency of some righteous people and nations at the time of human crisis. We will remember—above all the moral meaning of that victory and its implications for our future.

Let us pledge together not to allow history to repeat itself. Not against Jews nor against any other people—never again—Am Israel Chai.●

GROWING SUPPORT FOR NICARAGUAN RESISTANCE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. COURTER. Mr. Speaker, I submit for the RECORD an excellent editorial which was printed in the Washington Post of March 17. It supports the democratic peace initiative which was taken by the Nicaraguan Resistance on March 3, 1985, and points out very succinctly how this initiative is entirely consistent with the stated desires and objectives of the Sandinista revolution. In my view, the Sandinista response to the proposal of the Nicaraguan Resistance is of great importance to the future of Nicaragua and to the Contadora process. It is doubtful that the Sandinistas will ever negotiate seriously in any international forum, whether it be bilateral or multilateral, if they refuse to negotiate with their own countrymen who seek peace, freedom, and independence for Nicaragua.

[From the Washington Post, Mar. 17, 1985]

A FAIR OFFER TO THE SANDINISTAS

The Sandinistas claim the crisis in Nicaragua arises from their conflict with the United States. This is not so. It arises in the first instance from their conflict with their fellow citizens, especially with the democratic people who fought the Somoza dictatorship, whose leaders served the Sandinistas in the early period and who turned against the Sandinistas only when they found the democratic promise of the revolution being denied. This needs to be understood in order to see the importance of the offer the democrats have just made to the Managua regime.

The offer comes from a newly, finally unified group including the political opposition led by Arturo Cruz and major branches of the armed resistance. Its essence is a proposal for a unilateral cease-fire by the contras to be followed by a political dialogue presided over by the bishops. The proposal is, in our view entirely fair and reasonable. The Sandinistas protest the war? Here is an offer to stop it. How must they pay? Only by joining a process that points to the original goals of their own revolution. Their own man, Daniel Ortega, can remain president as the process unfolds. The proposal offers more than a chance for national reconciliation. It lets Nicaraguans remove their fate from foreign hands and restore it to Nicaraguan hands alone.

The Sandinistas' initial response to the proposal was to bar Arturo Cruz from returning to Nicaragua to announce it and to summon some of its local supporters to state security headquarters on grounds that they were participating in a U.S.-sponsored plot to overthrow the Sandinista government. Think of it: An offer by the opposition to put down arms and to start talking about achieving the Sandinistas' own early promises is dismissed as a hostile conspiracy.

How do the Sandinistas intend to explain to the Nicaraguan people a refusal to enter a dialogue on such a reasonable basis? How can any other independent-minded Latin country—must that exclude Cuba?—fail to support this proposal? In El Salvador, the government accepted a dialogue without even getting a cease-fire in return. The government in Nicaragua is being offered a better deal. Perhaps it will think again before delivering a final rejection.

And—the inevitable question—if the rejection is final? No doubt some will argue that the Sandinistas' failure to take the offer seriously makes American support of the contras unarguable. The drafters of the Nicaraguan opposition proposal, however, are shying away from that claim. Desperately, they are making a "last effort to grant to our country a civilized solution."●

NATIONAL EMPLOY THE OLDER WORKER WEEK

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. TAUKE. Mr. Speaker, for more than two decades, the American Legion has sponsored and promoted National Employ the Older Worker Week. This year, older worker week was observed March 10-16. Annually, the American Legion, through the Employer Awards Program, recognizes employers nationwide who have made special efforts to hire older workers. In 1982, the Hinesly Detective Co. in Burlington, IA, received an award

through the American Legion Department in Iowa. This year, I nominated the Dewitt Parks and Recreation Commission to receive the American Legion Award for Iowa. Mr. Jim Quinlan, Iowa State Adjutant of the American Legion, announced that the Dewitt Commission will receive this award. The award will be presented in mid-April by Iowa State Commander Vince Blank and the Honorable Leo Maynard, active legionnaire and major of Dewitt.

According to Mr. Dick Polansky, director of the Dewitt Parks and Recreation Commission, older workers generally offer better quality work, need less supervision and enjoy giving service to their community. The commission recently decided to hire only older workers and is now considering expanding their older worker program to include volunteers to care for the smaller parks in their area.

Not only does Iowa boast fine employers, it also has exemplary older workers. In Cedar Rapids, Mrs. Helen Baumhoefener, 76, and her husband Carl have operated a successful nursery and greenhouse since 1930. Mrs. Baumhoefener was originally a political science and pre-law major in college, so her background in gardening is based upon her own experience. She says she still reads every day because her field is constantly changing. The Baumhoefener Nursery serves much of eastern Iowa and provides services from horticulture to landscaping.

Along with operating the nursery, Mrs. Baumhoefener appears on a radio show and offers free advice on horticulture. In addition to all these activities, she manages to maintain a summer garden. She feels keeping active motivates her and helps her to remain vigorous.

Ms. Geraldine Kohler, 67, has been employed fulltime by Finley Hospital in Dubuque, IA, as a receptionist and PBX operator for 26 years. Her initial experience in this area came from 9 years as an operator for Northwestern Bell. Ms. Kohler feels all employers should be as receptive to older workers as Finley Hospital. She feels that there are many older persons in Dubuque who would like to work but do not have an opportunity. She feels there are many people over 55 who are more than qualified for a wide range of jobs. Ms. Kohler reports that meeting people is the aspect of her job she enjoys most. She has met many people who have become her friends.

Mr. John Engelby, personnel director for Finley Hospital, shares Ms. Kohler's enthusiasm for older workers. According to Mr. Engelby, there are no age restrictions in Finley's employment policy nor mandatory retirement ages. They look beyond age for the qualities in each individual worker. At Finley Hospital, many employees over 65 and 70 are active and protective employees. One of the advantages of older workers is their dependability and dedication. Older workers receive a great deal of self-satisfaction from their work. Of Gerry Kohler he says, "She is a valued employee—dependable and conscientious. She is an excellent example of a successful employee."

Mr. Curt Sorteberg, employment coordinator for the Iowa Commission on Aging, feels that organizations in Iowa have been very active in supporting the goals of older workers. He states that most area agencies on aging serving Iowa now have older worker specialists who assist senior citizens in seeking employment in various areas of the community. I would also like to mention that in Iowa, the State Commission on Aging and national contractors such as Green Thumb, the National Council on Aging, and the American Association of Retired Persons have helped to dispel the myths associated with aging by operating successful title V employment programs for low income persons age 55 and over. Title V workers provide unlimited services to communities throughout Iowa by assisting persons of all ages in outreach, nutrition, health, and conservation.

Nationwide, as well as in Iowa, many organizations planned local activities in connection with older worker week. Members of Congress, the American Legion, and agencies funded under title V of the Older Americans Act honored successful older workers. State and area agencies on aging and national contractors under title V of the Older Americans Act joined their local American Legion posts in recognizing outstanding contributions made by older Americans. These organizations have also designated older worker week as a time to communicate with other organizations involved with employment such as chambers of commerce, business groups, and civic programs.

Despite these positive examples of employment of older workers, I wish to point out that barriers remain that prevent employers from hiring workers like Helen Baumhoefener and Gerry Kohler. These include the social security earning limitation, the disincentive created by Medicare being considered the second payer after employee insurance plans, and the requirement that workers must pay social security tax even beyond age 65.

As the ranking minority member on the Subcommittee on Retirement Income and Employment, I commend the efforts of Congress and the community at large to recognize the value of older workers through activities like national employ the older worker week. With 70.7 percent of 55-64 year old men and 42.1 percent of 55-64 year old women in the labor force in 1982, older workers are definitely a positive force in our society. I encourage other aging committee members to participate in hearings on this subject, not only to remove the barriers to hiring older workers, but to help create incentives for communities to tap the reservoir of the many experienced and capable workers over 55.●

NUCLEAR DECOMMISSIONING

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. GIBBONS. Mr. Speaker, in April 1983, I introduced H.R. 2820, the Nuclear Decommissioning Tax Act, which was cosponsored by 19 Members—a majority—of the Ways and Means Committee. During the conference on the Tax Reform Act of 1984, both Chairman ROSTENKOWSKI and Chairman DOLE indicated that this issue—the tax treatment of funds set aside for future nuclear decommissioning expenses—would be taken up again this year and that hearings would be held. I am, therefore, introducing the Nuclear Decommissioning Tax Act of 1985, which, while somewhat modified, will accomplish essentially the same result as H.R. 2820, and effectively allow full deductions for decommissioning costs of a nuclear plant over the life of the facility. I am happy to say that the National Association of Regulatory Utility Commissioners [NARUC] has once again endorsed this legislation with a resolution, passed on February 28 of this year. I am hopeful that other groups will come forward again this year and support the changes I am proposing in the Internal Revenue Code which will benefit electric utility ratepayers across the country.

As you know, nuclear decommissioning involves the dismantling, mothballing or entombing of a nuclear powerplant at the end of its useful life. It is not elective—it is mandatory under Federal law. However, while Federal law requires decommissioning and financial responsibility for decommissioning costs, current taxation by the Internal Revenue Service of amounts collected for decommissioning, including interest earned on these amounts, results in utility customers overpaying for future nuclear powerplant decommissioning costs.

Congress has already acknowledged that there are inequities in the way the Internal Revenue Service has taxed the amounts collected by utilities for future nuclear decommissioning costs. As a first step toward remedying the inequities, a provision was included in the Tax Reform Act of 1984 providing that money set aside under Public Utility Commission guidelines in a nuclear powerplant de-

commissioning account will be currently deductible from a utility's income. However, as I said, that was only a first step in remedying the inequities. Current law, in effect, continues to deny a utility a deduction for the decommissioning costs incurred which are attributable to the earnings on the fund when those earnings are actually spent at the time of decommissioning.

In addition, current law also requires a utility to deposit amounts which are to be used to decommission a powerplant in a separate fund, prohibiting them from being used to finance productive facilities of the utility.

My bill, the Nuclear Decommissioning Tax Act of 1985, would resolve these remaining inequities by amending section 468A of the Internal Revenue Code in two ways: First, it would permit a deduction for amounts which are to be used to decommission a nuclear powerplant if the amounts were deposited either in a separate fund as required by present law, or were recorded in an unfunded reserve; and second, it would provide that taxable earnings on the amounts placed in a separate fund would be taxed at one-half the maximum corporate tax rate.

The limitations of current law concerning amounts included in cost of service for ratemaking purposes and a ruling amount determined by the Secretary of Treasury would still apply. The bill also provides that the applicable regulatory body that establishes the taxpayer's rates will determine whether a funded reserve—separate fund—or an unfunded reserve is to be used.

I am proposing these two amendments to section 468A for two reasons:

First, by permitting a utility the option of an unfunded reserve, the amounts collected for the future decommissioning of nuclear plants can be used to finance productive facilities of the utility; as a result, the utility can, in many cases, provide for greater earnings on those amounts than by investing them in the open market, thereby reducing the cost of electricity to the consumer; and

Second, by taxing the amounts placed in a separate fund at one-half the maximum corporate tax rate, the fact that an effective deduction for costs paid out of the earnings is not permitted will be approximately offset.

As a result of these changes, the Nuclear Decommissioning Tax Act of 1985 would reduce the amount ratepayers must pay between now and the time the plants must be decommissioned. This was precisely the goal of H.R. 2820, which, as I indicated earlier, had 19 Ways and Means Committee cosponsors as well as the support of the National Association of Regulatory Utility Commissioners [NARUC].

Mr. Speaker, I am including for the RECORD, a copy of the February 28 NARUC resolution supporting my legislation, as well as a copy of the bill, and a list of the 19 Ways and Means cosponsors of H.R. 2820. I hope that my colleagues will come forward again this year in support of this legislation.

RESOLUTION SUPPORTING CONGRESSIONAL LEGISLATION TO CLEAR UP TECHNICAL DEFICIENCIES IN CURRENT FEDERAL TAX LAW REGARDING ACCRUALS TO RESERVES FOR NUCLEAR POWERPLANT DECOMMISSIONING

Whereas, State regulatory commissions recognize that accruals for decommissioning of nuclear units are not currently deductible for calculating income tax liability; and

Whereas, The result is an increased cost to consumers of electricity; and

Whereas, The cash flow of investor-owned utilities is reduced by the payment of Federal income taxes associated with the revenue collected to recover the costs of decommissioning; and

Whereas, Previous Congressional attempts to rectify this problem have been deficient; and

Whereas, Legislation has been drafted for introduction in the 99th Congress which would effectively allow a current Federal income tax deduction for accruals to reserves established for decommissioning costs; now, therefore, be it

Resolved, That the National Association of Regulatory Utility Commissioners endorses proposed legislation known as the "Nuclear Decommissioning Tax Act of 1985" to be introduced by Congressman Sam Gibbons (D.-FL.) which would benefit electric utility ratepayers by amending Section 468A of the Internal Revenue Code to effectively allow full deductions for decommissioning costs of a nuclear power plant over the life of the facility.

Sponsored by the Honorable Joseph Cresse of Florida.●

STRUGGLE FOR DEMOCRACY IN NICARAGUA

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. GINGRICH. Mr. Speaker, today I'm submitting two editorials on the situation in Nicaragua which I hope my colleagues will seriously consider.

The first, entitled "Why Not Democracy?" is from the March 1, 1985, edition of the Wall Street Journal. The second piece, "A Fair Offer to the Sandinistas," is from the Washington Post of March 17, 1985.

Together, these editorials provide a clear direction for our policy toward Nicaragua. The United States must continue its tradition of promoting genuine democracy over the terror and deception of Communist totalitarianism.

[From the Wall Street Journal, Mar. 1, 1985]

WHY NOT DEMOCRACY?

The objective of the Reagan administration's policy toward Nicaragua is to bring about a democratic government in Managua. With this goal enunciated clearly and repeatedly, Tip O'Neill, Edward Boland and Michael Barnes have something to oppose if they care to. If they are against the Nicaraguan democrats and in favor of the Sandinistas, we hope they will tell us that as forthrightly as the administration has now proclaimed its purposes.

Starting with President Reagan's interview with Wall Street Journal editors three weeks ago, the administration has been seizing every opportunity to clarify its objectives. It wants a Nicaraguan government that lives up to the promises of the revolution against the Somoza dictatorship. If, in the president's phrase, the present government "says uncle" and stops being a Marxist-Leninist garrison state, that is fine. If not, it is both our moral duty and in our nations interest to aid those trying to overthrow it to establish a democracy. How big a price the administration is willing to pay remains to be decided, but its objective is both clear and entirely commendable.

The notion that it is somehow unfair for the U.S. to seek to topple a totalitarian government in this hemisphere was incorporated in Mr. Boland's now-expired amendment to CIA and military funding bills. It was his conceit, and ultimately Congress's, that it was OK to give arms and money to the anti-Sandinistas so long as they didn't try to win. We can understand why the communists would want to proclaim the principle that when they succeed in taking over a revolution the result is irreversible, but we never understood why Mr. Boland wanted to write the Brezhnev doctrine into the U.S. statutes.

The Boland amendment expired at the end of 1983, but the Boland-O'Neill-Barnes axis blocked passage of funding for the Contras in the House, though it was repeatedly approved in the Senate. The deadlock was resolved through a compromise last October that appropriated money for the Contras but held up actually spending it until a deadline that expired yesterday. To release the money, the president must also get a joint resolution of Congress. The House Democrats' hope that the administration would drop the issue has obviously failed; the vote will probably come in mid-April. Opponents of the aid can no longer think they will win by default; they will be forced to defend their position.

What will they say? In particular, are the Democrats once again going to incant the litany of American guilt that has carried their party to electoral debacle in four of the last five presidential elections? Are we again going to hear that the Ortega brothers are misunderstood idealists, that the real problem in Central America is a few phrases from a CIA manual, that what needs to be debated is whether aid discussed at presidential press conferences should be "covert" or "overt" and what the CIA director told which congressional committee when? We can hear the bells that would toll not only for the Contras, but also for any Democrat who hopes to run for the open presidency in 1988.

No doubt we will be told that those we back in Nicaragua are not true democrats. Let us call the roll of the current leaders and close supporters of the Contra movement. Adolfo Calero: a Nicaraguan businessman, imprisoned by Somoza for opposition activities; tried to form a conservative party to oppose Sandinistas. Eden Pastora: former commander in the anti-Somoza revolution and a socialist. Alfonso Robelo Callejas: a chemical engineer and moderate member of original post-Somoza junta; now leading Contras in the south. Pedro Joaquin Cha-

morro: former editor of La Prensa; now in self-exile in Costa Rica. Arturo Cruz: a long-active anti-Somoza opponent who, in the face of Sandinista harassment, withdrew as Daniel Ortega's only significant announced opposition for the Nicaraguan presidency. On Jan. 3 Mr. Cruz for the first time urged Congress to aid the Contras. In terms of American ideals, surely this is a group that deserves American support.

The stakes here, though, transcend the moral symbolism that leads us to help the Afghans, however bleak their cause. America has an enormous direct interest in the stability of our hemisphere. There is still, of course, a species of American isolationism that even in today's interdependent world recognizes no threat to our interests short of an invasion of Key West. To put it simply, our interest consists of the ability to live in peace with our neighbors. Economically, we want normal trade and investment and healthy economic growth in the hemisphere; our interest here includes such nontrivial matters as the solvency of our own banking system. Politically, we want to see a continuation of the recent trend toward democracy in the hemisphere.

None of this will be possible with a Leninist Nicaragua arming itself in ways that threaten its neighbors, serving as a base for Cuban and Soviet advisers, assisting insurgencies that destroy the infrastructure of nations like El Salvador and perhaps ultimately bringing not invasion but terrorism even to Key West and beyond.

One communist garrison state in the hemisphere has been hard enough; Fidel Castro's export of subversion undermined a once-promising trend toward democracy in South America, in effect, creating many of the much-criticized military dictatorships. With great effort, including, for example, the defeat of Che Guevara, this subdivision was more or less contained. But just at a moment when democracy is now again budding in the hemisphere, another subversive threat has appeared in Nicaragua.

The consolidation of another Cuba in Nicaragua is something the U.S. should most seriously seek to prevent. Another Cuban missile-crisis settlement, guaranteeing consolidation of the Sandinista regime in return for a temporary promise to leave its neighbors alone, is not good enough. If the Contras are not in a position to win, as Gen. Gorman testified Wednesday, we ought to increase our assistance until they are.

[From the Washington Post, March 17, 1985]

A FAIR OFFER TO THE SANDINISTAS

The Sandinistas claim the crisis in Nicaragua arises from their conflict with the United States. This is not so. It arises in the first instance from their conflict with their fellow citizens, especially with the democratic people who fought the Somoza dictatorship, whose leaders served the Sandinistas in the early period and who turned against the Sandinistas only when they found the democratic promise of the revolution being denied. This needs to be understood in order to see the importance of the offer the democrats have just made to the Managua regime.

The offer comes from a newly, finally unified group including the political opposition led by Arturo Cruz and major branches of the armed resistance. Its essence as a proposal for a unilateral cease-fire by the contras to be followed by a political dialogue presided over by the bishops. The proposals is, in our view, entirely fair and reasonable. The Sandinistas protest the war? Here is an offer to stop it. How must they pay? Only by joining a process that points to the original goals of their own revolution. Their own man, Daniel Ortega, can remain president as the process unfolds. The proposal offers more than a chance for national reconciliation. It lets Nicaraguans remove their fate from foreign hands and restore it to Nicarguan hands alone.

The Sandinistas' initial response to the proposed was to bar Arturo Cruz from returning to Nicaragua to announce it and to summon some of its local supporters to state security headquarters on grounds that they were participating in a U.S.-sponsored plot to overthrow the Sandinista government. Think of it: An offer by the opposition to put down arms and to start talking about achieving the Sandinistas' own early promises is dismissed as a hostile conspiracy.

How do the Sandinistas intend to explain to the Nicaraguan people a refusal to enter a dialogue on such a reasonable basis? How can any other independent-minded Latin country—must that exclude Cuba?—fail to support this proposal? In El Salvador, the government accepted a dialogue without even getting a cease-fire in return. The government in Nicaragua is being offered a better deal. Perhaps it will think again before delivering a final rejection.

And—the inevitable question—if the rejection is final? No doubt some will argue that the Sandinistas' failure to take the offer seriously makes American support of the contras unarguable. The drafters of the Nicaraguan opposition proposal, however, are shying away from that claim. Desperately, they are making a "last effort to grant to our country a civilized solution."●

LEGISLATION TO AMEND SECTION 119 OF THE INTERNAL REVENUE CODE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. CONTE. Mr. Speaker, I'm pleased to join my colleagues BARBARA KENNELLY, BARNEY FRANK, SAM GEJDENSON, and BILL FRENZEL in introducing legislation today to provide a permanent exclusion from income under section 119 of the Internal Revenue Code of 1954 for housing for faculty members on or near the campus of an educational institution.

Mr. Speaker, under present law—section 61 of the Internal Revenue Code generally—gross income "means all income, from whatever source derived." In addition, the Supreme Court has ruled that section 61 is "broad enough to include in taxable income any economic or financial benefit conferred on the employee as compensation, whatever the form or mode by which it is effected." (*Commissioner* v. *Smith*, 324 U.S. 177, 181.) The Internal Revenue Code provides several statutory exceptions to this general rule, however. For example, a taxpayer can exclude from income interest on municipal bonds, up to $100 in dividends from a domestic corporation, and up to $5,000 in educational assistance payments provided by an employer, among other exclusions.

Section 119 of the Internal Revenue Code is another example of a statutory exclusion. Section 119 provides generally that lodging provided by an employer can be excluded from income where three conditions are met. First, the housing must be on the business premises of the employer. Second, the housing must be provided for the convenience of the employer. Third, the housing must be a required condition of employment.

Mr. Speaker, the extremely nebulous concept of income—combined with the proliferation of noncash fringe benefits over the past decade—created a great deal of controversy between the Congress and the Internal Revenue Service in the 1970's. In reality, the economic benefit test set forth by the Supreme Court has not been rigidly followed. In 1978, Congress enacted legislation generally prohibiting the IRS from issuing any regulations to tax the value of fringe benefits. The conference report explained that Congress intended that the IRS not take any action "which would alter, or in any way deviate from, the historical treatment of traditional fringe benefits." The moratorium was extended in 1979, and again in 1981.

To a large degree, the Deficit Reduction Act of 1984—Public Law 98-369—provided clear guidelines for the tax treatment of fringe benefits. The Deficit Reduction Act added a new section 132 to the code, providing that, in general, fringe benefits meeting certain tests—that is, a no-additional-cost service, a qualified employee discount, a working condition fringe, or a de minimis fringe—could be excluded from income. Fringe benefits not meeting the tests described in section 132, or any other exclusion in the code, are includible in the income of the employee. IRS regulations designed to implement section 132 make clear an employer's obligation to withhold taxes on the value of any benefit which must be included in income. For example, if an employer allows an employee to use a business car on a year-round basis—and the employee is reimbursed for all expenses—the employee will be required to include in taxable income the value of the personal use of the automobile. In addition, the employer must withhold taxes on this value.

Mr. Speaker, the legislation I am sponsoring today rectifies what I consider to be an error by the IRS in enforcing code section 119, and an oversight by Congress in enacting the fringe benefits reforms in the Deficit Reduction Act.

Many colleges and universities in this country provide low-cost housing

to their faculty members. Typically, under these campus housing programs, the institution will charge a rent which recovers the institution's direct costs in providing the housing. These rents, however, usually are less than the fair market value of housing in the community.

In the late 1970's, the IRS began challenging the campus housing programs of four colleges in New England. The IRS contended, in the case of these four schools—Wesleyan University, Wellesley College, Smith College, and Amherst College—that the excess of the fair market value of housing in the community, over the rent actually paid, constituted income to the employee, subject to withholding taxes. The IRS erroneously insists that the four institutions are liable for back taxes—in some cases back to 1973—totaling millions of dollars. The IRS is incorrect in their assessment as a matter of law and unfair as a matter of equity. This legislation corrects the IRS misinterpretation in this area, and clarifies the application of section 119 to campus housing.

First, the IRS action clearly violates the intent of Congress in enacting the moratorium in 1978, 1979, and 1981. Congress made clear that the IRS was not to "alter or deviate from" the traditional tax treatment of fringe benefits. Yet suddenly, the Service began challenging a fringe benefit—campus housing—that has never been challenged before. To bolster their unique proposition, the Service cites two court cases as controlling precedent—Goldsboro Christian Schools, Inc. versus U.S. and Bob Jones University versus U.S.—yet these cases are fundamentally different than the schools involved here. Bob Jones and Goldsboro involved the provision of free housing, which clearly served a compensatory purpose.

Second, the IRS action contradicts at least one Supreme Court decision directly on point. In Central Illinois Public Service Company, Inc. versus U.S., the Court held that an employer's obligation to withhold taxes on noncash compensation be precise and not speculative. In its decision, the Court specifically rejected the argument that an item which is income to an employee because it is not excludible under code section 119 is also automatically "income" for withholding purposes.

The Second Circuit Court of Appeals also ruled in People's Life Insurance Company versus U.S. that if an employer bestowed a benefit constituting taxable income to an employee, the decision to withhold would depend on whether or not the benefit was paid for a compensatory purpose or "to advance the employer's own wholly legitimate and bona fide business purposes."

The Internal Revenue Service's continued harassment of these four schools is certainly inequitable in light of a provision in the Deficit Reduction Act last year—section 531(g)—which exempted campus housing provided in 1984 and 1985 from tax, so long as the institution providing the housing recovered its direct costs. This extremely unfair and inequitable provision could easily result in the possibility that four colleges in the Nation will be taxed under different rules than every other college in the Nation. It is extremely unclear to me why the IRS thinks that a nonprofit institution should make a profit from its employees.

Finally, the IRS action is unfair because of its potential for harm in the future. There are numerous colleges in the Nation which provide low-cost faculty housing programs. Were the IRS to prevail in their audits against these four schools, every college in this country which provides faculty housing to its employees could face serious financial difficulties, especially in large cities.

This legislation provides a permanent exclusion under section 119 of the Internal Revenue Code for faculty housing, whenever provided. The criteria for exclusion are generally similar to the criteria in the Deficit Reduction Act for "de minimus" fringe benefits for eating facilities—that is, the facility must be on or near the business premises of the employer, and, the revenue must equal or exceed the direct operating costs. This will clarify the application of section 119 once and for all for the IRS.

Mr. Speaker, my concern over the IRS action in this area led me to add an amendment to the fiscal year 1983 Supplemental Appropriations Act prohibiting the IRS from taking any action against any school providing low-cost faculty housing. I was dismayed and angered when the Service again went after the four New England schools as soon as the supplemental expired, since I thought congressional intent in this area was extremely clear.

The Select Revenue Measures Subcommittee of the Committee on Ways and Means held hearings and marked up similar legislation during the 98th Congress. I urge them to do so again in the 99th Congress, and urge expeditious action on the legislation by the House and Senate.●

TAX PREPARATION FEE CREDIT FOR NONITEMIZERS

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. CAMPBELL. Mr. Speaker, I would like to bring to the attention of my colleagues an inequitable situation that exists in the administration of our tax laws; namely, the limited use of the deduction for tax preparation fees. This problem is addressed in a bill that I have introduced today.

Although we are carefully moving in the direction of tax simplification, the fact is that we still have a complex Tax Code, which necessitates the use of tax preparers in many cases. Of the approximately 96 million tax returns that are filed every year, just one-third have a schedule A attached which makes the deduction for tax preparation fees possible. Of these 33 million returns, just 21.5 million were prepared by paid professionals. I find this troubling because statistics suggest that returns prepared by paid professionals are more accurate. According to the 1983 Report of Verification of Individual Master File Returns, the math error rate—faulty arithmetic, items placed on the wrong line, taking the wrong tax from the table—for paid preparers was 5.5 percent. However, the rate for returns prepared by the taxpayers themselves was more than double: 11.1 percent. Returns prepared by paid professionals reduce IRS costs because fewer of them are faulty. Tax compliance increases, and consequently, the net result to the Treasury is a positive one. Moreover, public confidence increases as taxpayers may discover credits and deductions that they have overlooked and are relieved of the burden of preparing a return.

Therefore, to correct this situation, I have introduced a bill today that would provide a credit for tax preparation fees to nonitemizers, up to $15, which would assist them in securing professional tax preparation. Aside from the greater number of accurate returns which would reduce IRS costs, one other principle should motivate this body to approve this bill. The tax system is probably the most prominent manifestation of the Government in the populace's lives. For years, this body has succeeded in enacting complex and sometimes burdensome tax laws. Moreover, the IRS many times adopts regulations so complex, that questions from taxpayers on the same subject sometimes result in different answers from agents. April 15 has become a day of dread to most taxpayers which, in and of itself, leads to errors.

Thus, more and more taxpayers, currently about 45 percent, seek professional assistance. Yet, just about half of them can deduct it. The rest are practically forced to make an expenditure due to Government regulation that they would otherwise not have to make. Furthermore, the remaining 55 percent of taxpayers who do not use professional help are left to fend for themselves. Statistics show that these people have lower incomes than taxpayers patronizing professional preparers.

The results clearly must be corrected. One method would be to institute a simplified system, a move that I strongly support. However, in the meantime, I urge that my colleagues investigate further this proposal, and support my bill which would provide a credit for tax preparation fees for nonitemizers. This would ease the taxpayer's burden of complying with the tax system and result in more correct returns, thereby reducing IRS costs and offsetting any revenue loss.●

INTRODUCTION OF PLANT CLOSING BILL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. CLAY. Mr. Speaker, today, I, along with Congressmen WILLIAM D. FORD of Michigan and SILVIO O. CONTE of Massachusetts, have introduced bipartisan legislation to address the national problem of plant closings and the permanent layoff of workers. This bill, to be known as the Labor-Management Notification and Consultation Act of 1985, is intended to provide an interim response to the problems which result when a company suddenly shuts down or lays off a large number of employees.

Our economy is currently undergoing important changes. In most instances, this transformation is healthy and needs to be encouraged. However, one of the inevitable byproducts of change and growth is that working people are required to readjust and reorganize their lives. It is my strong conviction that we as a society have an obligation not only to encourage economic growth but to seek to cushion the inevitable human dislocation it causes. It is neither rational nor humane to discount the suffering of workers by failing to take even minimal steps to alleviate the impact of plant closings and layoffs. The recognition that dislocation is going to occur makes it absolutely necessary to do all that is possible to minimize its effect on working men and women.

It is also my belief that by taking into account the effect on workers and their communities, change can take place more smoothly and successfully. Consultation and coordination between all those affected can make growth less disruptive. Employers working with employees can assure that unnecessary dislocation is avoided and assure that inevitable plant closings occur with as little hardship as possible.

These are the objectives of the legislation we are introducing today. We believe they are widely shared and hope that the bill moves quickly through Congress.

At the heart of the bill is the creation of a "blue-ribbon" commission. Because the pervasive plant closing dilemma is far from fully understood, the bill mandates the creation of a National Commission on Plant Closings and Worker Dislocation. This Commission will be empowered to study every aspect of the plant closings issue and to report its findings to Congress. Such an investigation is needed to better understand the economic and social causes of plant closings as well as the costs. The Commission will use the knowledge it gathers to analyze the responses we, as a Nation, can pursue. Such a process is essential if we are to develop long-term solutions to these difficult problems.

While the Commission is doing its work, the bill mandates certain minimal first steps to be taken. It requires that whenever possible, employers must notify and consult with affected employees prior to a closing or mass layoff. There is an immediate need for prenotification and consultation. Broader solutions can await the findings of the Commission.

The hardship of a plant closing is often intensified because of the suddenness of a shutdown. Frequently, workers have no idea that their company is contemplating a closing. They work 1 day and return the next to a locked gate and an out-of-business sign. It takes time for workers to adjust and respond to the sudden loss of a lifetime occupation. It takes time for a community to adapt to the economic disarray that is created when an employer closes. When one company shuts its doors, the slamming reverberates throughout the region. If companies were required to provide advance notice of a plant closing, some of the shock could be lessened. Workers could begin to prepare for new jobs and save for the time needed to find them. In some cases, workers or other members of the community might be able to offer alternatives to a closing. The requirement of advance notice when possible is a necessary first step in reducing the pain and confusion a plant closing causes.

Workers deserve not only notice but also an opportunity to consult with their employer over the decision that will so drastically change their lives. The bill requires that employers consult with the affected employees or their representatives to explore alternatives to the closing and layoff. Consultation provides not only the possibility of avoiding a closing, but it also keeps those affected informed. It greatly increases the chances that all that is possible will be done to minimize the effects of a closing. Like the notice provision, the consultation provision is a necessary first step.

This is not the first time that plant closing legislation has been introduced. In the past, the Labor-Management Relations Subcommittee, which I chair, has conducted several days of hearings on the critical problems created by capital flight and worker dislocation. I have sponsored legislation on this issue for the past several Congresses. However, the bill we introduce today is different from past efforts. It reflects an understanding that we have not yet reached a consensus on long-term answers to these serious problems. We have worked to construct an interim solution, one that can win the support of a majority of this Congress.

The number of workers dislocated because of plant closings and permanent layoffs continues to grow. It is a national phenomenon occurring in every State and region of the country. Yet the problem has not produced a national response. We intend this bill as a realistic first step toward such a response. We are optimistic that it can attract broad bipartisan support from the Members of this Congress. Toward that end, I intend, as chairman of the Subcommittee on Labor-Management Relations, to make every effort to advance the passage of this legislation. The subcommittee will hold hearings on the bill in hopes of moving quickly toward its approval in this Congress.●

CHANGING THE 2-YEAR HOUSE TERM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 20, 1985, into the CONGRESSIONAL RECORD:

CHANGING THE 2-YEAR HOUSE TERM

"Why haven't the terms of House members been extended from two to four years?"

During my service in Congress, Hoosiers have asked me that question more often than any other. A short answer is that it takes a constitutional amendment approved by two-thirds majorities in Congress and by three fourths of the state legislatures to change the length of House terms. Another short answer is that Senators oppose the change because it would allow members to run for the Senate in off years without losing their House seats. Despite these practical obstacles to change, the question

whether House terms should be lengthened keeps coming up because it deals with the structure of our government.

The length of congressional terms was a subject of heated debate during the first Constitutional Convention in 1787. The House term drew most of the attention. The Constitution's precursor, the Articles of Confederation, called for House elections every year. James Madison and Alexander Hamilton proposed a three-year term, and after months of discussion a compromise two-year term was agreed to. The debate did not end there, by any means. Presidents Truman, Eisenhower, Johnson, and Nixon advocated lengthening the House term to four years, and nearly every recent Congress has grappled with that issue and the related question of whether four-year House terms should be staggered (as in the Senate) or should run concurrently with the President's term. The 99th Congress is looking at a bill to establish staggered four-year House terms.

Proponents of the four-year House term argue that the increased complexity of legislation today does not give members time for biennial campaigns. Opinion polls, they say, can keep members abreast of their constituents' feelings. Fewer elections would mean less spending and fewer abuses. Opponents counter that opinion polls are not as meaningful as votes, and that while today's legislation is more complex, Congress draws on technical staff more than ever and analyzes legislation quite adequately. They point out that making campaigns less frequent may not make them less costly. Since more is at stake, candidates are likely to spend more. They also argue that the political mood of the country can change markedly in two years, and that House elections should be geared to reflect such change.

At issue here is the relationship between the member and the citizen. More frequent elections bring members under closer scrutiny from voters. The longer term places greater emphasis on the members' own judgement and makes him more independent of the electorate. The Founding Fathers believed that they had struck the right balance by creating a bicameral legislature with a Senate, where six-year terms would make for deliberation less influenced by the passions of the day, and a House, whose frequent elections and smaller electorates would register shifts in public opinion. Legislators disagree whether a longer House term would alter Congress's character.

If there is a four-year House term, should the House be divided into two classes, with each class standing for election alone, or should all members run for a term concurrent with the President's? Those who favor presidential power in the constitutional scheme prefer a concurrent term because it would raise the chances that a President and Congress of the same party would be elected in a wave of popular sentiment. They complain that staggered elections would prevent one half of the electorate from voting for the House in each election, and that such elections would create a technical problem of splitting 435 House seats into equal halves.

Defenders of staggered elections say that the technical problem is solvable. Computers could assist in making a fair division. Above all, they say, electing half the House every two years would be consistent with the concept of a House close to the people, and without staggered elections, the House would become overly bound to presidential politics, a development which might upset the constitutional balance of power. The late columnist Walter Lippmann wrote that concurrent terms would "remove the main check upon Presidential government, and in the electronic age the President in office with his well-nigh monopolistic control of television would acquire undue and excessive power."

In fact, the entire debate on four-year House terms can be framed as an argument on the relative powers of Congress and the President. Increasing the House term to four years adds to Congress's power; making the four-year term concurrent with the President's diminishes it; and staggering elections adds to congressional power. Presidents might not "go over Congress's head" on national television so often if the whole House were not up for election every two years. Both Congress and the President are cautious about measures affecting the balance of power. Although the balance has survived for two hundred years, it is still described as precarious and the common suspicion of attempts to tamper with it has thwarted previous legislation on House terms.

These issues are not new, and they will probably get a lot older before they are resolved. An apparently simple question about the length of the House term is really about the distribution of power in our constitutional system. These matters are usually pushed aside by more pressing concerns at hand, and the deficit will take up more of Congress's time this year than will any measure altering the House term. However, discussion of a longer House term is likely to persist.

I prefer the staggered four-year House term. Modern communication and transportation allow members to stay fully in touch with constituents, and increased interest and sophistication among voters generate enough pressure to force members to pay attention in any case. With half of the House elected every four years, shifts in political opinion would be registered adequately. The longer term would relieve the intense pressure of biennial campaigns on members and would enable them to focus on their legislative duties, thus improving the work of Congress.●

TOILING ON FREEDOM'S FRONT LINE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. COURTER. Mr. Speaker, after a trip through Russia a century and a half ago, the Marquis de Custine observed that "one word of truth hurled into Russia is like a spark in a keg of powder." More recently, Alexander Solzhenitsyn told of "the mighty nonmilitary force which resides in the airwaves and whose kindling power in the midst of Communist darkness cannot even be grasped by the Western imagination."

Mr. Speaker, there are an astonishing 60 million shortwave radio sets in the U.S.S.R. today. Given the broadcasting capabilities of foreign countries, it is difficult to understand why the regime has allowed manufacture of them. But it is not difficult to see what can be done with them.

The scholar and nationally syndicated commentator Michael Novak, who recently joined the directorship of Radio Free Europe and Radio Liberty, has offered this initial appraisal of these two services, whose sheer factual credibility is their most priceless asset. I commend his article to my colleagues:

[From the Washington Times, Mar. 7, 1985]

TOILING ON FREEDOM'S FRONT LINE

(By Michael Novak)

Heroes on the front line in the crucial battle for objectivity and truth—this is the way the nine of us serving on the Board for International Broadcasting think of the brave men and women who staff the two most storied networks in radio broadcasting today, Radio Free Europe and Radio Liberty.

It is the greatest privilege of my life to serve on this board. Envy me the colleagues it has given me: its chairman Frank Shakespeare of USIA and RKO, Ben Wattenberg (co-chairman), Lane Kirkland, James Michener, Arch Madsen (chairman of Bonneville Broadcasting), Clair Burgener (five-term congressman), Malcolm Forbes Jr. (of Forbes magazine), and Edward Ney (chairman of Young & Rubicam).

The Soviets hate these two free radio networks. They have recently launched (again) a massive disinformation campaign against them. On Feb. 17, Pravda accused the radios of serving American Jewish interests—in the midst of the most sustained anti-semitic campaign in Soviet history. The next evening, Moscow television ran a 90-minute assault on the radios. Indeed Moscow spends more money jamming RFE/RL than the United States spends broadcasting.

Working conditions for many of the 1,750 writers, translators, editors, and other employees of the RFE/RL networks are psychologically difficult. They live in exile, refugees in various "waves from the 1940s, the '50s, '60s, and '70s, and now the '80s.

Many were once brutally imprisoned, some tortured, some injected with drugs causing excruciating pain in Soviet "mental hospitals." They now work in Munich, in a linguistic tradition (German) not their own, and with an English-speaking American management. They experience all the tensions of their own diverse ethnic histories, ideological struggles, and points of view. The two networks are fiercely pluralistic.

Radio Liberty broadcasts in 12 different languages to the peoples of the Soviet Union. Radio Free Europe broadcasts to eight of the nations now locked behind the Iron Curtain: Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Estonia, Lithuania, and Latvia. The sheer factual credibility of these radios is their most priceless asset.

Recently, charges have been made in the American press (they are old charges, the radios being constantly attacked) that signs of "anti-Semitic" or "anti-democratic" passages have been broadcast, particularly in programs dealing with history.

Most of these charges are launched against Radio Liberty, and their usual express aim is to attack the director of Radio Liberty, distinguished American journalist George Bailey. The charge that hurts the most is that four broadcasts have contained brief descriptions of past events which some

listeners might construe as "anti-Semitic." No one dares to charge intentional anti-Semitism.

In the U.S.S.R., there was significant anti-Semitism in the past, and today it is virulent. Even describing it accurately, especially in quotation from original sources, is in itself tricky.

Still, approximately 25 percent of the staff in the Russian Service is Jewish. Everything that goes on the air is passed through editors, kept on tape, and subject to systematic broadcast analysis. None of it is secret. All is public. Staff members either hear or very soon report upon anything even in the slightest way questionable. Hot debates are a constant feature of life at the radios, as is every sort of rivalry.

In the judgment of the board, to which every questioned script comes, there have been passages that, in prudence, ought not to have been aired. Several times in recent years, passages questioned as possibly open to "anti-Semitic" interpretation have been found to have been written by Jewish writers whose intent, plainly, was the opposite. No "pattern" has been discovered among authors or editors or managers. Quite the opposite. The personnel of the radios are persons who value the human dignity and liberty of all enormously.

George Bailey, a former editor of The Reporter, was honored by the Overseas Press Club some years back for "Best Magazine Reporting on Foreign Affairs," and has written widely acclaimed books on Germany and other European subjects. He has directed Radio Liberty in such a compelling fashion that the Soviets seem frantic in their attacks.

Having reached 65 last November, and now retiring from his directorship in high honor, George Bailey will continue at the radios in an important editorial policy role. With his two chief colleagues, former U.S. Sen. James L. Buckley, president, and George Urban, distinguished journalist from Encounter and director of Radio Free Europe, he and all their 1,750 associates will continue to broadcast as objectively, compellingly, and pluralistically as human wit and endurance allow.

A chief question in their minds: What are the spiritual roots of a new Soviet society, now that Marxism behind the Iron Curtain has lost its power to inspire the human heart? Even to raise this question deeply troubles the Soviet Nomenklatura. Yet it is a question much alive among their countrymen.

Ideas are far more important in this world than weapons. The inner conflicts, tensions, arguments, and vitalities of RFE/RL illustrate the practices of liberty at their best. Not tidy, not without error, but carrying indispensable information and a breath of the free human soul across international barriers, fulfilling exactly what the U.N. Charter proclaimed as the right of all human beings, in their common humanity.

Visit Munich if you can. The whole world should see—and follow intently—the many-sided arguments of those brave men and women of RFE/RL who commit so much passion and intelligence to their demanding frontline work on behalf of liberty and truth.●

EXPANDING OPPORTUNITIES FOR OLDER WORKERS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. RINALDO. Mr. Speaker, on March 7, 1985, I introduced legislation to extend the targeted jobs tax credit [TJTC] and include as a targeted group for such purposes economically disadvantaged individuals over the age of 55. Those joining as original cosponsors of H.R. 1512 are the chairman of the Select Committee on Aging, Mr. ROYBAL, the chairman of the Aging Committee's Human Services Subcommittee, Mr. BIAGGI, the chairman of the Aging Committee's Health and Long Term Care Subcommittee, Mr. PEPPER, the ranking minority member of the Aging Committee's Retirement Income and Employment Subcommittee, Mr. TAUKE, the ranking minority member of the Education and Labor Committee, Mr. JEFFORDS, the chairman of the Education and Labor Committee's Employment Opportunities Subcommittee, Mr. MARTINEZ, and the chairman of the Education and Labor Committee's Human Resources Subcommittee, Mr. KILDEE.

Congress first passed the targeted jobs tax credit in 1978 to assist hard-to-employ individuals in finding employment in the private for-profit sector. The credit is available for taxable employers who hire individuals from any of nine target groups, including "economically disadvantaged" youth, Vietnam veterans, ex-convicts, vocational rehabilitation referrals and supplemental security income [SSI] recipients.

I am pleased to note that my own State of New Jersey has been among the most active in the Nation in utilizing the TJTC provision to place those who might otherwise have difficulty finding a job. Since 1979, over 2,000 New Jersey employers have taken advantage of the credit, resulting in a tax savings to businesses of $98 million and creation of hundreds of new jobs. Over 65,700 individuals have been certified for work under the credit, and new workers are being hired at the rate of approximately 1,300 a month, according to the New Jersey Department of Labor.

Unfortunately, however, this program has been of only minimal help to older workers. The only targeted group which includes a substantial number of older individuals is SSI recipients, which, according to the Congressional Budget Office, is the least served category in the program. Moreover, to be eligible for SSI on the basis of age, one must be 65. Many mature individuals face serious obstacles to employment well before they reach age 65. Testimony before the House Select Committee on Aging in the 97th and 98th Congresses revealed that older individuals suffer rampant age discrimination in obtaining and retaining jobs—the Equal Employment Opportunity Commission reports that age discrimination complaints are at record highs—and endure much longer periods of unemployment than do younger workers. Moreover, the older the worker, the bigger the cut in pay he or she must take to work again. Frustrated at their inability to find suitable employment, many older individuals permanently withdraw from the labor force and travel down an irreversible path of economic, physical, and emotional decline.

Approximately 9.2 million individuals over the age of 55 meet the TJTC definition of "economically disadvantaged"—virtually the same population eligible for assistance under title V of the Older Americans Act and the special set-aside under the Job Training Partnership Act [JTPA]. Yet title V in the current fiscal year will provide only 64,000 part-time jobs, serving less than 1 percent of those eligible. Likewise, the JTPA reaches only a small fraction of those older workers eligible for special job training and counseling assistance.

Amending the TJTC to include low income older workers will demonstrate further congressional commitment to the needs and rights of this segment of society and would implement a major recommendation of the 1981 White House Conference on Aging. Older individuals want to remain independent, productive, taxpaying members of society. Supported by the business community and major aging organizations, this legislation will help ensure that many more will have the opportunity to do so.

As ranking minority member of the Select Committee on Aging, I urge my colleagues to support H.R. 1512.●

IMPACT ON HIGHER EDUCATION CUTS ON NEW YORK STATE STUDENTS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. OWENS. Mr. Speaker, the President has submitted his budget proposals. The figures on the pages do not always give us a sense of just what the outcome of the changes will be. Fortunately, I was able to review an analysis of the impact of some of the higher education cuts on the students of New York. The impact analysis makes the figures come alive and allows us to understand what the impact of the changes will be on real people who are trying to get an education.

In Federal fiscal year 1984, New York State guaranteed 393,528 student loans for a total of $936 million. This represented 12.5 percent of all dollars provided nationally through the Guaranteed Student Loan Program.

Based on 1983-84 borrowing, the administration's proposal to limit GSL eligibility to students/families with incomes of $32,500 or less would eliminate 95,880 loans (24 percent) and would reduce the total borrowed by $221.81 million (24 percent). Undergraduate borrowing would be cut by 24 percent and graduate borrowing by 22 percent.

An additional 27,000 graduate students with incomes below $32,500 will have their guaranteed student loans reduced as a result of the proposal for a $4,000 cap on total Federal aid from all programs. Most graduate student borrowers now take loans of more than $4,000 per year. The estimated loss from this proposal will be $34 million. The combined proposals will eliminate or reduce guaranteed student loans for 75 percent of graduate student borrowers.

Loan eligibility would also be significantly reduced by a proposal to require all students to undergo a family financial needs analysis. We estimate a $100 million reduction in loans as a result of this change.

A third proposal to cap Pell grant income eligibility at $25,000 will eliminate approximately 12,600 New York Pell grant recipients.

In addition to these changes which directly affect the students, changes in the manner of reimbursement to the banks will serve to make banks less willing to extend loans to students.

It is hard to imagine just how this country will be able to compete in an increasingly complex world if we deny education to our young people. The pittance saved by denying education exacts a high price when we look at our balance of trade situation.

Carl Sandburg said, "A baby is God's opinion that the world will go on." This administration's budget shows that it does not believe that the world need go on. The lack of commitment to the future of each individual who did not have the good sense to be born into an affluent family which could provide an education represents a cynical abandonment of our youth and our future.●

JAPAN'S UNFAIR TRADE PRACTICES: NEGOTIATIONS GO NOWHERE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. DINGELL. Mr. Speaker, for many years we have conducted trade negotiations with Japan to reduce their barriers for U.S. products. And after every year, the barriers to Japanese markets remain standing, producing enormous annual trade deficits for our economy. Many Japanese industries have prospered with protected domestic markets and easy access to our market for their unfairly subsidized exports.

The intractability of Japan on trade issues has frustrated even those among us who have been committed to textbook principles of free trade and have advocated negotiated solutions. This frustration was forcefully expressed by Mr. Robert J. Samuelson, a respected and thoughtful economic columnist, in a recent column appearing in the Washington Post. Mr. Samuelson's recommendation to "halt all trade negotiations with Japan" is a dramatic indication of just how fed up Americans have become with a nation that prefers many discussions and precious few resolutions.

Mr. Samuelson has correctly observed that the "process of reaching agreements has substituted for the genuine goal of opening markets" in Japan. He concludes that continued negotiations will not change Japanese attitudes or policies: "A decade of trying has yielded—as measured by imports—only meager results."

The United States must begin to deal with our trade partners on a more practical and pragmatic basis. We cannot afford to continue unproductive negotiations while our industries and workers suffer lost opportunities for exports and face unfair competition in our domestic markets. Following is the complete text of Mr. Samuelson's column, which I commend to the attention of my colleagues:

THE JAPANESE ILLUSION

The dispiriting ritual of American-Japanese trade negotiations was played out again last week. Americans complained about Japanese foot-dragging; the Japanese protested. This time it was about telecommunications equipment and plywood; before it has been about cigarettes, beef and satellites. I have a suggestion: Let's halt all trade negotiations with Japan. The Japanese need to open their markets in their own interests and, if they don't see that, I doubt we can persuade them otherwise.

The great Japanese illusion is that a huge export surplus is a sign of strength. Japan's export obsession is understandable; about three-quarters of Japan's imports are fuel, food and raw materials, so it needs to export to survive. But the obsession is backfiring. Since 1979, fully 40 percent of Japan's economic growth has stemmed from exports. This rising dependence on exports for growth and jobs makes Japan an easy prey for protectionism here and elsewhere.

Don't mistake me. I'm not advocating protectionism. At best, it's a short-term expedient that hurts American consumers. Import limits on automobiles raised car prices nearly 8 percent in 1984 while saving only 44,000 American jobs, according to a recent government estimate. At worst, protectionism invites imitation and retaliation, threatening the global trading system on which most nations, and Japan particularly, rely. But Japan abets protectionism by its own exclusionary practices.

Japan often doesn't buy even when foreign firms are clearly competitive. In 1984, the United States—which has the world's best communications system—ran at least a $900 million trade deficit with Japan in communications equipment. Little wonder, then, that a lengthening list of industries now has a potential stake in restrictions on Japanese imports. A decade ago, the list would have included steel, textiles and televisions. Now you can add autos, auto parts, machine tools, telecommunications, electronic semiconductors and earth-moving equipment.

In short, the conditions are being laid for a protectionist binge; not now, but at the next economic downturn. In today's economy, most industries (surely telephones, even autos) are doing well. Witness the president's decision last week not to ask for a renewal of auto-import limits. But in a slump, when profits plunge and jobs disappear, protectionist pressures tend to overwhelm the diffuse interests of consumers or the abstract virtues of open trade. The best anti-protectionist defense is a large American lobby that has a stake in doing business with Japan, but this is precisely what's missing.

Americans (and others) don't feel they have a fair shot at the Japanese market, and for this Japan has only itself to blame. It is efficient at importing only what it absolutely needs—foods, fuel, minerals. In 1981, six major trading companies accounted for more than half of Japan's imports. But elsewhere, importers collide with cumbersome bureaucracy, parochial testing requirements, exclusionary trade associations or, simply, a predisposition not to buy foreign.

Consider telecommunications. Until recently, the state-owned telephone monopoly, NTT, purchased virtually nothing abroad. Now NTT is losing its monopoly, and the Japanese government is considering new technical rules for approving foreign-made equipment. "What I hear makes me sweat at night," said Wolfgang Schwarz, vice president at Rolm Corp., a manufacturer of advanced switchboards and terminals. The new requirements may be "more complex and more cumbersome than the existing ones," he said.

The informal protectionism is typical. Japan's average tariff is lower than ours and formal quotas are few. But the Japanese government doesn't want to buy foreign satellites; a state monopoly and high tariff have restricted the sale of foreign cigarettes; tariffs of up to 20 percent remain on plywood imports; and quotas still restrict beef and citrus sales. The result is what economists call a low "elasticity" to imports. As Japan's economy grows, the demand for added imports increases only slowly. Japan's elasticity is less than half that of most other industrial nations.

Because much of the rest of the world buys Japanese, this is an inherently explosive situation. Nor is it automatically self-correcting. Much of Japan's export surplus is being invested abroad in dollar securities. Therefore, the surplus isn't leading to an appreciation of the yen (which would dampen the export boom) or to higher domestic spending (which would provide some stimulus to imports). Japan's domestic economic performance has been spotty; since

1979, exports have increased from 16 to 22 percent of gross national product.

Not only is this export-led growth a drag on the global economy, but it's a dangerous dependence for a nation that is perceived abroad as selfish. The United States and Japan have huge mutual interest and, as the world's two most technologically advanced nations, have a lot to teach each other. But these mutual interests are vulnerable to an uncontrollable spasm of protectionism. The truth is that no one really needs Japanese imports. Almost everything they export is (or can be) made elsewhere.

I am not saying that we ought to demand a balance in our trade with Japan. The whole point of trade is to shop around the world for the best available products. Nor did the Japanese single-handedly cause last year's huge bilateral imbalance, which was $34 billion in Japan's favor. Much of that stemmed from high economic growth here (which increased imports) and the high dollar (which made American exports less competitive). But foreign firms—not only American ones—that have a natural market in Japan need to realize that market; otherwise, the basic political requirement for trade, a sense of mutual advantage, vanishes.

Japan's interests are to fortify the international trading system; to export, it must import. I don't think American government officials can change Japanese attitudes or policies through negotiations. A decade of trying has yielded—as measured by imports—only meager results. The process of reaching agreements has substituted for the genuine goal of opening markets. So call the negotiators home. Great nations do not negotiate so much as they initiate. Japan is a great nation. It should begin acting like one.●

H.R. 1517, THE AGRICULTURAL EXPORT EXPANSION ACT OF 1985

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mrs. SMITH of Nebraska. Mr. Speaker, during the past few weeks, this distinguished body has deliberated at length regarding the plight of the American farmer. If we have agreed upon anything regarding this topic, it is that Government policies have had a lot to do with the current problems that agriculture faces.

As if grain embargoes, exorbitant interest rates, and a record-high dollar weren't enough, farmers have been dealt another crushing blow by Government. In a recent ruling, a U.S. district court has held that our blended credit export program must conform to cargo preference requirements.

This ruling has effectively ended the usefulness of our blended credit program, which has been utilized extensively to help offset unfair competition by the European Community and other exporters. Already, $536 million worth of agricultural shipments have been postponed due to this untimely decision.

To alleviate the possible devastation of this detrimental Government action, I am urging you to join me and more than 20 cosponsors on H.R. 1517, the Agricultural Export Expansion Act of 1985.

This commonsense piece of legislation, which was introduced on March 7, would exempt from cargo-preference requirements to USDA's commercial export promotion programs, including blended credit and other programs that are designed to make our agricultural exports competitive with our increasingly sharp trade rivals.

For the benefit of my colleagues, I am including for the record the text of H.R. 1517, which represents the House of Representatives' initial effort of 1985 to maintain—and expand—our agricultural export markets. The text of the bill follows:

H.R. 1517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Export Expansion Act of 1985".

SEC. 2. Section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)) and the joint resolution of March 26, 1934 (46 U.S.C. 1241-1), (commonly referred to as the "cargo preference laws") shall not apply to export activities of the Commodity Credit Corporation or the Department of Agriculture under which—

(1) stocks of agricultural commodities or the products thereof acquired by the Commodity Credit Corporation are made available to United States exporters, users, or foreign purchasers, for the maintenance or expansion of export markets for United States agricultural commodities or the products thereof;

(2) commercial credit guarantees are blended with direct interest-free credits from the Commodity Credit Corporation to reduce the effective rate of interest on export sales of United States agricultural commodities and products thereof; or

(3) The Commodity Credit Corporation or the Department of Agriculture promotes the export of United States agricultural commodities on a commercial basis.●

$19 BILLION IN INTEREST PAYMENTS TO FOREIGNERS ON THEIR HOLDINGS OF U.S. PUBLIC DEBT; $2 BILLION INCREASE IN 1 YEAR

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. STARK. Mr. Speaker, it is certainly nice to have the use of foreigners' money to help finance our staggering deficits. It keeps the interest rates in this country down, and makes less painful the cost of financing our $5,707 of new public debt per second.

But there is a cost, of course, and the cost is the interest we pay the foreigners for the use of their money. This interest is tax dollars which go overseas to pay foreigners for their loans. It is tax dollars that could have been spent domestically to make loans for the education of our children, build roads, pay for the defense buildup, lower taxes—you name it. But it is gone, part of the cost to the country of becoming a net debtor nation to the rest of the world.

The foreign debt figures are huge and growing fast. They are another argument on why we need to reduce our Federal deficits and interest rates. Otherwise more and more of the tax dollars of our children will have to be earmarked to pay off the loans from foreigners used to finance our profligacy today.

In 1983, Treasury estimates $16.9 billion was paid to foreign holders of public debt securities. In 1984, the interest payments rose to $18.9 billion.

In December 1982, foreigners owned $149.5 billion worth of U.S. Treasury securities. By the end of 1983, the amount had risen to $166.3 billion. By the end of 1984, there was a big jump to $193.1 billion.

We can thank foreigners for helping us in our deficit spending binge. But our children will not thank us.●

VERNE DAVIS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. COELHO. Mr. Speaker, I would like to take this opportunity to ask the Congress to join me along with family, friends, and colleagues in honoring a true public servant. Verne Davis, director of the Merced County Public Works Department, is retiring after 37 years of service to his community.

Verne Davis has played a crucial role in the modernization and consolidation of the public works department in Merced County. Verne has been the creative force and organizer of numerous public works projects over the years. After 3 years of serving his country in the Navy, Verne returned to Merced County in 1947 and took a job as a county truck and bulldozer driver. Within 1 year's time, he was placed in charge of cost accounting for the department. The next year, he was promoted to engineering aide, doing surveying work. In 1955, he was made junior civil engineer; 3 years later he was the assistant civil engineer in charge of road projects construction and eventually became road commissioner. Finally, in 1961, the department was consolidated, combining management of its numerous divisions, and Verne became director of the new department.

Verne Davis has also served as president, vice president and director of the San Joaquin Valley Road Commission-

ers and County Engineers Association and as president of the County Engineers Association of California. He has also received the National Horace Greeley Award from the American Public Works Association, a well-deserved award recognizing his public works service.

Mr. Speaker, it is with great pride that I commend Verne Davis before my colleagues here in the House of Representatives. He is a man of admirable character, a truly dedicated professional whose absence from the Merced County Public Works Department will surely be felt. Please join with me in wishing Verne congratulation upon his retirement.●

RECOGNIZING THE HOUSEHOLD GOODS MOVING INDUSTRY AWARD WINNERS

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BARTLETT. Mr. Speaker, I would like to bring to the attention of my colleagues an event which occurred on Monday, March 11, in the Rayburn House Office Building here on Capitol Hill in Washington. It was the fifth annual luncheon for the American Movers Conference Industry Service Awards. The American Movers Conference is the trade association for the interstate household goods moving industry, and the purpose of this luncheon is to pay tribute each year to six outstanding members of that industry. The winners of the awards are chosen by two panels of impartial judges for acts of extraordinary service to consumers, contributions to their communities and country and kindness and concern for others. These winners were chosen from scores of nominations submitted from every sector of the moving industry and from every part of the country.

Mr. Speaker, I would like to recognize these outstanding members of the household goods moving industry. The grand award winner was one of my constituents. He is W.N. (Mac) McKinney, retired president of American Mayflower Agency System of Dallas, who had an outstanding 52-year career in the business and was a great booster of his community. The other five winners were: Edwin Banfield, owner of Banfield Moving & Storage Co. of Middletown, NJ, a United Van Lines agent, who was very active in the industry in his State and served his community in numerous ways; Anthony Casarella, a retired van owner-operator for Morgan & Brothers—Manhattan Storage Co. of Armonk, NY, an Allied Van Lines agent, who had an excellent driving record over 3.5 million miles and who took great care of people's goods; Merrill Wilburn Norris, a van owner-operator for Mayflower of Michigan in Madison Heights, MI, who was recognized for his outstanding customer service; John Pentangelo, Jr., director of revenue process for North American Van Lines of Fort Wayne, IN, who "transformed his department into a cooperative and performance-oriented group that has resulted in terrific advancements," and Michael L. Wherley, president of Leonard-Wherley Moving Systems of York, PA, an Atlas Van Lines agent, who was the driving force behind the realization of the Tomb for the Unknown Vietnam War Soldier in Arlington Cemetery.●

THE LELAND BOWMAN LOCK

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BREAUX. Mr. Speaker, on Saturday, March 23, the Leland Bowman Lock on the Gulf Intracoastal Waterway near Abbeville, LA, will officially be opened to traffic during formal ceremonies. The structure replaces the existing lock and is named in honor of Leland Bowman, now deceased, a licensed pilot and shipyard owner who dedicated much of his life to improvement of the Nation's waterways and adoption of prudent water resources policies. Mr. Bowman was a major advocate for authorization and appropriations for a replacement lock on the Gulf Intracoastal Waterway.

The Leland Bowman Lock will reduce navigation costs, improve salt water intrusion control, and facilitate discharge of flood waters. It will contribute to commerce and industry along the Intracoastal Waterway system by virtue of its enlarged, modern features.

Louisiana's Seventh Congressional District is proud to have the Leland Bowman Lock located there. Leland Bowman, I am proud to say, was my constituent. His leadership has provided us with the replacement lock named appropriately in his honor.

Mr. Bowman also served as a charter member and president of the Louisiana Intracoastal Seaway Association, charter member and vice chairman of the Louisiana Coastal Commission, chairman of the Gulf Intracoastal Canal Association's executive committee, member of the National Waterways Conference board of directors and advisory board and vice president of the American Waterways Conference.

Mr. Speaker, it is fitting at this time to pay homage to Leland Bowman for his work nationally and statewide on behalf of waterway development and water resources policy. It is also fitting to recognize the role this Nation's waterways play and the many contributions they make.

In 1976, the last major congressional water resources policy and projects bill was enacted. The bill included the authorization to construct a replacement lock on the Gulf Intracoastal Waterway, near Abbeville, LA, and known, today, as the Leland Bowman Lock.

Let us in the Congress, on this occasion, remember the benefits derived from a sound water resources policy and the need for an up-to-date waterways infrastructure.

Thank you, Mr. Speaker.●

SUPPORT FOR NICARAGUAN PEACE AND DEMOCRACY INITIATIVE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. COURTER. Mr. Speaker, I submit for the RECORD the text of the "Document on National Dialogue of the Nicaraguan Resistance," which was signed by a large and diverse group of prodemocratic Nicaraguan patriots and issued at San Jose, Costa Rica on March 3, 1985. I commend this statement to the attention of the Members, and I encourage all Members to join the 58 cosponsors of my resolution, House Concurrent Resolution 81, in supporting this momentous initiative.

DOCUMENT ON NATIONAL DIALOGUE OF THE NICARAGUAN RESISTANCE

We, democratic citizens, representatives of all sectors of the Nicaraguan resistance, announce to the Nicaraguan people, to the governments and peoples of the Americas and of the following manifesto:

The present situation of Nicaragua in recent years, the Sandinista front has submerged our people in a crisis without precedent in our national history. At this time, the impact of this crisis is evident in the economic, political, social and moral spheres of the nation.

This situation is rooted both in the abandonment of the original program of government and the fundamental statute as well as in the interference of the Soviet bloc in our internal affairs. Both factors, the sole responsibility of the Sandinista front, have brought about a sharp conflict whose protagonists are the governing party on the one hand and the Nicaraguan people on the other.

The Nicaraguan people reject, of course, the imposition of a regime which in essence contradicts the values and aspirations which gave birth to the revolutionary process. They are founded on the recovery of freedom, democracy and social justice so often postponed because of the Somoza regime.

In conclusion, the national crisis we face did not grow out of a confrontation between imperialism and the revolution, as the Sandinista front pretends, but out of the contradictions which emerge from the clash between democratic expectations of the Nica-

raguan people and the imposition of a totalitarian system such as that which is being implanted in our country by the Sandinista front.

This conflict, which has produced a civil war, today threatens to destroy the Nicaraguan nation. And as stated in the recent document of the Nicaraguan democratic coordinator, it cannot be resolved through negotiations between the governments of other nations and the Sandinista front nor through sectarian dialogues.

From that perspective, it is clear that the elections of November 4, 1984, by virtue of having been a farce, contributed nothing toward the resolution of the national crisis. This view has been supported by inter-American Commission of Human Rights in its, report for the period 1983-84, as well as by the political groups which decided to participate in the "elections", as they stated in the document entitled "Proposals of Minimum Concurrence for the Renewal of the National Dialogue." Issued in January of this year. The solution to the national crisis can only be found through a genuine understanding among all Nicaraguans that might end the civil war and lead to the reconciliation of the Nicaraguan family.

We wish to emphasize that this is not taken merely to search for a quota of power, but rather it seeks only to establish in Nicaragua the rule of law which will permit the people to live in peace and to go about resolving our problems within a new constitutional order.

COMMON ASPIRATIONS

We aspire to the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and rescue our national identity sovereignty.

We aspire to reconstructing Nicaragua, to promoting its development in accordance with a model which gives priority to the dispossessed sectors.

We aspire to the establishment of a political system which guarantees a real separation of powers, authentic pluralism and a just, efficient mixed economy.

In order to carry out the foregoing, the following is required:

(A) To recognize the primacy of civilian society with respect to the state and to assure through it the dissolution of the totalitarian state-party-army trilogy.

(B) Full respect for human rights and fundamental freedoms of expression, assembly, religion and education.

(C) A foreign policy which has as objectives the preservation of national sovereignty, peace and harmony with neighboring countries in particular, and effective reactivation of national sovereignty, peace and harmony with neighboring countries in particular, and effective reactivation of the historical aspirations of Central American unity.

(E) An economic system which provides for the development of the private sector which includes cooperative enterprises, as well as the clear definition of the participation of the state as a subsidiary economic agent and promoter of social development.

(F) Institutionalization of a multi-party electoral system which guarantees free elections, alternation in power and respect for the minority.

(G) Freedom to organize unions.

(H) A modern, productive process of integral agrarian reform.

(I) Administrative decentralization and effective autonomy for municipal government.

(J) Full recovery of the Atlantic-coast integrating it completely in the national life, guaranteeing respect for the culture and traditions of the various ethnic groups of the region and of the rest of the country within a framework of effective municipal autonomy, exercised in the context of the insolubility of the Nicaraguan nationality.

(K) General amnesty and pardon for political crimes and related crimes.

(L) Expulsion from the country of all foreign internationalists, military advisors and troops, including those who may be found using the identity of deceased Nicaraguan citizens and those who may have been improperly naturalized.

The last and definitive summons:

After having carried out multiple peace initiatives in the last three years directed toward establishing a constructive dialogue with the Sandinista front that would end the civil war and lead to the reconciliation of the Nicaraguan family, we recognize that those efforts have been fruitless and because of the designs of the Soviet bloc.

The Sandinista front, by ignoring and failing to comply with the agreements made in the past, has lost the necessary credibility to reach a good faith understanding. Such is the case of the agreements reached with the XVII consultative meeting of the OAS Council of Ministers, the original program of government, the fundamental statute, the eighteen points of concurrence of the forum of national problems, and the promise to carry out a free and honest election, among others.

Therefore, in view of the gravity of the moment, and conscious of our civic responsibilities and of the urgent need to save our people from greater suffering, we accept the call to convene issued by the Nicaraguan Democratic coordinator and we call upon the Sandinista front to participate in a national dialogue which will end the national crisis. This dialogue should follow these modalities:

CONVOCATION

The Nicaraguan bishops conference is the entity with the necessary moral authority to organize and coordinate the national dialogue. In this regard, we reiterate the petition made to it by the Democratic coordinator to convene the national dialogue.

PARTICIPANTS

In order that the dialogue be efficient and produce the desired results, it is necessary to structure it in accordance with Nicaraguan reality. There are two political tendencies in Nicaragua: The totalitarian one which for the moment has accepted the Sandinista front as its vanguard, and the Democratic one which is divided into armed and civilian organizations. Therefore, the dialogue should be between these two political tendencies so that both can name their respective delegates, as many as the bishops conference feels is appropriate.

OBSERVERS AND GUARANTORS

We suggest to the bishops conference that it request the participation of the Central American governments in the dialogue as guarantors of the agreements which may be reached, given the fact that the sister * * * peoples of Central America are, in the final analysis, those which have been most directly affected by the Nicaraguan crisis.

The presence of these governments and guarantors in no way hinders the presence as observers or even as guarantors of the other governments and democratic entities of the American continent.

MINIMUM REQUIREMENTS

We support fully the minimum requirements demanded by the democratic coordinator in order to initiate the national dialogue. They are: suspension of armed activities, with a cease-fire in situ, lifting of the state of emergency, absolute freedom of expression and assembly, general amnesty and pardon for political crimes and related crimes.

Entry into effect of the right of asylum and habeus corpus, adding the granting of full protection of the physical and moral integrity of those members of the resistance who participate in the dialogue, in the event that it should take place in Nicaragua.

The application of these measures should be carried out under the supervision of the guarantor governments.

TEMPORARY PERMANENCE OF THE EXECUTIVE

If this dialogue is carried out, we commit ourselves to accept that Mr. Daniel Ortega continue acting as head of the executive branch until such time as the people pronounce themselves in a plebiscite. During this period, Mr. Ortega should govern in fulfillment of the promises of the Nicaraguan revolutionary government junta contained in the document of July 12, 1979 and directed to the Secretary General of the Organization of American States, and in fulfillment of the original program of government the fundamental statute and the American Human Rights Convention and the pact of San Jose.

INITIAL POINTS OF THE AGENDA

Although it will be up to the Bishops Conference to establish a definitive agenda, by agreement of the parties, we urge it to include as of now the following points:

(1) That the legal procedure and actions of the government conform immediately to the American convention of human rights, or the pact of San Jose, which was ratified by the Nicaraguan Government of national reconstruction on September 25, 1979, declaring it the law of the land and committing the national honor to its enforcement.

(2) The dismantlement and immediate dissolution of all the repressive party organisms such as the CDS (Sandinista defence committees) and the other para-military organs.

(3) Reduction of military strength, the apoloiticalk nature of the army, an end to the arms race, and the withdrawal of all foreign military troops and advisors and internationalists.

(4) Immediate dissolution of the national constituent assembly.

(5) A new provisional electoral law.

(6) A new provisional law for political parties.

(7) Re-structuring of the electoral system in accordance with the above provisional laws.

(8) Calling of elections for a national constituent assembly.

(9) Calling of municipal elections.

(10) Calling of a plebiscite on the conduct of new presidential elections.

INITIATION OF THE NATIONAL DIALOGUE, INSTRUMENTATION AND DEADLINES

In order to carry out the national dialogue proposed by the democratic coordinator, on the basis of the statements contained in this document, and conscious of the Leninist tactic of Stalin in order to consolidate the totalitarian program of the frente Sandinista, said dialo gue must begin by March 20, 1985. This date cannot be postponed. If by April 20, 1985 the national dialogue has not begun or has not progressed in clear and substantial form, it will be definitely suspended by the Nicaraguan resistance, there-

by terminating the possibilities for a peaceful resolution of the national crisis.

If the Nicaraguan Bishops Conference considers it useful to hold conversations with this group for purposes of preparations leading to the speedy realization of the dialogue, we announce our immediate availability to participate in such conversations. To that end we appoint as our representatives Messrs. Arturo J. Cruz, Alfonso Robelo and Ado Lfo Calero.

May love for our Fatherland overcome selfishness and foreign involvement, so that the national directorate of the Sandinista front will respond positively to this our last effort to grant to our country a civilized solution. God save Nicaragua.●

SDI GATHERS MOMENTUM OVERSEAS

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mrs. LLOYD. Mr. Speaker, the momentum is building for the Strategic Defense Initiative [SDI] overseas, if the events of the past 2 weeks are any measure of growing support. First, Mrs. Thatcher gave unequivocal endorsement to the SDI R&D Program in her speech to the joint session of Congress on February 20, 1985. The British Prime Minister also reaffirmed the arms control leverage of the SDI when she said, "It is our strength and not their goodwill that has brought the Soviet Union to the negotiating table in Geneva."

As the Washington Post reported on February 28, Japanese Prime Minister Nakasone has taken a strong stand on SDI which required considerable courage since he knew he would receive great criticism from Japan's opposition parties. I think we should welcome Mr. Nakasone's interest in having Japanese scientists involved in the SDI technology development, even if they must come to the United States to work on the program.

The following article appeared in the Post:

[From the Washington Post, Feb. 28, 1985]

NAKASONE HINTS AT AIDING "STAR WARS"—PROPOSAL DRAWS HEAVY FIRE FROM JAPAN'S OPPOSITION PARTIES

(By John Burgess)

TOKYO, Feb. 27.—Prime Minister Yasuhiro Nakasone, ignoring opposition protests, is firmly hinting that Japan is willing to help research and construct President Reagan's proposed "Star Wars" antimissile system.

"It is a nonnuclear and defensive system which would kill the force of nuclear missiles," Nakasone told Japanese legislators earlier this month. "Its goal is to wipe away nuclear weapons from the face of the earth."

His suggestions of aid are drawing heavy fire from Japan's opposition parties, which contend that Japanese cooperation would further involve the country in the world's nuclear confrontation and jeopardize postwar principles against nuclear weapons.

Nakasone's stance poses difficult questions in Japan. Since World War II, it has accepted the deterrent protection of the U.S. nuclear arsenal but, with memories of Hiroshima lingering, has tried to avoid direct cooperation.

With Star Wars and a Japanese role in it still only hypothetical, Nakasone appears to hope that at a minimum, his statements will underline Japan's commitment to the United States and western alliance.

Some analysts have suggested that he also wants to defuse mounting pressure from Washington for trade concessions.

Under the Star Wars concept, also known as the Strategic Defense Initiative, nuclear missiles would be destroyed in flight by laser beams or another high-technology weapon. Critics have said it is not technically feasible and even if it were, it could reduce security by destabilizing the balance of power between the United States and the Soviet Union.

British Prime Minister Margaret Thatcher has strongly endorsed further research into the concept. Other countries of western Europe have shown reservations about it, however.

Talk here of a Japanese role began last month, after Reagan and Nakasone met in Los Angeles. Nakasone told reporters he had expressed "understanding" to Reagan of the U.S. desire to study the idea.

Later, under questioning from opposition members of the national assembly, Nakasone said Japan was reserving judgment on the program's value. But he would not rule out the possibility of Japanese scientists going abroad to work on it.

He rejected the suggestion that Japanese aid would violate the country's "three nonnuclear principles"—nonproduction of nuclear weapons, nonpossession of them and nonintroduction of foreign powers' bombs into Japan—saying they applied only to Japanese soil.

Opposition parties fight to uphold those principles but argue that they are not respected by the government or the United States. Many of the U.S. warships that routinely call at Japanese ports carry nuclear weapons, they say.

Nakasone's statements also have drawn fire from the Soviet Union, which contends that Japan's military ties with the United States are a provocation. On Tuesday, a commentary of the official Soviet news agency Tass said Japan was forgetting "not only the tragic past" but its nonnuclear principles as well.

But Nakasone has drawn a positive response in Washington. This week, Vice President Bush was reported to have told visiting Japanese legislators that their country's support was vital to the success of the program.

The two governments have exchanged no official communication on the subject, but Japanese officials said that could happen soon.

There is also evidence from Paris that the initially frigid French reception is thawing somewhat. Certainly, it is reassuring to hear that the Foreign Minister, Mr. Dumas, sees attractive aspects of what I call the SDI doctrine of carefully assured defense [CAD] and what the administration has recently referred to as mutually assured security [MAS]. As Mr. Dumas points out, the SDI, "like it or not, has got the Europeans thinking about defense." This represents another incremental step in the growing international support for the strategic defense initiative.

The New York Times article follows:

FRANCE IS WARMING TO "STAR WARS" IDEA

PARIS, February 26.—Foreign Minister Roland Dumas of France described the space-based defense plan of the United States today as having "seductive elements" for public opinion because, he said, it replaces an offensive nuclear strategy with a defensive one.

After previous French criticism, the remarks—while falling short of an endorsement—represented a more favorable public statement on the research aspects of the program, which is known officially as the Strategic Defense Initiative and has been popularly dubbed "Star Wars."

Britain has given its backing to the plan, and West Germany has offered qualified endorsement. There has been no support for eventual testing or deployment of the proposed space-based defense system.

MINISTER GOING TO MOSCOW

Mr. Dumas said he would go to Moscow in the next few days to discuss arms control issues before the start of United States-Soviet arms talks in Geneva on March 12.

The French Foreign Minister, replying to questions at a seminar sponsored by The International Herald Tribune, said the strategic plan was attractive because it held out the possibility of replacing an "aggressive" philosophy, involving the threat of nuclear attack, with a "defensive" philosophy, based on a shield against nuclear weapons, that "banishes nuclear horrors."

"The United States initiative," he said, "like it or not, has got the Europeans thinking about defense. The Europeans are asking themselves questions. The French and the British are not afraid of them because they remain persuaded they have 15 to 20 years to think the matter over."

CHANGE IN FRENCH POSITION

The period he was referring to was the time he estimated necessary to realize such a defensive system. He said nuclear deterrence would remain effective in the meanwhile.

Until recently, France had been outspoken in its opposition to the defensive program. But experts signaled in the last weeks that the Government had not intention of campaigning against its research phase.

This attitude was believed to have developed after the United States assured the French that it would reject any attempt by the Soviet Union to introduce the independent French nuclear strike into the Geneva negotiations.

The Russians want to count the French, as well as the British, forces as part of the West's nuclear potential. The West demurs on the ground that these are national defense forces, not part of the unified arsenal of the North Atlantic Treaty Organization.●

THE FRIENDSHIP FORCE

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. FOWLER. Mr. Speaker, the Friendship Force, organized in Atlanta, GA, in 1977, celebrated its eighth anniversary on March 1, 1985.

Wayne Smith had a concept of a world peopled with friends ultimately producing a world of peace. Growing out of this concept was a private, not-for-profit organization, fostering exchange programs to bring people of all ages and backgrounds together in friendship across the barriers of distance, culture, language, and political differences.

The Friendship Force is an international organization, with no formal ties to any government or any political party, dedicated to the promotion of peace and goodwill among nations of the world through citizen exchange programs. The Friendship Force experience has made it possible for participants to discover that the peoples of the world are more alike than different; and from this discovery may come a more unified world, a smaller world, a world of friends.

The Friendship Force has contributed greatly to better relations and understanding between peoples of the world, through the involvement of some 225,124 people during its first 7 years. It is fitting and proper that we pay tribute to the Friendship Force, and the concept of Wayne Smith, that has blossomed into a magnificent flower of people of all racial, ethnic, political, religious, and linguistic backgrounds in the continuing quest for peace and brotherhood among all peoples of the world.●

FACULTY HOUSING

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mrs. KENNELLY. Mr. Speaker, I am introducing a bill today for myself and Messers. FRENZEL, CONTE, FRANK, and GEJDENSON that will resolve a problem that continues to threaten many colleges and universities across the country—the income tax status of cost-based campus housing programs. Simply put, the Internal Revenue Service has taken the position that educational institutions renting housing to faculty members must charge commercial rents rather than provide that housing at cost, for example. The enactment of this legislation will make it clear that a nonprofit educational institution is not required to earn a profit on the rental of on or near campus housing to its employees.

This same issue has come before both the House and the Senate on several occasions during the past several years, culminating in the adoption by Congress last summer of a moratorium on treasury action with respect to faculty housing contained in section 531(g) of the Deficit Reduction Act of 1984. The moratorium is due to expire at the end of 1985 and thus we must face this problem squarely and resolve it before year's end.

The legislation I am introducing is an attempt to reach a reasonable solution to the question of how much rent an educational institution must charge to an employee living on or near campus. The answer reached by the legislation is fair and equitable—just as educational institutions should not be required to earn commercial profits from their employees, they also should not be permitted to provide compensatory free housing to those employees without tax consequences. Thus my bill provides that so long as an educational institution recovers its direct operating costs from rents charged to employees, the employees will not be in receipt of additional taxable income.

In addition to providing a fair solution to the issue, the cost standard would be much easier to administer than the fair rental value standard proposed by the Internal Revenue Service. Not only would the IRS standard place a burden on educational institutions to obtain costly appraisals on hundreds of rental properties, but in many cases there simply is no good way to evaluate a theoretical "market" for faculty housing. Many educational institutions would choose to convert buildings to classrooms or student housing rather than create an on campus "bedroom community" of commuters.

Faculty housing programs throughout the country, in small towns and in large cities, have played a critical role in creating true educational communities where the intellectual exchange between faculty members and students does not stop at the classroom door. These programs are not "give-aways" to the faculty in lieu of additional salary, but involve substantial rents approximating the cost of providing the housing.

Precedents already exist for using a cost basis as a standard elsewhere in law. The educational purposes served by this fair treatment of faculty housing are clear. Congress has already indicated its inclination to deal equitably with this problem by the existing moratorium. Enactment of this legislation is the next step.●

NATIONAL EMPLOY THE OLDER WORKER WEEK

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, recently I joined my distinguished colleague, Representative EDWARD ROYBAL, and many others in commemorating March 10–16, 1985, as National Employ the Older Worker Week. This week marked a time to renew our appreciation for the great contributions to American life and industry made by those 55 and older, and a time to recognize those agencies and businesses who have made a special effort to employ older workers.

Across America, a growing number of older individuals are seeking to remain in or reenter the work force. Unfortunately, persistent age stereotypes and widespread age discrimination have led to an unemployment rate among older Americans which is growing faster than among all other age groups.

Older workers are productive and reliable, and their expertise on the job often benefits employers. An increasing number of innovative programs such as job sharing, flexitime, retraining, and part-time jobs are being made available to older workers to encourage and allow them to remain in the work force.

In my own Third District of Connecticut, the Seton Nameplate Co., American Metaseal of Connecticut, the New Haven Savings Bank, and Yale University all deserve recognition for their outstanding efforts in hiring workers over 55. These firms and institutions, recognizing the advantages of having skilled, experienced employees, are at the forefront of a national movement toward increased hiring of older workers.

Similarly, I want to take this opportunity to commend the Sage Employment Service, directed by Natalie Radding; the executive director of Sage Services of Connecticut, Elaine Whitmire; and the many others who have contributed their time and effort toward finding employment opportunities for older workers in the New Haven area. Sage Employment Service, a job bank for workers over 55, placed 644 workers in productive positions in 1984, bringing its 15 year total to more than 5,000 placements.

I was honored to join with my colleagues and others around the country in celebrating National Employ the Older Worker Week. This week gave us an opportunity to promote greater public recognition of the important resource older workers are to American business and to appreciate the wealth of experience and wisdom such older Americans bring to the workplace.●

THE PRICE OF NATURAL GAS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing a bill which will help lower the natural gas bills of consumers. My bill will do away with the special treatment al-

lowed natural gas pipeline companies under section 46(f)(1) with respect to investment tax credits.

Section 46(f)(1) of the Internal Revenue Code sets forth the general rule concerning the investment tax credit [ITC] allowed for public utility property. The provision mandates that the benefit of the investment tax credit for investments in public utility property should be shared between pipeline companies and local distribution companies. The distributing companies would then pass through any benefit from the ITC to their customers in the form of lower natural gas rates.

However, the statute also provides that if it is determined that the domestic supply of natural gas is "insufficient to meet the present and future requirements of the domestic economy," then the benefit of the tax credit is not shared between the pipeline companies and the local distributors. In that case, the entire benefit of the credit goes to the pipeline companies as an incentive to encourage expansion or maintenance of the supply.

Soon after section 46(f) was enacted, the Federal Power Commission—the predecessor to the Federal Energy Regulatory Commission [FERC]—issued an order determining that there was a natural gas shortage and that there was "every indication that such shortage would continue into the near future." Since this determination in 1972, pipeline companies have been retaining the entire benefit of the ITC because FERC never reviewed the shortage situation even though there was evidence that we had an excess supply of natural gas. FERC has recently announced that it will reconsider the 1972 determination.

Given the ample supply of natural gas, there was no reason for FERC to allow pipeline companies to retain the entire benefit of the ITC for the entire past 13 years. My bill seeks to address this unfortunate situation by revoking this special treatment granted to natural gas pipeline companies. Then natural gas companies would be in the same position as electric utilities for which FERC has required the ITC benefit to be shared between investors and ratepayers.

I believe that Congress intended, when it enacted this provision in 1971, that there be a sharing of the ITC benefits. But times were different then, and Congress was rightly concerned about our domestic natural gas supply.

However, now in times of ample supply, consumers should benefit by way of lower prices. One way to accomplish this is to mandate that the benefit of the credit be shared between the pipeline companies and the local distributors. By revoking the authority of FERC to make a finding of short supply that triggers a ratemaking procedure giving all the benefit of the ITC to the pipeline companies, enactment of my bill will be a big step in that direction. If my bill is enacted, the local distributing companies will share in the benefits of the investment tax credit and will be able to pass through any benefits they derive from the ITC to their consumers in form of lower gas rates.●

MX MISSILE

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mrs. HOLT. Mr. Speaker, the critics of the MX missile are, to a great extent, the same critics who arise to oppose almost every major new weapons system that is proposed for the arsenal of freedom.

In one form or another, the same arguments are used again and again. It is said that this or that new weapons system would not be adequate for its mission, or that it's not needed because we already have so many other weapons.

If we had listened to that repititious chorus over the years, we would not have much of a deterrent.

Now the critics arise to complain that the MX missile would be vulnerable to a Soviet first strike, or that we already have plenty of ICBM's.

I would remind the critics that the MX would be only a component of our land-based strategic missile forces, which include 1,000 Minuteman III missiles, and our land-based missiles are only one leg of our strategic triad, which includes air-launched bombs and cruise missiles and sea-launched nuclear missiles.

Mr. Speaker, it is folly to assume that the Soviets would attempt a first strike that would take some part of our land-based nuclear forces and invite devastation of their homeland with our remaining nuclear forces, especially if our retaliatory forces included surviving MX missiles with their great accuracy and throw-weight.

It is stretching the imagination to assume that Soviet ICBM's would score simultaneous direct hits on 100 hardened MX missile silos, which is the number that would exist if we fully implement the deployment proposed by President Reagan.

The MX Missile Program has been supported by four Presidents and has had the consistent support of our military authorities. It is a much better weapon than any we have today. It has the throw-weight to launch 10 warheads with the accuracy and payload to destroy hardened military targets. The Soviet Union already has hundreds of heavy missiles in this class, and we have none.

The Soviets are modernizing their strategic land-based forces into two new ICBM's and we have been depending on land-based ICBM's developed in the 1960's.

By building the MX missile, we are telling the Soviet Union that they will no longer enjoy a monopoly in that class of weapon.

The MX is an important component of our Strategic Modernization Program. We are building B-1 bombers to replace our 30-year-old B-52's, and we are deploying Trident submarines with new missiles to replace our old Poseidon fleet. Our MX missiles will replace some of our Minuteman missiles.

Our Strategic Modernization Program has one major purpose: To persuade the Soviets that they will not be able to gain an intimidating advantage over the West in strategic nuclear arms.

In today's environment, with thousands of nuclear weapons on each side of the Iron Curtain, nuclear arms have more political than military utility. America's nuclear arms are not for waging war, but for preventing war by deterring aggression.

The MX missile and other components of our Strategic Modernization Program represent our national resolve to attain and keep a balance of power with the Soviet Union, a balance of power that prevents war because of the risk of mutual annihilation.

Let us keep our eyes on the fundamental truth that we are a defensive power, and when a defensive power has the military strength to deter aggression against itself and its vital interests, then the prospects for peace are excellent.

We are now engaged in a great and noble effort to achieve deep reductions of nuclear arms through negotiations with the Soviet Union. We want a balance of power at the lowest possible level of forces, and the attainment of that goal will require negotiated concessions on both sides.

It certainly would not help our negotiators if Congress were to make unilateral concessions in advance of any arms-reduction agreement. It would vastly increase the difficulty of their task. If ever there was a wrong time to abandon a major new weapons system, this is it.

Our strategy has been to convince the Soviets that if they want a nuclear arms race, they will have one they cannot win, so let's begin the business of reducing our nuclear arsenals.

In this context, the MX missile is important to the success of the negotiations, and this conviction is shared by our team that is facing the Soviets at the bargaining table. Congress must not cripple their efforts by rejecting the MX missile.●

TEXTILE IMPORTS: A BAD DEAL FOR AMERICAN WORKERS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express my full support for the Textile and Apparel Trade Enforcement Act of 1985.

Twenty-five years ago, only four out of every 100 garments sold in this country were made overseas. Today, that number has increased to 43 of every hundred garments sold. Our workers, who generally labor at the low end of the pay scale, are as efficient as any in the world. But they cannot compete with workers earning subsistence wages, such as $1.18 an hour in Hong Kong, $0.63 an hour in South Korea, and $0.16 an hour in China.

When the 1981 multifiber arrangements were adopted, it was envisioned that imports would rise by 6 percent a year. Instead, they have soared to 19 percent a year. This has threatened the livelihood of nearly 2 million workers in the industry.

Many of the workers in the textile industry, come from inner-city neighborhoods, such as the ones I represent, or from thinly populated communities where the local textile mill or apparel plant represents the only job opportunity in town. Textile and apparel workers are almost always women, minorities, and recent immigrants who, if they lose their jobs, have few other options open to them.

The textile and apparel industries are the most labor intensive industries in this country. They represent the largest manufacturing employer of women and account for 22 percent of all women employed in manufacturing. Forty-eight percent of textile industry workers are female, while 81 percent of the apparel industry are female. Blacks and Hispanics constitute a disproportionate share of that work force.

If present trends continue, nearly all of these jobs will be wiped out by 1995. The resulting unemployment would cost the U.S. Treasury $40 billion as 2 million laborers would be thrown out of work. In addition, further penetration of the U.S. market by foreign manufactureres will significantly add to our staggering $123 billion 1984 trade deficit.

I am pleased that a bipartisan multiregional coalition has come together in an effort to stem the tide of an ever-in-increasing flood of inexpensive foreign textile and apparel imports. I know that the members of this coalition join with me in seeking early hearings and congressional action on this issue which threatens the livelihood of many Americans.●

A TRIBUTE TO THE UNIVERSITY OF SCRANTON WOMEN'S BASKETBALL TEAM

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. McDADE. Mr. Speaker, I know that in this Chamber there are many of my colleagues who are watching with rapt attention the progress of the National Collegiate Association Division I Basketball Tournament which will end with the crowning of a national champion.

I don't want to detract from the accomplishments of the men of Georgetown University or St. John's University, but I want to point out that in my district of Pennsylvania, a champion has already been crowned.

I speak of the University of Scranton Women's Basketball Team which last Saturday in Wisconsin won the Division III NCAA Championship via a 68 to 59 victory over New Rochelle College.

The road to that victory has been a great one for the women of the University of Scranton who ended the year with a 31–1 record and their first national division title. The women of the University of Scranton can be as proud of their accomplishment as the eventual winner of the Division I men's NCAA tourney which is being displayed nationally on our television screens.

Coach Mike Strong of the University of Scranton is deservedly proud of his team and what they have done for their school and their city. When they returned to Scranton after their victory in Wisconsin they were welcomed by the citizens of Scranton and their fellow students and honored for their ability and dedication.

Peg Garrick, who assisted Coach Strong, can be proud of the job she has done as can the following team members:

Deanna Fyle, Shelley Parks, Lee Ann Grow, Shelley Ritz, Sharon Barone, Patti Brophy, Patty Fulton, Pattie Craig, Mary Leedy, Cathy Wallen, Una Espenkotter, Tracy Schultz, Grace Hickey, and Michelle Lenhoff.

They certainly deserve the recognition they are receiving. I am proud of them.●

THE MX MISSILE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. GREEN. Mr. Speaker, I must rise to point out a dangerous precedent which is being set by the administration in its "We need the MX in Geneva" argument.

Arms negotiations aren't made in a day and this one could logically be expected to last for a few years. If we agree to fund MX because it's needed as a bargaining chip in Geneva, then do we also agree to continue writing blank checks for ASAT's star wars, and all conventional weapons involved in Central Europe—all to be included in the vast arsenal of strategic and space weaponry under discussion in Geneva?

This would be giving up our constitutionally mandated control over the defense budget and the programs therein. I am not willing to do that and I hope you aren't either.●

ADMINISTRATION PROPOSAL TO ELIMINATE AMTRAK: "PENNY-WISE, POUND-FOOLISH"

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. FLORIO. Mr. Speaker, the administration has proposed the elimination of all funding for Amtrak, our Nation's rail passenger system. The result would be the complete cessation of all Amtrak service on October 1.

The editorial columns of major newspapers have properly condemned this ill-advised proposal as "penny-wise, pound-foolish" and "penny-wise and inconsistent." The following are recent editorials from the Washington Post and Philadelphia Inquirer urging the continuation of Amtrak:

[From the Washington Post, Feb. 28, 1985]

DON'T STRANGLE AMTRAK

Though Federal subsidies have long supported almost every form of transportation in this country, from jogging to jetting, the Reagan administration is now seeking to eliminate all federal assistance to Amtrak. This move would surely kill intercity passenger rail service, squander a huge investment that is just beginning to pay off and create new transportation pressures all up and down the Northeast Corridor. One would like to believe that rational members of Congress will resist this penny-wise and inconsistent transportation proposal. But the administration is pushing hard for a cutoff.

The administration contends that Amtrak services an insignificant 2 percent of intercity passenger trips nationally and that private rail companies will swoop right in and pick up Amtrak's busiest routes, such as the one between Washington and New York. What if they don't. How much would taxpayers wind up underwriting in the way of road money and federal support for additional airline service?

Another administration argument is that Amtrak's Northeast Corridor service is serving mostly higher-income people: about 55 percent of the riders are paid more than $30,000 annually. Does this mean that people with incomes under this level don't depend on Amtrak and that they all can and

do stick to bus service? That's hard to believe—and hard to confirm.

But as long as people are tossing about all sorts of numbers, Amtrak officials have some too. They argue that if all federal support for such services as air traffic control were totaled, subsidies for air travel would be much higher than what Amtrak is receiving. They note that capital investments totaling $5.2 billion are just beginning to pay off in better service and economy. And dismantling the system, if it came to that, would cost the government billions over the next six years.

On a local note that is nevertheless near and incredibly dear to the pockets of taxpayers from coast to coast, the federal government does happen to be financing plans to redo Union Station. What for? "Maybe you should have alternative plans for Union Station," says Rep. Silvio Conte of Massachusetts, who opposes the proposal to eliminate Amtrak's subsidies. "Put in some stalls and hay racks."

[From the Philadelphia Inquirer, Feb. 18, 1985]

ENDING AMTRAK SUBSIDY: PENNY-WISE, POUND-FOOLISH

While President Reagan's proposed budget would cut funding for most nondefense programs, Amtrak was singled out for an especially hefty swing of the ax. Its appropriation would drop from $684 million in the current fiscal year to zero in fiscal 1986 and appearently, if the President has his way, forevermore. The federal commitment to intercity passenger rail service would be terminated.

That would deal a devastating blow to rational transportation policy that should maintain a reasonable balance among highway, rail and air. If the United States were to allow railroad passenger service to wither and die, which would be the consequence of a cutoff of federal subsidies, it would become the only major industrial nation to take such a backward step.

The end of Amtrak would be the end of intercity passenger service. The nation's railroads became freight haulers exclusively on long-distance runs when Amtrak was created by Congress in the Rail Passenger Service Act of 1970. The purpose, as stated in the act's preamble, was "to provide financial assistance for and establishment of a national rail passenger system, to provide for the modernization of railroad passenger equipment, to authorize the prescribing of minimum standards for railroad passenger service."

That statement of 15 years ago remains appropriate today—more so in light of the fact that the need for energy conservation remains critical for the long run despite a current surplus of oil in the world markets. Trains are more energy-efficient by far—using less fuel per passenger mile—than automobiles, buses and airplanes.

Title I of the 1970 act made the case effectively: "The Congress finds that modern, efficient, intercity railroad passenger service is a necessary part of a balanced transportation system; that the public convenience and necessity require the continuance and improvement of such service to provide fast and comfortable transportation between crowded urban areas and in other areas of the county; that rail passenger service can help to end the congestion on our highways and the overcrowding of airways and airports; that the traveler in America should to the maximum extent feasible have freedom to choose the mode of travel most convenient to his needs; that to achieve these goals requires the designation of a basic national rail passenger system and the establishment of a rail passenger corporation for the purpose of providing modern, efficient, intercity rail passenger service . . ."

Congress must reaffirm that commitment by providing adequate funding for Amtrak in fiscal 1986 and subsequent years to maintain and improve a transcontinental railroad passenger system. The major emphasis, when it comes to providing fast and frequent service competitive in time and convenience with autos and planes, should be on the Northeast corridor and other heavily traveled routes serving large, relatively close population centers.

This does not mean that Amtrak should be immune from budget-cutting as Congress seeks ways to reduce huge deficits stretching as far as the eye can see. Amtrak, like other federally supported services, needs to be scrutinized for possible savings. But continuing service with a fair level of federal subsidy is a policy worthy of strong bipartisan support from members of Congress from all parts of the country.

There is nothing radical or unusual about federal subsidies for rail passengers. Motorists are heavily subsidized as they travel on streets and highways built, maintained and patrolled by government. Air travelers take off and land at airports planned, constructed and operated with public money—which is used also to control air traffic and enforce safety standards.

To cut off federal funds for Amtrak would be discriminatory as well as stupid. It would single out rail passenger transportation for a death sentence while assuring, with reduced competition, continuation of federally subsidized highway and air travel. The public would be left with less choice of travel and longer delays on crowded highways and congested airports. Congress must not let that happen.●

RESTRICTIONS ON MILK PROTEIN PRODUCTS

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. ROSE. Mr. Speaker, today I am introducing legislation designed to limit imports of milk protein products, in an effort to alleviate the burden increased imports of milk protein products have placed on all sectors of the domestic dairy industry.

The continued and aggressive expansion of imports of milk protein products is placing a burden on all sectors of the dairy industry, leading to decreased economic activity within the domestic dairy industry, as well as displacing U.S. produced non-fat-dry-milk.

The 1983 Dairy Adjustment Act has both decreased government purchases of dairy products and nationwide milk production. However, the cost of dairy farmers associated with the decrease in milk production has been high. Farm income is down as a result of both the price support reduction mandated in the 1983 act, and the 50 cent per hundredweight assessment which funds the self-help payments made to farmers in the Milk Diversion Program.

Of the farm, less milk is being processed in the more than 3,000 dairy plants across the country. Some plants have closed, and others are operating far below capacity. Overall, the 1983 changes have meant less economic activity in the dairy industry and agricultural communities throughout this Nation.

Increased imports of milk protein products have only compounded the effect of the changes contained in the 1983 Dairy Adjustment Act. In 1984, at the very time we were asking this Nation's dairy farmers to make significant sacrifices, imports of casein, the major milk protein product imported, rose to 192.3 million pounds, compared with 159.5 million pounds in 1983, displacing non-fat-dry-milk produced by U.S. farmers.

In 1981, the U.S. Department of Agriculture estimated that some $300 million was added to the cost of operation of the Dairy Price Support Program by imports of casein and the subsequent displacement of U.S. produced non-fat-dry-milk. In 1983, these imports added $329 million in costs to the operation of the Dairy Program.

As though to add insult to injury, casein imports have now managed to exceed government purchases of non-fat-dry-milk in the last 5 months of 1984. How much longer can we responsibly allow this to happen?

The bill I am introducing today limits imports of milk protein products to 50 percent of the level of imports over the past 5 years. Additionally, this legislation contains a licensing system based on product use, designed to provide sufficient casein supplies to meet the needs in specialty and industrial use products, at the same time the displacement of domestic milk solids would be reduced. By enacting this legislation we will be meeting our responsibilities to preserve the efficient operation of our Dairy Program, and I urge my colleagues to join me in supporting this effort.●

H.R. 890

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. KOLTER. Mr. Speaker, I rise on this occasion to urge my colleagues to support H.R. 890, legislation introduced by Representative PEASE that would continue the Federal Supplemental Compensation Program for 18 months. This important legislation already has 52 cosponsors, but it deserves the support of this entire body.

This program is crucial for workers across the country who suffer from

long-term unemployment. Congress must take action by March 31, or unemployment insurance benefits for many workers will expire.

Although some areas of the country enjoy economic prosperity and growth, not all areas share equally in the warmth of economic recovery.

I come from Beaver County, PA where the people suffer from one of the highest unemployment rates in the Nation.

I see the painful effects of unemployment every time I go home. I see proud people, who worked hard all their lives, idle because there are no jobs since the local factory is closed.

I talk with people who face the real threat of losing their homes because they can't make the mortgage payments, let alone buy decent clothes for their kids. For these jobless people, the 1982 recession lingers, and it hurts.

These people, and others across the country, depend on FSC benefits to get by. The benefits give them hope and sustenance so they can look for work without worrying if their families can eat that night. Without these benefits, I don't know how the people I see at home will get by.

While we in the Pennsylvania delegation are trying hard to bring new businesses and jobs into these economically depressed areas, the thousands of jobless workers need us to help them until they can help themselves with work.

If we let the FSC Program expire this month, we will, in effect, cut the thread of support that gives so many families their only means of subsistence, and their only hope for the future.

I urge my colleagues to support H.R. 890. There was a time when government would give hope where it is needed most; to the people who need government on their side.●

MAIL ORDER DRUG PARAPHERNALIA CONTROL ACT

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. LEVINE of California. Mr. Speaker, today I am introducing the Mail Order Drug Paraphernalia Control Act of 1985. This legislation would make it illegal for anyone of use the U.S. Postal Service or a private parcel service as part of a scheme to sell drug paraphernalia. Conviction of this offense would result in imprisonment of not more than 3 years and a fine of not more than $100,000.

I have been seriously concerned with the issue of drug paraphernalia sales since serving as a California legislator. When I was a member of the State assembly, I authored legislation which prohibited the sale of drug paraphernalia to minors. That bill was signed by the Governor into law.

The availability of drug paraphernalia is becoming widespread around the country. Although State model drug paraphernalia laws have been effective in closing "headshops" in 38 States and the District of Columbia, drug paraphernalia sales are now being made through the mails or by private package services, such as UPS.

The unregulated sale of drug paraphernalia through the mails and in interstate commerce glamorizes the drug culture and encourages drug experimentation by children and adolescents. Drug paraphernalia serves to counter parental guidance as well as educational and community programs to prevent drug abuse.

Mr. Speaker, I am especially pleased that the chairman of the Select Committee on Narcotics, Mr. RANGEL, and the ranking minority member, Mr. GILMAN, have joined me in introducing this bill. We encourage our colleagues to support us in our efforts to close this big loophole.●

LET THE VAITSBLITS EMIGRATE TO ISRAEL

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. HUNTER. Mr. Speaker, I rise today to protest the treatment of refuseniks in the Soviet Union. These refuseniks undergo great suffering and are often targeted for harassment because of their desire to repatriate to Israel, to be reunited with their families, and to be free to develop their religious and cultural heritage. They face persecution in their jobs and in their neighborhoods as they are being labeled traitors by the Soviet media.

These problems were made clear to me recently as I read the biographic information on a family I adopted, Ilya and Inna Vaitsblit and their son, Evgeny, of Moscow. The Vaitsblits have applied for emigration repeatedly since 1973. The family longs to be reunited with their son, Aleksandr, who is an English teacher at the Weitzmann Institute in Rehovot, Israel. All of the Vaitsblits' other relatives perished in the Holocaust.

The hardships Ilya Vaitsblit suffers from not being allowed to emigrate is drastically aggravated by chronic physical pain. Since 1966, Ilya has been suffering from multiple sclerosis. He is now half blind, half deaf and confined to his bed with paralyzed legs. The Soviet authorities are well aware of his grave condition because they pronounced him 100 percent disabled in 1974. Yet he is still refused an exit visa on the grounds of state security. This is based on the fact that his previous job as a radio engineer allowed him access to so-called classified material.

Clearly, the Vaitsblits' case should be considered on a humanitarian basis. The Vaitsblit name has never been associated with any political activity and their plea is to simply rejoin their son in Israel where Ilya can spend the rest of his life with his son and grandson.

Soviet Jews have consistently been denied the rights guaranteed to other national minorities and religious groups by the Soviet Constitution. They make up the third largest surviving Jewish community in the world. Soviet Jews are fighting for the basic human rights to maintain their religion and culture. They are also fighting for the internationally recognized right to leave a country which is denying them their heritage. This right to emigrate is upheld by the Helsinki Final Act, the International Covenant on Civil and Political Rights and the Universal Declaration on Human Rights. Although the Soviet Union ratified these agreements, they disregard them and do not permit Soviet Jews to emigrate freely. This action is in direct violation of the spirit of these treaties.

We in Congress must continue to speak out for all Soviet Jews, such as Ilya Vaitsblit and his family, and make it known to the new Soviet leader that we are against all forms of anti-Semitism.●

SEARCH FOR WEEKSVILLE

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. OWENS. Mr. Speaker, black history in the United States is gradually being given its due recognition. The search for Weeksville, a 19th-century Brooklyn community founded by James Weeks, began in 1968. This community of black freemen was developed after the sale of land to Mr. Weeks from the Lefferts family estate in 1838. The Society for the Preservation of Weeksville and Bedford-Stuyvesant History is restoring four 19th-century buildings which were part of the original community. The buildings will house an educational facility and museum of African-American history.

The restoration and preservation of Weeksville is significant to the Bedford-Stuyvesant community and to all blacks in this country. The structures being restored are simple buildings with wood frame construction. There are no wide verandas or stately Grecian columns. These were the homes of working people who gained their

freedom and sought to build a decent life for their families.

The struggles of the Weeksville people were to continue into modern times. An article in the April 9, 1846, Brooklyn Evening Star noted:

A large and respectable meeting of the colored voters of the ninth ward was held at their schoolhouse, Bedford, in the village of Carsville, on March 31, 1846, for the purpose of free expression in reference to the right of suffrage.

The article continues noting the resolution passed by those assembled:

That we will not vote for any man as Delegate who will not pledge himself to vote for the elective franchise, free from any property or complexional qualifications.

Those early residents of Weeksville would undoubtedly applaud the Voting Rights Act of 1965, but they would have been dismayed that it took so long to come.

Today, the restoration of Weeksville is a community effort. Funds are raised and the children of Brooklyn participate in historical commemorations in their schools. As they learn about everyday 19th-century life, they learn that blacks were a part of history. Older residents of the area have been interviewed about the early days, giving our young people a sense of real people's lives before such modern conveniences as electricity and indoor plumbing. This living history serves as a bridge to the past and a guide to a future.

An African proverb states, "Not to know is bad, not to wish to know is worse." The black community in Brooklyn has made a commitment to learn of their past. This effort has received broad support from New Yorker who recognize the contributions of all of the ethnic and racial groups who have made New York their home. America remains a country of diverse peoples. Men and women who came here from every part of the world have contributed. Weeksville serves to teach us of the contributions of black men and women who settled in Brooklyn. As such, it adds to our knowledge of the history that all Americans share.●

THE MX

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. BENNETT. Mr. Speaker, the American people have two great desires at this time, namely, to eliminate our tremendous deficit and to provide for a strong national defense. The two issues are related.

The people of America want the deficit eliminated through less Government rather than more taxes.

They want our national defense strong enough to prevent war—or to win a war if one comes. They want this whatever the cost and they do not believe that it makes sense to cut out defense needs to provide for nondefense needs however virtuous those social needs may be.

Congresswoman Barbara Jordon said it best when she spoke at Greenbrier a couple weeks ago and said, "People do not want to have great new spending programs. That is not in our future. People want lean and mean government."

Your constituents believe that if social programs have to be cramped in order to have an adequate defense, then this must be the case and that many social needs must be handled by local government or by charity.

I would like to point out to you that I have been discussing what the American people as a whole clearly want, not what you individually may want.

Our constituents want waste and corruption eliminated from defense production, but they do not favor cutting real defense requirements just because those evils to some extent exist. They reason that otherwise we would endanger the country and innocent constituents because of the evils in others.

Moreover, as important as it is to discover and punish the $485 hammers and the $600 potty seats and the claims for taking care of a corporate officer's dog, our constituents do not want to reduce what is needed for the defense of our country just because these abuses have been done and discovered. Our constituents demand instead that we in Congress not only get rid of these abuses, but get on with the real tasks of defense. Regardless of how many headlines and exciting statements we can bring forth as to these abuses, our constituents will not accept that as a substitute for real strength.

We can give the American people real progress toward both the objective of deficit reduction and the objective of strong national defense by killing the MX. Its future cost is estimated now at $13 billion additional for the missiles and $21 billion to harden silos, or about $35 billion in total, assuming we stop with presently planned program of 223 missiles. Some have put the future costs at $50 billion.

All of the money that we save from eliminating the MX, and more, is needed to give us an ability to win or sustain for any length of time a conventional war in Europe, when the Warsaw Pact forces are compared with NATO forces. They have three times the number of tanks, twice the artillery and twice the armored personnel carriers, et cetera. The most probable scenario for war today is based on our inferior position in Europe. Gen. Bernard Rogers, our supreme commander there, advises us that we only have the ability to hold off defeat for a number of days. The Soviets could march to victory in Europe and could only be stopped by nuclear war, an option which our weakness there makes necessary.

Without diminishing our presently strong nuclear deterrence, which is redundantly great, we should take the money from the MX to give us a chance to have conventional victory in Europe, or at least postpone the time when we have to go to nuclear weaponry.

By such a course, we could: First, eliminate further production of the highly vulnerable and very expensive MX weapon, which has been severely criticized by many military authorities in this country and elsewhere; second, we could use these funds for needed conventional weapons in Europe, thus reducing strains on our budget; and third, we could abandon our present faulted policy of planning a nuclear war in Europe, reserving our present hefty nuclear weaponry for the limited purpose of deterring.

We should try to do what we can to reduce defense spending and still remain strong. Can we do that by percentage cuts across-the-board? How could you get 95 percent of a billion dollar submarine? Nor can we save by just stretching things out in time. That actually costs more money. We can only save money significantly by cutting out faulted programs. Do you know a better one to cut out than the MX? Let's face it, there is no better candidate for saving defense money than the MX.

What I have said is commonsense. It is what Americans demand today from their Congress. It puts us in the position of being strong for a meaningful national defense, but without putting further strains on the budget. Let's defeat the MX.●

THE DAILY TIMES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MARKEY. Mr. Speaker, I would like to take this opportunity to acknowledge the determination and loyalty demonstrated by the owner and employees of a fine newspaper chain, the Daily Times and Chronicle of Woburn, in their recent efforts to overcome the hardship caused by a fire at their newspaper.

The Daily Times has been serving the people of Woburn for 84 years. It also publishes editions which serve the neighboring cities of Reading, Burlington, Winchester, and Wakefield.

Each edition of the Daily Times exemplifies what a community newspaper should be. It contains news on local government, local business, and

local people. It is a welcome visitor every weekday in the homes of thousands of citizens in the five communities it serves.

In addition, the paper contains comprehensive coverage of regional, State, national, and international events. It places the reader's neighborhood and the reader's world at his or her fingertips every day. In every area, the Daily Times exhibits fairness, integrity, and an even-handed approach to the news that is in keeping with the finest traditions of the newspaper profession.

During the early morning hours of Saturday, January 19, the ability of the Daily Times to perform its vital function was severely hampered when a number of fires were set within its Montvale Avenue plant. It appears the nine fires were the work of vandals who entered the building in search of money and, finding none, set the fires out of a sense of anger or frustration.

The fires caused over a quarter of a million dollars worth of damage. The paper lost four sophisticated typesetting machines that had been recently purchased and, in fact, never even used. There was extensive smoke and water damage throughout the plant.

News of the fire traveled quickly. Before that fateful Saturday was over, dozens of newspaper employees and other citizens came to the plant and volunteered to aid in the difficult process of repairing the extensive damage.

The following Monday, the newspaper staff organized a plan whereby the paper's five editions would be produced through the joint use of the paper's Reading plant and the portions of the Woburn plant not rendered inoperable by the fire. All the while, the cleanup went on.

For a week and a half the staff performed double duty, commuting between Reading and Woburn for the production of the day's paper and helping with the cleanup and rehabilitation. Amazingly, not a single edition was missed. The residents of Woburn, Reading, Burlington, Winchester and Wakefield continued receiving their community news.

The Haggerty family has owned and operated the Daily Times for 84 years. Their valiant efforts in overcoming this fire represent some of their finest moments in a history of distinguished service and accomplishment.

The Daily Times has recovered from its setback. It continues to thrive in a highly competitive business because of the very same qualities it exhibited in making its recovery. It is those qualities of dedication, perseverance, persistence and pride which make the Daily Times such a welcome visitor into thousands of homes each day.

I am proud to have a newspaper such as the Daily Times in my district. I congratulate the Haggerty family and the many employees of the newspaper, not only on their valiant recovery but also for their consistently fine product and the contribution they make to their community.●

INTRODUCTION OF HOMEOWNER BOND RESOLUTION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. AuCOIN. Mr. Speaker, today I am introducing a resolution with my colleagues, Mr. HOYER, Mr. BARTLETT, and others, to preserve homeowners' bonds as a valuable financing tool for American home buyers. Our resolution expresses opposition to changes in the tax treatment of homeowner bonds issued by the homebuilding industry.

In recent years, these bonds have become a significant new source of private sector mortgage money for residential loans generating benefits for both the consumer and the housing industry. For thousands of middle-income families, it has meant the difference between dreaming about homeownership and realizing that dream.

Homeowner bonds have also proven to be a form of self-help for the homebuilding industry because in times of high interest rates, when more conventional financing dries up, builders are able to reduce mortgage rates and stay in business.

During the late 1970's, homebuilders and first-time home buyers found it increasingly difficult to secure reliable financing for affordable home mortgages. This difficulty resulted from high real interest rates and other changes in the mortgage lending market.

As the prime interest rate approached a record high of 21 percent, the homebuilding industry nearly dropped dead. Housing starts plunged from well over 2 million in 1978, to barely 1 million in 1982. Nine out of ten families couldn't afford to buy a home. The timber-based economy of my State, Oregon, was devastated. Today, there are still areas of the State which are trying to recover.

No help came from the Federal Government. Instead, builders stayed afloat and found new ways to help home buyers through their own initiative. Homeowners' bonds are an example of this.

In simple terms, homeowner bonds are used by the homebuilding industry to raise money for the construction and purchase of homes. The bonds are sold to the public and backed by mortgages made to home buyers. The builders are taxed as the mortgages are paid off in installments. This is consistent with tax principles of over 50 years' standing and approved by rulings issued by the Internal Revenue Service. Large builders have used these bonds for several years. Now smaller builders are able to pool their mortgages to accomplish the same ends.

As a result, homebuilders have been able to provide many buyers with lower interest rates and lower financing costs than would be available from traditional channels. Most of the homes financed have been in the moderately priced range which serves first-time homebuyers.

Elimination of the homeowner bond as a source of home mortgages would be a blow to the housing industry without significantly increasing overall revenues to the Federal Government. In fact, it may do just the opposite. A recent study based upon the Wharton model for the national economy concluded that the use of these bonds would increase revenues to the Treasury through increased home construction and jobs. It has been estimated that each 100,000 decline in housing units knocks off some $9 billion from the gross national product.

The housing industry has come through one of the toughest and most painful times since the Great Depression—without Government help. Today, they help sustain the engine of economic recovery by generating jobs and bringing revenue back to the Treasury. At a time when Government housing policies are on the retreat, homeowner bonds demonstrate the ability of the private sector to respond to the housing needs of the Nation without Government subsidy. This is crucial if we are to remain a nation of homeowners.

Mr. Speaker, by expressing our support for the continued use of homeowner bonds, we recognize the importance of housing and homeownership to a stronger America. I urge my colleagues to join us in this effort.●

HONORING THE STERNBERG FAMILY

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MOORE. Mr. Speaker, on March 23, 1985, B'nai B'rith International honors one of Louisiana's outstanding families, the Sternberg family. At that time, the Sternberg family will be presented the B'nai B'rith International Family Award.

So often the greatness of our country can be traced to great families—families whose dedication to common values enriches their homes, their neighborhoods and their communities. Such a family is the Sternberg family.

The Sternberg tradition of excellence was brought to America nearly

50 years ago by Erich Sternberg. He came to these shores not only to begin his retailing business, but also to save his family from Hitler's onslaught. He devoted himself to his work and he succeeded.

His direct, personal approach, his meticulous attention to detail, and his sheer diligence and enthusiasm fueled the success of Goudchaux's, and in the process, he was able to rescue nearly 100 relatives and friends from Germany.

Commitment to family and commitment to business, this was Erich Sternberg's legacy. His wife and children have honored that legacy and fulfilled Erich's dreams; they have, in fact, surpassed them.

Today Hans, Josef, Insa, Donna, and Lea are still running their stores as Erich did, with care, perseverance and attention to detail. That same personal attention to their customers continues even though that little store in Baton Rouge has now blossomed into a three-city chain of modern department stores—Goudchaux's and Maison Blanche. The Sternberg touch remains: quality merchandise, presented with style and personal concern.

The Sternbergs have remained true to Erich's deep commitment to his people and his tradition. They have expressed their love of Judaism in their homes and in their community. They have taken a leadership role in their synagogues, in the Jewish Federation and B'nai B'rith. The Sternbergs are among the founders of the B'nai B'rith Hillel Foundation at Louisiana State University and have contributed significantly to the activities of the B'nai B'rith Youth Organization in Baton Rouge. The Sternberg family closes its stores on the High Holy Days in deference to the tradition that has bound this family together for centuries.

That ever-radiating Sternberg warmth is the hallmark of this family. It is perceptible in the Sternbergs' generous commitment to a vast array of charitable, civic, and religious organizations. It can be seen in their dedication to the revitalization of Baton Rouge and New Orleans.

To me, the Sternberg story is more than just one of success and community involvement. They are close personal friends. They have opened their family to me and my family and that association has been both warm and enlightening.

They have been generously willing partners in projects to improve downtown Baton Rouge.

They accompanied my wife and me to Israel and helped broaden my view from beyond Louisiana and the United States to appreciate the world in an international context.

The honor of being presented the B'nai B'rith International Family Award is one that I feel personally because I have personally seen their contributions and I have witnessed the difference they have made in their community.

Like B'nai B'rith, the Sternbergs are a family that honors tradition, a family that lives harmoniously and gives of itself generously. This is a family to be deeply respected and it is my honor to join their other friends, associates and admirers in honoring them.●

THE FARM CRISIS: A NEED FOR ACTION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. RANGEL. Mr. Speaker, I rise as an urban Representative to express my concern over the plight of our Nation's farmers. We recognize that the American economy and the stability of our rural areas depend upon the vitality of the farming industry.

In New York State alone, more than 42,000 farms depend upon what we in the Congress do during the current farming crisis. My State's many dairy, grain, vegetable, and horticulture interests flourished as a result of low interest rates and federally encouraged farm expansion in the early seventies. When high inflation and the farming boom subsided, many farmers found themselves in debt and facing an uncertain future.

Historically, the Federal Government has subsidized many agricultural programs. The problem is that our small farmers need Federal help again and they need it without further delay. We should not continue to subsidize the large and profitable corporate farmers while the small family farms are facing foreclosures.

The American public is currently witnessing an alarming increase in farm bankruptcies—the largest since the Great Depression of the 1930's. Because agriculture is dependent on exports, the strength of the American dollar has wreaked havoc on the small farmer. A variety of businesses involved in exports are experiencing difficulties selling goods and services to foreign consumers as are our farmers. The U.S. trade deficit not only contributes to the strong dollar but also acts as a 25-percent surcharge on all exports of foods and goods and a similar 25-percent subsidy for imports. It is no surprise that wine and cheese import sales have increased substantially.

The Reagan administration has cut taxes for big business and wealthy Americans while at the same time they have pursued a $2 trillion military buildup. Military outlays have resulted in an incredible amount of waste, fraud, and mismanagement. In my opinion, our priorities have been skewed.

Because the administration has doubled the national debt, we are experiencing dangerous repercussions. I share the concern of the hard-pressed American farmer. The farmer is America's original small businessman and this country's most assuredly self-sufficient enterprise. Clearly, Federal subsidies to insure the vitality of farming would be a small price to pay.

If farmers and military personnel were to exchange positions, there is no doubt that the farmers would bring better management, efficiency, and resourcefulness to the Pentagon. The same results would not be met on a farm. I fully support the House's adoption of the farm bill and regret that the President vetoed it. I further urge the House to override this veto.●

SOVIET RIGHTS ABUSES IN AFGHANISTAN

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, in recent months Congress and the American people have looked with increasing horror on the reprehensible deeds perpetrated by the invading Soviet Army on the people of Afghanistan.

I was interested to learn of a report, issued earlier this month by a special rapporteur for the U.N. Commission on Human Rights, detailing specific abuses committed by foreign troops in Afghanistan. The report marks the first time a U.N. Human Rights Commission report has directly criticized the Soviet Union. It cited widespread violations of human rights including the commonplace practice of torture against the Afghan regime's opponents, indiscriminate bombardments of the civilian population, and the deliberate destruction of crops.

As a consequence of the report, the U.N. Human Rights Commission last week voted overwhelmingly to adopt a resolution criticizing the Soviets and calling for a stop to their inhumane policies in Afghanistan.

I would like to include in the RECORD two articles, one from the February 28, 1985, Christian Science Monitor, the other from the March 14, 1985, Washington Post, explaining the findings of the U.N. report and discussing the vote to adopt the resolution.

[From the Christian Science Monitor, Feb. 28, 1985]

U.N. REPORT ACCUSES SOVIETS OF MASSIVE RIGHTS ABUSES IN AFGHANISTAN

(By Iain Guest)

GENEVA.—A forthright United Nations report on human rights in Afghanistan accuses Soviet forces in the country of a "deliberate policy" of bombarding villages, destroying food supplies, massacring civilians, and disregarding the Geneva Conventions.

The report was prepared by Felix Ermacora, an Austrian law professor who has participated in UN inquiries into human rights in Chile and South Africa. It is to be presented to the UN Human Rights Commission, currently meeting here.

The report accuses the Afghan government of holding some 50,000 political prisoners and says torture in its jails is "commonplace." On Feb. 4 Afghanistan signed a new UN convention outlawing torture.

Mr. Ermacora's report amounts to the first direct criticism of the Soviet Union by a UN human rights inquiry, and diplomats said it could have important consequences. They suggested that it might complicate efforts by UN Secretary-General Javier Pérez de Cuéllar to negotiate a settlement of the crisis in Afghanistan.

At the same time, diplomats expressed hope that the report might persuade the Reagan administration to soften its criticism of the UN. The US has frequently accused the UN of "selectivity" in its criticism of rights abuses, particularly of abuses by the Soviet Union.

Neither the Afghan government nor the Soviet Union cooperated with Ermacora, who was appointed to the inquiry 18 months ago after a resolution in last year's session of the UN Human Rights Commission. He spent 10 days in Pakistan last December, interviewing Afghan refugees and visiting four hospitals.

Diplomats said Ermacora removed all references to Soviet troops when he was finishing his report, replacing "Soviet" with the word "foreign." Even so, diplomats agreed his report was blunt in its overall criticism of the Soviet presence in Afghanistan, which he said had engaged in a "deliberate policy" aimed at depriving the Afghan guerrillas of support.

The result, he said, had been a slump in rice and cotton production, destruction of the irrigation system in the Kandahar Province, and "serious food shortages" in areas not under government control.

"Many lives have been lost, many people have been incarcerated in conditions far removed from respect for human rights and fundamental freedoms, many have been tortured and many have disappeared," the report said.

One reported massacre took place on Sept. 13, 1982, when 105 villagers took refuge in an irrigation tunnel in the village of Padkhwab-e-Shana, in Logar Province. "Troops" mixed "whitish" powder with a liquid, poured it into the tunnel, and set fire to it. Among the charred bodies, said the report, were those of 12 children.

Ermacora said the "whitish" material appears to have been a chemical. Later in his report he cited the 1925 Geneva protocol banning the use of chemical weapons. This seems certain to reopen the controversy about whether the Russians are using chemical weapons in Afghanistan.

The report also said the Geneva Conventions have been routinely abused by the Afghan and Soviet forces. Prisoners have been bayonetted, hospitals bombed, and cattle and water poisoned.

Ermacora called on the Afghan government to readmit the International Committee of the Red Cross, expelled in 1982.

The report was also blunt on the question of torture. One former Afghan security official said he used "eight techniques" on prisoners, including electric shock and forcing them to drink urine.

In another passage, Ermacora said the revolutionary nature of Babrak Karmal's Afghan government means it is not representative, and possibly even in "contradiction" of the UN human rights instruments of self-determination.

It is almost unprecedented for a UN report to criticize the internal political system of a member nation. Diplomats here suggest this will complicate Mr. Pérez de Cuéllar's efforts to negotiate the withdrawal of Soviet troops from Afghanistan.

Pérez de Cuéllar has proposed a diplomatic package that implies recognition for the Karmal government. But planned UN-sponsored talks were postponed recently, allegedly because of this week's elections in Pakistan.

[From the Washington Post, Mar. 14, 1985]

U.N. RIGHTS UNIT ASSAILS SOVIET ABUSES IN AFGHANISTAN

(By John Parry)

GENEVA, March 13.—Over strident Soviet objections, the United Nations Commission on Human Rights adopted a resolution today criticizing Soviet actions in Afghanistan and calling on the Afghan government to put a stop to them.

The vote was 26 to 8, with eight abstentions, on a motion to support the report of U.N. special envoy Felix Ermacora, who spent a year interviewing Afghan refugees at the request of the committee.

His report, released at the start of the commission's annual session here, did not specifically name the Soviet Union but accused "foreign" troops in Afghanistan of having used chemical weapons and torturing civilians.

The 43-member commission is an advisory body to the General Assembly that prepares reports and submits nonbinding recommendations on various human rights issues. In addition to the Soviet Union and the Ukraine, which has separate U.N. membership, those opposing the Afghan measure were Bulgaria, East Germany, India, Libya, Mozambique and Syria. Congo, Cyprus, Finland, Jordan, Nicaragua, Peru, Tanzania and Yugoslavia abstained. The Mauritanian delegate was absent.

Like Ermacora's report, the resolution did not mention the Soviets by name. But it said the commission expresses "profound concern at the grave and massive violation of human rights in Afghanistan" laid out in the report. Moreover, it said, the commission "expresses its distress . . . at the widespread violations of the right to life, liberty and security of person, including the commonplace practice of torture against the [Afghan] regime's opponents, indiscriminate bombardments of the civilian population and the deliberate destruction of crops."

All these charges originally were made in Ermacora's report. Without naming them, the resolution called on the parties in Afghanistan to "apply fully the rules of international humanitarian law" and to let the International Committee of the Red Cross and other humanitarian bodies work freely to alleviate suffering in that country. It also called on the Afghan government to "put a stop to the grave and massive violation of human rights and in particular the military repression being conducted against the civilian population."

Ermacora said later that he had been accused by the Soviet Union of having had his report written by the CIA. Soviet delegate Vsevolod Sovinsky attacked Ermacora again today, saying he had written the report in only a few days and interviewed only "hireling bandits who are precisely the ones who commit crimes against Afghanistan."

The Afghan government refused entry to Ermacora when he was mandated to compile his report, and his interviews therefore took place only in Pakistan.

Sovinsky also accused Ermacora, an Austrian who as a teen-ager served in the German armed forces in World War II, of being a "neo-Nazi." As a U.N. civil servant Ermacora, who was present, was prevented from replying.

Mohammed Akbar Kherad of Afghanistan also called for rejection of the resolution, which he said was "an illicit document prefabricated in a CIA factory."

The resolution approved today marked the sixth successive year since the Soviet invasion of Afghanistan in December 1979 that the human rights commission has adopted a resolution expressing concern over human rights in that country. This year's resolution was considerably stronger, however, because it was based on Ermacora's report, the first U.N. document to spell out specific abuses committed by foreign troops occupying Afghanistan.

The resolution was presented by Australia, Belgium, Canada, Costa Rica, France, West Germany, Italy, Ireland, Japan, Liberia, Mauritania, the Netherlands, Singapore, Spain and Britain.

It supported Ermacora's report, called for an extension of his mandate for another year and ordered him to report to the U.N. General Assembly in the fall on the situation in Afghanistan.

[In other action, the human rights body condemned violations in El Salvador and Guatemala and instructed investigators to monitor alleged abuses, Reuters reported.

[The Associated Press reported that the commission voted 24 to 1 to condemn Israel for human rights violations in southern Lebanon. The United States cast the dissenting vote, and most western nations abstained.]●

ADDRESSING THE HUNGER ISSUE

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. DENNY SMITH. Mr. Speaker, famine in Africa drives home the point that despite the hundreds of billions of dollars the United States has spent on foreign aid and domestic nutrition programs, hunger continues to be a problem facing Congress.

I certainly cannot question the intent or the motives of my colleagues who voted for the reauthorization of the Select Committee on Hunger. I do, however, differ with them on the value of this congressional response to

the issue of hunger, since several standing committees of the House already have jurisdiction over domestic and international food programs.

The Select Committee on Hunger cannot report legislation. It merely studies the issue of hunger, and reports its findings. Such studies could certainly be done by the standing committees with jurisdiction over the various types of aid programs.

It is dangerous to treat hunger as a monolithic issue. For example, the causes of domestic hunger are far different from those of the current famine in Africa, where government policies and nonmarket economies have exacerbated the problems caused by drought.

Because the causes of hunger vary, I believe the complex issues involved are best addressed by those standing committees most familiar with the issues.

Nothing this body ever does is free, and the taxpayers need to be aware of the costs of this committee. For the 9 months it was in existence during the 98th Congress, the Select Committee on Hunger cost $347,847. Its estimated operating costs during the 99th Congress are set at $652,513 a year. In other words, in less than 3 years we will have spent over $1.65 million to fund a committee that essentially duplicates the efforts of standing committees and cannot report legislation. Increasing the bureaucracy has never fed anyone but the bureaucrats.

Reauthorization of the Select Committee on Hunger was a very expensive, symbolic gesture to demonstrate our commitment to eliminate hunger. I urge my colleagues to demonstrate fiscal responsibility, and vote against funding this committee when such funds are debated by the House.●

WRONG ISSUE FOR DEMOCRATS

HON. WILLIAM W. COBEY, JR.

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. COBEY. Mr. Speaker, I would like to introduce into the RECORD an editorial by the Raleigh News and Observer which is a newspaper located in the Fourth District of North Carolina. The editorial makes a strong statement for the seating of Mr. Rick McIntyre by the Democratic majority.

I also would like to commend Mr. Claude Sitton, the editor of the Raleigh News and Observer for presenting this subject in a clear, unbiased perspective. This article is a good representative of what a free press is all about.

[From the Raleigh News and Observer, Mar. 13, 1985]

WRONG ISSUE FOR DEMOCRATS

There are plenty of issues available for Democrats to go on the political offensive—legitimately and properly—against the Republicans. The congressional election in Indiana's 8th District, however, shouldn't be one of them.

Four months after the election, the voters of that district still do not have a representative in the House. The initial election-night count gave Democrat Frank McCloskey a 72-vote lead. A recount gave Republican Richard D. McIntyre a 418-vote lead.

Under the Constitution, the House has the final say, and an enormous partisan squabble has broken out. Three times the Democratic majority has voted not to seat McIntyre. The Republicans broke House custom by bringing the issue up at a pro forma session last week. And the House Administration Committee has the matter under investigation with a report due on April 1.

Neither party has covered itself in glory, but it is also evident that the Democrats have left themselves open to charges of pettiness, of stealing an election, of being "poor losers." The seating of the Republican McIntyre doesn't jeopardize the solid Democratic majority in the House, but the continued controversy does threaten damage to the party's public image.

The Democrats could help their party by seating McIntyre and by getting on with the debates with Republicans over the family farm, loans for college students, Social Security and Medicare and other issues that matter to the average American.●

PATENT AND TRADEMARK OFFICE AUTHORIZATION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. RODINO. Mr. Speaker, the bill I am introducing today, by request of the administration, would authorize appropriations for the Patent and Trademark Office for the next 3 fiscal years—1986, 1987, and 1988. Specifically, the bill authorizes $84,739,000 to be appropriated for the payment of salaries and generally to administer the Patent and Trademark Office in fiscal year 1986. Thereafter, in fiscal years 1987 and 1988, such increased sums are authorized as may be necessary to cover increases in salary, pay, or other employee benefits authorized by law. The bill's express language continues the subsidy—50 percent—for independent inventors, nonprofit organizations, and small business concerns created by Public Law 97-247.

An effective and accessible intellectual property system provides us with new technology we otherwise would not create or might need to buy from other countries. The ultimate test for our patent law system, of course, is whether it advances the public interest.

I would like to point out that, in the past few years, the Patent and Trademark Office has made strides in reducing the backlogs traditionally encountered in obtaining a patent or in registering a trademark, in providing better services to the public, and in ensuring the value and patentability of newly issued patents. The integrity of the files also has been improved.

In response to a request of the Congress to develop a plan which would modernize the operation of the Patent and Trademark Office, the Patent and Trademark Office has undertaken a major effort to be a fully automated operation by 1990. It was an anachronism that the agency that reviews the cutting edge of our technology continued to operate essentially as it did in the 19th century, relying on vast papers files, handwritten corresponsdence, and minimal automation.

An automated Patent and Trademark Office, in addition to providing more prompt and certain protection for our inventions and trademarks, will provide the public with easier access to the vast reservior of technological information which the Patent and Trademark Office holds.

The record should reflect that problems with automation have occurred. Those problems and proposed solutions will be fully explored by the committee in oversight and authorization hearings on the Patent and Trademark Office.●

SAUGUS HIGH SCHOOL BAND

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. MAVROULES. Mr. Speaker, it is my pleasure to share with my colleagues a salute to the Saugus High School Marching Band. Once again, this group of fine young men and women has been selected to represent the Commonwealth of Massachusetts in the Festival of States weeklong celebration in St. Petersburg, FL, beginning March 25.

Since its inception in 1937, the Saugus High School Band has proven to be one of the finest high school marching bands in the Eastern United States. Over the years, the band has traveled extensively, sharing its musical excellence with students all over the country. Next week, the band will be on the road to Florida to perform at Sea World and Disney World, where they have performed before. And, on March 30, they will march in the Festival of States parade, proudly carrying the Massachusetts State flag.

I well recall the sounds of the Saugus Marching Band from my days on the Peabody High football team, Saugus' longtime football rival. I can tell you it was difficult enough tackling the Saugus football team, and with the Saugus Marching Band behind them it was even more of a challenge.

I congratulate the band director, Mr. Jerome Mitchell, and each and every fine young musician and marcher in the band. I wish them all a safe and memorable trip to Florida, and best of luck in future performances and competitions.●

DAUPHIN COUNTY CELEBRATES BICENTENNIAL

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. GEKAS. Mr. Speaker, 1985 marks the 200th anniversary of the founding of Dauphin County, one of the six counties that form the 17th District of Pennsylvania. The citizens of Dauphin County are planning to celebrate in grand style as over 150 events have been planned for the year, beginning with the official kickoff on Sunday, March 3, 1985, at the Dauphin County Court House in Harrisburg. I would like to share with my colleagues a brief history of the county.

Prior to 1785 the area that was to become Dauphin County was part of the northern section of Lancaster County. John Harris, Sr., a trader, is believed to be the first white man to enter and settle this northern section of Lancaster County. His son, John Harris, Jr., founded a ferry along the Susquehanna River and named the area around his ferry Harrisburg, later to become the capital of the Commonwealth of Pennsylvania.

On March 4, 1785, the Pennsylvania General Assembly passed an act dividing Lancaster County north of the Conewago Creek. The northern section was named for the Dauphin of France, Louis Francois Xavier, eldest son of King Louis XVI of France and Marie Antoinette. From 1796 until 1791 Harrisburg was renamed Louisburg, but when John Harris died in 1791 it was once again named Harrisburg. In 1821 the general assembly further divided Dauphin County forming a third county, Lebanon, from the bottom right corner.

During the early days of our county, Dauphin County and the Susquehanna River stood as the gateway to the west for many of our pioneers. Young settlers from Lancaster and Reading would cross the Susquehanna at Harrisburg on their way to Pittsburgh and the West. The shores of the Susquehanna and the Harrisburg area were also the sights for a number of forts and camps to America's early soldiers. During the Civil War, Harrisburg served as one of the major centers for the Union Army. Camp Curtin, located in the northern end of Harrisburg, recruited, drilled, and equipped men from Pennsylvania and other Northern States before sending them to fight with the Union Army in the East and West. The city also served as a supply depot for thousands of tons of war material. The body of assassinated President Abraham Lincoln was brought to the house of representatives chamber in the capitol of Harrisburg on April 21, 1865, where he lay in state overnight. Dauphin County again aided the American cause in 1898 when Camp Mead in Middletown housed a large number of troops for the short-lived Spanish-American War.

By the mid-1800's industry had come to the area with the completion of the Pennsylvania Steel Co. mill in Steelton in 1867. Not only was the mill the first built solely to produce steel but it was also the first built solely to produce steel rails in the United States. The steel mill was taken over by the Bethlehem Steel Co. in 1916 and is still in operation today. In 1905 a chocolate factory was completed in the eastern Dauphin community of Derry Church by Milton S. Hershey. Today the factory is one of the largest chocolate and cocoa producing plants in the world and Derry Church is now known to millions of Americans as Hershey, PA, or Chocolatetown, U.S.A.

All of Dauphin County—from Pillow in the north to Royalton in the south, from Millersburg and Halifax in the west to East Hanover in the east—share in the joy of celebrating our history.

The first 200 years of Dauphin County have been rich in history. The citizens who have lived and worked here have made Dauphin County and Pennsylvania a center to the development of our Nation. I commend not only those who are organizing the celebration but those who have made those years worthy of celebration.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 21, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 22

9:30 a.m.

Agriculture, Nutrition, and Forestry

To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the dairy industry.

SR-328A

Banking, Housing, and Urban Affairs

Housing and Urban Affairs Subcommittee

To hold hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.

SD-538

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for satellite and atmospheric programs of the National Oceanic and Atmospheric Administration.

SR-253

10:00 a.m.

Foreign Relations

African Affairs Subcommittee

To hold hearings on S. 660, authorizing funds for fiscal years 1986 and 1987 for development and security assistance programs of the Department of State.

SD-419

MARCH 25

9:15 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for voluntary contributions to international organizations and programs.

SD-192

9:30 a.m.

Agriculture, Nutrition, and Forestry

To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the feed grain industry.

SR-328A

Finance

To hold hearings to review the GAO report on improved efficiency needed to relieve Medicaid from paying for services covered by private insurers.

SD-215

Judiciary

To hold hearings on S. 522, to prohibit the use of Federal financial assistance to perform abortions except where the life of the mother would be endangered.

SD-226

Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on a proposal to reform the current system of Federal funding for graduate medical education.
SD-430

10:00 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 374 and S. 193, bills authorizing funds for the U.S. Travel and Tourism Administration, Department of Commerce.
SR-253

*Governmental Affairs
To hold oversight hearings on the implementation of the President's Private Sector Survey on Cost Control (the Grace Commission).
SD-342

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings to examine insurance problems in the fishing industry.
SR-253

2:00 p.m.
*Office of Technology Assessment
The Board, to hold a general business meeting.
H-227, Capitol

2:30 p.m.
*Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on the farm credit crisis and certain practices of the Federal Deposit Insurance Corporation.
SD-226

MARCH 26

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Bureau of Standards.
SR-253

Labor and Human Resources
To resume oversight hearings to review labor violence activities.
SD-430

Veterans' Affairs
To hold oversight hearings to review VA policies relating to the construction of major medical facilities.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Farmers Home Administration, Department of Agriculture, and the Farm Credit Administration.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on research, development, technology, and engineering.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

Foreign Relations
Business meeting, to mark up S. 660, authorizing funds for fiscal years 1986 and 1987 for development and security assistance programs of the Department of State.
SD-419

Judiciary
To hold hearings on proposed legislation authorizing funds for the Department of Justice.
SD-226

Select on Intelligence
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

11:30 a.m.
Small Business
Business meeting, to mark up S. 408, authorizing funds for fiscal year 1986, 1987, and 1988 for the Small Business Administration.
SR-428A

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary, Financial Management Service, Bureau of the Public Debt, U.S. Mint, U.S. Savings Bonds Division, all of the Department of the Treasury, and the U.S. Postal Service.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Federal Fire Prevention and Control Act (P.L. 93-498).
SR-253

Judiciary
To hold hearings on pending nominations.
SD-226

2:30 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

MARCH 27

9:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Martha R. Seger, of Michigan, to be a member of the Board of Governors of the Federal Reserve System.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration, and to hold oversight hearings to review activities of the Office of Commercial Space, Department of Transportation.
SR-253

Labor and Human Resources
To hold joint hearings with the Committee on Veterans Affairs on the nomination of Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.
SR-418

Veterans' Affairs
To hold joint hearings with the Committee on Labor and Human Resources on the nomination of Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.
SR-418

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the soybean industry.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, refugee programs, and the Office of Child Support Enforcement.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Board for International Broadcasting, Arms Control and Disarmament Agency, and the Federal Communications Commission.
S-146, Capitol

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

Veterans' Affairs
To hold oversight hearings to review the Veterans' Administration construction process.
SR-418

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for foreign assistance programs.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Revenue Sharing and the New York City Loan Program (Department of the Treasury), Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

Foreign Relations
Business meeting, to continue markup of S. 660, authorizing funds for fiscal years 1986 and 1987 for development and security assistance programs of the Department of State.
SD-419

Judiciary
To hold hearings on the proposed sale by the Department of Transportation of Conrail.
SD-226

MARCH 28

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the wheat industry.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Pipeline Safety Act.
SD-G50

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

*Rules and Administration
To hold an organizational meeting, to consider committee rules of procedure for the 99th Congress, membership for the Joint Committees on Printing and the Library, committee budget for 1985, and other pending legislative and administrative business.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on guard and reserve affairs.
SD-342

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the National Science Foundation.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

Foreign Relations
To hold hearings on S. 659, authorizing funds for fiscal years 1986 and 1987 for the Department of State.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Executive Office of the President, and the Internal Revenue Service, Department of the Treasury.
SD-116

3:30 p.m.
Select on Ethics
Closed business meeting.
SH-220

MARCH 29

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the cotton industry.
SR-328A

Finance
To hold hearings to review the findings of the President's Commission on Industrial Competitiveness.
SD-215

APRIL 1

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the rice industry.
SR-328A

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:30 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

APRIL 2

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the sugar, wool and honey industry.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the activities of the Office of Government Ethics.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food for Peace Program (P.L. 480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on strategic defense initiatve.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

*Labor and Human Resources
To hold hearings on S. 484, to extend for 3 years the moratorium on the ban of the artificial sweetener saccharin.
SD-430

APRIL 3

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the peanut industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SD-G50

Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. International Trade Commission, U.S. Customs Service, and the Office of the U.S. Trade Representative.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy shipbuilding and conversion.
SD-116

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Environment and Public Works
To hold hearings on the availability of environmental impairment insurance and its relation to the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (P.L. 96-510), and the Resource Conservation Recovery Act (P.L. 98-616).
SD-406

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the food for peace program and export industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Asso*** BAD MAG TAPE ***ciation, and the Office of the Secretary of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to markup S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 15

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for conservation programs.
SR-328A

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for research and extension programs.
SR-328A

APRIL 16

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, Office of Inspector General, National Institute of Education, education statistics, and vocational and adult education, all of the Department of Education.
SR-428A

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, and bilingual education.
SR-428A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Finance
To hold hearings to review an Administration report on prospective payment for skilled nursing facilities under the Medicare Program.
SD-215

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for AMTRAK.
SR-253

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training, and libraries.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 29

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
Room to be announced

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

*Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342

*Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116
10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406
2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116
10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138
Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

MARCH 21

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings in closed session on certain activities of the Drug Enforcement Administration, Department of Justice.
S-407, Capitol
4:00 p.m.
Small Business
To hold an organizational business meeting, to consider committee budget for 1985, committee rules of procedure for the 99th Congress, and subcommittee assignments.
SR-428A

MARCH 26

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implimentation of the Stevenson/Wydler Technology Innovation Act (Public Law 96-480).
SR-253

HOUSE OF REPRESENTATIVES—*Thursday, March 21, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

I will give thanks to the Lord with my whole heart; will tell of all Thy wonderful deeds,

I will be glad and exalt in Thee, will sing praise to Thy name, O Most High.

The Lord is a stronghold for the oppressed, a stronghold in times of trouble.

And those who know Thy name put their trust in Thee, for Thou, O Lord, hast not forsaken those who seek Thee.—Psalms 9:1, 2, and 9, 10.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1239. An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 1239) entitled "An act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATFIELD, Mr. STEVENS, Mr. COCHRAN, Mr. KASTEN, Mr. STENNIS, Mr. INOUYE, and Mr. BURDICK to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 91. Joint resolution to designate March 21, 1985, as "Afghanistan Day."

The message also announced that Senate Joint Resolution 75, entitled "Joint resolution to further approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles," passed the Senate.

COMMENDING LT. GEN. LINCOLN D. FAURER FOR DISTINGUISHED SERVICE

Mr. HAMILTON. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 92) to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America, and I ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. STUMP. Mr. Speaker, I reserve the right to object, and I do so only to allow the chairman of the Intelligence Committee to explain briefly this resolution to the House.

I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Speaker, this resolution would express the appreciation of the House and Senate for the able and distinguished service of Lt. Gen. Lincoln D. Faurer as Director of the National Security Agency the past 4 years. It would urge the President to award him the Nation's highest intelligence honor, the National Security Medal.

Mr. Speaker, General Faurer has had a distinguished career in the Air Force. He is an intelligence professional who has also commanded reconnaissance squadrons and missile operations. He has served as the chief intelligence officer to the U.S. European and Southern Commands. He has been a high official of the Defense Intelligence Agency.

These are significant accomplishments, but General Faurer has been brought to the attention of the Permanent Select Committee on Intelligence for his service as Director of the National Security Agency. Those 4 years at the National Security Agency have been critical to the development of U.S. signals intelligence operations. They have been years of great accomplishment, both for General Faurer, for NSA, and for the intelligence community at large. It is difficult to praise General Faurer fully for his accomplishments because of the highly sensitive nature of the National Security Agency's work.

Further, the job of Director, NSA, is a difficult and complex job. Perhaps more than any other high-ranking intelligence officer in the U.S. intelligence community, his was and is an unsung and, in some respects, thankless job. The country will never know fully the contributions that General Faurer has made in the national security, to the safety of our citizens. Nor will the public ever learn about the sometimes courageous stance he has taken in the national interest that have run up against the opposition of his superiors or the conventional wisdom. I believe he has suffered as a result of these stands, but they are ones for which we should all be thankful.

Under General Faurer's leadership at NSA, a number of accomplishments stand out. In his 4 years, there has been an enhanced and greatly increased provision of intelligence collected by national systems to the military commander in the field. Because of this improvement, our military forces are better able to fight and more likely to prevail in a whole range of military conflicts.

General Faurer has taken a leading role within the intelligence community in the critical examination, realistic evaluation and forward-looking search for the most essential areas of new intelligence collection. In this process, he has insisted upon a rationale view of intelligence requirements. The result of these thorough reviews have been prudent requests for the funding of high-priority intelligence collection activities.

General Faurer has been ahead of his time in foreseeing the technological development to which the U.S. signals intelligence system must adapt. He has been in the forefront of those insisting on an ordered approach to these ever increasing challenges. In particular, he has brought to the attention of this Nation's highest leadership the serious nature of the communications security and computer security threats and has developed innovative and important approaches to meet the challenges in an area that has been long neglected.

Mr. Speaker, I know I am joined by past and present members of the Permanent Select Committee on Intelligence in wishing that General Faurer would stay on in his job. We regret his loss to the intelligence community and to the Department of Defense, particularly at a time when his talents and experience are sorely needed.

Mr. Speaker, I want also to end by noting that perhaps the most appreciated of General Faurer's many traits has been his unvarnished, honest, and accurate testimony before the committee over the years. He has permitted us to make clear assessments of the need for intelligence programs and has

made the oversight of this committee easier and, I believe, more effective.

Mr. Speaker, the House, the Congress, the Nation, owe a great debt of gratitude to General Faurer. The Nation is losing a national asset in his departure from NSA. We wish him the best for the future. He retires with great honor and with the thanks of the Congress of the United States. He richly deserves the highest decoration that can be awarded for distinguished intelligence service.

Mr. STUMP. Further reserving the right to object, Mr. Speaker, I wish to strongly associate myself with the remarks of the distinguished chairman of the House Intelligence Committee and avail myself of this opportunity to honor the dedicated and distinguished service of Gen. "Link" Faurer who for the last 4 years has served as Director of the National Security Agency.

General Faurer has the reputation within the intelligence community and certainly in the House Intelligence Committee as a person of uncompromising integrity. As one of the senior intelligence officials within our Government, General Faurer has done much to improve and revitalize our intelligence capabilities while instilling confidence and respect here in Congress for the difficulty that the intelligence community faces in keeping our Nation strong and free.

I make note that the former ranking member of this committee, Kenneth Robinson, held General Faurer in the highest regard as do the other former members of the committee and were they here, I know they would second my accolades of respect and admiration for the outstanding performance at the National Security Agency under General Faurer's direction.

General Faurer is a man of uncommon virtues who has used his sound judgment and unique understanding of the intricacies of sophisticated intelligence systems to make significant contributions to the improvement of national security.

General Faurer will leave a void not easily filled, he will be missed by his friends, his colleagues, the Congress and the Nation which he has so diligently served for over 35 years.

Mr. Speaker, I request that my colleagues strongly support the House concurrent resolution introduced by Chairman HAMILTON.

(Mr. STUMP asked and was given permission to revise and extend his remarks.)

● Mr. BOLAND. Mr. Speaker, I want to add a few words of praise to those of Mr. HAMILTON and Mr. STUMP.

General Faurer appeared before the Permanent Select Committee many times while I had the honor to be chairman.

In all those appearances and in every other view that I obtained of his service at NSA, I found him to be highly competent, honest, farsighted, and extremely candid with the Congress.

His departure represents a loss to the Nation and, particularly, to the congressional oversight of intelligence.

We relied heavily on General Faurer not only for his judgment and honest assessment but for his conscious and continuing efforts to rationalize and coordinate diverse national and tactical intelligence requirements.

His performance in the frequent review of intelligence programs to guard against unnecessary duplication in the national and tactical arenas made the job of the Permanent Select Committee on Intelligence much easier.

Mr. Speaker, General Faurer performed a difficult job.

He did it with great care and considerable success—sometimes against, rather than with, the support of all in the national security community.

Throughout, he did it with grace, great confidence, and with the respect of all.

I wish to be placed well in the forefront of his many admirers.

I wish General Faurer and his family all the best in the future and I wholeheartedly support this resolution.

It does not adequately thank this distinguished officer for his great service to the Nation.●

Mr. STUMP. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 92

Whereas, Lieutenant General Lincoln D. Faurer, United States Air Force, has served his nation with dedication, honor and distinction for 35 years since his graduation from the United States Military Academy in 1950;

Whereas, General Faurer's career has been one of outstanding accomplishment and devotion to duty, culminating with four years of service as Director of the National Security Agency, where he has directed some of the nation's most complex and technologically sophisticated intelligence collection systems;

Whereas, General Faurer's many commendations and awards testify to his extraordinary skill and outstanding innovative leadership;

Whereas, during a period of rapid technological change and accelerated demand for timely, accurate Signals Intelligence information to support both national and defense intelligence requirements, General Faurer has guided the National Security Agency to unprecedented levels of achievement and has thus made a major contribution to the national security of the United States;

Whereas, General Faurer has made significant contribution to the successful furthering of National Security Agency missions involving communications and computer security through his energetic and effective management of complex, rapidly involving programs;

Whereas, General Faurer has earned the respect, admiration and trust of the highest officials in the executive and legislative branches of our Government, and particularly of the present and former Members of the Intelligence Committee of the Senate and House of Representatives for his integrity and positive approach to Congressional oversight of our nation's intelligence activities: Now, therefore, be it

Resolved, That on the occasion of his retirement from active duty the Senate and House of Representatives of the United States of America express and record their deep appreciation to Lieutenant General Lincoln D. Faurer for his exceptionally distinguished service to the United States Air Force, the national and defense intelligence communities, and the national security of the United States.

Resolved further, That in recognition of such exceptionally distinguished service and high achievement the Senate and House of Representatives of the United States of America strongly urge the President to award the National Security Medal to Lieutenant General Lincoln D. Faurer.

The SPEAKER. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MAKE SENSE, NOT "OUR DAY"

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. WRIGHT. Mr. Speaker, President Reagan insists on ever more expensive weaponry, but he stubbornly refuses to approve any plan to pay for this weaponry.

As a result, he has doubled the national debt in just 4 years and it continues to grow at a runaway pace.

When responsible Members of Congress suggest a reasonable means of raising revenues to help pay for this extravagant Pentagon spending, President Reagan strikes the pose of "Dirty Harry," brandishes the veto pen like a pistol, and boasts in macho bravado: "Go ahead, make my day."

Well, that may be show biz, but it is darn sure not statesmanship. That was the conclusion of the attached editorial, which I offer from the Fort Worth Star Telegram of last Sunday.

Maybe it is time for responsible Members of Congress to say, "Mr. President, if you want still more costly weapons, then tell us what your plan is to pay for them, and we'll consider it at that time."

Mr. Speaker, the editorial follows:

MAKE SENSE, NOT "OUR DAY"

Dirty Harry Callahan may be a folk hero in some circles, but nobody voted for him for president.

And President Reagan's use of Clint Eastwood's catchy line from Sudden Impact may come back to haunt the entire budget-making process.

"Go ahead, make my day," sounds great in the movies, but it has no place being used as a taunt to senators who already were sufficiently nervous about the president's budgetary and deficit-fighting proposals that they have largely ignored them.

The movie script taunt merely makes a bad situation worse.

Even as Reagan was delivering his Dirty Harry line to business executives, the Senate Budget Committee was giving tentative approval to a budget that denies much of the president's program—calling for a freeze in Social Security benefits, fewer domestic spending cuts than Reagan requested and a sizable cut from the Reagan defense buildup.

The senators provided for no tax increases, but they must reserve final judgment on that until later in the budget and deficit-cutting process.

Reagan is right to seek the domestic spending limits, and Congress needs to realize this.

Congress—including Republican leaders like Sen. Pete V. Domenici of the budget panel—is right to feel that defense spending could absorb some of the needed trimming in federal outlays. And the president must eventually realize that.

And both must realize that when all the cutting is done, and the best estimates are counted, that some attention must be given to the next step in deficit reduction. And that, unfortunately, will probably mean some "revenue enhancement" in the form of higher taxes.

The president has made himself clear, time and again. He doesn't want any tax hikes. Ever.

Nor do the American people. Nor does Congress.

But the time may come, even this year, when the maximum cuts have been made and the next decision is between some tax increases and continued mammoth deficit spending.

And when that time comes, it will not serve anyone's interest for the president to be painted into a corner where he has to use his veto pen like Dirty Harry's eager .44 magnum.

The veto, like the magnum, is a powerful handgun. Like the magnum, if it is used long enough as a threat, it eventually has to be used. And when it is used, it can leave a big wound.

□ 1110

ABORTION IS INFANTICIDE

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of New Jersey. Mr. Speaker, I urge my colleagues to read a very thoughtful column in yesterday's Washington Post by William Raspberry entitled "Abortion or Infanticide."

Mr. Raspberry relates the not uncommon story of a baby who survived an abortion, in this case, in a hospital in Miami. The victim in this case received, however, only marginal care and died after 9 hours.

Mr. Speaker, the liberal columnist raises all the right questions when he asks:

Is there really any clear moral distinction between abortion and infanticide?

By what moral/legal alchemy is an undelivered, disposable fetus transformed into a person with full fledged rights simply by passing through the birth canal?

Mr. Raspberry further asks:

How can it be correct, medically and morally, to use the prostiglanden suppository method which is supposed to induce violent contractions and, in effect, choke an unborn baby to death, and wrong, medically and morally to choke the same baby to death manually, or give her a lethal injection or smash her tiny skull, if she manages to survive the original attempt on her life?

Finally he writes:

The pro-choice advocates make much of the distinction between fetus and baby. But does a fetus marked for death become a baby if the abortion fails. • • • Are babies and fetuses really so different? • • •

Mr. Speaker, the time for intellectual honesty and candor is now. The contention that an unborn baby is anything but human and alive is ludicrous. I commend the article to my colleagues.

[From the Washington Post, Mar. 20, 1985]

ABORTION OR INFANTICIDE?

(By William Raspberry)

The legal issues Sandy Tosti raises will be settled when the case comes to court. It's the moral questions that I find more troubling.

Tosti, a nurse, lost her job at Plantation (Fla.) General Hospital after she talked to a friend (who talked to a friend, who talked . . .) about a newborn baby girl who had survived an attempted abortion.

The nurse, according to Cal Thomas, in whose syndicated column I first saw the details, believed that care for the baby had been shifted, by doctor's order, from "life-saving treatment" to "conditional care," the care given the dying, and she had called a friend to enlist her prayers that the infant might survive.

The physician, speaking anonymously to a Miami television station, said he did all he could to save the baby, who lived for some nine hours before dying on a respirator, but contended that it was medically impossible for a 22-week-old fetus to survive.

The hospital says it fired Tosti because she caused it to receive "bad publicity," presumably including 800 to 1,000 phone calls the day after the baby died.

Tosti has sued for more than $100,000, claiming her rights under equal-employment-opportunity statutes were violated.

Presumably the courts will sort out those issues. Some things will remain muddled and murky.

For instance, why should a doctor who had tried unsuccessfully to kill the baby be required (morally or legally) to turn his attention to saving her life after the abortion attempt?

By what moral/legal alchemy is an undelivered, disposable "fetus" transformed into a person with full-fledged rights simply by passing through the birth canal?

How can it be correct, medically and morally, to use the prostaglandin suppository method (which is supposed to induce violent contractions and, in effect, choke an unborn baby to death) and wrong, medically and morally, to choke the same baby to death manually, or give her a lethal injection or smash her tiny skull, if she manages to survive the original attempt on her life?

The raging debate between the right-to-lifers and the pro-choice advocates covers a range of moral, constitutional and metaphysical issues: When does life begin? What is viability? At what point does the question of a woman's right to control her own body become a question of the rights of the unborn infant in her womb? Should the whole subject be off-limits for men, since only women can become pregnant? Some observers, including this one, have contended that the questions are essentially unanswerable and that the decision finally is one to be made between the woman and her physician.

But the Florida case raises a question that simply will not go away: Is there really any clear moral distinction between abortion and infanticide? And does the morality change as medical science learns to save ever-younger fetuses?

According to Cal Thomas, another 22-week-old "preemie," born that same night in the same neonatal unit, is healthy and facing a normal life. The key difference, he says, is that someone decided that one infant should die, and that the other one should live.

Would it have mattered (and on what morally defensible ground?) if the "other one" had been the product of rape or incest? Would it constitute a different moral situation if, in the first case, the doctor had been able to forestall delivery until he was able to try a second abortion technique?

The pro-choice advocates make much of the distinction between a "fetus" and a "baby." But does a "fetus" marked for death become a "baby" if the abortion fails? Is it wrong to kill a failed abortion, say by injection, but right simply to withhold life-saving treatment?

Are babies and fetuses really so different?

It's all so terribly complicated. Or else terribly simple.

U.S. TRAVEL AND TOURISM ADMINISTRATION AUTHORIZATION BILL

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, today I am introducing legislation to reauthorize the U.S. Travel and Tourism Administration of the Department of Commerce, at a level of $15 million for the 1986 fiscal year. I do this in spite of recommendations by the President, and the Senate Budget

Committee, that the agency be eliminated next fiscal year.

I believe that eliminating the USTTA at this time would be extremely shortsighted and would ultimately cost this Nation much more than the small savings that will be realized from abandoning the agency. The continued strength of the dollar abroad is causing more and more Americans to spend their vacation dollars overseas, and we need to concentrate more effort on both attracting tourists from abroad, and encouraging our own citizens to vacation in this country.

We have seen how organized tourism promotions have helped individual States—New York, for example, has benefited greatly from the "I Love New York" Program. More and more on television we are seeing advertising for foreign vacation spots such as Jamaica and Australia. I have no problems with these efforts, in fact I encourage them. I simply believe that we in the United States, with all our wonderful resources and beautiful and interesting vacation spots, should be doing the same thing.

Tourism is a $2.2 billion industry in the State of Connecticut, alone. Certainly an industry that brings in money at that magnitude is worthy of 15 million dollars' worth of promotional support from the U.S. Government. If we are to stay competitive in the tourism business, and keep this valuable source of revenue, it is imperative that we keep the U.S. Trade and Tourism Administration alive.

EFFORTS TO LOCATE POW'S LAG EFFORTS TO RUN DOWN NAZI WAR CRIMINAL

(Mr. HENDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENDON. Mr. Speaker, I was pleased to read in yesterday's Washington Post that at least half a dozen additional Federal agencies have joined the U.S. Justice Department in searching worldwide for fugitive Nazi war criminal Josef Mengele.

According to the Post article, the FBI, the State Department, the U.S. Army, the Drug Enforcement Administration, the U.S. Marshal's Office, and the entire U.S. intelligence community are helping find this one man.

Mr. Speaker, I applaud and support our Government's effort to bring this beast, Mengele, to the bar of justice. But why not a similar effort for our POW's in Southeast Asia, who, according to the former Director of Military Intelligence in the Pentagon, are still alive and being held prisoner against their will.

Only when we become as concerned about our POW's as we have correctly become concerned about Mengele—only then, Mr. Speaker, will these brave men come home.

HOUSE MEMBERS ARE NOT GETTING ALL THE FACTS ON THE MX

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, we are not getting all the facts on the MX—it's a destabilizing, first strike weapon that will escalate the nuclear arms race.

Before we waste more money Congress should read a report by Newsweek that compares American and Soviet military strength.

Of the 28 major weapon systems, America is superior in 9, is equal to or has the edge in 15 others, and trails the Soviets in only 4 categories.

It would be a crime to allow this administration to cut $40 billion from people programs and put $34 billion more into military spending, for such weapons as the MX.

Think about it.

America's greatest threat is our national debt—not a foreign missile. Let's tell it like it is.

The MX is a sitting duck—it's obsolete.

It's not a bargaining chip nor will it ever be.

We are entering a new time when more weapons do not necessarily mean greater security.

Whether or not we have the wisdom and courage to stop such a weapon will be determined next week when the House votes to stop or continue MX production.

FRED HARTMAN: BAYTOWN'S "MAN OF THE LAST HALF CENTURY"

(Mr. FIELDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FIELDS. Mr. Speaker, one of my constituents is to be honored Thursday evening in his adopted hometown of Baytown, TX. Fred Hartman will be recognized as Baytown's "Man of the Last Half Century" by the local chamber of commerce.

It will be a richly deserved honor.

From headlines to highways, from public service to protecting the people's right to breathe clean air, Fred Hartman's exemplary record over the last half century stands as a monument to the term "giving of one-self."

No one man has made more of an impact on the dynamic growth of Baytown and east Harris County over the last 50 years than has this son of deep central Texas. He came to Baytown by way of Marlin, TX, and Baylor University, and his service to his community, county, and State has touched thousands of lives.

Fred Hartman is recognized throughout the State of Texas as a newspaperman with few peers. A delightful wordsmith, Hartman served as editor and publisher of the Baytown Sun for 25 years and only recently stepped down as chairman of the board of Southern Newspapers, Inc., an organization that owns and operates newspapers in a number of States.

Fred Hartman has always believed that a newspaper should be an integral part of its community, a partner in progress rather than a standoffish overseer—and he often used the pages of his beloved Baytown Sun to promote and sell the many virtues of Baytown and east Harris County. More often than not, his voice was heard.

But newspapering was only one way Fred Hartman touched so many lives. Public service was another. And the record shows that he gave, and continues to give, a full measure of devotion to those efforts. From serving on the board of directors of San Jacinto Methodist Hospital in Baytown to serving on the Texas Air Control Board, Fred Hartman has put community and State before self, giving of his time and efforts to make Baytown and the State of Texas a better place in which to live. His work with the Baytown Chamber of Commerce and the Baytown Rotary Club also have improved the lives and well-being of thousands of men and women.

All the while, he has found time to advise, counsel and serve the last six Governors of Texas in a variety of capacities, and has long been recognized as a leader in pushing for highway improvements. In fact, there are those who believe that Fred Hartman enjoys the challenge of securing highway funds for east Harris County almost as much as he enjoys baseball. His 30 years of service as chairman of the Baytown Chamber of Commerce's highways committee attest to that fact.

A family man and a Christian, Fred Hartman is the kind of person that younger generations should look up to. Older generations already do.

Simply put, if Fred Hartman had chosen to be a baseball player rather than a newspaperman and servant for community good, he would have been a lifetime .300 hitter and a member of the Hall of Fame.

Perhaps the most appropriate way to sum up this fine gentleman is to use Hartman-like lexicon and borrow one of his own favorite phrases: Fred, you are without question one of the finest persons ever to "slide into third base" in east Harris County. And we all are the better for it.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished majority leader the program for the balance of this week and next week.

I yield to the gentleman.

Mr. WRIGHT. I thank the distinguished minority leader for yielding, and I ask that all Members pay some attention; there have been some changes in the earlier scheduled program for next week.

The plan is that when we adjourn today, we will adjourn to meet on Monday, and we will meet at noon on Monday; we will take up two suspensions, but we will postpone any votes until Tuesday. Votes on those two suspensions will be taken Tuesday, but we will begin general debate on House Joint Resolution 180 to authorize the release of funds for the MX missile.

Now, under the provisions voted on last year, it is required that 10 hours be allowed for debate. We propose, because of the plans of the Republican Members and the White House to have a meeting on the following morning at 9:30, not to go in at 10, but to go in at 11 o'clock on Tuesday.

We would convene at 11 a.m. on Tuesday, take votes if they were required on the suspensions debated on the day before, consider House Resolution 100, to authorize funding for the House committees.

□ 1120

I understand that was reported unanimously, without a single dissent from the House Administration Committee, and therefore it ought not to take any time in debate. We will go into the concluding debate, which will have 4 hours remaining, on House Joint Resolution 180, authorizing the MX missile funds, complete consideration, and vote on Tuesday.

By this arrangement, it seems logical that we should reach a vote at a reasonable hour, in any event, before 6 p.m., unless there are dilatory motions of one kind and another that we cannot anticipate.

Mr. MICHEL. The gentleman will recall that yesterday, when the Speaker and the majority leader and the gentleman from Illinois were counseling on this and other matters, we talked about 7 hours on Monday and 3 hours on Tuesday and going in at the regular hour. It is my understanding that on the gentleman's side, at his caucus or meeting this morning, there was a desire that we meet earlier on Tuesday and break down the time, in keeping with his original proposal. That did cause us some hurt on our side, and so if the gentleman needs to be covered, from his point of view, it is in accommodation to our side to split that difference between 10 and 12 and at 11, and to also split the difference on the 4- to 6-hour division of time, and that will accommodate our side. I think I can assure the gentleman, too, that on the funding resolutions, while, yes, there will be the usual kinds of opposition from some Members, and possibly a motion to recommit, that that ought to move along rather expeditiously.

Mr. WRIGHT. The gentleman from Illinois is quite correct in pointing out that there has had to be some accommodation on both sides, and he has demonstrated his willingness to accommodate the desires of the majority, and we therefore certainly have every reasonable right to try to accommodate the wishes of the minority and its scheduled meeting at the White House at 9:30 that morning.

Additionally, the gentleman from Illinois has indicated to me that there will be no attempts to have votes on Monday. I think that is agreed all the way around; and, further, that there would be no votes prior to April 2, in any event, on the question of the contested seat in Indiana. So the Members may have that general reasonable gentleman's agreement on both sides of the aisle.

Now, on Wednesday, assuming that we have completed the authorizing action on Tuesday and assuming that it has been approved, then we would meet at noon on Wednesday and take up House Joint Resolution 181, the appropriation for the MX missile. That, too, under our general agreement, is entitled to 10 hours of general debate, unless we should at that time determine that a lesser amount of time would suffice. If there were a mutual agreement on the House floor to a shorter time for debate on the appropriations bill, I know that would be accommodated by the leadership.

But then we do not anticipate being in session on Friday. It is just remotely possible that we might conclude that appropriation on Wednesday, but Members should be advised not to expect that. It is probably more likely that we will have to finish that appropriation debate and vote on Thursday, in which event we will try to come in at 11 o'clock in the morning Thursday to finish that business. We would have no session, therefore, on Friday.

Any further program would be announced later.

Mr. MICHEL. I thank the gentleman.

ADJOURNMENT TO MONDAY, MARCH 25, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 26, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, it adjourn to meet at 11 a.m. on Tuesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT, MARCH 27, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, it adjourn to meet at 12 noon on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM THURSDAY NEXT UNTIL MONDAY, APRIL 1, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Thursday next, it adjourn to meet at noon on Monday, April 1, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LET BUSINESS DO BUSINESS—NOT PAPERWORK

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, one of the best ways to make American business more productive and efficient is to remove from them the burden of government overregulation and reporting. As paperwork and regulation increase, business has less time to devote to the production of goods and services and to creating the jobs necessary to sustain economic growth.

Two years ago the Congress passed much-needed legislation to repeal the onerous law on withholding of interest and dividend payments. Unfortunately, in that action of repeal, a new burden was added to businesses which pay interest and dividends, the requirement that this annual mailing of the 1099 form be done in a separate mailing.

The intent of this provision was, I am told, to keep us taxpayers from throwing these notices away, thinking they were unimportant. I wonder who made this determination, and if they considered the cost of this new paperwork requirement to our economy.

The separate mailing of 1099 forms creates an enormous cost to American business. These mailings duplicate effort and lead to tremendous new costs of a nonproductive nature.

The IRS reports that over 495 million (individuals, corporations, and so forth) received interest and dividend payments in 1983. Most fall under the separate mailing requirement. As a very conservative estimate of $1 per mailing, Congress has added a new cost to business in the range of $400–$500 million per year. The cost to one large corporation alone will be $500,000 this year.

Unlike many issues, this one has a simple solution. I am introducing legislation to allow payors of dividends and interest to include this statement in a regular, timely, first-class mailing, marking the statement as "Important Taxpayer Information—Retain for Records."

By reducing unnecessary paperwork and unproductive costs to American business we help our economy grow, aiding the creation of jobs across America. Let business do business—not paperwork. I ask for my colleagues support in this effort.

MISSING CHILDREN

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, over 1 million children were reported as missing in 1984, up to 50,000 of these children are still missing. In my own State of Florida approximately 3,000 children have been listed in the Florida crime information computer as missing.

These grim statistics demand our action. You can held protect children from this tragic fate!

Join me and 160 of our colleagues in cosponsoring House Joint Resolution 33, which designates the week of September 8 through 14 as National Child Safety Week.

Then, actively participate in planning a child safety day in your district.

Community organizations, law enforcement, and you, can increase awareness of how we can keep our children safe. Work as a team to compile vital statistics for parents of their children.

Law enforcement will then be armed with information critical to their search should one of these children later be reported missing.

This all can start by cosponsoring National Child Safety Week. I ask my colleagues won't you join me?

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 689) to authorize appropriations for famine relief and recovery in Africa, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I do so to afford the chairman of our committee an opportunity to explain the bill.

Mr. FASCELL. Mr. Speaker, if the gentleman will yield, this bill is very similar to the Africa emergency relief authorization which the House passed before and therefore I will not take much of the Members' time in detailing it.

In essence, S. 689, the African Famine Relief and Recovery Act of 1985, is the same as H.R. 1096 as it passed the House last month by a vote of 391 to 25.

The bill authorizes supplemental appropriations of $175 million for emergency relief assistance in Africa in fiscal 1985; $137.5 million of this is for nonfood disaster assistance such as medicines, tents, seeds, transportation costs for the relief material, and so forth. The other $37.5 million is for refugees in Africa, who of course are also victims of this famine tragedy.

The Senate bill differs slightly from the original House version in that it does not contain several of the specific earmarks which were in that bill. But the money amounts are the same and the policy language is virtually identical throughout.

The reason this bill is here today, of course, is because what the Senate sent us before had a farm credit amendment on it which caused a Presidential veto. However the President said he did not veto because of the Africa relief provision, and there is no administration objection to this bill now.

Late Tuesday, the Senate brought the bill up under unanimous-consent procedures and passed it by voice vote. It does not have the farm amendment in it. It is a clean, straight Africa emergency relief bill, and it is urgently needed.

There are millions of people at risk of starvation in Africa. The important thing is to get this aid to them as fast as possible. We want to send this bill on to the White House today.

The appropriations for the nonfood disaster assistance authorized in this bill, and the appropriations for emergency food assistance, have already been passed by the House and are awaiting final Senate action.

In conclusion, I want to note that this is a completely bipartisan bill which represents a lot of hard and cooperative work by distinguished Members on both sides of the aisle. I particularly want to commend the gentleman from New York [Mr. WEISS], who sponsored the original bill, and the gentleman from Michigan [Mr. WOLPE] who worked with him as chairman of the Africa Subcommittee; the gentleman from Michigan [Mr. BROOMFIELD], the distinguished ranking minority member of the Foreign Affairs Committee; the gentleman from Massachusetts [Mr. CONTE], and the gentlelady from New Jersey [Mrs. ROUKEMA], the ranking minority members of the Appropriations and Hunger Committees, who joined in offered Africa relief legislation; the gentleman from Texas [Mr. LELAND], distinguished chairman of the Select Committee on Hunger; and of course the chairman and the ranking member of the Foreign Relations Committee, Senator LUGAR and Senator PELL, who secured passage of the bill in the other body.

I urge passage of this bill.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and that other Members may have an opportunity to extend their remarks, on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, I support S. 689, which provides for African famine assistance in fiscal year 1985.

I am glad that this legislation stands alone, so that it can be considered without regard to other unrelated issues.

Obviously the need in Africa is great. I would only hope that other nations will also recognize the need and fully meet their responsibilities as we work together.

We should do all that we can to help the countries in Africa help themselves. While emergency food aid is desperately needed at this moment, our country must give Africa real independence in the food area. That continent fought for political independ-

ence. Why not try to give it independence from handouts? In many African countries, the socialist approach to economic planning has badly hurt food production. In general, collectivized farms are failures.

While the Soviets are supporters of many of the governments in Africa, they have done little to remedy the food problem. That country provides arms, but does little to feed the hungry.

Although I will not oppose this bill, I strongly urge my colleagues to look long and hard at future authorizations of this nature. We should keep these problems in perspective. We must try to develop real solutions to Africa's problems. We must encourage changes in government agricultural policies. Why not use the private sector? I believe my colleagues will join me in saying that we must teach Africa to feed itself.

● Mr. WOLPE. Mr. Speaker, I rise to again express my strong support for this bill but also to emphasize the need to use $7 million of the $12.5 million authorized for migration and refugee assistance in Africa as a contribution to the U.N. Development Program [UNDP] ICARA II trust fund. The House agreed to drop the earmark for this amount on the understanding that a contribution to ICARA II projects would be recommended by the Senate and that we would all emphasize to the administration the need for such a contribution. The second International Conference on Assistance to Refugees in Africa—known as ICARA II—was held in Geneva in July 1984. At the Conference, some 112 host and donor nations participated in starting a process to help integrate refugee and development aid, to address the immediate development needs created by refugees and displaced persons in Africa. UNDP was given a specific mandate at the Conference to provide refugee assistance in Africa and to maintain a clearinghouse for project formulation and coordination to meet the needs of refugees in Africa. The U.S. Government was instrumental in encouraging UNDP leadership in coordination and assistance for African refugees and therefore the Congress should allocate resources to complete this important policy direction.

ICARA II projects are aimed at addressing the underlying causes of the ongoing—and currently exacerbated—refugee crisis in Africa, and to help establish a level of self-sufficiency and productivity among the refugee communities throughout Africa. The United States has offered a strong commitment to this approach which would not only improve the welfare of refugees, but also assist local population development by helping reduce relief assistance costs and undue drains on the host government's economies. Unfortunately this U.S. commitment on the principle has yet to translate into significant funding for ICARA II projects.

Mr. Bradford Morse, appointed by the Secretary General of the United Nations to be the coordinator for emergency assistance to Africa, is embarking on a major undertaking to raise funds from donor nations to meet the needs of Africa. The ICARA II trust fund was established by Mr. Morse as part of his fundraising effort. An American contribution to this fund would greatly assist his efforts to meet this critical need. Projects will be funded on the basis of merit and need.●

Mr. BROOMFIELD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "African Famine Relief and Recovery Act of 1985".

SEC. 2. INTERNATIONAL DISASTER ASSISTANCE.

Chapter 9 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292-2292p) is amended by adding at the end thereof the following new section:

"SEC. 495K. AFRICAN FAMINE ASSISTANCE.

"(a) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide assistance for famine relief, rehabilitation, and recovery in Africa. Assistance under this section shall be provided for humanitarian purposes and shall be provided on a grant basis. Such assistance shall include—

"(1) relief, rehabilitation, and recovery projects to benefit the poorest people, including the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals, and vaccine and veterinary services to protect livestock upon which people depend, blankets, clothing, and shelter, disease prevention and health care projects, water projects (including water purification and well drilling), small-scale agricultural projects, and food protection and preservation projects; and

"(2) projects to meet emergency health needs, including vaccinations.

"(b) USES OF FUNDS.—

"(1) PRIVATE AND VOLUNTARY ORGANIZATIONS AND INTERNATIONAL ORGANIZATIONS.—Funds authorized to be appropriated by this section shall be used primarily for grants to private and voluntary organizations and international organizations.

"(2) EMERGENCY HEALTH PROJECTS.—A significant portion of the funds authorized to be appropriated by this section shall be used for emergency health project pursuant to subsection (a)(2).

"(3) MANAGEMENT SUPPORT ACTIVITIES.—Of the amount authorized to be appropriated by this section, $2,500,000 shall be transferrred to the 'Operating Expenses of the Agency for International Development' account. These funds shall be used for management support activities associated with the planning, monitoring, and supervision of emergency food and disaster assistance provided in those countries in Africa described in section 5(a) of the African Famine Relief and Recovery Act of 1985.

"(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts otherwise available for such purpose, there are authorized to be appropriated $137,500,000 for the fiscal year 1985 for use in providing assistance under this section.

"(d) POLICIES AND AUTHORITIES TO BE APPLIED.—Assistance under this section shall be furnished in accordance with the policies and general authorities contained in section 491.".

SEC. 3. MIGRATION AND REFUGEE ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the Department of State for "Migration and Refugee Assistance" for the fiscal year 1985, $37,500,000 for assisting refugees and displaced persons in Africa.

(b) USE OF FUNDS.—

(1) PROJECTS FOR IMMEDIATE DEVELOPMENT NEEDS.—Up to 54 percent of the funds authorized to be appropriated by this section may be made available to the United Nations Office of Emergency Operations in Africa for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II) to address the immediate development needs created by refugees and displaced persons in Africa.

(2) EMERGENCY RELIEF AND RECOVERY EFFORTS.—The remaining funds authorized to be appropriated by this section shall be used by the Bureau for Refugee Programs of the Department of State for emergency relief and recovery efforts in Africa.

SEC. 4. DEPARTMENT OF DEFENSE ASSISTANCE.

(a) SPECIAL RULE ON REIMBURSEMENT.—If the Department of Defense furnished goods or services for African supplemental famine assistance activities, the Department of Defense shall be reimbursed for not more than the costs which it incurs in providing those goods or services. These costs do not include military pay and allowances, amortization and depreciation, and fixed facility costs.

(b) DEFINITION OF AFRICAN SUPPLEMENTAL FAMINE ASSISTANCE ACTIVITIES.—For purposes of this section, the term "African supplemental famine assistance activities" means the provision of the following fiscal year 1985 supplemental assistance for Africa:

(1) Famine assistance pursuant to section 2 of this Act.

(2) Migration and refugee assistance pursuant to section 3 of this Act.

(3) Assistance pursuant to supplemental appropriations for title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721-1726).

(4) Assistance with funds appropriated during fiscal year 1985 for the Emergency Refugee and Migration Assistance Fund (22 U.S.C. 2601(c)).

SEC. 5. GENERAL PROVISIONS RELATING TO ASSISTANCE.

(a) COUNTRIES TO BE ASSISTED.—Amounts authorized to be appropriated by this Act shall be available only for assistance in those countries in Africa which have suffered during calendar years 1984 and 1985 from exceptional food supply problems due to drought and other calamities.

(b) "Hickenlooper Amendment".—Assistance may be provided with funds authorized to be appropriated by this Act without

regard to section 620(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(e)(1)).

(c) ENSURING THAT ASSISTANCE REACHES INTENDED RECIPIENTS.—The President shall ensure that adequate procedures have been established so that assistance pursuant to this Act is provided to the famine victims for whom it is intended.

SEC. 6. REPORTS ON AFRICAN FAMINE ASSISTANCE.

(a) REPORT ON UNITED STATES CONTRIBUTION TO MEET EMERGENCY NEEDS.—

(1) REQUIREMENT FOR REPORT.—Not later than June 30, 1985, the President shall report to the Congress with respect to the United States contribution to meet emergency needs, including food needs, for African famine assistance.

(2) INFORMATION TO BE INCLUDED IN REPORT.—The report required by this subsection shall describe—

(A) the emergency needs, including food needs, for African famine assistance that are identified by the President's Interagency Task Force on the African Food Emergency, private voluntary and organizations active in famine relief, the United Nations Office for Emergency Operations in Africa, the United Nations Food and Agriculture Organization, the World Food Program, and such other organizations as the President considers appropriate; and

(B) the projected fiscal year 1985 contribution by the United States Government to meet an appropriate share of those needs referred to in subparagraph (A).

(b) REPORT ON ASSISTANCE PROVIDED PURSUANT TO THIS ACT.—

(1) REQUIREMENT FOR REPORT.—Not later than September 30, 1985, the President shall report to the Congress on the assistance provided pursuant to this Act.

(2) INFORMATION TO BE INCLUDED IN REPORT.—

(A) USE OF FUNDS.—The report pursuant to this subsection shall describe the uses, by the Agency for International Development and by the Department of State, of the funds authorized to be appropriated by this Act, including—

(i) a description of each project or program supported with any of those funds, and the amount allocated to it;

(ii) the identity of each private and voluntary organization or international organization receiving any of those funds, and the amount of funds each received;

(iii) the amount of those funds used for assistance to each country;

(iv) the amount of those funds, if any, which will not have been obligated as of September 30, 1985; and

(v) a list of any projects or programs supported with those funds which are not expected to be completed as of December 31, 1985.

(B) DOD ASSISTANCE.—The report pursuant to this subsection shall describe any goods or services provided by the Department of Defense with respect to which the special rule set forth in section 4 of this Act was applied.

(C) NEED FOR ADDITIONAL ASSISTANCE.—The report pursuant to this subsection shall assess the need for additional assistance to meet the short-term emergency resulting from the food supply problem in Africa.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1130

THE MX MISSILE IS THE MAGINOT LINE OF THE 1980'S

(Mr. WEISS asked and was given permission to address the House and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, we have been asked to release funds for the MX missile. Its proponents claim that when placed in a hardened silo it will be able to withstand a nuclear attack. This is not the first time in history that security has been sought in concrete; in the 1930's, the French expended huge sums of money to construct an elaborate series of fortifications called the maginot line along the German frontier. The result was a costly, ineffective system of defenses that contributed little to military security and diverted attention from more important threats to the Nation's safety.

The MX missile is the Maginot Line of the 1980's. Although the past cannot be undone, we can refuse to repeat it. This unnecessary, expensive and destabilizing weapon must be defeated.

THE ALAMANCE CHORALE SHOULD COME TO THE FLOOR AND SHOW US HOW IT IS DONE

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, during a recent visit to the Sixth District of North Carolina, I had the pleasure of attending a musical performance which featured the Alamance Chorale of Alamance County, NC. The musical presentation was entitled "Dinner a la Mouse" and starred the inimitable Mickey Mouse. Members of the chorale cooked the evening meal, served the meal, provided the entertainment, and when it was over, cleaned up the place. Because of an all-volunteer effort, no expenses were incurred that night and the money raised was put back into the group to further its efforts. The Alamance Chorale demonstrated to me that government handouts are far less desirable than when a group of individuals comes together to contribute its time and talents for the good of all. Perhaps one day—Mr. Speaker—we could extend an invitation to the Alamance Chorale to come to the House floor and hold school to show us how it's done.

WE MUST HAVE FAIR TRADE

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, last December, the President announced that steel imports will be limited to 18.5 percent of the American market through voluntary restraint agreements. Well, now there are reliable predictions that steel imports will increase again in spite of the President's program.

A leading analyst said: The voluntary restraint effort cannot derail the trend toward greater imports. But, Mr. Speaker, steel quotas can derail the import express that now runs over America's basic industry.

A newspaper editor in my West Virginia district wrote that there is a big bad wolf at the front gate of our steel plants. I would carry that analogy one step further and say the administration is trying to scare the wolf away with polite suggestion instead of decisive action.

And while the administration politely asks some foreign nations to stop sending America its cheap steel, other nations are opening the flood gates upon the American market.

Turkey, for example, imported 1,000 tons of steel to the United States in 1983, but sent 44,000 tons in 1984. Turkey is not even one of the nations currently negotiating with the United States.

Mr. Speaker, again I ask the administration, on behalf of America's basic industry, to wake up and take action before it is too late. We must have fair trade.

TRADE EXPANSION AND INTERNATIONAL COMPETITIVENESS

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, in his State of the Union Address, President Reagan said, "We need a stronger and simpler approach to the process of making and implementing trade policy."

Last year the United States recorded the largest trade deficit in its history, $123 billion. The 1985 shortfall promises to be even higher.

This trend must be stopped if we are to sustain economic recovery and create jobs. To do this we must expand trade.

Today I am introducing legislation which would promote trade expansion and international competitiveness by consolidating trade responsibility into one Cabinet-level agency.

Presently there is no single, strong advocate for trade. Traditionally whenever trade objectives are pitted against other policy goals, trade comes up short. In fact, our present organizational structure encourages a divide-and-conquer strategy from our trading partners who quickly learn to shop among the agencies to find the group most sympathetic to their views.

My bill would consolidate the Office of U.S. Trade Representative with the international trade and economic affairs functions of the Department of Commerce, and the Export-Import Bank.

By consolidating our nonagricultural trade functions into a single department we can begin to develop a consistent coordinated and effective trade policy.

Last year's enormous trade deficit is fostering cries for import relief throughout the economy. No one wants to see a return to the days of Smoot-Hawley. U.S. industries do not need protectionism, but they do need fairness in trade.

A consolidated Department of Trade would send a signal to our trading partners that we are serious about trade, serious about stopping unfair trading practices, and serious about increasing our export market.

WASTEFUL, BILLION-DOLLAR MX MISSILES

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, why does Congress get so incensed over a $7,000 coffee pot and a plastic cap that cost the Pentagon $1,100, and then turn its back on the most wasteful weapons system in the Defense budget, the MX missile. It is nothing short of hypocritical to beat the drum against Pentagon waste over thousand-dollar items and then spend $1.5 billion on a missile system which is vulnerable and destabilizing.

History will record that facing a $220 billion deficit, Congress borrowed more money for the MX; a weapons system which is clearly the runt in the Pentagon's litter. It is no wonder that the American people are skeptical of our resolve to make our defense forces lean and efficient when, in the name of national security, we continue to bless bloated and wasteful weapons like the MX.

Congress has great resolve when it comes to cutting out $7,000 coffee pots, but we lose our fervor when we are asking to cut out wasteful billion-dollar MX missiles.

THE SOVIET CONCLUSION WILL BE UNMISTAKABLE

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, the MX debate will be starting in the House this coming Monday; a vote will be on Tuesday. The Soviet Union well knows that it is our most effective and most capable weapon. It knows it is the most effective strategic system that we can deploy in the 1980's. They know it is the only strategic system that puts at risk their hardened military targets as they put at risk our targets with over 600 MX-style, capable missiles. If we give away, free of charge, without extracting one concession from the Soviet Union at the bargaining table, give away our most effective weapon, I believe, the conclusion the Soviets will draw about the seriousness of our approach in Geneva will be unmistakable.

PRIME MINISTER TOM ADAMS OF BARBADOS

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DE LUGO. Mr. Speaker, the tragic and untimely death last week of Mr. Tom Adams, the Prime Minister of Barbados, was a tremendous blow to the people of Barbados and, indeed, the people of the eastern Caribbean in general. We in the U.S. Virgin Islands were stunned by his loss, and the many more who simply admired and respected him sent letters of condolence to the Government and the people of Barbados.

I was privileged to have met Prime Minister Adams when I traveled with certain colleagues on the Speaker's bipartisan leadership delegation to the island of Grenada. It was an honor to serve on that delegation and that honor was heightened by the opportunity to meet and discuss the Grenada situation with Prime Minister Adams. His was always the voice of calm and well-reasoned logic, and he consistently demonstrated those qualities of concerned and compassionate leadership that inspired confidence throughout the eastern Caribbean.

The people of the U.S. Virgin Islands join with our brothers and sisters in the eastern Caribbean in mourning his loss. Our newspaper, the Virgin Islands Daily News, expressed that feeling of loss most appropriately, and I would like to share that editorial with my colleagues.

[From the Daily News of the Virgin Islands, Mar. 14, 1985]

TOM ADAMS MOURNED

The death this week of Barbados Prime Minister Tom Adams is a blow not only to the people of his country but to all the people of the Caribbean. That it came at the relatively young age of 53 makes his death all the more tragic.

Adams stood tall among his countrymen and fellow West Indians. For more than a decade, he remained one of the region's most articulate spokesmen for freedom, democracy, unity and moderation.

Adams stepped into the international spotlight in October 1983 during the U.S.-led invasion of Grenada. Along with Dominica Prime Minister Eugenia Charles, he served as an intelligent, persuasive defender of the decision by six neighboring island nations to seek U.S. help for Grenada. In doing so, he made his fellow West Indians stand tall too.

Though Barbados has other intelligents articulate, dedicated public servants, Tom Adams will be hard to replace in terms of regional and international stature.

We join others in the Virgin Islands in offering condolences to the people of Barbados and in letting them know their loss is shared.

LEGISLATION INTRODUCED TO GRANT FEDERAL CHARTER TO FRANCO-AMERICAN WAR VETERANS

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, today I am introducing legislation, along with seven of my colleagues from both sides of the aisle, to recognize and grant a Federal charter to the Franco-American War Veterans.

Founded over 50 years ago, the Franco-American War Veterans organization performs a variety of volunteer services for VA hospitals, local senior citizen centers, and other nursing and hospice care programs. The group is especially active in support of rehabilitation centers for the blind, raising funds, and providing clinical assistance. Their national commander, Henry Raymond of Bristol, CT, is an able and hard-working community leader and a personal friend who has done much for veterans and their families.

In order to enable these veterans to expand their membership and voluntary services, which are provided without charge to the public, we are introducing legislation to recognize the Franco-American War Veterans and grant this distinguished organization a Federal charter.

Our bill is virtually identical to a series of bills signed into law during the 97th and 98th Congresses recognizing the Italian-American War Veterans, the Polish Legion of American Veterans, and the Catholic War Veterans, and which also overwhelmingly approved and signed into law legislation recognizing the Jewish War Veterans organization.

Mr. Speaker, we should all bear in mind that this measure would incur no cost to the Federal Government, no additional burden on the taxpayer, and no upward pressure on the deficit.

I encourage you to continue your support for these types of volunteer organizations and add your name as a cosponsor to this well-deserved recognition bill.

□ 1140

THE PUBLIC'S RESPONSIBILITY IN THE FIGHT AGAINST ILLEGAL DRUGS

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute.)

Mr. TORRICELLI. Mr. Speaker, we have all been saddened by the death of a brave American, Enrique Salazar. His death has focused attention again in America on the fight against illegal drugs. Congress is told to pass tougher laws, judges are told to pass tougher sentences, and the administration is pressured to pressure our foreign allies. And this is as it should be.

But as Americans consider Mr. Salazar's death in the war on drugs, they need to consider, too, their own role, because those responsible for Mr. Salazar's death are not only those who pulled the trigger. Just as certainly as the couple who buys numbers from organized crime or those who would pay extortion to the mob are responsible, too, for its activities, not as victims but as its allies, so, too, those who buy drugs, those who use drugs, children or their parents, are responsible. They have not just watched Mr. Salazar's death; they have played a role in it.

We can put more drug abusers in jail, we can put more drugsellers in jail, but as long as there are billions to be earned, others will take their place. The Government must lead the fight on drug abuse and on the billions that are made, but citizens must do their part, too.

THE MILITARY FAMILY ACT OF 1985

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am introducing a comprehensive legislative package aimed at strengthening and enhancing the well-bing of the military family. The guns and butter argument will florish within the defense budget as well as outside of it. Over 3.7 million people are members of U.S. military families. In fact, there are 1.5 family members for every one of our uniformed military personnel.

The retention of highly trained technicians and specialized professionals is critical to the success of the all-volunteer service especially in an era of sophisticated weaponry. Family concerns are the most important factor people give for retention.

The well-being of military families also contributes to readiness, the ability of our military services to be mobilized and deployed in a moment's notice. Qualified, trained, and motivated people are the heart and soul of a ready force.

The Military Family Act of 1985 is designed to improve retention and readiness in the armed services. I hope my colleagues will join me in pushing for its passage.

A LIBERAL IN THE WHITE HOUSE

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, we have a liberal in the White House these days who says he is conservative. He is a liberal because when it comes to spending, he wants to spend more than any President has ever spent in the history of America. He wants a bigger defense than anybody has ever counseled in the history of America, and when it comes to the military, he says no amount of money is too much.

I have a message for him: "If you want to save $14 billion at a time of the highest deficits in the history of this country, then let's not build the MX missile."

He wants to spend money that we do not have for a missile we do not need.

Some Member down on the floor recently said that what we need to do is put the Soviets' missiles at risk with our MX. That means that this person is saying, "Let's have a first-strike capability."

Who on Earth in this country would counsel that we ought to have a first-strike capability? Who would ever suggest that we ought to launch the first nuclear strike? No one that I know of.

No, the MX missile is a colossal foul-up that we do not need. It costs money we should not spend and do not have, and I say to this President, this liberal who wants to spend more and more money each year on defense and increase the Federal deficit, who would spend a dollar from this Government and take in 75 cents in revenue, I say to him: "Let's save $14 billion. Let's not build the MX missile, a missile we don't need and a missile we can't afford."

GIVING SERVICE FOR THREE-QUARTERS OF A CENTURY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, today I want to congratulate the National Camp Fire Youth on its 75th anniversary. For 75 years this volunteer organization has been working in communities throughout America guiding our young people toward responsible adulthood.

Camp Fire's slogan "Give Service" is incorporated into its programs. This year its members are working to save the Statute of Liberty; starting a project known as "Friendship Across the Ages" which aims at creating activity opportunities with senior citizens; making valentines for hospitalized veterans; and learning art skills to be able to take part in a national art competition built around a friendship theme.

Self-development, skill development, and social development summarize the goals of this organization which runs programs for young people from preschool through grade 12. Young adults who have graduated frequently return to Camp Fire as youth members working with younger children and as camp counselors.

It is my pleasure to be entertaining a group of Camp Fire members from Havre de Grace, MD, tomorrow. They are among my youngest constituents, but I feel certain, that under the leadership of Camp Fire, they will grow up to take their place as some of my most responsible, active constituents.

GENERAL LEAVE

Mr. McKERNAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise an extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Illinois [Mr. MADIGAN].

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Maine?

There was no objection.

□ 1150

UPDATE OF REPORT OF TASK FORCE ON EIGHTH DISTRICT OF INDIANA ELECTION

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I would like to take these few minutes to provide on behalf of the Task Force on the Eighth District of Indiana Election an update on the actions taken by the task force to date. As Members know, pursuant to House Resolution 1, the task force was established by the House Administration Committee. We have provided information to my colleagues with a "Dear Colleague" letter that was circulated this week summarizing some of the details that I will present now.

In brief, the following actions have been taken:

First of all, we have secured the ballots in Indiana from that election. That was the first initial action taken by the task force was to secure those ballots in cooperation with the clerks

in the various counties in the Indiana Eighth District.

Second, we have adopted internal operating rules and procedures to guide us in approaching a count of the ballots from this district.

Third, we have conducted an analysis of the instructions on a county by county basis of the instructions that were provided to the election officials in Indiana.

Fourth, we have adopted rules for counting. While the majority of those rules were agreed upon, some were enacted by a 2 to 1 vote within the task force.

Fifth, we have agreed to a full recount of all the ballots in the Eighth District. It was our view that once adopting rules for counting that those rules ought to be applied to a count of all the ballots from that district.

Sixth, we have now selected an experienced election official who will guide the GAO auditors in a recount in the Eighth District. His name is Mr. Jim Shumway of Arizona. He is a State elections officer in the State of Arizona. His selection was done on a bipartisan basis and with the unanimous agreement of all members of the task force. We have suggested procedures for the recount to Mr. Shumway. He is now reviewing those procedures and hopefully will work with the staff of the majority and the minority side to finalize those procedures. It is our hope that he will be able to brief the GAO auditors by late Friday or first thing Saturday and our hope is that the actual recount itself can commence sometime either late Saturday or on the beginning of Monday of next week. Our hope is that the recount itself will take something like 10 days to accomplish. It depends, obviously, on the difficulties that are incurred in the process of the recount, but our hope is that we can complete that within a 10-day period and at that time we will be able to then report back to the House as to who the winner of that election was.

Let me state along those lines that it was the indication by the chairman of the full committee and by myself that we would make every effort to try to complete this within a 45-day period, which brings us to sometime like the latter part of March or the first week of April. It is our intention to try to do everything possible to meet that deadline. It is, obviously, always dependent on ensuring that the count itself is credible and it remains our hope that, indeed, everything is in place for the count to be completed and that it can be completed within that timeframe; but I do want to advise the Members that the first priority of the task force is to ensure that the count itself is credible and that it is done carefully.

The last thing I want to mention is that I want to indicate to the Members of the House what I view the role of the task force to be. I recognize the controversy surrounding this issue and the strong feelings that exist on both sides of the aisle with regard to this specific issue. I think the task force should use its role not as the agent of one party or the other party. We view our role not as the agent of one candidate or the other candidate. We are the agent of the House of Representatives. It is our responsibility under the Constitution, article I, section 5, that we determine what the intent of the voters was in the election in the Eighth District, regardless of who wins.

I also want to take this opportunity to thank the members of the task force and members of the staff on both the majority and the minority side for the cooperation they have provided. We have not always agreed; yet we have continued on together in a spirit of cooperation and I hope we can continue to do so for the benefit of the Members of the House.

It is my hope that ultimately once we have counted all the ballots, we can present to the House the winner of that election and do it in a way that all of us can support, that is in the best spirit of the Constitution and is in the best interests of the House. It certainly is in the best interests of the people of the Eighth District of Indiana.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman.

ORDER OF BUSINESS

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that my 5 minutes previously granted under a special order might be taken at this time in order that I might continue the dialog with the gentleman from California.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONGRATULATIONS TO TASK FORCE ON EIGHTH DISTRICT OF INDIANA ELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, I wish to congratulate the gentleman from California and the members of the special task force from the Committee on House Administration, which has done a commendable job in rushing to settle the disputed election in the Eighth District of Indiana. The gentleman has worked tirelessly over the last several weeks, together with other members of the committee, in order to see that justice is done, that all the votes are counted in the Eighth District of Indiana and that the person receiving a majority of those votes is recognized and ultimately seated.

All Americans believe that all votes in every election should be counted. Democrats have resolved that all votes should be counted in the Eighth District of Indiana. While some members of the Republican Party on the opposite side continue to attack Members for maintaining this position, my party intends to stick with it just as we have previously on three separate occasions during votes in this House.

Indiana historically counts all ballots in every national, State, and local election. There is no logical reason why Indiana should selectively exclude any legitimate ballots in the McCloskey-McIntyre case, as some members of the Republican Party wish to do, as they have expressed publicly during debate in this body.

Mr. Speaker, at this time I think it is relevant for me to bring attention to the Members of the House of a letter to the editor of the New York Times from our friend and colleague, the gentleman from Texas [Mr. LELAND], which was published today expressing his outrage over the summary disallowance and disenfranchisement of some 5,000 voters in Indiana in the McCloskey-McIntyre election. Mr. LELAND is supporting the American way by taking the position that all votes should be counted. That is the position of this House. It should be continued.

Mr. Speaker, I submit the letter from the gentleman from Texas [Mr. LELAND] as follows:

[From the New York Times, Mar. 21, 1985]

5,000 INDIANA VOTERS WERE DISENFRANCHISED

To the Editor:

"Seat Richard McIntyre" (editorial, March 12) makes me wonder what kind of staunch advocate of voting rights you are.

Granted, the disputed House seat in Indiana's Eighth District involves confusing election laws and partisan maneuvering on both sides. But this case boils down to whether citizens have the right to vote and have their votes counted.

You assert that an "admitted error in one county" was corrected, giving Mr. McIntyre a lead of 34 votes. Nonsense! That's the Republican public-relations line, which they have been peddling with apparent success to editorial boards across America. As Federal Judge Gene Brooks of Evansville ruled Feb. 7, Mr. McIntyre's 34-vote "victory" was the result of an irregular, inconsistent and suspicious recount—not "admitted error."

What concerned Judge Brooks and concerns the House of Representatives is that 5,000 legitimate ballots were thrown out. Voter intent was not in question. There were no allegations of fraud. They were thrown out because of mistakes by poll clerks, not voters. Reasons for disallowing ballots in one county did not apply in others. In some predominantly black precincts, every single vote—over 1,000 in all—

was disallowed. (In a district only 2.8 percent black, 20 percent of all invalidated ballots were in black precincts).

Some of these ballots were thrown out by local Democratic election officials, as you note in casually dismissing the issue. Since when is improper behavior by Democrats any more noble than the same by Republicans? Doesn't this obvious infringement of franchise concern you?

It concerns the N.A.A.C.P., which has filed suit in Federal court. It also concerns the House. As Judge Brooks affirmed, and a second Federal judge reaffirmed, the House has the right and obligation to determine who won this seat and insure that voting rights are upheld before seating anyone, as House task force is nearing completion of its investigation.

Finally, the Democratic majority in the House is hardly trying to "steal" this election, as the Republicans charge. While we understand the frustration of Indiana voters, no one knows who really won. When we do, the winner will be seated, Democratic or Republican.

But, it would be a crime to reward systematic disenfranchisement of 5,000 Americans by seating Mr. McIntyre now.

(Rep.) MICKEY LELAND,
Washington, March 13, 1985.

(The writer, who represents the 18th District of Texas, is chairman of the Congressional Black Caucus.)

A CERTIFIED CONGRESSMAN DESERVES TO BE SEATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. COBEY] is recognized for 5 minutes.

Mr. COBEY. Mr. Speaker, I rise to read another editorial from North Carolina, this one from a paper in Chapel Hill, NC, on the McIntyre situation. It is dated Monday, March 4, 1985, titled, "A certified Congressman Deserves To Be Seated."

A CERTIFIED CONGRESSMAN DESERVES TO BE SEATED

We have read and heard about several political races that were decided while the votes were being counted. However, the recent snafu in Indiana about the seating of Congressman Richard McIntyre is the first time that we have heard of a candidate being certified by his secretary of state to serve and then not being allowed to take his seat in Congress. If it were possible, House Speaker Thomas P. "Tip" O'Neill's hair should turn a little grayer and the smile be removed from his honest face for what Congress has done to McIntyre. The fact that McIntyre happens to be a Republican has nothing to do with the delay, the Democrats will tell you. The Republicans admit, though, to having to fight an uphill battle in the House, and a vote is a vote is a vote. The Democrats appear to be perfectly willing to wait until doomsday to take any action. In the meantime, a half million citizens in Indiana's 8th Congressional District have no representation.

We'll just present the facts and allow you to draw your own conclusions. When the election was held in November and the votes were first counted, it was reported that incumbent Democrat Frank McCloskey appeared to be the victor by a margin of 72 votes. Shortly thereafter, a correction was made in the count of one county, and Republican challenger McIntyre came out ahead by 34 votes. The Democrats rightfully demanded a recount, which was not completed until the first week in February. That in itself smells of something odd, taking from November until February to recount the votes.

When Congress convened, it was decided that neither candidate would be seated, but that both candidates would be on the payroll temporarily. That sounded like a logical decision.

When a recount of all the counties in the 8th District was completed in February, the final figures favored McIntyre by 418 votes. It should also be noted that thousands of ballots were disqualified during the recount by election commissions controlled by Democrats. It turned out to be a clear-cut victory for McIntyre, but the Committee on House Administration has decided to delay the seating of McIntyre by another month or so, and those half-million people in Indiana still have no representation.

There is no precedent for what the Democrats are trying to do. McIntyre has been certified twice by Indiana's secretary of state. History reveals that Congress has investigated many elections under similar circumstances and that the winner has always been seated while the investigation was in progress. If an investigation discovered that incumbent Democrat McCloskey should be returned to Congress, it would be a simple matter to unseat McIntyre. In the meantime, no one represents Indiana's 8th District.

What bothers us is that members of Congress, both Democrats and Republicans, would allow such dilly-dallying in that august body. We have watched rules bent time and time again. Here is a case where a rule is completely broken, not for the good of the country but for the interest of a political party.

Democrats already have control of Congress. One more vote will not make that much difference. When an injustice is being done in the name of a political right, it is time that the American people speak up on the issue. It is also time for those hardheaded Democrats in Congress who are delaying the seating of McIntyre to stand up and be counted. If they had been certified by their home states as winners of congressional races and then not been seated, they would be screaming for justice. That is all that we are asking for Richard McIntyre.

□ 1200

In addressing a couple of comments that were made earlier, and I should say that it is reiterated again in this newspaper article, that Rick McIntyre is a certified winner by the State of Indiana.

A BILL TO PUT THE FEDERAL RESERVE ON BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. HAMILTON] is recognized for 5 minutes.

● Mr. HAMILTON. Mr. Speaker, I am introducing legislation today that will increase the amount of information available to Congress and the public on how the Federal Reserve spends its money. The bill would put the revenues and expenditures of the Board of Governors of the Federal Reserve System and all the Federal Reserve banks into the budget of the U.S. Government, beginning with fiscal year 1987. The figures would have to be presented in a format consistent with the budget data for other Government agencies, and projections would have to be made in each budget for the two subsequent fiscal years as well.

My bill is based on the findings of a study on "The Budgetary Status of the Federal Reserve System," which was prepared for the Joint Economic Committee by the Congressional Budget Office. This study was recently released and all Members of the House and Senate should have received a copy by now.

THE CURRENT TREATMENT OF THE FEDERAL RESERVE'S BUDGET

In 1983, as table I shows, the Federal Reserve System had total revenues of just over $16 billion. Most of this was interest earned on its portfolio of U.S. Treasury securities. The Fed also raised a substantial amount of income—almost $500 million—from priced services provided to the Nation's banks such as check clearing.

TABLE I.—*Income, expenses, and earnings of the Federal Reserve banks, 1983*

	Millions
Income [1]	
Interest on U.S. Government securities	$15,150.2
Interest on discounts	138.9
Interest on foreign currencies	273.8
Priced services fees	496.2
Other	9.3
Current income	16,068.3
Expenses [1]	
Salaries and other personnel expenses	499.6
Retirement and other benefits	141.2
Postage and shipping	97.1
Equipment	114.7
Buildings	82.4
Earnings credits	71.8
Recoveries and capitalized expenses	−17.2
Other	116.7
Current expenses	[2] 1,100.2
Reimbursements	−76.6
Net current expenses	1,023.7
Current net income	15,044.7
Adjustments	−400.4
Adjusted net income	14,644.3
Distribution of adjusted net income:	
Cost of currency assessment	152.1
Board of Governors expenses assessment	71.6
Dividends	85.2
Transfer to surplus	106.7
Payment to U.S. Treasury	14,288.6

[1] Details may not add to totals because of rounding.

[2] Total expenses are $5.9 million less than the sum of expense categories because of a deduction of Federal Reserve Communications System expenses in the Federal Reserve Bank of Richmond's account.

Source.—Board of Governors of the Federal Reserve System, annual report (1983), table 7.

Out of this $16 billion in income, the Federal Reserve spent just over $2 billion on administrative costs—including $1.1 billion to run the Federal Reserve banks, $70 million to cover the costs of the Board of Governors, and $150 million paid to the Treasury for printing the currency we carry in our wallets. The difference—$14.2 billion—was returned to the Treasury.

Even though the Federal Reserve is part of the U.S. Government, you will not find these figures anywhere in the annual Federal budget because the Fed is an "off-budget" agency. Some information on the expenses of the Board of Governors can be found in the budget, but only at the very back of the massive appendix that gives the line-by-line spending details of all the departments and agencies. Even this information, however, is not very helpful because the Fed uses a different format to summarize its expenses and the figures are presented for calendar rather than fiscal years.

Furthermore, the Board of Governors only accounts for about 5 percent of the total costs of the Federal Reserve System. The rest—the $1.1 billion spent on the administrative costs of the Federal Reserve banks—does not appear anywhere in the Federal budget nor do any other Fed expenditures, such as the dividends paid to member banks or the amounts transferred to surplus.

In fact, the only Fed-related item to be found anywhere in the budget of the U.S. Government is the $14.2 billion in profits turned over to the Treasury, which appears under the heading "miscellaneous receipts."

To find any information on the spending by the Federal Reserve System, you have to turn to the Fed's annual report. There you will find some tables explaining the Fed's expenses for the past year. But, again, the categories are different from those used by other agencies, capital spending is treated differently and the figures are for calendar years. And worse, there are no projections for future years, so there is no way to judge how the Fed plans to spend money until the spending has taken place.

The purpose of the budget is to help Congress and the President plan the policies and activities of the Government for the year ahead. The Fed is a black hole in the budget, with consequence spelled out by the CBO:

> Every January the President sends the Congress his proposed budget for the next fiscal year. The budget provides comprehensive information about the financial operations of government agencies. It also shows the President's recommended fiscal policy, includes the Administration's requests for budget-related legislation, and indicates the probable financing needs of the Treasury for the upcoming year.
>
> The budget provides only limited information on the Federal Reserve System. The data are adequate for the purpose of projecting Treasury financing needs, since they include an estimate of the Federal Reserve System's transfer of earnings to the Treasury. They are inadequate, however, to the extent that the budget is to inform the Congress and the public of the proposed allocation of the government's limited financial resources. Almost all Federal Reserve System operating expenses are currently excluded from the budget.
>
> Because the Federal Reserve System does not depend on annual appropriations, it is not subject to a process by which the Congress could annually limit and direct its activities. Its off-budget status has reduced the visibility of its expenditures, thus decreasing interest in control of these expenditures.

HOW TO BRING THE FEDERAL RESERVE ON BUDGET

There are three ways of solving this land of information about the Fed's budget. One would be to subject all spending by the Federal Reserve System to the same congressional appropriations process used to direct spending by virtually every other Federal agency. The second would be to subject the Federal Reserve to a more thorough process of authorizing legislation and oversight. The third would be to require that the Fed present its budget along with the budget of the U.S. Government.

All three approaches would serve the same purpose—to give Congress and the public more information about how the Federal Reserve spends $2 billion each year. But they would have different side effects, particularly on the very sensitive issue of Federal Reserve independence.

Through the years, the Federal Reserve has strongly opposed efforts to give Congress more information or control over its budget in order to protect its independence. The Fed recognizes the power of the purse. If Congress had control over how the Fed spends its money, that power could be used—or misused—to influence monetary policy.

The threat to Federal Reserve indpendence would be greatest if its budget were subject to the appropriations process, where legislative riders could direct it to achieve goals set by Congress. Furthermore, since appropriations are considered annually, the Fed would be under a continuous and recurring threat. A greater use of authorizing legislation to limit spending would also threaten the Fed's independence but not quite so regularly since authorizing legislation is taken up less frequently.

The bill I have introduced today does not represent a threat to the monetary independence of the Federal Reserve, since it merely requires that the Federal Reserve publish its budget as part of the budget of the U.S. Government. According to the CBO study:

> Of the three methods of increasing budgetary accountability, budget presentation of the Federal Reserve's administrative expenses would have the least effect on the Federal Reserve's independence. The Federal Reserve would remain free to determine its own administrative expenses * * *.

Under my bill, the Fed would have to project its annual revenues, which it could do either by making its own assumptions about interest rates, economic growth, and the budget deficit, or by adopting the assumptions used by OMB or CBO. It would have to project its annual administrative costs, which it does already for internal budget purposes. And it would have to project the amount it would return to the Treasury each year. But neither Congress nor the administration would be given any power to approve these figures and so they would have no greater control over monetary policy than at present.

The Fed would have to make some changes in its budget procedures, but as CBO points out these would be minor:

> Budget presentation of Federal Reserve finances would require it to provide budget submissions that are consistent with Federal budget documents. At a minimum, this would mean changing from the calendar-year fiscal year to the Federal fiscal year, expensing capital purchases, and recording obligations of Federal Reserve Banks. In addition, the System would need to estimate its operating expenditures beyond a single budget year. Current Federal Reserve Bank accounting, which converts its expenses to a private-sector basis, would have to be maintained for Monetary Control Act pricing purposes. Changes in budget preparation activities of this magnitude have been carried out by other government agencies in the past.

One benefit of this approach is that the Fed might be induced to save a little money on its operations. The Fed is businesslike but not frugal. Out of the sunshine, it can spend its money in ways that other agencies can't. As the CBO study points out, the Fed spends more for new buildings than other agencies, salaries at the Federal Reserve banks are more competitive with the private sector, and the Fed offers benefits that are more generous than those available to regular Government employees. These costs might be reduced. It is also possible that duplication of services by the 12 Federal Reserve banks could be reduced if the Fed were under more pressure to reduce costs. Any savings would increase the amount returned to the Treasury each year and thus help reduce the deficit. The Fed isn't wasteful—no banker is ever wasteful—and the potential savings aren't massive, but any savings realized at the Fed would contribute to reducing the budget deficit.

The most important reason for adopting this legislation, however, is that it is the right thing for us to do. In a democracy, no agency of the Government should be able to take in and spend billions of dollars without having its budget open to public view.

I recognize that the Federal Reserve has special responsibilities that may require it to take actions that are unpopular. But the Fed's need for a measure of independence from political pressures is no excuse for shielding its budget from some process of accounting to Congress and the public. The bill I introduced today reflects the sound principle of full disclosure and will shed light on the Federal Reserve's budget without compromising its independence in setting monetary policy.

This bill is consponsored by Mr. COURTER, Mr. MITCHELL, Mr. BERMAN, Mr. BEDELL, Mrs. BOXER, Mr. FASCELL, Mr. FAZIO, Mr. HUGHES, Mr. LANTOS, Mr. GEORGE MILLER, Mr. OLIN, Mr. RAHALL, Mr. ROE, Mr. ROSE, Mr. DENNY SMITH, Mr. LAWRENCE SMITH, and Mr. VENTO.●

ELECTION IN INDIANA'S EIGHTH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. THOMAS] is recognized for 5 minutes.

Mr. THOMAS of California. Mr. Speaker, I had not intended to speak, obviously, and would not have spoken and, in fact, I would not have asked for this time if the gentleman from California, the chairman of the task force of the House Administration Committee, had been the only speaker previously.

This gentleman from California happens to be the only Republican member of that task force. The statements of the gentleman from California I think were appropriate. They were statements informing the House of what the task force was doing.

I have asked for this 5 minutes specifically to react to the statements that were made subsequent to the statement by the gentleman from California by the gentleman from Arkansas [Mr. ALEXANDER]. I have not taken the floor because as a member of the task force I felt it was necessary for us to carry out our business in an orderly fashion. But since the chairman of the task force has taken the floor on special orders, I feel it is appropriate for me to follow.

Some of the statements that have been made and repeated, and repeated again on this floor, I think beg for clarification. Apparently simply restating or correcting those statements is not sufficient. But I will attempt to do it yet again.

What we have heard from the majority side of the aisle, from the very beginning, from the January 3 date, was that there was something wrong in Indiana, that the election in Indiana's Eighth District was, as the gentleman from Arkansas characterized it, a disputed election.

I would have to ask anyone to provide me other than the vote on this floor by a straight party vote how and when the Eighth Congressional District election became disputed. We have on the books a contested Federal Elections Act. At no time in the process of examining the vote and the recount in Indiana's Eighth has there been a petition filed and, in fact, the time period has now passed in which it was timely to file a petition under the Federal Contested Elections Act.

So the gentleman, the former gentleman from Indiana, Mr. McCloskey, did not feel that there was sufficient dispute in the election to file a petition under the Federal Contested Elections Act. Yet we continue to hear the phrase that there is a disputed election.

There is not a disputed election in Indiana. There is an attempt by the majority party in this House to take a seat which the State of Indiana, based upon the election laws of Indiana, through a count on election night, and a recount provision carried out under the laws of the State of Indiana, has settled, sufficient for the secretary of state, the chief elections officer of Indiana, to certify that the proper candidate to be seated by the House from Indiana's Eighth is a Mr. McIntyre.

No one has ever challenged that under any Federal law for contesting elections, including the candidate, Mr. McCloskey. The only way this so-called disputed election has been presented to the House Administration Committee and task force created to resolve the so-called disputed election has been by virtue of a resolution passed by this House by a straight party vote.

□ 1210

That, I would submit, Mr. Speaker, is a partisan action.

So the case before us, the investigation of who ought to sit in Indiana's Eighth Congressional District, was by its very nature from the outset a partisan contest, brought about by the challenge from the majority leader to the swearing in of the certificated candidate from Indiana's Eighth Congressional District, Mr. McIntyre.

So I will repeat myself. From the outset this has been a partisan battle, not even blessed by a willingness or an ability to bring it under the Federal Contested Elections Act to the House of Representatives and to the House Administration Committee.

In addition, the gentleman from Arkansas [Mr. ALEXANDER] said that all we want and all that should be done in Indiana's Eighth is to count all the ballots.

Now surely this is a rhetorical phrase because as the gentleman well knows, even in his race or in any race, there are inevitably a number of ballots, more or less, which simply are not counted. They are not counted for a variety of reasons. But the reasons they are not counted is because of the State election law and the provisions for denying someone who would otherwise have a valid ballot from being counted.

If you do not mark a ballot correctly it is not counted. If you put distinguishing marks on a ballot, it is not counted. If there is no ability to prove that that ballot was ever in the precinct voting place, if there is no validity procedure, the ballot is not counted.

Those were the kinds of procedures that were followed in Indiana; not just in Indiana's Eighth Congressional District, but in every district in Indiana, and there were a number of votes thrown out in any number of districts in Indiana. It is an ordinary, routine procedure. The only problem is their man did not win.

The whole battle in front of the House is whose man will win, and it is a majority question, and it has been partisan slanted from the beginning, and my difficulty is it will continue to be partisan.

PARLIAMENTARY INQUIRY

Mr. ALEXANDER. Parliamentary Inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. ALEXANDER. Mr. Speaker, I understand that the gentleman from Texas [Mr. GONZALEZ] has the time.

The SPEAKER pro tempore. The gentleman from California was recognized for 5 minutes by a unanimous-consent request.

Mr. ALEXANDER. Mr. Speaker, there is a gentleman who has appeared in the Chamber who wishes to be recognized, and I would ask unanimous consent that the gentleman from Texas [Mr. BUSTAMANTE] be permitted to address the House for 5 minutes.

The SPEAKER pro tempore. Does the gentleman request unanimous consent that the gentleman from Texas [Mr. BUSTAMANTE] be allowed to address the House for 5 minutes after all previously entered into special orders have been completed?

Mr. ALEXANDER. Mr. Speaker, I would ask that the gentleman be permitted at this time to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. JEFFORDS. Mr. Speaker, reserving the right to object.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. JEFFORDS. Mr. Speaker, I am waiting here to make my own special order, and I am in somewhat of a time bind; and I am going to take approxi-

mately 7 minutes. I would ask as to whether or not I can be recognized certainly before the hour of 1230. Otherwise, I am going to be in a bind.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. JEFFORDS. I would inquire of the gentleman as to how long he intends to take.

Mr. ALEXANDER. Well, Mr. Speaker, I certainly do not want to impose.

The SPEAKER pro tempore. The gentleman's request is for 5 minutes.

Mr. ALEXANDER. That is why I asked for 5 minutes, because the gentleman from Texas' remarks would be relevant to this previous speaker. Only for 5 minutes.

Mr. JEFFORDS. With the hopeful understanding that I may immediately succeed this gentleman, I will withdraw my reservation of objection.

Mr. ALEXANDER. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

McINTYRE-McCLOSKEY ELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, this past week, I've heard passionate arguments on both sides of the aisle about the Indiana congressional election. This Tuesday, one of my freshman colleagues said he voted to seat Mr. McIntyre because of two principles—one man one vote and "that the people of Indiana should choose their Representative."

Mr. Speaker, these principles are not only fine ideals which we should follow in any election, but these principles are the law as required by the U.S. Constitution. For many years, people who resided in my congressional district in south Texas were denied this voting right by such obstacles as a poll tax and literacy tests. All of us know too well the history of disenfranchisement that led to the Voting Rights Act of 1965. We also know that following the November 6 contest in Indiana, election officials in different jurisdictions used different standards for determining which ballots were valid.

Mr. Speaker, the disenfranchisement of Indiana voters should not be taken lightly. Therefore, it is easy for me to support the Panetta task force guidelines as the fairest possible solution. At the same time, neither Mr. McCloskey nor Mr. McIntyre should be conditionally seated. The principles of one man one vote requires as much, the Constitution of the United States requires no less.

I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding to me.

Mr. Speaker, I wish to respond to the remarks of the gentleman from California [Mr. THOMAS] earlier, by stating that the gentleman's remarks I am sure are sincere in every way and I do not question the gentleman's sincerity nor his integrity nor his feeling on this matter.

The gentleman ignores three essential facts: First, there has not yet been a credible counting of the Indiana ballots; second, the certificate of election was issued in a manner inconsistent with Indiana law; and third, the actions of the House on this matter follow precedents dating back to 1860.

First, there has not yet been a full counting of the ballots under a single set of rules. The 418-vote "victory" claimed by the Republicans is based on a recount procedure that threw out 5,000 votes—even though the intentions of those voters were clear. The problem was that separate recount boards in the 15 counties of the Eighth District used their own individual standards to judge the validity of the ballots. Recently the Indiana House voted—90 to 8—to repeal the antiquated election laws, which allowed this to happen in the first place.

Second, the admitted failure of the Indiana secretary of state to follow State law in issuing the certificate of election resulted in the wrong candidate being certified. Instead of certifying the winner of the certified vote count on election night—Frank McCloskey—the Republican secretary of state waited for more than a month for a recount. When he finally did issue the certificate, it went to the Republican Richard McIntyre, based on partial recount totals, which gave McIntyre a momentary lead of 34 votes.

Finally, there is not a Member of Congress who is not concerned when 500,000 citizens go unrepresented here. However, a majority of us firmly believes that the precedents of the House—which date back to 1860, and which we are following in this case—are far more responsible than seating a man who may not have been elected.

If House Democrats had wanted to be partisan, we would have seated McCloskey on January 3. Even though we had the votes, we did not do it. Instead, we are trying to do what is right—and for our side that means seating the man who was elected by a majority of the voters.

Mr. BUSTAMANTE. Mr. Speaker, I yield to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. I thank the gentleman for yielding to me. I will try to respond as quickly as possible to the gentleman's points.

One, a credible counting is based upon the gentleman's vision of how the counts ought to take place. Of course the majority individual does not like a count which showed on election night that Rick McIntyre won it, and on a recount he won. So apparently a credible count depends upon who wins.

I think if the State of Indiana, under its election law, certified that it was an appropriate count, that the gentleman's problem is with the State of Indiana, and I think he has evidenced that by the systematic trashing of the character of the secretary of state of Indiana, assuming that he does not know the law.

I would tell the gentleman that he is flat out wrong in terms of Indiana law and how it operates in terms of what he is supposed to do. In addition, when you talk about precedent, there is no precedent to do what we have done, and I would direct my statement now to the gentleman from Texas, and I appreciate his concerns about the question of voting rights and people able to vote.

But let me ask you this: Don't you think that if there was no Federal contested elections dispute and that if the problem stated by the majority leader on the floor was that there was a difficulty in Gibson County as to whether it was a partial recount or whether it was a canvassing for an arithmetical error, that the first thing that this body should have done was to examine the Gibson County case.

If in fact we could not clarify it at that level, we would then move to an examination of Indiana law. And if the gentleman had said that there was an inconsistent application of Indiana law then what we ought to have done is to have applied Indiana law uniformly.

The House task force could have examined Indiana law, taken it and applied it uniformly, and only then throw out Indiana law.

PERMISSION FOR RECOGNITION FOR 1 MINUTE

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to proceed out of order for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. THOMAS of California. Mr. Speaker, reserving the right to object, is the gentleman from California correct in assuming that the gentleman from Arkansas has already taken time?

□ 1220

The SPEAKER pro tempore. The Chair will rule he has already taken time, but he does have the privilege of asking for a 1-minute.

51-059 O-86-10 (Pt. 5)

Is there objection to the request of the gentleman from Arkansas?

There was no objection.

INDIANA LAW RELEVANT TO DUTIES OF SECRETARY OF STATE AND GOVERNOR REGARDING ELECTION OF CONGRESSMEN

Mr. ALEXANDER. Mr. Speaker, I merely take this time to respond to the gentleman from California and to ask unanimous consent to include extraneous matter at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ALEXANDER. I submit as extraneous matter the text of Indiana law which is relevant to the point made by the gentleman from California, which states as follows in regard to Congressmen and the election thereof, duties of secretary of state and Governor:

> The Secretary of State as soon as he shall receive such certified statements, shall compare and estimate the votes given for United States Senator and for Representatives in Congress, and certify to the Governor the persons having the highest number of votes as duly elected * * *.

If the secretary of state had followed the law, he would have certified that the gentleman from Indiana, Mr. McCloskey, as the winner by 72 votes. The secretary of state was obligated to certify McCloskey because the 15 counties of that district certified official results on election night giving Mr. McCloskey a 72-vote victory. Mr. Speaker, here is the law.

> 3-1-26-9 [29-5309]. CONGRESSMEN—DUTIES OF SECRETARY OF STATE AND GOVERNOR.—The secretary of state as soon as he shall receive such certified statements, shall compare and estimate the votes given for United States senator and for representatives in congress, and certify to the governor the persons having the highest number of votes as duly elected; and the governor shall give to each of the persons returned to him as aforesaid a certificate of his election, sealed with the seal, and attested by the secretary of state: Provided, That no return of any county which has come into his hands, and which has been duly authenticated by the clerk of the circuit court thereof, under seal, as hereinbefore provided shall be rejected by said secretary of state, but he shall estimate, aggregate and tabulate, and report to the governor the total number of votes cast in each county for each candidate for state office, supreme judge or other officer to be elected by all of the voters of the state, and members of congress, as evidenced by the face of such returns so certified to him. [Acts 1945, ch. 208, § 322, p. 680.]

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield on that point?

Mr. ALEXANDER. The facts speak for themselves, and I rest my case.

The SPEAKER pro tempore. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

McINTYRE IS THE WINNER

(Mr. THOMAS of California asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of California. Mr. Speaker, what we have just seen was a complete either unwareness or a willingness to ignore court actions in Indiana, because as the gentleman read, the secretary of state takes the certified results and then certifies the candidates. The question is over the certified results from a particular county, and that is Gibson County. And, in fact, under a court order, there was a requirement to correct the count from Gibson County, that the statement certified by Gibson County was proven to be arithmetically wrong, they added two precincts together, there was a recanvassing under court order, those numbers were changed, there was agreement that Gibson County then provided the corrected total to the secretary of state. It was then the official certified count from Gibson County, included with the other 15 counties in the Congressional Eight District, and that produced the certification.

The gentleman simply takes a statement in the law of Indiana and ignored the case action surrounding the Eighth Congressional District and the requirements that Gibson County be reexamined, the numbers correctly added. And the term has been "recount" and "partial recount" that is wrong. It is a canvass, and it was a correction of an arithmetical error, and the certified count is 34 votes. McIntyre is the winner.

□ 1230

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I wish to say at the outset that I wholeheartedly agree with my colleague from Vermont [Mr. JEFFORDS] on a matter that I think we voted the same way when the issue came up. And that I heartily agree with the thrust of his proposed legislation and wish to subscribe the purposes for which he has introduced the legislation.

I have risen this year, this 1st session of the 99th Congress, to pick up a report and appeal to my colleagues. Some aspects of this appeal having been made the very first year I came to the Congress some 24 years ago.

On this occasion, I rise because unhappily, the appeals that I have made, the introduction of resolutions and bills in anticipation of what now is being taken for granted to the point where what is happening is considered an act of God, but that some of us had good reason, especially being charged with knowledge sitting in the committees that had jurisdiction, and therefore should have had some minimal knowledge of the series of events in the making, 18, 20 years ago, you would not have to be a prophet, you would not have to be an expert to predict what now we find more and more segments of our society in the anguishing throws of desperation and frustration.

I, the last time in addressing my colleagues, referred, as I had previously, to Thomas Jefferson's admonitions at a time in which our Nation, in its incipient stages, had reason to utter the same kind of observations and warnings for the same reasons, even though there is no comparison with the mighty Nation we call the United States of America today, with what was then an emerging nationhood of 13 States.

In our historical, evolutionary process, and even indeed, in our teachings and studies of history, we have become self-contained, and have emasculated from this history the overall picture. There were really 37 colonies; not just 13. But with the remainder of the 13 either completely ending up in what we call the Canadian Commonwealth, we have lost the sense of proportion. But at the beginning of nationhood, we must never forget that the first 10 years of our national existence, so little was thought of such a position as what we call the Presidency today, that our Nation existed its first 10 years with no such office at all.

We had the First and the Second Continental Congresses; we had the Articles of Confederation; but there was no such thing as a Presidency, or what during the constitutional debates was referred to as a Chief Magistrate.

How does this fit in with what is happening today? My appeal today will be very similar to what a contemporary of those Founding Fathers, a poet, a statesman, a man of religion, Jowel Barlow, a great, great contributor to the Revolutionary struggle.

He was born in Connecticut; he served during the Revolutionary War as a minister or a preacher, really, to the troops. But he was more than that; he was a thinker, he was a student, he was a historian, he was a poet. He wrote magnificent pieces; epic pieces they called them in that day. The Columbiad; the Olympiad; the great vision he had about America.

□ 1240

But, in the course of that decade of turbulence and revolution, because we must never forget that the French Revolution was almost contemporaneous with the American, but followed,

really, the American. He was making an appeal to what he called advice to the privileged orders. Today I wish that to be, now and in the future, the title of my addresses, my advice to the privileged orders, which includes my colleagues today.

Barlow was addressing his advice to the then rulers of the day, and we must never forget that we really were and really should still be very revolutionary, if we had not forsaken that heritage, as I feel we have. We find ourselves in similar situations in which, not quite reaching the bicentennial, the 200th anniversary of our form of government, we are tested as to whether or not we in our time and generation will have that vision and that faith in just the people to continue with significant meaning the first five words of that Constitution in the preamble. Remember, these words were uttered and written and fought for, and men died and shed blood for them. At a time when the world was governed by kings or potentates, czars and the like, or oligarchs, a privileged few, the idea that power resided in the people was so revolutionary it was just absolutely abominable to the ruling orders or the privileged classes of the world of that time, even here in America.

We forget that the conservatives of that day were the Tories, the Loyalists, loyal to England, loyal to the Crown. They were not in the revolutionary ranks. They are present with us today, except, of course, we do not call them Tories. I think this is one reason why Maggie Thatcher felt so much at home here with this administration recently, because she really is a Tory.

But in that day and time, men like Jowel Barlow were saying, "Look, all power emanates from the people." But this was a world in which kings said, "Why, I am the source of power, but I derive my power from God Almighty, divine right."

Jowel Barlow said, "Well, of course, since the people never gave that kind of delegation of power, the kings had to go to the highest source in order to claim their derivation of sovereignty or power."

But then here come these glorious words, "We, the people of the United States, in order to form a more perfect Union, insure domestic tranquility," et cetera, et cetera. They did not say in the Constitution, We the Congress, or I the President or I the other third branch. They said we the people, this is the source of all power.

But in speaking to colleagues today, and many, many of my constituents, I am very, very disturbed by the fact that that is not at all the concept. As a matter of fact, I know very few constituents who tell me that the President is not over and above such entities as the Congress or the representative branch of the Government or the judiciary. And, of course, the fact is that we live in a time in which we have to reaffirm that faith in the three basic branches of the Government being separate, equal or coequal, and independent. But I can say for one that that is now more of a ritual than a fact.

So when Thomas Jefferson, seeing the eternal grasp for that power, that sovereignty which in any country means those who would control what we call the allocation of credit, the control of money, and Thomas Jefferson said, "If a people turn over the control of the issuance of their money to the bankers, woe to the people, for it is worse than having a standing army of occupation in that country." Ultimately the people who came to the continent, were in possession, will find themselves homeless. This is where we find ourselves today for that basic reason, because for the first time in the history of our Republic under this Constitution, under this form of government, the derivative sources of power decisions are not being made either in the White House, in the Chief Executive's office, or in the halls of debate in these two Houses of the representative branch of the Government and, therefore, the people's representatives. And certainly, under our system, the third branch, the judiciary, certainly does not have that kind of jurisdiction.

So where is this power? Well, should we be surprised if we have stories like the one appearing in the Dallas newspaper, the Dallas Morning News, on Monday, March 18, in the Today section, section C, entitled "Families in Search of a Home," this is what we call in Texas "Big D."

I include this particular article and feature story in the RECORD for my colleagues' reading.

The article follows:

FAMILIES IN SEARCH OF A HOME—SHORTAGE OF LOW-COST HOUSING HAS FORCED MORE TO SEEK OUT SHELTERS

(By Bill Minutaglio)

The night Tyrone, Marsha and Ashley Mosley had to leave their apartment near the Galleria, they ended up wandering through downtown.

Unable to come up with their $465 rent payment and facing eviction two weeks ago, they stored their belongings at a friend's house and decided to go in search of a cheap hotel in the heart of the city. They walked from the Majestic Theatre down toward the Bradford Hotel. They walked back up toward City Hall, past the downtown Dallas Public Library and near Farmer's Market.

Occasionally, a police car would slow down and the officers inside would stare at Tyrone, 24, Marsha, 22, and 15-month-old Ashley in the baby stroller. Mumbling veterans of the street would occasionally emerge out of the darkness—like faces in a fun house—and then recede.

They spent the entire night searching fruitlessly for a place to stay, thinking that the police wouldn't stop them if they continued to move.

By morning, they were tired and discouraged when they finally made contact with the Dallas Life Foundation, a shelter for the homeless. At the Foundation, where they were given a place to stay, they were surprised to see other families. Late last week, they were still at the shelter, trying to find a home.

"We've never had to do anything like this before," said Tyrone, who holds a job loading trucks at a warehouse. "I always thought that people who stayed in shelters were drifters, loners," said Marsha, who works as a dispatcher with an insurance company.

But officials with the various Dallas shelters say the profile of the homeless population is slowly changing. They say that though the majority are still single people, more and more families like the Mosleys are being forced to turn to Dallas' shelters.

Estimates vary, but the Dallas Health and Human Services Commission and various shelters generally conclude that there are between 3,000 and 4,000 homeless people in Dallas.

And though the population has stayed in that range for the last few years, some officials foresee a rapid increase. The growing numbers might be simply tied to the fact that more and more families are joining the ranks of the homeless—now families make up 10 to 20 percent of the total homeless population.

"We are seeing an unbelievable number of families who are being moved out of a reasonable lifestyle," says Carol Frank, social services director with the Salvation Army. "The numbers of growing all the time."

Five years ago, an average of only two mothers with children were staying each night at the Salvation Army's downtown facility. Now, an average of eight mothers with children need shelter each night.

One of those parents, Rosa Gonzales, 27, brought her six children with her to the facility two months ago. "After I got separated from my husband, I didn't know what to do," she said last week, sitting on the lower half of one of the bunk beds the Salvation Army provides in its women's shelter. "I really didn't know that anything like this was available. With all the children, I was worried."

Those involved with providing shelter for the homeless are worried as well. They say that Dallas' facilities are strained and that few of the shelters are equipped to deal with the rise in two-parent or single-parent families.

Ray Bailey, who oversees the operation of the Dallas Life Foundation shelter, says his facility is proof that Dallas's homeless problem is growing.

Until this month, the Foundation, which is operated under the auspices of Jupiter Road Baptist Church, was on Commerce Street and had space for 200 people. Two weeks ago, it moved to a large renovated warehouse on Cadiz Street, just south of downtown. It now has a capacity for 250, and there are plans to expand.

"When we reach the 1,000-bed level, we think this will be the largest (shelter) in the country," Bailey says. "I think either the general public doesn't know the problem exists, or they do know it and they simply choose to ignore it. It's getting critical."

Recognizing the need to keep families intact, the Foundation has designated several private rooms just for families.

The increase in the number of families may be tied to an unlikely suspect: Dallas' rapid growth.

"We are seeing homeless people coming from neighborhoods," says the Rev. Jerry Hill, director of the Episcopal-Presbyterian Shelter on South Austin Street. "There has just been a reduction in low-cost housing. The low-income housing doesn't exist."

City studies bolster Hill's observation. Gerald Lumsden with the city Health and Human Services Commission has done extensive research on the problems of the homeless. Last year, he determined that there had been a "reduction in low-cost housing options concommitant with the renewal of the Central Business District and 'gentrification' of the inner city."

Meanwhile, Frank at the Salvation Army points to her statistics indicating that four years ago, only 3 percent of the people seeking shelter at her facility were having problems paying for their homes or apartments. In the last three months, 18.5 percent say they are looking for shelter because they fell behind in their payments.

"All of this scares me," Frank says. "I think Dallas has to stop and look at its priorities and values. We have forgotten the family. And for the people who have limited choices, we are narrowing the choices further."

Hill calls the lack of affordable housing for low-income people and the consequent rise in homelessness "a vicious cycle . . . nothing exists to break it."

At the Dallas Life Foundation, Harriet Poole, 33, and son Kevin, 5, were spending their days last week sitting on a couch covered with cracked plastic. The scene around them was a lot like the scenes in other Dallas shelters:

Families huddling together, a television set blaring in the background, children in diapers crawling across the floor, unshaven and disheveled young men sharing cigarettes in a corner.

"There just aren't places most people like us can afford," said Poole, who has worked as an assistant in nursing homes. "Then you have to come to shelters. I don't think many people really want to be here. We just haven't been able to find anything we can afford."

When Frank arrives at her Salvation Army office in the morning, there is usually a line of parents with children waiting outside. And, often, those parents are talking about the problem of housing in Dallas.

"In Dallas' quest to be the new mecca, we have torn down affordable housing," Frank says. "The housing stock for lower-income families is just nil."

She adds that the estimated number of homeless pertains only to people who are winding up in shelters. "In Dallas right now, we've got to stop thinking of shelters as the only places you'll find the homeless. I would say we have tens of thousands who are homeless that are in temporary housing. These are the submerged homeless. A lot of them are sort of doing it 'undercover,' staying with people for a few days because they can't afford to stay anywhere else."

The shelters, then, are the end of the line. That's where Greg Adkins, his wife, Barbara, and their 5-month-old son, Charlie, were last week.

They traveled from El Paso to Dallas two weeks ago in search of jobs. They say they'll stay at the Dallas Life Foundation until they find work.

On the rear loading dock of the shelter, 27-year-old Adkins held Charlie and talked about the frustration of being a family without a home.

"You get caught in a problem," said Adkins, who has held a variety of odd jobs. "You lose your job, you've got a family, you don't know what to do. No one wants to put you up and then you have to go find a shelter. We're just lucky we can stay together as a family. There's no way we can pay for a place in Dallas."

Mr. GONZALEZ. Who are these families? They are not now individuals. They are not shiftless individuals who, for some reason or another, unfortunately find themselves wandering about the land, the traditional people that we in America have tended to look down our noses at and say, "Oh, that is just an alcoholic bum or a hobo, or somebody." These are families.

I might remind my colleagues these are not what we also identify with the poor in our country, ethnic minority families. It is a very pathetic story in a city that boasts great economic progress, part of the fabulous Sun Belt, the great boast of the chamber of commerce of the Dallas Morning News. Nor should we be surprised as a result of having abdicated sovereignty, the power to control the allocation of credit, to those interests who from time immemorial, in all climes, in all written annals and unwritten annals of human development, have had to be controlled. Usurious, extortionate interest, greedy interest, never satiated. The more they have the more they want.

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They are not looking at it from the standpoint of the interests of the greatest number. They have only one ledger, and that was recognized by the Founding Fathers at the very beginning of the Continental Congresses, because, after all, governments like individuals and families have to have financing. So when the bankers were appealed to finance the Government, naturally they wanted the power to determine how and to what extent they would be charging interest. Thomas Jefferson rose—and in terms of today the bankers would cringe if they heard it from a top powerful national official—and said what I have just quoted a while ago. He said it has got to be controlled.

So the Congress chartered what was known then as the Bank of North America, but it was controlled. By golly, they were not going to come in and charge over 6 percent interest.

Should we be surprised at another story, this one in the Dallas Times Herald of Monday, March 18? This one is right on the front page, and down below the article is entitled: "Ohio depositors bitter, confused/ Doors of S&L's to remain shut".

Now, every other report had been one about how, oh, this was very benign, nobody was bitter, nobody cared much. What if it was the life savings of—of whom? Very stable Americans doing what they had always been taught to do, be frugal, be thrifty, save their money, be safe.

But should we really have been lulled? I do not think so. I think that primarily the Congress over the course of at least two decades and a half have shamefully abdicated the only possible constitutional power that the people could not abdicate for their own well-being.

Mr. Speaker, the Dallas Times Herald article to which I just referred is included here, as follows:

[From the Dallas Times Herald, Mar. 18, 1985]

OHIO DEPOSITORS BITTER, CONFUSED—DOORS OF S&L'S TO REMAIN SHUT

(By Janet Novack)

CINCINNATI.—Two years ago, when her husband died, Helen Arnold took the $150,000 from his life insurance and put it where she thought it would be safe.

She deposited it in Cincinnati-based Home State Savings Bank. Other institutions said her money would be federally guaranteed only up to $100,000, but the teller at Home State said Arnold's $150,000 would be "100 percent" insured by the Ohio Deposit Guarantee Fund, or ODGF. That, she thought, was a persuasive selling point.

Now Arnold, 62, is one of tens of thousands of Ohioans feeling confused, betrayed and unable to touch their money because of a crisis facing privately insured savings and loan institutions in Ohio.

In the past two weeks, they have had a brutal crash course in the perils of private guarantee funds, bank runs, "bank holidays", and the esoteric and largely unregulated government securities trading market.

Celeste was to sign an executive order today to keep the institutions closed for another 48 hours, said the governor's chief of staff, Raymond Sawyer.

Meanwhile, thousands of people and businesses were separated from their savings and cash by the three-day "bank holiday" Celeste declared Friday.

The plan to be presented to the Legislature called for all the closed institutions, now insured privately, to apply for Federal Savings and Loan Insurance Corp. coverage before being allowed to reopen.

In adddition, the legislation would require the thrifts to demonstrate to the state Commerce Department's Division of Savings and Loan Associations that they meet the basic criteria and regulations of the FSLIC, providing their deposits are secure and protected.

The governor said that under the proposed legislation, once any institution received FSLIC approval or demonstated to state officials that it had sufficient outside financial backing, it would be allowed to reopen.

Celeste said the goal of the plan is to "fully protect" depositors. But he didn't explicitly guarantee there would be no losses.

Last week, the Ohio Legislature hurriedly created a new $90 million insurance fund that excluded Home State and included the other 71 institutions. And many S&L leaders resisted the idea of losing their independence to a federal insurance regulator.

By Sunday night, it appeared the $90 million would be only an interim backstop for thrifts that appeared qualified for coverage by FSLIC, but hadn't received it.

Some depositors, such as 67-year-old Sylvia Cirinelli, have already lost money be-

cause fear has driven them to cash in certificates of deposit carrying substantial penalties for early withdrawal. Cirinelli and her brother had all their savings in CDs with Home State and have forfeited $10,000 in interest, she said.

Others, such as Arnold, who counts on interest income to supplement her $500 monthly in Social Security, still don't know what losses, if any, they'll sustain.

Home State, with $1.4 billion in assets, has been closed and seeking a buyer since March 9—the victim of as much as $150 million in losses from its dealings with a collapsed Florida government securities trader and of its customers' subsequent loss of faith.

And since Friday, the 71 savings institutions that are members with Home State of the ODGF, which had only about $130 million in assets before Home State's problems surfaced, have been shut by Celeste.

Celeste declared the "bank holiday"—the largest such closing since the Great Depression—to give state and federal officials and the S&Ls time to come up with a way to head off fatal depositor runs on those institutions. Negotiations were held around-the-clock at the Cleveland Federal Reserve and in Columbus.

In a vivid demonstration of the extent to which the financial system depends on confidence, the woes of just one thrift had undermined a state fund.

Celeste described Home State as a "very different case" and said the state hopes to receive proposals from two active bidders (one of which is reportedly Citibank) in the near future. Again, though, he made no guarantees.

Though some S&L executives have grumbled, and no doubt will continue to do so, that Celeste overreacted, the panic was striking.

On Thursday, before the thrifts closed, depositors, primarily in the Cincinnati area, braved long lines to withdraw more than $60 million from area thrifts. Other uneasy savers slept that night in lawn chairs outside the S&Ls, only to discover Friday morning that their accounts were temporarily frozen.

George McGuire, president of the Savings and Loan League of Southwestern Ohio and of Anchor Savings Association, said he initially disagreed with the mass closing. But he changed his tune when he began receiving reports from his members that fights had broken out in depositors' lines.

Not surprisingly, those Home State depositors who didn't act are regretting it now.

"We have close to $5,000 in our checking account and I just bounced a $12.42 check to the hardware store for the paint for the kitchen," said an exasperated Paulette Lotspeich. Saturday morning, Lotspeich said, she "exploded" at her children when she ran out of gas in the car, because she has been so carefully husbanding her cash.

Lotspeich got so fed up last week that she picketed a Home State branch.

The Ohio fund, it seems, was done in by people like Mary Seta, a 53-year-old executive secretary who didn't withdraw the half of her life's savings that were in Home State because "I didn't like the rush . . . it could destroy the banking industry."

After Home State closed, however, she withdrew the rest of her funds from another ODGF insured thrift. As soon as the other savings and loans reopen, she said, "I'm hitting them, honey."

Ohio Director of Commerce Kenneth Cox said Saturday that despite the lack of guarantees, the Home State depositors are likely to get all their money back. "We choose to be optimistic," he said.

But James O'Reilly, a law professor, Home State depositor and the Democratic leader of the ward in which Home State has its headquarters, said Sunday that he has spoken with two sources who have had a chance to look at Home State's books, and that if the thrift is liquidated, instead of taken over by some big bank, depositors likely will get only 70 cents on the dollar.

Nor are the Home State depositors the only ones who are still in limbo.

A special toll-free state hot line was receiving 600 calls an hour Sunday from depositors.

While the federal insurance funds created in the 1930s have been hard-pressed recently by the highest bank failure rate since the Great Depression, they remain securely backed by the U.S. Treasury.

On the other hand, Ohio is the second state in less than two years to experience a crisis in a locally run fund. Commonwealth Savings Co. of Lincoln, Neb., an industrial bank insured by a state-formed guaranty fund, closed in November 1983 and depositors are still fighting to get back any of the $69.5 million they had entrusted to it.

Nebraska's insurance fund, it turned out, had less than $2 million in reserves. Most of the 32 other industrial banks that belonged to the bankrupt fund have since merged, failed or been converted to commercial banks insured by the Federal Deposit Insurance Corp.

Four other states—Pennsylvania, Maryland, Massachusetts and North Carolina—also have private funds for their thrifts. Seven states have special funds for industrial banks.

So far, depositors in other states haven't shown signs of being panicked by the Ohio crisis. But Ohio depositors say they never paid much attention to the Nebraska debacle.

Paul Wolgin, executive vice president of the Savings & Loan League of Southwestern Ohio, which has 110 members including 82 that are federally insured, noted that for years officials of the local federally backed S&Ls have been saying that the ODGF, which is a private corporation, was vulnerable in a bank run.

But, he said, the bankers had achieved enough of a competitive truce that the federally insured S&Ls never shared their private doubts with customers. "The public was not aware," he said.

Even O'Reilly was under the misconception that the private OGDF was state backed.

Though the saga of Home State's downfall is still unfolding, and the FBI, bank regulators and the Securities and Exchange Commission have investigations under way, disillusioned depositors think they know the bottom line.

"I just think somebody was crooked," said Ponese Apple, 57, who with her husband waited in line 11 hours to withdraw $30,000 from Home State the day before it closed.

Mr. Speaker, last night I had the privilege of addressing a very highly privileged group. I am chairman of the Subcommittee on Housing and Community Development, which is the largest subcommittee in the entire Congress and which is the target of the thrust of the Reagan administration's opposition to every single assisted housing program and policy that has been enacted by the Congress, some of them over a period of 44 years, such as the insured FHA mortgage program. So naturally there is quite a bit of interest in belonging to that subcommittee. But last night I was asked to join what is known as the Roundtable on Housing. It is a business roundtable. These representatives are from some of the major financial corporate upper tiers in our society, and I was very privileged to be able to discuss over the table some of these matters with this very privileged group. My appeal was made very much like Jowel Barlow's, as I am appealing today to my colleagues.

Mr. Speaker, I would like to have the record show at this point my remarks as directed to the Roundtable on Housing last night at the Madison Hotel here in Washington, DC. The remarks are as follows:

I would like to address a few broad issues, because I think that all of us are inclined to concentrate too much on the beauty and complexity of our own little trees, and not enough on the grandeur of the forest, and the fires that threaten it.

You the privileged spend most, perhaps all of your time, on the problems of unsubsidized housing. I spend most of my time on the problems of subsidized housing. You direct most of your efforts toward the business of providing the catalyst, the enterprise and the energy that is required to develop and redevelop dynamic areas. I direct most of my efforts toward the business of trying to revive failed communities or blighted neighborhoods—the business of salvaging what has been left behind in the churning engine of our national economy. But I suggest that we have a community of interest; we have mutual concerns.

The greatest single issue affecting housing is, of course, finance. It does not matter whether you are dealing with subsidized or unsubsidized housing; the stability of financial markets, the cost of funds, is absolutely critical. The more volatile the financial markets are, the higher the cost of long term funds, the less feasible it becomes to produce any form of housing. High money costs vastly reduce the number of subsidized units that can be obtained under any one of the galaxy of assisted housing programs that I deal with. By the same token, these factors also reduce the number of people who can afford to pay the financing costs of unsubsidized housing. Regardless of what market we are talking about—subsidized or not—all of us have an identical interest in the health and stability of the financial markets that fuel housing construction. All of us share the same concern about the uncertain impact of the continuing—now in its fourth year—political impasse on what to do about vast Federal deficits. All of us share a concern about the fragility of a financial market that remains in transition because of bank deregulation and the growing competition for funds—a competition that makes deposit funds more volatile, and long-term rates of interest more uncertain—than at any time in the past fifty years. All of us share a concern about tax policy, because of its impact in the flow of funds into or away from housing. All of us share a concern about housing regulation of one kind or another, because of its inhibiting or positive

impact on housing production, as the case may be.

There are certain realities that I believe we must all recognize.

First, no matter how vigorous the economy or how favorable the financial climate is or may become, there are certain segments of our society who cannot and will not be able to afford decent housing without some kind of governmental assistance. The question we face is whether government will provide that assistance. My personal belief is that there is no choice but to do so; nothing else would be responsible or humane or decent. The Administration seems to be of the opinion that this country does not need more assisted housing, and while there was at one time some argument from HUD that a voucher system would meet all needs, the concrete reality is that the Administration wants to freeze assisted housing where it is and not add to any program, even the voucher program, and to unload as much of the cost of providing housing as it possibly can.

As a practical matter, the do-nothing housing policy of the Administration leaves unanswered the question of what this country will do about the homeless, about the poor, about the near-poor, or even what we will do about the housing needs of the policemen, teachers, and laborers and millions of other ordinary Americans who must have affordable housing. Not one of these segments of our society can do without housing, and there are many communities where not one of these segments can get housing without governmental assistance.

I am concerned that the Administration wants to use the market notion of economic neutrality as a justification to undercut this nation's longstanding, dynamic housing policy. It is not just assisted housing that is threatened—it is all housing.

Certainly the tax code needs to be overhauled; the revenue base needs to be broadened; the system needs to be more equitable. But there are reasons why biases have been built into the tax code. The ability to write off mortgage interest payments is exactly such a bias—and it is necessary because that is the only way that financing a home is feasible for the vast majority of our citizens. The issue is not whether the code should be absolutely neutral as to investment decisions, but what segments of our society merit or require favored treatment. Housing is such a sector. I do not think for a moment that anyone in this room would argue for a purely neutral tax code, knowing that the consequence for housing would be catastrophic.

But the Administration also argues that in the name of the pure market the govenment should not provide straightforward subsidies to housing—public housing, Section 8, or anything else. It frankly dismays me that so many in the housing industry see clearly and argue forcefully for policies that favor housing in the unsubsidized market, but ignore the equally clear and convincing case for outright subsidies.

The housing subsidy program that I am offering in H.R. 1 calls for a $23 billion program—30 per cent less than what existed in 1981, but only half the value of the subsidy that privately financed housing receives through mortgage interest writeoffs. The authorization levels of H.R. 1 are double present levels—but again, less than half the value of subsidy provided through the mortgage interest writeoff alone. In my view, interventions are needed at both ends of the market, and for the same reason: housing is essential to every human being, and affordable housing must be produced for every income range.

In terms of social and economic policy the case for assisted housing is the same as the case for the mortgage interest writeoff: this is what is necessary to produce affordable housing of the types and in the quantity that the people of this country need. The chief difference is political: the poor and the nearpoor, not to mention the homeless, don't have lobbies and other political leverage to press their case. But I say that there is a community of interests; the same argument that is used to deny housing help to the lower end of the market is used to justify actions that disrupt and destroy the upper end of the market. I have to be concerned about the whole spectrum; that is my job—but I suggest that you have just as much interest and just as much concern about the whole spectrum of housing as I do, because housing policy for the poor cannot be separated from housing policy for the more fortunate among us; and because the economic and social policy concerns, and the economic and social cases are the same.

Certainly I am concerned about the Administration's efforts to place fees on Fannie Mae and Ginnie Mae services, and about their proposal to place a fee against VA mortgage guaranties. These things concern you, and they properly should; you oppose them, and you properly should. But I am also concerned about proposals to dump public housing stock, to destroy housing rehabilitation programs, and to gut assisted housing production programs. Why should these attacks on assisted housing concern you? Because the arguments advanced in each case are the same, and the consequences of implementing those anti-housing proposals is the same. Further, and to be blunt, it is harder for me to argue your case if you do not also argue mine, given the fact that the basic policy issues are the same in each case.

Obviously there is some spending reduction if housing outlays are cut—but just as obviously there is a spending reduction if Fannie Mae and VA fees come into being, or if there are restructions and limitations placed on mortgage interest writeoffs. In light of that, everyone in the housing industry has an equal burden to share—not just for his or her particular segment, but for the whole housing community. The policy considerations are the same, and so are the economic and social consequences.

About 18 per cent of this nation's population is poor. At least 20 per cent of our people, and probably far more, live either in substandard housing or are paying a disproportionate share of income for housing, or both. Both in percentages and in absolute terms, the people in this country who need help to obtain decent housing is growing. That is what is happening at one end of the scale.

In the middle of the scale, only about 5 per cent of our population can today afford the price of a new home. This is reflected in a number of ways: rental housing is tight and expensive, and growing more so with each passing day; the market for resale housing is soft, meaning that the value of existing housing is not increasing as you would expect in a time of high demand and outright need; new construction is merely good, not great; and perhaps most telling of all. The rate of homeownership is declining slightly.

And of course, at the very upper end of the scale, price and cost are really no object, though tax benefits most certainly are. But the top five per cent of the population cannot sustain the kind of housing market that the country needs, and it is not only the well-of who need housing.

National housing policy has been aimed at several things:

The reduction of crowded, inadequate and substandard housing. No one can deny that in fifty years we have achieved miracles in this regard. Making the benefit of homeownership available to the vast majority of our citizens. And thanks mainly to the long term, low-interest, fixed rate mortgage, and especially to the long upward climb of the economy in the two or three decades up to 1974 or so, the nation moved from about a 40 per cent ownership rate to almost 70 per cent.

Restoring dilapidated and aging neighborhoods, bringing the benefits of growth and progress to blighted areas. And, to the extent that we have been able to develop the tools, that has been done very well, too—witness among many others the regeneration of downtown Baltimore, my own downtown San Antonio, and the progress of downtown Washington, which not long ago was consigned to oblivion.

The question we face this year is whether this country can afford to abandon its decades-long, highly successful housing and community development policy. It is a policy that has served well. Has it outlived its usefulness? Has the need fallen away? I think not. Neither the middle nor the lower end of the market can be served without a clear national commitment. And that brings me to my last point, and my message: we are all in this together. This country will not have a housing policy that serves only some and not all; at least not for very long. Communities cannot live half alive and half dead. Society cannot be vital and dynamic if it is half ill-housed and hopeless, if the poor are paying the way of the rich.

We have a common concern. We have no choice but to work together—to hang together on a comprehensive national housing policy or find ourselves hanged separately, one housing program at a time.

Obviously, as the Irish say, it is very easy for a man to sleep on another man's wounds. Of course it is. But then we have a dilemma of whether or not we are going to rise to even the simple constitutional responsibility of restraining a runaway, all-powerful agency—the Federal Reserve Board, for instance. Now, ask any Member, ask any average businessman in America, and they will all tell you that the Federal Reserve Board is a Federal entity. It most certainly is not. The only thing it is, it is designated as a Federal board. Yes, it is a creature of the Congress. But I have not heard one speech made in debate on or off the committee level or on or off the floor level or on the Senate side in which the Federal Reserve has not been referred to as an independent body. And in effect it is answerable to nobody. Yet it is amenable and at this point completely taken over by seven of the largest banking institutions in this country which have committed the same folly that was committed by similar institutions after World War I and which ended, of course, in the

total collapse of the then international financial world.

Now, we pointed out several years ago the overhand of loans from these tremendous interests who in turn, through the Open Market Committee, control what the fiscal policy and what the monetary policy will be of any administration. It can make or break any administration any day. This is the Open Market Committee of the Federal Reserve Board.

Now, who is the Open Market Committee? The Open Market Committee is seven Members of the Federal Reserve Board appointed by the President and five—five of whom? Bankers. They will in secret determine what, for instance, will be the going rate on what they call T-bills and other governmental notes and issues, and, therefore, they exercise a tremendous power.

I have been a member of the Banking Committee since I came to the Congress some 24 years ago. I have had a total of about five Chairmen of the Federal Reserve Board appear before that committee. At no time has any been willing to offer any kind of accountability in direct question and answer.

Now, I have pointed out where there have been abuses of power, because when any human group or individual has this tremendous grant of power with no accountability—I do not care whether it is the Federal Reserve Board or the—why the Congress has permitted such agencies as the CIA and the NSA, the National Security Agency, to operate—we should not be surprised if we find that these agencies, out of control, even from their own chief executive, will take on their own policy actions that determine the matter of peace or war for the country. We should not be surprised even at bankers. My goodness, given an open field, it is like saying you are going to turn over that—well, of course, nowadays very few children in the urban areas know what a chicken coop looks like; maybe some have not even seen a chicken yard—but we used to say it is like turning the fox over in charge of the chicken coop.

Well, is this not exactly what has happened?

I have to no avail pointed out abuses, through which self-aggrandizing, self-interest, and conflicts of interest there have been leaks ahead of time of the deliberations and decisions of the Open Market Committee which had inured to the immense benefit of some of the chosen banks in New York. I have alluded to the secret meetings which the chairman of the Federal Reserve Board now has had with select "big cheese" bankers and speculators like Nelson Bunker Hunt, the billionaire of Texas, in which billions and billions and billions of banking resources are tied up—banking resources, because every bank is chartered for public need and convenience. And everybody has forgotten, and that is including the Congress.

So what I am saying is, with these pathetic headlines and stories in which more and more of our businessmen are out of business, there is no way that any society in the history of mankind can endure with 15 and 16 and 17 percent rates of interest for just small business loans for inventory purposes. I have pointed out to these privileged classes in America that are very much in the same position as the privileged classes of Europe at the time of the outbreak of the French Revolution that they could not see beyond their noses.

□ 1300

I pointed out to the home builders, "You might build a home today, but who are you going to sell it to that can afford to buy it?"

The lumber industry in the Northeast sells its products mostly to Japan. The Japanese are in a position right now while they bring that ship to bring on board the lumber, they can process it and they can build a home and put it on American soil on a lot for less than $9,000 at less than 9 percent interest. Why? Because it is illegal to charge any more than 9 percent in Japan and because the average rate of interest in Japan is even less than 7 percent.

Nobody talks about that in our country. Nobody debates that in or out of the Congress.

So, Mr. Speaker, I will at this point yield back the balance of my time and conclude by pointing out that when a nation allows wealth to accumulate and men to dictate, it will be prone to many, many evils and many, many illnesses at a critical time in which our world commitments, thrust upon us through destiny and history, exact more from us by way of responsibility.

A REMARKABLE PROTECTIONIST BILL

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 60 minutes.

Mr. WEAVER. Mr. Speaker, I take time under a special order tonight after the House has concluded its business in order to describe a remarkable event that happened yesterday. This remarkable event was the passage by the full Committee on Interior and Insular Affairs of which I am a member of H.R. 1088, a bill to restrict the importation of lumber from Canada.

This is perhaps the most protectionist piece of legislation ever to pass a committee of the Congress in the last 50 years. The remarkable thing is that this legislation severly restricting the importation of lumber from Canada, a protectionist piece of legislation, passed the Interior Committee unanimously. I am the chief sponsor of the bill and my other primary sponsor is Congressman LARRY CRAIG of Idaho. We have close to 50 cosponsors of this bill from all parts of the country.

I have been asked since I first introduced this bill whether it was protectionist, whether I am a protectionist. I answer this question by saying yes, I am a protectionist, if it means protecting the timber industry, which is the primary industry of my congressional distirct. Yes, the bill is protectionist because the timber industry must have protection from the dumping of lumber by the country of Canada into our markets.

The U.S. dollar against the Canadian dollar now stands 30 percent higher, meaning that Canada can sell lumber in our markets for 30 percent less and get the same number of Canadian dollars that they were getting just 5 or more years ago. This is unfair competition and it is further made unfair by the way that the provinces of Canada sell their timber on the stump to the timber industry in Canada. In effect, they virtually give away this timber and our country sells its timber from our national forests at an auction at considerably higher prices then the timber industry in Canada pays for their Government timber. Most of the timber in Canada is owned by the Provincial governments. With this extremely unfair advantages, Canada is cutting down its forests at a rapid rate, hacking down its forests at a rate that will mean they will not have as much timber in the decades to come, which will cause a timber shortage at the very time the world is running out of timber in the 1990's and thereafter.

So I say to my friends in Canada, it is better for you to not cut down your forests at such a rapid rate. I know you are desperately in need of dollars. Your economy is in bad shape, but I can tell you, the economy of the areas relying on the timber industry in this country are in bad shape and we can help ourselves by limiting the amount of lumber coming in from Canada, so you are not butchering your woods and we will both get better prices for it so we can make a living and our workers can be employed.

In 1966, Canada supplied around 14 percent of the lumber sold, the softwood lumber sold in the United States. It stayed at 15 percent, 16 percent, for the next 3 or 4 years.

In the 1970's, Canada's sales of lumber into the United States edged up a bit to the low 20 percentile. That was fine. We appreciated it. In years of heavy housing starts in this country we needed Canada's lumber and we need it today.

We just simply do not need it in such amounts that it drives the price down for our producers to the point that they must close their mills and lay off their workers. In my congressional district, literally dozens of mills are closed and a deep depression sits within the timber industry there, affecting all of us. In the later 1970's, Canada began increasing its sale of lumber in the United States and it jumped up to the high 20 percentile of the market share of the market in this country.

In the 1980's, Canada's share was double that of the middle 1960's. It got to 30 percent and higher.

My bill, H.R. 1088, that passed the full Committee on Interior and Insular Affairs yesterday by a unanimous vote, a most remarkable thing, because it is a very strong protectionist piece of legislation, would limit Canadian lumber imports to their historical market share, using the average of the last 15 years, and that would bring us back to the low 20 percentile, a figure that Canada has maintained up until the last 7 or 8 years. So I do not think that is unfair legislation. I think it is sensible legislation for both Canada and the United States.

I would hope that the Canadians and our own Government would see that the passage of this bill, the bill that I cosponsored, by the full Interior Committee by a unanimous vote, is a message being sent by Congress today that we can no longer tolerate in the United States of America the excessive dumping of products and driving our own industry out of business.

□ 1310

I support those in the textile industry who are seeing their industry collapse completely. I support those in the steel industry and other industries badly hurt by excessive imports.

I want to commend at this time my colleague from the State of Washington who has also drawn up a bill. I like this two-pronged approach. My bill is out and out saying let us make sense, let us keep Canada's lumber imports at their historical market share. That makes sense.

My colleague takes a different approach and a complementary approach. The gentleman from the State of Washington [Mr. BONKER] has come up with a bill that goes through more traditional procedures, through the International Trade Commission, through determining as to whether Canada is subsidizing our Government. And I want to say that I am proud to be a cosponsor of the bill offered by the gentleman from Washington [Mr. BONKER] and I commend him for it.

Both of our goals, that of the gentleman from Washington [Mr. BONKER] and myself, is to achieve some limit on the importation of artificially cheap lumber from Canada. And however way we get it, whether through voluntary agreements of our two governments, through the passage of my bill, through the passage of the bill offered by the gentleman from Washington [Mr. BONKER] any of those would be a welcome relief for me.

Mr. BONKER. I thank the gentleman for yielding and for his reference to legislation I intend to introduce today which carries as cosponsor other members of the Northwest delegation.

The gentleman and I both represent areas that are timber-based economies. Our communities rely on the housing industry and the wood products industry to put forth the tax base and the jobs that are so essential for our economic livelihood. We feel our industry can compete if they are allowed to compete fairly.

The gentleman and I were first elected to Congress by opposing the export of logs to Japan because with those logs came the denial of all of the economic benefits that come with processing—the jobs, the investment in plant facilities, the tax base. And we have seen what that has done to the welfare of the industry in the Northwest.

Now we are faced with another problem and that is import of finished products from Canada. And I think what disturb the gentleman from Oregon and myself is that we are experiencing the decline of this industry because of unfair trade practices. Be it Japan, where there are no tariffs on the raw resource but very high tariffs on the finished products, or be it Canada, where finished products are heavily subsidized by the provinces, we are the victim of two-way unfair trade practices.

Our logs go to Japan and we buy the finished products from Canada, and we are denied all of the economic benefits that come with manufacturing.

We both attempt to redress this problem through legislation. The gentleman from Oregon [Mr. WEAVER] has introduced legislation to impose quotas, which I think will most certainly get the Canadians' attention. My more modest proposal attempts to accelerate negotiations between the two nations, and to provide a definitional standard for subsidies on stumpage. Unless Canada is willing to resolve this problem through bilateral negotiations, the next time the industry brings an antisubsidy countervailing duty case, the ITC and the ITA will have a more explicit basis upon which to provide a ruling on stumpage.

We are both concerned with the fact that this country has a staggering trade deficit, posted at $123 billion last year, and that says a lot about what is going on in our economy. This is a fiercely competitive world economy. Our industry can compete, but only if trade is a two-way street, if it is fair, if the playing field is level. We cannot compete, given the high wage base we have in the Northwest, with subsidies and with tariffs from all of our trade competitors. So all we ask for is fairness. If it is fair, we can compete. If it is free competition, then we are going to see our industry survive in the Northwest.

So I want to commend the gentleman for the work he has done by sponsorship of his own legislation, the committee hearings that he has conducted, and now the successful action by his subcommittee and full committee on legislation that is now coming to the House floor.

So we have taken separate approaches; we have mutual concerns. And I am hopeful that this Congress will stand up for fairness, will see the wisdom of our arguments, that the Canadians will understand that Americans want free and fair trade, not unfair trade. And if we all embark upon that course of action I think that both countries will benefit mutually.

I thank the gentleman for yielding and for his commitment to this issue.

Mr. WEAVER. I want to thank my friend from Washington [Mr. BONKER] for his great contribution and his leadership in this field. I say that whichever approach we eventually adopt, or whether both bills have the effect of impelling a voluntary agreement betweeen our two governments, I want to work shoulder to shoulder with him and I believe we are taking complementary positions.

Mr. BONKER. I would like to ask the gentleman, if I may, about the unemployment in the district that he represents, and whether it is fairly consistent with the national average.

Mr. WEAVER. The unemployment in the Fourth Congressional District of Oregon is far above the national average. It is in the teens. But there have been, we estimate, 40,000 people leave the Fourth Congressional District of Oregon and therefore the unemployment would be astronomically high.

There are, I am told, 1,700 homes for sale in the small city of Coos Bay, OR, a city with a population of about 12,000 or 15,000 people. A figure of 1,700 homes, if that figure is correct, is a staggering one.

Mr. BONKER. I have heard it stated I think in one of the industry reports that Canadian lumber imports now account for 22,000 of the 30,000 jobs lost in the timber and forest products industry in the past 5 years. Is that a figure the gentleman is familiar with?

Mr. WEAVER. Exactly. I say to my friend that that is a figure that I have heard, and I want to say it is not just the Northwest. It is not just Washington and Oregon that are affected by this. The State of Georgia, 61 percent

of the lumber used in the State of Georgia, which is a lumber producing State, is Canadian lumber. In the State of Maine with its vast forests, 89 percent of the lumber used in the State of Maine is Canadian lumber. And the Canadians come down and buy the logs in the Maine forests, take them back over the line and manufacture them into lumber, and then sell them back to the United States. But the Maine lumber people cannot go buy logs from Canada because Canada prohibits the selling of logs.

I would be delighted, if the gentleman from Washington wants more time. I am going to conclude now by saying that a remarkable thing occurred yesterday. My bill to limit Canadian lumber imports to the historical market share passed the Interior and Insular Affairs Committee by a unanimous vote. I have cosponsors on this bill from all over the country, from the South, the Northeast, the Middle West. Four members of the Ways and Means Committee are sponsors of my bill. And I say to those who ask me is it protectionist, am I a protectionist, I can only say that I will not stand by and watch my timber industry die. I will fight in any way and by any means I can to keep my people working. And if protecting the industry in that way is protectionism, then so be it.

□ 1320

Now, I would be delighted to yield to my distinguished colleague from the State of Washington whose contribution has been great, who has a bill of a completely different nature although complementary, and we both I am sure are trying to achieve the same goals.

I yield to the gentleman from Washington.

Mr. BONKER. I thank the gentleman for yielding to me.

Mr. Speaker, today I am introducing a bill designed to speed up United States-Canadian talks on the growing problem of Canadian wood product imports.

These Canadian imports, which are heavily subsidized by the Canadian Government, are flooding U.S. markets and causing high unemployment in the U.S. timber industry.

This bill is not intended to dictate to the Canadians or impose unilateral sanctions. I continue to believe that a bilateral agreement is the best course of action.

But the Canadians have to know that Congress is serious about this problem. If a negotiated settlement is not forthcoming, Congress will step in and resolve the problem legislatively.

My bill is cosponsored by more than 20 Members of the House of Representatives, including Democrats and Republicans from every major timber-producing region of the country. Nearly every member of the Pacific Northwest delegation is a cosponsor.

According to industry statistics, Canadian lumber imports account for 22,000 of the 30,000 forest products industry jobs lost in the past 5 years.

Since 1975, the level of lumber and other wood products coming into the United States from Canada has increased from 18.7 percent to 31 percent. The major problem is the artificially low price Canadian manufacturers pay for standing timber from Government lands.

In 1983, lumber mills in the Northwest United States paid over $95 per thousand board feet for timber purchased from U.S. Government lands. By contrast, British Columbian mills paid less than $10 per thousand board feet.

A coalition of U.S. wood products firms petitioned the U.S. Government for relief in 1982. The petition sought countervailing duties equal to the Canadian subsidy to enable U.S. firms to compete on an equal footing. The petition was denied in May 1983, when the Department of Commerce claimed that any subsidy which existed was insignificant.

I can assure you that the thousands of men and women who have lost their jobs due to unfair Canadian imports don't consider the enormous stumpage subsidy insignificant. The problem lies in the vague definition of "subsidy" in U.S. trade law, and my bill would address that question.

The two governments began discussions February 26 on the state of the industries in the two nations and the factors affecting wood products trade between the two nations.

I fully support these discussions, but I haven't talked to anyone in the industry who thinks these talks will bring results any time soon. Quite frankly, the Canadians are in the driver's seat. They don't have any reason to negotiate.

My bill will up the ante for the Canadians. If they don't negotiate within a set period, they will face certain penalties.

Briefly, the bill would set a 1-year period for negotiations. The goals of the talks are a voluntary restraint agreement limiting Canadian imports, termination of Canadian stumpage subsidies, and elimination of tariff and nontariff barriers to wood trade on both sides.

If a successful agreement is not approved by Congress within 1 year, my bill would impose two penalties. First, the President would be required to increase tariffs on Canadian wood, lumber, plywood, and veneer imports. Second, the definition of "subsidy" in U.S. trade law would be changed to include Government stumpage practices like Canada's. This definition change will enable U.S. industry to file a new antisubsidy petition with a far better chance of success.

I might add that the 10-percent ad valorem duty will be in effect only insofar as the ITA has not ruled. Once it does rule, whatever amount it determines as a countervailing duty that comes as a result of subsidy, that duty would replace the 10-percent ad valorem duty that is legislated.

If the ITA for some reason does not find subsidy, then the 10 percent is removed altogether. All we want to do is make sure that in future deliberations on this issue that there is a definitional standard. But I would hope that our industry would be allowed to compete fairly—not only with Canadians, but as Mr. WEAVER would agree, with the Japanese as well.

If the Japanese do not yield soon on these absurd tariffs that exist on all forms of timber products that go to Japan, then I think we are going to have to look for a legislative solution there as well. Otherwise, we can say goodbye to our industry which has been so vital to the entire Northwest.

In closing, Mr. Speaker, let me again stress that this is not protectionist legislation. The bill relies on bilateral negotiations, and will in fact accelerate the current talks. As chairman of the House Subcommittee on International Economic Policy and Trade, I am strongly committed to developing free and open international trade practices whenever possible. What the Canadians are doing in the area of wood products is not free trade, however, and my bill will address this serious problem.

Specifically, it intensifies the negotiation efforts between the two governments. Both Canada and the United States began discussions in Ottawa on February 26. But my fear is if we do not specify a timeframe, if we do not put a finishing line on these negotiations, it will be somewhat akin to our prolonged negotiations with the Japanese on lowering their tariffs on our finished wood products.

The legislation is as follows:

SUMMARY OF H.R. 1648—WOOD PRODUCTS TRADE ACT OF 1985

OVERVIEW

H.R. 1648 authorizes the President to negotiate with Canada (or any other nation) a trade agreement to limit exports of wood products to the United States, eliminate stumpage subsidies, and remove any tariff or non-tariff barriers to trade in wood products between the two nations.

If, after February 26, 1986, such negotiations have not occurred, or such an agreement has not been approved by Congress, U.S. tariffs on wood products from Canada would be increased and the U.S. definition of trade "subsidy" would be revised to include timber stumpage compensation levels below such rates in the U.S., permitting a subsidy case to be filed that would result in countervailing duties.

The President is authorized to make such other revisions of the tariff schedule for

wood products as may be necessary to implement a proposed bilateral wood products agreement.

Representatives of the U.S. wood products industry are authorized to advise and assist U.S. negotiators, and any agreement is subject to Congressional approval under the procedures of Section 102 of the Trade Act of 1974.

Certain wood products currently classified as "building boards" for tariff purposes are reclassified as "plywood."

SECTION-BY-SECTION SUMMARY

Section 1. Short title: "Wood Products Trade Act of 1985."

Section 2. Authorizes the President to enter into trade agreements limiting exports of wood products, terminating domestic subsidies including stumpage, and harmonizing, reducing or eliminating tariff and non-tariff barriers. Specifies that in pursuing such agreements, the President also shall take into account problems resulting from product standards or restrictions on the exports of raw logs.

Makes such negotiations and resulting trade agreements subject to the procedures of Section 102 of Chapter 5 of the Trade Act of 1974. This requires Congressional approval (by legislation) of any such agreement, and assures full consultation with Congress and the private sector during negotiations and prior to submission of an agreement to Congress for approval.

After up to 90 days of consultations with a foreign country, "unbinds" U.S. tariffs on wood products with respect to that country. Unbinding U.S. tariffs serves notice that these tariffs may rise, but no increase would take place until negotiations had failed to produce results. If a negotiated agreement has not been approved by Congress by February 26, 1986, requires the President to raise such tariffs by 10 percent ad valorem above the current tariff rate for that product, if any.

Defines "wood products" as items contained in parts 1 and 3 of Schedule 2 of the Tariff Schedules of the United States. (wood, lumber, plywood and veneer).

Section 3. Requires consultation with the appropriate Congressional committees.

Section 4. Changes the definition of "subsidy" to include prices paid for rights to cut or remove standing timber from government lands that are less than such prices in the United States, unless a negotiated agreement has been reached and approved by Congress under Section 102.

Section 5. Reclassifies as "plywood" certain wood products currently classified under the U.S. Tariff Schedule as "building boards." This reclassification is applicable only to articles entering the United States, or withdrawn from warehouse for consumption in the United States, after the date of enactment of this Act.

Section 6. Authorizes the President to make other modifications of the Tariff Schedules pursuant to an agreement reached and approved by Congress under Section 102.

H.R. 1648

A bill to amend the Trade Act of 1974 to promote expansion of international trade in wood products, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wood Products Trade Act of 1985".

SEC. 2. AMENDMENTS TO THE TRADE ACT OF 1974.

(a) IN GENERAL.—Title I of the Trade Act of 1974 is amended by adding at the end the following new chapter:

"CHAPTER 8—WOOD PRODUCTS TRADE AGREEMENTS AUTHORITIES

"SEC. 181. WOOD PRODUCTS TRADE NEGOTIATING AUTHORITY.

"(a) GENERAL NEGOTIATING AUTHORITY.—The President, may enter into a trade agreement, with any foreign country or instrumentality, which provides for voluntary restraints on exports of wood products. Such agreement should also provide for—

"(1) the termination of any subsidy, as defined in section 771(5) of the Tariff Act of 1930; and

"(2) the harmonization, reduction, or elimination of tariff and nontariff barriers to (or other distortions of) international trade in wood products.

"(b) FACTORS TO BE TAKEN INTO ACCOUNT.—In [pursuing] trade agreements under subsection (a), the President shall take into account the following factors:

"(1) Trade distortions resulting from product standards.

"(2) Trade distortions resulting from restrictions on the trade of unprocessed logs.

"(c) AGREEMENT TREATED IN SAME MANNER AS AGREEMENT UNDER SECTION 102.—For purposes of subsections (c) through (g) of section 102 and chapter 5 of this Act, any trade agreement entered into under subsection (a) of this section shall be considered to be a trade agreement entered into under section 102.

"SEC. 182. SUSPENSION OF TARIFF BINDINGS.

"(a) UNBINDING OF DUTIES ON WOOD PRODUCTS.—The President shall, after not more than 90 days of consultations with a foreign country or instrumentality under section 181—

"(1) terminate, withdraw, or suspend all or part of any trade agreement with that country or instrumentality which was entered into under this Act (other than section 181), section 201 of the Trade Expansion Act of 1962, or section 350 of the Tariff Act of 1930 with respect to any United States duty or other import restriction on wood products (as defined in section 183), and

"(2) terminate, withdraw, or suspend the obligations of the United States with respect to such duty or other import restriction.

"(b) 1-YEAR SUSPENSION OF UNBINDING.—(1) Notwithstanding the provisions of subsection (a) or section 125(e), any duty (or other import restriction) with respect to which action is taken under subsection (a) shall remain in effect, including previously staged reductions (as though such action had not been taken) during the 1-year period beginning on February 26, 1985. Except as provided under paragraph (2), after such date, any duty on a wood product with respect to which action is taken under subsection (a) shall be increased to 10 percent ad valorem plus the rate, if any, applicable under the rate column numbered 1.

"(2) The increased duty provided for under paragraph (1) on any wood product shall not apply—

"(A) during any period in which a countervailing duty is imposed on that wood product under subtitle A of title VII of the Tariff Act of 1930 on the basis of the definition of subsidy in section 771(5)(C) of that title; or

"(B) if that duty is modified under an implementing bill enacted under section 181 of this title.

"(c) ACTION TREATED AS INCREASE OR IMPOSITION OF DUTY FOR PURPOSES OF COMPENSATION AUTHORITY.—For purposes of section 123, any action under subsection (a) shall be treated as an action under section 203 to increase or impose a duty (or other import restriction) which takes effect on the date such action is proclaimed (and not on the date an increase in duty takes effect under subsection (b)). For purposes of this subsection, section 123(b)(4) shall not apply.

"SEC. 183. DEFINITION OF WOOD PRODUCTS.

"For purposes of this chapter, the term 'wood products' means any item set forth in part 1 or 3 of schedule 2 of the Tariff Schedules of the United States.".

(b) CLERICAL AMENDMENT.—The table of contents for title I of the Trade Act of 1974 is amended by adding at the end the following:

"CHAPTER 8—WOOD PRODUCTS TRADE AGREEMENTS AUTHORITIES

"Sec. 181. Wood products trade negotiating authority.
"Sec. 182. Suspension of tariff bindings.
"Sec. 183. Definition of wood products.".

SEC. 3. CONSULTATION.

The President shall consult with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives and other appropriate congressional committees, as well as the appropriate committees established pursuant to section 135 of the Trade Act of 1974, in carrying out the amendments made by section 2 of this Act.

SEC. 4. COUNTERVAILING DUTIES.

(a) AMENDMENT TO DEFINITION OF SUBSIDY.—Section 771(5) of the Tariff Act of 1930 (19 U.S.C. 1677) (relating to the definition of subsidy) is amended by adding at the end the following new subparagraph:

"(C) The furnishing of stumpage rights on government lands by a country under a program or system in which those rights are furnished to an enterprise in exchange for compensation by that enterprise that is less than the current price for comparable stumpage rights on governments lands in the United States. For purposes of this subparagraph, the current price for comparable stumpage rights shall be determined as follows:

"(i) Except as provided in clause (ii), the price for stumpage rights in a country shall be compared to the price for stumpage rights for the most recent available calendar quarter in the region of the National Forest System (as defined in section 11 of the Forest and Rangeland Renewable Resources Planning Act of 1974) which is determined to be most comparable in accordance with procedures of the Forest Service of the Department of Agriculture.

"(ii) In the case of Canada—

"(I) prices for stumpage rights in coastal British Columbia shall be compared to such prices in region 6 of the National Forest System for the most recent available calendar quarter; and

"(II) prices for stumpage rights in interior British Columbia and in Eastern Canada shall be compared to such prices in region 8 of the National Forest System.

"(iii) The prices for stumpage rights in each region of the National Forest System shall be determined in accordance with procedures of the Forest Service, and shall include prices for all species of timber in region 6 and prices for Southern pine sawtimber in region 8. Such prices—

"(I) shall reflect prices paid for the removal of standing timber (and not bid prices),

"(II) shall be for standing timber only (and shall not include road building or other costs), and

"(III) shall be stated in dollars per thousand board feet, Scribner log scale.

For purposes of this subparagraph, 'stumpage rights' are the rights to cut or remove standing timber.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to proceedings commenced on or after February 26, 1986, except that the amendment made by subsection (a) shall not be effective with respect to a foreign country or instrumentality if an implementing bill with respect to a trade agreement with that country or instrumentality is enacted under section 181 of the Trade Act of 1974, as added by section 2(a) of this Act.

SEC. 5. TARIFF TREATMENT OF CERTAIN TYPES OF PLYWOOD.

(a) AMENDMENT TO TARIFF SCHEDULES.—Headnote 1 of part 3 of schedule 2 of the Tariff Schedules of the United States is amended—

(1) in paragraph (b) by inserting immediately before the semicolon at the end the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked";

(2) in paragraph (c) by inserting immediately before the semicolon at the end the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked"; and

(3) in paragraph (e) by striking out "chiefly used in the construction of walls, ceilings, or other parts of buildings" and inserting in lieu thereof "other than plywood, wood-veneer panels, or cellular panels".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.

SEC. 6. CONSEQUENTIAL CHANGES IN TARIFF SCHEDULES.

The President shall modify the Tariff Schedules of the United States in accordance with trade agreements which become effective under the amendments made by section 2 of this Act.

Mr. WEAVER. Mr. Speaker, I want to again thank my colleague for his great contribution and his excellent legislation that he is introducing today, and tell him that I certainly will stand with him with any attempt we can make to make sure there is fair trade between ourselves and other countries such as Japan who, as the gentleman from Washington [Mr. BONKER] has said, imposes high tariffs on our finished wood products but expects their finished wood products to enter the United States without tariff and puts none on the importation of logs to their country.

I will be with him on that as well, and I want to say that we are ready to defend our interests and we will.

LAWSUIT FILED BY THE STATE OF INDIANA AGAINST THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. SWINDALL] is recognized for 60 minutes.

Mr. SWINDALL. Mr. Speaker and fellow Members on both sides of the aisle. I have requested 1 hour to address you today because of my grave concern about the fact that earlier this month, March 5 to be precise, a lawsuit was filed in the U.S. Supreme Court. A lawsuit which is of particular significance to me and frankly to each and every Member of this distinguished body, because listed among the parties defendant in that suit is the U.S. House of Representatives.

The suit which was filed by the State of Indiana in its own right and for its citizens, residents, taxpayers, and voters of the Eighth District of Indiana is of great significance not because it names this House as a defendant but because it seeks to overturn as unconstitutional a resolution passed by this House on January 3 of this year.

My first examination of the suit led me to a conclusion that many of you have undoubtedly already reached, that this suit is no more than one more step in an ongoing political squabble involving little more than whether the Democrat or Republican candidate in a remote congressional district in Indiana should be seated by this House.

However, because I as a Member of this body am named as a party to this lawsuit and because this suit accuses our distinguished body of having violated the Constitution which in my oath of office I vowed to uphold, I felt compelled to examine the suit, the undisputed facts set forth in it and the principles of law raised in more than a superficial fashion.

After making such an examination, I came to the inescapable conclusion that in denying the individual certified as the duly elected Representative from the Eighth District of Indiana his seat, this House is engaging in far more than a political squabble, but rather in the destruction of a number of principles upon which our great Republic is based. Principles which I am sure each of you agree transcend partisan politics, transcend the issue of any individual's or group of individual's political power and transcend any issue which we are likely to be called upon to address in this session.

Specifically, the principles involved here are whether we as a nation will be governed by the supreme law of this land, the U.S. Constitution or if we will be governed by the whims of individual Members of this body; whether the phrases "due process," "equal protection," and "one person one vote," are merely meaningless rhetorical statements suitable only for patriotic speeches or whether they are in fact meaningful substantive principles which must not be bent or distorted for mere political expediency.

My purpose in requesting this time to address you my fellow Members of the House of Representatives is to present to you the undisputed facts upon which the Supreme Court suit is based, as well as, an analysis of the constitutional and legal principles involved because I am convinced that after you have considered the facts and the law that you too will conclude that the action of this House in passing House Resolution 1 is so dangerous in terms of the precedent established, that we as Members of this House can no longer in good conscience allow the situation to continue. Nor can we stand idly by and wait for our Supreme Court to require us to do what we in taking our oath of office have already sworn that we would do.

Let me briefly if I may take this opportunity to summarize the undisputed facts as they have been set forth in the CONGRESSIONAL RECORD, in the various court cases previously filed in the State of Indiana and the District Court of the District of Columbia and in the action now pending in the Supreme Court.

FACTS

It is undisputed that on December 13, 1984, the Indiana Secretary of State, Mr. Simcox, as directed by section 3-1-26-9 of the Indiana Code, duly and appropriately certified Mr. McIntyre as the winner of the election for the Representative to the House of Representatives for the Eighth Congressional District of Indiana.

In so doing Secretary of State Simcox acted based upon duly sworn and certified certificates of election from the 15 counties that comprise the Eighth Congressional District. All nine other members-elect of Indiana—the Honorable LEE H. HAMILTON, PETER J. VISCLOSKY, PHILIP R. SHARP, JOHN HILER, DANIEL R. COATS, ELWOOD H. HILLIS, DAN BURTON, JOHN T. MYERS, and ANDREW JACOBS, JR.—were certified in the same manner pursuant to section 3-1-26-9 of the Indiana Code. Each of them along with myself and every other member now seated in the House who were certified in identical certification procedures was seated on January 3, 1985.

On December 13, 1984, pursuant to Indiana Code section 3-1-26-9, the Governor of the State of Indiana, the Honorable Robert Orr, signed Mr. McIntyre's certificate of election and sent it to Mr. Guthrie.

Pursuant to his duties under House Rule III, the Honorable Benjamin J. Guthrie, Clerk of House of the U.S. House of Representatives, entered Mr. McIntyre's name upon the role of the Members-elect of the 99th Congress. As Mr. Guthrie stated in the opening of the 99th Congress:

Representatives-elect to the 99th Congress, this being the day fixed by the 20th amendment of the Constitution for the

meeting of the 99th Congress, the Clerk of the House has prepared the official role of the Representatives-elect.

Certificates of election covering the Four Hundred Thirty-Five seats in the 99th Congress have been received by the Clerk of the House of Representatives, and the names of those persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of their respective States and the United States will be called.

In accordance with his status as the duly certified Member-elect from the Eighth Congressional District, Mr. McIntyre's name was entered on the electronic voting board in the Hall of the House of Representatives. Mr. McIntyre answered the rollcall opening the the 99th Congress, and he called his vote for Robert H. Michel for Speaker of the House of Representatives.

It is undisputed that Mr. McIntyre meets the constitutional requirements for membership in the House of Representatives in that he has attained the age of 25 years, has been a citizen of the United States for more than 7 years, and is a resident of the State of Indiana, which is all that is required by the U.S. Constitution in article 1, section 2.

On January 3, 1985, the House Representatives passed the now infamous House Resolution 1 which states:

Resolved, That the question of the right of Frank McCloskey or Richard McIntyre to seat in the 99th Congress from the Eighth Congressional District of Indiana shall be referred to the Committee on House Administration, when elected, and neither Frank McCloskey nor Richard McIntyre shall be sworn until the Committee on House Administration reports upon and the House decides such question. For each day during the period beginning on the date on which this resolution is agreed to and ending on the day before the date on which the house decides such question, Frank McCloskey and Richard McIntyre shall each be paid an amount equal to the daily equivalent of the annual rate of basic pay payable to a Member of the House.

For the period beginning the date on which this resolution is agreed to and ending on the date on which the House decides such question, The Clerk of the House shall provide for clerical assistants in the manner provided by law for the case of death or resignation of a member and shall otherwise perform full administrative functions with respect to the Eighth Congressional District of Indiana. There shall be paid from the contingent fund of the House such sums as may be necessary to carry out this resolution.

Significantly, House Resolution 1 contains no charges or allegations impuning the election processes and vote-counting results pursuant to which Mr. McIntyre was duly certified by the State authorities, and contains no direction or instruction to the committee to investigate or receive evidence.

The vote on House Resolution 1 denying Mr. McIntyre the right to take the oath of office and, thus, excluding him from membership in the House, was, regrettably, along straight party-lines with 238 Democratic Members voting for and 177 Republican Members voting against; 11 Members were listed as not voting. (131 CONGRESSIONAL RECORD, Jan. 3, 1985, pp. 387 and 388). Pursuant to House Resolution 1, Mr. McIntyre was not permitted to take the oath of office.

A detailed and I believe accurate history of the proceedings since January 3, 1985, can be found in the original complaint No. 102 which I now submit for inclusion in the RECORD.

Each of the facts which I have set forth are undisputed. An analysis of our Constitution and legal precedence leads to an equally undisputable conclusion regarding the unconstitutionality of this body's decision to refuse the holder of the election certificate of the Eighth Congressional District of the State of Indiana his seat in this House.

LEGAL ANALYSIS

In 1969, Congress enacted the Federal Contested Elections Act (2 U.S.C. 381 et. seq. (1982)).

The Federal Contested Election Act of 1969 states the rules by which a defeated candidate must abide if that candidate wishes to contest election results for an election as a Representative to the U.S. House of Representatives.

This law covers Mr. Frank McCloskey as a candidate for election to the House of Representatives. (See FCEA 381 (a), (b)) Mr. McCloskey would be a contestant in the case of the Eighth District of Indiana because he lost the election in question. (See ID., 381(c).)

Every candidate who intends to contest the election of a Member of the U.S. House of Representatives must file with the Clerk of the House of Representatives and serve upon the Member holding the contested seat written notice of the intention to contest the election. (See ID. 382(a).) Had Mr. McCloskey intended to contest Mr. McIntyre's election, he should have filed a notice of intention to contest the election with the Clerk of the House of Representatives and with Mr. McIntyre by January 14, 1985.

In the present case, this was not done. Knowing Mr. McCloskey's reputation as an honorable and intelligent man, I can only guess why he did not so file or why he let his "rights" lapse. Since Mr. McCloskey did not file this notice, he is now estopped from challenging the election of Mr. McIntyre.

The law does not permit any other person other than a candidate for the very congressional seat in question to contest that election. Thus, Mr. McCloskey and his supporters cannot now seek relief under the act designed to govern contested elections. They have defaulted on the remedy and have ignored the law designed to effect the relief they now seek.

My distinguished Democratic colleague, the distinguished majority leader, has argued that the Congress has been vested by the Constitution with the responsibility of judging the qualifications, returns and elections of its Members. This power is contained in article I, section 5 of the U.S. Constitution.

The distinguished majority leader has interpreted this responsibility to include an investigation into the State election procedure. He has noted that the technical requirements for counting votes in Indiana are too complicated and are unreliable for purposes of the U.S. House of Representatives. The distinguished majority leader has also complained generally that county procedures within the congressional district varied so much that identical ballots in different counties would not be treated identically, depending on particular election rules.

A full recount has been conducted since the majority leader introduced these objections that led to the denial of Mr. McIntyre's seat on January 3, 1985. Significantly, the full recount, conducted for the most part by a Democratic-controlled election commissions, has again certified Mr. McIntyre the winner of the election. This should lay to rest any qualms the majority leader or any other conscientious Member might have about partisanship as a factor in the recount, and this full recount has produced the accurate tally the majority leader needed before declaring the outcome of the race accurate.

However, an even deeper question must be asked of the majority leader's objections and the House of Representatives' decision not to seat Mr. McIntyre as the duly elected representative of the Eighth District of Indiana: Did the House of Representatives exceed the authority granted it under the Constitution of these United States in excluding Mr. McIntyre from the body of the House of Representatives?

Fortunately we are not without legal precedent in answering this question. In fact, this precise legal question has been addressed by our Supreme Court on a previous occasion. In the case of *Powell* v. *McCormack*, 395 U.S. 486 (1969), the House refused to seat Adam Clayton Powell, Jr., as a Member of the 90th Congress. Even though Mr. Powell met the age, citizenship, and residency requirements which the U.S. Constitution obligates all Members of the House of Representatives to fulfill, the House refused to seat him on other grounds.

The House Select Committee found that Mr. Powell had asserted an unwarranted privilege and immunity

from the New York courts, had wrongfully diverted House funds for personal use, and had made false reports on the expenditures of foreign currency to a House committee.

In the Powell case, the U.S. Supreme Court held, and that case is still the law of our land today, that the Constitution of the United States leaves the House of Representatives without authority to exclude any person, duly elected by his or her constituents, who meets all the requirements for membership expressly prescribed in the Constitution.

While the U.S. Constitution contains limitations on membership based upon age, citizenship, and residency, it is silent upon election rules, and without the "express prescription" required by the Powell decision, exclusion of Mr. McIntyre on any ground other than age, citizenship, or residency is not valid, is not based on the constitutional duty of the House of Representatives, and is a flagrant overstepping of constitutional authority by the House of Representatives.

Fellow Members, I urge you to consider this important Supreme Court decision because I am convinced that after careful consideration you will be as certain as I that in denying Mr. McIntyre his seat as the duly elected, duly certified Representative of the Eighth District of Indiana, we have committed a serious error which should be corrected before we as a body are embarrassed by having the U.S. Supreme Court remedy our mistake for us.

I am told and understand that some argue that constitutional law contains the theory that certain questions such as the seating of the Members of this House are not appropriate for resolution in the U.S. court system and, consequently, this House and this House alone must resolve the issue of who is to be seated for the Eighth District of Indiana. One area of controversy, supposedly, not considered capable of judicial resolution is the area comprised of political questions.

In the case of *Baker* v. *Carr*, 369 U.S. 186 (1962), Justice Brennan enumerated a number of elements that would identify a controversy as a political question. These factors include any of the following:

First. An express statement in the U.S. Constitution that places the controversy completely under the control of another branch of the Government, either the executive of legislative branch.

Second. No judicial standards that will allow manageable resolution of the case.

Third. An inability of the U.S. courts to decide the case without first making a policy determination that should be made by another branch of the Government.

Fourth. An inability of the U.S. courts to decide the case without causing embarrassment to another branch of Government.

Fifth. An inability of the U.S. courts to decide the case without showing a lack of respect to another branch of Government.

Sixth. And finally, an unusual need for the courts to follow, without question, a political decision already made by another branch of Government.

Some constitutional scholars have argued that the first condition, an express statement committing an issue to another branch of Government, is the only condition that should preclude the U.S. court system from considering an issue.

The political question doctrine was raised in another case where the House of Representatives excluded a duly elected Member. In Powell versus McCormack, as mentioned earlier, the House of Representatives refused to seat Adam Clayton Powell, Jr. an elected Representative from New York City. Even though Mr. Powell met all the expressly stated constitutional requirements for membership in the House—the age, citizenship, and residency requirements—the House refused to seat him. The Supreme Court of the United States held that Mr. Powell was entitled to take his seat, despite objections based upon his conduct.

Thus, the Supreme Court has found that the exclusion of Members based upon reasons other than those explicitly stated in the U.S. Constitution—the issues of age, citizenship, and residency—were not political questions and could be considered by the courts. Accordingly Mr. McIntyre, thus certainly has a case of action in the U.S. court system and would be entitled to relief in the court system.

By our conduct in this matter, we have created a situation that has grown past the stage where it is an internal matter and have in fact created a situation where the Supreme Court must intervene to correct our error, if we ourselves do not have the courage and integrity to do so.

One final argument which must be considered is that of due process. Because we have always placed great importance on due process, courts have consistently held that even actions of this House in House resolutions are reviewable by our courts to determine if they provide at least minimal due process. In *Barry* v. *United States ex rel. and Cunninghan* 279 U.S. 597 at 260 (1929), the U.S. Supreme Court held that this House could not act arbitrarily and exercise its power improvidently so as to deny due process of law.

This House's decision not to seat Mr. McIntyre was, by the standard set forth in the Barry case, clearly arbitrary. In the last 50 years, every candidate with a certificate of election which was not contested by his own State authorities has been seated, at least conditionally, in the House of Representatives. In the McIntyre/McCloskey matter, this House has ignored its modern precedents, this arbitrarily disenfranchising the voters of the Eighth Congressional District of Indiana.

While this House may not have actually prohibited the citizens of the eighth district from exercising their right to vote, through its actions of January 3, 1985, as well as subsequent actions, this House has managed to achieve precisely the same result. Allow me to explain.

Indiana's voters cast their ballots and had them counted according to State law as is their constitutional right. Yet, this House, by its arbitrary refusal to accord Indiana's certification the presumption of validity which is granted to every other State, has created a situation in which the voters' ballots, and the counting of those ballots, is of no weight whatsoever: The net result is the same as if the exercise of their right to vote had been prohibited from the outset. All this has occurred in the complete absence of any allegation of fraud or irregularity.

After we cut through all the rhetoric, the tragic result of this body's flagrant disregard for our Constitution is that we have, unilaterally and with total indifference to the principle of due process taken away the right of over a half million citizens of the Eighth District of Indiana to vote effectively and to be represented in this body.

My distinguished and wise senior colleague, the majority leader, has repeated the claim of others that hundreds of contested ballots control the fate of this election. A look at the results of the election with the recounts to date defies this assertion. It is true that in the latest recount both candidates have lost a number of votes. But at only one point—when the votes from two precincts in Gibson County were double-counted—did Mr. McCloskey ever lead the election. Once this error was corrected, Mr. McIntyre was certified as the winner.

In every other case of the full recount, both candidates lost votes to ballot errors but Mr. McIntyre still maintained a winning margin. Both candidates suffered as a result of the scrutiny of the largely Democratic-controlled election boards. In short, there is no evidence whatsoever to support any allegation that Mr. McIntyre in any way benefitted from the efforts of the election boards in any of the vote counts.

CONCLUSION

By way of conclusion let me summarize by saying I believe that the issues

which we must resolve in the matter of Mr. McIntyre and Mr. McCloskey are really quite simple:

First. Has there been a properly certified winner of the election? Yes, Mr. McIntyre.

Second. Did Mr. McCloskey pursue his rights under Federal Contested Election Act? No. They expired on January 14, 1985.

Third. Do political theory doctrines, for example, political question, judicability, and equal protection, preclude Mr. McIntyre relief? No. See for example *Powell* v. *McCormack*, *Karcher* v. *Daggett*, (——— U.S. ———. 103 S. Ct. 2653, 77 L.ED.2d. 133 (1983)).

Fourth. Do "equal protection" and "due process" and the concept "equal justice under law" demand Mr. McIntyre be seated? Yes. See Id. Also, the U.S. Constitution.

Fifth. Should the House of Representatives immediately seat Mr. McIntyre and then let any investigation into any alleged irregularity of Mr. McIntyre's election continue? Yes. See U.S. Constitution.

Sixth. In the unfortunate event that the 435 Representatives, actually the 434 of us, do not seat Mr. McIntyre should the U.S. Supreme Court order it? Yes.

Finally, I would like to close by directing your attention to the Federal Rules of Civil Procedure which are the rules which this Congress established to govern the procedure to be followed in any civil action including the civil action now pending in the U.S. Supreme Court involving the Eighth Congressional District of Indiana.

Rule 68 of the Federal rules of Civil Procedure affords each of us as parties to the law suit now pending in the Supreme Court the opportunity to rectify our mistake ourselves rather than waiting for the U.S. Supreme Court to rectify our mistake for us.

Specifically rule 68 provides that "at any time more than 10 days before the trial begins a party defending against a claim may serve upon the adversed party an offer to allow judgment to be taken against him for the money or property or to the effects specified in his offer, with cost then accrued. If within 10 days after the service of the offer to adverse party served written notice that the offer is accepted, either party may then file the offer and notice of acceptance together with the proof of service thereof, and thereupon the Clerk shall enter judgment."

I urge each of you to join me in offering judgment in favor of the plaintiff in this case so that the individual certified as the duly elected Representative of the Eighth Congressional District of Indiana may immediately take his seat in this distinguished body and the principles of one man—one vote, equal protection, and due process can be preserved as the law of our land.

[In the Supreme Court of the United States, October Term, 1984]

No. 102 Original

STATE OF INDIANA, IN ITS OWN RIGHT; AND STATE OF INDIANA, AS PARENS PATRIAE FOR ITS CITIZENS, RESIDENTS, TAXPAYERS, AND VOTERS RESIDING IN THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA, PLAINTIFF, *v.* UNITED STATES OF AMERICA; UNITED STATES HOUSE OF REPRESENTATIVES; THOMAS P. O'NEILL, JR.; BENJAMIN J. GUTHRIE; JACK RUSS; AND JAMES T. MALLOY, DEFENDANTS.

MOTION FOR LEAVE TO FILE COMPLAINT

The State of Indiana, by its Attorney General, ask leave of the Court to file its complaint against the United States of America, the United States House of Representatives, Thomas P. O'Neill, Jr., Benjamin J. Guthrie, Jack Russ and James T. Malloy, submitted herewith.

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[In the Supreme Court of the United States, October Term, 1984]

No. , Original

STATE OF INDIANA, IN ITS OWN RIGHT; AND STATE OF INDIANA, AS PARENS PATRIAE FOR ITS CITIZENS, RESIDENTS, TAXPAYERS, AND VOTERS RESIDING IN THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA, PLAINTIFF, *v.* UNITED STATES OF AMERICA; UNITED STATES HOUSE OF REPRESENTATIVES; THOMAS P. O'NEILL, JR.; BENJAMIN J. GUTHRIE; JACK RUSS; AND JAMES T. MALLOY, DEFENDANTS.

COMPLAINT

JURISDICTION

1. The jurisdiction of this Court is invoked under Art. III, § 2, cl. 2 of the Constitution of the United States, and under 28 U.S.C. § 1251(b)(2).

PARTIES

2. The Plaintiff State of Indiana since the 16th day of December, 1816, to the present has been and is a State of the United States.

3. Defendant United States House of Representatives is one house of the United States Congress, the legislative branch of government of the Defendant United States of America.

4. Defendant Thomas P. O'Neill, Jr., is Speaker of the House of Representatives of the 99th Congress of the United States, and as such is responsible for administering the Oath of Office to United States Representatives.

5. Defendant Benjamin J. Guthrie is Clerk of the House of Representatives and, as such, is charged with informing the Speaker of the Members-elect whose certificates of election indicate they are eligible to receive the oath of office, granting Members offices in the House Office Building, providing Members with the emoluments and privileges of office, and performing for Members those services and duties to which they are entitled, including the payment of monies under the Clerk Hire Allowance for salaries and other funds necessary to maintain a congressional staff.

6. Defendant Jack Russ is the Sergeant-at-Arms of the House of Representatives and, as such, is charged with keeping the accounts for the expenses and the mileage of Members and Paying them accordingly.

7. Defendant James T. Malloy is the Doorkeeper of the House of Representatives and, as such, is charged with admitting Members to the Hall of the House for purposes of voting and addressing the House.

FACTS

1. Richard S. McIntyre was duly elected as the Representative from Indiana's Eighth Congressional District to the 99th Congress of the United States at the November 6, 1984, general election.

2. On December 13, 1984, Indiana Secretary of State Simcox, as directed by Ind. Code § 3-1-26-9, certified McIntyre as winner of the election based upon duly sworn and corrected certificates of election from the fifteen counties that comprise the Eighth Congressional District. All nine other Members-elect from Indiana—Lee H. Hamilton, Peter J. Visclosky, Phillip R. Sharp, John Hiler, Daniel R. Coats, Elwood H. Hillis, Dan Burton, John T. Myers, and Andrew Jacobs, Jr.—were certified in the same manner pursuant to Ind. Code § 3-1-26-9.

3. On December 13, 1984, pursuant to Ind. Code § 3-1-26-9, Indiana Governor Robert Orr signed McIntyre's certificate of election and sent it to defendant Guthrie.

4. Pursuant to his duties under House Rule III, Guthrie entered McIntyre's name upon the roll of the Members-elect of the 99th Congress. As Guthrie stated in opening the 99th Congress:

Representatives-elect to the 99th Congress, this being the day fixed by the 20th amendment of the Constitution for the meeting of the 99th Congress, the Clerk of the House has prepared the official roll of the Representatives-elect.

Certificates of election covering the 435 seats in the 99th Congress have been received by the Clerk of the House of Representatives, and the names of those persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of their respective States and the United States will be called.

131 Cong. Rec, H1 (daily ed. Jan. 3, 1985, p. 377).

5. In accordance with his status as the duly certified Member-elect from the Eighth Congressional District, McIntyre's name was entered on the electronic voting board in the Hall of the House of Representatives, he answered the rollcall opening the 99th Congress, and he cast his vote for Robert H. Michel for Speaker of the House of Representatives.

6. McIntyre meets the constitutional requirements for membership in the House of Representatives in that he has attained the age of twenty-five years, has been a citizen of the United States for more than seven years, and is a resident of the State of Indiana, all as required by U.S. Const. Art. I, § 2.

7. On January 3, 1985, the House of Representatives passed House Resolution 1, which states:

Resolved. That the question of the right of Frank McCloskey or Richard McIntyre to a seat in the Ninety-ninth Congress from the Eighth Congressional District of Indiana shall be referred to the Committee on House Administration, when elected, and neither Frank McCloskey nor Richard McIntyre shall be sworn until the Committee on House Administration reports upon and the House decides such question. For each day during the period beginning on the date on which this resolution is agreed to and ending on the day before the date on which the House decides such question,

Frank McCloskey and Richard McIntyre shall each be paid an amount equal to the daily equivalent of the annual rate of basic pay payable to a Member of the House.

For the period beginning the date on which this resolution is agreed to and ending on the date on which the House decides such question, the Clerk of the House shall provide for clerical Assistants in the manner provided by law for the case of death or resignation of a Member and shall otherwise perform full administrative functions with respect to the Eighth Congressional District of Indiana. There shall be paid from the contingent fund of the House such sums as may be necessary to carry out this resolution.

8. House Resolution 1 contained no charges or allegations impugning the election processes and vote-counting results pursuant to which McIntyre was duly certified by the State authorities, and contained no direction or instruction to the committee to investigate or receive evidence.

9. The vote on House Resolution 1 denying McIntyre the right to take the oath of office and, thus, excluding him from membership in the House, was by a party-line vote of 238 Democratic Members to 177 Republican Members. Eleven (11) Members were listed as not voting. 131 Cong. Rec, (Jan. 3, 1985, pp. 387 and 388). Pursuant to House Resolution 1, McIntyre was not permitted to take the oath of office.

10. Since the passage of House Resolution 1, McIntyre, acting as a duly certified Member, has attempted to fulfill the constitutional duties of a Member of the House of Representatives. The defendants have wrongfully prohibited McIntyre from fulfilling such duties.

11. On February 7, 1985, Minority Leader Robert H. Michel introduced House of Representatives Resolution Number 52 ("House Resolution 52") which states:

Whereas, Richard D. McIntyre won the November 8, 1984, election in the Eighth Congressional District of Indiana by 34 votes according to the certificates of election filed by the county clerks from the District's 15 counties; and

Whereas, the Indiana Secretary of State, Edwin J. Simcox, acting in accordance with his duties as set forth in the Indiana Code (Ann. Sec. 3-1-26-9), certified Richard D. McIntyre as the Representative from Indiana's Eighth Congressional District; and

Whereas the Clerk of the House stated on January 3, 1985 in opening the 99th Congress that he had "prepared the official roll of the Representatives-elect" which included McIntyre's name. The Clerk stated: "Certificates of election covering the 435 seats in the 99th Congress have been received by the Clerk of the House of Representatives, and the names of these persons whose credentials show that they were regularly elected as representatives in accordance with the laws of their respective States and of the United States will be called." McIntyre's name was called and he cast his vote for Robert H. Michel as Speaker of the House of Representatives; and

Whereas the majority of the House of Representatives on January 3, 1985 voted in House Resolution 1 not to seat Richard D. McIntyre as Representative from Indiana's Eighth Congressional District despite has [sic] certificate of election issued pursuant to the laws of Indiana; and

Whereas House Resolution 1 is contrary to the precedents of the House of Representatives in that the holder of a certificate of election not tainted by fraud or irregularities has previously been granted a prima facie right to a seat with the final right being referred to the Committee on House Administration; and

Whereas Richard D. McIntyre received 418 votes more than Francis X. McCloskey in a recount of the ballots cast in Indiana's Eighth Congressional District pursuant to Indiana Code (Ann. Sec. 3-1-27 et seq.); Now, therefore be it

Resolved, That the Speaker is hereby authorized and directed to administer the oath of office to the gentleman from Indiana, Mr. Richard D. McIntyre.

Resolved, That the question of the final right of Mr. McIntyre to a seat in the 99th Congress is referred to the Committee on House Administration.

12. Congressman Wright moved to refer House Resolution 52 to the Committee on House Administration, the effect of which would be, if passed, to preclude McIntyre from receiving the oath of office. The motion to refer was adopted by a vote of 221 to 180 with one Member answering "Present" and 30 not voting. All of the 221 votes to refer House Resolution 52 were cast by Democratic Members. 131 Cong. Rec., Feb. 7, 1985, p. 2231). Accordingly, McIntyre remains excluded from the House, and Indiana's Eighth Congressional District remains unrepresented in the House of Representatives, now for over eight weeks.

13. In judging the elections of its Members pursuant to Article 1, Section 5 of the United States Constitution, the House must follow due-process requirements, including its own established procedures, because of the judicial nature of that function. Failure to follow such requirements, as reflected in the precedents of the House itself, renders any House action so taken null and void. This is particularly so when that failure is based in whole or in part on partisan political considerations.

14. Modern precedents of the House since 1933 are that in 81 of 82 challenged seatings of Members-elect, the Member-elect who has been certified as the winner pursuant to the laws of his State has been seated pending House investigation of the election. In the one exception which occurred in 1961, the State authorities had issued conflicting certificates.

15. Congress has passed no law under U.S. Const. Art. I, § 4, cl. 1, altering Indiana's prescription of the time, place, and manner of holding elections for representatives.

16. Neither of the two candidates opposing Mr. McIntyre had filed a notice of contest under the Federal Contested Elections Act, 2 U.S.C. § 381 *et seq.;* nor has any person filed any protest or memorial with the House itself; nor have there been any allegations from any source of fraud or other irregularity in connection with the November 6, 1984 election in the Eighth Congressional District of Indiana.

17. The official acts of the properly constituted State authorities in certifying the winners of elections for the office of Representative in Congress are entitled, as a matter of comity, to a presumption of validity and correctness.

18. Defendant Guthrie has wrongfully excluded and threatens to continue wrongfully excluding McIntyre from occupying an office in a House Office Building to which he is entitled. Defendant Guthrie has also wrongfully refused and threatens to continue wrongfully refusing to perform for McIntyre certain other services and duties to which McIntyre is entitled, including the payment of monies under the Clerk Hire Allowance for salaries and other funds necessary to maintain a congressional staff.

19. Defendant Russ has wrongfully refused and threatens to continue wrongfully refusing to keep for McIntyre the accounts for, and to pay to him, the expenses and mileage to which he is entitled.

20. Defendant Malloy has wrongfully refused and threatens to continue wrongfully refusing to admit McIntyre to the Hall of the House for purposes of voting and addressing the House.

COUNT I

21. Plaintiff incorporates by reference the allegations contained in paragraphs 1-27 of this Complaint.

22. The course of conduct described above in paragraphs 1-27 contravenes the presumption of validity of its official acts to which, as a matter of comity between the States and the Federal government, the State of Indiana is entitled, and furthermore deprives the State of Indiana of its right to prescribe the time, place, and manner of holding elections for representatives, in violation of Article I, § 4, cl. 1 of the United States Constitution.

COUNT II

23. Plaintiff incorporates by reference the allegations contained in paragraphs 1-27 of this Complaint.

24. The course of conduct described above in paragraphs 1-27 deprives the citizens, residents, taxpayers, and voters of the Eighth Congressional District of Indiana of their right of free speech and association, their right to vote in federal elections, and their right to due process of law by denying them their right to representation in the 99th Congress by their duly certified and elected Representative, in violation of Article I, § 5 of, and the First and Fifth Amendments to, the Constitution of the United States.

Wherefore, Plaintiff State of Indiana respectfully prays the Court to:

1. Adjudge and decree House Resolution 1 and the referral of House Resolution 52 to the Committee on House Administration null and void on the grounds that they violate the presumption of validity of its official acts to which the State of Indiana, as a matter of comity, is entitled, and that they further violate the State of Indiana's right to prescribe the time, place, and manner of holding elections for representatives as guaranteed by Art. I, § 4, cl. 1 of the United States Constitution; and that they further violate the rights to free speech and association, to vote, and to due process of law of the citizens, taxpayers, residents, and voters of the Eighth Congressional District of Indiana, as guaranteed by Article I, § 5 of, and Amendments 1 and 5 to, the Constitution of the United States;

2. Enter an order enjoining the defendants, their agents, servants, officers, employers, employees, subordinates, attorneys, and all other persons acting in concert with them from excluding Mr. McIntyre from the House of Representatives;

3. Issue a permanent injunction restraining all Defendants from denying Mr. McIntyre his seat as the duly elected Representative of the Eighth Congressional District of Indiana to the 99th Congress, duly certified as such by the State authorities;

4. Enjoin Defendant O'Neill from refusing to administer the oath of office to Mr. McIntyre as a member of the 99th Congress;

5. Enjoin Defendants Guthrie, Russ, and Malloy, from denying McIntyre any of the

rights, privileges, powers, emoluments, and services, including admission to the House for the purposes of voting and addressing the House, to which the duly elected and certified winner of the State of Indiana's November 6, 1984, election to the office of U.S. Representative for the Eighth District of Indiana is entitled; and

6. Award such other and further relief as may be deemed proper.

The State of Indiana.

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[In the Supreme Court of the United States, October Term, 1984]

No. , Original

STATE OF INDIANA, IN ITS OWN RIGHT; AND STATE OF INDIANA, AS PARENS PATRIAE FOR ITS CITIZENS, RESIDENTS, TAXPAYERS, AND VOTERS RESIDING IN THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA, PLAINTIFF, *v.* UNITED STATES OF AMERICA; UNITED STATES HOUSE OF REPRESENTATIVES; THOMAS P. O'NEILL, JR.; BENJAMIN J. GUTHRIE; JACK RUSS; AND JAMES T. MALLOY, DEFENDANTS.

BRIEF IN SUPPORT OF MOTION FOR LEAVE TO FILE COMPLIANT

JURISDICTION

The jurisdiction of this Court is invoked under Article III, § 2, cl. 2 of the Constitution of the United States, and under 28 U.S.C. § 1251(b)(2).

QUESTION PRESENTED

May the House of Representatives refuse to seat a Member-elect, who has been duly certified as elected by the proper State authorities, when there have been no allegations of fraud or other irregularity in connection with the election and when such action deviates from the precedents of the House without sufficient cause?

NATURE OF THE CONTROVERSY

This is an action by the State of Indiana against the United States of America, the United States House of Representatives, Thomas P. O'Neill, Jr., Benjamin J. Guthrie, Jack Russ and James T. Malloy. The purpose of the proposed action is to establish Indiana's right to determine the time, place, and manner of holding elections for representatives in Indiana, and the rights of its citizens, residents, voters and taxpayers of Indiana's Eighth Congressional District to be represented in Congress by the person of their choice. The original jurisdiction of this Court is invoked since this is an action in which Indiana seeks relief against the United States.

On November 6, 1984, a general election was held in Indiana and the nation. Among the offices contested at that election was that of United States Representative for the Eighth District of Indiana. The election for that office was extremely close and the Secretary of State of Indiana and the Governor of Indiana issued no certificate of election until certain tabulation errors in one county (Gibson County) were corrected. After these errors were corrected, a certificate of election was issued on December 13, 1984, by the State authorities to Richard D. McIntyre. Recounts in all fifteen counties have been completed, but they did not change the results. As of this date the State authorities have issued one and only one certificate of election, that issued on December 13, 1984, to Richard D. McIntyre.

Despite the fact that the State authorities had certified Mr. McIntyre as the winner of the election for the office of U.S. Representative from the Eighth District of Indiana, on January 3, 1985, on motion by Congressman Wright of Texas, the House denied Mr. McIntyre the right to take the oath of office, to assume the seat to which he had been elected, or to exercise any of the functions of the office of U.S. Representative from the Eighth District of Indiana. The right of Mr. McIntyre to hold the seat was referred to the Committee on House Administration.

Despite the fact that there are no allegations of fraud or irregularity in connection with Mr. McIntyre's certification by the State authorities, the Defendants have refused to permit Mr. McIntyre to assume the seat to which he has been elected, thus depriving the voters and residents of the Eighth District of Indiana of their right to representation in the House, and depriving the State of Indiana of the presumption of validity of its official acts to which it is entitled, and of its right to determine the time, place and manner of electing representative in Congress from Indiana.

Defendants, it is believed, may invoke Article I, Section Five, Clause I of the United States Constitution, which provides that "each House shall be the judge of the elections . . . of its own members . . ." and attempt to argue that this dispute is exclusively within the power of the House to determine. Plaintiff will contend that this clause must be construed in harmony with those clauses in the Constitution protecting the State's right to determine the time, place, and manner of holding elections to the House of Representatives, protecting the people's right to freedom of speech and association, and to vote in Federal elections, and the State will further contend that the House in exercising its power under Art. I, § 5, cl. I is bound to accord due process of law.

ARGUMENT

I. This controversy presents a justiciable issue and should therefore be heard by this court

The Defendants will undoubtedly contend that the refusal to seat Mr. McIntyre (pending the House's determination of the outcome of the election in the Eighth Congressional District of Indiana) was taken under Article I, § 5, cl.1 of the United States Constitution, which provides that each House of Congress "shall be the judge of the elections, returns, and qualifications of its members." Thus, the argument will run, such action is impervious to review by the Courts. Such a conclusion, however, would be a *non sequitur.*

The fact that a particular power is granted to the House, in this case a power "to judge the elections" of its members, does not imply that such power may be exercised in a manner inconsistent with, or violative of, other provisions of the Constitution. Indeed, precisely the opposite is the case, as it clearly established by *Powell* v. *McCormack,* 395 U.S. 486 (1969). In that case the House refused to seat plaintiff Powell on the grounds that he was not qualified for membership. This Court held that Powell's claim was indeed justiciable, despite the House's Article I, § 5, cl. 1 power to judge the "elections, returns, and qualifications of its members," and, citing *Barry* v. *United States ex rel. Cunningham,* 279 U.S. 597 (1929), noted that "actions allegedly taken pursuant to Art. I, § 5, are not automatically immune from judicial review." 395 U.S. at 486 fn. 40. The Court then determined that, by attempting to require qualifications beyond those prescribed by Article I, § 2 for House membership, the House had exercised its Article I, § 5 powers in an unconstitutional fashion.

In determining that a complaint alleging that the House's Article I, § 5 powers have been exercised in an unconstitutional manner presents a justiciable issue, the *Powell* court referred to *Barry, supra.* In *Barry* the Court addressed the question of the Senate's power to issue a warrant to bring before it a person whose testimony was sought in connection with an Article I, § 5 investigation of a senatorial election. The plaintiff in *Barry* challenged the Senate's warrant by initiating a federal habeas corpus proceeding. On appeal to the Supreme Court the central question was the Senate's power under the Election Clause to issue the warrant. 279 U.S. at 613.

The Supreme Court noted that the power to judge elections is not legislative, but judicial in nature. 279 U.S. at 613. The exercise of that authority is "subject only to the restraints *imposed by or found in the implications of the Constitution.*" 279 U.S. at 614 (emphasis supplied). The Court in *Barry* then addressed the merits of Plaintiff's claim, first noting that the Senate's exercise of the power to judge the elections of its members included "the incidental power of compelling the attendance of witnesses." 279 U.S. at 619. The Court concluded that the exercise by the Senate of that power did not constitute "such an arbitrary and improvident use of the power as will constitue a denial of due process of law." 279 U.S. at 620. A claim that Congress had exercised its power in such fashion as to constitute a due process violation would clearly, therefore, be justiciable under *Barry* in essence that was the claim which the Supreme Court *did* adjudicate in that case, albeit not in the plaintiff's favor.

Thus *Barry* and *Powell* both make clear that the power exercised by either house of Congress under Article I, § 5, cl. 1 must be exercised in conformity to the other provisions of the Constitution in a manner that does not constitute a denial of due process. The Plaintiff State of Indiana alleges that the refusal to seat McIntyre (1) conflicts with other provisions of the Constitution and (2) denies due process of law to Indiana's citizens, residents, taxpayers, and voters in the Eighth Congressional District. Such a claim is clearly justiciable: *Powell* and *Barry* are dispositive of any issue of justiciability.

II. The failure to seat McIntryre infringes the State's right to determine the time, place, and manner of holding elections for Representatives

The United States Constitution, Article I, § 4, cl. 1, provides that: "The times, places, and manner of holding eletions for senators and representatives, shall be prescribed in each state by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing senators." Thus Congressional elections in each state are conducted under the laws and procedures established by that state, unless Congress "by law" alters the state procedure. The appropriate state officials certify the outcome of the election in each district to the Clerk of the House of Representatives, who in turn, places "the names of those persons, and

those persons only, whose credentials show that they were regularly elected in accordance with the laws of their respective States" on the roll of the Representatives-elect. 2 U.S.C. § 26. Thus the very organization of the House presumes the validity of the certificate of election issued to a member by the appropriate state authorities.

Congress has recognized the *prima facie* validity of the results of the state's election processes by another statute as well. Under the Federal Contested Elections Act, 2 U.S.C. § 381 *et seq.*, a person who wishes to contest the result of the state election process has thirty days following the state certification to file a notice of contest with the House. 2 U.S.C. § 382. The winner certified by the state becomes the contestee; the person challenging the result of the state's election is the contestant. Significantly, the burden is explicitly placed on the contestant to prove that the election results entitle him to the contested seat. 2 U.S.C. § 385. The same section makes clear that the burden remains on the contestant, even if the contestee fails to respond to the notice of contest, *i.e.*, the contestant cannot gain the seat merely by default on the part of the contestee. The entire statutory scheme for deciding contested elections for representatives in Congress thus begins with a presumption that the final result of the State election process, the certification of a winner by the appropriate state authorities, is correct. This, of course, is only appropriate in a federal system.

In our federal system, there is a "constitutional policy that Congress may not exercise power in a fashion that impairs states' integrity or their ability to function effectively in a federal system." *Fry* v. *United States*, 421 U.S. 542, 547 n.7 (1975). The election of representatives is clearly a function that is exercised at that point where state and federal sovereignties meet, and the Constitution, by Article I, § 4, cl. 1 has committed control of that process to the State, unless Congress "by law" alters the state's scheme. Congress, of course, has passed no law invalidating or overriding the provisions of Indiana law governing the election of representatives, including its provisions for the tabulating and counting of votes and certification of results, and including also its provisions for recount procedures, which are "an integral part of the Indiana election process," *Roudebush* v. *Hartke*, 405 U.S. 15, 25 (1972).

If state courts are presumed to act constitutionally, and they are: Dombrowski v. Pfister, 380 U.S. 479 (1965); if state administrative agencies, as creatures of state legislatures, are presumed to act constitutionally, and they are: Olson v. Board of Education of Union Free School District No. 12, Malverne, New York, 250 F. Supp. 1000 (E.D.N.Y. 1966), appeal denied, 367 F.2d 565; if even municipal officers, officers of a state's political subdivisions, are presumed to act in accordance with their duty, and they are Barnard and Bush v. City of Pulaski, 327 F.2d 911 (6th Cir. 1964); then surely the State's highest authorities, its state officers, the Governor and Secretary of State, are entitled to a presumption that their acts in issuing a Certificate of election to Mr. McIntryre on December 13, 1984, were valid and in accordance with their duty. This is particularly so when they are acting in an area specifically placed within the State's sphere (in the absence of conflicting federal legislation) by Article 1, § 4, cl. 1. Both as a matter of comity under our federal system, and in recognition of the powers granted the State by Article 1, § 4, cl. 1, the federal authorities must allow the state's certification of election results a presumption of validity.

In the present controvery, there are no conflicting certificates, as there were in the Roush-Chambers dispute following the 1960 general election. There has been one and only one certificate of election: that issued to Mr. McIntyre by the state authorities on December 13, 1984. A state recount has been completed, and did not change the result of the Indiana election. There have been no allegations of fraud or other irregularity in connection with the election. On these facts, the House's refusal to seat Mr. McIntyre destroys the integrity of the State's explicit constitutional power, where Congress has enacted no superceding law, to conduct elections for representatives, and vitiates the presumption of validity which must be accorded the certification of Mr. McIntyre by the responsible state authorities, and all of this without any evidence or adjudicatory proceeding, either in the House under Article I, § 5, or in any other forum, which might supply any reason whatever to suppose that the State's certification should be disregarded. The result is to make a mockery of the state's power to conduct elections, and of the people's power under Article 1, § 2, cl. 1 to choose their representatives.

III. The refusal to seat McIntyre infringes the right of the citizens, taxpayers, voters, and residents of Indiana's Eighth Congressional District to due process of law

Barry, supra, and *Powell, supra*, make clear that the House of Representatives' powers under Article I, § 5, cl. 1 of the Constitution cannot be exercised in a manner inconsistent with or violative of other provisions of the Constitution. Every governmental power "must be exercised in subordination to the applicable provisions of the Constitution." *United States* v. *Curtiss-Wright Corp.*, 299 U.S. 304, 320 (1936). Any exercise of the House's powers under Art. I, § 5 must comply, specifically, with the due process guarantees of the Constitution, since "there cannot be under the American flag any governmental authority untrammeled by requirements of due process." *Calero-Toledo* v. *Pearson Yacht Leasing Co.*, 416 U.S. 663, 669 n.5 (1974), *rehearing denied*, 417 U.S. 977, quoting *Mora* v. *Mejias*, 206 F.2d 377, 382 (1st Cir. 1953). Judicial review is available when an exercise of the House's Art. I, § 5 power constitutes "such an arbitrary and improvident use of the power as will constitute a denial of due process of law." *Barry, supra*, at 279 U.S. 620.

Even the exercise of a discretionary power must meet due process requirements, and does so only if "it is not arbitrarily and capriciously exercised." *Public Utilities Commission* v. *Pollak*, 343 U.S. 451, 465 (1952). Thus, the broad grant of prosecutorial discretion to the Executive, if exercised in an arbitrary or capricious manner, would violate the fifth amendment's guarantee of due process of law. *See United States* v. *McClintock*, No. 82-1480, slip op. at 5 (9th Cir Dec. 5, 1984). *Accord, Luther* v. *Molina*, 627 F.2d 71, 76 (7th Cir. 1980) (Parole Commission's exercise of discretion cannot be arbitrary under the due process clause). It has also been held that the Executive power over passports, as exercised by the Secretary of State, cannot be arbitrary; "[d]iscretionary power does not carry with it the right to its arbitrary exercise." *Schachtman* v. *Dulles*, 225 F.2d 938, 941 (D.C. Cir. 1955).

An exercise of discretion is arbitrary if it is inconsistent with similar prior exercises and unaccompanied by a reasonable explanation for the variance. Thus, numerous such exercises of discretion have been struck down for being arbitrary or capricious. *See, e.g., Motor Vehicle Manufacturers Assoc.* v. *State Farm Mutual Automobile Ins. Co.*, 103 S.Ct. 2856 (1983) (National Highway Traffic Safety Administration's inadequately explained reversal of position as to requiring airbags in automobiles is arbitrary and capricious under the Administrative Procedure Act); *Baltimore & Annapolis RR* v. *Washington Metropolitan Area Transit Comm'n*, 642 F.2d 1365, 1370 (D.C.Cir. 1980) (failure to justify departure from prior determinations is arbitrary or capricious); *Local 777, Democratic Union Organizing Comm., Seafarers Int'l Union* v. *N.L.R.B.*, 603 F.2d 862, 882 (D.C. Cir. 1978) (Even though the NLRB may change its policy, such action is arbitrary if "as here, it announces no principled reason for such a reversal"); *Schachtman* v. *Dulles, supra*, 225 F.2d at 943 (Secretary of State must give sufficient reasons for denial of passport); *Contractors Transport Corp.* v. *United States*, 537 F.2d 1160, 1162 (4th Cir. 1976) (inconsistent treatment of "similar situations lacks rationality and is arbitrary").

The House's decision not to seat Mr. McIntyre was, by this standard, clearly arbitrary. In the last fifty years, *every* candidate with a certificate of election which was not contested by his own state authorities has been seated, at least conditionally, in the House of Representatives. The House thus ignored its modern precedents, arbitrarily disenfranchising the voters of the Eighth Congressional District of Indiana.

The right of the voters to cast their ballots and have them counted has always been vigorously championed by this Court, which has held that "No right in a free country is more precious than the right to have a voice in the election of those who make the laws under which, as good citizens, we must live." *Wesberry* v. *Sanders*, 376 U.S. 1, 17 (1964). All qualified voters have a constitutionally protected right "to cast their votes and to have them counted at Congressional elections." *Gray* v. *Sanders*, 372 U.S. 368, 380 (1963). Furthermore, this Court has noted that "the right of suffrage can be denied by debasement or dilution of the weight of a citizen's vote just as effectively as by wholly prohibiting the free exercise of the franchise." *Reynolds* v. *Sims*, 377 U.S. 533, 555 (1964), *rehearing denied*, 379 U.S. 870.

Indiana's voters have cast their ballots, as is their constitutional right. They have had them counted according to state law, as is their constitutional right. The House, by its arbitrary refusal to accord Indiana's certification the presumption of validity which by statute and precedent attaches to it, has created a situation in which the voters' ballots, and the counting of those ballots, is of no weight whatsoever: just as if the exercise of the franchise had been prohibited. They have cast their votes, but they have been denied the right "to cast their votes *effectively*." *Illinois State Board of Elections* v. *Socialist Workers Party*, 440 U.S. 173, 184 (1979) (emphasis supplied), citing *Williams* v. *Rhodes*, 393 U.S. 23, 30 (1968). Their rights to speak and associate together for the advancement of their political beliefs and to cast their votes effectively have been infringed, arbitrarily and contrary to House precedent, in the complete absence of any allegations of fraud or irregularity, in violation of their right to due process of law.

CONCLUSION

This case presents an actual controversy between the State of Indiana and the United States and its legislative branch of government with respect to the House's refusal to seat the duly certified winner of the election for United States Representative in Indiana's Eighth Congressional District. The dispute is of serious magnitude, and the interests asserted by the State are asserted in it sovereign capacity. Those interests are Indiana's constitutional power and duty to conduct elections for representative, and its interest on behalf of its citizens in securing to them the rights to speak freely, to associate together for advancement of their political beliefs, to cast their votes effectively, and to have their votes counted.

In view of these facts the Attorney General, on behalf of the State of Indiana, respectfully urges this honorable Court that the Motion for leave to file the complaint submitted herewith be granted.

Respectfully submitted,

LINDLEY E. PEARSON,
Attorney General of Indiana.

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ARTHUR THADDEUS PERRY,
Deputy Attorney General.

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Attorneys for the State of Indiana.

[In the Supreme Court of the United States, October Term, 1984]

No. 102 Original

STATE OF INDIANA, IN ITS OWN RIGHT; AND STATE OF INDIANA, AS PARENS PATRIAE FOR ITS CITIZENS, RESIDENTS, TAXPAYERS, AND VOTERS RESIDING IN THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA, PLAINTIFF *v.* UNITED STATES OF AMERICA; UNITED STATES HOUSE OF REPRESENTATIVES; THOMAS P. O'NEILL, JR.; BENJAMIN J. GUTHRIE; JACK RUSS; AND JAMES T. MALLOY, DEFENDANTS

offer of judgement

The undersigned each of whom are defendants in the above styled case by virtue of their status as Members of the United States House of Representatives, offer judgement to be taken against said defendants by plaintiffs, pursuant to Rule 68 of the Federal Rules of Civil Procedure, for the relief sought therein, to wit:

1. Adjudge and decree House Resolution 1 and the referral of House Resolution 52 to the Committee on House Administration null and void on the grounds that they violated the presumption of validity of its official acts to which the State of Indiana, as a matter of comity, is entitled, and that they further violate the State of Indiana's right to prescribe the time, place, and manner of holding elections for representatives as guaranteed by Art. I 4, cl. 1 of the United States Constitution; and that they further violate the rights to free speech and associations, to vote, and to due process of law of the citizens, taxpayers, residents, and voters of the Eight Congressional District of Indiana, as guaranteed by Article I, 5 of, and Amendments 1 and 5, to the Constitution of the United States;

2. Enter an order enjoining the defendants, their agents, servants, officers, employers, employees, subordinates, attorneys, and all other persons acting in concert with them from excluding Mr. McIntyre from the House of Representatives;

3. Issue a permanent injunction restraining all Defendants from denying Mr. McIntyre his seat as the duly elected Representative of the Eighth Congressional District of Indiana to the 99th Congress, duly certified as such by the State authorities;

4. Enjoin Defendant O'Niell from refusing to administer the oath of office to Mr. McIntyre as a member of the 99th Congress;

5. Enjoin Defendants Guthrie, Russ, and Malloy, from denying McIntyre any of the rights, privileges, powers, emoluments, and services, including admission to the House for the purposes of voting and addressing the House, to which the duly elected and certified winner of the State of Indiana's November 6, 1984, election to the office of U.S. Representatives for the Eighth District of Indiana is entitled; and

6. Award such other and further relief as may be deemed proper.

Signed: Member of the 99th Congress.

MINIMUM DRINKING AGE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, in 1971, after prolonged national debate, the official age to vote and of adulthood was lowered to 18 by the States and the Federal Government. We judged that those old enough to die for our country are old enough for all rights, obligations, and privileges of citizenship.

In the stealth of a summer evening in 1984, the Congress lured away, by financial pressure on the States, one of these privileges—the right of young adults to join their elders in the social amenities of alcohol use. No recorded vote was held in the House. The final coup de grace was by unanimous consent at 1 a.m. after all legislative business had been completed. What an example to our new voters?

Today, I am introducing three bills in hopes of causing a reconsideration of this hastily conceived policy.

The first bill is introduced solely to demonstrate that the uniformity of drinking ages argument is not without serious deficiencies. Vermont presently has an 18-year-old drinking age. Its largest youth population is in Burlington, a mere 45 miles from the Canadian border, which also has an 18-year-old law and no propensity to change it. The same is true for many other States along our northern border with Canada and southern border with Mexico. This bill would allow the State to create their own buffer zones if they so desired. Within the context of the Federal mandate to the States, the second bill is designed to demonstrate that there may be more sensible and logical ways to face the serious problem of the spreading of teenage drinking and the abuse of alcohol while driving. It allows the States the option of restricting drinking by 18- to 20-year-olds to the purchase and consumption of alcoholic beverages on the premises of certain establishments. It also rewards States that combine this policy with training and education to ease the 18- to 20-year-old population into safe social drinking prior to driving.

Finally, the third bill gets at the very core of what role the Federal Government should play in this issue. Without diminishing the seriousness of the problem of drunk driving, this legislation returns this debate back to the States. It removes the "stick" and presents "carrots" to the States to take positive actions on this issue.

The rights of our young adults were hard fought and it is a shame to see them stripped away with so little debate and discussion. To my knowledge, the extent of formal dialog on this issue amounted to 1 day of testimony presented during hearings on last year's Surface Transportation Act. There is no committee report on this legislation and there was no real debate associated with any vote on this measure.

The major arguments presented in support of a national minimum drinking age centered on the notion that a uniform drinking age would eliminate driving to cross State lines to drink. This concept may be true for most States, but for the States with international borders it creates an entirely new problem and new set of circumstances. As I pointed out earlier, the largest city in Vermont with a college population of 13,400 is a quick drive to the Quebec Province where the drinking age is 18. This situation exists all across the northern tier where cities such as Buffalo, Detroit, Duluth, Grand Forks, Spokane, and Seattle, with an estimated combined population of 180,000 18- to 21-year-olds, are all within striking distance of Canadian provinces where the drinking age is less than 20. Along our Mexican border, cities such as Brownsville, Corpus Christi, El Paso, Tucson, and San Diego are all within easy reach of a drinking age less than 21. The combined population of 18- to 21-year-olds in these cities is approximately 152,000. All in all, the total 18 to 21 population that will be tempted to cross international borders is probably close to a half million.

The proposal I present today to correct this situation in border States may be a debatable policy, but it does grant each border State the prerogative to establish its own strategy to address problems created by a national minimum drinking age. This may include establishing a buffer zone around its large youth population centers, where young adults may be allowed to drink on the premises of certain establishments. I offer this legislation not so much as a solution, but rather to highlight the inappropriateness of our actions on this issue.

What troubles me most about these actions is that of all the options open

to the Federal Government to influence the States on this issue, strong arming the States to accept a minimum drinking age of 21 should not have been the final outcome. In even the most superficial study of this issue, it becomes quickly clear that a drunk driver of any age is a drunk driver. We should be addressing this problem and not creating a band-aid solution by eliminating the rights of a certain group.

We are all aware of the statistic that 18- to 21-year-olds make up 9 percent of the country's drinking population, yet they are involved in 17 percent of all alcohol-related accidents. This figure is high, but what of the remaining 83 percent of the accidents?

On a national basis, under 20-year-old drivers account for a high percentage of all fatal car accidents, alcohol-related or not. This can be explained in part by their inexperience and propensity to drive with a heavy foot. The insurance companies certainly see it this way and adjust their rates accordingly. I know this for a fact—I pay for my son's car insurance.

When looking at raising the drinking age to reduce the number of car accidents involving individuals under 20, I think we have to realize that this group, historically, are problem drivers. Data for all fatal car accidents in 1970 show that drivers less than 20 accounted for 15 percent of all accidents. This is of course prior to the time the drinking age was generally reduced to 18 across the country. In 1983, this group still accounted for 15 percent of all fatal accidents.

A few other statistics of interest are worth noting at this time. In 1983, 17- to 20-year-olds were involved in 18.8 percent of all alcohol-related fatal accidents. In this same year, 21- to 24-year-olds accounted for 22.2 percent of these accidents. Figures from my own State of Vermont show roughly the same relationship with 17- to 20-year-old drivers accounting for 22 percent of alcohol-related fatal accidents and 21- to 24-year-olds accounting for 27 percent. If the answer to drunk driving is raising the drinking age, shouldn't we be looking at raising the age to 24? Or, is not the more logical answer to direct educational and other special programs toward our younger generation?

This country's temperance experiments in the 1920's proved that the prohibition technique does not work. A partial prohibition, as is being suggested, is less likely to work. Taking the right to drink away from young adults will only lead to unsupervised drinking and a greater disrespect for current laws. I fear that the type of drinking activities that will take place will result in more drinking and driving accidents. If one wants to drink they will find a way. In fact, the removal of this right may make the activity just that much more attractive. This can lead to backyard parties, illegal social clubs, and driving around in the car with a few drinks. I do not think these are activities we necessarily wish to encourage.

My second proposal is designed to address these very concerns within the parameters of the Federal mandate to set the drinking age at 21. In addition, it suggests a reasonable solution to what is a grave concern of parents, teachers, and law enforcement officials. I am referring to 13- to 17-year-olds being furnished with alcohol by their teenage friends of legal drinking age. Given the Federal ground rules, this second bill suggests a positive approach to the issue of drunk driving and teenage drinking. Restricting young adults to drinking in only supervised settings creates an excellent situation for these individuals to learn to drink responsibly. This will be a controlled situation. I have heard from numerous law enforcement officials, parents, and teachers that their greatest concern and fear is that young teens have access to alcohol through their older, drinking-aged friends. By allowing this drinking population to only purchase and consume alcohol on location, we are addressing this access issue in an effective way. If a young teen's older friend cannot provide the "goods," we are shutting down an important supply line. Furthermore, we are not forcing 18- to 20-year-olds to obtain their alcohol illegally.

Education programs can be established for owners, employees, and patrons of establishments to heighten the awareness of the effects of alcohol and drunk driving. These programs could be coordinated with special egress requirements from an establishment to flag those individuals who should not be allowed to get behind a wheel; such as breathalyzer tests, and so forth. Of course, this will require a concerted effort by all involved. But, I feel that with an issue as dangerous as drunk driving, it is worth it for the entire community to do all it can to get all drunks of all ages off the road.

This brings me to the most basic question on this issue: What should be the appropriate role of the Federal Government in influencing this debate? The States are perplexed by this question. They see the 21st amendment of the Constitution as giving them jurisdiction over such matters, yet last summer's actions seem to belie such thinking. The Council of State Governments and the National Governor's Association both are on record opposing this Federal intrusion. Confusion over this authority has led the State of South Dakota to sue the Federal Government in an effort to get a straight answer. Since filing their suit they have been joined by my own State of Vermont with others expected to join.

I do not see the actions of these States and organizations as counterproductive to addressing the problem of drunk driving. This type of issue has been traditionally handled by the States and rightfully so.

The debate surrounding whether or not raising the drinking age will solve this problem is very complex and controversial. There are credible arguments on both sides. The correct forum for this debate, however, should be at the State level. If the decision is made to raise the drinking age as part of a campaign to reduce drunk driving, so be it, but let this decision be made by the individual States. In my estimation, the appropriate role for the Federal Government in this situation should be positive: encouraging the States to address all the elements of alcohol abuse, encouraging programs to develop responsible drinking habits, and efforts to rid our roads of all drunk drivers.

With these points in mind, the third initiative I am introducing today repeals those sections of the Surface Transportation Act regarding the mandate for a national minimum drinking age; returning this authority to the States. In place of this mandate, I am proposing that the Federal Government offer incentive grants to States to develop comprehensive campaigns to address this problem, including: stiffer penalties for offenders of drunk driving laws; restricting young adults to drinking in only controlled atmospheres; comprehensive educational efforts and programs to encourage the responsible drinking and sale of alcoholic beverages; and, programs to ease young adults into joining their elders in social imbibement.

The Congress should use its powers of funding blackmail sparingly, if at all. When it invades the traditional perogatives of the States it usually makes things worse, especially when it does it without significant debate in the middle of the night. The present law with its funding straightjacket and its multimillion dollar strings and chains will stifle any innovative thought and methods to alleviate the serious problem of alcohol abuse on the highways and in our schools.

INTRODUCTION OF THE AMERASIAN RELIEF ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SMITH] is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing a bill known as the "Amerasian Children Relief Act of 1985."

This bill would amend the Immigration and Nationality Act to provide

preferential treatment in the admission of Amerasian children—that is, those children parented by U.S. citizens—and who have been or will be adopted by Americans.

Mr. Speaker, 2 years ago Congress attempted to address the plight of the Amerasians by passing what became Public Law 97-359. This laudable piece of legislation has not however, met the need and the need is indeed compelling. In Vietnam alone estimates run as high as 20,000 Amerasians remaining and some estimate put the figure even higher. Other reliable estimates put the number of Amerasian children in the entire region—including Vietnam, Korea, Thailand, and Kampuchea—at approximately 100,000. Yet since this act went into effect, only 87 of the many thousands of Amerasian children have been able to emigrate to this country under provisions of Public Law 97-359.

Over the past 4 years Mr. Speaker, the majority of those Amerasians who have arrived in this country have come as refugees. A total of 1983 Amerasian children and relatives have come to this country as refugees since fiscal year 1982.

□ 1400

As refugees, though, Mr. Speaker, these children are not accorded the appropriate status due progeny of U.S. citizens. Clearly it would be much more desirable in my view for these children to be sponsored by someone who can help them acclimatize themselves to their new home.

It is for this reason that Congress passed Public Law 97-359, a well-intentioned remedy but wholly inadequate, and it is with this in mind that I introduce the Amerasian Children Relief Act of 1985 to truly reform our statutes relevant to the status of these children.

The bill which I introduce today will open the door for still more Amerasian children of adoptable age to enter the United States. At present, stringent requirements can make immigration very difficult, if not impossible, for these kids.

Currently, if a child is not orphaned or abandoned, he or she cannot in most cases be brought to the United States for adoption. My bill, however, would change the law by allowing mothers or guardians to release the Amerasian for adoption provided they irrevocably release the child for emigration and adoption.

Amerasian children are currently the object of either official or unofficial discrimination in the countries where they now reside. Vietnamese officials have called the problem of Amerasian children a burden, saying that their living conditions are generally worse than other Vietnamese children.

As we know, most Asian cultures, Mr. Speaker, promote the organization of the family unit and strict adherence to the responsibilities inherent within the family. The children belong to the father in those cultures. It is from the father that the child receives his or her name, nationality, ancestry, clan, and family relationships. The father is key to a child's social acceptance. Since the Amerasian child has been abandoned by his or her American father, the opportunities for social acceptance, a good education, job, and marriage are almost nonexistent.

I believe that we, as Americans, and we, as our brother's keeper, must fulfill our moral obligation to the children born of U.S. citizens. After all, these children are our children and must not be left out in the cold. These children are Americans, and they are wanted—wanted by many who wish to adopt them and love them.

Mr. Speaker, again I say that today I am introducing the Amerasian Children Relief Act of 1985. I urge my colleagues to support this effort in aiding the plight of the Amerasian children, and I ask for its prompt consideration by this body.

COMMUNICATIONS FROM THE CHIEF OF POLICE OF THE U.S. CAPITOL POLICE

The SPEAKER pro tempore laid before the House the following communications from the Chief of Police of the U.S. Capitol Police.

U.S. CAPITOL POLICE,
Washington, DC, March 15, 1985.

Hon. THOMAS P. O'NEILL, JR.,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to the provisions of House Rule L (50), that Ruth B. Micer, Officer, U.S. Capitol Police, has received a Subpoena from the Superior Court of the District of Columbia, in the matter of *United States District of Columbia* v. *David McClanahan,* Criminal Docket Number F-6756-84.

After consulting with counsel, I have determined that compliance with this subpoena is consistent with the privileges and rights of the House.

Sincerely,

JAMES J. CARVINO,
Chief of Police.

U.S. CAPITOL POLICE,
Washington, DC, March 19, 1985.

Hon. THOMAS P. O'NEILL, JR.,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to the provisions of House Rule L (50), that Karen M. Nash, Officer, U.S. Capitol Police, has received a Subpoena from the Superior Court of the District of Columbia, in the matter of *United States District of Columbia* v. *David McClanahan,* Criminal Docket Number F-6756-84.

After consulting with counsel, I have determined that compliance with this subpoena is consistent with the privileges and rights of the House.

Sincerely,

JAMES J. CARVINO,
Chief of Police.

WE MUST STOP DRINKING WATER CONTAMINATION NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MADIGAN] is recognized for 30 minutes.

● Mr. MADIGAN. Mr. Speaker, on September 18 of last year, the U.S. House of Representatives passed the Safe Drinking Water Act Amendments of 1984, which I introduced, by a vote of 366 to 27. Unfortunately, this sorely needed legislation to strengthen our existing program to regulate drinking water supplies was not considered by the other body. Today, I am proud to be joined by our colleagues HENRY WAXMAN, DENNIS ECKART, and NORMAN LENT in introducing the exact bill that passed the House last year by that overwhelming margin.

We must act now to diminish the growing risks to public health from contamination of our drinking water supplies. This bill would do that by modifying our current regulatory program to require quick promulgation of new national pollution standards, greatly strengthening the enforcement provisions, and establishing a new framework for State planning of ground water resources. I would like to briefly discuss the need for this legislation as well as some of its key provisions. A complete summary of the bill will follow my remarks.

The need for this legislation is obvious. In a recent EPA random survey of metropolitan water systems, 28 percent were found to be contaminated by one or more toxic organic chemicals. In another random survey, 63 percent of the rural water supplies were also found to be contaminated. Our surface water supplies are polluted by over 700 synthetic organic chemicals, heavy metals, pesticides and other pollutants. The condition of our ground water suppies, which account for 50 percent of our drinking water, is also threatened. Ground water is subject to approximately 30 different sources of chemical contamination. These include hazardous waste landfills, surface impoundments, septic tanks and cesspools, and our latest cause for concern—leaking underground storage tanks. It is clear that we cannot solely rely on cleanup which is often technically or economically infeasible. Prevention of contamination is the only viable, long-term remedy for the problem.

I would like to briefly describe some of the key provisions of this bill. The legislation is divided into two main titles. The first is regulation of public

water supplies, the second is a program for the protection of underground sources of drinking water.

The Safe Drinking Water Act is based on a system of mandatory national standards set to limit contaminant levels so as to protect public health. This is the cornerstone of the regulation of public water supplies. Unfortunately, progress in establishing these national maximum contaminant levels has been unacceptably slow. To date, EPA has promulgated less than 20 drinking water standards, and these to not include many toxic organic chemicals of greatest concern to the American public.

Standard setting would be greatly expedited under this bill. EPA is given strict timeables in which to decide whether or not to regulate two lists of contaminants which the Agency already has identified as potential health threats in drinking water. This bill does not, however, make regulatory decisions for EPA. The Administrator is given full flexibility to weigh the health evidence before him and decide if there is sufficient evidence to constitute a rational basis to act. The bill also requires control technologies which are the best available, taking costs into consideration, rather than the best generally available as in current law. These technologies must be field tested, however, not merely proven in a laboratory. This bill also streamlines regulatory procedures under the act by eliminating the designation of "interim" standards and requiring that maximum contaminant level goals, formerly known as recommended maximum contaminant levels, be promulgated simultaneously with national primary drinking water regulations.

My bill contains several additional improvements in the regulation of public drinking water supplies. A program is established requiring water companies to monitor for unregulated contaminants. The results of this monitoring would be made available to the public. The bill greatly strengthens the authority to enforce the drinking water standards. EPA is given authority to issue administrative orders and to take actions to address violations in primacy States, where the State is not diligently pursuing an enforcement action. EPA is given the authority to promulgate reasonable public notification requirements to relieve water companies from overly burdensome rules while preserving the rights of the water consumer to know of violations which may exist. Finally, stringent criminal sanctions are instituted for those who may tamper with a public water system.

Title II of the bill establishes a program to protect our vital underground sources of drinking water. Along with mandating the promulgation of national drinking water regulations, I consider this the most significant aspect of the legislation. Injection of hazardous wastes above or into a drinking water source is banned by this bill, except in conjunction with a Superfund cleanup action. Monitoring of underground injection wells is instituted to ensure that there is no migration of waste as required by existing EPA regulations. Enforcement of UIC regulations is also greatly strengthened.

Several of our Federal environmental laws, including the Clean Air Act and the Coastal Zone Management Act, require States to develop a formal, legally enforceable strategy on the use of precious natural resources. In the area of ground water, such planning activities are lacking in many States. My bill rectifies this by requiring each State to develop and adopt a plan to protect underground sources of drinking water from contamination which may adversely affect the health of persons. Each plan must be approved by EPA.

The plan must contain a number of criteria to be approved. Among these are the designation of regulations, including best management practices [BMP's], to protect ground water supplies. States with oil and gas exploration must have provisions to protect against contamination from brine disposal. I know that some groups are fearful that Federal involvement in matters such as this can lead to Federal land use management and other undesirable intrusions. A close examination of this provision, however, shows that it affords a State maximum flexibility in formulating a sensible strategy to protect public health from ground water contamination. EPA must approve a State's plan unless it clearly does not meet the requirements of the provision. I want to emphasize that in no way does this requirement preempt ongoing State activities and responsibilities in the area of water planning, water rights, or water distribution. The State is specifically authorized to categorize aquifers and provide differing levels of protection. This planning requirement complements rather than preempts State water resources and ground water protection laws.

My bill also provides for voluntary State and local plans to protect sole source aquifers, or those aquifers which supply all of the drinking water for a community. If these valuable resources are lost, the citizens of that area have no other supply of drinking water. Again, however, this does not constitute Federal land use planning or impede States' water rights in any way. This program is completely voluntary on the part of local communities.

Mr. Speaker, it is time to declare war on contamination of our drinking water supplies. This legislation strikes a sound balance between the flexibility required to regulate the Nation's 69,000 different water systems and the active direction needed to provide consistently high quality drinking water throughout the country. I hope that many of my colleagues will soon be joining Congressmen WAXMAN, ECKART, LENT, and I in sponsoring this legislation.

A brief summary of all of the provisions of the bill follows:

SAFE DRINKING WATER AMENDMENTS OF 1985, SECTION-BY-SECTION ANALYSIS

TITLE I

Section 101—Standard setting

Interim regulations which have been promulgated pursuant to 1412(a)(1) of the Act are deemed "national primary drinking water regulations." This simplifies the statutory framework as there are no "revised" regulations, but all regulations can be amended under existing statutory conditions. (Sec 101(a))

Within twelve months after enactment, the bill would require the EPA to simultaneously propose MCL goals and national primary drinking water regulations for 14 volatile organic compounds (VOCs) listed by EPA in the Federal Register for which there is a rational basis to believe there may be any adverse effect on the health of persons, or publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis to believe that the contaminant may have any adverse effect on the health of persons. (Sec. 101(b)(1)(A))

Within thirty-six months after enactment of the bill, the same procedure would be followed for contaminants listed in Volume 44 of the Federal Register, page 45502. (Sec. 101(b)(1)(B))

The same procedure would be followed for any substance which the Administrator determines may have an adverse effect on the health of persons. On January 1, 1988, and yearly thereafter, EPA must publish a list establishing priorities and criteria for review of substances which may require regulation to prevent known or anticipated adverse health effects. Within three years of listing a contaminant, the above regulatory procedure must be followed. (Sec. 101(b)(1)(C))

MCL goals are set at a level in which no known or anticipated adverse effects on health occur, with an adequate margin of safety. National regulations specify a level as close to an MCL goal as feasible (costs are considered). Granular Activated Carbon technology is specifically determined to be feasible for the control of synthetic organic chemicals. Technology and treatment techniques must be determined to be "feasible" under field conditions and not solely under research lab conditions.

Filtration or equivalent treatment techniques shall be proposed for raw surface water sources unless it can be shown on the basis of a sanitary treatment survey it is not needed. Disinfection treatment technique regulations are to be promulgated for all public water systems. Variances from both requirements are available.

Section 102—Monitoring for unregulated contaminants

EPA, by rule, shall establish a program of monitoring for unregulated contaminants. Monitoring frequency is based on number of persons served and contaminants likely to

be found, with minimum requirements. EPA shall list unregulated contaminants to be monitored for, but States can add or delete from the list based on an approved assessment of the contaminants likely to be found which is approved by EPA. EPA shall reimburse the costs of monitoring for systems with less than 150 connections.

Section 103—Enforcement of regulations

In primacy States, the EPA is required to commence civil action or to issue an administrative order to a public water system to comply with a standard, if the State has not acted before the thirtieth day after notification of violation. In non-primacy States, no notice is needed, and the EPA is required to issue an order or commence a civil action whenever there is non-compliance by a public water system.

Administrative orders are available in lieu of civil actions, but in primacy States may only be issued after consultation with the States and public hearing.

Civil penalties of up to $25,000 per day are available.

Section 104—Public notification

The bill mandates EPA to prescribe by rule within 12 months the form, manner and frequency of the notice. All notices must be no less than on an annual basis. EPA is also given authority to differentiate between serious and non-serious violations for purpose of notice. Serious violations must be noticed in a newspaper of general circulation every 3 months, provide an explanation of the violation, corrective steps being taken and which groups should seek alternative water supplies.

Section 105—Variances

Variances are available from the BAT standard depending on certain factors. A schedule of compliance is prescribed at the time the variance is granted.

Section 106—Exemptions

The bill adds a possible extension of three years to comply with an exemption schedule if certain criteria are met. Systems with less than 500 service connections can possibly gain an additional two years if financial assistance is needed.

Section 107—Tampering with public water systems

This section provides for criminal penalties for persons who introduce a contaminant into, or otherwise tamper with, a public water system, with the intention of harming persons. Tampering can result in a $50,000 fine and 5-year sentence, attempted tampering a $20,000 fine and a 3-year sentence.

Section 108—Technical assistance for small systems

The Administration must provide technical assistance to small public water systems such as "circuit rider" programs and operator training. A total of $10 million a year for 4 years is authorized to be appropriated to carry out this section.

TITLE II

Section 201—UIC

The injection of hazardous wastes above or into drinking water sources would be banned except that injection of contaminated groundwater into the aquifer from which it was withdrawn may be allowed pursuant to RCRA or Superfund criteria and procedures. The prohibition takes effect six months after enactment except in States with identical requirements.

The bill requires EPA to revise UIC regulations to require monitoring of underground injection wells in such manner and location as EPA deems appropriate to detect fluid migration. An EPA-State inventory of hazardous waste wells is also mandated.

Section 202—Enforcement of UIC

The bill allows EPA, 30 days after notice of violation and after notice to the State, to issue an order enforcing a UIC requirement if the State does not. Civil penalties of up to $25,000 per day are available.

Section 203—State plans

The bill requires States to develop and adopt comprehensive plans to protect underground sources of drinking water from contamination that may adversely affect the health of persons. These plans must be developed within 36 months and meet five listed criteria to be approved by the EPA. The State plan must at a minimum:

(1) specify a lead agency for implementing the plan;

(2) identify each source of underground drinking water to be protected, its quality and quantity, and known or potential sources of contamination;

(3) describe for the sources identified in (2) the location and types of human development which can occur without resulting in degradation to the sources;

(4) contain implementing regulations including best management practices (BMPs);

(5) provide for alternative drinking water supplies if needed.

Procedures for public participation in developing a groundwater plan through citizen advisory committees is encouraged. Oil and gas exploration States must have provisions for protection from contamination from brine disposal. Sources of drinking water to be protected are broadly defined.

State plans initially rejected may be revised and resubmitted. States failing to have plans approved within the time limitations cannot receive assistance to implement their Section 1422 State UIC enforcement responsibility. The State will also be subject to citizen suits under Section 1449. Federal agencies must assure that their activities affecting critical recharge areas are conducted in a manner consistent with the State plan.

Each State is eligible to receive federal grants for 50 percent of the costs of development and implementation of the approved plan.

Section 204—Protection of sole or principal source groundwater recharge areas

The bill provides a procedure by which municipalities, pursuant to 1424(e), may petition the governor to apply to EPA to be designated as a special protection area (SPA). This petition will propose boundaries and evaluate whether:

(a) the SPA recharges large amounts of potential drinking water;

(b) the above water is of high quality;

(c) the SPA is contaminated with various contaminants;

(d) maintenance of high quality water in the SPA would have significant benefits; and

(e) if not maintained, would have significant costs.

The governor considering the above criteria approves or disapproves the petition and if approved the governor proposes the boundary of the SPA, establishes a planning entity to develop a mangement plan and public participation procedures. The EPA then approves or disapproves the petition based on the above criteria.

The planning entity prepares a plan for the SPA—designed to maintain natural vegetative and hydrogeological conditions to the maximum extent possible. This plan incudes:

(a) the SPA's groundwater quality;

(b) identification of point and non-point sources of groundwater degradation;

(c) requirements needed to meet drinking water standards;

(d) a map of the SPA;

(e) assessment of the development the SPA can sustain and still protect water quality;

(f) limits on federal, state and local government activities which may degrade the capability of the SPA to purify groundwater;

(g) land use and contingency planning to maintain drinking water standards;

(h) actions to avoid adverse impacts on recharge capacity and water quality;

(i) consideration of specific techniques to meet this section's objectives;

(j) consideration of establishing a development transfer credit system;

(k) state and local implementation;

(l) pollution abatement measures, if appropriate; and

(m) adequate personnel, funding and authority.

The governor approves the plan if it protects the SPA from contamination which adversely affects the health of persons. EPA then approves or disapproves the plan.

Grants of 50 percent of the cost of preparing the petition are available (60 percent in municipalities with less than 10,000 people). Grants of 50 percent of the costs of implementing the plan are available (60% in municipalities with less than 10,000 people).

The EPA will establish criteria to determine what areas are eligible for SPA status under 1424(e).

The bill allows the EPA (or States with primary enforcement responsibility) to bring actions against:

(a) any person causing or contributing to the presence of a contaminant in a 1424(e) area which reasonably may or does supply a public water system; and

(b) this contaminant may adversely affect the health of persons unless the water is treated or alternate water supplies are provided. Such person may be required to supply alternative drinking water.

A federal district court review of this order is possible. Violation or refusal to comply with orders subjects the person to fines.

TITLE III

Section 301—Authorization of appropriations

Studies Section (1442(a)(2)(B))—$11.3 million per year, fiscal year 1986-89.

Technical Assistance—$47 million per year, fiscal year 1986-89.

State Public Water System Supervision—$45 million per year, fiscal year 1986-89.

Underground Water Source Protection—$28 million per year, fiscal year 1986-89.

Development of State Plans under new Section 203—$50 million for fiscal year 1986-89.

Development of Special Protection Area Plans under Sec. 204—$10 million for fiscal year 1986-89.

Implementation of Special Protection Area Plans under Sec. 204—$25 million for fiscal year 1986-89.●

● Mr. ECKART of Ohio. Mr. Speaker, it has become increasingly apparent that the quality of our Nation's drinking water sources, particularly those sources supplied by underground

aquifers, is one of the most urgent environmental and health problems facing us today. I believe that the issue is so critical that, if we are fortunate, it will only be the environmental issue of the decade; if we fail, ground water contamination and contaminated drinking water supplies will be the environmental issue of the century. Consider the growing examples of ground water contamination:

In one EPA study, 29 percent of the larger cities supplied by underground sources of drinking water were found to have at least one volatile organic chemical in their water.

EPA's own statistics show that in fiscal year 1983 there were 63,860 violations of drinking water standards or monitoring requirements, and the required notice was given in only 13,600 cases.

A Cornell University study showed that nearly one-sixth of public water systems violated even the most basic of water treatment requirements—that water be disinfected to destroy disease-carrying pathogens. The report estimated that a half-million rural homes might have bacterial levels in their drinking water greater than levels permitted for public beaches.

A recently released OTA report estimated that there are 340,000—170,000 closed and 170,000 operating—surface impoundments in the country used for the storage of industrial, municipal, and other wastes. Even though their contents may be hazardous, most of them are unlined. It has been estimated that two-thirds lie within 1 mile of a source of drinking water.

Incidents of contamination are occurring with increasing and alarming frequency, and have now been reported in every one of the 50 States, and more than one authoritative study has reported ground water contamination from toxic chemical sources in 34 States.

Unfortunately, EPA is not up to the task of ensuring that drinking water supplies in this country are kept safe for human consumption. EPA promulgated interim drinking water standards in 1975 after the 1974 passage of the Safe Drinking Water Act, but has yet to revise these standards into final form. EPA has issued these interim standards for fewer than two dozen substances during the last 10 years, and even the interim standards are based largely on the 1962 Public Health Service recommendations and technology that were generally available in 1974.

Because of this slipshod performance, I introduced safe drinking water legislation last year with my colleagues Mr. MADIGAN and Mr. WAXMAN. The Subcommittee on Health and the Environment held several days of hearings and took testimony from leaders of the environmental community, officials of the public and private water systems, and members of affected industries. My colleagues and I have been impressed repeatedly by the crying need to pass legislation in this area; we must bring our drinking water protections into the 1980's. Accordingly we are reintroducing legislation to reauthorize the Safe Drinking Water Act of 1974.

This bill, a reintroduction of H.R. 5959, which passed the House overwhelmingly in the waning days of the 98th Congress, is a truly bipartisan effort deserving of broad bipartisan support. Each of the affected groups—environmentalists, the water treatment industry, and other industries—has argued that the act should be reauthorized and amended. Our present law is ineffective in guaranteeing potable water supplies for our people. We are introducing a bill which will push EPA to do its job, provide help to the small water systems that need it so much, promote efforts by States to plan for the protection of underground sources of drinking water, and protect the health of the people of this Nation.

I was heartened last year by the many positive responses to this bill we received from members of the public and the affected interest groups. I look forward to working with those and other interested parties this year, and with my distinguished colleagues in the House, so that we may once again move forward with this vital legislation.●

● Mr. LENT. Mr. Speaker, I am very pleased today to join my colleagues ED MADIGAN, HENRY WAXMAN, and DENNIS ECKART in introducing the Safe Drinking Water Act Amendments of 1985. This sorely needed legislation will modify the existing drinking water program at the Environmental Protection Agency [EPA] and will diminish the growing risks to public health from contamination of our drinking water supplies. Congress first passed the Safe Drinking Water Act in 1974, but EPA has regulated less than 20 pollutants in drinking water in that 11-year period. This bill will eliminate these unacceptable delays.

Several recent surveys show that surface water supplies are contaminated by over 700 pollutants. Ground water, which supplies slightly over half of our drinking water, is similarly threatened. This bill would force EPA to face up to this fact and begin setting acceptable levels within a strict timeframe for several contaminants which have already been identified as potential health problems.

I will not attempt to explain the many important provisions of this bill, as Congressman MADIGAN has already submitted a detailed summary of the legislation for the RECORD. I would like instead to highlight one section of the bill, section 204, dealing with the protection of sole source ground water recharge areas.

It is crucial that we move to protect those aquifers that serve as the sole supply of drinking water for a community. If these valuable resources are lost, the citizens of that area have no other supply to turn to. Long Island, NY, is one of several communities faced with this threat.

Section 204 of my bill would provide a procedure whereby municipalities may petition the Governor to apply to EPA to be designated as a "special protection area." Such a designation would be based on specific, strict criteria. If EPA agrees to so designate an area, a local planning entity would prepare a plan designed to maintain national vegetative and hydrogeological conditions to the extent possible. This plan would include such provisions as identification of sources of ground water degradation; an assessment of the development the area can sustain and still protect water quality; a list of actions to avoid adverse impacts on recharge capacity and water quality; and pollution abatement measures, if appropriate. Federal grants of up to 50 percent of the cost of preparing the petition and implementing the plan would be available. The program is clearly voluntary for the community, but for those who rely on one source for their drinking water supply, the availability of this type of Federal program is necessary to guarantee safe and healthful drinking water for future generations.

Mr. Speaker, there has been much focus in the past few years on the implementation and reauthorization of our major hazardous waste laws, the Resource Conservation and Recovery Act [RCRA] and Superfund. As important as these laws are, I believe that it is unfortunate that the Safe Drinking Water Act has become the "poor sister" of environmental laws. It has received little attention and the reauthorization is now 2½ years overdue. All of these laws are intricately related, and one of the primary goals of both RCRA and Superfund is to protect our precious drinking water resources. This cannot be done without a strong Safe Drinking Water Act.

Other legislation has been introduced this year to protect sole source aquifers, but I am strongly supporting this comprehensive reauthorization package because I am confident that it will be the Safe Drinking Water Act vehicle that moves through the House. This very bill passed the House last September 18 by the overwhelmingly wide margin of 366 to 27. We must again move this important legislation quickly through both Houses of Congress.

I urge my colleagues to join us in cosponsoring this crucial legislation.●

● Mr. CARNEY. Mr. Speaker, I am happy to join my colleagues today in introducing the Safe Drinking Water Act Amendments of 1985.

I believe this legislation deserves the highest priority of every Member of this body. As laid before you today, this bill is a long-overdue reauthorization and updating of the Safe Drinking Water Act. It was approved overwhelmingly in the same form by this body last fall.

I am extremely pleased that the authors of this measure have again included a section to establish a demonstration project to develop management plans for the protection of sole-source aquifers, leading to a comprehensive national policy for this much-ignored resource. For far too long our Nation's supplies of clean ground water have been overlooked in national legislation and policy—a problem "out of sight and out of mind."

In my district on Long Island, 2.3 million people are totally dependent on an underground supply for their drinking water. Nationwide, 90 percent of our rural citizens, and millions in our urban and suburban centers, also depend on aquifers, rather than on surface waters. The Environmental Protection Agency estimates that ground water reserves are 50 times that of our annual flow of surface water. Clearly, protection of such a vast and critical resource is in the best interests of all.

The dependency of ground water is clearly a national concern and is not unique to New York. Besides the Nassau/Suffolk aquifer, the Environmental Protection Agency has designated aquifers from Florida to Guam and from Texas to Montana that would be eligible for special protection status and the demonstration project created by this measure.

While not meaning to slight our efforts to control acid rain and clear our skies of pollutants, we must provide the resources to ensure that our communities and homes enjoy a clean and safe drinking water supply. All of the major sections of this bill share that common goal.

Mr. Speaker, the ground water concepts contained in this bill are the seeds of a far-reaching and critically needed national policy and I am optimistic that the 99th Congress will bring them to fruition.●

COMMITTEE IMPROVEMENT AMENDMENTS OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. LOTT] is recognized for 30 minutes.

● Mr. LOTT. Mr. Speaker, today I am introducing the Committee Improvement Amendments of 1985, a package of seven House rules amendments designed to make our committee system more manageable, responsive, and representative. I have introduced similar packages in the last two Congresses, but to date the Rules Committee has not seen fit to report or even seriously consider any of these suggested rules changes.

Mr. Speaker, 20 years ago Congressman Bolling wrote a book entitled, "House Out of Order," in which he suggested that the House was not functioning responsibly and responsively because power was too concentrated in the committee chairmen. He went on to suggest that power be redistributed to a stronger Speaker and more active membership through the Democratic caucus. What followed was the House revolution of the seventies during which Mr. Bolling's fondest prescriptions were more than fulfilled; if anything, the House overdosed on democracy and decentralization. Not only was a long overdue committee bill of rights incorporated into House rules, but an even more far-reaching subcommittee bill of rights was guaranteed under the Democratic caucus rules.

The House rapidly evolved from 21 individual power centers—the standing committee chairmen—to nearly 150 collective power centers—the standing subcommittees. What followed is history: With the proliferation of subcommittees came more staff, more overlapping jurisdictions, duplication of effort, turf tangles, phantom legislative devices such as proxy voting and one-third quorums, the dissipation of Members energies and interests, and the dissolution of a deliberative, responsive and representative legislative process at its most critical stage—the committee system.

Consider the fact that a decade ago, in the 93d Congress (1973-74), House committees reported 906 public bills and joint resolutions, passed 923 such measures, and enacted 649. Yet, in the 98th Congress (1983-84), our committees only reported 734 bills and joint resolutions, a 19-percent decrease from the 93d Congress; the House passed 978 such measures, and 623 were enacted into law. Over that same decade, the number of House standing subcommittees increased from 119 to 146, a 22-percent increase; the number of subcommittee seats increased from 1,642 to 1,721; the number of Members with 5 or more subcommittee assignment increased from 154 to 198; and committee staff shot up from 848 to 1,732, a 104-percent increase. In summary, while subcommittees and staff were proliferating, committee productivity was actually declining.

Ironically, the "House Out of Order" of the previous decade had come full circle and then some: It was now a House in shambles—so cluttered, chaotic and crumbling that it threatened to come tumbling in on itself from its sheer weight and internal stresses. As a response to the excesses of the House revolution of the seventies, I have proposed a restoration for the eighties which I have previously referred to as a "Blueprint for a House that Works." I have no illusions that these seven rules changes alone will work miracles in restoring our House to a proud and productive institution; that will ultimately depend on the will and dedication of our membership working together to reverse past trends and put our House back in order. But these simple changes can help lay a sound foundation for that House restoration effort.

THE BLUEPRINT

The Committee Improvement Amendments of 1985 go to the heart of the problem I have described by limiting all committees, except Appropriations, to no more than 6 subcommittees and all Members to no more than four subcommittee assignments. This would result in the elimination of 15 subcommittees in the 99th Congress, from the present 147 down to 132, a 10.2-percent decrease. In addition, based on data from the last Congress, nearly 200 Members would have to give up one or more subcommittee assignments.

With the reduction in subcommittees and Member assignments, the House should also be able to reduce the number of committee staff. Under my proposal, the House would be forced at the beginning of each year to adopt an overall committee staff ceiling before any committee funding resolutions could be considered. The funding resolutions would then have to conform to that ceiling in allocating investigative staff to each committee. It would be my expectation that we could reduce committee staff by at least 10 percent, 173 people, in the first year since we would be eliminating that percent of subcommittees.

To help reduce overlap and duplication in our committee system and further reduce the need for our present subcommittees and staff, I am proposing that we eliminate the joint referral of bills to two or more committees. While split and sequential referrals would be retained, the Speaker would be required to designate one committee as the committee of principal jurisdiction in order to better assign accountability for legislation.

The reduction in subcommittees and Member assignments should also make it possible for us to eliminate the phantom legislative procedures which have only contributed to unrepresentative and often slipshod legislation. My proposal would abolish the practice of proxy voting and replace the present one-third quorum rule for conducting business with the old majority quorum requirement.

To further ensure that our committees and subcommittees are turning

out legislation that is more representative of the House as a whole, my package would require that the majority to minority party ratios on each committee and subcommittee be the same as the party ratio of the House. In the 98th Congress the minority party was slighted some 23 committee seats and 62 subcommittee seats due to inequitable party ratios. In this Congress we have been slighted some 17 committee seats and, it appears, are being even more discriminated against at the subcommittee level. There can be no excuse in a representative democracy such as ours for effectively disenfranchising millions of Americans at such a crucial point in the legislative process.

Finally, my package would revise existing oversight rules to insure that our committees take this important responsibility more seriously. Committees would be required to formally adopt their oversight agendas at the beginning of each Congress and would be held accountable for those plans in their final legislative activity reports at the end of a Congress. Too often committee oversight of executive branch agencies and programs is the neglected stepchild of legislation. And yet our spending and reauthorizing decisions must be based on better information on executive performance if we are to act prudently and frugally. Effective oversight is the key to such sound legislative decisions.

Mr. Speaker, it is my hope that the Rules Committee will undertake a comprehensive review of our committee system in this Congress and in the process give serious consideration to this package of seven committee improvement amendments. The package is not offered with any partisan gain in mind, but rather has been developed with the larger interests of the House as an institution at heart. For if this House out of order does not adopt a new blueprint for a House that works, it will matter little which party had the edge when the walls came tumbling down; our democracy will be the ultimate loser.

At this point in the RECORD, Mr. Speaker, I include a brief summary of the Committee Improvement Amendments of 1985. The summary follows:

BRIEF SUMMARY OF LOTT COMMITTEE IMPROVEMENT AMENDMENTS OF 1985 (H. RES. 110, 99TH CONGRESS, INTRODUCED ON MARCH 21, 1985)

1. *Oversight.*—House Rule X, clause 2(c) would be amended to require that each House standing committee, not later than March 1 in the first session of each Congress, formally adopt oversight plans for that Congress and submit them to the Committee on Government Operations.

No later than March 15, the Committee on Government Operations, after consultation with the bipartisan leadership of the House, shall submit the plans to the House with any recommendations it or the leadership group might make to assure effective coordination of the plans.

The Speaker would be authorized to appoint special ad hoc oversight committees from the membership of committees having overlapping jurisdictions for the purpose of reviewing specific matters within the jurisdictions of those committees.

House Rule XI, clause 1(d) would be amended to require that each committee include in its final report at the end of each congress a separate section on its oversight activities with specific reference to its original oversight plans and a summary of actions taken or recommendations made with respect to those plans and any additional oversight activities undertaken.

2. *Multiple Referral Limitation.*—House Rule X, clause 5(c) would be amended to eliminate the joint referral of bills to more than one committee. Sequential and split referrals would be retained, but the Speaker would designate only one committee as the committee of principal jurisdiction.

3. *Party Ratios.*—House Rule X, clause 6 would be amended to require that party ratios on all House committees (except Standards of Official Conduct), subcommittees, select committees, task forces, subunits, and conference committees shall reflect the party ratio in the House as a whole.

4. *Subcommittee Limits.*—House Rule X, clause 6 would be amended to limit each House standing committee (except Appropriations) to no more than six subcommittees, and limit each House Member to no more than four subcommittee assignments.

5. *Proxy Voting Ban.*—House Rule XI, clause 2(f) would be amended to prohibit proxy voting by any Member in any committee or subcommittee.

6. *Majority Quorum.*—House Rule XI, clause 2(h)(2) would be amended to require a majority quorum on committees and subcommittees for the transaction of any business.

7. *Staff Ceiling.*—House Rule XI, clause 5 would be amended to prohibit the adoption of any committee funding resolution until the House had adopted a resolution reported from the House Administration Committee establishing an overall limit on committee staff personnel for that year.

In developing the committee funding resolutions, the Committee on House Administration shall specify in the resolution the number of staff positions authorized by the resolution and shall indicate in the report that the figure is in conference with the overall committee staff ceiling adopted by the House.

In no event shall the total number of additional staff positions authorized in such funding resolution, together with the total number of statutory staff already authorized by House Rule XI, clause 6, exceed the ceiling established by the House for that year.

No supplemental committee funding resolutions may be adopted which provide for staff in excess of the ceiling adopted by the House unless such resolutions are adopted by a two-thirds vote.●

THE 164TH ANNIVERSARY OF GREEK INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on March 25, 1821, the Greeks embarked on their long and arduous struggle for self-determination, for it was on that date, known today as Greek Independence Day, that the Greek people began a series of uprisings against their Turkish oppressors.

In 1814, Greek merchants formed a secret organization known as the Society of Friends to plan a methodical conspiracy for a general uprising of all Greek inhabitants of the European section of the Sultan's Empire. Seven years later, in 1821, the revolution broke out achieving successes from the beginning, especially in the Peloponnese, central Greece, and the Aegean Islands.

The nucleus of the liberation army of the Greeks consisted of small battle-hardened groups of guerrillas known as "klephtes," which despite their isolation and lack of coordination, had been fighting against Turkish power for centuries. Thousands of inexperienced Greeks joined these guerrilla groups and received training in the art of warfare.

On January 1, 1822, at Epidaurus, the national assembly met to proudly proclaim Greek independence, and introduced a constitution, while the Greek military continued to fight the Turks. The broad spirit of Greek nationalism, almost unique in history, roused the people of Europe, and Philhellenism became a movement of great force in the United States as well. Thousands of soldiers, politicians, intellectuals, and scientists, moved and enraptured by the heroic struggle of the Greeks in revolt, came to Greece and fought bravely with the Greek people, while at the same time special committees were set up in various European countries to collect money and supplies for the Greeks and aid them in their fight to live freely.

When the Sultan attempted to oppose the diplomatic representatives of Great Britain, France, and Russia, the united fleets of these countries provided a final military solution, attacking and decimating the Turkish fleet at the Battle of Navarino on October 20, 1827. Beginning with diplomatic notes, and ending with a peace treaty, the Sultan was forced to concede national political independence to the Greek revolutionaries.

Mr. Speaker, the civilization which flourished in Athens in the millenium before the birth of Christ gave rise to the democratic principles which we cherish in the free world today, and Greek philosophy, art, literature, and science have had a lasting impact on Western civilization. Greece's golden age has truly left a rich legacy which has helped to shape our own traditions, and Greek immigrants who have come to American shores have contributed mightily to our national life in many fields. The ties of friendship that have linked our two nations over the decades have grown stronger and

we have stood together in war and peace.

It is therefore a pleasure for me to extend my greetings to Americans of Greek descent in the 11th Congressional District of Illinois which I am honored to represent, and Greek Americans in Chicago and throughout our Nation, who are commemorating this inspiring event in the history of freedom.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. THOMAS of California, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, 60 minutes, today.

Mr. GONZALEZ, 60 minutes, March 25.

Mr. GONZALEZ, 60 minutes, March 27.

Mr. GONZALEZ, 60 minutes, March 28.

(The following Members (at the request of Mr. MCKERNAN) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS of Oklahoma, for 60 minutes, April 2.

Mr. SMITH of New Jersey, for 10 minutes, today.

Mr. MADIGAN, for 30 minutes, today.

Mr. ROWLAND of Connecticut, for 5 minutes, today.

Mr. LOTT, for 30 minutes, today.

Mr. COBEY, for 5 minutes, today.

(The following Members (at the request of Mr. ALEXANDER) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. HAMILTON, for 5 minutes, today.

Mr. WEAVER, for 60 minutes, today.

Mr. LAFALCE, for 10 minutes, today and March 26.

Mr. TAUZIN, for 30 minutes, March 27.

Mr. PICKLE, for 30 minutes, April 22.

(The following Member (at the request of Mr. SWINDALL) to revise and extend his remarks and include extraneous material:)

Mr. BURTON of Indiana, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCKERNAN) and to include extraneous matter:)

Mr. CAMPBELL.

Mr. MCMILLIAN in two instances.

Mr. LIGHTFOOT in two instances.

Mr. SCHULZE.

Mrs. BENTLEY.

Mrs. VUCANOVICH.

Mr. GREEN.

Ms. SNOWE.

Mr. SHUSTER.

Mrs. JOHNSON.

Mr. FAWELL.

Mr. MICHEL in two instances.

(The following Members (at the request of Mr. ALEXANDER) and to include extraneous matter:)

Mr. FUSTER in two instances.

Mr. CONYERS.

Mr. PENNY.

Mr. MILLER of California.

Mr. FRANK in two instances.

Mr. BEILENSON.

Ms. OAKAR in two instances.

Mr. ROE in two instances.

Mr. WISE in two instances.

Mr. KANJORSKI.

Mr. JACOBS.

Mrs. BURTON of California.

Mr. GRAY of Illinois in two instances.

Mr. LOWRY of Washington.

Mr. WYDEN.

Mr. LEVINE of California.

Mr. EVANS of Illinois.

Mr. GARCIA.

Mr. FLORIO.

Mr. HOYER.

Mr. WEISS.

Mr. HALL of Ohio.

Mr. ROEMER.

Mr. DICKS.

Mr. ATKINS.

Mr. MRAZEK.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 91. Joint resolution to designate March 21, 1985, as "Afghanistan Day"; to the Committee on Foreign Affairs and the Committee on Post Office and Civil Service.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on March 20, 1985, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 85. Joint resolution to designate the week of March 24, 1985, through March 30, 1985, as "National Skin Cancer Prevention and Detection Week."

ADJOURNMENT

Mr. SMITH of New Jersey. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 4 minutes p.m.), under its previous order, the House adjourned until Monday, March 24, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

812. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend section 1448 of title 10, United States Code, to provide more equitable treatment under the Survivor Benefit Program for the surviving spouses of certain commissioned officers of the Armed Forces; to the Committee on Armed Services.

813. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting proceedings of the 85th National Convention of the Veterans of Foreign Wars of the United States, held in Chicago, IL, August 17-24, 1984, pursuant to 36 U.S.C. 118; 44 U.S.C. 1332 (H. Doc. No. 99-42); to the Committee on Armed Services and ordered to be printed.

814. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-15, "D.C. Housing Finance Agency Act Amendment Temporary Act of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

815. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-14, "D.C. Commission on Baseball Amendment Act of 1985," report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

816. A letter from the Chairman, National Arthritis Advisory Board, transmitting the Board's 1984 annual report; to the Committee on Energy and Commerce.

817. A letter from the Chairman, Securities and Exchange Commission, transmitting a draft of proposed legislation to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisors Act of 1940 to make certain technical, clarifying, and conforming amendments; to the Committee on Energy and Commerce.

818. A letter from the Chairman and Chief Executive Officer, Consolidated Rail Corporation, transmitting the Consolidated Rail Corporation's annual report for 1984, pursuant to Public Law 93-2436, section 307(b) (90 Stat. 99); to the Committee on Energy and Commerce.

819. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the status of each loan and contract of guaranty or insurance to which there remains outstanding any unpaid obligation or potential liability and the status of each extension of credit for the procurement of defense articles or services, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

820. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Fernando Enrique Rondon of Virginia, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Ecuador, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

821. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report

of political contributions by Faith Ryan of Pennsylvania to be Ambassador Extraordinary and Plenipotentiary to Switzerland, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

822. A letter from the Director, Peace Corps, transmitting a draft of proposed legislation to enable the Peace Corps to continue its efforts on behalf of world peace and friendship for fiscal years 1986 and 1987; to the Committee on Foreign Affairs.

823. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during February, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

824. A letter from the Administrator, Veterans' Administration, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

825. A letter from the Assistant Secretary for Administration, Department of Commerce, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

826. A letter from the Chairman, National Capital Planning Commission, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

827. A letter from the Director, Office of Personnel Management, transmitting as evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

828. A letter from the Director, Selective Service System, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

829. A letter from the Director, Office of Managment and Budget, transmitting a draft of proposed legislation to extend and revise the authority of the President under chapter 9 of title 5, United States Code, to transmit to the Congress plans for the reorganization of the agencies of the executive branch of the Government; to the Committee on Government Operations.

830. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting a proposed contract with Yuma County Water Users Association, Yuma Project, AZ, for drainage works and minor construction over $200,000, pursuant to the act of June 13, 1956, chapter 382, to the Committee on Interior and Insular Affairs.

831. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting notification of the necessity to make structural modifications to the Jackson Lake Dam, Minidoka Project, Wyoming-Idaho, pursuant to Public Law 95-578, section 5; to the Committee on Interior and Insular Affairs.

832. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to eliminate duplicative Federal Register notices relating to the Commission's Agreement State Program; to the Committee on Interior and Insular Affairs.

833. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act to clarify that the Nuclear Regulatory Commission is authorized to protect from public disclosure certain sensitive generic safeguards information, the disclosure of which could negate or compromise site specific security measures; to the Committee on Interior and Insular Affairs.

834. A letter from the Commissioner, Immigration and Naturalization Service, transmitting a report on waivers granted from certain admissibility requirements for refugees, pursuant to INA, section 207(c)(3) (94 Stat. 103); to the Committee on the Judiciary.

835. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend title 18 of the United States Code to make it a criminal offense to kill or forcibly assault, resist, oppose, impede, imtimidate or interfere with an NRC employee who is performing his official duties; to the Committee on the Judiciary.

836. A letter from the Chairwoman, Personnel Appeals Board, General Accounting Office, transmitting the Board's annual report; to the Committee on Post Office and Civil Service.

837. A letter from the Acting Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

838. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Climate Program Act to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Science and Technology.

839. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to increase the statutory rates of disability compensation for veterans and rates of dependency and indemnity compensation for surviving spouses and children of veterans; to the Committee on Veterans' Affairs.

840. A letter from the Under Secretary of Labor, transmitting the 10th annual report of the activities and financial statements of the Pension Benefit Guaranty Corporation, pursuant to Public Law 93-406, section 4008; jointly, to the Committees on Education and Labor and Ways and Means.

841. A letter from the Comptroller General of the United States, transmitting a report entitled "Debentures Not Serving Purposes HUD Intended—Legislative Changes Could Help Increase Effectiveness And Minimize Interest Costs," (GAO/RCED-85-38, March 13, 1985); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

842. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend section 206 of the Energy Reorganization Act of 1974, as amended, to clarify notification requirements for noncompliance; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

843. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act to provide criminal sanctions for an act of sabotage of a nuclear powerplant during its construction which could affect the public health and safety were it to go undetected; jointly, to the Committees on Interior and Insular Affairs and the Judiciary.

844. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to provide applicants for, or holders of a production facility license or a utilization facility license with access to certain Federal criminal history records; jointly, to the Committees on Interior and Insular Affairs and the Judiciary.

845. A letter from the Comptroller General of the United States, transmitting a report entitled "Effects of Liabilities Assessed Employers Withdrawing From Multiemployer Pension Plans" (GAO/HRD-85-16, March 14, 1985); jointly, to the Committees on Government Operations, Education and Labor, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of Oklahoma:

H.R. 1641. A bill to amend title II of the Social Security Act and related provisions of law to make minor improvements and necessary technical changes; to the Committee on Ways and Means.

By Mr. AKAKA:

H.R. 1642. A bill to modify the navigation project for Honolulu Harbor, HI, to direct the Army Corps of Engineers to maintain a 23-foot depth in Kalihi Channel, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1643. A bill to authorize the Secretary of the Army to construct certain flood control and navigation projects in the State of Hawaii, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ARMEY (for himself, Mr. FUSTER, Mr. GALLO, Mr. CONTE, Mr. BARTON of Texas, Mr. SHELBY, Mr. SOLOMON, Mrs. JOHNSON Mr. LIPINSKI, Mr. GROTBERG, Mr. DELAY, Mr. COMBEST, Mr. LOTT, Mr. BOULTER, and Mr. YOUNG of Alaska):

H.R. 1644. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to education savings accounts and to provide that amounts paid from such an account for educational expenses shall never be subject to income tax; to the Committee on Ways and Means.

By Mr. BEILENSON:

H.R. 1645. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require manufacturers of passenger cars to furnish information relating to the crashworthiness of the cars to prospective car buyers; to the Committee on Energy and Commerce.

By Mr. BIAGGI:

H.R. 1646. A bill to amend the Federal Aviation Act of 1958 to require commercial passenger-carrying aircraft to be equipped with smoke detectors and automatic fire extinguishers in all aircraft lavatories and galley areas; to the Committee on Public Works and Transportation.

H.R. 1647. A bill to amend the Federal Aviation Act of 1958 to encourage inflight emergency medical care aboard passenger-carrying aircraft; to the Committee on Public Works and Transportation.

By Mr. BONKER (for himself, Mr. ANTHONY, Mr. ALEXANDER, Mr. AUCOIN, Mr. BORSKI, Mr. CALLAHAN,

Mr. CHANDLER, Mr. CRAIG, Mr. DICKINSON, Mr. DICKS, Mr. FOLEY, Mr. HUBBARD, Mr. LOWRY of Washington, Mr. MCKERNAN, Mr. MORRISON of Washington, Mr. RAHALL, Mr. ROBINSON, Mr. DENNY SMITH, Ms. SNOWE, Mr. STALLINGS, Mr. SWIFT, Mr. TALLON, Mr. WATKINS, Mr. WEAVER, Mr. MILLER of Washington, Mr. WILLIAMS, and Mr. WYDEN):

H.R. 1648. A bill to amend the Trade Act of 1974 to promote expansion of international trade in wood products, and for other purposes; to the Committee on Ways and Means.

By Mr. DORNAN of California (for himself, Mr. SILJANDER, Mr. DAUB, Mr. WEBER, Mr. BLAZ, Mr. WILSON, Mr. CRANE, Mr. BADHAM, and Mr. SHUMWAY):

H.R. 1649. A bill to provide for the withdrawal of the United States from treaties and international agreements violated by Communist regimes, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MADIGAN (for himself, Mr. WAXMAN, Mr. ECKART of Ohio, Mr. LENT, Mr. CARNEY, Mr. FOLEY, Mr. TAUKE, Ms. MIKULSKI, Mr. OXLEY, Mr. SIKORSKI, Mr. RINALDO, Mr. LELAND, Mr. BOEHLERT, and Mr. DOWNEY of New York):

H.R. 1650. A bill to amend the Safe Drinking Water Act; to the Committee on Energy and Commerce.

By Mr. DORNAN of California (for himself, Mr. SILJANDER, Mr. DAUB, Mr. WEBER, Mr. BLAZ, Mr. WILSON, Mr. CRANE, Mr. BADHAM, and Mr. SHUMWAY):

H.R. 1651. A bill to prohibit the importation into the United States of articles of foreign businesses that export certain goods and technology from Communist regimes, and for other purposes; to the Committee on Ways and Means.

By Mr. ERDREICH:

H.R. 1652. A bill to amend the Internateral Revenue Code of 1954, concerning the requirement for separate mailings of IRS 1099 statements; to the Committee on Ways and Means.

By Mr. FUSTER:

H.R. 1653. A bill to amend the Food Stamp Act of 1977 to repeal the noncash benefit requirement for the Puerto Rico Nutrition Assistance Program carried out under such act and to require that the maximum amount of the block grant payable to Puerto Rico be adjusted to reflect food price changes in Puerto Rico; to the Committee on Agriculture.

H.R. 1654. A bill to amend title 38, United States Code, to extend for 1 year the authority of the Veterans' Administration to provide certain contract medical services in Puerto Rico and the Virgin Islands; to the Committee on Veterans' Affairs.

By Mr. GEJDENSON:

H.R. 1655. A bill to authorize funds for fiscal year 1986 for carrying out the International Travel Act of 1961; to the Committee on Energy and Commerce.

By Mr. GLICKMAN:

H.R. 1656. A bill to provide price and income protection for farmers; to make persons who produce agricultural commodities on highly erodible land ineligible for certain agriculture-related programs; to require the collection and dissemination of financial information with respect to certain grain storage facilities; and for other purposes; to the Committee on Agriculture.

By Mr. GREEN:

H.R. 1657. A bill to amend the Internal Revenue Code of 1954 to disregard, in the valuation for estate tax purposes of certain items created by the decedent during his life, any amount which would have been ordinary income if such item has been sold by the decedent at its fair market value, to allow a charitable deduction based on the fair market value of such items, and for other purposes; to the Committee on Ways and Means.

By Mr. GUARINI (for himself, Mr. STARK, and Mr. FRENZEL):

H.R. 1658. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of business development companies; to the Committee on Ways and Means.

By Mr. HAMILTON (for himself, Mr. COURTER, Mr. MITCHELL, Mr. BERMAN, Mr. BEDELL, Mrs. BOXER, Mr. FASCELL, Mr. FAZIO, Mr. HUGHES, Mr. LANTOS, Mr. MILLER of California, Mr. OLIN, Mr. RAHALL, Mr. ROE, Mr. ROSE, Mr. DENNY SMITH, Mr. SMITH of Florida, and Mr. VENTO):

H.R. 1659. A bill to amend section 1105 of title 31, United States Code, relating to the President's budget to require it to separately set forth the annual budget of the Federal Reserve System; to the Committee on Government Operations.

By Mr. WISE:

H.R. 1660. A bill to amend the Solid Waste Disposal Act and the Toxic Substances Control Act to prevent releases of toxic and hazardous substances which are presently not adequately controlled, to establish a community right to know of the risks associated with hazardous substances to which they may be exposed, to protect the rights of individuals exposed to hazardous substances, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1661. A bill to amend the Clean Air Act to provide for the control of hazardous air pollutants from stationary and mobile sources; to the Committee on Energy and Commerce.

By Mr. HUNTER (for himself and Mr. LUNGREN):

H.R. 1662. A bill to reaffirm the policy in current law concerning construction of U.S naval vessels on the Pacific coast and to direct the President to report to Congress on the implementation of that policy; to the Committee on Armed Services.

By Mr. JEFFORDS:

H.R. 1663. A bill to amend title 23, United States Code, to repeal the national minimum drinking age and to authorize certain education programs to be eligible for alcohol traffic safety grants; to the Committee on Public Works and Transportation.

H.R. 1664. A bill to amend title 23, United States Code, to authorize under the national minimum drinking age provision a State adjacent to a foreign country to allow the purchase and consumption of an alcoholic beverage on the premises of certain establishments by any person who is 18, 19, or 20 years old, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1665. A bill to amend title 23, United States Code, to authorize a State under the national minimum drinking age provision to allow the purchase and consumption of an alcoholic beverage on the premises of certain establishments by any person who is 18, 19, or 20 years old, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. JOHNSON (for herself, Mr. BOLAND, Mr. DONNELLY, Mr. MORRISON of Connecticut, Mr. FRANK, Mr. ROWLAND of Connecticut, Mr. ST GERMAIN, and Mrs. KENNELLY):

H.R. 1666. A bill to recognize and grant a Federal charter to the Franco-American War Veterans, Inc.; to the Committee on the Judiciary.

By Mrs. KENNELLY:

H.R. 1667. A bill to allow a deduction for certain freight forwarder operating authorities; to the Committee on Ways and Means.

By Mr. LEVINE of California (for himself, Mr. GILMAN, Mrs. SCHNEIDER, Mr. UDALL, Mrs. SCHROEDER, Mr. HORTON, Mr. JONES of Oklahoma, and Mr. FROST):

H.R. 1668. A bill to amend title 39, United States Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration; to the Committee on Post Office and Civil Service.

By Mr. LOWRY of Washington (for himself and Mr. LEACH of Iowa):

H.R. 1669. A bill to establish a National Endowment for the Homeless; to the Committee on Banking, Finance and Urban Affairs.

By Ms. MIKULSKI:

H.R. 1670. A bill to amend title 4 of the United States Code to complete the official seal of the United States; to the Committee on the Judiciary.

By Mr. MITCHELL:

H.R. 1671. A bill to prohibit the Commodity Credit Corporation from extending any loans, credits, guarantees, or other financing to the Republic of South Africa; to the Committee on Foreign Affairs.

By Ms. OAKAR:

H.R. 1672. A bill to amend the Federal Food, Drug, and Cosmetic Act to strengthen the authority of the Food and Drug Administration to control the use of drugs which present risks to the public and to secure data on adverse reactions to drugs, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1673. A bill to require that diet drugs containing phenylpropanolamine be dispensed only upon prescription; to the Committee on Energy and Commerce.

H.R. 1674. A bill to provide financial assistance for programs for the prevention, identification, and treatment of elder abuse, neglect, and exploitation, to establish a National Center on Elder Abuse, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. OWENS:

H.R. 1675. A bill to provide for fair and nonpartisan administration of Federal elections; to the Committee on House Administration.

H.R. 1676. A bill to amend title 38, United States Code, to provide that surviving spouses of enlisted members of the Armed Forces who served during a period of war before World War II and who died of a service-connected disability shall be entitled to dependency and indemnity compensation [DIC] at no less than the rates for the surviving spouses of veterans whose highest pay grade was E-3; to the Committee on Veterans' Affairs.

H.R. 1677. A bill to provide a deduction for employment expenses which are incurred by the taxpayer for the care of certain individuals in the home or in a dependent care center if such care is necessary for the gainful employment of the taxpayer or a member of the household of which any

such individual is a member; to the Committee on Ways and Means.

H.R. 1678. A bill to amend the Internal Revenue Code of 1954 to provide that consolidated returns may not be filed by certain corporations which are dominant in any market with respect to any product; to the Committee on Ways and Means.

By Mr. REGULA:

H.R. 1679. A bill to establish as an executive department of the Government of the United States a Department of Trade, and for other purposes; to the Committee on Government Operations.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 1680. A bill to strengthen and refine the provisions of the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933 and the National Housing Act, to provide for more flexible premium assessment procedures, to improve insurance of accounts provisions, to establish priorities among claimants against the estates of failed institutions, to improve and clarify enforcement authority, to strengthen holding company provisions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. SCHROEDER (for herself, Mr. ATKINS, Mr. FAUNTROY, Mr. RAHALL, Mrs. BURTON of California, Mr. WHEAT, Mrs. BOXER, and Mr. LANTOS):

H.R. 1681. A bill to improve benefits for military families; to the Committee on Armed Services.

By Mr. SKELTON:

H.R. 1682. A bill to amend title XVIII of the Social Security Act to provide for payment of hospitals under the DRG prospective payment system on the basis of a blend of hospital-specific rates and a national rate, depending on the degree of variation of costs within specific diagnosis-related groups; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey:

H.R. 1683. A bill to remove the limitation of 5 years on the service of Peace Corps employees; to the Committee on Foreign Affairs.

H.R. 1684. A bill to amend the Immigration and Nationality Act to provide preferential treatment in the admission of certain children of U.S. citizens, which children have been or will be adopted by U.S. citizens; to the Committee on the Judiciary.

By Ms. SNOWE (for herself and Mr. MCKERNAN):

H.R. 1685. A bill to establish a permanent boundary for the Acadia National Park in the State of Maine, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. VUCANOVICH:

H.R. 1686. A bill to designate certain National Forest System lands in the State of Nevada for inclusion in the National Wilderness Preservation System, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. WHITTEN:

H.R. 1687. A bill to restore rights accorded private citizens against slander and libel to public officials and candidates for public office; to the Committee on the Judiciary.

H.R. 1688. A bill to provide for determination through judicial proceedings of claims for compensation on account of disability or death resulting from disease or injury incurred or aggravated in line of duty while serving in the active military or naval service, including those who served during peacetime, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WILLIAMS (for himself, Mr. RICHARDSON, Mr. ECKART of Ohio, Mr. DORGAN of North Dakota, Mr. LELAND, Mr. OWENS, Mr. YATRON, and Mr. HALL of Ohio):

H.R. 1689. A bill to create an American Boxing Corp.; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. WYDEN (for himself, Mr. GEPHARDT, and Mr. SCHUMER):

H.R. 1690. A bill to provide for a demonstration program in which a limited number of States would be permitted to provide unemployment compensation to individuals for the purpose of funding self-employment; to the Committee on Ways and Means.

By Mr. ANDERSON:

H.J. Res. 199. Joint resolution designating the period beginning April 8, 1986, and ending May 6, 1986, as "Bataan-Corregidor Month"; to the Committee on Post Office and Civil Service.

By Mr. DICKS (for himself and Mr. CONTE):

H.J. Res. 200. Joint resolution designating October 1985 as "National Head Injury Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. WHITTEN:

H.J. Res. 201. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. HAMILTON:

H. Con. Res. 92. Concurrent resolution to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America; considered and agreed to.

By Mr. DURBIN:

H. Con. Res. 93. Concurrent resolution urging the extension of the voluntary restraint agreement affecting imports of Japanese-built motor vehicles; to the Committee on Ways and Means.

By Mr. FRANK:

H. Con. Res. 94. Concurrent resolution to request that the President issue a proclamation designating July 4 of each year as the principal national permanent legal holiday; to the Committee on Post Office and Civil Service.

By Mr. HAWKINS (for himself, Mr. KILDEE, Mr. CONTE, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. FORD of Michigan, Mr. MARTINEZ, Mr. OWENS, Mr. BOUCHER, Mr. HAYES, Mr. PERKINS, Mr. SOLARZ, Mr. DYMALLY, Mr. ATKINS, Mr. CARR, Mr. PETRI, Mr. GAYDOS, Mr. MCKERNAN, Mr. HENRY, Mr. TAUKE, Mr. CHANDLER, and Mr. WILLIAMS):

H. Con. Res. 95. Concurrent resolution commemorating the 20th anniversary of Head Start; to the Committee on Education and Labor.

By Mr. MRAZEK:

H. Con. Res. 96. Concurrent resolution declaring it to be the sense of Congress that any freeze of cost-of-living adjustments which may be imposed during 1985 as a deficit reduction measure should not apply to Social Security beneficiaries who were born in 1917 or thereafter and who (because of their date of birth) are already suffering from the adverse effects of the "notch" created by the Social Security Amendments of 1977; to the Committee on Ways and Means.

By Mr. OWENS:

H. Con. Res. 97. Concurrent resolution expressing the sense of the Congress regarding the use of Federal funds to purchase a portrait or any other artwork depicting any Federal officers or employees; to the Committee on Government Operations.

By Mr. LOTT:

H. Res. 110. Resolution to amend the Rules of the House to make the committee system more manageable, representative, and responsive by reducing the number of subcommittees and member subcommittee assignments, eliminating the joint referral of bills and proxy voting, restoring equitable party ratio and majority quorum requirements, placing limits on the number of committee staff, and improving congressional oversight; to the Committee on Rules.

By Mr. BATES:

H. Res. 111. Resolution to amend the Rules of the House of Representatives to prohibit the consideration in the House of legislation providing for the designation of commemorative days or other periods; to the Committee on Rules.

By Mr. SCHULZE (for himself and Mr. GRAY of Pennsylvania):

H. Res. 112. Resolution establishing the House of Representatives Minority Student Intern Program; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII memorials were presented and referred as follows:

45. By the SPEAKER: Memorial of the Legislature of the State of Hawaii, relative to sugar; to the Committee on Agriculture.

46. Also, memorial of the Legislature of the State of Arkansas, relative to the Soil Conservation Service; to the Committee on Agriculture.

47. Also, memorial of the Legislature of the State of New Hampshire, relative to pay to Federal legislators; to the Committee on the Judiciary.

48. Also, memorial of the Legislature of the State of Washington, relative to Willfried and Ilona Schorno; to the Committee on the Judiciary.

49. Also, memorial of the Legislature of the State of Idaho, relative to a new lock at Bonneville Dam; to the Committee on Public Works and Transportation.

50. Also, memorial of the Legislature of the State of North Dakota, relative to bankruptcy and Federal tax; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GOODLING:

H.R. 1691. A bill for the relief of Mohammed H. Quader, and his wife Nurjehan K. Quader; to the Committee on the Judiciary.

H.R. 1692. A bill for the relief of Joseph Willbroad Mayanja; to the Committee on the Judiciary.

By Mr. LANTOS:

H.R. 1693. A bill for the relief of Enrique Montano Ugarte; to the Committee on the Judiciary.

By Mr. McCANDLESS:

H.R. 1694. A bill for the relief of Viola P. Warbis; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. PORTER.

H.R. 26: Mr. MITCHELL, Mrs. JOHNSON, Mr. COLEMAN of Texas, Mr. RITTER, Mr. KOLBE, and Mr. FORD of Tennessee.

H.R. 36: Mr. LEHMAN of California and Mr. DIXON.

H.R. 56: Mr. DARDEN, Mr. MOORE, Mr. BONER of Tennessee, Mr. DOWDY of Mississippi, Mr. ANTHONY, Mr. JENKINS, Mr. JONES of North Carolina, Mr. MITCHELL, and Mr. DUNCAN.

H.R. 99: Mr. AUCOIN.

H.R. 429: Mr. SILJANDER, Mr. KRAMER, Mr. STRANG, Mr. DREIER of California, Mr. CRANE, Mr. FORD of Michigan, Mr. FRENZEL, Mr. MARTINEZ, Mr. YOUNG of Florida, Mr. DAVIS, Mrs. BENTLEY, Mr. MITCHELL, Mr. MORRISON of Washington, and Mr. PASHAYAN.

H.R. 431: Mr. WORTLEY, Mr. SMITH of Florida, Mr. DUNCAN, Mr. GOODLING, Mr. KILDEE, Mr. ASPIN, Mr. KASICH, Mr. MCGRATH, Mr. STRATTON, Mr. WILSON, Mr. BOEHLERT, and Mr. HENDON.

H.R. 465: Mr. FASCELL, Ms. MIKULSKI, Mr. WEAVER, Mrs. LLOYD, Mr. GUARINI, Mr. ANDERSON, and Mr. FAZIO.

H.R. 555: Mr. TAUKE, Mr. HUNTER, Mr. CRAIG, Mr. BIAGGI, Mr. RINALDO, Mr. BARTON of Texas, Mr. EMERSON, Mr. COBEY, Mr. DAUB, Mr. DEWINE, Mr. CRANE, and Mr. LIVINGSTON.

H.R. 600: Mr. ROTH, Mr. ARMEY, Mrs. JOHNSON, Mr. FRANKLIN, Mr. SILJANDER, Mr. MONSON, Mr. LOEFFLER, Mr. SCHUETTE, Mr. MACK, Mr. NELSON of Florida, Mr. HAYES, Mr. FASCELL, Mr. NOWAK, Mr. FEIGHAN, Mr. MCCANDLESS, Mr. SWINDALL, Mr. HAMMERSCHMIDT, Mr. KASICH, Mr. HUNTER, Mr. SHELBY, Mr. TALLON, Mr. LIPINSKI, Mrs. HOLT, Mr. FISH, Mr. CHANDLER, Mrs. VUCANOVICH, Mr. BARNES, Mr. BRUCE, Mr. BATEMAN, Mr. SHARP, Mr. OBEY, Mr. ORTIZ, Mr. ANDERSON, and Mr. BOSCO.

H.R. 605: Mr. KASICH, Mr. WORTLEY, Mr. SMITH of New Hampshire, Mrs. BENTLEY, Mr. LIPINSKI, and Mr. DIOGUARDI.

H.R. 632: Mr. CLAY, Mr. ANDREWS, Mr. RANGEL, Mr. DIXON, and Mr. MARTINEZ.

H.R. 635: Ms. MIKULSKI.

H.R. 639: Mr. MARTINEZ and Mr. FASCELL.

H.R. 640: Mr. MARTINEZ.

H.R. 816: Mr. LIVINGSTON.

H.R. 880: Mr. ROWLAND of Connecticut, Mrs. SCHNEIDER, and Mr. MORRISON of Washington.

H.R. 882: Mr. IRELAND, Mr. REID, Mr. FORD of Tennessee, Mr. RICHARDSON, and Mr. YOUNG of Florida.

H.R. 901: Mr. DELLUMS, Mr. TOWNS, Mr. WIRTH, Mr. MARTINEZ, Mr. REID, and Mr. FORD of Tennessee.

H.R. 913: Mr. DWYER of New Jersey.

H.R. 988: Mr. WEISS, Mr. LAFALCE, Mr. MAZZOLI, Mrs. BOXER, Mr. SMITH of New Jersey, Mr. SHARP, and Mr. PURSELL.

H.R. 1000: Mr. YOUNG of Alaska.

H.R. 1017: Mr. OBERSTAR.

H.R. 1046: Mr. HUCKABY and Mr. LIVINGSTON.

H.R. 1082: Mr. CHENEY.

H.R. 1090: Mr. MAVROULES, Mr. RODINO, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Mr. GLICKMAN, Mrs. COLLINS, and Mrs. KENNELLY.

H.R. 1142: Mr. HANSEN.

H.R. 1161: Mr. ECKART of Ohio, Mr. GLICKMAN, Mr. KILDEE, Mr. EVANS of Illinois, Mr. O'BRIEN, Mr. RANGEL, Mr. ROSE, and Mr. STAGGERS.

H.R. 1213: Mr. WHITLEY and Mr. HOYER.

H.R. 1257: Mr. DREIER of California, Mr. KOLBE, Mr. SCHULZE, Mr. PEASE, and Mr. WORTLEY.

H.R. 1263: Mr. DELAY, Mr. SILJANDER, Mr. LAGOMARSINO, Mr. SENSENBRENNER, Mr. FUSTER, Mr. FIELDS, Mr. UDALL, Mr. WEBER, Mr. BLAZ, Mr. THOMAS of Georgia, Mr. GALLO, Mr. GARCIA, Mr. DANIEL, Mr. CRANE, AND Mr. LOTT.

H.R. 1272: Mr. BERMAN, Mr. PANETTA, Mr. SMITH of Florida, Mrs. BURTON of California, Mr. DICKS, and Mr. SAXTON.

H.R. 1294: Mr. ADDABBO.

H.R. 1347: Mr. CRANE.

H.R. 1348: Mr. LEVINE of California.

H.R. 1392: Mr. RICHARDSON and Mr. WHITLEY.

H.R. 1395: Mr. EVANS of Illinois, Mr. MILLER of Washington, Mr. SMITH of New Jersey, Mr. MCGRATH, Mr. RITTER, Mr. BEREUTER, Mr. LIGHTFOOT, Mr. WHITEHURST, Mr. KOLBE, Mr. GLICKMAN, Mr. STENHOLM, Mrs. BENTLEY, Ms. SNOWE, and Mr. CRANE.

H.R. 1436: Mr. STOKES and Mr. RICHARDSON.

H.R. 1442: Mr. WEISS, Mr. HOWARD, and Mr. FOGLIETTA.

H.R. 1523: Mr. TOWNS, Mr. ROYBAL, Mr. SAVAGE, Mr. GLICKMAN, Mr. RODINO, Mr. BARNES, Mr. FORD of Tennessee, Mr. ROE, Mr. YOUNG of Missouri, Mr. SMITH of Florida, and Mrs. BURTON of California.

H.R. 1524: Mr. CLAY, Mr. DELLUMS, Mr. SAVAGE, Mr. ATKINS, Mr. BIAGGI, Mr. SMITH of Florida, Mr. GARCIA, Mr. BERMAN, Mrs. BOXER, Mr. STOKES, and Mr. RICHARDSON.

H.R. 1615: Mr. CRANE and Mr. DORGAN of North Dakota.

H.J. Res. 25: Mr. PEPPER, Mr. WAXMAN, Mr. BONIOR of Michigan, Mr. PANETTA, Mr. RODINO, Mr. ORTIZ, Mr. NIELSON of Utah, Mr. MOORE, Mr. BROOKS, Mr. STANGELAND, Mr. MORRISON of Connecticut, Mr. STRANG, Mr. TALLON, Mr. TOWNS, Mr. SIKORSKI, Mr. COURTER, Mr. GRAY of Pennsylvania, Mr. JEFFORDS, Mr. LEVIN of Michigan, Mr. DORNAN of California, Mr. GUARINI, Mr. OLIN, Mr. TRAXLER, Mr. SKELTON, and Mr. MICHEL.

H.J. Res. 27: Mr. STALLINGS, Mr. CHAPPIE, Mr. VALENTINE, Mr. BEREUTER, Mr. DORNAN of California, Mr. DERRICK, Mr. FAWELL, Mr. MONSON, Mr. MCMILLAN, Mr. LIGHTFOOT, Mr. SNYDER, Mr. ROBERTS, and Mr. SKELTON.

H.J. Res. 91: Mr. SMITH of New Jersey, Mr. COBEY, and Mr. DAUB.

H.J. Res. 94: Mr. DEWINE and Mr. YOUNG of Florida.

H.J. Res. 100: Mr. ADDABBO, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. BATEMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BLILEY, Mr. BONER of Tennessee, Mr. BOUCHER, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CALLAHAN, Mrs. COLLINS, Mr. COUGHLIN, Mr. CROCKETT, Mr. DANIEL, Mr. DAVIS, Mr. DYMALLY, Mr. EDGAR, Mr. EMERSON, Mr. FASCELL, Mr. FAUNTROY, Mr. FLIPPO, Mr. FOWLER, Mr. FRENZEL, Mr. GREEN, Mr. RALPH M. HALL, Mr. HARTNETT, Mr. HAYES, Mr. HOYER, Mr. JEFFORDS, Mr. JENKINS, Mr. KASTENMEIER, Mr. KEMP, Mr. KOSTMAYER, Mr. LIVINGSTON, Mr. LOWRY of Washington, Mr. LUNDINE, Mr. LUNGREN, Mr. MCGRATH, Mr. MCKERNAN, Mr. MOORE, Mr. NATCHER, Mr. NOWAK, Mr. O'BRIEN, Mr. ORTIZ, Mr. RAHALL, Mr. ROGERS, Mr. ROWLAND of Georgia, Mr. ST GERMAIN, Mr. SCHUMER, Mr. SHELBY, Mr. SHUMWAY, Mr. SLAUGHTER, Mr. SMITH of New Hampshire, Mr. SNYDER, Mr. SOLARZ, Mr. STUMP, Mr. SYNAR, Mr. TORRICELLI, Mr. TOWNS, Mr. WHEAT, and Mr. WILSON.

H.J. Res. 135: Mr. NEAL, Mr. FEIGHAN, Mr. JENKINS, Mr. WAXMAN, Mr. MORRISON of Washington, Mr. HEFTEL of Hawaii, Mr. BERMAN, Mr. BUSTAMANTE, Mr. KANJORSKI, Mr. REID, Mr. MOAKLEY, Mr. EMERSON, Mr. DARDEN, Mr. FOWLER, Mr. STRATTON, Mr. BARNARD, Mr. WRIGHT, Mr. WOLPE, Mr. GUARINI, Mr. DONNELLY, Mr. HATCHER, Mr. CROCKETT, Mr. WEISS, Mr. MOODY, Mr. RICHARDSON, Mr. LAGOMARSINO, Mr. ROE, and Mr. FROST.

H.J. Res. 151: Mr. HUGHES, Mr. BRYANT, Mr. PETRI, Mr. ROE, Mr. JENKINS, Mr. WAXMAN, Mr. MADIGAN, Mr. KILDEE, Mr. HOWARD, Mr. LAGOMARSINO, Mr. AKAKA, Mr. RITTER, Mr. DINGELL, Mr. REID, Mr. DUNCAN, Mr. ANDREWS, Mr. VOLKMER, Mr. DE LA GARZA, Mr. BLILEY, and Mr. DANIEL.

H.J. Res. 153: Mr. MARTINEZ and Mr. BLAZ.

H.J. Res. 161: Mr. VALENTINE.

H.J. Res. 175: Mr. WEISS, Mr. HAYES, Mr. CHAPPIE, Mr. WAXMAN, Mr. DYMALLY, Mr. SMITH of Iowa, Mr. HENRY, Mr. FLORIO, Mr. MCGRATH, Mr. HUGHES, Mr. CARR, Mr. KOLTER, Mr. FEIGHAN, Ms. MIKULSKI, Mr. PRICE, Mr. ROE, Mr. FAUNTROY, Mr. DYSON, Ms. KAPTUR, Mr. FISH, Mr. RANGEL, Mr. VOLKMER, Mr. OWENS, Mr. FAZIO, and Mr. RICHARDSON.

H.J. Res. 188: Mr. JEFFORDS, Mr. BOLAND, Mr. MILLER of California, Mr. RANGEL, Mr. WORTLEY, Mr. GEKAS, Mr. MCDADE, Mr. SCHEUER, Mr. NOWAK, Mr. BURTON of Indiana, Mr. HENRY, Mr. VANDER JAGT, Mr. HILER, Mr. HAMMERSCHMIDT, Mr. BROOMFIELD, Mr. MICHEL, Mr. EVANS of Iowa, Mr. DORNAN of California, Mr. CHANDLER, Mr. QUILLEN, Mr. TAUKE, Mr. DAUB, Mr. HUNTER, Mr. PACKARD, Mr. RITTER, Mr. NIELSON of Utah, Mr. LIVINGSTON, Mr. MOORE, Mrs. SMITH of Nebraska, Mrs. BENTLEY, Mr. BEREUTER, Mr. MOORHEAD, Mr. DEWINE, Mr. MARTIN of New York, Mr. HANSEN, Mrs. BURTON of California, Mr. COYNE, Mr. KOSTMAYER, Mr. DELLUMS, Mr. CONYERS, Mr. SCHUMER, Mr. SYNAR, Mr. FRANK, Mr. MORRISON of Connecticut, Mr. LATTA, Mr. HAYES, Mr. BONER of Tennessee, Mr. TRAFICANT, Mr. MACK, Mr. VOLKMER, Mr. DASCHLE, Mr. DICKS, Mr. BARTLETT, Mr. HUTTO, Mr. BROWN of California, Mr. GROTBERG, Mr. COATS, Mr. LENT, Mr. JACOBS, Mr. PURSELL, Mr. LOWRY of Washington, Mr. ANDERSON, Mr. DARDEN, Mr. OBERSTAR, Mr. DIOGUARDI, Mr. RAHALL, Mr. HOYER, Mr. KASTENMEIER, Mr. CROCKETT, Mr. SMITH of Florida, Mr. SAVAGE, Mr. CARPER, Mr. HORTON, Mr. DIXON, Mr. BARTON of Texas, Mr. FAUNTROY, Mr. BLAZ, Mr. PORTER, Mr. FRENZEL, Mr. PETRI, Mr. HILLIS, Mr. IRELAND, Mr. FAZIO, Mr. SLAUGHTER, Mr. TAYLOR, Mr. MCCAIN, Mr. ROEMER, Mr. ROE, Mr. SWINDALL, Mr. BATEMAN, Mr. HYDE, Mr. PASHAYAN, Mr. JONES of North Carolina, Mr. LUNDINE, Mr. MAZZOLI, Mr. AKAKA, Mr. MCCANDLESS, Mr. EVANS of Illinois, Mr. BOSCO, Mr. LOWERY of California, Mr. PRICE, Mr. LUNGREN, Mr. FRANKLIN, Mr. MURPHY, Mr. LUKEN, and Mrs. HOLT.

H. Con. Res. 32: Mr. BARTON of Texas.

H. Con. Res. 34: Mr. BARNES, Mr. BATEMAN, Mrs. BENTLEY, Mr. BILIRAKIS, Mr. BORSKI, Mrs. BYRON, Mr. CALLAHAN, Mr. CHENEY, Mr. CRANE, Mr. DANIEL, Mr. DAUB, Mr. EDGAR, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. GEPHARDT, Mr. HARTNETT, Mr. JONES of Oklahoma, Mr. KRAMER, Mr. LOWERY of California, Mr. LUJAN, Mr. OBEY, Mr. PETRI, Mr. SENSENBRENNER, Mr. SHELBY, Mr. SILJANDER, Mr. SUNDQUIST, Mr. WALGREN, Mr. WEBER, and Mr. WOLF.

H. Con. Res. 35: Mr. SWINDALL.

H. Con. Res. 60: Mr. BOEHLERT and Mr. DE LA GARZA.

H. Con. Res. 69: Mr. DUNCAN, Mr. ROE, and Mr. STUMP.

H. Con. Res. 82: Mr. LAGOMARSINO, Mr. MICA, Mr. NELSON of Florida, Mr. BEREUTER, Mr. BARNES, Mr. EDGAR, Mr. DYMALLY, Mr. ERDREICH, Mr. TOWNS, Mr. DOWNEY of New York, Mr. BERMAN, Mr. MOODY, Mr. STOKES, Mr. HALL of Ohio, Mr. HOWARD, Mr. OWENS, Mr. MACK, Mr. MCGRATH, Mr. LENT, Mr. CONYERS, Mr. FROST, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. BONER of Tennessee, Mr. STARK, Mr. GONZALEZ, Mr. CARPER, Mrs. COLLINS, Ms. KAPTUR, and Mr. HAYES.

PETITIONS, ETC.

Under clause 1 of rule XXII,

63. The SPEAKER presented a petition of the Council of the County of Hawaii, Hilo, HI, relative to sugar support; which was referred to the Committee on Agriculture.

EXTENSIONS OF REMARKS

IMPROVED IN-FLIGHT MEDICAL CARE WILL SAVE LIVES

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. BIAGGI. Mr. Speaker, today I am reintroducing a bill to encourage improved in-flight emergency medical care aboard passenger-carrying aircraft.

This bill, which is a modified version of a measure I authored in 1983, directs the Federal Aviation Administration to require that domestic commercial aircraft with 30 or more seats carry a medical kit containing "medical supplies and equipment for rendering emergency medical care." Specific items to be included in such a medical kit would be left to the discretion of the FAA. In addition, the bill has a Good Samaritan clause, which would protect licensed medical personnel and airline employees who treat in-flight medical emergencies from liability, provided they do not act recklessly or in a grossly negligent manner.

Mr. Speaker, I am pleased to report that last week the FAA proposed a similar regulatory requirement. In general, I have no problem with the contents of that regulation. Basically, it would provide the same improved in-flight emergency medical care that I have been seeking, along with the distinguished Senator from Arizona, Mr. GOLDWATER.

However, despite the FAA's commendable action last week, there are important reasons for reintroducing my bill. First, it should be noted that the FAA has been surprisingly reluctant to act on this issue. In fact, if not for a petition filed several years ago by the Aviation Consumer Action Project, there is a good chance that the FAA would not have acted to correct this serious air safety deficiency. The reintroduction of this bill is designed to keep the FAA's feet to the fire and ensure that this proposed rule becomes final. This bill is a reminder to the FAA that a proposed rule is not enough to satisfy an impatient flying public; they must follow through on this proposal in a timely fashion.

Second, the proposed FAA regulations do not include a Good Samaritan provision, which is a key component of my legislation. It is important for the Congress to act on this aspect of the in-flight medical care issue, even if the FAA proposal becomes final. The importance of a Good Samaritan provision is easily explained. Surveys indicate that a doctor is on board in three out of four flights involving medical emergencies. However, those doctors, or any other licensed medical person or airline employee, might be reluctant to act without certain guarantees that they will not be held liable if the victim dies. Let me emphasize, though, that the Good Samaritan protection contained in my bill would not apply in cases where the licensed medical person or airline employee acts recklessly or in a grossly negligent manner.

Thus, Congress should not mistakenly assume that the issue of in-flight emergency medical care has already been addressed. It has not. However, we should take note of the positive action that the FAA has taken. According to their proposed rule, one medical kit: "would be required on each passenger-carrying flight and should contain equipment and drugs required to provide basic life support during medical emergencies that might occur during flight time, such as myocardial infarction, severe allergic reactions, acute asthma, insulin shock, protracted seizures, and childbirth."

Among the specific items to be included in the medical kits would be a stethoscope, a sphygmomanometer—to measure blood pressure—equipment necessary to establish a tracheal airway, scalpel, syringes and needles, atropine sulphate—for acute diarrhea—and epinephrine—to treat acute allergic reactions which can often be fatal. The approximate cost of each medical kit would be a very modest $300.

While the names of these medical tools may not be familiar to the layman, let me assure my colleagues that they represent the barest of necessities when providing effective emergency medical care treatment. Yet, as simple as this proposed medical kit may be, it is literally decades ahead of the current medical kit now required on commercial aircraft. In fact, the current medical kit requirement—which includes nothing but bandages, splints, antiseptic swabs, burn ointment, and ammonia inhalants—was first issued in 1924. It is beyond my comprehension that with all the medical advancements over the last 60 years, the in-flight medical kits remained unchanged.

The actual number of in-flight deaths each year is uncertain since no such records are now required. The FAA, however, estimates that approximately 21 deaths occur in-flight each year, with public estimates ranging as high as 100 deaths per year. Based on these numbers, the FAA estimates that 2 to 10 lives—or 10 percent of all in-flight deaths—will be saved each year by upgrading airline medical kits. That is a noble goal and one that we should all work to achieve.

Finally, I want to thank the Aviation Consumer Action Project, and the International Airline Passenagers Association, of which I am a member, for assisting in my legislative effort, and for pressuring the FAA to act on this issue.

At this time, Mr. Speaker, I wish to insert a copy of my bill:

H.R. 1647

A bill to amend the Federal Aviation Act of 1958 to encourage in-flight emergency medical care aboard passenger-carrying aircraft

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "In-Flight Medical Emergencies Act".

SEC. 2. (a) Title XI of the Federal Aviation Act of 1958 is amended by adding at the end of the following new section:

"IN-FLIGHT MEDICAL EMERGENCIES

"REQUIREMENT THAT CERTAIN MEDICAL EQUIPMENT BE ON AIRCRAFT

"SEC. 1118. (a)(1) The Administrator of the Federal Aviation Administration shall require each air carrier to have on any aircraft having 30 or more seats during each flight involving the carriage of passengers in air commerce sufficient medical supplies and equipment for rendering emergency medical care. The Administration shall also require that such supplies and equipment be made available to any licensed medical personnel and any qualified employee of such carrier for purposes of rendering emergency medical care on board such aircraft.

"(2) The Administrator shall issue final rules to carry out paragraph (1) not later than 180 days after the date of enactment of this section.

"RELIEF FROM LIABILITY FOR RENDERING EMERGENCY MEDICAL CARE

"(b) Any licensed medical personnel or any qualified employee of an air carrier who in good faith renders emergency medical care to a person—

"(1) aboard an aircraft of such carrier at any time after such person has boarded such aircraft as a passenger for a flight in air commerce and before such person disembarks from such aircraft, or

"(2) in transit from such aircraft, after receiving emergency medical care described in paragraph (1), to a medical facility for further medical treatment,

shall not be liable for damages in any action brought in State or Federal court as a result of any act or omission in rendering such care, other than any such act or omission done recklessly or in a grossly negligent manner.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

"RELIEF FROM LIABILITY FOR CARRIAGE AND PROVISION OF MEDICAL EQUIPMENT AND SUPPLIES

"(c) An air carrier and any employee of an air carrier shall not be liable for damages in any action brought in State or Federal court by reason of—

"(1) the carriage of medical supplies and equipment required pursuant to subsection (a) of this section, or

"(2) the provision of such supplies and equipment to any person presenting himself as a licensed medical personnel or a qualified employee of the air carrier,

if such carriage and provision is in accordance with regulations promulgated under subsection (a).

"DEFINITIONS

"(d) For purposes of this section, the term—

"(1) 'good faith' means a reasonable opinion (even if mistaken) that a situation is such that the rendering of medical care is needed and should not be postponed;

"(2) 'licensed medical personnel' means any person who is licensed to render medical care in any State;

"(3) 'qualified employee' means an employee of an air carrier who is qualified to use emergency medical supplies and equipment, as determined by the Administrator; and

"(4) 'State' means a State, the District of Columbia, and each territory or possession of the United States.".

(b) That portion of the table of contents of the Federal Aviation Act of 1958 which appears under the center heading "TITLE XI—MISCELLANEOUS" is amended by adding at the end thereof

"Sec. 1118. In-flight medical emergencies.
"(a) Requirement that certain medical equipment be on aircraft.
"(b) Relief from liability for rendering emergency medical care.
"(c) Relief from liability for carriage and provision of medical equipment and supplies.
"(d) Definitions.".●

AMBASSADOR PAUL NITZE SUPPORTS MX

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. MICHEL. Mr. Speaker, Ambassador Paul H. Nitze, special adviser to the President and Secretary of State on arms control matters, says that the MX missile is "important to carrying out our basic foreign policy goals, to maintaining Western cohesion, to sustaining our leadership position with our allies, and to protecting our prospects for success in arms reduction negotiations. It is therefore essential that we proceed with this program."

This distinguished American is a firm believer in arms reduction. He supports the MX because of, not despite, that belief. His support of MX cannot be ignored by any of us.

At this point I wish to insert in the RECORD "MX—The Advantages," by Paul H. Nitze, in the Baltimore Sun, March 19, 1985:

Deployment of the MX Peacekeeper missile would significantly strengthen our strategic deterrent posture.

It is the only way we can quickly begin to redress two serious U.S. disadvantages.

First, our strategic forces, especially our land-based missiles, are much in need of modernization; the Soviets have added three new ICBMs to their arsenal since we deployed Minuteman III and are developing two more.

Second, the Soviets, with their SS-18 and SS-19 ICBMs, pose a major threat to the entire range of U.S. targets, while we possess no comparable capability.

Just as important, however, are the implications of MX for U.S. foreign policy and arms control prospects.

American military power and diplomacy cannot be artificially separated. Our ability to pursue our fundamental foreign policy objectives—to protect ourselves, our allies, our values and interests, and to build a safer, freer and more prosperous world—is intrinsically linked to our military power.

The experience of the last 15 years indicates that Soviet perceptions of their military capability in comparison to U.S. determination and capabilities has had a bearing on the Soviet ability to challenge our interests around the globe. A strong U.S. military posture, coupled with demonstrated U.S. resolve, helps to inhibit the Soviets from attempting to exploit regional instabilities.

We must also be mindful of the impact of our actions on our allies. By proceeding with MX production, we would demonstrate to our alliance partners an America that is resolved to maintain the strategic balance as a solid basis for its commitment to peace and international security. By failing to proceed, we would invite allied uncertainty about our ability to lead.

In late 1983, in accordance with the 1979 NATO dual-track decision, our European allies began deployments of Pershing II and ground-launched cruise missiles on their territories. They proceeded with these deployments, despite significant domestic opposition and in the face of an intense Soviet propaganda barrage, because of a shared recognition that the alliance had to take the steps necessary to ensure itself an adequate deterrent. As the leader of the alliance, we should not do less than our partners in assuring an adequate deterrent as a basis for our joint security.

Concurrent with our programs to modernize our nuclear deterrent are our efforts to achieve effective and verifiable arms reduction agreements. As Secretary of State George Shultz told Soviet Foreign Minister Andrei Gromyko in Geneva, we believe that the strategic relationship can be made more stable and secure, and that stability and security can be maintained at significantly lower levels of armaments, if regulated through effective and mutual arms control. Accordingly, we are pursuing the negotiations in Geneva in serious and constructive manner, prepared to deal with the full range of issues and to take account of legitimate Soviet concerns.

At the same time, however, our prospects for success in Geneva will depend on our determination, and Soviet recognition of that determination, to maintain an adequate deterrent for ourselves and our allies with or without arms control.

As with the previous negotiations, the Soviets will pursue these talks with a dual strategy. They will employ tough bargaining at the negotiating table while simultaneously conducting a hard-nosed public propaganda campaign designed to undercut support for U.S. positions and force unilateral concessions. Only when it becomes evident that the propaganda campaign is not working—that is, that U.S. concessions will not be made unilaterally—will the Soviets be prepared to compromise.

It is thus vital to our prospects for success in Geneva that we demonstrate to the Soviets that, as a country and an alliance, we stand united. The new Soviet propaganda campaign has already begun. We must convince them as soon as possible that it will not succeed and that they should get down to serious bargaining at the negotiating table.

A decision to continue MX production will send just such a message to Moscow. It will send a strong signal of national resolve and will greatly strengthen our hand in Geneva.

In sum, in addition to its military benefits, MX is important to carrying out our basic foreign policy goals, to maintaining Western cohesion, to sustaining our leadership position with our allies, and to protecting our prospects for success in arms reduction negotiations. It is therefore essential that we proceed with this program.●

COPS IN TOUCH IN THE BRONX

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GARCIA. Mr. Speaker, I'd like to commend the Bronx police force of the 52d precinct for its successful implementation of a program to get patrol officers back in touch with their communities. The Community Patrol Officer Program has fostered a fruitful alliance between the Bronx police force and the community it serves. By walking the beat, patrol officers are beginning to realistically understand problems adversely affecting the quality of life of many Bronx citizens. Establishing a comfortable relationship between these two parties has resulted in a mutual friendship with increasingly favorable results.

Prior to the development of radio car technology, a patrol officer walking the streets of the Bronx was a common sight. But unfortunately the technological development of the 911 emergency call system inevitably has resulted in a situation in which efficiency is given priority over an acceptable level of rapport between the police force and its community. The Community Patrol Officer Program is a commendable one as it has restored good relations between the two parties. By reincarnating the practice of cops walking the beat, it has successfully filled the vacuum created by the departure of officers from the streets.

The program has restored public faith in the police force by demonstrating that cops can provide service to the "good guys" instead of always being caught up in making arrests. The idea of uniforms in the street has translated into a much greater sense

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of security for the people of the community. Undoubtedly the program is a step in the right direction toward fostering a resurrection of the attitudes of the citizens of the Bronx toward the officers who enforce its law.

[Two newspaper articles follow:]

BUMPURS' NEIGHBORS LAUD COP'S INDICTMENT

(By Ivonne Kelly and John Rearick)

Neighbors of Eleanor Bumpurs, the 66-year-old Sedgwick resident who was shot and killed by police during an eviction proceeding last fall, enthusiastically greeted last week's news that one of the officers involved in the slaying was indicted on criminal charges.

"I'm so happy that he was indicted," said Caridad Mali, a 12-year resident of the apartment house at 1551 University Ave. "The whole building should be jumping for joy!"

Emergency Services Officer Stephen Sullivan, 43, pleaded innocent to second-degree manslaughter charges that were handed up Thursday by a Bronx grand jury. Sullivan faces up to 15 years in prison if convicted. Police Commissioner Benjamin Ward suspended Sullivan without pay after the indictment, but later reassigned him to a desk job.

John Harris, vice president of the Sedgwick tenants association, called the indictment "fantastic," saying it was "about time" action was taken against the officer.

Other residents were more reserved in their reactions, although they also were supportive of the grand jury's decision.

"The indictment isn't going to bring her back," said Lee Patterson, 23, whose family lives next door to the Bumpurs apartment. "He (Sullivan) is going to have to live with that."

According to Patterson, who was discharged from the Marine Corps four months ago, Bumpurs had difficulty walking and could have been subdued without harm.

"I saw her walking and wobbling before," he said. "She was carrying groceries, and I asked her if she needed help. She said no."

"I believe that anyone who breaks the law should be brought to justice," said Morgan Godfrey, another 12-year resident of the apartment house. "I am quite sure the neighbors feel more satisfaction with him (Sullivan) brought to justice."

Another neighbor, who refused to give her name, said indicting Sullivan was "just justice."

"I hope he gets time," the women said angrily. "She wasn't dangerous; she was an old lady."

Mali insisted that the shooting was racially motivated, and that Bumpurs' corpse was not treated in a dignified manner.

"That was wrong," she said. "They shot her twice like she was a dog. Then they took her out with no clothes on!"

"The fact that they (the jury) found probable cause that a crime took place would mean that they concluded that unlawful force was used," Mayor Koch said at a news conference. "Now, it's up to a jury to find him guilty beyond a reasonable doubt."

ANOTHER BRONX BEAT: COPS KEEP IN TOUCH

(By Katherine King)

A young Hispanic couple, the woman's pregnancy apparent beneath her jacket, stopped on the corner of Gunhill Road and Decatur Ave. to say hello to a policeman.

Office Thomas Zielinski asked them with surprise, "What are you guys doing here?" He had arrested them only the week before for possession of drugs.

The couple were out on bail, and they didn't appear to hold any grudges against Zielinski for the arrest. After all, he is their neighborhood cop.

"He's a good guy," said the young man, "but serious, really serious."

Zielinski's job is part of the reincarnation in streamlined form of an almost abandoned practice: cops walking the neighborhood beats.

Called the Community Patrol Officer Program, the concept was tested in Brooklyn in July, 1984 and was expanded to the 52nd Precinct in the Bronx last month.

"It's the beat cop, plus," said Michael Farrell, associate director of the Vera Institute for Justice, the organization that conceived the program.

Farrell, himself a beat cop 30 years ago, explained that this new concept is a total community service project. That means not just walking the beat, but also getting involved, Farrell said.

"This is a brand new system to forge an alliance between police and the community," he said.

Before the advent of radio car technology in the 1960's, the neighborhood cop walking his beat was a common sight in the Bronx. But as the 911 emergency call system developed, patrol officers began to lose touch with their communities' "quality of life" problems—such as graffiti, loud music, children hanging out on street corners, and vandalism.

The Community Patrol Officer Program was designed to fill the vacuum left when the officers went to the patrol cars. Because the Brooklyn pilot program proved so popular both among the community and the officers, the concept was introduced in the Bronx, officials said.

Thirteen officers volunteered for the CPO Program at the 52nd Precinct. They cover nine community areas during flexible eight-hour shifts, alternating days and nights according to the particular problems of their communities.

Zielinski, 26, spent his first three years on the force in a patrol car. Now he divides his time among walking the beat, introducing himself to local merchants and community members and meeting with already existing community groups.

"My legs are really starting to get built up," joked Zielinski. He said his other activities on the beat may vary as widely as helping to fix a leaky roof or checking up on the local beauty shop that had been burglarized the week before.

The community reaction, after only three weeks, has been tremendous, said Zielinski.

"These guys are beautiful," said Rudy McDonald, a retiree who has lived in the neighborhood near Jerome Ave. for 41 years.

"When the kids selling dope on the street see him coming, they scatter," McDonald said, laughing.

Steve Rosenberg, director of the Mosholu/Montefiore Community Center, said just having the uniforms on the street gives the community a greater sense of security.

"The perception is what counts," said Rosenberg. "We can see cops providing service to the good guys instead of just arresting the bad guys."

The beat officer has to walk a fine line, said Zielinski. "We aren't social workers, we're cops. There is a lot of money in drugs in this area, and if you walk into a big drug deal, that's when you can get yourself killed."

But Zielinski and his colleagues at the 52nd said they chose to join the program because of its challenge and its greater rewards.

"You can really help people this way," Zielinski said. "It gives you a sense of satisfaction."●

DETROIT'S OWN DIAMOND, CITY COUNCIL PRESIDENT ERMA HENDERSON: A POSITIVE FORCE FOR CHANGE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. CONYERS. Mr. Speaker, I rise to bring to the attention of my colleagues the distinguished public service record of the Honorable Erma Henderson, president of the Detroit City Council. For the past 13 years she has served on that body, ably representing our community on a local, national, and international level. As we prepare to honor her this Friday evening, March 22, 1985, at a testimonial reception at Detroit's Roostertail Supperclub, I would like to take this opportunity to reflect on her accomplishments in the hope that Erma's example will serve as an inspiration to all who share with her the privilege and responsibilities of elective office.

Long before Erma Henderson began her career on the city council, she had established herself as a social and political activist with rather impressive credentials.

Erma became widely known as a force for change within Detroit's criminal justice system when in 1968 she became executive director of the Equal Justice Council, Inc. Under her leadership, that organization monitored courts, compiled data on the conduct of judges, attorneys, and defendants. Through the establishment of this Court Watching Program cases of improper treatment received by poor and minority defendants were documented. As a result, the Equal Justice Council, with the assistance of the University of Michigan School of Social Work, was able to release a major report on Detroit's criminal courts which led to numerous positive improvements.

During the early 1970's, Erma Henderson worked to found the Women's Conference of Concerns, a community service organization geared to the needs of minority women in particular and all persons generally. Through conducting seminars and panel presentations, the women's conference explores such topics as employment, education, health, the media, and international affairs. Problems confronting the community are addressed through programs which involve citizens directly in the solution.

Erma Henderson's involvement in politics began in the 1950's when she became active as an organizer building coalitions for blacks seeking public office. In 1958, she coordinated the campaign which elected Detroit's first black city councilman, Bill Patrick. Fourteen years later, in 1972, she became the first black woman to serve on that same body when she defeated her opponent in a citywide race to fill a vacant seat. In 1973, she was reelected and began serving her first 4-year term. As the result of her receiving the highest number of votes cast in the 1977 council election, Erma became the first black to attain the powerful position of Detroit City Council president, the office she continues to hold today.

Shortly after her election to the council, Erma dared to take on the financial institutions in Michigan which are engaged in the practice of "redlining." This is where insurance companies, banks, savings and loan associations, and mortgage brokers deny insurance or loans to credit worthy individuals and businesses simply because they live or are located in a particular neighborhood. Erma organized the Michigan Statewide Coalition Against Redlining which was directly responsible for the Michigan Legislature adopting the most comprehensive antiredlining laws in the Nation today.

Erma Henderson has been active in or affiliated with numerous civic and social organizations. Most notably she has served on the boards of the National League of Cities, the National Conference on Crime and Delinquency, the Michigan Municipal League, the Detroit Economic Growth Corp., and the Detroit Symphony Orchestra. Erma has been a member of the Elks for over 40 years and has served the past 28 years as national director of public relations for the Grand Temple and Women of the Order.

In the international arena, Erma Henderson is active in efforts to promote trade between African nations and Michigan's public and private sectors. She presently serves on the national board of the Continental African Chamber of Commerce, and is chairman of the Board of Africa/Michigan Partners-in-Trade.

The awards and honors that have been bestowed on Erma by both local and national organizations are too numerous to list, but they serve as a clear indication that the many years of service that she has given to the public is widely acknowledged and appreciated.

Finally, Mr. Speaker, Erma Henderson has demonstrated exceptional leadership ability and a strong sense of compassion for her fellow man. She has devoted her life to making the Detroit community and our Nation a better place to live. As we look toward the future, and ponder by who and by what means the problems of the world will be solved, I think that we can be certain that Erma will be active, working with all her ability, to be a force for positive change.

I respectfully ask that my colleagues join with me in congratulating Erma Henderson as her many friends gather tomorrow night at the Roostertail to honor her as Detroit's own "Diamond."●

DAVIDSON: A TOWN THAT'S DOING ITS SHARE

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. McMILLAN. Mr. Speaker, President Reagan has submitted a plan to the Congress to freeze Federal spending next year in order to reduce our $200 billion annual deficit. Except for the interest on the national debt, we would spend no more in 1986 than we do in 1985.

In the President's proposal, there are some increases in spending—particularly in national defense—and there are some decreases in spending. Some programs are targeted for elimination.

One program President Reagan would like to eliminate is revenue sharing. On the surface, revenue sharing sounds like a great idea. The Federal Government, through grants, gives money to State and local governments to use as they please. This year, the Federal Government will spend $4.6 billion on revenue sharing. But, revenue sharing was enacted in 1972, when there were immediate prospects for a budget surplus.

Now, there is no revenue in the Federal Treasury to share. So, in effect, we are deficit sharing with our local governments, rather than revenue sharing.

Local communities simply do not get back the money they send to the Federal Treasury. Therefore, local citizens pay taxes to the Federal Government. Then part of the money is used to pay bureaucrats to decide where the money will be used. Finally, part—only part—of the money the local citizens sent to Washington comes back to the local community.

It is, of course, money. That's why town and city governments all over the country have been screaming loudly not to eliminate revenue sharing. It's the same story—everyone wants to cut the deficit, but no one is willing to sacrifice their portion of the Government pie. This attitude simply must stop. Somewhere along the line, we all have to bite the bullet and say, "OK, I'm willing to make the sacrifices necessary to keep our country economically sound."

The town of Davidson, NC, has that kind of courage. Recently, Mr. Speaker, the town board of commissioners and the mayor passed a resolution calling for an end to the Revenue Sharing Program. This town of 3,384 will receive $33,850 this year from the Federal Government. They now say they don't want it any more. I commend them all for showing the willingness to do their share in reducing the Federal deficit.

Furthermore, I would like to submit the resolution for the RECORD so that my colleagues in the Congress will have a chance to read it also:

TOWN OF DAVIDSON

A RESOLUTION

Whereas, the Mayor and Board of Commissioners of the Town of Davidson, North Carolina, are deeply concerned about the past and future federal deficits and are desirous of having the Town of Davidson act responsibly in the present federal deficit crisis;

And whereas, the said Mayor and Board of Commissioners believe it is in the best interest of these United States for all local governments to finance their government functions and municipal affairs without receiving federal revenue sharing funds;

And whereas, the said Mayor and Board of Commissioners desire to express their spirit of cooperation during the present federal financial crisis and to inform the Members of Congress from North Carolina of their genuine concern and to urge the President and Congress to eliminate all subsidies of every kind and nature from the federal budget;

Now, therefore be it resolved That the Mayor and Board of Commissioners of the Town of Davidson, North Carolina, go on record as opposed to further federal revenue sharing with local governments and in favor of the elimination of all federal subsidies of every kind and nature from the federal budget;

And be it further resolved, That the Mayor of the Town of Davidson send a copy of this resolution to the President of the United States and to each Senator from North Carolina and to each Member of Congress from North Carolina.

This 12th day of February, 1985

RUSSELL B. KNOX,
Mayor, Town of Davidson.●

GRENADA: AMERICANS ARE AS POPULAR AS EVER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. MICHEL. Mr. Speaker, President Reagan's decision to join with the Eastern Caribbean States to rescue American students—and the people of Grenada—from the anarchy that existed there after the Marxist-Leninist thugs killed each other is one of the great success stories in recent American history.

Critics who savagely abused President Reagan even as Americans were

fighting on Grenada will probably be the only ones who will be surprised to learn that the overwhelming majority of the people of that island still revere President Reagan and love our Nation for what we did for them.

At this point, I wish to insert in the RECORD, "Legacy of Grenada Invasion: Popularity of U.S. Still High," by Joseph B. Treaster, the New York Times, Monday, March 18, 1985.

The article follows:

LEGACY OF GRENADA INVASION: POPULARITY OF U.S. STILL HIGH

(By Joseph B. Treaster)

ST. GEORGE'S, Grenada, March 16.—Nearly a year and a half after United States forces invaded this Caribbean island and were welcomed as liberators, American popularity seems to be as strong as ever.

The Grenadians were delighted by the visit of Vice President Bush last week even though he brought what was regarded by many here as bad news: the United States is going ahead with the withdrawal of the last of its military policemen by the middle of June.

"It doesn't please me that they're leaving," said Anthony Charles, a 52-year-old carpenter. "But I'm not mad at the Americans. Mr. Bush said if we have problems they'll come back. And I believe him."

Francis Alexis, the Minister of Labor, noted the apparent warmth of the Vice President and his strong assurances of continued United States support for Grenada and said the visit had been "fantastic."

The few critics of the United States here, who are not very vocal, appear to be those who were close to the former leftist Government or were in the army or militia and lost their jobs when the Americans came in.

THOUSANDS WELCOMED BUSH

To receive Mr. Bush, a group of Grenadian businessmen and civic leaders built an amphitheater on a soccer and cricket field by stacking steel cargo containers in an arc and draped the containers with a huge American flag flanked by banners with handpainted slogans. Several thousand Grenadians attended the ceremonies and cheered Mr. Bush.

On one banner the word "Grenadans" was followed by a drawing of a big heart and the letters, "U.S.A." One, with crossed United States and Grenadian flags, said, "U.S.-Grenada, A Winning Team."

A banner with linked hearts in one corner and a pair of big red lips in another read, "Say Hello to Reagan for us."

Another carried the legend, "Thank God for the 'Cowboy.'"

"That's what a lot of people here call Reagan," said Wilfred Alexander, a taxi driver who sports a Reagan-Bush bumper sticker on his car and Grenadian and United States flags on his dashboard.

The Grenadians have been predicting for months that President Reagan would pay the island a visit himself, and they are still optimistic.

"I think the President will be here shortly," said Andre Cherman, the president of the Grenada Hotel Association.

"Maybe not this year," he said, "but before the end of his term."

He said he thought Mr. Reagan had not already visited Grenada—say, for example, for the opening last October of the airport that many Grenadians wanted to name in his honor,—because of his "hectic schedule" and because "he would probably like to see the island progress a bit more before he gets here."

Grenada does not have television, but its Government-run radio station provided live coverage throughout the day of Mr. Bush's activities. Leslie Seon, the director of Radio Grenada who seldom takes to the air himself, personally provided all the reporting and commentary.

He set the tone for the day as he waited for Mr. Bush's plane to arrive, saying over the air that no one could forget the morning when American forces "came to rescue the people of Grenada."

As the Vice President's plane touched down he exclaimed, "Thank you, Ronald Reagan, for sending George Bush to us."

The Grenadians say they do not want the American military police to leave because they are afraid their newly reorganized police force of 480 officers may not be a match for a resurgence of leftist revolutionaries. But as far as anyone can tell, there is not much remaining of the revolutionary movement.

The day before Mr. Bush arrived was the sixth anniversary of the coup on March 13, 1979, in which Maurice Bishop and his followers seized power. It was the execution of Mr. Bishop by a hard-line faction of leftists that touched off the invasion of Grenada in October, 1983. On the anniversary of the March 13 coup, two of Mr. Bishop's old friends staged a rally in the central market. But only a few hundred young men and women showed up. Toward the end, an argument broke out over whether the revolution had failed and one young man was taken to the hospital with knife wounds.●

INTRODUCTION OF VOTER REGISTRATION PROPOSAL

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. LEVINE of California. Mr. Speaker, along with seven of my colleagues, I am introducing legislation which will significantly increase voter turnout by eliminating the need for most movers to register to vote. Because almost all movers file change of address forms but often neglect to reregister to vote at their new address, I have proposed legislation which combines these two activities into one. Our legislation carbonizes the change of address form so that a copy can be forwarded by the Post Office to State election officials for voter registration purposes.

While voter turnout has dropped significantly in recent years, with only about half of all eligible individuals voting in the 1980 and 1984 Presidential elections, we cannot ignore the hopeful fact that once registered, the overwhelming majority of Americans vote. While only 53 percent of the voting age population cast ballots in the 1980 Presidential election, 87 percent of those Americans who were registered voted in the election. Therefore, the key to increasing voter turnout is registering more people.

In order for the American public to hold its elected officials truly accountable for their activities, it should have relatively easy access to the voting booth. While most States have removed lengthy voting residency requirements, not enough has been done to encourage voting among individuals who have recently moved. In 1980, only 48 percent of Americans who had moved within 2 years of election day voted, compared to 65 percent of those who had lived in the same place longer.

Moving reduces voting because of the need to reregister and the low priority that this action has for people who have moved recently. Moreover, half of all moves occur from June through September, leaving little time to register before the deadline which is generally 30 days before an election. Movers do not necessarily face legal obstacles to registering, but many forget to establish or reestablish their eligibility in the midst of trying to settle a new home.

In 1981, 16.6 percent of all voting age citizens—26.8 million people—had moved within the past year. I would like to point out that aside from being younger, movers are very much like the rest of the population. Their party preference, education, income, race and ideological leanings resemble those of long-term residents. Although recent movers are less likely to vote, they are as interested in politics as the rest of us.

My legislation reduces the negative effects of moving on turnout by allowing movers, without performing any additional tasks, to provide election officials with all the necessary information for reregistration. As long as movers continue to file change of address forms, then their change of address information will be forwarded to and processed by State and local election officials.

In any State which chooses to make use of the new, carbonized change of address form, election officials could automatically reregister intrastate movers—who account for 83 percent of all moves—upon receipt of a carbonized change of address form. If the mover were not previously registered, election officials would be alerted to mailing voter registration information to the mover's new address.

No matter where individuals move, receipt of the carbonized change of address form copy could result in cancellation of their old registration. Some States estimate that as much as 20 percent of their voter registrations are outdated. Implementation of this legislation will provide election officials with an efficient and instantaneous method of purging obsolete registrations, which will reduce their costs for mailing election material and limit opportunities for election fraud.

I would like to emphasize that this proposal has received bipartisan support on the Federal and State level. Because the political preferences of movers closely resemble those of the rest of the public, and because our proposal is aimed at keeping movers registered, implementation of this bill will not result in any disproportionate advantage to either party.

The Postal Service has estimated that the Federal Government would spend an additional $2 million to print up 100 million new change of address forms with attached carbon copies. Our bill provides that participating States will pay for any additional handling and mailing costs involved with the forwarding of change of address information to election officials. Once every 5 years the Federal Election Commission will report to Congress regarding the voter registration impact of using these new carbonized change of address notices.

In spite of the potential costs of processing these change of address forms, several State election officials have expressed support for this proposal because of its effectiveness in keeping movers registered and removing obsolete registrations. Additionally, State and local costs will be offset by savings from not producing and mailing voter materials to individuals at outdated addresses.

Because State participation in this program is optional, this legislation will not impose any unwanted costs on State and local governments. Moreover, because this legislation reserves the right of States to negotiate separately with the Postal Service regarding the implementation of the proposal, State governments should retain full say in determining its cost and scope. In order to allow for the use of change of address notices for registration purposes, participating States will have to enact legislation making a signed change of address form legal authorization to cancel the old address registration and shift it from the old to the new address.

A carbonized change of address form efficiently provides election officials with current change of address information without imposing any additional burdens on movers. Without requiring any significant Federal expenditure, this bill will reduce vulnerability to voter fraud and facilitate registration for millions of individuals who have recently moved. I urge my colleagues to support this cost-effective, bipartisan proposal.

The text of the bill follows:

H.R. 1668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 413. Authority to disclose change-of-address information to States for voter registration purposes

"(a) The Postal Service shall establish a program under which change-of-address order forms may be transmitted by the Postal Service to the appropriate election authority of the State (as identified by the Commission after consultation with such State) within which the old address of such postal patron is located.

"(b) A copy of a change-of-address order form may be transmitted under subsection (a) in the case of a postal patron only if—

"(1) the change of address is to be effective other than for a specified temporary period, as indicated on the face of such form; and

"(2) the old address of the postal patron is within a participating State under subsection (c).

"(c)(1) The Postal Service, after consultation with the Commission, shall prescribe regulations under which a State may participate in the program under this section.

"(2) The regulations shall provide that—

"(A) any information obtained by a State under this section will be used for purposes relating to voter registration for Federal elections; and

"(B) a participating State shall pay the Postal Service (whether by advancement or reimbursement) for any costs to the Postal Service attributable to the conduct of such program with respect to such State, excluding any costs relating to the printing of the change-of-address order forms referred to in subsection (b).

"(d)(1)(A) The Commission shall submit to each House of Congress at least once every 5 years a written report on the program established under this section.

"(B) A report under this paragraph—

"(i) shall include information relating to the extent of State participation under this section, the specific ways in which any information obtained by the States under subsection (a) has been used, the impact of this section on voter registration efforts generally, and any other appropriate matter; and

"(ii) shall be accompanied by any written comments which the Postal Service may provide.

"(2) A participating State shall submit a written report to the Commission at least once every 4 years providing the information described in paragraph (1)(B)(i) with respect to such State.

"(e) As used in this section—

"(1) 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(2) 'Commission' means the Federal Election Commission; and

"(3) 'Federal election' has the meaning provided in section 2(1) of the Overseas Citizens Voting Rights Act of 1975.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 6 of title 39, United States Code, is amended by adding at the end thereof the following new item:

"413. Authority to disclose change-of-address information to States for voter registration purposes.".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 2401 of title 39, United States Code, is amended—

(1) by redesignating subsections (g) through (i) as subsections (h) through (j), respectively; and

(2) by inserting after subsection (f) the following new subsection:

"(g) There is authorized to be appropriated to the Postal Service for fiscal year 1986 and each fiscal year thereafter an amount equal to the amount which the Postal Service estimates will be necessary for the costs relating to the printing of the change-of-address order forms referred to in section 413(b) of this title.".

(b) CONFORMING AMENDMENT.—Section 2009 of title 39, United States Code, is amended in the next to last sentence by striking out "(b) and (c)" and inserting in lieu thereof "(b), (c), and (g)".●

AID THAT PERPETUATES DEPENDENCY

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. DENNY SMITH. Mr. Speaker, the House has recently given its approval to a $1 billion foreign aid package for African nations where drought has resulted in severe famine. While there is a very real need to stave off massive starvation in Africa, I could not support this package for a variety of reasons.

The request comes at a time when domestic spending programs are being cut, and we are hearing cries of increased domestic poverty and hunger. This body, with its power of the public purse, must always have as its primary responsibility the welfare of the citizens of this Nation. While I do not support all of the domestic spending programs, I feel that foreign aid should be cut before domestic spending.

In recent decades the United States has willingly aided other nations, and our generosity cannot be questioned. Since the end of World War II, the U.S. Government has spent over $300 billion on foreign aid programs in an attempt to eliminate Third World poverty. Since the beginning of the current crisis in Africa, the United States has poured in over $1 billion in emergency aid, and has made a commitment to provide 50 percent of the needed food aid. And of course, this governmental aid has been supplemented by the generous contributions of Americans to private voluntary organizations.

Yet for the hundreds of billions of dollars the United States has spent on foreign aid, we haven't alleviated poverty and hunger around the world. Crises continues to occur because we have failed to address the underlying economic structures that perpetuate poverty and famine. Unfortunately, this aid package does nothing to address these either. The time has come to examine why our aid doesn't work.

With respect to the current crisis, let me state that although drought in Africa has resulted in famine in this instance, there is no necessary connec-

tion between the two, especially in the 20th century. Nations can avoid a famine if they establish the proper priorities. Unfortunately, the Marxist regime in Ethiopia has never set feeding its populations as a top priority. In 1984, the Ethiopian regime spent $420 million on the military, while only spending $46 million on agricultural and industrial programs. Not only did they attempt initially to hide the famine, they subsequently impeded relief efforts in certain regions.

Many Third World nations ignore the needs of their agricultural sector in their drive to militarize and modernize. And one of the biggest failings of U.S. foreign aid programs is that we have let them use this aid with this unbalanced approach to development. In fact, our aid is structured in such a way that it often encourages this imbalance.

The Third World is virtually littered with monuments to dictators' egos. There has been extravagant spending on big ticket items such as uneconomic industries, state airlines, satellite communications, and nuclear projects. There has also been a propensity to build new capitals from scratch in the middle of nowhere. Abuja, being built in the Nigerian bush, has an estimated cost in excess of $20 billion. Yet none of these flashy, showcase items have raised the standard of living, or the per capita income, of the poorest of the world's poor.

Third World regimes also pursue inefficient economic policies that are designed more to consolidate their political control than to increase the nation's wealth. Greater political control has been, and continues to be, one of the greatest attractions of collectivized agriculture. Economically, it has proven such a dismal failure that for all practical purposes it's been abandoned by the Chinese. Yet many nations continue to collectivize, knowing that the United States will bail them out of any production shortfall that goes beyond acceptable limits.

In the 1970's, Dr. Nyerere, the head of Tanzania—one of the poorest nations in Africa—instituted peasant cooperatives and herded millions of people into so-called collectivization villages. As one World Bank official notes:

> As long as food aid (or long-term loans for food purchases) is supplied to Tanzania by the industrial nations, the social experiment will continue.

As Peter Bauer, noted economist and professor at the London School of Economics, astutely observed:

> There are many instances in which Western aid has made it easier for governments to pursue policies directly impoverishing their people. Indeed to give money to rulers on the basis of the poverty of their subjects can easily encourage policies of impoverishment.

The foreign aid package just approved does nothing to end this vicious cycle. It contains no stipulations concerning the spending priorities of recipient governments, nor does it require them to move toward letting market forces operate with respect to agriculture.

Some claim that such stipulations would violate the recipient nation's sovereignty. Yet it's the U.S. taxpayers' money, and I see nothing wrong with trying to ensure that they won't have to put out even more money in such an inefficient manner at some future date. For too long, we have shied away from making such stipulations—stipulations which would ultimately benefit the citizens of recipient nations who are the purported justification for the aid in the first place. We have shied away, I believe, because we have been convinced by the advocates of the New International Economic Order that we are rich only because others are poor. Foreign aid then becomes something that is owed poor nations, as well as an atonement for the sin of prosperity.

Peter Bauer addressed this when he said:

> Many of the assertions concerning Western responsibility for poverty in the Third World express or reflect the belief that the prosperity of relatively well-to-do persons, groups, and societies is always achieved at the expense of the less well-off—i.e., that those incomes are not generated by those who earn them, but are somehow extracted from others, so that economic activity is akin to a zero-sum gain, in which the gains of some are always balanced by the losses of others. In fact, incomes (other than subsidies) are earned by the recipients for resources and services supplied, and are not acquired by depriving others of what they had.
>
> The notion that incomes are extracted rather than earned has been among the most disastrous of popular economic misconceptions or delusions.

Mr. Speaker, it is the hard-working U.S. taxpayers who are footing the bill for all U.S. foreign aid programs. As their Representatives, we do them a grave disservice by not requiring that recipient nations adhere to policies that will eventually lead to their self-sufficiency.

Father Angelo D'Agonstine, a relief worker in East Africa, once stated:

> In Ethiopia, we should not blame ourselves. The Russians have been there for 10 years, so they have the responsibility. They have been militarizing the country and have paid no attention to hunger and the economy. Our response has been more than generous. We can bring the food, but after that we have no control.

I believe that if we are going to provide aid, we can have some control, and that we must begin to demand that recipient nations adhere to sound economic policies. Otherwise, we are only destroying our own economy in a feeble attempt temporarily to prop up economic systems that have already failed.●

JAN D'ESOPO

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GARCIA. Mr. Speaker, recently the Bronx Museum of the Arts presented an exhibit of a renowned Puerto Rican artist, Ms. Jan D'Esopo. The exhibit which began on February 2 will end tomorrow.

Jan D'Esopo's work is a rich combination of the craftsman's eye for detail and the painters eye for beauty in the most ordinary places. The title of Jan's show is "Puerta del Caribe" or door to the Caribbean. Her subject is old San Juan, PR. Her success in capturing the flavor of this beautiful city is remarkable.

I am submitting a brief biographical sketch for my colleagues on Jan D'Esopo so my colleagues can become more acquainted with this most talented artist:

JAN D'ESOPO

Jan D'Esopo's artistic inclination began very early, and was nurtured by her Italian father who bestowed the gifts of encouragement, fine teachers, and good materials upon his talented child. The artist refined her artistic training through studies at Bennington College and Yale School of Fine Arts and Architecture.

As early as ten, Jan D'Esopo was an award-winning exhibitor at the prestigious Wadsworth Atheneum's juried-exhibitions for young painters. Since that time she has had numerous gallery exhibitions through the midwest and east coast. Her work is presently represented by Grand Central Gallery in New York City, and by Galerias San Juan and San Jeronimo in Puerto Rico. The artist is an instructor at La Liga de Arte in San Juan, and her extensive showing in Puerto Rico includes being a regular exhibitor at the juried series at the Instituto de Cultura Puertorriquena. She is presently preparing for a one-person exhibition at the Bronx Museum of the Arts which is scheduled to open in December of 1984.

Jan D'Esopo discovered her true concern as a painter while embarking on a series of water-media paintings depicting historical buildings and the everyday world of Puerto Rico. It is the interest she continues to pursue:

"My compositions, which at times have an abstract quality, bring together the challenge of absolute realism to form meticulous texture. By juxtopositioning, sharp and muted focus, an abstract play of space on the eye is created. My challenge as an artist lies in applying these artistic concepts to encompas the familiar form and shapes which generate that particular and unique feel of Puerto Rico. My goal is gathering all those abstract felt qualities to produce realism, one based on both feeling and form."

Over the course of years Jan D'Esopo's reputation as a painter of historic architectural spaces was established. Through the use of dramatic, contrasting light, and creatively composed space, the artist captures the flavor and beauty of Puerto Rico. The intimacy in which she reveals this island has endeared her work to its people as a sensitive reflection of their heritage.

Jan D'Esopo's work presently exists in museum, corporate and private collections from the Americas, throughout Europe, and across the seas to Japan.●

INFRASTRUCTURE SEMINAR

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. SHUSTER. Mr. Speaker, I am submitting for the RECORD an article written by John H. Ingram of Nickerson, Ingram, Vento & Associates, Inc., describing a seminar held last year on the infrastructure. The seminar was designed to focus on this Nation's infrastructure needs, and on ways to improve the infrastructure. While the opinions expressed here are Mr. Ingram's, I do agree that we need to move forward preserving and expanding this Nation's infrastructure.

INFRASTRUCTURE: A CRISIS OF OUR OWN MAKING?

(By John H. Ingram)

"Our infrastructure (our roads, bridges, sewers, water supply systems, waterways, ports, railroads and mass transit systems) is to the nation as arteries and veins are to the human body. It provides sustenance. But, our infrastructure is different from the human body because it cannot heal itself. The infrastructure needs an infusion of capital." (John W. Sroka, The Associated General Contractors of America, Washington, D.C.)

What I have to say about the issue of infrastructure will concede the importance and magnitude of the problem and focus instead on those solutions that reflect the realities of today's political climate.

In order to encourage a serious national dialogue, Nickerson Ingram Vento & Associates, Inc. (NIVA) sponsored a National Symposium on U.S. Infrastructure: Problems, Priorities and Financing Alternatives. For those who were unable to attend this event, I will take this opportunity to summarize the Symposium's conclusions.

Reflecting a belief that government alone will never be able to fully respond to the total infrastructure need which confronts our nation, the Symposium, which was sponsored entirely by the private sector without government funding, allowed national leaders in the fields of communications (Hill & Knowlton), industry (the Associated General Contractors), finance (Merrill Lynch and Shearson Lehman/American Express) and government an opportunity to focus their combined attention on the infrastructure issue. However, instead of trying to decide whether the need is $1 trillion or $3 trillion, the Symposium attendees focused on reaching agreement on a coordinated plan to get on with the building of needed projects.

INDUSTRY'S VIEWPOINT

John W. Sroka, executive director for the occupational services division of the Associated General Contractors of America (whose quote leads this article), made it quite clear that if politicians at all levels of government could ever reach consensus that our infrastructure must be upgraded, then the private sector is ready to get on with the process of building the individual projects. It was estimated that for each $1 billion of investment, 56,000 construction and construction-related jobs would be created. Over a 10-year period, a $1 trillion spending effort would create six million jobs.

THE GOVERNMENT VIEWPOINT

Representing the government viewpoint at a panel discussion of the federal role in infrastructure financing were: Congressman Jim Howard (D-NJ), Chairman of the House Public Works & Transportation Committee; Congressman Glenn M. Anderson (D-CA), Chairman of the Surface Transportation Subcommittee; Congressman Robert A. Roe (D-NJ), Chairman, Water Resources Subcommittee; Congressman Norman Y. Mineta (D-CA), Chairman, Aviation Subcommittee; Congressman Bud Shuster (R-PA), Ranking Republican Member of the Surface Transportation Subcommittee; and Congressman Arlan Stangeland (R-MN), Ranking Republican of the Water Resources Subcommittee.

Chairman Howard commented on the lack of public awareness of the infrastructure problem.

"We forgot to look at what we had built, and we need to get into re-construction," the Chairman began. "Two-thousand miles of interstate highway each year need major repairs; one bridge every two days collapses; and forty-five percent (45%) of all bridges need either replacement or repair. The water system of New York City is so antiquated that it wastes more water than London consumes." the Chairman added.

Mr. Howard concluded his remarks by advising the attendees that the Public Works Committee intends to make the 99th Congress "the Infrastructure Congress."

While noting that funding for the reconstruction of the Nation's Interstate highway program has increased ten-fold since he became Surface Transportation Chairman in 1981, Congressman Anderson charged that during the 1970s, America had allowed its transportation infrastructure to deteriorate to a point that even the current spending levels are insufficient to bring it up to standard.

"In 1976, it would have cost $11.2 billion to return Interstate, arterial and collector roads to their 1975 condition. By 1981, that price tag had escalated to $119 billion," Congressman Anderson stated. "Likewise, thirty percent (30%) of our public bus fleet has already reached its life expectancy," Anderson concluded.

Chairman Roe urged the attendees to go out into the marketplace and start talking about the capital base of the country.

"We have to rebuild the internal dynamics of America in order to compete overseas," the Congressman commented. "In 1965, five percent (5%) of our Gross National Product (GNP) was invested in infrastructure. In the 1970's we invested only .7 of one percent. By contrast, Japan annually spends five percent (5%)," he added.

Chairman Mineta of the Aviation Subcommittee then joined Representatives Shuster and Stangeland in documenting the extent of need in the aviation, surface transportation and water areas. Chairman Howard and his colleagues then announced the introduction and Committee hearing schedule of HR 5948, the National Infrastructure Act. This legislation would make 20-year interest free loans available to states based upon a population formula. The fund would allocate $3 billion per year for ten years.

During the course of the panel discussion, it was made clear, however, that even if HR 5948 should manage to clear a path through the maze of competing congressional committees in the House, little hope was expressed that the Republican-dominated Senate would respond in kind. This fact was highlighted by Chairman Roe who stated that the House during June of 1984 had increased the funding for sewage treatment plants to $19 billion over four years (HR 3282), had attempted to spend an additional $400 million collected annually by the penny-a-gallon tax for mass transit (HR 5504), and had created an $800 million a year loan program for municipal water supply systems (HR 3678).

"We are still waiting for the Senate to act on all of those bills," Congressman Roe stated. Given that the Senate adjourned for the November elections without approving any of these bills, each must now begin anew its perilous trip through the congressional process.

Those attending the Symposium commented that even if the Congress had enacted all the aforementioned bills, including HR 5948, the money may still not be enough. Indeed, the need may be greater than anyone expects if the disaster in 1983 involving a 100-foot section of a Connecticut bridge is any indication. The State's transportation department had found that very bridge "not to be in need of major repair" nine months before it collapsed!

Even if we should concede that a certain part of our "infrastructure crises" is politically motivated and that we should ask our government authorities to do a better job rather than merely doing a more expensive job of managing public works projects, the magnitude of the dollar need confronting us is nevertheless staggering.

One piece of legislation that did win final approval prior to the adjournment of the 98th Congress was S. 1330 creating a National Council on Public Works Improvement. This new law will no doubt lead to a sorting-out of public works projects that either have or don't have sufficient "federal interest" to justify federal funding.

THE COMMUNICATIONS VIEWPOINT

Lawrence R. Walsh, Vice President of Hill & Knowlton and a sponsor of the Symposium, focused on "Why Infrastructure Projects Fail".

Mr. Walsh cited political inertia, the tendency to put-off things until problems are overwhelming, as the chief reason for the lack of enthusiasm for rebuilding infrastructure.

"Americans traditionally have had a reluctance to face things that are not at a crisis stage," Mr. Walsh began. "We just don't have the public resources to throw a $100 billion, let alone $1 trillion, at a program like the nation's infrastructure and expect a quick fix," he added.

Mr. Walsh then commented on the difficulty of solving problems while the current focus in Washington is budget-cutting.

"Clearly, many politicians would prefer to delay public works spending rather than communicate the seriousness of the problems to their constituents," Walsh concluded.

THE FINANCIAL COMMUNITY'S VIEWPOINT

While the need to increase public facility investments has grown, the financial representatives at the SYMPOSIUM commented on the increasing difficulty of arranging such financing over recent years because of high and variable interest rates on municipal debt and such disincentives as federal

"strings" on grants and certain provisions of the federal tax code.

The recent recommendations of the Treasury Department on ways to "reform" the federal tax code may further complicate and add to the high cost of infrastructure financing. However, since these recommendations will result in lengthy discussion here in Washington by the congressional tax writing committees, an opportunity now exists for us to call for the elimination of those sections of the tax code which discourage public/private partnerships in the building of such badly-needed facilities as water resource systems, solid waste/resource recovery, and toxic waste management/disposal systems among others.

And, while most observers of the Congress feel that few of the Treasury's more dramatic proposals such as the elimination of accelerated cost recovery system deductions (ACRS) will be adopted any time soon, the attendees at the Symposium cited the following as contributing factors to the high cost of infrastructure finance and expressed hope that the Congress would recognize that:

The demand has decreased for tax-exempt debt by such traditional institutional investors as banks and insurance companies. This is chiefly due to their shrinking profit margins.

The 1981 Economic Recovery Tax Act's lowering of tax rates of individual high income taxpayers not only reduced their appetite for tax-exempt income but also created several tax-exempt investment options such as IRS's and All Saver's Certificates—both of which increased competition for funds in the tax-exempt market.

The past mistakes of a few tax-exempt issurers, such as New York City, Cleveland, and the Washington Public Power Supply System, have frightened some individual investors of an increased risk associated with some tax-exempt issues.

The creditworthiness of governmental issues has now become a concern to many potential private sector partners in infrastructure finance. If we look at the erosion taking place of traditional state and local revenue sources when tax and debt limitation initiatives pass, we can understand why the creditworthiness issue now exists. Even in those states where limitations have failed, the threat they posed has led to a mood of caution by the governmental units. Furthermore, the on-going demographic shift from cities to suburbs has had the effect of contracting the general tax base, particularly for the older cities which often have the most acute infrastructure needs.

Thomas H. Cochran, Vice President for Public Finance for Shearson Lehman/American Express, urged officials to "stop spending our children's inheritance" by recognizing that when it comes to our infrastructure, we can either pay for it now or we will pay for it later.

Merrill Lynch's Managing Director of their Municipal Finance Department, Daniel H. Harman III, presented a basic primer course in municipal finance. He began by reviewing the desirability of self-supporting financing for highway, bridge, airport, mass transit, water supply/distribution, wastewater collection/treatment, and resource recovery projects. He then moved on to a discussion of the characteristics of revenue bond financing for projects which by their nature do not lend themselves to self-supporting financing. During this part of his presentation, he listed the requirements for a successful revenue bond issue and highlighted the implications of an insufficient revenue stream).

Both Mr. Cochran and Mr. Harman stressed that there is no magic wand which government can wave to make the infrastructure problem go away.

THE REBUILDING PROCESS

To conclude the Symposium, Dr. John E. Petersen, director of the Government Finance Research Center of the Government Finance Officers Association, led a panel discussion on "Securing Project Funds." As the discussion progressed, it became quite clear that cost-effective and innovative financing alternatives for states, localities and the private sector exist.

Having reached agreement on how best to secure the actual financing, the panel then turned its attention to the steps required to build the local coalition (comprising representatives from government, the construction industry, and the communications, financial, and legal communities) necessary to actually secure the financing. Such a coalition, again, built at the local level, would coordinate the steps necessary to begin the rebuilding process.

This rebuilding process has two basic steps:

Step one: Identify and then build a coalition that will be charged to develop an integrated program to rehabilitate a specific infrastructure system.

Step two: This step, by far the most complex and time consuming of the two, requires the development of a community capital investment strategy. To do this, a complete inventory of the general state of the infrastructure to be rehabilitated must be compiled. Likewise, a projection of federal, state, and local aid in each infrastructure area must be produced. Once this inventory and funding projection is available, the next phase of the strategy calls for an assessment of priority of need in each infrastructure area according to criteria which members of the coalition have approved. Such criteria might include A) health and safety, projects that remove hazards for residents; B) essentiality, projects which serve as vital links in providing services to residents; C) economic development, projects critical to gaining or retaining industry and the jobs that go with them; D) cost-effectiveness, projects which reduce current maintenance expenditures and thus avoid costly future rehabilitation; and E) legal mandates, projects clearly required as a result of court action or government regulation.

Once the coalition's capital investment strategy is developed to this point, an evaluation of potential financing alternatives is in order. Now the discussion turns to questions like: A) Would a rate increase support a revenue bond or should we change the rate to better reflect the true cost of upgrading the service being provided? B) Should we raise existing taxes to support a general obligation bond and earmark the revenue for public transit? C) Can we be more aggressive in obtaining discretionary funds, going after less traditional program funds, or should we instead divert resources from other accounts? D) Should we institute a new motor license fee and earmark the income to bridge maintenance and a truck weight fee earmarked for road maintenance?

With these questions decided, the coalition now moves to build an environment for economic growth. This is accomplished by clearly stating in understandable terms the individual costs and benefits to be derived by the implementation of the strategy. This might require members of the coalition to use quite simple statements like: (A) "For what you all spend on a tank of gasoline, we will fix the following 58 bridges . . ." (B) "Twenty-five percent of our water is lost through cracks in the system." (C) If we fix the water system, you'll get more pressure and less brown stuff."

CONCLUSION

Those attending the National Symposium on Infrastructure already knew that our nation's public resources, these valuable assets, must not be allowed to deteriorate further. They knew that such action would ultimately shackle our continued economic growth.

A strategy was developed for renewing our infrastructure by encouraging, indeed forcing, government officials to recognize this threat before the already staggering costs become even more of a terrible burden on our children. Our failure to move forcefully across the country implementing this strategy will surely stall the continued progress of our various communities.

Should we allow this to happen, we will have infrastructure as a Crises of Our Own Making.

(Mr. Ingram, President of Nickerson Ingram Vento & Associates, Inc., a government policy consulting corporation headquartered in Washington, D.C., was formerly chief legislative assistant to Congressman Glenn M. Anderson, federal representative of the State of California, and chief lobbyist for the American Public Transit Association.)●

ARTS AND HUMANITIES TAX REFORM

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GREEN. Mr. Speaker, I am pleased to be introducing today the Arts and Humanities Tax Reform Act of 1985. This legislation would amend the Internal Revenue Code to disregard, in the valuation for estate tax purposes of certain items created by the decedent during his or her life, any amount which would have been ordinary income if the item had been sold at its fair market value; to allow a charitable deduction based on the fair market value of a creation; and to establish new guidelines for deducting the business use of a place of residence.

Under present law, an artist's heirs pay an estate tax on the decedent's creative property which is based on its fair market value. Unfortunately, an artist will frequently request that the family destroy works of art at the time of his or her death in order to protect the heirs from exorbitant estate tax charges. I believe this is a great loss to the Nation, its artists, scholars, and historians, and to the decedent's heirs. Section 2 of my bill provides that, when an artist dies, the estate tax charged the heirs will be based on the cost of the materials in the work, and

not the price at which the item could be sold.

I would add that a work or creative property may be defined as any copyright, musical or artistic composition, letter or memorandum, or any similar property which was in the decedent's possession at the time of his or her death, and was created through the efforts of the individual. Second, I would point out that creative work does not include any property which was held by a decedent who was at any time an officer or employee of the United States and which was created by the decedent in carrying out an official duty.

While, for estate tax purposes, works are valued at market price, a creative work is valued for charitable deduction purposes at the cost of materials in the work. Section 3 of my bill would allow artists to take a deduction for donations to nonprofit groups at the fair market value of the donated property.

In making these changes, we would promote rather than discourage creativity and advocate the sharing of artwork and creativity with the public. By providing a tax incentive for the contribution of works to charitable organizations—museums, libraries, and galleries—and a lighter estate tax charged an artist's family, we are encouraging wider distribution of artwork, development of artistic resources in individuals, and are recognizing the importance of preserving an artist's creation.

Section 4 addresses a problem which is voiced again and again by artists, particularly in New York City. Under current law, a taxpayer is allowed to deduct expenses attributable to the business use of his or her place of residence only when a portion of the home is used exclusively and on a regular basis as a place of business. Many artists and writers who seek to deduct expenses for the business use of their homes and live either in loft-type space in small quarters have a difficult time providing exclusive use of a portion of their home when it is not separated from the remainder of the dwelling by a wall. My bill addresses this problem and would allow the deduction in cases in which a portion of the home is used to a substantial extent and on a regular basis for business purposes, thus allowing a part of a room, not necessarily a separate room, to be considered a workplace for tax purposes. Section 4 also directs the Secretary of the Treasury to promulgate regulations in order to implement the substantial extent provision within 90 days of enactment of the legislation. Within 120 days of enactment, the Treasury must recommend to the House Ways and Means and the Senate Finance Committees legislation which would provide statutory standards to replace the substantial extent provision.

This legislation is designed to allow the artistic community to develop without fear of the tax burden which being an artist presently creates. In light of the severe budget cuts recently proposed by the administration in this area. I believe it is particularly important to provide these incentives to artists, and remove the disincentives to creativity which currently exist. I have submitted to the RECORD the text of my bill for review by my colleagues:

H.R. 1657

A bill to amend the Internal Revenue Code of 1954 to disregard, in the valuation for estate tax purposes of certain items created by the decedent during his life, any amount which would have been ordinary income if such item had been sold by the decedent at its fair market value, to allow a charitable deduction based on the fair market value of such items, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arts and Humanities Tax Reform Act of 1985".

SEC. 2. VALUATION OF CREATIVE PROPERTY FOR ESTATE TAX PURPOSES.

(a) IN GENERAL.—Part III of subchapter A of chapter 11 of the Internal Revenue Code of 1954 (relating to gross estate) is amended by inserting after section 2032A the following new section:

"SEC. 2032B. VALUATION OF CERTAIN ITEMS CREATED BY THE DECEDENT.

"(a) GENERAL RULE.—If the decedent was (at the time of his death) a citizen or resident of the United States, then, for purposes of this chapter, the value of qualified creative property shall be determined under subsection (b).

"(b) VALUE OF QUALIFIED CREATIVE PROPERTY.—For purposes of subsection (a), the value of qualified creative property of the decedent shall not include any amount which would have been ordinary income if such property had been sold by the decedent at its fair market value (determined at the time of the valuation of such property).

"(c) QUALIFIED CREATIVE PROPERTY DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified creative property' means any copyright, any literary, musical, or artistic composition, any letter or memorandum, or any similar property—

"(A) which was held by the decedent at the time of his death, and

"(B) which was created by the personal efforts of the decedent.

"(2) CERTAIN PROPERTY EXCLUDED.—The term 'qualified creative property' does not include any property—

"(A) which was held by a decedent who was at any time an officer or employee of the United States or of any State or political subdivision of such State, and

"(B) which was created by the decedent in carrying out his official duties as such an officer or employee."

(b) CLERICAL AMENDMENT.—The table of sections for such part III is amended by inserting after the item relating to section 2032A the following new item:

"Sec. 2032B. Valuation of certain items created by the decedent."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying on or after January 1, 1985.

SEC. 3. VALUATION OF CREATIVE PROPERTY FOR CHARITABLE DEDUCTION PURPOSES.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1954 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

(6) SPECIAL RULE FOR CERTAIN PROPERTY CREATED BY THE TAXPAYER.—

"(A) IN GENERAL.—The reduction under paragraph (1)(A) shall not apply to any charitable contribution of property—

"(i) which is a copyright, a literary, musical, or artistic composition, a letter or memorandum, or similar property, and

"(ii) which is contributed by a taxpayer whose personal efforts created such property.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to any property—

"(i) which is contributed by any officer or employee of the United States or of any State or political subdivision of such State whose personal efforts created such property, and

"(ii) which was so created by such officer or employee in carrying out his official duties."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made after December 31, 1984, in taxable years ending after such date.

SEC. 4. BUSINESS USE OF HOME.

(a) IN GENERAL.—Paragraph (1) of section 280A(c) of the Internal Revenue Code of 1954 (relating to exceptions for certain business or rental use; limitations on deductions for such use) is amended by striking out "exclusively used" and inserting in lieu thereof "used to a substantial extent and".

(b) REGULATIONS.—The Secretary of the Treasury or his delegate shall, not later than 90 days after the date of the enactment of this Act, prescribe regulations to carry out the amendment made by subsection (a).

(c) RECOMMENDATIONS FOR LEGISLATION.—The Secretary of the Treasury or his delegate shall, not later than 120 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate recommendations for legislation which provide objective statutory standards for allowing deductions in cases where a portion of a dwelling unit is used for business purposes on other than an exclusive basis.

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable year beginning after December 31, 1984.●

AN AUSPICIOUS DEBATE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GARCIA. Mr. Speaker, I want to take a moment to point out to my colleagues the recent success of a young woman who has over the past 5 years worked closely with this institu-

tion. Her name is Elizabeth Benedict, and her first novel, "Slow Dancing," has just received favorable reviews in the New York Times and the Washington Post.

Liz, who has been associated with the Mexican American Legal Defense and Education Fund for the past 5 years or so, has helped my office considerably on a number of important issues including the renewal of the Voting Rights Act and the Simpson-Mazzoli Immigration Reform Act—in all its incarnations.

Liz is a very bright and articulate woman, but just as important, during the long and often frustrating hours my staff and I put in preparing for debate on Simpson-Mazzoli and the Voting Rights Act, Liz was not only there when we needed her, she never lost her highly developed sense of humor, an irreplaceable asset.

Although I have not yet had an opportunity to read Slow Dancing, I understand that Liz's considerable talents shine through. I imagine first novels are something like first born children. They are objects of wonder and promise. Certainly Liz has exhibited a great deal of promise with her writing. My favorite story on writing comes from Red Smith, the late sportswriter for the New York Times. When asked about the difficulty of writing, Red allegedly replied, "Writing is easy. All you have to do is sit down at the typewriter, open up your veins, and bleed."

I'd like to share with my colleagues a quote from the Washington Post review of Slow Dancing written by Susan Isaacs, herself an author. Ms. Isaacs said:

Each year there are a number of competent first novels published. Perhaps it has something to do with the proliferation of creative workshops and Masters of Fine Arts programs, but there seem to be more and more authors capable of creating a perfectly polished sentence, every word a jewel. But Elizabeth Benedict's writing is more than merely well-wrought. It's alive. Benedict's debate is auspicious because she goes a step beyond craftsmanship. She creates people who are touching, human, and memorable.

It sounds like Liz's work is what Red Smith had in mind when he talked about successful writing.●

THE WRONG WAY TO TREAT MOSCOW

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. EVANS of Illinois. Mr. Speaker, George Kennan is certainly one of our greatest national resources in the field of Kremlinology and Soviet strategic studies. He was one of the first, in the late 1940's and 1950's, to warn us both of the threat presented by Soviet foreign policy and of the danger of our reliance on nuclear weapons. He has for many years spoken and written eloquently to try and rid us of one of the most pervasive beliefs of our times—that the nature of the Soviet Union demands the American nuclear arms buildup and its continued, massive escalation.

George Kennan recently challenged the Reagan administration on its latest wrong-headed rationalization for the MX missile: that building this dangerous boondoggle will somehow demonstrate American will to the Soviets and force them to negotiate serious arms control agreements in Geneva. I would like to share George Kennan's words with my colleagues, and urge them to join me in rejecting further production of MX missiles:

[From the New York Times, March 3, 1985]

THE WRONG WAY TO TREAT MOSCOW

(By George F. Kennan)

For weeks on end, we have been hearing assertions from senior figures in Washington to the effect that it is only the great buildup of America's military strength (presumably since late 1983) that has brought the Russians "back" (although it is not exactly that) to the arms negotiation table. And now we find ourselves similarly assured that only the completion of the MX missile program, as urged by the Administration, could give the Russians the incentive to deal seriously with us at that table, once they come.

The first of these assertions is unproved and highly unlikely. The second strikes me as the purest nonsense.

There is no reason to suppose that the real but modest improvement in American nuclear capability that has taken place since strategic arms control talks were broken off last spring has in any significant way affected the Soviet attitude toward the talks that are about to begin.

There is much greater likelihood that the Soviet consent to join in these talks was inspired primarily by the impression conveyed to Moscow from a number of sources that the President, in entering upon his second term in office, was serious in his desire to get on with arms control and to lower the tensions in Soviet-American relations. To this was no doubt added the realization by the Soviet leaders that their abstention from the negotiating process was being successfully exploited against them at the propaganda level.

But behind all this there also lay something even more serious: a possibility (even a probability) that the Administration has steadily declined to recognize—the possibility that the Soviet leadership might really have come to the conclusion that a continuation of the nuclear arms race held no promising advantages for anyone and that it would be to their own interest to get on if possible, with a significant abatement of it. This conclusion would not have been unreasonable. Nor would it necessarily have been a sign of exceptional virtue on their part.

As for the MX, what is at stake here is no more than a moderate increase in quantities of nuclear overkill already so staggering that a few missiles more or less do little to change the general problem. The Russians will see in the pressures the Administration is now bringing to bear on Congress in this connection one more symptom of the spirit in which the Administration is approaching the new talks—and that, of course, the Kremlin will have to take into account. But this will not necessarily modify the Russians' negotiating position. Why after all should it influence them unless they believe that the MX program is really expendable for negotiating purposes?

Aside from the fact that senior Governmental officials have repeatedly stated that it is not thus negotiable, the Russians know very well that no such program—into which billions of dollars have already been invested and on which thousands of people are now dependent for their livelihood—could really be played with as a "bargaining chip" by negotiators in Geneva. Any further funding Congress decides to devote to the MX program will appear to Moscow as a fait accompli, and will be evaluated accordingly.

All available evidence suggests that the Soviet side, in entering upon these new arms talks, will be acting in a spirit of profound skepticism as to the seriousness of the Administration's professed desire to get on with arms control. Nothing in the preparation for the talks at the American end could have encouraged them to take any other attitude.

Neither the reiteration of the offensive insinuation that they have been frightened into returning to the table, nor the known attitudes of certain of those chosen to conduct the talks from the American side, nor the uncertainties created by the strategic defense initiative, nor the recent commandeering of the space shuttle for military purposes, nor the many official assurances that they, the Russians, were about to be softened up by further demonstrations of our "resolve" (resolve to do what?) can have been helpful in overcoming Moscow's skepticism. Would all this not rather have encouraged them in the belief that the Administration's readiness to participate in the coming talks was nothing more than window dressing designed to mollify some of our nervous allies and whatever remains of the American peace movement?

That our Soviet counterparts should be coming in this frame of mind to a set of negotiations on which the entire future of the arms race may well depend is a dangerous circumstance. The Administration would do well to bear this in mind. Real strength, quietly maintained and not openly brandished, can indeed be a useful support to diplomacy. Showy and questionable strength, too openly boasted about and relied on too exclusively for pressure on another government, can have precisely the contrary effect.●

NATIONAL ENDOWMENT FOR THE HOMELESS

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. LOWRY of Washington. Mr. Speaker, today my colleague from Iowa, Mr. LEACH, and I have introduced a legislative proposal, the "National Endowment for the Homeless." A companion bill will be introduced by Senator ALAN DIXON, Senator JOHN HEINZ, and several other Senators next week.

It is common sense that in a Nation so richly endowed as ours, every citizen should be entitled to live in dignity and to have the chance to meet their basic human needs. Yet, as simple as that sounds, hundreds of thousands—maybe millions—of Americans have no home but the streets and no food except that donated by others.

I refuse to believe that those of us blessed with warm homes do not care. Yet, as the spring thaw approaches, I fear that those less fortunate will be forgotten until the next winter. That we will continue to confuse our priorities. That we will choose to fail to deal with the most fundamental problems facing our Nation and the world—hunger, poverty, and the right to safe shelter.

Today is "National Action Day for the Homeless" and it is appropriate that on this day we recognize that we can do more to help the homeless. While the President and Congress have acted too slowly and provided too little, thousands of individual Americans in community organizations, charities, and local government have struggled to uphold one of the fundamental values of our Nation—that each of us has an obligation toward our community and other people in our world.

In my home State of Washington, hundreds of individuals and organizations have joined together to help the homeless through the Seattle-King County Emergency Housing Coalition and the Washington State Coalition for the Homeless. In turn, many of these individuals have joined with other local coalitions and charities throughout the Nation to create the National Coalition for the Homeless. They have chosen to lend a hand where the Federal Government has fallen far short of its responsibilities.

Despite the best intentions and hard work of these individuals and organizations, they cannot keep pace with the growth in poverty and the need for shelter, food, and health care. Even the most optimistic estimates of homelessness indicate that for every homeless person provided shelter, another two receive no help at all. These problems are growing worse—we are faced with a mental health system in disarray, high unemployment and the termination of Federal assistance for the long-term unemployed, continued cuts in low-income housing and the potential elimination of the rural housing program, and constant pressure of cutbacks in other poverty programs.

While I am convinced that the problems of homelessness can be fully addressed only by strengthening these programs and creating jobs, I am also a pragmatist. We need to help people immediately. Their lives cannot hinge on the outcome of debates in the White House or Congress.

For that reason, I am joining today with my colleague from Iowa in introducing a limited, but meaningful legislative proposal, "The National Endowment for the Homeless."

This proposal is based upon three fundamental principles. First, the Federal Government can have the greatest impact with a limited program by building on the success, expertise, and vision of local, private voluntary organizations and local governments that are presently helping the homeless.

Second, Federal funds are essential but will not be sufficient unless they are provided in a way that encourages continued and increased funding from non-Federal sources—individuals, charities, foundations, private business, and State and local government.

Third, Federal funds must be made available to provide more than just a hot meal and a cot. We must support promising efforts to generate more lasting solutions for the range of problems facing the homeless, including meeting the special mental and physical health problems of the homeless, easing the transition to permanent homes and helping the homeless gain access to other sources of services and benefits.

Our proposal would establish a wholly private, nonprofit organization—the National Endowment for the Homeless—which could serve as a focal point for efforts to assist the homeless. This organization would not be a governmental agency. Instead, it would be cooperatively controlled by individuals and organizations involved in providing assistance for the homeless.

The endowment would carry out four basic functions. First, the organization would provide grants for the direct provision of shelter, food, and supportive services for the homeless in a manner consistent with the program administered by the national board under the auspices of FEMA. Second, the endowment would marshall more adequate Federal and non-Federal resources by providing funds partially on a matching basis. Third, the endowment would serve as a national forum and repository of knowledge to aid in the gathering and dissemination of information about effective ways to meet the need of the homeless. Fourth, the endowment would provide grant support for demonstration efforts which could address the more fundamental problems of homelessness in ways that could be replicated throughout the Nation.

The endowment would be specifically directed to support efforts which involve the active cooperation of community organizations, foundations, charities, and local and State governments. Further, the endowment would be directed to minimize administrative costs—members of the board of directors and advisory council would receive no salaries—and highest priority would be placed on assistance for the provision of direct services.

Each year the Federal Government would provide a $60 million seed grant to the endowment. These funds would be used for direct assistance to the homeless, to raise additional funds from other sources, and to carry out the other specific purposes of the endowment. In addition to the initial annual seed grant, the Federal Government would provide matching funds for funds raised through voluntary contributions. The total Federal contribution to the endowment in any given year—including both the seed grant and additional matching funds—would not exceed $230 million.

The Federal contribution would fall far short of the documented needs of the homeless. In fact, the total contribution for the homeless would represent only one-half of 1 percent of the housing subsidies provided to middle and upper income homeowners through the tax system. Present tax deductions, such as those for mortgage interest and State and local property tax, cost over $40 billion annually to the Federal Treasury. I do not think it is inappropriate to spend a fraction of this amount on individuals and families who have no homes at all.

I urge my colleagues to support a more active Federal role in helping the homeless. Thank you.●

AMERICA'S PREGNANT CHILDREN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. MILLER of California. Mr. Speaker, last week an editorial appeared in the New York Times entitled, "America's Pregnant Children." This piece, based on a study just released by the Alan Guttmacher Institute, details the distressing rates of teenage pregnancies, births, and abortions in the United States. The Times reminds us that these occurrences are far more frequent in this country than most other developed countries, even though American adolescents are no more sexually active than others. The study also dispels the myth that welfare serves as an incentive to out-of-wedlock childbearing.

The Times suggests, and I agree, that we are in the position we are in because we will not sufficiently counter, with education and counseling for teenagers, the enormous influences of a society undergoing a sexual revolution.

Why else would we have higher rates of teen pregnancy, abortion, and childbearing? Why else would U.S. childbearing rates be much higher

than Sweden, France, England, Canada, Wales, and the Netherlands?

Among subjects studied by the Select Committee on Children, Youth, and Families during the last 2 years, the multiple crises associated with teenage pregnancy have received top priority. Over 1 million teenagers each year will become pregnant in the United States, and over one-half million will bear children. In fact, Wendy Baldwin, of the National Institute for Child Health and Human Development, has told the select committee that among girls now aged 14, 40 percent will experience a pregnancy before they reach age 20, and one-fifth will bear a child.

We know a lot about how to solve the problem. But as the New York Times so aptly editorialized, "Consensus, and commonsense, become impossible," when we try to institute preventive strategies that include sex education in the schools, or when we try to discuss teenage contraceptive use.

The results of our policy failures are clear: unprecedented numbers of abortions among teenagers, and more teens with infants risking the relentless cycle of welfare dependency and poverty. The time has come to use what we know to reverse this trend—one that is unparalleled in other developed countries and which has dire consequences for our most vulnerable youth.

I hope my colleagues will take the time to read this important editorial:

AMERICA'S PREGNANT CHILDREN

According to legend (and a song lyric from "Gypsy"), to sell something you've gotta have a gimmick. In the United States, the tried-and-true gimmick is sex.

Sex sells jeans, cars, perfume, underwear and detergents. It powers hit records, best sellers, TV dramas and videos. It's a staple of many an evening with a V.C.R. and the reason for many a celebrity's celebrity. It is big bucks, the gimmick that makes the merchandise move. The retailers are happy and so are the customers. But what about the children?

Can America shield its children from the sexual sell? It doesn't even want to try. Then at least can society teach them how to deal with sex? Yes, but it doesn't want to try that, either.

Obviously not, even though the United States leads nearly all other developed nations of the world in teen-age pregnancy, abortion and child-bearing rates. Not when we're the only developed country where teen-age pregnancy has been increasing. Not when it's our most vulnerable adolescents—girls under 15—whose pregnancies account for the maximum difference between our teen-age birthrate and that of other countries.

America's children are bearing children at a rate unparalleled in the Netherlands, Sweden, France, Canada, England and Wales—countries similar to the U.S. in general cultural background and economic development. The reason, according to a study just released by the Alan Guttmacher Institute, is not that American adolescents are more apt to be sexually active. The median age at first intercourse is very similar for all teen-agers in the countries studied.

Neither is it because adolescents in other countries have more abortions. They have fewer. Nor is the teen-age fertility in this country explained by the very high pregnancy rates among black teenagers, many of whom live in a degree of poverty unknown in Europe. The rate for white adolescents alone exceeds that for the other teen-age populations.

Nor does welfare appear to serve as an incentive to out-of-wedlock child-bearing. If so, one would expect lower birthrates here than in the other five countries, where overall support is more generous.

Instead, the answer lies in our reluctance to accept responsibility for the sexual revolution—and prepare our children for life in this changed society. Contraceptive counseling and sex education in the schools can make a powerful difference, yet they suffer constant attack. Some states severely limit the advertising and display of contraceptives, and it's the rare TV channel that will run even the most tasteful contraceptive advertising.

Although the pill is accepted as a highly appropriate contraceptive method elsewhere, and despite the ever-increasing scientific evidence of its safety and efficacy for adolescents, it is greeted with ambivalence and suspicion here.

Teen-agers need help to avoid pregnancy, and to avoid abortion. That's exactly why France, the Netherlands and Sweden have committed themselves to providing contraceptive services for young people. But as the Guttmacher study puts it, "the nature and the intensity of religious feeling in the United States serve to inject an emotional quality into public debate dealing with adolescent sexual behavior." Consensus, and common sense, become impossible.

America wallows in the byproducts of sexual liberation—raunchy TV, suggestive advertising and pornographic movies. At least in theory, the adults are able to manage. One can only feel pity, however, for the teen-agers, and for their children.●

LOCAL MEETINGS PRODUCE INFORMATION ON HARMFUL EFFECTS OF BUDGET CUTS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FRANK. Mr. Speaker, one of the practices I have found most useful as a Member of the House is to visit with the various local governing bodies in the cities and towns that make up my congressional district. During the February recess, and on several subsequent weekends, I have met with boards of selectmen, mayors, and school committees from approximately a dozen of the communities I represent. With near unanimity and great vehemence, these hardworking, local elected officials have told me of their concerns about the disproportionate share of the budget cuts which are aimed at Federal-local cooperative efforts. These local officials are well aware of the need to reduce the Federal deficit, and they have, on the whole, an excellent record of deficit reducion in their own areas. In particular, they have adjusted very well to the referendum passed by the Massachusetts voters in 1980 which limited the amount that could be raised by local governments in property taxation—the major source of revenue for Massachusetts local governments.

But these local officials pointed out to me that, precisely because they have done well in reducing waste and inefficiency at the local level, they would be badly damaged by the sort of massive cuts in Federal assistance to local government activities that have been proposed in the President's budget. I agree with them that the budget as sent to us by the White House disproportionately attacks programs whereby local governments are helped to provide necessary services for people. It will not aid our goal of reducing the burden on the American people if we simply cut Federal expenditures in a way that requires State and local taxation to go up, or if the result is the loss of vital services such as police, fire, and education to local citizens.

The people I have met with represent a wide variety of views—indeed in most of the communities I have had these meetings majorities voted for President Reagan, and for the Republican candidate for the U.S. Senate as well. But these local officials and many of the newspapers that reflect an intimate knowledge of local concern agree that the President's budget unfairly concentrates on deficit reduction efforts in those areas which have a particular impact on local government.

Mr. Speaker, it is not simply the big cities of this Nation which look to Federal local cooperative efforts as a means of helping provide aid to their citizens. In the relatively small town of Plainville, when I met with the Board of Selectmen, high on their priority list was the preservation of Federal assistance to public transportation. These hardworking elected officials pointed out to me that the recent institution of a bus line from their small town to the nearby city of Attleboro was a very important service for many of its citizens. This service is one which is supported by State, local and Federal Government, and for the Federal Government simply unilaterally to pull out would be to result in a very drastic reduction of service of a necessary sort.

I would like at this point, Mr. Speaker, to share with my colleagues a representative sampling of the opinion I have gathered in my meetings. Included are a letter from the selectmen of the town of Berkley, a small town in my district; and article from the Herald News of Fall River which documents how unfortunate the Presi-

dent's budget cuts would be in the city's effort, under the leadership of its mayor, Carlton Vivieros, to regain economic prosperity; an excellent article in the Brookline/Newton Tab which outlines the severe impact the budget cuts would have on the city of Newton; editorials from the Walpole Times and the Waltham/Newton News Tribune which express very well the point of view of those concerned with the viability of local government; a resolution adopted by the City Council of Fall River, sponsored by City Councilor Marilyn Roderick; and an extraordinarily interesting and well-prepared chart by the officials of the very well run town of Natick which show how negatively they would be effected in ways that it would be difficult for them to counteract by the proposals to dratically cut revenue sharing and other Federal programs.

Mr. Speaker, I believe my district is, in this respect, representative of many others in this country and I think it is important that Members of this body learn first hand from those who have the responsibility of providing government services on the local level about the impact of the President's proposed budget.

The material follows:

OFFICE OF
BOARD OF SELECTMEN,
Berkley, MA, March 1, 1985.

Congressman BARNEY FRANK,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN FRANK. This Board would like to take this opportunity to thank you for your visit to Berkley on February 14, 1985. Your visit confirms our belief that you are concerned about your constituents.

We would also like to again state our concerns about the loss of Revenue Sharing and what effects it would have on the Town of Berkley.

As you know our tax revenue is capped by Proposition 2½. We rely heavily on Revenue Sharing to fund at least 50% of our Public Safety Budget (Police and Fire) and we have no way to make up these lost funds. If Revenue Sharing ceases it would mean drastic cut backs in our already meager Public Safety Programs.

Thank you for your attention to this matter.

Respectfully yours,

GEORGE A. MOITOZA,
Chairman.

[From the Fall River (MA) Herald News, Feb. 6, 1985.]

LOSS OF GRANTS WOULD HURT CITY

(By James N. Dunbar)

When John Whalen said, "Let's make believe it's 1978 and look at what might not have been," he wasn't playing a game.

The time frame that Whalen, executive director of the Fall River Office of Economic Development, was referring to includes receipt of $7.5 million in Urban Development Action Grants in the last seven years.

At the same time, he was taking a shot at the Reagan administration's budget proposal to eliminate the UDAG program.

"If we didn't have those UDAGs in place, we would not have seen the approximately $29.4 million in public-private matching funds they stimulated. Nor would we have the 1,080 new jobs the grants sparked," Whalen asserted.

In terms of grants received, Fall River ranks third in the state. Only Boston and Springfield have received more.

The shot-in-the-arm from the grants has rejuvenated the city's economy as it has in thousands of other cities and towns across the nation.

But more than that the director said, because the money has been awarded in low interest loans, "it means that about $5.7 million continues to come back to the city where it is used in a revolving loan fund for other business and new jobs. And that I find very significant."

Whalen said that fact isn't realized at first. "But when some little guy down the street wants to expand his business, get a new place or machinery, or bring on new help, this money assists in making it come true. And what we're really talking about is the city's tax base."

Whalen pointed to a chart of the UDAG's. The first grant, for $1.6 million, was for the parking deck near South Main Place. It brought $8.1 million in matching private funds and created 255 jobs.

The Aetna Insurance Co. located here, with the aid of a $2.2 million UDAG. Of that, $1.4 million was a loan and $800,000 an outright grant. Aetna provided $8.7 million and the state, $1.6 million more. That resulted in 240 new jobs, he said.

The Phalo Corp. received a $1 million grant and added $3.1 million in an Industrial Revenue Bond to establish 200 jobs. Taco, Inc. received $410,000 and took out an IRB of $1.4 million, with 80 jobs resulting.

The Garland Corp.'s UDAG was for $800,000 and it added a $1.9 million IRB creating 120 new positions. United Merchants received $600,000 and with a $1.8 million IRB created 129 positions.

In all rounds of UDAG funding, the city has done well, Whalen said.

Its latest round—and the last, according to statements from the Reagan administration,—is for $300,000 to High Point Paper Box Co. here. Accompanied by an $800,000 IRB, it will provide 56 new jobs.

Whalen said the Durfee Union Millplace, under a former owner, received a UDAG of $602,000 which it matched with $1.8 million. However, it was never used. It is expected that new owners will resubmit for the same amounts in March, Whalen said.

"What might have happened if we didn't have UDAG's is mere conjecture," said Whalen. "But without any future funding like these, it's hard to be optimistic about economic development."

[From the Brookline/Newton (MA) Tab, Feb. 19, 1985]

LOCAL OFFICIALS DECRY REAGAN BUDGET PROPOSALS

(By David Luberoff)

In promising a second American revolution, President Ronald Reagan has proposed federal budget cuts that could affect almost every resident of Newton. While the administration—and its supporters—say these cuts are needed to curtail excessive government spending and bring the federal deficit under control, their potential impact on cities and towns has many local officials wringing their hands.

By choking off funding that pays for basic municipal services and sewage treatment plants; by ending the MBTA's operating subsidy; and by slashing funds for community development, Reagan's budget could impair Newton's ability to provide basic services, say local officials.

In Newton, the Reagan budget, if approved, would cost the city more than $4.9 million in the next fiscal year and an incalculable amount in indirect losses by precluding some additional economic development in the area. To add to Newton's woes, Proposition 2½ restricts the city's ability to raise property taxes to compensate for the federal cuts.

"Proposition 2½ does not allow us to replace federal subsidies that are cut back," observed Newton Mayor Theodore Mann, who is also president of the Massachusetts Mayors' Association. "If Massachusetts cities and towns are not able to make up for these cuts and for inflation, we will have to cut services."

REVENUE SHARING

For city officials, Reagan's most damaging proposal is his plan to end the federal revenue sharing program that provides discretionary federal funds directly to municipalities.

* * * * *

"Revenue sharing is the most important program down there" in Washington, said Mann.

"For the past several years . . . we have applied revenue sharing to police salaries," adds David Wilkinson, Newton's chief budget officer. "That's not to say that if revenue sharing was cut we would lay off police officers, but we would have to find that money somewhere and possibly cut other programs."

COMMUNITY SERVICES

Another Reagan proposal that would significantly affect local residents is a 10 percent cut in Community Development Block Grant (CDBG) funds. In addition, the administration wants to change the CDBG distribution formula to allocate fewer of the available funds to urban areas. Last year, Newton received approximately $2.1 million in CDBG funds. City officials say the Reagan budget could reduce that appropriation by approximately $504,000 this coming fiscal year.

MASS TRANSIT, SEWAGE TREATMENT, PARKS, AND EDUCATION

Many Newton residents would also feel the pinch if Reagan successfully abolished federal operating subsidies that help pay off the MBTA's approximately $200 million annual operating deficit.

If the federal subsidy is cut, the city's $3.4 million annual MBTA assessment could double, say local budget experts. And if the MBTA does not request the extra funds from the city, it "will have to seriously consider scaling back service, raising fares, borrowing heavily, and deferring important projects aimed at improving the reliability of service," claims MBTA general manager James O'Leary who says the budget cut could also lead to the layoff of approximately 600 MBTA employees.

The proposed cutbacks would also "throw into doubt" a range of projects including the reconstruction of the tracks on the Green Line, Red Line, and commuter rail lines; the purchase of new commuter rail trains; the upgrading of signal and power systems; and the reconstruction of transit stations, O'Leary predicts.

Reagan's proposed budget could also throw a monkey wrench into the newly created Massachusetts Water Resources Authority's plan to build sewage treatment plants for the metropolitan area. Depending

on how the Environmental Protection Agency interprets the measure, Reagan's proposal to stop funding new sewage treatment plants could cost the state up to $40 million in direct aid during the upcoming fiscal year, estimates Thomas Ennen, executive director of Boston Harbor Associates, a non-profit harbor advocacy group.

Without that funding, either the state or the taxpayers will be asked to pick up from previous page a larger share of the treatment plant bill, Ennen predicts.

In the Newton public schools, some of Reagan's proposed cuts—in bilingual education, federally subsidized school lunches and special needs education—could reduce the approximately $675,000 the schools receive in federal funds each year.

PUBLIC HOUSING

Many advocates for the poor are also concerned about a Reagan proposal for cuts in federally subsidized housing programs that include: a more than 15 percent reduction in the federal operating subsidies provided to public housing authorities; a freeze on building new subsidized housing for the poor, the elderly, or the handicapped; a freeze in new federal rent subsidies; and the almost complete elimination of programs that fund the rehabilitation of the aging public housing stock.

However, officials at the Newton Housing Authority (NHA), which receives approximately $130,000 in annual federal operating subsidies, do not believe the proposed cuts—which could cost the agency as much as $20,000—will have adverse effects.

"If they cut on back on the subsidy we'll probably be all right," says Frank Quinn, executive director of the NHA. Quinn explains that because the NHA is about to open a new development and because current subsidy formulas have been improperly weighted to favor inefficient housing authorities, the NHA "may wash out," when the new subsidies are calculated.

"For too many years, big areas have taken the cream off the top from the rest of us," charges Quinn. "This is what is changing . . . in places where the money is wasted, this may make for better controls."

However, Newton's public housing program could suffer from a proposed freeze in the amount the federal government will contribute to those holding section 8 rent vouchers—which allow tenants to pay for private apartments. According to William Henderson, Administrative assistant at the NHA, many of those holding vouchers already cannot find apartments in Newton where rents are low enough to fall within the federal guidelines.

And as local officials attempt to assess the overall impact of these proposed budget reductions, they are discouraged, dispirited and concerned.

"These cuts," warned Boston Mayor Raymond Flynn at a recent gathering of mayors, "are both unacceptable and unconscionable."

[From the Walpole (MA) Times, Feb. 7, 1985]

THE PRESIDENT'S BUDGET

The U.S. Patent and Trademark Office in Washington, D.C., announced this week that it will induct Roy Plunkett into its Inventors Hall of Fame Sunday.

Plunkett, who gave the world Teflon, may have invented the nostick coating, but nobody has put it to better use than Ronald Wilson Reagan, 74 yesterday, 40th U.S. President, and until he sent his budget message to Capitol Hill Monday, the slickest political operative since Franklin Roosevelt.

Until Monday the president had used the miracle coating with amazing dexterity. Throughout his first administration, as more than one observer pointed out, President Reagan remained above the fray. No errors in judgment, the disaster in Lebanon, for example, no bungling by subalterns, the tragi-comedy at the Environmental Protection Agency, to name but one, stuck to his political hide.

That is until Monday.

Middle class Americans, people like those who live in Walpole, have turned out twice to support President Reagan, most recently with a landslide mandate. The president's thank you, apparently, will be a 1986 spending plan which will ask Americans to bite the budget bullet, while those in the five-sided building, which has become synonomous with cost overruns and inefficiency, get all the expensive military hardware they've requested.

Early reports on the president's proposed budget cuts indicate that in every category save one, reductions in programs and services are the order of the day.

Federal funds for students: cuts proposed; net result if enacted: federal subsidies for the interest on guaranteed college loans will be allowed to rise to whatever the market will bear. There is a big difference between an 8 percent guaranteed loan and one at 15 percent. For most middle class Americans the difference could mean many thousands of extra dollars added to already enormous college costs.

Pursuing the Administration's claim that we're behind the Soviets in military might, and having staked his place in history to the strategic defense initiative, who does the president think is going to do the research and development on the so-called Star Wars defense system? Why all the scientists and engineers who couldn't afford college costs, of course.

But amidst reports of $7000 coffee pots and $600 toilet seats purchased by the Pentagon, something may stick this time.

Even defense budget stalwarts like Senators Goldwater, Stennis and Nunn are telling Defense Secretary Weinberger to prepare for cuts in his heretofore untouchable $277.5 billion plan.

Fortunately the crucible of political reality will force men such as these to be tough with the defense budget, as they will have to be with all federal departments, including education. Senators and Congressmen, who must face the electorate again, know that budget cutting and deficit reduction, if they have any urgency among average people, must be seen as fair and across the board with all facets of government sharing equally in the cuts.

This is why only two budget reducing plans have been offered so far that are fair. The first, an across the board freeze of all federal spending at current levels, because it hits everybody the same, farmers as hard as mass transit riders, B-52 pilots as hard as small business owners.

The second plan—silly, but no sillier than Sec. Weinberger declaring on national TV that there's no room to wrangle on defense—calls for every American, every single one, to buy $20 worth of postage stamps, and then tear them up and throw them away. Bingo! Instant budget disappearance.

Admittedly this second plan is flawed, but no worse than a budget that would propose to add thousands to the cost of a college education for the children of middle income people so some Navy pilot can sit on a $600 toilet seat.

[From the Waltham/Newton (MA) News Friday, Feb. 7, 1985]

DON'T DROP REVENUE SHARING

Satisfying news for those who gave Ronald Reagan a deficit-cutting mandate in November, more rough times for state governments in adjustment to self-preservation, and bad news for the nation's cities: such is the fiscal 1986 Reagan budget, which seeks to carve closer to the bone in domestic spending.

Congress will see that the Washington spigot isn't turned off altogether. In the great budget debates just beginning, the questions will be where and how much. Even Democrats like Speaker Tip O'Neill are acknowledging that the retrenchments have to be made. When all is done, the administration may well be close to its targets.

For Massachusetts, at the state level, the outlook isn't as grim as it is being painted. As part of the booming regional economy, the Commonwealth is blessed by rising revenue that prompted to token Dukakis tax cut proposal in his budget. Short of an unlikely recession, surplus expectations should enable the state to withstand the coming federal cutbacks.

Not so without considerable pain for the municipalities. Total elimination of revenue sharing, a prime target in the David Stockman ambush, would be a shattering blow. That's because local budget support for essential services is tied directly to this kind of annual fiscal injection by big brother.

If linked to elimination of block grants which have had a major impact on community betterment through neighborhood projects, much that is desirable will not get done. The gut problem, however, is going to be how to maintain essential services already impaired by proposition 2½.

Revenue sharing dates back to the first term of Richard Nixon as his response to continuing needs all across America while the costly Great Society give-away structure of Lyndon Johnson was being dismantled.

The idea was for a direct, simple return of tax dollars sent from Washington to local government for property tax relief. No matching funds were required.

It has been on the Reagan hit list before but spared, thanks chiefly to stiff lobbying by the U.S. mayors. This time, they may be whistling by the graveyard. They are correct in pointing to dire consequences of a complete wipeout. If elimination of revenue sharing is to come, it ought to be phased out over two or three years and not in a single stroke.

That would buy time for local adjustment.

A RESOLUTION

City of Fall River, *In City Council*
(Councillor Marilyn J. Roderick)

Whereas, the President's fiscal year 1986 budget proposal submitted to Congress includes elimination or drastic reduction in Federal Revenue Sharing to cities, the Urban Development Action Grant program, and educational assistance to students, and

Whereas, said elimination or reduction in the Federal Revenue Sharing program would completely destroy public safety services in the City of Fall River, loss of the UDAG program would halt industrial growth here, and curtailment of student loans would make higher education available only for the very rich and very poor, now, therefore

Be it resolved, that an urgent message be sent to President Reagan by this City Council to reconsider his proposals, and

Be it further resolved, that House Speaker Thomas P. O'Neill Jr. and our Congressional delegation be urged to vote against these proposed budget cuts.

In City Council, February 12, 1985 Adopted.

February 26, 1985—Approved Carlton M. Viveiros, Mayor.

A true copy. Attest:

JOSEPH F. DORAN,
City Clerk.

TEN-YEAR PLAN: MODEL I

[In thousands of dollars]

	Fiscal years—									
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Property tax	19,501	20,693	21,815	22,849	23,915	24,672	25,428	26,206	27,033	27,859
2.5 percent	488	517	545	571	598	617	636	655	676	696
Growth	339	240	124	130	159	139	142	172	150	153
Reserve	365	365	365	365						
Total property tax	20,693	21,815	22,849	23,915	24,672	25,428	26,206	27,033	27,859	28,708
State aid	6,662	7,162	7,662	8,162	8,662	9,162	9,662	10,162	10,662	11,162
Revenue sharing	592	592	592	592	592	592	592	592	592	592
Motor vehicle excise	900	945	992	1,042	1,094	1,149	1,206	1,266	1,330	1,396
Local receipts	1,074	1,305	1,370	1,439	1,511	1,586	1,666	1,749	1,836	1,928
Free cash	481	505	530	557	585	614	645	677	711	746
Appropriated funds	1,723	1,809	1,900	1,995	2,094	2,199	2,309	2,424	2,546	2,673
Total Nontax revenues	11,432	12,318	13,046	13,786	14,538	15,302	16,079	16,870	17,676	18,497
Total revenues	32,125	34,134	35,896	37,701	39,210	40,730	42,285	43,904	45,535	47,206
Assessed value	863,602	1,023,517	1,029,407	1,035,297	1,226,518	1,233,456	1,240,394	1,469,356	1,477,528	1,485,700
Tax rate	0	0	0	0	0	0	0	0	0	0
Salaries and wages	19,773	20,890	21,935							
Expenses	6,766	7,262	7,444							
Total operating	26,539	28,152	29,379	30,701	32,082	33,526	35,034	36,611	38,258	39,980
Special articles	316	250	250	250	250	250	250	250	250	250
Pensions	1,444	1,644	1,931	2,262	2,723	3,206	3,687	4,240	4,876	5,607
Other nondiscredits	384	403	423	445	467	490	515	540	567	596
State assessment	1,389	1,424	1,459	1,496	1,533	1,572	1,611	1,651	1,692	1,735
Overlay	539	545	571	598	617	636	655	676	696	718
Capital expenditures	984	1,348	1,409	1,472	1,538	1,608	1,680	1,755	1,834	1,917
Existing debt	529	445	379	334	183	43	41	39	37	35
Proposed debt	0	122	351	487	673	777	751	726	701	667
Total Expenditures	32,124	34,333	36,152	38,044	40,066	42,107	44,224	46,489	48,913	51,504
Total revenue	32,124									
Difference	0	(200)	(256)	(343)	(857)	(1,377)	(1,939)	(2,585)	(3,378)	(4,299)

Assumptions: (1) Operating up 4.5 percent per year; (2) State aid up $500,000 per year.●

BUSINESS SUCCESS IN THE SOUTH BRONX

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GARCIA. Mr. Speaker, in the South Bronx, among the half demolished buildings and the barren lots is the revitalization of a city. The revitalization effort is providing economic opportunities for individuals from all walks of life with all kinds of ideas. For every idea, innovation, and invention that presents itself as a result of this revitalization effort, there is even a greater chance for economic growth.

In the Bronx an excellent example of how ideas and energies can lead to economic success is represented by the Group Live-in Experience [GLIE]. GLIE grew out of a nonprofit employment program for runaway youngsters into a $1-million-a-year business. In essence, the revitalization effort is providing a new stimulant in the pursuit of the American dream which is part of the American heritage that has fueled this great Nation from its beginning. It is that same pursuit of the American dream which is fueling the revitalization of the South Bronx. As such, I would like to include a recent Wall Street Journal artical showing the potential for business innovation and success in the South Bronx.

URBAN HERBS: WHY ROSEMARY AND BASIL RIDE ON THE SUBWAY

(By Teri Agins)

NEW YORK.—When New York's fanciest chefs need the freshest of herbs, they often get them right off a farm in the South—the South Bronx, that is: an urban eyesore of barren lots and mean streets, shadowed by the hulks of half-demolished buildings in one of the country's most depressed communities.

An innovative agricultural enterprise, Glie Farms Inc., with some venture capital from a W. Averell Harriman holding company, has solidly and profitably rooted itself in the local landscape. On a block it shares with a small primary school and three storefront churches (two Pentecostal and one Jehovah's Witnesses), Glie Farms runs a thriving commercial greenhouse and herb nursery. Before Glie (pronounced glee), about the only herb of much commercial importance in the neighborhood was one that went into funny cigarettes and wasn't oregano.

A cloying fragrance fills the rickety two-story house that contains the Glie packing plant. Women on an assembly line chatter in Spanish as they spank the dirt from handfuls of tarragon. Cut and weighed, the herbs are sealed in plastic bags and styrofoam cartons that will be shipped to such places as Le Cirque, the Grand Hyatt Hotel, and Bloomingdale's Le Train Bleu restaurant.

SPEEDY DELIVERY

On a typical day, Glie ships 200 pounds of basil, 100 pounds of tarragon and 50 pounds of rosemary. Sometimes, in the interest of speed, employees deliver the goods by way of the New York subway system.

Glie sells 32 different herbs, including rare ones like purple basil and lemon verbena (used in place of lemon rind), to more than 200 of New York's toniest restaurants and hotels, as well as to supermarkets. "I applaud them," chef Andre Joanlanne of La Grenouille says of the Glie staff. He orders his tarragon and edible flowers, such as nasturtiums, once a week from Glie.

Glie now is selling $80,000 in herbs a month. At that rate, its 1985 sales will reach about $1 million, more than double its 1984 volume. Glie won't disclose profits. But the business has operated successfully enough to pay its founder and president, 42-year-old Gary Waldron, a salary of $40,000 a year, up from the $20,000 he was paid when he started the company in 1981.

It all grew out of a nonprofit employment program for runaway youngsters called the Group Live-In Experience (GLIE) in the South Bronx. In 1981, Mr. Waldron, then working as controller at an International Business Machines Corp. plant in Brooklyn, took a year's leave of absence to help devel-

op the program with a $100,000 federal grant. Working with 15 troubled youngsters, he set them to growing mushrooms and, later, herbs. After a year, he returned to IBM in a new, $60,000-a-year job.

A SPEEDY RETURN

But Mr. Waldron, who had grown up in the South Bronx, found that his experience with GLIE had dulled his interest in conventional corporate life. After six days, he left IBM to return to the South Bronx project and turn it into a profit-making business.

GLIE still owns a minority interest in the firm. Other minority holders are Mr. Waldron, the firm's 30 other employees, and a Dutch contractor who has just built a state-of-the-art hydroponic greenhouse for the firm in the nearby Bathgate Industrial Park, financed by the Port Authority of New York and New Jersey to help stimulate employment in the South Bronx. A controlling 51% interest is owned by Tair Ltd., a Houston venture-capital firm, and by a subsidiary of Merchant Sterling Corp., the Harriman holding company. "It's a type of project that public-minded people like Averell dream about," says William Rich, the vice president of Merchant Sterling.

Twenty-eight of Glie's 32 employees are black or Hispanic residents of the neighborhood who earn $5 to $5.25 an hour. The four others include Michael Dowgert, 27, who recently received a doctorate in plant physiology from Cornell University.

One of Glie's original employees is Syvilla Young, 55, who works in the greenhouse harvesting nasturtiums, pinching their yellow and tangerine blossoms at the neck and grouping them into stubby bouquets. "Just look at all of them," she says. "They're really too pretty to eat." But the artsy Chanterelle restaurant spends $40 or $50 a week on nasturtiums to garnish duck foie gras and salads. "The flowers are amusing, nice little things to play around with," says David Waltuck, Chanterelle's owner. But, he says, "Our waiters have to tell customers that they're edible."

President Waldron has ambitious plans for Glie. The firm is preparing to start a 200-acre farm in Puerto Rico to grow outdoor herbs year-round. It now supplies open-air herbs as a broker for California growers, but acting as a broker is less profitable than producing and selling its own output.

Meanwhile, Glie has just begun to harvest its first crops grown hydroponically—without soil—in its new greenhouse. Each plant sits in a block of rock wool soaked with liquid nutrients. Light, air, acidity, humidity and temperature are computer-controlled.

"This is probably the most advanced system in the country and certainly a first in herb growing," says Harry W. Janes, an associate professor of horticulture at Rutgers University in New Jersey. Mr. Janes monitors the greenhouse project for the Port Authority, which has helped finance it.

Mr. Waldron has become an exceptionally successful salesman. He recently obtained for Glie a $150,000 contract to undertake landscaping for Chemical Bank in New York. As his successes have mounted, so has his reputation as a businessman. A group of investors interested in expanding cable television to poor households has retained him as a consultant. "Once people see you can be successful in one area," he says, "they come to you for other solutions."●

THE SELF-EMPLOYMENT OPPORTUNITY ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. WYDEN. Mr. Speaker, my good friend and colleague DICK GEPHARDT and I are today introducing the Self-Employment Opportunity Act of 1985. This legislation will authorize a limited number of States to set up 3-year pilot projects to enable a limited number of laid off workers to use their unemployment benefits for the purpose of starting their own business. Federal law does not now allow such workers to attempt to become self-employed.

This proposal represents a bold new approach to the problem of long term structural unemployment, a phenomenon that stubbornly continues to plague many sectors of our economy. Because it is new and because it is bold, we are only advocating, at this time, a limited experimental program. But, it's the sort of fresh approach that is worthy of serious consideration by the Congress. Quite simply, we owe it to our constituents to look at new ways to help them cope with the wrenching effects of an economy in the midst of unprecedented transition. Now more than ever, it is incumbent upon us to explore new options—including encouraging the creation of new enterprises.

Our bill is modeled after successful programs already underway in Europe. Demonstration projects have been in place in France since 1979 and in Great Britain since 1982. They are working well and are being copied by other European nations. In the past 5 years, more than 280,000 people have become self-employed through these two programs in a combined labor market that is about 40 percent the size of the labor market in this country. Each new business has generated an average of 1.7 jobs thus far.

The British system allows unemployment compensation recipients to continue to receive benefits while attempting to become self-employed. The French model authorizes lump sum payments to be used by recipients as seed capital for new enterprises. By making the payment of benefits in a lump sum an option to the participating States, our bill combines these approaches. Our intent is to allow participating States the widest possible latitude to develop programs most suited to their needs.

The European programs differ in several other ways. In Britain, participants must provide a minimal level of start up capital from other sources. In France, careful screening of proposed new ventures is required; in Britain, screening is mimimal but monitoring is more extensive. The British program includes extensive counseling services; the French provide very little in the way of formal management assistance, although participants can tap into existing entrepreneurial support systems. Again, our intent is to allow States an optimum amount of discretion in structuring these pilot projects and in making determinations of this nature.

It is much more important to look at the track record of these two programs. Both show encouraging levels of success. Seventy percent of the businesses started in Britain under this program are still operating after 18 months. Fifty percent of the participants in the British program say they would not or could not have started an enterprise without this program. Seventy percent of the new starts in France are still in business after 3 years. One third of all new businesses in France last year resulted from this program. Now in its third year, the British program reports a net gain to their treasury.

Mr. Speaker, even though we are in the midst of a period of sustained economic growth, we believe a compelling need still exists for this sort of innovative approach to the problem of structural unemployment. Throughout the country and throughout the economy—from steel mills in Pennsylvania to coal mines in Kentucky, textile plants in North Carolina, assembly lines in Michigan, sawmills in Oregon and the like—millions of working men and women are not enjoying the fruits of economic recovery. Factories and mills that have sustained communities for generations are closing their doors forever. Severe economic and social dislocation and the spectre of long term structural unemployment loom on the horizon for dozens of communities from coast to coast.

Our income maintenance system—the safety net, if you will—doesn't address these problems very well. Too often, workers remain idle and unproductive for weeks and months, filling out forms, applying for jobs that will never materialize, collecting their weekly benefit checks and hoping against hope that the factory will reopen and their jobs will be restored. As we all know, this is simply not going to happen in far too many of these situations.

In the midst of a strong, sustained economic upswing, the national unemployment rate stubbornly continues to hover in the 7-percent range. This figure is nearly double the generally accepted standard for a full employment economy, and it's a rate that is not projected to decline significantly at any time in the forseeable future—no matter what the economy does.

The root problem is clear: the economy is not creating enough jobs for all

who want to work. More than 8 million willing and able Americans remain on the economic sidelines. We need to expand the pie. We need to look closely at any feasible mechanism that will help create new jobs. The program we are proposing today fits that description. It will enable us to combine growth with equity through a system that helps finance job creation with transfer payments to Americans who are now dependent on the social safety net.

We must not be afraid to experiment with innovative approaches based on bootstrapping, self reliance and self sufficency, approaches that offer new options and new hope to those caught in a cycle of long term dependency on Government transfer payments. We should not view the unemployed as social pariahs, particularly when powerful forces beyond their control—the explosion of technology, the increasing competitiveness of global economy—cause large scale economic fissures that engulf people of all levels of ability and ingenuity in their wake. We should instead recognize people without jobs as potentially productive economic assets who should be nurtured and encouraged to help solve the problem of structural unemployment.

Entrepreneurism is the engine that drives the American economy. But too many people have a narrow and unrealistically limited view of who can be an entrepreneur. It doesn't have to be a Harvard MBA. We're not saying this program will work for everyone. In fact, it would be limited to 5 percent of the eligible recipients of unemployment compensation in any State setting up a pilot program. But we're convinced that there are thousands of people in the unemployment lines today—from all walks of life and with all sorts of qualifications—who are capable of becoming self employed.

The limited experimental program we are proposing today could also serve as a bridge between our social policies and our economic policies. Our income maintenance system involves simple but expensive transfer payments. It is not linked as closely as it should be to economic development and job creation efforts. We are proposing today a system that encourages qualified and willing recipients to invest their transfer payments in themselves, to use these resources as working capital for the creation of new enterprises and new jobs.

We can dispute the role or responsibility of Government, but it's beyond argument that our economy is not meeting anyone's definition of full employment. As a result, dependent populations and social program costs remain high. We crank out the checks every week but fail to offer any real hope for escape from the cycle of dependency. To help bridge the gap and integrate social and economic policy, Congress should give the States the authority to use income maintenance funds for actual job creation. We realize this involves a fundamental change in the way we look at the unemployed and their benefits. But because the present system is not working as well as it should, it's a change that's worthy of serious consideration.

In the past, we have made no widespread systematic effort to encourage self-employment among those our society and our economy has left out. The legislation we are proposing today should be seen as a first step in correcting that deficiency. If we cannot offer a decent job at a decent wage for everyone who wants one, the least we can do is offer them the opportunity and the tools to create their own. In short, we are offering the long term structurally unemployed a ladder to enable them to climb out of the social safety net.●

WORKER RIGHT-TO-KNOW LEGISLATION NEEDED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FLORIO. Mr. Speaker, the Wall Street Journal recently ran an article concerning a study done by the National Institute of Occupational Safety and Health [NIOSH] which shows that workers exposed to benzene at acceptable exposure levels established by the Occupational Safety and Health Administration [OSHA], run a vastly greater chance of getting cancer than those who are not exposed at all. According to a NIOSH official, the study showed that workers exposed at the current OSHA limit for worker exposure of benzene run more than 30 times the risk of leukemia than employees who are not exposed at all. The article further points out that estimates show 600,000 U.S. workers are exposed to benzene in the workplace.

I consider these findings most alarming and further proof that Federal standards may not always be tough enough to protect workers.

Recently in New Jersey a district court knocked down provisions of the State's "Worker Right-to-Know" law on the grounds that Federal law had preempted certain sections of the act. The law would have established stricter standards than OSHA.

I have recently introduced a bill to deal with this problem. This bill would allow any State to pass worker right-to-know legislation whether or not the State has an OSHA-approved plan to take over regulation in the area, so long as the standards in the State law either provide more information or are otherwise more protective of worker health and safety than the OSHA standard. In effect, the bill would establish OSHA standards as the floor, and not the ceiling, for State efforts in this area. States that enact laws with more stringent standards than OSHA should not always be preempted. I commend this thoughtful column to my colleagues' attention:

STUDY LINKS BENZENE EXPOSURE LEVEL ALLOWED BY UNITED STATES TO HIGHER CANCER RISK

(By Barry Meier)

NEW YORK.—Workers exposed to benzene in the atmosphere at levels permitted by federal regulations run a vastly greater risk of getting cancer than those who aren't exposed, according to a government study.

In an interview, Robert Rinsky, an epidemiologist with the Cincinnati-based National Institute of Occupational Safety and Health, said a study he directed found that workers also may face an "appreciable" increased risk of cancer from exposure to benzene at even one-tenth of the U.S.-allowed level.

The study, which is currently under scientific review, is likely to increase pressure on the Occupational Safety and Health Administration to toughen regulations on worker exposure to benzene. The agency, which has said for several years that it intends to lower the benzene exposure limit, repeatedly has been criticized by unions and others for failing to move on the issue.

Benzene is widely used in petroleum products and in making plastics, solvents and other materials. The government has estimated that about 600,000 U.S. workers are exposed to the chemical. A number of studies have linked benzene exposure to leukemia.

OSHA PROPOSAL

An OSHA spokeswoman yesterday said the agency is in the "final stages" of developing a proposal to reduce workplace exposure to benzene, but a target date for issuing that recommendation hasn't been set.

The current OSHA limit for worker exposure to benzene is 10 parts per million in the air. In 1978, the agency lowered that limit to one part per million, despite stiff industry resistance. Two years later, the Supreme Court overturned the stiffer standard on the ground that OSHA had failed to prove that the 10-part-per-million level posed a significant health risk to workers.

Although Mr. Rinsky declined to disclose his exact findings, he said the study showed that workers exposed to 10 parts per million of benzene in the workplace atmosphere run more than "30 times" the risk of leukemia than do employees who aren't exposed to the substance. The scientist also said that an increased risk of occupational cancer from benzene also occurred at the one-part-per-million level and below.

WORKPLACE EXPOSURE REDUCED

NIOSH, which acts as research arm for OSHA, previously called for a lowering of the benzene workplace exposure standard to one part per million. Also, some industrial producers and users of benzene have said they significantly have reduced workplace exposure to benzene.

A NIOSH spokesman said Mr. Rinsky's study updated past health reviews of workers employed in benzene-related jobs between the late 1930s and early 1970s. The significant aspect of the new study was that Mr. Rinsky's report attempted to correlate

incidences of cancer with specific levels of benzene exposure, the spokesman said.

The spokesman said the agency won't comment on the study's findings until the report has been reviewed by NIOSH scientists. He added that the agency's general policy was then to submit an approved report to a scientific journal for publication.●

SHULTZ AND THE LIBERALS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FIELDS. Mr. Speaker, its my pleasure to insert into the RECORD for the benefit of our colleagues a recent op-ed piece by the nationally syndicated columnist, Joseph Sobran concerning the reception given Secretary of State George Shultz during his recent testimony in the House.

Mr. Speaker, the whimpering and whining about McCarthyism by liberals every time someone mentions communism is simply a slight-of-mind who's challenge is long overdue.

In his usual lucid manner, Mr. Sobran points out that liberals, "with sterotypical predictability" perform a public relations function for Communist regimes in each phase of their creation. This is not only predictable, but inevitable because as Michael Polanyi pointed out back in 1958, Marxist totalitarianism is largely erected upon the weakness of liberalism's foundational beliefs.

Commandante Ortega offers up a patented peace offensive and liberals react as if the chairman of the board of E.F. Hutton just spoke at a Georgetown pool party. To hear everything a Marxist says is an exercise, to believe everything is a strain; our liberals are blue with straining.

For instance, would American liberals ever consider the question: Could Daniel Ortega, like Fidel Castro, be a lunatic who sees himself as Creator and Redeemer of his world; one who can not see that he is turning Nicaragua into Hell instead of Heaven, where instead of angels only flies fill the air?

No, to the contrary, as the Republican Study Committee's Frank Gregorsky has demonstrated, the evidence of history measures only an empty inch between the American liberal and the Marxist/Socialist. First, their world views are equally complete and equally crippling in practice.

Second, these two seekers after the social superman are most often looking for him in the looking glass.

Finally, like Marxists, the modern liberal is a thourough materialist; in the Biblical word, worldly. It was G.K. Chesterton who reminded us that, "worldly people never understand even the world; they rely altogether on a few cynical maxims which are not true." And the liberal maxims consist of, in Jean Kirkpatrick's words, "blaming America first," and last.

But arguments avail nothing. As George Shultz discovered, argument with liberals is futile; for in many ways their minds move too quickly for not being delayed by the things that go with good judgment.

Besides, liberals cannot be made to think themselves out of evil; release from modern liberalism is an accomplishment not of the mind, but of the spirit. Curing a liberal is not arguing with a philosopher or statesman; it is casting out a devil. Secretary Shultz and Mr. Sobran deserve praise for trying.

SHULTZ AND THE LIBERALS

(By Joseph Sobran)

Once again we resume the debate over aid to the anti-Communist rebels in Nicaragua. Secretary of State George Shultz points out that Cuba and Nicaragua are engaged in the international drug traffic, and Rep. Ted Weiss, a New York Democrat, retorts, without denying the charge, that Mr. Shultz reminds him of Joe McCarthy, and Rep. Peter Kostmayer, a Pennsylvania Democrat, chimes in that Mr. Shultz is guilty of "Redbaiting."

Why it is wrong to bait Reds is not explained.

Clearly we are engaged in something other than an empirical discussion of Communist behavior. Behind this ostensibly factual debate lurk rival evaluations of communism itself. You can't really say whether communism is a threat unless you have made up your mind whether communism is an evil. If it isn't evil, then it can't be a threat, no matter how close it gets.

On the empirical side, Mr. Shultz is hard to argue with. He notes that the Nicaraguan Communists "are suppressing internal dissent, clamping down on the press, persecuting the church, linking up with the terrorists of Iran, Libya and the Palestine Liberation Organization, and seeking to undermine the legitimate and increasingly democratic governments of their neighbors."

Note that these are all activities to which liberals, most of them Democrats, profess to be opposed in principle. It is one of the marks of liberalism to uphold universal moral standards that apply to our allies as well as to our enemies.

The trouble is that liberals, in practice, prefer to enforce these standards against our allies. They give a generous exemption to Communist regimes.

Racial apartheid is an evil, but it poses no threat to the United States. Yet liberal Democrats line up to picket the South African Embassy. They don't picket the Soviet and Nicaraguan embassies, nor do they favor the sort of trade sanctions against Communist states they advocate with respect to South Africa.

It makes no difference that the Communist superpower defines the United States as "the main enemy," or that the Nicaraguan national anthem calls the United States "the enemy of humanity."

This is a curiously selective universalism. If the universal liberal standards—racial equality, freedom of speech, freedom of the press, religious freedom—were really applicable to friend and foe alike, then it should be possible for liberals to picket Communist embassies and to seek arms-control treaties simultaneously.

Moral outrage and practical accommodation are compatible. But the striking pattern of liberal conduct over the last two decades has been an almost total absence of moral outrage against communism. Jeane Kirkpatrick, who is no stranger to fine distinctions, knows it is sufficient to say simply that the liberal community always blames America first. That is the long and the short of it. The same congressmen who write billets-doux to Comandante Daniel Ortega of Nicaragua can turn savagely on Ronald Reagan or George Shultz. Ask Ted Weiss.

The recent history of the globe is marked by the emergence of Communist regimes under the guise of what the Soviets call "wars of national liberation." Consult the stories of Cuba, Vietnam, Angola, Mozambique, Rhodesia, Nicaragua, and El Salvador. The outstanding fact about these wars is that they have all enjoyed Soviet material and propaganda support. The secondary outstanding fact is that American liberals consistently have opposed American intervention on the antiCommunist side.

The liberals are at pains to deny that the rebels are Soviet-backed. When this is no longer tenable, they switch to the line that the rebels are "essentially indigenous forces." This may make you wonder why the Soviets take such a keen interest in a local contest for power, but never mind.

When the rebels advance and become bolder in their avowals of Marxism-Leninism, the liberal line holds that this is "mere rhetoric." The main thing, the liberals tell us, is that we must withdraw all support from the regime under assault.

When it topples, the new regime announces its communism, whereupon the liberals caution us not to drive it "into the arms of the Soviets," even if they are already embracing. Now the new regime is a "reality," which it behooves us to "learn to live with."

In this way liberalism, with stereotypical predictability, performs a public relations function for communism. Since the liberals never seem to feel betrayed when the very people they have defended against the charge of communism announce themselves as Communists, it should be obvious that at some level the liberals knew the truth all along—and just didn't care.

But don't say this out loud. That would be McCarthyism.●

HUMAN RIGHTS IN THE U.S.S.R.

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. KANJORSKI. Mr. Speaker, as a member of the congressional coalition for Soviet Jews I am pleased to have an opportunity to lend my support to the third annual Fast and Prayer Vigil for Soviet Jews.

All too often we in the United States take our freedoms and liberties for granted. We fail to fully appreciate that many people around the world, and particularly Jews who live in the Soviet Union, are denied the basic freedoms which we practice every day: the right to practice our own religion, the right to speak and assemble freely,

and the right to move about at will. These rights are all guaranteed by the Helsinki accords which the Soviet Union has signed, but ignores.

Jews in the Soviet Union are fighting today for the same rights and freedoms which our forefathers fought for two centuries ago. Their cause is equally just and it is important that we in the Congress, and all the American people, speak out for their cause.

Today in the Soviet Union it is still difficult for many individuals, Christians and Jews alike, to freely practice their religious views. Harassment of both individuals and groups is commonplace and there has been a proliferation of Government-sponsored anti-Semitic propaganda.

In recent years as United States-Soviet relations have worsened there has been a marked decline in the number of Soviet Jews who have been allowed to emigrate—a freedom guaranteed under the Helsinki accords. In 1979, 51,320 Jews were allowed to leave the Soviet Union. Last year only 896 Jews were allowed to emigrate.

This Fast and Prayer Vigil helps to publicize this important problem and our dedication to the victims of persecution wherever they may be found. I am pleased to be able to report that many of my colleagues in the House have joined me in writing to the new Soviet leader, Mikhail Gorbachev, to press him on this issue. I sincerely hope that the new leadership will take this opportunity to review and discard the repressive policies of the past. A copy of our letter follows.

TEXT OF LETTER TO SECRETARY-GENERAL GORBACHEV

MARCH 1985.

DEAR MR. GORBACHEV: We congratulate you on your appointment as Secretary-General of the Communist Party of the U.S.S.R. During recent months, your predecessor, Secretary-General Chernenko, and President Reagan both expressed interest in improving U.S.-U.S.S.R. relations, and we believe the meetings in Geneva are a good step in this direction.

As you assume your new position, we urge you to make another important gesture of your commitment to improving relations. We urge you to review your government's policies toward the Jewish community.

Many of us in the U.S. Congress consider the Soviet Union's record on the treatment of the Jewish community to be disconcerting. Last year only 896 Soviet Jews were allowed to emigrate, while thousands of families were denied exit visas. In 1979, by contrast, 51,320 Jews were allowed to leave the Soviet Union.

During the past year, we in the Congress have raised our voices in support for Anatoly Shcharansky, Ida Nudel, Zachar Zunshine, Yakov Gorodetsky and others who have been denied their fundamental freedoms.

An improvement in this area would make favorable impression on the opinion of American policymakers concerning your government's sincerity in its expressed desire for improve relations.

Out of a strong desire for a long-lasting peaceful relationship between the U.S. and U.S.S.R., we hope that you will give careful consideration to this matter.

Sincerely,

____ ____.

On a more personal level, I have also adopted the refusenik family of Grigory and Natalya Rosenstein. The Rosensteins and their two sons have sought to leave the Soviet Union for over 10 years but have consistently been denied permission to emigrate. On several occasions the Rosensteins have been jailed or harassed by the Soviet police for practicing their religious beliefs. I will continue to contact Soviet officials on their behalf and will let the Rosensteins know that the free world has not forgotten their problems, or those of other Soviet Jews.

Whatever our religions or personal backgrounds, let us all pray today for the fundamental human rights of all Soviet citizens to practice their religion without interference from the state, to speak and assemble freely, and to travel and emigrate freely.●

AMERICA CAN'T AFFORD TO LOSE THE FIGHT AGAINST INTERNATIONAL AND DOMESTIC DRUG TRAFFICKING

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. TRAFICANT. Mr. Speaker, I rise today to once again express my deep concern over the growing crisis in this country involving drug trafficking and drug abuse. My colleagues are certainly aware that drug abuse among our youth continues to be a serious and tragic problem that is growing. Equally disturbing and closely linked to the problem of drug abuse is the ongoing war that international and domestic drug kingpins have been waging against our law enforcement officers in the field.

As a drug counselor for 10 years I have seen the devastating and tragic impact drug abuse can have on individuals and their families. Drug abuse has become this Nation's most serious problem. At the source of this problem are international and domestic drug kingpins who mastermind massive drug deals and are responsible for ushering in unprecedented amounts of narcotic drug into the United States. As a drug counselor I had firsthand experience in dealing with youth who were poisoned by dangerous drugs such as heroin and cocaine. I have seen how narcotic drugs are destroying whole families and threatening the very fabric or our society. I am also a former sheriff—for 4 years I was sheriff of Mahoning County in Ohio. As a former sheriff I am well aware of the violent nature of big-time drug trade. Unfortunately, Mr. Speaker, the level of violence associated with international and domestic drug trade is rising.

Recent events have clearly underscored the fact that the drug kingpins are brazenly and outwardly threatening the lives of our law enforcement officers in the field combating illicit drug activity. Earlier this month U.S. Customs agents were ordered to carry guns at all times and were no longer allowed to work alone. These new security measures were imposed following threats against U.S. Customs officials made by alleged drug kingpins from Mexico. These threats from Mexico follow the brutal murder of Drug Enforcement Agency officer Enrique Camarena Salazar who was believed to have been killed by Mexican drug kingpins in retaliation against recent efforts by DEA agents in Mexico to clamp down on the flow of drugs into the United States from Mexico. As a result of these and other threats, the DEA has had to divide its efforts between combating narcotics trafficking and protecting itself. This, Mr. Speaker, is ridiculous—when a U.S. agency has to divert so much of its resources solely to defend itself then I say it is time we here in the Congress took action against those who are threatening our law enforcement officers in the field.

And it has become increasingly clear that this threat is growing. In December of last year, about the time plans were completed to extradite four alleged Colombian drug traffickers to the United States for trial, word began circulating that a Colombian drug czar had bankrolled one or more hit squads being sent to the United States to kidnap, torture, and murder DEA agents. Colombian drug smugglers have also announced that they will kill five Americans for every alleged drug trafficker extradited to the United States. These Colombians are believed to be closely linked with drug kingpins in Mexico and agent Salazar's murder may have been at the hands of these vile drug smugglers.

I again say that it is time that we here in Congress countered these threats and took concrete action against these drug kingpins—action that would assist our law enforcement officers in the field and that would protect our youth from the despicable drug traffickers who are ultimately responsible for poisoning our youth.

I have introduced legislation, H.R. 994, the Controlled Substances Penalties Act of 1985, that would stiffen the penalties against those convicted of drug trafficking or smuggling in bulk amounts. My bill would greatly assist the law enforcement community by denying bond to those arrested on such charges. My bill would cover the whole spectrum of dangerous and illegal narcotic drugs. In the instance of

cocaine, the existing law would be amended to increase the penalties in cases involving a kilogram or more. For those convicted of trafficking heroin, the penalties would increase only in those cases involving two or more kilograms. For each major category H.R. 994 clearly outlines at which levels the penalties would be increased.

I recognize that circumstances do vary. My bill, by setting stiffer penalties in cases involving higher amounts of narcotics, would do much to isolate the big-time operator from the local street dealer. My bill would give judges the option of imposing stiffer sentences where they are warranted—especially against those who threaten the lives of law enforcement officers in the field. By denying bond in these cases, H.R. 994 would ensure that those arrested for large drug transactions remain in this country to stand trial. My bill would also ensure that if convicted these vile drug smugglers pay dearly for their crimes.

Mr. Speaker, this country cannot sit idly by and watch the drug kingpins brazenly increase the volume of activity and outwardly threaten our agents. Whether we like it or not we are at war with these dangerous individuals. We are fighting to protect our youth from the ravages of drug abuse and we are fighting to ensure the safety and integrity of our law enforcement community. Passage of H.R. 994 would send a powerful message to the entire world that we intend to persevere against those who threaten our society and those who threaten the lives of our law enforcement officers.

I urge all of my colleagues to take a long hard look at H.R. 994. I think they will see that it is a solid piece of legislation, one that would be another step forward by the Congress to take whatever steps are necessary to combat illicit drug trade in this country. In the past this body has taken positive steps in this area. Recent events clearly show that further steps are necessary. H.R. 994 is one such step and one that must be taken as soon as possible. The fight we are now engaged in against international and domestic drug trafficking is one America cannot afford to lose.●

PRAYER VIGIL FOR SOVIET JEWRY

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. EARLY. Mr. Speaker, I rise with many of my distinguished colleagues to participate in the Third Annual Congressional Fast and Prayer Vigil for Soviet Jewry. Today, we embrace the plight of the hundreds of thousands of Soviet Jews who are persecuted and held against their will in the Soviet Union with frustration, but with renewed tenacity, courage and hope.

We are frustrated with the Soviet Government's sponsored and relentless anti-Semitic and anti-Zionist campaign directed at Soviet Jews. This campaign has intensified as more and more slanderous and anti-Semitic propaganda is spread throughout the Soviet Union through their highly censored press, literature and media. We are increasingly frustrated as Jews become more and more alienated and outcast, and less and less a part of Soviet society. The daily harassment of refusniks continues, while Hebrew teachers are being arrested under false pretenses, physically abused, and thrown into prisons and labor camps. Many refusniks have lost their jobs, or been demoted to menial positions at best. Others have been denied the right to enter Soviet universities. All are under constant government surveillance.

The fact that less than 900 Jews were allowed to emigrate from the Soviet Union in 1984 is disturbing and inexcusable. Yet today, we must admire the tenacity and perseverance of the American people and organizations and governments the world over who continue to pressure the Soviet Government to change their unconscionable attitude toward human rights and respect the Helsinki accords.

We must also pay tribute to the exemplary courage displayed by Soviet dissidents who anguish in labor camps and Soviet prisons for committing the crime of self-determination and religious expression. Anatoly Shcharansky immediately comes to mind, as the month of March marks the 9-year anniversary of his arrest by Soviet officials. Reports indicate that his health is failing and he has repeatedly been denied medical treatment. Yet his unfailing courage and the courage and perseverence of his wife Avital, who was forced to leave the Soviet Union one day after their wedding in 1974, continues to sustain them both.

But today is also a day of renewed hope. With the ascencion of Mikhail Gorbachev to lead the Soviet Union, and the start of arms control talks in Geneva, perhaps we can look forward to more positive diplomatic relations with the Soviets. We must all hope and pray that the emigration of Soviet Jews in 1985 will reach levels above and beyond those reached in 1979 during the U.S.-Soviet détente. On this first day of spring, I am proud to participate in the Third Annual Congressional Prayer Vigil and am proud to join my colleagues in hoping and praying for the free movement of Soviet Jews through renewed and improved U.S.-Soviet relations and understanding.●

HONORABLE JACK BROOKS GIVES AN INSPIRATIONAL VIEW OF AMERICA

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. SAM B. HALL, JR. Mr. Speaker, our distinguished colleague, Hon. JACK BROOKS, recently wrote a very inspirational article for the New Age magazine which I commend to the attention of Congress and the Nation.

This magazine is published monthly by the Supreme Council, 33°, Ancient and Accepted Scottish Rite of Freemasonry.

As dean of the Texas delegation and a powerful spokesman in this House for the working men and women of America, JACK BROOKS has a strong and abiding love of country. His essay on America and the uniqueness of our democratic experiment is one of the most noble and thought-provoking articles it has been my pleasure to read in a long time. It deserves to be reprinted and distributed all over the land. The article is as follows:

AMERICA—THE LAND OF LIBERTY . . . THE HOME OF PATRIOTISM

(By Jack B. Brooks)

The history of America reveals that many patriotic and loyal Americans have shared the common experience of Freemasonry. Members of our Fraternity have been deeply concerned about and involved in the government of this Country since colonial days. It was Masons who were leaders in the Revolutionary War and who laid the cornerstone of our Nation's Capitol. George Washington, Benjamin Franklin, and others among our Founding Fathers were very proud of their Masonic ties.

While Freemasonry was active in the very birth of this Nation, our continuing interest in a free political process and in a government that governs for the good of its people has never diminished.

The love that we all share for this Country and its institutions is a characteristic that pervades our every undertaking. Our patriotism is one which leads us to respect both the sanctity of our Constitution and the rights of all of our people. It is a patriotism which calls for compassion in dealing with our fellow citizens and which requires dedication to keeping this Nation independent, strong, and free.

Masons have always served our Republic with unfaltering commitment, dedication, and fidelity to the Constitution and the laws of our Country. Throughout our history, when great issues have confronted our Nation, Masons have been the first to stand up and be counted—because we are committed to the best interests of America.

As a Congressman and Mason, I share your belief in a strong America. And I believe in the absolute necessity of maintaining our national security through superior military strength. If we are to survive in this hostile world, then we must be pre-

pared to defend our national boundaries in the face of any threat. No nation should doubt our commitment to national security. No ally should question our resolve to meet our treaty obligation. And no potential enemy should miscalculate our determination to take all necessary action to protect our national interests.

Last November, Americans from all walks of life went to the polls to exercise one of our most cherished rights—the right to vote and participate in the constitutional life of our Nation. The importance was not the outcome but the fact that all of us had a right to make our choices known. And further all of us had the opportunity to help make our country just a little stronger by our participation in the democratic process.

Tens of thousands of young Americans sacrificed their lives on the shores and in the jungles of distant lands to guarantee this precious right. And nothing is more important than our right to freely determine the rules under which we live, and to freely select those men and women whom we believe should serve as our leaders.

Unfortunately, we live in a very troubled world—a world where millions of people who cherish liberty must, nevertheless, live without the many freedoms we Americans too often take for granted. They live with constant oppression in a world in which the freedoms, which give so much meaning to our lives, are ruthlessly suppressed by dictatorial systems which require total compliance with every governmental dictate.

To oppressed people throughout the world, the American experience offers hope for a better future. And to the oppressor, the American experience constitutes an unparalleled threat because it strikes a responsive chord in the hearts of all men who wish to live in dignity and freedom.

This is a world of cold and often very unpleasant reality in which millions subsist at a starvation level. Additional millions are illiterate and unaware of the world around them. And, millions of others suffer needlessly from terrible diseases and illnesses. Yet in America, most people live a pleasant and bountiful life. In fact our present generation has achieved a degree of material wealth unsurpassed by any other society of any age. We are, in short, the world's most powerful nation, and we enjoy one of the highest standards of living of any people on earth.

However life offers no absolute guarantees. The future is always uncertain at best. Both our wealth and our power could dwindle away and our freedoms could be compromised, perhaps even lost.

If we are to have a reasonably secure future and one in which Americans continue to enjoy the level of freedom and material well-being that is ours today, then we must be unified in respect to the ideas and values of our democratic heritage. All the lessons of our history have taught us that wealth and power alone cannot sustain and protect free people. Above all else, we know that the future of our free society must be based upon the continued spiritual and moral strength of the American people. In this way we will insure that in America the lamp of liberty burns brightest and patriotism always flourishes.●

STATEMENT ON ELDER ABUSE LEGISLATION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Ms. OAKAR. Mr. Speaker, today I am reintroducing a bill entitled the "Prevention, Identification, and Treatment of Elder Abuse." It is with great dismay that I introduce this bill or that this type of legislation is needed. Abuse, neglect, and exploitation of older Americans is a bitter reality. It is estimated that more than 1 million senior citizens are victims of abuse, many of which have no legal recourse.

Congressional hearings have documented innumerable cases of older persons who have been physically beaten, psychologically tormented, or financially exploited. Most often this mistreatment is inflicted by so-called caregivers and family members. Research suggests that much of this abuse stems from the undue stress felt by caregivers who assume the burden of long-term home care for dependent older persons.

Last Congress, we enacted the important Child Abuse Amendments of 1984 (P.L. 98-657) which incorporated family protective services by providing a national clearinghouse on family violence and prohibiting age discrimination at shelters. Elder abuse was included under this umbrella, but not highlighted. More importantly, funds for this bill have not been appropriated. As a consequence, many family violence centers have been forced to close and thousands of older Americans have not been able to benefit from expanded coverage afforded in the act. And, elder abuse continues to occur.

The seriousness and magnitude of elder abuse merits this specific legislation. We need to prevent elder abuse by providing legal protection and services for elderly Americans who are victims of abuse and neglect. We need to provide money to States for elder abuse prevention and treatment programs. We also need to explore and examine new ways to treat both victims and abusers.

The bill I am introducing today would create a national center on elder abuse, to disseminate the most up-to-date information on the prevention and treatment of elder abuse. The bill would also provide money to States programs. In order for a State to qualify for these funds, laws providing mandatory reporting and immunity for persons relating suspected cases of abuse must be in place. Upon receipt of such a report, States would initiate an investigation and take steps to protect the abused. States would also be required to cooperate with law enforcement officials, courts, and appropriate agencies providing human services to ensure that the abuse victim participates in decisions regarding his or her welfare.

The bill would not only affect elderly persons who live in the community, but those who live in nursing homes, mental institutions and other facilities. Although incidence of abuse, neglect, and exploitation are less frequent in institutions, documentation has proven that it exists. In my own district, a 96-year-old woman who was allegedly raped by an employee of a nursing home in which she resides, was treated later for lacerations. At that time, Ohio had no reporting requirements. I am pleased to say that my State has made great strides in this area; and it is my hope that my legislation will prompt similar responses from all States.

Finally, Mr. Speaker, I must say that tremendous progress has been made at the State and local levels. I am encouraged by this and the work that my colleague, Congressman MARIO BIAGGI, has been doing on his Aging Subcommittee on Human Services in compiling the most recent material on State and local activity. The Subcommittee on Human Services' report will update material compiled during the last investigation of this issue in 1981. It is clear that information of this nature needs to be as current as possible in order to address the problem at the Federal level. This report and my legislation will provide a necessary base onto which lawmakers can proceed.

I look forward to working with other Members of Congress to remedy a serious national problem affecting older citizen and encourage my colleagues to cosponsor this bill.

Thank you.●

HOMELESSNESS: A REPORT FROM OHIO

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FEIGHAN. Mr. Speaker, we see them every day. We pass them standing on street corners and huddled in subway stations, sprawled on gratings in the sidewalk and pressed into abandoned storefronts. A quick glance and twinge of emotion—anger or guilt or compassion—and then we move on at a slightly faster pace. Too long a look would be too open an admission of responsibility. Yet the homeless who roam our Nation's streets, whose numbers may range from 200,000 to more than 2 million, are our responsibility.

The media have made them celebrities of a perverse sort. Magazine articles, television interviews, even a character in Doonesbury have publicized their condition. But still we possess

little systematic understanding of their lives. Too often, as a new study prepared by the Ohio Department of Mental Health observes, homeless people have been mistakenly portrayed as "skid row bums ravaged by alcoholism or as romanticized open-road travelers unencumbered by the many pressures of daily living." Policies designed to aid the homeless have by and large been disjointed efforts. In order to test the validity of popular perceptions of homelessness and to provide a basis for coherent policy-making, the Ohio Department of Mental Health, with the support of the National Institute of Mental Health, undertook an intensive year-long study of the homeless population in Ohio. The study's results, just published, offer us the most comprehensive information yet available on the characteristics of our country's homeless.

The report's findings upset a number of popular notions. Deinstitutionalization as the principal cause of homelessness is one. Many stories have pointed to the accelerated release of patients from State mental hospitals over the last decade as the source of the homeless population's swollen ranks. The Ohio report does find a significant percentage of the homeless—about one-third—to be former mental patients or in need of mental care. But if you consider that most surveys of the general population using similarly crude diagnostic tests find about 20 percent of us to be mentally disturbed to some degree, the figure for the homeless seems only moderately out of line.

A more obvious social affliction, the Ohio report finds, often lies at the root of homelessness: poverty. For half of the nearly 1,000 homeless people interviewed, economic distress was the major cause of their plight. Most had worked at some point in their lives, and a quarter had worked for pay during the month before they were interviewed. Nearly half of those who had worked in the past but were currently unemployed said they had looked for a job, but had been unable to find one. Almost two-thirds of those interviewed reported having had some source of income in the prior month. "The picture that emerges," the report concludes, "is one of a largely indigenous population made up of people who are not totally without funds but whose income is not sufficient to pay for permanent housing."

Though more important than is commonly perceived, poverty was rarely sufficient by itself to explain homelessness. In addition to psychiatric problems, physical disabilities and alcoholism plagued many of the homeless people interviewed. Often these problems are intertwined with poverty and lack of a job. For anyone who has experienced a significant period of unemployment, the links between these personal problems and the psychological pressures of extended joblessness are not hard to see.

At an institutional level, changes in the rental housing market have also probably played a significant part in encouraging homelessness. Although the Ohio report does not provide any direct evidence for this, a reduced supply of inexpensive housing—brought about through a combination of market forces and Government policies—has probably thrown up an additional barrier to finding permanent housing.

In the tangle of causes contributing to homelessness, another factor, the Ohio report finds, stands with poverty as a leading influence: isolation.

Since the second half of the 19th century, sociologists have speculated about the atomized character of modern Western society—and about the lonely people who make up such a society. From Tocqueville to Reisman, social theorists have identified the United States—with our cult of social mobility, our pioneer heritage, our libertarian ethos—as the most fragmented of modern Western societies. The experience of the homeless in a way bears out these pessimistic speculations.

Few of the homeless have any network of social support to fall back on in times of distress. Compared to the general population, three times fewer of the homeless people interviewed said they had family or friends they could count on. And even this figure seems too high. If these family members and friends could be counted on, why couldn't they offer some of the homeless long-term accommodation? When the homeless fall through the Government's safety net—a net which the current administration has done so much to weaken—they have no personal safety net to land in. The growth in the homeless population is thus partly a reflection of the deterioration of communal and familial bonds in our society.

What, then, can be done to alleviate the problem of the homelessness? The Ohio report only provides broad suggestions. Both institutional and personal sources of the problem need to be addressed. Above all, the supply of inexpensive housing needs to be enlarged and the scope of job training and employment opportunities broadened. Without these changes, the homeless will continue to be unable to satisfy their most basic needs: a permanent place to live and the resources to maintain that place.●

EXTENSION OF AUTHORITY TO THE VETERANS' ADMINISTRATION FOR CONTRACT MEDICAL SERVICES IN PUERTO RICO AND THE VIRGIN ISLANDS

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FUSTER. Mr. Speaker, I am introducing a bill to extend the authority of the Veterans' Administration to provide contract medical services in Puerto Rico and the Virgin Islands.

Public Law 98-105, passed by the 98th Congress on September 30, 1983, authorized the extension of the authority vested in the Veterans' Administration to provide contract medical services in Puerto Rico and the Virgin Islands for 1984-85. That authority would expire at the end of the 1985 fiscal year if the Congress does not grant the extension provided by this bill.

This same authorization is requested now to extend those services for 1985-86. The justification for it is the same as last year's since in 1984 an average of 5,000 veterans received psychiatric and other professional attention not possible in the VA hospital's limited resources. In fiscal year 1984, the Veterans' Administration was able to provide the needed care using 148,115 patient days at an approximate cost of $11 million in Puerto Rico and 3,636 patient days at a cost of approximately $1.4 million in the Virgin Islands.

Right now, there are hundreds of veterans being served in these contract facilities whose care would be jeopardized should the authority we seek expire.

The 1980 decennial census indicates that Puerto Rico currently serves a veteran population of 125,900 which is expected to rise by 1990 to 127,800. The Virgin Islands serves a veteran population of approximately 5,000.

Mr. Speaker, please accept my explanation and justification for this bill.●

THE SOCIAL SECURITY MINOR AND TECHNICAL CHANGES ACT OF 1985

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. JONES of Oklahoma. Mr. Speaker, today I am introducing the Social Security Minor and Technical Changes Act of 1985. This bill contains several provisions to clarify certain amendments recently enacted, and to make certain minor improvements in the Social Security Act. I would em-

phasize that none of the amendments in this bill result in any significant costs to the trust funds; the aim of the bill is to clarify current law and to correct certain minor anomalies without making any major changes to the Social Security Progam.

The most significant amendments in the bill are as follows:

A 5-year extension of the authority for SSA to waive provisions of the act to conduct demonstration projects designed to promote the vocational rehabilitation and the return to work of disability beneficiaries;

Relief for disabled widows who were inadvertently made ineligible for SSI and Medicaid benefits by an increase in their Social Security benefits in the 1983 Social Security Amendments;

A substitution of a special disability advisory council for the regular quadrennial advisory council required by law to be appointed this year;

Extension of current law's treatment of adopted grandchildren to adopted great-grandchildren;

Correction of a technical error in the Social Security Amendments of 1983 which resulted in tax treatment of Social Security benefits received by citizens of American Samoa which differs from that of all other territories.

The bill also contains several other minor clerical and technical changes to clarify legislative intent in several areas, and to correct unintended anomalies in the areas of reentitlement of childhood disability beneficiaries, and the disability family maximum benefit computation.●

BENEDICTINE COMMUNITY CELEBRATES 100TH ANNIVERSARY

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FAWELL. Mr. Speaker, the Benedictine community in Lisle, IL, is currently celebrating the 100th anniversary of the founding of the St. Procopius Abbey Church. In commemoration of the founding of this fine religious institution, the Abbot Primate of the International Benedictine Confederation, Rt. Rev. Victor Dammertz, OSB, is the principal celebrant of a Mass of Thanksgiving being held today at St. Procopius Abbey Church. Several distinguished representatives of the Catholic Church are expected to attend the Mass, including the clergy of the Diocese of Joliet, priest Alumni of St. Procopius Seminary, bishops of Illinois, and representatives of neighboring Benedictine abbeys.

This anniversary recognizes a tradition which has been long upheld in the Chicago area. The educators of the abbey have significantly contributed to the educational excellence and maturity of the students both at Benet Academy and Illinois Benedictine College. The academy and the college, both founded by the Benedictine monks, have been the setting for educating thousands of men and women from throughout the Chicago and DuPage County areas, as well as from elsewhere in the United States.

The Benedictine community will continue to celebrate the monastery's founding over the next several months. In June, the abbey monks will celebrate the 15th anniversary of the present abbey and church. In July, a Mass of Thanksgiving is scheduled for the faculty and staff of the academy and the college, as well as for the families and friends of the Benedictine monks of the abbey. Just a few weeks ago, on March 2, Founders Day was marked at St. Procopius Church. The church is the site, where on March 2, 1885, Archbishop Patrick A. Feehan of Chicago turned over the care of the parish to the Benedictine monks from St. Vincent Archabbey of Latrobe, PA.

The Right Reverend Valentine Skluzacek, OSB, and the Benedictine monks of St. Procopius Abbey Church should be commended for this fine celebration and their caring involvement over the years to nurture and strengthen the minds of our young people. Their commitment to excellence during the first century has been an inspiration to a countless many in the Chicago area and nationwide. I pray that in the next century to come that St. Procopius will continue to leave an everlasting impression on the lives which it so deeply and generously touches.●

CHILE AND THE RETURN TO DEMOCRACY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. CRANE. Mr. Speaker, our colleague, Congressman TED WEISS, together with Senator EDWARD KENNEDY, has introduced a concurrent resolution which is purportedly aimed at speeding up the transition toward democracy in Chile. This bill, House Concurrent Resolution 52, calls upon the United States to cut all military ties with Chile and impose severe restrictions on economic cooperation between the two countries. I disagree with the contents of this bill and what its authors assume the effects would be if enacted.

In 1980, 67 percent of the Chilean people voted in favor of a new Constitution. This Constitution provides that democracy will be restored and elections will be held in 1989. Thus by 1989, Chile, too, will join the growing number of Latin American countries that have successfully made a peaceful transition back to democracy. But this doesn't seem to be good enough for Chile's critics. Many of them demand democracy immediately, and in their haste to force Chile to acquiesce, they threaten sanctions and embargoes to speed up the process. But before imposing any sanctions, I think it is imperative that at the very least we examine the consequences that would accompany that imposition.

Let me say initially that any foreign policy sanction, be it economic or military, that is more detrimental to the country that imposes it than to the country upon whom it is imposed is of little value. Unfortunately, House Concurrent Resolution 52 is just that type of sanction, because we need Chile as much or more than it needs us. At least that was the conclusion reached by a number of members of the House Armed Services Committee who traveled to Chile in February 1984.

I would like to quote some of the more salient conclusions reached by the returning delegation. In a report issued after their visit they declared that our ties with Chile are important:

"* * * [N]ot only as a source of safe ports that can provide logistic and resupply to the regional navies and U.S. naval vessels, but also as a country that could influence events in the passages between the Atlantic and Pacific Oceans and in the Eastern Pacific.

Obviously Chile's strategic importance would take on much greater proportions in the event of disruption of passage through the Panama Canal, given the fact that the Strait of Magellan would then become a vital route for our trade and maritime movements. As the delegation report also states:

It is imperative to initiate more cooperative military relations with Chile if we are to ensure the protection of the strategically important sea lanes in the Southern Hemisphere.

But House Concurrent Resolution 52 urges more than just cutting military ties with Chile; it also calls for the denial of all forms of economic assistance from the United States to the Government of Chile and urges the United States to cast negative votes on all loans and grants to Chile in international financial institutions. If our purpose is truly to international financial institutions. If our purpose is truly to bring about a peaceful transition to democracy, cutting off economic assistance is precisely what we should not be doing. In my opinion, economic strength and the development of a thriving free market are vital to the reestablishment of democracy in Chile. What's more, given the current economic problems that confront Chile, a ban on loans and an end to economic aid would most certainly exacerbate the present situation. The

unrest that already exists might very well be intensified, and more violence and bloodshed could follow.

The policy that we ought to be pursuing, the policy that would best serve our own interests and those of the Chilean people, would be one of cooperation. To sever ties with Chile because we disagree with some of its current internal policies is somewhat akin to cutting off our nose to spite our face. As a friend and ally we are in a position to influence Chile and help her along the path to democracy. I believe we owe this to Chile and its people.●

WE CAN'T FORGET THE HOMELESS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. SEIBERLING. Mr. Speaker, today the National Coalition for the Homeless is holding meetings around the Nation to publicize the needs of the homeless. As we consider our decisions on the Federal budget, I hope that this Congress will not forget the problems of the homeless.

Experts estimate that as many as 3 million people in this country may be homeless, while there are possibly as many as 93,000 homeless people in my home State of Ohio. Unfortunately, many people in my own district must go without adequate housing.

While today many of the homeless are suffering from some form of mental illness, the demographics of homelessness are changing. It used to be that the homeless were considered to be older male alcoholics and drug addicts. Today, however, experts say that 34 is the average age of the homeless, 21 percent of the homeless are families with children, and 13 percent of the homeless are single women. More than half the homeless have completed high school, and 30 percent have attended college. And an increasing number of people are newly homeless because of sudden unemployment, eviction, or family crises. Many are employed at or near the minimum wage and simply lack sufficient income to make the required deposit to rent a room or apartment.

The problems of the homeless are obvious. They must find someplace to sleep and something to eat. Part of the problem is that many of our social programs do not reach the homeless because a fixed address is required for eligibility. For instance, the homeless are often not eligible for food stamps. While many volunteer groups have been formed to help the homeless, their efforts alone will probably not be enough. The Government should be taking some steps to solve the problem.

However, the Reagan administration has proposed eliminating the Community Services Block Grant Program, which has provided over $125 million in emergency food and shelter funds for the poor. The President has also called for the elimination of the $210 million Emergency Food and Shelter Program run by the Federal Emergency Management Agency [FEMA], and the administration has proposed a 2-year moratorium on spending for federally assisted housing for the poor.

I am very concerned about the current budget deficits, just like all of us here are. And while some spending cuts for social programs may be in order, I think that it is too easy to forget about the needs of the homeless when we make our budget decisions. Congress must not ignore the plight of these unfortunate people.●

ACADIA NATIONAL PARK BOUNDARY

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Ms. SNOWE. Mr. Speaker, today I am introducing legislation to establish a permanent boundary for Acadia National Park in the State of Maine. The State's congressional delegation wholeheartedly supports this legislation, and I am pleased that, at long last, Congress will provide a boundary for one of this Nation's great national parks.

Acadia National Park is unique in almost every respect. Its 38,000 acres come almost entirely from private donation. Philanthropic landowners who recognized the awesome beauty of this region left a wonderful legacy for children and grandchildren to enjoy. This park started with 5,000 acres in 1916 and preserved its distinction as the first national park east of the Mississippi River. The next several decades saw dramatic expansion—mostly thanks to the family of John D. Rockefeller—as Mount Desert and its surrounding islands began to receive national attention.

With all of this attention came a strong conviction that Acadia National Park (as it became known in 1929) should serve as an eternal protector of this remarkable land. Two forces came into play which brought on the need for the boundary: first, the established communities which also share this region, including the towns of Mount Desert, Tremont, Southwest Harbor, and Bar Harbor, recognized the need to preserve their tax bases. At the same time, park officials were facing the end of the great land donation phase, and had to find ways other than donations to solidify the park's holdings. To this day, Acadia can only expand through donation as the park's charter doesn't allow land to be purchased. Because of the way its national park lands were obtained, Acadia became an odd grab-bag of land parcels; thus, the need to consolidate land holdings and form a boundary marking the separation between town and park lands.

The past decade has been a busy one for Maine legislators, town and park officials, and concerned residents working to form a permanent boundary for Acadia. Several master plans and a 1980 agreement between parks officials and the towns helped to bring all sides closer to where we are today. This legislation is a compromise effort that serves the recognized needs of the neighboring communities while also providing long-term management and protection for the park.

Under the provisions of this bill, the park, in exchange for relinquishing 700 acres of land and limiting the area in which future donations can be accepted, will be allowed to accept or purchase land donations of specified land parcels totaling 1,900 acres. In such a way, Acadia National Park can consolidate its holdings and protect portions of land highly valued for their natural beauty and other ecological reasons. The towns, in turn, will benefit from the security of established boundaries for the park and the protection of their tax bases.

Most importantly, this legislation will complete decades of concern about the best way to give Acadia a permanent boundary. The park's millions of visitors each year attest to how remarkable this land truly is. For the future generations of out-of-state visitors, citizens of Maine, and families of these communities who will benefit from a congressionally mandated boundary, I am pleased to introduce this legisaltion today, and to see a difficult issue resolved in a responsible manner.●

HOMELESS IN AMERICA

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. HALL of Ohio. Mr. Speaker, I join my colleagues today from around the Nation to show my support for America's homeless.

The problem of the homeless is truly a national problem. They can be found in every region, and in city and suburb alike.

In my home State of Ohio, an estimated 93,000 are without homes. As a result, legislation has been introduced to help fund emergency shelters.

A detailed study, released just this year, analyzed the problem in Montgomery County, OH. That study was

conducted by a partnership of the city of Dayton, Montgomery County, the Mental Health Board of Montgomery County, the Miami Valley Regional Planning Commission, and the United Way of the Dayton area.

Though it offered few conclusions, the study presented a thorough documentation of the need for emergency housing in the county, and demonstrated that existing resources are not adequate to meet that need.

The homeless come from a wide range of backgrounds. They might be evicted families, alcoholics, the aged, the mentally ill, drug addicts, abused spouses, or abandoned children.

Accurate estimates of the number of homeless are difficult to make. However, signs indicate that the numbers are increasing. One cause may be the high unemployment rate. Another cause is the destruction of cheap housing for transients as a result of urban development. Spiraling rent costs have forced others into the ranks of the homeless.

The recent movement to get the mentally ill out of institutions and into the community has also contributed to a large number of people on the streets who cannot take care of themselves.

Traditional forms of Government assistance such as Food Stamps and Aid to Families With Dependent Children are ineffective in assisting the homeless. Many of these programs cannot be provided unless an individual maintains a fixed address.

Furthermore, no single Federal agency or program focuses its efforts specifically on the problems of the homeless. However, programs are now coordinated through the recently established Federal Interagency Task Force on Food and Shelter for the Homeless.

Congress has made special appropriations to States and local volunteer organizations for emergency food and shelter programs. Surplus Government buildings and food have been made available for the homeless. However, these are only short-term efforts.

Longer range solutions must fight the underlying causes of homelessness. Providing more comprehensive mental health services may take care of some of the homeless. Reducing unemployment will help others. Incentives to increase the supply of low-income permanent housing may also be part of the solution.

Though the problem of the homeless is a national one, it is one that certainly will involve a partnership of Federal, State, and local governments, as well as the private sector.

In a nation as bountiful with resources as ours, there is no reason why so many of our citizens must go without shelter.●

UNSAFE OVER-THE-COUNTER DIET AIDS AND INEFFECTIVE DRUGS MUST BE CONTROLLED

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Ms. OAKAR. Mr. Speaker, today, I am introducing two pieces of legislation designed to protect the public from unsafe and ineffective drugs currently sold over the counter to unsuspecting victims.

The first bill would require diet drugs containing Phenylopropanolamine [PPA] be dispensed only upon prescription.

As many of you will recall, last Congress I chaired a hearing to investigate the efficacy and safety of diet pills. At those hearings, we heard testimony from witnesses who had suffered from strokes, hypertension, psychotic behavior—even some left permanently handicapped—as a result of having taken preparations containing Phenylopropanolamine [PPA]. I felt it essential to encourage the immediate removal of these pills from the over-the-counter market and place them under the close supervision of medical doctors.

It is clear that millions of people use over-the-counter diet pills to lose weight and control their appetites. Some youngsters, however, use them as stimulants because the amphetamine-like molecular structure of PPA produces a high similar to speed.

When taken in diet pills, PPA sometimes causes a spike in blood pressure. It can also seriously affect persons with diabetes. Diabetes and hypertension are hidden diseases to which the obese, the primary users of diet aids, are particularly susceptible. It has been documented that more than 40 percent of the obese have hypertension. Also in jeopardy are the 50 percent of diabetics and 30 percent of definite hypertensives who are not aware of their disorders.

The second piece of legislation I am introducing today would amend the Federal Food, Drug, and Cosmetic Act to strengthen the authority of the Food and Drug Administration to control the use of drugs which present risks to the public and to secure data on adverse reactions to drugs. It has come to be known as the "Safe and Effective Drug Act."

More specifically, this legislation would require manufacturers of over-the-counter drugs to report adverse drug reactions to FDA. Currently, manufacturers are not obligated to report such reactions—even if life threatening. Additionally, the FDA would be given authority to require drug manufacturers to conduct post-marketing surveillance of prescription and over-the-counter drugs and report the findings to the FDA. There is currently no enforcement of any surveillance. My bill would also authorize the FDA to restrict the marketing of a drug if adverse reactions develop after that drug has been approved.

In order to enforce the surveillance mechanism, my bill would grant the Food and Drug Administration the authority to subpoena records from drug companies as well as require investigators of new drugs to report test results of all studies to FDA for approval. Additionally, a program in FDA would be established to encourage physicians, institutional health care providers and consumers to report adverse reactions to the agency.

Finally, this bill would not only establish a national center for drug surveillance within FDA to monitor reports of adverse drug reactions and ensure FDA action, but it would mandate an annual report to Congress on such reported reactions and what actions the agency has taken in response.

Mr. Speaker, you will no doubt recall that the House Committee on Aging held several days of hearings during the 98th Congress on the important issue of the safety and effectiveness of over the counter and prescription drugs and the elderly. Those hearings also focused on the failure of the Food and Drug Administration to protect the health of the consuming public.

Because of my growing concern for the elderly of our country, I continue to be extremely concerned about the performance of the FDA in the area of drug safety and effectiveness. In 1972 the FDA began a systematic 5-year study of all over-the-counter drugs. The FDA now estimates that the review will not be completed until the year 2000. Meanwhile, under current law, manufacturers are not even required to report adverse drug reactions to the FDA.

This legislation will make FDA police the public's health. It will mandate the FDA exercise authority that is now discretionary. It will give that Agency new powers to require drug manufacturers to report adverse reactions, to subpoena information, and to require full disclosure of all test results, not simply those that support a new drug application.●

INEQUITIES IN SOCIAL SECURITY

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. MRAZEK. Mr. Speaker, as we debate alternatives to reducing the deficit, each of us will have to weigh the needs of individuals being adversely affected, to ensure that no one is

asked to shoulder more than a fair share of this burden.

Certainly there is one group that does deserve particular consideration.

In an attempt to resolve a flaw in the 1972 amendments to the Social Security Act, individuals born during the so-called notch years can receive as much as $150 per month less than those born immediately before them. To a retired senior citizen relying on Social Security, $150 a month can made a dramatic difference.

Today, I am introducing a resolution urging Congress to exempt notch year recipients of Social Security from any freeze of cost-of-living adjustments which may be imposed during 1985 as a deficit reduction measure.

It is my hope that a bill will be passed in Congress which will permanently correct this inequity. However, I see no reason why we can't attempt to decrease the difference between individuals born before and after 1917. My resolution is one small attempt to work to close the notch.

I hope that you will join me in cosponsoring this important initiative.●

OBSERVANCE OF PRAYER VIGIL FOR SOVIET JEWRY

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. ATKINS. Mr. Speaker, as cochair of the 99th Congress' Coalition for Soviet Jewry, I am proud to participate in the Third Congressional Fast and Prayer Vigil for Soviet Jewry.

The coalition's goals are quite straight forward. We want to express to Soviet officials that we will not accept the 1984 emigration rate which allowed only 900 Soviet Jews to leave the country. We also want to highlight to our constituents and to our colleagues in other nations that we abhor and oppose the religious persecution and harassment of the 2.5 million Jews remaining in the Soviet Union. Although relations may be warming with the Soviets in the field of arms control, we must keep in mind the plight of the Soviet Jews when considering any legislation affecting the relationship between the United States and the Soviet Union.

Today, I would like to bring to your attention my concern over the treatment of Evgeny Lein and his family in Leningrad. After applying for permission to emigrate to Israel, the Lein children were forced to leave school and both parents have had trouble finding employment. Recently, we learned that Mr. Lein and his 20-year-old daughter were both brutally beaten by unknown men.

Through the observance of the congressional fast and prayer vigil for Soviet Jewry, we reaffirm our commitment to the cause of human rights, and our solidarity with the Leins and the many who share their fate. I am pleased to join my colleagues in this effort.●

NATIONAL HOMELESS AWARENESS ACTION DAY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. WEISS. Mr. Speaker, today the Coalition for the Homeless, a national advocacy group, is sponsoring National Homeless Awareness Action Day. The coalition's local branches across the country are holding rallies, voter registration drives, and press conferences to call to the attention of Americans the plight of millions of homeless men, women and children.

I enthusiastically endorse National Homeless Awareness Action Day, and I encourage may colleagues to use the information disseminated by the coalition to learn more about America's homeless crisis.

For the past 7 months, the Subcommittee on Intergovernmental Relations and Human Resources, which I am proud to chair, has investigated the Federal response to homelessness. The subcommittee held hearings, conducted exhaustive investigations in four major cities and will soon issue a report to the Congress together with an indepth report by the General Accounting Office on the homeless crisis.

During the investigation, we have learned that homelessness exists in epidemic proportions, and the homeless population is growing by as much as 38 percent a year. There may be as many as 3 million homeless Americans, more than at any time since the Great Depression. The homeless population contains increasing numbers of women, children, and minorities.

The major causes of homelessness include the scarcity of low-income housing, the deinstitutionalization of the mentally ill, unemployment, cuts in Federal assistance programs and increasing social and personal crises. The factors leading to several of these causes loom larger every year.

The response of every level of society to the homeless crisis has been woefully inadequate. Despite the best efforts of private voluntary organizations and some local governments, the homeless are suffering from shortages of shelter, food, and medical services. During the current winter, emergency services in many cities were stretched beyond capacity.

The stereotype of the aging alcoholic living alone on the street no longer holds true. Many of today's homeless are unemployed workers, who desperately seek jobs so they can support their families. But their training and skills are outmoded in the current high technology industries. Many more of the homeless are young people suffering from mental illnesses, who cannot live in dignity without at least some minimal support services, and have never been institutionalized because of recent policy and legal reforms. Still others are battered wives or children forced to flee violent family situations. These people cannot always help themselves, and need the help of their fellow citizens to recover and return to a better life.

Homelessness is not a temporary emergency. It will not go away without a concerted effort by all segments of our society to alleviate the homeless emergency. Many Members of Congress who have studied the problem have introduced legislation to alleviate the crisis. I have introduced the Homeless Emergency Relief Act to authorize grants to fund the provision of shelter, medical aid, psychiatric services, job counseling, and help in obtaining public assistance for homeless Americans. Other bills call for more federally funded low-income housing, easing of certain food stamp regulations for the homeless and the creation of more emergency shelter to fill the void for those who have none. I encourage my colleagues to study these measures, and to heed the call of the homeless advocates in their communities who today are rallying on behalf of the homeless.

We have a responsibility to establish new policies to address the needs of our fellow Americans who struggle to survive without the requisite needs of life, food, and shelter. I hope we all take some time on this first National Homeless Awareness Action Day to listen to their pleas.●

CONSUMERS NEED AUTO CRASH TEST RESULTS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. BEILENSON. Mr. Speaker, today I am introducing a bill which would provide automobile crash safety information to consumers shopping for new cars. The bill would require auto manufacturers to conduct crash tests on each new model and post the test results on a window sticker on each new car so that potential auto buyers would have information about crashworthiness, in addition to fuel economy and list price, as they examine new car models in the dealers' showrooms. Requiring this information would encourage the manufacturers to compete to build safer automobiles.

This bill is similar to an idea originally proposed by the National Highway Traffic Safety Administration [NHTSA] in 1981, arising out of that agency's crash testing program. In 1972 Congress had required NHTSA to devise ways to make comparative crashworthiness information available to consumers, and in 1980 NHTSA published "The Car Book" containing numerical results of its sample crash tests. The obvious way to make this information more widely available is to post it on each new car, and the agency proposed this step in 1981. However, since then there has been no visible progress; the agency says it does not know when it will proceed on the proposal, and publication of "The Car Book" has been discontinued. This bill is designed to prod the agency into doing something it planned to do just a few years ago.

Consumer surveys done for NHTSA have shown that, although there has been a trend toward smaller, lighter cars because of their better fuel economy, consumers are aware of the greater risk that occupants of small cars may suffer serious injury or death in an accident. These surveys also show that car purchasers want data on the comparative safety of various car models and would be willing to pay a higher purchase price for a safer car. The widespread interest in the Government's sample crash test results, and the continuing strong demand for "The Car Book"—now published independently—are evidence that consumers want and need the information.

However, the vast majority of consumers do not now have comparative safety information available to them at the time they purchase a new car. Clearly, the best way to ensure that the test results are available to those who need them the most would be to post them on each new car, in the same way that gasoline mileage and list price information is now posted. The stickers would also mention that booklets listing comparative scores for all car models were available free from any new car dealer.

Under this bill, each car manufacturer would test its own cars, prior to their public introduction, under criteria established by NHTSA, and would certify the numerical crash test scores to NHTSA for compilation. Manufacturers would be free to improve the safety of their cars beyond the minimum standards already established by NHTSA, and consumers would be free to make their own informed decisions about how much crash safety and fuel economy they want to pay for. This free market approach would give manufacturers the incentive to complete for sales to safety-conscious consumers.

There is strong and growing evidence that, when manufacturers are faced with a poor crash test score, they can sometimes make simple and inexpensive changes that result in significant improvements in safety. For example, the Honda Civic, which failed the 1980 NHTSA crash test, easily passed in 1981 after several relatively simple changes were made.

This bill would solve several problems inherent in today's very limited crash test program, since the information would be available by the time a new car model appears in dealers' showrooms, instead of several months later as is the case today. And the results would be posted on each new car, rather than being difficult or impossible to find. Finally, car makers would test every new model they introduce, rather than the sample tested by NHTSA today.

This bill represents a way in which auto safety can be improved by using the mechanics of the competitive free market rather than Government regulation. Consumers need information in order to make informed choices, and manufacturers need the sales incentive to produce safer cars. I strongly suspect that when car buyers readily get better safety information and automakers begin to compete to build safer automobiles, we will see far more progress in improved auto safety than Government regulations could ever produce. I urge my colleagues to join me in support of this legislation.●

NUTRITION ASSISTANCE FOR PUERTO RICO

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FUSTER. Mr. Speaker, I rise today to introduce legislation to continue the cash food assistance program for Puerto Rico, known as the Nutrition Assistance Program [NAP].

The Commonwealth of Puerto Rico has participated in the overall Federal food stamp program since the inception of the Food Stamp Act of 1977.

In 1981, however, the omnibus Budget Reconciliation Act [Public Law 97-35] required that the Food Stamp Program in Puerto Rico be replaced by a block grant with fixed annual budget of $825 million to provide food assistance to needy persons. Under the block grant, the Commonwealth of Puerto Rico has designed, implemented, and operated since July 1, 1982, the Nutrition Assistance Program [NAP] which provides direct cash assistance rather than food coupons to needy households. Congressional authorization for the Puerto Rico block grant and for the NAP are scheduled to expire on September 30, 1985, as provided in Public Law 98-204.

Anticipating the continuation of the National Food Stamp Program, I am introducing H.R. 1653 to permanently extend the cash Food Assistance Program for Puerto Rico. Given the clear congressional support that has been expressed for NAP, the affirmative fiscal year 1986 budgetary request of the administration for the total Food Stamp Program, including Puerto Rico's NAP, the Nation's commitment to the needy and the detrimental effect any change in the program would have for the island, we feel that the continuation of the successfully implemented cash system now operating in Puerto Rico merits your support.●

LA REINE HIGH SCHOOL'S 25TH ANNIVERSARY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. HOYER. Mr. Speaker, this year a fine school in my congressional district, La Reine High School, is celebrating its silver anniversary. Since its dedication was celebrated by the late Cardinal Patrick O'Boyle, Archbishop of Washington on May 30, 1961, thousands of young women have graduated from La Reine and have benefitted from its program of academic excellence and spiritual growth.

La Reine was established in September 1960 by the Bernardine Sisters of St. Francis as a Catholic private high school for young women in Suitland, MD. Starting with only 130 students, enrollment has grown over the years to 700. From an original staff of just six members, La Reine has grown to have 20 Bernardine Franciscan Sisters and 36 lay teachers.

In the school's 25th anniversary, La Reine graduates have gone on to further study at our Nation's finest colleges and universities. Many have pursued successful careers in government, business, and industry. All have attained success in part due to the sound academic preparation given them at La Reine. The school's curriculum is tailored to the individual and meets the needs of students on every level.

For several years after La Reine opened, Sister M. Kateri taught at the school; 12 years ago, she returned as principal. Sister Kateri's steady leadership has been an important factor in La Reine's growth and in its preparing young women with a sound spiritual, educational and moral background to meet the challenges of today's world.

Mr. Speaker, my own family has enjoyed a warm relationship with La Reine High School, which is located just a few blocks from my home. I hope that La Reine will continue to be a part of the educational and spiritual life of Prince George's County for many years to come. The school has

added much to our community. I hope the Members of the House will join me in extending congratulations to the Bernardine Franciscan Sisters, the staff and students of La Reine High School on its 25th anniversary.●

NATIONAL HEAD INJURY AWARENESS MONTH

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. DICKS. Mr. Speaker, it gives me great pleasure to join with my colleague from Massachusetts, Congressman SILVIO CONTE in introducing legislation to designate the month of October 1985 as "National Head Injury Awareness Month."

Each year, 100,000 people die from head injuries. Most of these tragic deaths are caused by motorcycle, automobile, and sports accidents. Another 450,000 to 700,000 people sustain head injuries serious enough to require hospitalization. Out of this group 50,000 are permanently disabled. These victims, more than two-thirds of whom are under the age of 30, suffer permanent brain damage that prevents them from returning to schools, jobs, and normal lifestyles.

The effects of head injuries are emotionally and financially devastating to families as well. Head injury victims may remain comatose for extended periods of time, and families are left with the financial burden of caring for their loved ones. There is a serious shortage of rehabilitation facilities designed to care for the special needs of the head injured, and in most cases it is left up to the families to find adequate treatment programs.

In response to the growing needs of the head injured, health care professionals and families of head injury victims organized the National Head Injury Foundation. This organization has worked to secure rehabilitation facilities for the head injured and to provide families with the necessary support services and resources.

Congress recognized the accomplishments of this organization by designating October 1984 as "National Head Injury Awareness Month." Since that time the NHIF has been instrumental in:

Initiating a Rehabilitation Services Administration study on the problem of head injury and the plan for future research.

Establishing a task force to develop guidelines for inpatient acute head injury rehabilitation programs.

Securing an agreement with the National Highway Traffic Safety Administration to implement a head injury prevention program.

State chapters of this remarkable organization have:

Successfully worked to include a special catastrophic coverage fund in new no-fault insurance legislation.

Conducted epidemiological studies on head injuries.

Actively participated in legislative hearings on head trauma.

Through its efforts the National Head Injury Foundation has focused national attention on the problems of the head injured and has proven to be a strong voice for the victims of this silent epidemic. I urge my colleagues to support the continued efforts of this fine organization by designating the month of October 1985 as "National Head Injury Awareness Month."●

A CONGRESSIONAL SALUTE TO MAJOR SAM BOTWIN OF SAN PEDRO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. ANDERSON. Mr. Speaker, on April 3 of this year, Sam Botwin will retire as honorary mayor of the quaint and culturally rich seaside community of San Pedro, CA. It is with great pride that I acknowledge the many accomplishments of Sam who has contributed greatly in making San Pedro a better place to live and work.

Sam, who has resided in San Pedro since 1946, is not only recognized today as one of the area's foremost historians, but also as one of our most active and respected civic volunteers.

Besides building Cabrillo Liquors into one of California's most highly acclaimed fine wineshops, Sam has also somehow found the time to become involved with numerous civic and charitable organizations. These activities include: San Pedro Athletic and Recreation Committee, Seaman's Church Institute, Councilwoman Flores' Community Advisory Council, Friends of the Los Angeles Maritime Museum, San Pedro Bay Historical Society, Boy Scouts of America, Angel's Gate Cultural Center, Lions Club, Explorer Scouts, Friends of San Pedro Library, Friends of Cabrillo Marine Museum, San Pedro Chamber of Commerce, San Pedro Coordinating Council, San Pedro High School Pirate Booster Club, Palisades Homeowners Association, Harbor Area Police Community Council, Neighborhood Reinvestment, YWCA Advisory Board, and the important Los Angeles City Planning Commission.

Mr. Speaker, as you can see, Sam has a tremendous record throughout the community. I would, however, be remiss if I failed to mention that Sam is only half of a fine team. His wife, Fran, has an equally outstanding record of achievement in the community. Sam and Fran are a dedicated team who have become leaders in San Pedro and are admired by all who have been fortunate enough to know them.

In consider it both an honor and a privilege to know Sam Botwin. My wife, Lee, joins me in congratulating Sam on his many fine deeds over the years; and we wish him and Fran and their two children, Kim and Michael, continued success and happiness in all their future endeavors.●

TRIBUTE TO DR. HERMAN R. BRANSON

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GRAY of Pennsylvania. Mr. Speaker, it is with great pleasure that I pay tribute to Dr. Herman R. Branson, president of Lincoln University, on the occasion of his retirement. Although Dr. Branson will retire this year, his outstanding work in the areas of education and research and his other innumerable accomplishments will continue to serve the world forever.

This black American has dedicated his lifetime to improving the quality of life for all mankind. He is truly one of America's most renowned researchers and educators. To mention all of his accomplishments would be formidable, yet I would be remiss if I didn't single out a few.

Herman R. Branson founded the National Association for Equal Opportunity in Higher Education [NAFEO]. This association has brought more than $2 billion to academic institutions. Dr. Branson played the major role in convincing the Federal Government to earmark financial support for black colleges in general and 1980 land-grant-title black colleges through title III grants, in the amount of $5 billion from 1970 to the present. Through his vision, Dr. Branson has been instrumental in keeping the doors of 103 black colleges and universities open to educate nearly 350,000 black students. Dr. Branson has been the recipient of six honorary degrees and is a member of 20 of the most powerful academic commissions which monitor and dictate policy in the field of education in America.

Although Dr. Branson achieved a great deal of his accomplishments without recognition during a most difficult period for blacks in America, he has always persevered in his pursuit of knowledge and community advancement. He has already worked on 32 research projects when, in 1951, working closely with Dr. Linus Pauling and Dr. Robert Corry, they discovered that the structure of proteins was not straight, but helical. Dr. Branson has

worked on 34 research projects since this momentous effort, for which Dr. Pauling received the Nobel Prize in 1954.

It was Herman Branson and his study group at Howard University that gave Roland Scott the view that sickle cell disease presents a different form of hemoglobin than normal; and that this influenced its oxygen carrying potential. The result of this discovery has had significant impact in the treatment of sickle cell disease.

Dr. Branson has been a member of the Cosmos Club since 1964. Membership in this august body is reserved exclusively for those who have made a substantial and everlasting contribution to all mankind. He is currently affiliated with 52 different organizations involved in such areas as scholarship, ocean engineering, mathematics, communication technology, and energy.

I know that all of my colleagues in the House of Representatives join me in extending our best wishes to Dr. Herman R. Branson, and salute him for his many accomplishments which have served our Nation so well. Thank you.●

THE HOMELESS

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Ms. KAPTUR. Mr. Speaker, I rise today to join my colleagues from Ohio in their expression of concern and support for the homeless. Although there may be disagreement over the number of homeless living within our city streets, there is no disagreement that this phenomena is a dark and disturbing paradox in this period of economic recovery. We must not ignore the presence of today's homeless—to do so would be to turn our backs on the neediest within our society.

How serious is the problem of the homeless in America? It is apparent that as part of America has entered a period of prosperity, the nature and composition of our Nation's homeless has entered a new period as well. The traditional homeless have been joined in growing numbers by battered women, the elderly and disabled poor, and—most significantly—by unemployed people and their entire families. The new homeless are falling without a safety net—the result of continued high unemployment, the shaving of social service benefits, and the tightening of eligibility requirements. With less Federal assistance available for the basics of food and shelter, they are forced to subsist in crowded shelters and compete for the assistance of already overextended social service organizations. In this, the most prosperous Nation in the world, hundreds of thousands of people are joining the ranks of the homeless. It must be our responsibility to see to it that they do not join the ranks of the hopeless, as well.●

RURAL NEVADANS DO NOT WANT MORE WILDERNESS

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mrs. VUCANOVICH. Mr. Speaker, today I am introducing legislation of great importance to my State; a bill to designate certain Forest Service lands within Nevada as wilderness and to release others for multiple use. I am proud to say that this is a balanced, and well thought out piece of legislation representing a synthesis of my constituents' views and concerns. I think the best way to put this legislation in perspective is to explain just what the concerns in Nevada are with regard to wilderness designation.

I believe it is fair and accurate to generalize and say that my constituents in rural Nevada do not want more wilderness. At the present time, at least eight Nevada counties have adopted resolutions stating their opposition to wilderness within their jurisdictions. An additional four Nevada counties are now considering, or have already adopted, similar resolutions. Nevadans have a tremendous respect for the land—but they are also heavily dependent on it for much of their economic livelihood.

Mining's share of the total assessed land value, and consequently the local tax base, in most of Nevada's rural counties is significant: In Humboldt County it is about 73 percent, Lincoln about 33 percent, Lander about 45 percent, Esmeralda about 46 percent, and Nye about 34 percent. Mining is also the major industry in many rural counties, accounting for the bulk of available employment and acting as the main engine for many local economies.

From the national perspective, the Nevada mining industry ranks No. 1 in the domestic production of gold and produces 100 percent of our Nation's magnesite, 99 percent of our mercury, and 85 percent of our barite. In addition the State is the second largest producer of lithium, diatomite, and gemstones, and the third largest producer of silver. I have grave concerns about designating wilderness in areas with known, or suspected, mineral potential. For example, I requested the Bureau of Mines to provide mineral data on 18 areas supported for wilderness designation by conservationists in our State. The Bureau concluded that 17 of the 18 areas may well contain minerals of strategic or other critical national importance. By locking up these lands we may be denying our Nation access to certain minerals that are critical to the provision of essential military, industrial, and civilian needs during times of national emergency or other international economic or trade disruptions that may threaten our ability to secure these materials from foreign sources. In short, outside of Nevada, these minerals are not found or produced in the United States in sufficient quantities to meet emergency needs.

Another of the major concerns about a Forest Service wilderness bill is that it is only one very small piece of a very large pie. The Fish and Wildlife Service has about 1.7 million acres currently proposed for wilderness designation. Further, the Bureau of Land Management is in the process of studying their lands for possible wilderness designation. The studies are not yet complete, but more than 1.6 million acres have already been identified as being suitable for wilderness. In other words, I believe it is extremely important to look at the "whole picture" when we discuss wilderness designation on our forest lands.

Given the importance of mining to Nevada, and the amount of land that has already been recommended or is to be recommended in the near future for wilderness, I believe this bill provides a significant contribution to the National Wilderness Preservation System.●

MINNESOTA TRUCK COMPANY WINS NATIONAL SAFETY AWARD

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. PENNY. Mr. Speaker, I am pleased to call to the attention of my colleagues the fact that Schultz Transit, Inc., of Winona, MN, has been awarded the grand prize award for safety by the Interstate Carriers Conference.

The conference, an affiliate of the American Trucking Associations, represents about 660 trucking companies throughout the country.

Mr. Gene A. Schultz, president of Schultz Transit, and his vice president for safety, Mr. George Snyder, were presented the award this month at the conference's annual meeting. This was especially notable in that the company also won the award in 1980.

Being honored by its peers and experts in the important field of highway safety is a great honor for Schultz Transit. For years the company has been an active participant in Winona and Minnesota in promoting highway safety. It is fitting that its contribu-

tions have been nationally recognized—again.●

McRAE HEADS TRUCKING GROUP

HON. BUDDY ROEMER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. ROEMER. Mr. Speaker, I would like to call to the attention of my colleagues the fact that Mr. Duncan McRae, Jr., president of Melton Truck Lines in Shreveport, LA, was elected president of the Interstate Carriers Conference earlier this month.

The conference, an affiliate of the American Trucking Associations, represents nearly 700 trucking companies and 150 allied members throughout the country.

Mr. McRae's election is particularly significant because it marks the first time in the organization's 45-year history that a father and son have served as its president. The elder Mr. McRae, now chairman of Melton, was president of the group in 1969–70.

The new president, who resides in Shreveport with his wife Frances, has held various executive positions with Melton Truck Lines since 1962. He became its president in 1984.

In addition to being active in the conference, Mr. McRae has held numerous positions in the Shreveport Chamber of Commerce, the Rotary Club and St. Paul's Episcopal Church.

Mr. Speaker, I think the conference has chosen well. I'm very pleased to see that the abilities of Duncan McRae, Jr., have been recognized by his peers in the trucking industry.●

SYMPOSIUM TO HONOR CONTRIBUTION OF ALLARD LOWENSTEIN

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. FRANK. Mr. Speaker, this weekend a group of friends and colleagues of the late Al Lowenstein will gather for the third annual Allard K. Lowenstein symposium in Chapel Hill at the University of North Carolina.

Al Lowenstein, who was murdered 5 years ago, was one of the preeminent Democrats of our time. His passionate commitment to social justice and his extraordinary sense of how to accomplish that in a democratic society, earned him the love and admiration of thousands of political and social activists. As a teacher, as an organizer of the Mississippi summer project, as a Member of this body, as an American representative to the U.N. Commission on Human Rights, and in dozens of other capacities, Allard Lowenstein set the standard for commitment and effectiveness.

The third annual Allard K. Lowenstein symposium is appropriately titled "Participation in Social Change: How Can One Person Make a Difference?" Equally appropriate, it will be held at the Frank Porter Graham Student Union at the University of North Carolina—a building named in honor of one of the great men with whom Allard Lowenstein worked so closely, former Senator Frank Graham of North Carolina. Among those who will be participating in this symposium are several Members of this body, including the gentleman from Pennsylvania [Mr. WALGREN], the gentleman from Indiana [Mr. JACOBS], and myself. We are only several of the Members of the House who can testify personal to the enormous impact that Allard Lowenstein's intellect and personality had on American politics.

The hope of the people who arrange this symposium, and of those who have organized themselves as "The Friends of Al Lowenstein" is to encourage others—especially young people—to continue to follow the superb model of committed political action that Allard Lowenstein provided.

This symposium will coincide with the formal opening of the "Lowenstein Papers," which are housed in the southern historical collection of the University of North Carolina at Chapel Hill. This collection will be an invaluable resource for scholars interested in the important social and political currents of the United States in the sixties and seventies.●

FEDERAL RESPONSIBILITY FOR THE HOMELESS

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. DICKS. Mr. Speaker, on this first full day of spring it is indeed fitting that we recognize the thousands of homeless men, women, and children who, because of a lack of adequate shelter, were forced to spend long, cold winter nights in alleyways, under bridges, and huddled over steam grates.

This is truly a national problem: it does not just affect large cities or certain areas of our country. Last month I held a congressional hearing in Tacoma, WA, and heard the message loud and clear that the numbers of homeless in all of our home towns are increasing, for a variety of reasons.

It is estimated that more than 2 million people in the United States are homeless. Since emergency shelters nationwide have the capacity for only 111,000 people, the majority of the homeless are left without a place to sleep and many of these people risk freezing to death in the bitter cold winter months.

A major contributing factor to homelessness is the severe shortage of low-income housing. Since 1981, Federal funding for section 8 housing assistance has been reduced by 44 percent. The total number of housing units available through the program has been reduced by 69 percent.

Despite the increasing homeless population and the lack of adequate emergency shelter, the administration's fiscal year 1986 budget proposes a 2-year freeze on additional HUD-subsidized housing. This would reduce the number of units available through the HUD-program by approximately 65,000. The administration's budget also calls for a 95-percent reduction in budget authority for the section 8 low-income housing assistance program, and a reduction in budget authority for the Public Housing Loan Program from $14.9 billion in fiscal year 1985 to $1.8 billion in fiscal year 1986.

The Federal Government cannot ignore its responsibility in helping to eliminate a major cause of homelessness. We in the Congress must seize the opportunity this spring to work for more affordable low-income housing. Our goal should be to reduce and to eliminate the number of individuals who will be without adequate shelter next winter.●

ERIC SLOANE

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mrs. JOHNSON. Mr. Speaker, it would be easy to come before you today and discuss the great loss we have suffered because of the death of Eric Sloane. Through good times and bad, this New England artist and writer remained firm in his desire to keep alive the greatness of this country's earlier years. His presence will be sorely missed.

However, to dwell on his passing is not what Eric Sloane would have wanted. Eric stood for something that surpasses death: celebration. He came to symbolize joy, the joy that springs from a deep understanding and an openness to the inspiration and greatness of our past. In his words:

> Most of my lifetime has been in painting and writing, with the steadfast purpose of retrieving certain worthwhile things of the American past.

There are countless examples of his efforts in this regard. One is his "I Remember America" exhibit, which was shown in the Soviet Union as a means of increasing the Soviets' understand-

ing of our national heritage. Another is the Sloane-Stanley Tool Museum, which Eric founded and directed. This institution is American history. Yet a third example is the center mural at the National Air and Space Museum here in Washington. Eric produced this work for the bicentennial opening of that institution.

The accomplishment that best demonstrates Eric Sloane's commitment to preserving our national identity was his successful effort to revive the tradition of ringing bells on Independence Day. We have Eric to thank for the glorious sound of bells chiming simultaneously across America each Fourth of July.

In short, though sadness inevitably accompanies the passing of such a wonderful human being as Eric Sloane, this time of reflection also affords us a chance to appreciate his contribution to our lives. For 80 years, we had in our presence a man who devoted his life energies to the celebration of all that is good about these United States. That our Nation can create a man of such dedication and patriotism is cause for thanks. Let us hope that more like Eric Sloane follow, for then indeed can we say that our best days lie ahead.●

THE VALUE OF NATIONAL AGRICULTURE DAY

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. LIGHTFOOT. Mr. Speaker, yesterday the Nation celebrated, as it were, National Agriculture Day. I was pleased to be a cosponsor of the resolution designating this occasion.

I understand this event has been celebrated annually for a number of years now. Although this was my first opportunity to be involved in this occasion as a Member of the U.S. Congress, I can't help but wonder if it's a bit ironic that we continue to celebrate the successes of agriculture while so many of our Nation's agricultural producers face growing economic despair.

The regulatory changes announced yesterday by Secretary of Agriculture John Block bear witness to the burgeoning, bungling bureaucracy that hampers the hope for prosperity by American farmers. While we want the Government out of our lives, past policies have brought us to the point where we can't survive without it.

Many have said that this may be a watershed year for Government agricultural policy. At least most of us hope this will be the case. We can't continue on with business as usual. I certainly commend my colleagues for continuing to recognize the tremendous achievements of American agriculture, yet I implore my colleagues in Congress to dare to be bold as we begin consideration of a new 4-year farm bill.

Let's hope by next year's commemoration of National Agriculture Day we truly have something to celebrate.●

NEW YORK'S QUIET HERO

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GREEN. Mr. Speaker, as the Member of Congress privileged to represent the Lower East Side of New York City, it is my pleasure to acknowledge the extraordinary contributions of one of its residents, Samuel Fleischer. This man is one of New York City's "Unsung Heros," a man who does good deeds without looking for recognition or reward.

For the past few years, Sammy has been untiringly giving of himself for others. Born and raised in the Lower East Side, he has devoted his life to serving our community, and is known throughout New York for his deeds, which include the organization, in 1968, of the Seventh Precinct Auxiliary Police. Sammy is also the founder and coordinator of the East River Men's Club, and thus is active in preventing the deterioration of his community. In the last year, Sammy played a vital part in saving the lives of two people, people who required emergency lifesaving treatment. He has also worked closely for a number of years with police and fire departments, both on a local and city-wide level.

Mr. Speaker, I know my colleagues recognize that it is men like Samuel Fleischer who are the builders of communities, and who supply their life blood. I am proud to represent this man who has given so much to the city of New York, and I know my colleagues in the House will want to join me in lauding the accomplishments of this "Quiet Hero."●

CONGRESSIONAL SALUTE TO THE HONORABLE ALEXANDER POTASH OF NEW JERSEY, ESTEEMED MAYOR, OUTSTANDING COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. ROE. Mr. Speaker, on Saturday, April 13 the people of my congressional district and State of New Jersey will join together with the citizens of the Borough of Oakland in testimony to one of our most distinquished citizens, outstanding community leader and good friend—the Honorable Alexander Potash—in testimony to his lifetime of good works on behalf of the people of our community, State, and Nation.

Mr. Speaker. I know that you and our colleagues here in the Congress will want to join with me in deep appreciation of all of his good works and share great pride in the success of his achievements with his good wife Velma; sons James, William, Edwin, and David; daughters Eleanor and Carol Ann; 19 grandchildren and 3 great-grandchildren on this milestone of achievement in their family endeavors.

Alexander Potash has indeed earned the highest respect and esteem of all of us who have the good fortune to know him. He has had a long and illustrious career in seeking life's fulfillment and purpose. He was born on December 26, 1899, in New York City. His paternal grandparents emigrated to our country from Germany and his maternal grandparents left London, England, to make the United States of America their home. His parents were born in New York City.

He attended elementary school to third grade in Brooklyn, NY, and when his parents moved to Paterson, NJ, completed his education at local schools in Paterson. Upon his graduation at the age of 15 years from Old School No. 4, Paterson, he immediately went to work in a machine shop. He was proud to have been a forward player on the 1914 School No. 4 basketball team which won the interscholastic basketball championship.

At the age of 17 Alexander left the machine shop to commence employment as a clerk at the Belleville, NJ, railroad station. He served 18 years with the Erie Railroad. He forged ahead with diligence, dedication, and sincerity of purpose, moving along through the ranks of the Erie Railroad operations to become superintendent of their docks and warehouse at Jersey City, NJ.

On May 1, 1927, Alexander and Velma Potash established their home in Oakland, NJ. In the course of his public service career pursuits with the Borough of Oakland he joined the Oakland Volunteer Fire Department and in 1928 was elected president of the department.

In 1929, he was appointed tax assessor and served for the next 21 years until 1951 as the borough's tax assessor. The excellence of his know how and expertise in the performance of his duties and responsibilities as the borough's tax assessor is manifested in the fact that to this date the assessor's office maintains the system of records that he installed.

In 1930, Mr. Potash was elected president of the Oakland Chamber of Commerce. In 1951 he was first elected to the governing body of the Borough

of Oakland. He was reelected to the borough council in 1952 and served as a councilman for 3 years before being elected mayor in 1953.

Our community, State, and Nation have indeed been enriched by the quality of his leadership and wealth of his wisdom and caring as the elected chief executive officer of the Borough of Oakland during his tenure of 8 years (1953-61). He has most assuredly helped to make Oakland a better community to live in and America more beautiful.

Mr. Speaker, the Borough of Oakland is situated in a valley between the Campgaw and Ramapo Mountains with the Ramapo River flowing through the valley—a beautiful, natural setting. It was a rural community of 800 people when Mayor Potash and his young bride, Velma, adopted Oakland as their home.

The town consisted of many fields and woods and when Alexander was a fireman, there were no water mains or fire hydrants in the community. The firemen carried the water supply in Indian tanks strapped on their backs. The fire company's transportation equipment consisted of two trucks—one to carry the pumper and one to carry water supplies. the fire department now consists of two firehouses located in strategic parts of town. The equipment is modern, including a tower truck. All streets are water mained and hydranted.

Mr. Speaker, it was during Alexander Potash's years as mayor that the Borough of Oakland had its greatest growth. Among the many ordinances passed during his tenure for the safety of Oakland's residents and the protection of private property, Mayor Potash fostered the establishment of a Shade Tree Commission, Industrial Commission, and Recreation Commission to assist the mayor and council in the management of the community.

In 1957 as mayor and a member of the planning board he promoted and encouraged a complete rezoning of Oakland—upgrading all zones in size to preserve and maintain as much of its open space as possible. During the same year a municipal building was constructed to accommodate the growing public service needs of the community. The planning and construction of one of Oakland's landmark community service projects, Veterans Park, was undertaken in 1958 and dedicated as a memorial to the veterans of all wars in 1961.

While mayor, Alexander Potash was also a member of the borough's library board of trustees and will long be remembered for his efforts in seeking to have the Pond's Memorial Building acquired to provide adequate space to house Oakland's public library. The library edifice which was constructed with stones from the Old Pond's Church of 1829—hence its name, Pond's Memorial Building—still serves as Oakland's public library. In discussing its history with Mayor Potash he will respond that the purchase was accomplished with the approval of the council; the carpeting used in the building was donated by the business community of Oakland; and credit must be given to Mayor Clifford McEvoy who was successful in obtaining WPA Government funds for the construction of the Pond's Memorial Building when he was mayor of Oakland.

Upon leaving the stewardship of his high office of public trust as mayor of Oakland, Alexander Potash was successful in being elected to the board of education where he served as chairman of the Building and Grounds Committee. It was during this period of 1966 and 1967 that the Dogwood Hill Elementary School was built.

Mr. Speaker, Al Potash's personal commitment to the economic, social, and cultural enhancement of the Borough of Oakland has been a way of life for him. He continues to actively participate in public affairs of the community.

It is indeed appropriate that we reflect on the good deeds and achievements of our people who have contributed to the quality of our way of life here in America. I am pleased to call your attention to Alexander Potash's lifetime of good works. As we gather together on April 13 in tribute to the quality of his leadership and sincerity of purpose dedicated to service to people, we do indeed salute a distinguished citizen, outstanding community leader, and great American—the Honorable Alexander Potash of New Jersey.●

EXTEND VOLUNTARY RESTRAINT AGREEMENT

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. DURBIN. Mr. Speaker, today I introduced a sense-of-the-Congress resolution urging the President to extend the voluntary restraint agreement [VRA] on Japanese auto imports for 3 more years and providing incentives for Japan to increase its imports of U.S. agricultural and manufactured goods.

Earlier this week, the Commerce Department announced that the U.S. current account deficit—the broadest measure of a nation's financial and trade relationships with the rest of the world—has reached the unprecedented level of $101 billion. In short, the most developed country in the world is rapidly becoming a net debtor nation, joining the ranks of Third World countries such as Mexico and Brazil.

Experts agree that the leading cause for this staggering debt is our record $123 billion trade deficit, to which Japan contributed over $36 billion. At a time when the United States is speeding toward severe trade-related economic problems, I find very disturbing the President's decision to abandon the VRA without seeking trade concessions from Japan. Past efforts to urge Japan to ease its protectionist trade policies have largely failed. To achieve relief from Japan's high trade barriers, we need to increase our leverage on the Japanese Government, not weaken it by abandoning a bargaining chip as valuable as the auto restraints.

Mr. Speaker, I am offering a new approach to moderating imports of Japanese automobiles into the United States and opening up Japanese markets to U.S. exports. My measure would call for reimposition of the VRA for an additional 3 years at the current 1.85 million autos per year annual level. However, the measure would also permit Japan to increase its auto exports 15 percent annually, about the 1.85 million limit, if it increases its imports of U.S. agricultural and industrial products by $10 billion over the same 3-year period. An increase in U.S. exports of this magnitude could create 250,000 American jobs.

I believe this resolution represents a responsible step toward addressing the larger, menacing problem of our enormous trade deficit, while protecting jobs at home and giving the U.S. auto and related industries the reprieve needed to prepare for the eventual lifting of Japanese auto import restraints.

I urge that it be given early committee consideration and be considered on the House floor as soon as possible.●

JACK CROWLEY WILL BE DEEPLY MISSED

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mrs. BURTON of California. Mr. Speaker, it was with great sadness that I learned of the death of one of San Francisco's great labor leaders, and my dear friend, Jack Crowley.

Jack served for the past 12 years as San Francisco's top labor official, secretary-treasurer of the San Francisco Labor Council. He was respected as a leader with integrity and ability, even by those who opposed him politically. He was known for his skills as a negotiator and for his ability to settle protracted labor disputes when strikes appeared inevitable.

Jack was a close friend and confidant of my husband Phillip. They spent many hours together working to

improve the lot of working men and women. I will long remember the depth of their friendship.

Jack Crowley dedicated his life to the labor movement and to the struggle for workers rights and protections. He will be deeply missed by the labor movement and I will miss his friendship and his counsel. I send my deepest regrets to his wife Geraldine, and his children.●

SUPPORT FOR THE HOMELESS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GRADISON. Mr. Speaker, I am pleased to have the opportunity to speak about the pressing national problem of homelessness on this day, the National Day of Support for the Homeless.

In Ohio and across the country, there are increasing numbers of people who do not have permanent homes. Within the past few years, homelessness has emerged as a complex and pressing social problem. Recent studies confirm that increasing numbers of our citizens are living in cars, tents, and on the streets. Some of the homeless take refuge in crowded shelters while others attempt to brave the elements hovered over hot air grates or in abandoned buildings.

In January, I joined a number of our colleagues in forming a bipartisan House-Senate Task Force on the Homeless. The purpose of this unfunded task force is to educate and to facilitate communication on how to deal with this disturbing national problem.

In the face of confusion and gaps in knowledged concerning the homeless, it has been very difficult for policymakers and programs to address the problem in a meaningful and effective way. It is likely that the solutions will be as diverse as the causes of the problem and the people who make up the ranks of the homeless. It is certain, though, that solutions must be actively sought for this tragic problem.●

MX MISSILE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. MITCHELL. Mr. Speaker, once again President Reagan is asking Congress to renew production of the costly and dangerous MX missile. This proposal comes at a time when sensitive arms control negotiations are proceeding in Geneva, and as budget deficits soar out of sight. It is time to say "No" to MX production once more.

Last October, Congress halted production of new MX missiles for 6 months. During this period of restraint, the Soviet Union has returned to Geneva to resume vital arms control negotiations with the United States. To renew production of MX now would show extreme bad faith and could jeopardize whatever progress that has already been accomplished at Geneva.

The MX is destabilizing, costly, and senseless. The administration officials have said again and again that the MX has never been and never will be on the negotiating table. In reality, the MX will fuel the arms race and diminish the national security of the United States by increasing a worldwide nuclear threat.

Congress is being asked to release $1.5 billion to procure 21 MX missiles in fiscal year 1985, but the administration wants another 96 missiles, at an estimated $6 billion for the following 2 years. Total program cost estimates are over $30 billion for this missile without a cause. With budget pressures so severe, we cannot afford to waste billions of dollars on a boondoggle of weapons systems that does not increase our national security. There have been accusations that a vote to kill the MX would result in the loss of jobs in respective districts. In my opinion, such an accusation is outright blackmail.

The MX stands as a symbol of what I believe are seriously misplaced national priorities. Continued reliance on weaponry and military buildup inevitably diverts resources, and results in failure to meet acute and pressing human needs. Real national security is not determined by the size of arsenals of death but rather by the quality of life a country fosters among its own people, and throughout the world.

The MX is not a peacekeeper. Instead it represents an insidious evil gnawing at the soul of this country. I urge my colleagues to vote against funds for the MX, and to provide leadership for taking positive strides toward peace, utilizing a policy of cooperation rather than threat. We must stop this military madness.●

MINORITY INTERN PROGRAM

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. SCHULZE. Mr. Speaker, the U.S. Congress has long functioned as a laboratory and classroom for thousands of young men and women who have observed the legislative process as congressional interns. Very often, the opportunity to view, first hand, the workings of Government has had a meaningful impact on the career goals of these students. Since the House of Representatives, the people's House, has served as a matchless resource for our Nation's youth, it must be available to all our Nation's youth.

Mr. Speaker, it cannot be denied that the opportunity to be where the legislative action is, represents an experience that cannot be measured in dollars. However, it cannot be lack of dollars or influence that prohibits disadvantaged youth from participating in the opportunities which abound in our Nation's capital. With this in mind, I am today introducing a proposal to establish a Minority Intern Program for outstanding students from ethnically diverse backgrounds.

Similar in administration to the LBJ Program, my bill represents a conscious effort to identify highly qualified minority students who have demonstrated a commitment to academic achievement and community service. By broadening access to those with demonstrated leadership potential, we can add a necessary and new element to the Intern Program already in place, and to Congress itself.●

A TRIBUTE TO DR. JAMES WILLIAM ROBERT TEAMER

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. McMILLAN. Mr. Speaker, on March 24, 1985, at Charlotte, NC, the board, faculty, and student body of Teamer Religious Enterprises, Inc., will honor its founder, Dr. James William Robert Teamer.

For 60 years, Dr. Teamer's Christian ministry has enriched the lives of thousands through the Teamer Religious and Educational Enterprises, Inc., made up of Teamer Schools of Education, Teamer High School, Teamer School of Religion, and the Cosmopolitan Church.

Dr. Teamer and his partner in life and ministry, Julia Ann McKnight Teamer, have met in full measure the motto of the Enterprises: "Meeting Community Needs—Mentally, Physically, Socially, Spiritually."

We are all honored by their distinguished and dedicated service.

I call Dr. Teamer to your attention, Mr. Speaker, because I believe him to be a model for all Americans to emulate.●

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A TRIBUTE TO BILL NOLEN

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. GRAY of Illinois. Mr. Speaker, I rise today to pay tribute to Bill Nolen, a professional investigator on the House Public Works and Transportation Committee for 13 years, a member of my congressional staff prior to that and a key adviser over the years. I ask my colleagues to join me in honoring Mr. Nolen, who has been selected to serve as executive director of Southern Illinois Inc.

Southern Illinois Inc. is a distinguished group of business leaders and educators who are dedicated to economic growth of the area. Considering its dedication and the value of its services, I would suggest that our loss of Mr. Nolen's services is Southern Illinois' gain. He will bring 20 years of experience on Capitol Hill as well as a wealth of knowledge and professional know-how to the job.

Originally from my hometown, West Frankfort, IL, Mr. Nolen's selection will provide a boost to the potential of this organization at an advantageous time when we have economic development momentum going.

It is my honor to join with my colleagues in saluting this remarkable individual for his long and valued service in Congress. I am sure we can continue to count on him as a talented resource in his new capacity.●

HAZARDOUS MATERIALS AND COMMUNITY SAFETY

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. WISE. Mr. Speaker, the tragedy in Bhopal, India, has turned our attention to the operational safety of the chemical industry in the United States. Although particular attention has been focused on the Union Carbide plant in Institute, WV, this is a national problem that must be addressed. I consider Institute and the surrounding Kanawha Valley, which is my congressional district, to be a potential example for every American community on how to operate a safe chemical industry.

The chemical industry is vital to our Nation's economy and standard of living. We must understand that if we are to live in a modern world that requires and demands chemicals to maintain this standard of living, we have a responsibility to see that they are produced and handled safely. We also have a responsibility to our communities where these chemical companies are located. To protect these communities, I have today introduced two bills.

The Hazardous Materials Manufacturing Safety Act of 1985 includes a comprehensive community right-to-know section. This legislation requires that certain information on hazardous substances being used and stored in or near the community be made available to the public.

My recent experience in working with emergency evacuation planning in the Kanawha Valley indicates that it is essential that the local, county, State, and Federal officials in cooperation with the communities, fire departments, and the chemical companies, be responsible for developing emergency evacuation plans. The primary responsibility should not rest with the chemical companies. In this regard, I have included a provision that would expand FEMA's current responsibility for training State and local officials to cope with hazardous materials incidents.

My second bill, the Hazardous Air Pollutants Amendments of 1985, seeks to control the release of toxic air pollutants. Laws to regulate these releases are woefully inadequate. This legislation will strengthen EPA's mandate to control these toxic air pollutants and provide assurances to the local communities that the Federal Government is taking an active role to protect their health and welfare.

I will be contacting my colleagues in the days and weeks ahead about my legislation, and it is my hope that they will join me in moving ahead on this important issue.●

PATROLMAN WILLIAM WURST REMEMBERED

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1985

● Mr. SAXTON. Mr. Speaker, I rise today to speak in honor of William Wurst, a Hainesport, NJ, policeman who was slain in the line of duty, and to commend those citizens in the community who have been working hard to raise contributions for the William Wurst Scholarship Fund.

Partrolman Wurst, who was known simply as "Bill" to his many friends and fellow officers, was answering a call in neighboring Mount Holly on Good Friday, March 28, 1975, when he was struck down by a sniper's bullet. Before the sniper was apprehended several hours later, two officers, including Bill, had been killed, and a third officer suffered a gunshot wound which left him partially paralyzed.

As I speak, we are approaching the 10th anniversary of that tragic day when Bill and Mount Holly Patrolman Donald Aleshire gave their lives protecting others. The third officer, Mount Holly Patrolman John Homes, continues to know the tragedy of that occasion, as his wound left him confined to a wheelchair.

At the time of his death, Bill was only 24 years of age, a veteran of military service in Vietnam, and an Eagle Scout who also received the coveted God and Country Award. More importantly, he is remembered as an outstanding citizen, and a good friend to all those who had the pleasure to meet and know him.

The events of Good Friday 1975, when a quiet, pleasant spring day was interrupted by gunfire, will be long remembered by the citizens of Mount Holly and nearby communities. But it is more important that we remember the names and faces of those most affected.

Mr. Speaker, no one is more concerned about this than those who loved Bill, and cherished his friendship and sense of humor. Friends and acquaintances have volunteered time, effort, and other personal resources to raise funds for the William Wurst Scholarship Fund, the proceeds of which will go toward deserving Hainesport Township students.

These individuals deserve much praise for their concern and dedication. Through their efforts, the scholarship fund will long stand as a lasting tribute to a fine young man.●

SENATE—*Friday, March 22, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 10 a.m., and was called to order by Hon. FRANK H. MURKOWSKI, a Senator from the State of Alaska.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 22, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable FRANK H. MURKOWSKI, a Senator from the State of Alaska, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MURKOWSKI thereupon assumed the chair as Acting President pro tempore.

RECESS UNTIL TUESDAY, MARCH 26, 1985, AT 2 P.M.

Thereupon, at 10 o'clock and 34 seconds a.m., the Senate recessed, under the order of March 20, 1985, until Tuesday, March 26, 1985, at 2 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

HOUSE OF REPRESENTATIVES—*Monday, March 25, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the miracle that we experience each new day—the miracle of life and hope—continue to sustain us and keep us always in Your grace. As we seek to alleviate the strains and pains that people know, so then may we be open to the presence of Your spirit in our hearts and lives, that by helping others in their concerns, we truly help ourselves. May Your blessing be upon us this day and may Your benediction never depart from us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested.

S. 630. An act to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnaping a Federal drug law enforcement agent.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Friday, March 22, 1985.

S. 689, An act to authorize appropriations for famine relief and recovery in Africa.

INSURANCE INITIATIVE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, in a continuation of my announcement of a series of initiatives designed to enhance the readiness of our Guard and Reserve Forces, I wish to speak on the servicemen's group life insurance [SGLI] program for our military forces.

I am introducing today a bill to increase the maximum coverage of Government insurance for our All-Volunteer Forces and for the members of the National Guard and Reserve Forces. The bill would increase the maximum from $35,000 to $50,000 and would extend coverage for the first time to members of the individual Ready Reserve and the inactive National Guard.

This is a self-supporting program, which costs the taxpayers nothing, with all expenses paid from premiums collected from the servicemembers. (The availability of SGLI coverage serves as an aid in the recruitment and retention of members of the Armed Forces and the Reserves.) By extending this benefit to members of the individual Ready Reserve and inactive National Guard, we will be providing another incentive to these individuals to retain their reserve status and thus remain in the pool of individuals available to serve our country in times of national crisis.

The Veterans' Affairs Committee has included this item in its legislative agenda for this year and I expect to be bringing this proposal to the floor in the near future.

MX IS NOT A BARGAINING CHIP

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, today I rise to speak in opposition to continued funding for the MX missile.

The MX is not a bargaining chip nor will it ever be. Instead the production and deployment of the MX will lead to a new round of the arms race which will be both dangerous and expensive. Rejection of the MX would demonstrate to the Soviet Union that we have the good sense to invest our defense dollars in weapons that meet our strategic needs without destabilizing the nuclear balance. The MX will add nothing to the U.S. defense capabilities while destabilizing the nuclear balance of terror.

The MX has already cost the American people billions of dollars. Justification for further funding cannot be made especially in light of the tremendous shift in budget priorities this administration has made to defense at the expense of vital domestic programs. America's greatest threat is not a foreign missile, but our Federal budget deficit.

The burden falls upon the Congress to resist weapons systems which are, from the standpoint of military capability, unnecessary. The MX is such a system. In order for the MX to be an effective military deterrent, it must be launched on warning of a Soviet attack. That type of defense policy is not smart, but very dangerous.

One final point, America can destroy the world 50 times over with nuclear weapons. That's not defense—that's overkill. The MX is an unnecessary weapon and should be defeated by the House of Representatives. I urge my colleagues to oppose this resolution.

ONE MORE DAY WITH NO REPRESENTATION FOR EIGHTH DISTRICT OF INDIANA

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, I rise to observe that 1 more day has gone by and the Eighth District of Indiana still does not have a representative seated in this body.

The Eighth District of Indiana sent us a representative, Rick McIntyre, who was certified by his State. There has never been a contest in this election and that district has been deprived of representation by a capricious outrage of this body.

Mr. Speaker, I wish we would undo that. That is very serious.

THE ADMINISTRATION IGNORES RURAL AMERICA

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, last year I made a number of speeches throughout my congressional district charging the administration had ignored rural America. Further, I charged the administration with "insensitivity" and "lack of understanding" of farmers and their economic problems.

Today, Mr. Speaker, I must say that the remarks I made last year were not strong enough to adequately describe the attitude of this administration toward farmers and rural America. I should have used terms like "callous" and "crass." President Reagan's supposedly humorous remarks to the Gridiron dinner last weekend when he said, "I think we should keep the grain and export the farmers" are only the latest example in a line which includes David Stockman's now infamous comments. Perhaps of more significance was the President's shortsighted and

ill-advised veto of emergency farm legislation which had passed Congress overwhelmingly. The figures upon which that veto was based were repudiated by USDA within a week.

Mr. Speaker, to kick someone is one thing. To kick him when he is down is quite another. The people that the President jokingly wants to "export" are in serious financial difficulty. Many are facing the loss of farms that have been in their families for generations. These are the people I represent and the people I love. I believe they deserve better than they have been getting from the Chief Executive of their Nation.

CONGRESS SHOULD ADOPT RECOMMENDATIONS OF SCOWCROFT COMMISSION ON PEACEKEEPER MISSILE

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McEWEN. Mr. Speaker, this month Members of the House and the Senate will cast one of the most critical votes of this Congress regarding America's national defenses.

I rise today to remind this body of its decision in the 98th Congress to adopt the recommendations of the bipartisan Scowcroft Commission concerning the deployment of the MX Peacekeeper missile.

Mr. Speaker, we have a clear choice in this matter. If Congress fails to adopt the MX, we run the risk of crippling American negotiators in Geneva before the arms control talks have had a chance to work.

Additionally, if the Congress cancels the Peacekeeper, we undercut our allies who have made the critical decisions to maintain NATO deterrents by accepting the Pershing and cruise missiles on their home land.

Finally and most importantly, the Congress should approve this missile because it adds to the security of our Nation. The Peacekeeper strengthens our aging, obsolete portions of the strategic triad as a whole.

Mr. Speaker, this is our chance to demonstrate to our adversaries that the United States is resolute in our commitment to ensuring a more secure peace, not only for America, but the free world.

I urge my colleagues to do what is right for the forces of freedom during the 1990's by replacing our corroded missile system with the new MX.

ADMINISTRATION WANTS TO EXPORT FARMERS, NOT GRAIN

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I have the greatest respect for the Presidency of the United States, but I lose respect for the President when he jokes that we should export our farmers instead of our grain.

Mr. Speaker, if the President of the United States was with me in the Budget Committee Friday night, he would have heard testimony from my farm people, and especially one lady, Mrs. Brock, whose husband today is in the hospital with a heart attack. Due to the stress of financial strains in the farm families, today, we have more percentage of increase in suicides and heart attacks out there in rural America than ever before since the Great Depression.

Mr. Speaker, we are exporting, unfortunately, our farmers and our cattle people because they are committing suicide and we have more ministers trying to work with farm families.

I think it is a disgrace for that kind of joke to be placed upon the burden of the American farmer today, when they feel like no one cares.

□ 1210

I think and I call on the President, Ronald Reagan, today to apologize to the widows of the people out there in the farming community, and to those children whose fathers have committed suicide, and the many of them that are in the hospitals today because of financial stress.

Mr. President, I think that you should apologize to the farm people in rural America.

BRING HOME OUR POW'S

(Mr. HENDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HENDON. Mr. Speaker, I read in the press this weekend where our friend and colleague, Mr. MRAZEK, has urged Congress to post a $1 million Federal reward for Nazi war criminal Josef Mengele. I applaud the gentleman's actions and take heart in the fact that at least a half dozen agencies of the Federal Government are now pursuing Mengele. Mr. Speaker, anything we can do to assist in bringing this monster to the bar of justice will reflect well on this body.

You know, Mr. Speaker, there are a number of important topics receiving our attention these days: The return of Mengele, the tragedy of missing children, the tragedy of drunk driving, the tragedy in South Africa, but what about the tragedy of our POW's being held in Vietnam prisons, who, according to retired Chief of Military Intelligence in the Pentagon, Gen. Eugene Tighe, are still being held against their will in Communist prisons in Southeast Asia. Mr. Speaker, don't our POW's deserve the same outpouring of concern and action that we have correctly shown on these other important issues. It's a little past noon here in Washington, a little past midnight in Southeast Asia. Isn't it time, Mr. Speaker, to bring these brave men home?

THE REAL JOKE IS ON THE PRESIDENT

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, according to this morning's paper, the President tried to joke at the Gridiron Club's dinner about farmers who are pleading with him for some help out of their financial crisis. The Washington Post quoted the President as saying, "I think we should keep the grain and export the farmers."

I realize jokes are often made at the Gridiron about sensitive subjects, but the current farm situation is no joking matter. For the President to joke about it is another slap in the face to family farmers of our country.

Mr. Speaker, my farmers are good people. Many of them are in serious financial trouble. I could ask the President to apologize, but they deserve more than an apology. They deserve a change in attitude by this administration.

Asking for help when you're in need is apparently out of fashion. In effect, the President said I wish you people would go away. You're spoiling the image that everything's OK in America. If you're going broke, don't bother me.

Mr. Speaker, so far, the administration has tied the debt program in knots. Only about 100 farmers nationwide have received any help. The administration says it doesn't expect to help more than about 5,000 to 6,000 farmers.

Meanwhile, USDA reports that in January this year, 93,000 farmers were technically broke or moving rapidly toward insolvency. USDA says that figure will rise if prices don't increase in the next few years.

What's the President's answer? A farm bill that even USDA says will cause prices to drop even lower in the next few years.

That's not funny, either, Mr. President. That's sad.

FUNDING THE MX

(Mr. HERTEL of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERTEL of Michigan. Mr. Speaker, today the House is in session to begin 10 hours of debate today and

tomorrow on the MX missile. You will hear in this debate no facts in favor of the MX missile being placed in the very same silos that Secretary Weinberger told us just 2 years ago would be too vulnerable to survive an attack.

We heard no facts in defense of the MX in the long Senate debate last week. We will hear no facts today as we heard no facts in the Armed Services Committee last week because there are no facts to support the MX missile.

It would not be survivable, we know that from the administration itself. Therefore it could only be dependable in a first-strike effort which we all oppose.

People say we have to have the MX missile to carry on the negotiations, when we all know the Soviets came to those negotiations because they fear the deployment of the cruise and the Pershing missiles with our NATO allies in Europe.

The administration and proponents today will be asking us to begin down the road that will cause us to spend $40 billion plus on the MX. They talk about hardening silos when we know that the survivability rate will still be nil with that extra great expense.

We ask you to remember common sense. We ask you to remember that great problem with the deficit. And instead, strengthen our conventional forces and, instead, accelerate the deployment of the mobile missile, and to vote no on the MX missile when there are no factual arguments on the side of the MX missile; 21 today will lead to 48 and eventually 100 MX missiles tomorrow.

FUNDING THE MX

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, although more than 100 congressional districts are suffering from desperate structural unemployment, we have almost closed the door to any discussion of new initiatives to create jobs for the long-term unemployed. We said that the money for jobs is just not there. We must first take care of the deficit.

And yet today this House will begin the debate on the MX missile which for the next installment alone this year will cost another $1.5 billion. This worthless missile, which should be more accurately named the Wastemaker or the Budget-Buster adds nothing significant to the defense of our country. The only argument we are left with to support the MX missile is that the President wants it.

While I sympathize with the fact that the MX is the President's pet weapon, I do not think that it is a valid reason to waste another $1.5 billion. That $1.5 billion can provide funding for more than 200,000 jobs for the long-term unemployed.

I urge my colleagues in the House to reject this funding of this pet weapon, and instead of the Wastemaker and the Budget-Buster, let us spend the $1.5 billion to create jobs for the unemployed.

PRESIDENT'S JOKE COVERS UP COLD AND CYNICAL HEART

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, it has been stated today that the President said at a Gridiron Club annual award dinner last Saturday evening, "I think we should keep the grain and export the farmers."

It is not funny because it is true. The policies of the Reagan administration have priced the American farmer out of the world market and the President's policies are in effect exporting the American farmer while he is keeping his grain.

And if Ronald Reagan could have seen the tears in the eyes of the witnesses that appeared before the Budget Committee during hearings over the past weekend in Missouri, Oklahoma, Arkansas, and South Carolina, he would know that it is not funny.

The American farmer can only be rewarded to know that the warm and jovial smile of the President is a face which covers up a cold and cynical heart.

FUNDING THE MX

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Mr. Speaker, soon we vote on the Edsel of weapons systems, the MX missile. The MX is to military systems what the Ohio Savings & Loans is to the banking system.

We all know about the merits of the MX. It has none.

It is a missile without a mission—a weapon without a home.

It is a $41 billion exercise in weakening American security and reducing nuclear stability.

Unable to argue for MX on its merits, the administration is trying to give it a sugar coating of arms control—to bathe it in the glow of Geneva.

Now, President Reagan has ordered Max Kampelman to abandon the arms talks at Geneva to come to Washington to push for MX production.

Our chief arms control negotiator may miss sessions in Geneva in order to lobby for more missiles.

That says it all.

Mr. Speaker, President Reagan is telling the truth. The MX is not a bargaining chip for Geneva.

Geneva is a bargaining chip for the MX.

Mr. Speaker, the MX missile is making a mockery of the Geneva talks.

And the story this spring is the same as it was last summer. Promise them arms control but give them the MX.

□ 1220

PRESIDENT IS PRESIDING OVER LIQUIDATION OF OUR FARMERS

(Mr. WEAVER asked permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, I have a message for our President. Our farmers are being forced to abandon their farms while you do nothing but pressure the Congress for more bombs.

In 1930 Stalin murdered the farmers in Russia in cold blood. Soviet agriculture has never recovered.

They cannot sufficiently feed their own people to this day.

Mr. President, you are presiding over the liquidation of our farmers and the result will be the same as Stalin's brutal act; broken men, though still alive, will not come back to the farm.

The farmers, Mr. President, should not be shipped overseas. We need them here. What we do not need, Mr. President, is more nuclear weapons. We do not need the MX.

If you cannot see past your obsession to the real condition of the American people today, to our farms and our industries, then we in the House of Representatives must be your eyes. We in this body must resolve to send a signal to our own President that it is not the MX the country needs, but a concern for our own people and their livelihoods.

THE EXTENDED AMERICAN FAMILY—AND THEIR DEBTS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, because of the early position I took in support of a 1-year freeze on all Government spending, I have received quite a lot of mail from senior citizens.

Many, I am pleased to say, share my concern about the debts we are passing on to their grandchildren. These senior citizens are more than willing to bear their fair share of the sacrifices necessary to keep the American dream alive for their grandchildren.

Others are upset about having their COLA's frozen. I can understand how this will mean real hardship for some people, but I see no way to avoid this.

When I write them back, I ask them to reflect on one statistic.

Today's typical senior citizen has paid, over his or her lifetime, roughly $5,000 in extra taxes to pay the debts of the previous generation. Today's child will have to pay $100,000—20 times as much—to pay the interest on the debts we are passing on to them.

Mr. Speaker, we have to be fair to Americans of all ages, including our children.

HOUSE MEMBERS SHOULD SPEND MORE TIME ON THE FLOOR DURING THE NEXT FEW DAYS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of Califorina. Mr. Speaker, let justice be done, please seat our colleague Rick McIntyre of Indiana.

Mr. Speaker, today we are going to begin over 2 days, 10 hours of debate on modernizing one of our strategic systems for the defense of not only the United States but the free world. The Peacekeeper missile program involves only one-third of one percent of our Federal yearly budget.

I hope no one on either side of the aisle indicates that however we vote tomorrow has anything to do with patriotism. Everybody who serves in this body loves our country or he would not be here serving at such a difficult time in the history of our Nation.

But this debate will involve judgment. I would ask all the Members who can rearrange their schedules, as I have tried to do today in order to spend as much time as possible on the House floor so that we can speak among ourselves privately at the back of the Chamber in addition to engaging in those valuable colloquies and dialogs on the House floor.

Please be here as much as possible today and tomorrow. I know everybody is going to be watching the floor debate on their television sets in their own offices and I agree that sometimes that gives you even more of an intense focus on the Member's floor remarks. However, come on over to the House floor; this is a very, very important moment in American history, and I think that there should have as many of us physically in the Chamber as possible, so that we make the right decision with our precious votes.

I thank the Speaker.

COMMUNICATIONS FROM HON. WILLIAM H. BONER OF TENNESSEE

The SPEAKER laid before the House the following communications from Hon. WILLIAM H. BONER of Tennessee:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 20, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-202, the Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to Rule L(50) of the Rules of the House of Representatives, that Walter Hunt, a constituent caseworker in my Nashville office, has received a Subpoena for Civilian Witness issued by a Special Court Martial of the United States, Naval Legal Service Office, Naval Base, Norfolk, Virginia.

After consultation with the General Counsel to the Clerk of the House, I will inform you of my determination as required by the House rule.

Sincerely,

BILL BONER,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 21, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-202, the Capitol, Washington, DC.

DEAR MR. SPEAKER: By letter dated March 20, 1985, I informed you that Walter Hunt, a constituent caseworker in my Nashville district office, had received a Subpoena for Civilian Witness issued by a Special Court Martial of the United States. After consultation with the General Counsel to the Clerk of the House, I have determined that compliance with this subpoena is consistent with the privileges and precedents of the House.

Sincerely,

BILL BONER,
Member of Congress.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
March 25, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

1. At 3:15 p.m. on Thursday, March 21, 1985 and said to contain a message from the President whereby he transmits the 17th Annual Reports on the Administration of the Highway Safety and National Traffic and Motor Vehicle Safety Acts;

2. At 4:10 p.m. on Friday, March 22, 1985 and said to contain a message from the President whereby he transmits the 8th Special Message for Fiscal Year 1985 under the Impoundment Control Act of 1974; and

3. At 4:10 p.m. on Friday, March 22, 1985 and said to contain a message from the President whereby he transmits the Fiscal Year 1984 Annual Report of the National Endowment for the Arts and the National Council on the Arts.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

ANNUAL REPORTS ON ADMINISTRATION OF HIGHWAY SAFETY ACT AND NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and Transportation and the Committee on Energy and Commerce:

To the Congress of the United States:

The Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966, initiated a national effort to reduce traffic deaths and injuries and require annual reports on the administration of the Acts. This is the 17th year that these reports have been prepared for your review.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards). An annual report also is required by the Energy Policy and Conservation Act of 1975, which amended the Motor Vehicle Information and Cost Savings Act and directed the Secretary of Transportation to set, adjust, and enforce motor vehicle fuel economy standards. Similar reporting requirements are contained in the Department of Energy Act of 1978 with respect to the use of advanced technology by the automobile industry. These requirements have been met in the Eighth Annual Fuel Economy Report, the highlights of which are summarized in the motor vehicle safety report.

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety, which are addressed in the volume on highway safety.

I am pleased to report that traffic fatalities have dropped for the third year in a row. The 42,584 fatalities recorded in 1983, while still unacceptably high and a tragedy to the Nation both in terms of lives lost and the economic consequences of the deaths, represent a 3-percent decrease from the preceding year, and a 17-percent decrease from as recently as 1980 when 51,091 people died in traffic accidents.

In addition, despite large increases in the number of drivers and vehicles, the Federal standards and programs for motor vehicle and highway safety instituted since 1966 have contributed to a significant reduction in the fatality rate per 100 million miles of travel. The fatality rate is a measure of the risk of death that a person is exposed to when travelling. The rate has de-

creased from 5.5 in the mid-60's to the present level of 2.57, the lowest rate ever recorded. This means that motorists can drive more miles today with less risk. If the 1966 fatality rate had been experienced in 1983, more than 91,000 persons would have lost their lives in traffic accidents.

A substantial number of deaths and injuries on our roadways can be traced in part to some human factor: the driver or passenger who was not wearing a safety belt; the drinking driver who continues to be involved in more than half of the Nation's traffic fatalities; speeding; or the habitual offenders whose privileges to drive have been revoked, but who continue to drive irresponsibly.

I am especially proud that in 1983 we had the safest Christmas holiday season since the late 1940's. The national outrage over drunk driving, combined with tougher State laws and stepped-up enforcement, apparently have caused some people to refrain from driving after they have been drinking.

We will continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries. We are placing greater emphasis on the human aspects of traffic safety, reflecting the national concern that emphasis be on those activities that have the most realistic prospect of success, and which yield the maximum safety gain per dollar invested.

I am encouraged by the significiant fatality reduction this Nation has experienced over the past three years and am convinced that even more progress can be made to ensure that American motorists and pedestrians will enjoy the greatest level of personal safety possible.

RONALD REAGAN.

THE WHITE HOUSE, *March 21, 1985.*

EIGHTH SPECIAL MESSAGE FOR FISCAL YEAR 1985 UNDER IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-44)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report five new deferrals of budget authority for 1985 totaling $121,544,000 and three revised deferrals now totaling $162,677,884. The deferrals affect the Departments of Energy, Health and Human Services, Interior, and Transportation.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *March 22, 1985.*

□ 1230

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND THE NATIONAL COUNCIL ON THE ARTS FOR 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended, I transmit herewith the Annual Report of the National Endowment for the Arts and the National Council on the Arts for the Fiscal Year 1984.

RONALD REAGAN.

THE WHITE HOUSE, *March 22, 1985.*

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken on Tuesday, March 26, 1985.

APPOINTMENT AS MINORITY MEMBERS OF THE HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-191, the Chair appoints as minority members of the House Commission on Congressional Mailing Standards the following Members of the House:

Mr. FRENZEL of Minnesota;
Mr. TAYLOR of Missouri; and
Mr. LEWIS of California.

APPOINTMENT AS MINORITY MEMBERS OF THE SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

The SPEAKER. Pursuant to section 3 of House Resolution 25, 99th Congress, the Chair appoints as minority members of the Select Committee on Children, Youth, and Families the following Members of the House:

Mr. COATS of Indiana;
Mr. FISH of New York;
Mr. BLILEY of Virginia;
Mr. WOLF of Virginia;
Mr. BURTON of Indiana;
Mrs. JOHNSON of Connecticut;
Mr. MCKERNAN of Maine;
Mrs. VUCANOVICH of Nevada;
Mr. MONSON of Utah; and
Mr. SMITH of New Hampshire.

APPOINTMENT AS MEMBERS OF THE SELECT COMMITTEE ON NARCOTICS ABUSE & CONTROL

The SPEAKER. Pursuant to section 3 of House Resolution 22, 99th Congress, the Chair appoints as members of the Select Committee on Narcotics Abuse and Control the following Members of the House:

Mr. RANGEL of New York, chairman;
Mr. RODINO, New Jersey;
Mr. STARK, of California;
Mr. SCHEUER, of New York;
Mrs. COLLINS of Illinois;
Mr. AKAKA of Hawaii;
Mr. GUARINI of New Jersey;
Mr. MATSUI of California;
Mr. FASCELL of Florida;
Mr. FAUNTROY of District of Columbia;
Mr. HUGHES of New Jersey;
Mr. LEVINE of California;
Mr. ORTIZ of Texas;
Mr. SMITH of Florida;
Mr. TOWNS of New York;
Mr. GILMAN of New York;
Mr. COUGHLIN of Pennsylvania;
Mr. SHAW of Florida;
Mr. OXLEY of Ohio;
Mr. PARRIS of Virginia;
Mr. CHAPPIE of California;
Mr. HUNTER of California;
Mr. DIOGUARDI of New York;
Mr. STRANG of Colorado; and
Mr. ROWLAND of Connecticut.

NEW GI BILL AMENDMENTS OF 1985

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 752) to amend title 38, United States Code, to ensure an orderly transition to the new educational assistance program established by chapter 30 of that title, as amended.

The Clerk read as follows:

H.R. 752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "New GI Amendments of 1985".

SEC. 2. ELIGIBILITY FOR NEW ACTIVE-DUTY GI BILL.

(a) ACTIVE-DUTY PROGRAM.—Section 1411(a)(1)(A) of title 38, United States Code, is amended—

(1) in the matter preceding clause (i)—

(A) by striking out "July 1, 1985," and inserting in lieu thereof "the date of the enactment of the New GI Bill Amendments of 1985"; and

(B) by striking out "first" both places it appears; and

(2) in clauses (i) and (ii), by inserting "after such date of enactment" after "who" the first place it appears in each clause.

(b) ACTIVE-AND-RESERVE PROGRAM.—Section 1412(a)(1)(A) of such title is amended—

(1) in the matter preceding clause (i)—

(A) by striking out "July 1, 1985," and inserting in lieu thereof "the date of the enactment of the New GI Bill Amendments of 1985"; and

(B) by striking out "first" both places it appears; and

(2) in clause (i), by inserting ", after such date of enactment," after "serves".

(c) CONFORMING AMENDMENTS.—

(1)(A) Section 1411(c)(1) of such title is amended by striking out "initially enters" in the second sentence and inserting in lieu thereof "enters, after the date of the enactment of the New GI Bill Amendments of 1985,".

(B) Section 1412(d)(1) of such title is amended by striking out "initially enters" in the second sentence and inserting in lieu thereof "enters, after the date of the enactment of the New GI Bill Amendments of 1985,".

(2) Section 1413 of such title is amended—

(A) in subsection (a)(2), by inserting "after the date of the beginning of the period for which the individual's basic pay is reduced under section 1411(b) of this title, in the case of an individual described in section 1411(a)(1)(A)(ii)(I) of this title, or after June 30, 1985, in the case of an individual described in section 1411(a)(1)(B)(ii)(I) of this title" before the period at the end; and

(B) in subsection (b)—

(i) by inserting "after the date of the beginning of the period for which such individual's basic pay is reduced under section 1412(c) of this title, in the case of an individual described in section 1412(a)(1)(A), or after June 30, 1985, in the case of an individual described in section 1412(a)(1)(B) of this title" in clause (1) after "individual"; and

(ii) by inserting "after such date" in clause (2) before the period at the end.

(4) The text of section 1416 of such title is amended to read as follows:

"(a) A member of the Armed Forces who—

"(1) becomes a member or enters on active duty as a member of the Armed Forces after the date of the enactment of the New GI Bill Amendments of 1985;

"(2) completes at least two years of service on active duty after the date of the beginning of the period for which such members's basic pay is reduced under section 1411(b) or 1412(c) of this title;

"(3) after such service, continues on active duty or in the Selected Reserve without a break in service (except as described in section 1412(b)(2) of this title); and

"(4) but for section 1411(a)(1)(A)(i)(I) or 1412(a)(1)(A)(ii) of this title would be eligible for basic educational assistance,

may receive educational assistance under this chapter for enrollment in an approved program of education while continuing to perform the duty described in section 1411(a)(1)(A)(i)(I) or 1412(a)(1)(A)(ii) of this title.

"(b) A member of the Armed Forces who—

"(1) as of December 31, 1989, is eligible for educational assistance benefits under chapter 34 of this title;

"(2) after June 30, 1985, has continued on active duty or in the Selected Reserve without a break in service (except as described in section 1412(b)(2) of this title); and

"(3) but for section 1412(a)(1)(B)(ii) of this title would be eligible for basic educational assistance,

may receive educational assistance under this chapter for enrollment in an approved program of education while continuing to perform the duty described in section 1412(a)(1)(B)(ii) of this title.".

(5) Section 704 of the Veterans' Educational Assistance Act of 1984 is amended—

(A) by inserting "(a)" after "SEC. 704.", and

(B) by adding at the end thereof the following new subsection:

"(b) No individual who becomes a member of the Armed Forces or enters on active duty as a member of the Armed Forces on or after the date of the enactment of the New GI Bill Amendments of 1985 may enroll in the educational assistance program described in subsection (a) before July 1, 1988.".

SEC. 3. ELIGIBILITY FOR NEW GUARD AND RESERVE GI BILL.

(a) IN GENERAL.—Sections 2132 and 2138 of title 10, United States Code, are amended by striking out "July 1, 1985," and inserting in lieu thereof "the date of the enactment of the New GI Bill Amendments of 1985".

(b) CONFORMING AMENDMENT.—Section 705(b) of the Veterans' Educational Assistance Act of 1984 is amended by striking out "July 1, 1985," and inserting in lieu thereof "the date of the enactment of the New GI Bill Amendments of 1985".

(c) TECHNICAL AMENDMENT.—Section 2131(c) of title 10, United States Code, is amended by inserting "(or the equivalent thereof in part-time educational assistance)" before the period at the end of paragraph (2).

The SPEAKER. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, it is with great pleasure that I rise in support of H.R. 752. This legislation was jointly referred to the Committee on Veterans' Affairs and to the Committee on Armed Services, and I am pleased to advise my colleagues that the measure was approved unanimously by these committees on March 7 and March 20, respectively. I want to thank my colleagues for their support and would especially like to commend the gentleman from Wisconsin [Mr. ASPIN], the chairman of both the Subcommittee on Military Personnel and Compensation and the full House Armed Services Committee, for agreeing to expedite consideration of this important piece of legislation. Also, the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking Republican member on the Committee on Veterans' Affairs, for his total support. Also, the gentleman from Indiana [Mr. HILLIS], the ranking Republican member of the Subcommittee on Military Personnel and Compensation as well as the Subcommittee on Oversight and Investigations of the Veterans' Affairs Committee, deserves a special vote of thanks.

Last year, in the Defense Authorization Act, Congress enacted a new GI bill for both the Active Forces and the Selected Reserve to assist in the recruitment and retention of high quality personnel for the Nation's Armed Forces. The new GI bill is a 3-year program that will apply to those who enter military service between July 1, 1985, and June 30, 1988. Frankly, I thought that the program should be implemented as soon as possible, but the Senate insisted on a delayed date of July 1, 1985. As expected, that July 1 date is causing problems.

As a result, I introduced H.R. 752. H.R. 752 does two things: It moves back the effective date for the new GI bill from July 1, 1985, to the date of enactment of H.R. 752, and it extends eligibility to prior service personnel returning after a break in service to be covered under the GI bill.

Over the past few months—and as recently as last Wednesday during hearings before the Subcommittee on Military Personnel and Compensation—the services have expressed substantial concern to me about the impact of waiting until July 1. The new GI bill is a much more attractive program than the current contributory Veterans' Educational Assistance Program [VEAP] and, as a result, the services are worried that potential recruits will wait until July 1 for the more generous benefit. Such a last minute surge of entrants could swamp the training base in the final quarter of fiscal year 1985 and the early months of fiscal year 1986, straining school seats beyond capability and resources. Because of this same concern, Larry Korb, the Assistant Secretary of Defense for Manpower, has indicated his support for backdating the effective date in a letter to me dated March 1.

Currently, the new GI bill applies only to those who first enter active duty after July 1, 1985. The services, however, recruit on a selected basis a limited number of prior service personnel returning after a break in service to fill shortage skills and meet specific requirements. I think it makes sense to treat these returning prior service young people like new recruits for purposes of the new GI bill. H.R. 752 would, therefore, extend coverage to the prior service, thus maximizing the impact of the new GI bill in attracting high quality military personnel.

During Armed Services Committee deliberations, H.R. 752 was amended to include my second bill, H.R. 886, which affects the Reserve and National Guard educational assistance program and falls solely within the

Armed Services Committee's jurisdiction. H.R. 886 makes an identical change in the effective date of the Reserve and Guard program—in other words, moves it back from July 1.

In conclusion, Mr. Speaker, I urge my colleagues' favorable action on H.R. 752 this afternoon. There is little cost involved but it will result in more efficient operation of this educational. This legislation makes even better a vital investment in the future of our Nation's Armed Forces—the new GI bill.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. TRAFICANT). The Chair now recognizes the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as ranking member of the Committee on Veterans' Affairs and as a cosponsor of H.R. 752, I rise in strong support of it.

Last year, when we passed the new GI bill, which I also cosponsored, it contained a Senate provision which delayed its implementation until July 1, 1985. The delayed date presents a practical difficulty for the Armed Forces which should be remedied as soon as possible. In a nutshell, the major problem is that some potential new recruits are holding back until they are eligible this coming July for the attractive new GI bill. The Armed Forces are rightly concerned about a large number of recruits hitting the pipeline all at once, rather than having an orderly flow which does not overburden training facilities. I understand that the volume of recruits is dropping off now, but that there is time to avoid a serious disruption if we act promptly.

The remedy is straightforward: Change to the date of enactment of this legislation the effective date of the new GI bill benefits. A steadier flow of new recruits would result.

A second difficulty is that the new GI bill is written in such a way that it does not allow eligibility for former service members who would like to go back into military service. This operates as a disincentive for them and may cost the military services opportunities to regain experienced men and women who already have expensive training and needed skills.

Mr. Speaker, H.R. 752, under the exceptionally able leadership of our chairman, Mr. MONTGOMERY, was unanimously reported by the Veterans' Affairs Committee. It is not controversial, and I believe that any expense, which would be small, would be more than offset by benefits to the military services.

Mr. Speaker, it is also thanks to the effectiveness of the chairman of the Education and Training Subcommittee, Mr. DASCHLE, and the subcommittee's ranking member, Mr. MCEWEN, that this legislation has come to the floor without delay to meet an important national need.

I also congratulate and thank Mr. ASPIN and Mr. HILLIS for their important role in reporting this bill from the Armed Services Committee.

I join in urging my colleagues to give favorable consideration to this needed legislation.

□ 1240

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. MCEWEN], a member of the Committee on Veterans' Affairs and the ranking minority member of the Subcommittee on Education, Training and Employment.

Mr. MCEWEN. I thank the gentleman for yielding.

Mr. Speaker, as the ranking Republican member of the Veterans' Affairs Subcommittee on Education, Training and Employment, I rise in strong support of H.R. 752.

This bill was unanimously reported from the full House Committee on Veterans' Affairs.

It corrects an unanticipated result stemming from the creation of the peacetime GI bill last year.

The new GI bill is designed to be an effective recruitment and retention tool in strengthening our military manpower.

When this legislation was approved by this House last year, it contained a provision establishing October 1, 1984, as its effective date.

Unfortunately, the other body insisted upon the date of July 1, 1985, the date ultimately agreed to in the conference report to the legislation.

A result of the July 1 date, as was explained by Chairman MONTGOMERY and Representative HAMMERSCHMIDT, is that military recruitment officers are finding that some prospective recruits are delaying their entry into the armed services until after July 1 so as to guarantee their eligibility for later important educational benefits.

The legislation before us today has as its principal focus changing of the effective date of the new Education Assistance Program to the date of enactment of this bill. This change is essential if we are to prevent disruption in our military recruitment efforts. In fact, certain branches of our Armed Forces tell us they have encountered some recruitment difficulties as a result of the present eligibility data.

Another provision of H.R. 752 will allow former service members to be eligible for the benefits of the new GI bill. This will help attract former service members which have skills currently in short supply.

As a final note, Mr. Speaker, I commend to my colleagues the leadership on this issue shown by Chairman MONTGOMERY of our committee and the ranking minority member of the committee, our good friend, JOHN PAUL HAMMERSCHMIDT. They both, along with Representative HILLIS of Indiana and Representative ASPIN, worked diligently to shepherd this peacetime GI bill through the Congress.

We are also indebted to the gentleman from South Dakota [Mr. DASCHLE] for his efforts as the chairman of the Education Subcommittee for working to bring this legislation to the floor in such an expeditious manner.

Passage of H.R. 752 is important to our military recruitment goals for the coming months. I urge my colleagues to join with us in approving this important legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], a distinguished member of the Committee on Veterans' Affairs and who was ranking minority member of this subcommittee of jurisdiction in the last Congress.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Arkansas for yielding time to me.

Mr. Speaker, like my colleagues from the Veterans' Affairs Committee, I rise in strong support of H.R. 572 and to urge its immediate adoption by the House.

I was proud to have been an original sponsor of the legislation creating the new peacetime GI bill last year.

I was also honored to have been appointed as a conferee on the defense authorization bill which established our new Educational Assistance Program for the armed services.

It was during that conference, however, that the other body set the effective date for eligibility at July 1, altering the October 1, 1984 date contained in the House version.

We prevailed in many other areas of the legislation; the other Chamber had passed a markedly different Educational Assistance Program, but under the leadership of our chairman, SONNY MONTGOMERY, and our ranking Republican Member, JOHN PAUL HAMMERSCHMIDT, we fought hard to protect the House position, and I am proud to say we won most of the major battles.

The effective date, however, was established by the other Chamber.

As a result of that effective date, we are now faced with immediate recruitment shortfalls.

Many of our young men and women, recognizing the value of the new GI bill benefits, are deferring their enlistment date to ensure their eligibility for benefits.

I might add, Mr. Speaker, that this demonstrates a sophistication and awareness on the part of our new recruits that is very encouraging.

As a former marine, I am particularly distressed that the Marine Corps in

particular, is experiencing enlistment delays which are preventing the corps from meeting its short-term recruitment goals.

Passage of this bill will move the effective date for eligibility up to the date of enactment of this legislation.

It will also permit prior service members who rejoin, to be eligible for the new GI bill.

This will aid in bringing skilled individuals back into military service.

H.R. 752 is not controversial.

It was unanimously approved by the Veterans' Affairs Committee.

Mr. Speaker, I commend our Education and Training Subcommittee Chairman, Mr. DASCHLE, and our ranking Republican member on the subcommittee, my good friend BOB MCEWEN, for their hard work in helping to bring H.R. 752 to the floor in such a timely manner.

I would also like to remind my colleagues once again of the debt we all owe to SONNY MONTGOMERY, our chairman of the full committee, and to the ranking minority member, JOHN PAUL HAMMERSCHMIDT, for their untiring efforts over the years in bringing about this peacetime GI bill.

The whole Nation owes these two fine Americans a great deal for unfailing patriotism and leadership on this and all other matters of importance to our Nation's veterans—present and future.

Mr. Speaker, I urge immediate passage of H.R. 752.

Mr. HAMMERSCHMIDT. Mr. Speaker, this bill was jointly referred to the Committee on Veteran's Affairs and the Committee on Armed Services. As I mentioned earlier, under the distinguished leadership of the gentleman from Wisconsin [Mr. ASPIN], of the Armed Services Committee, and the ranking minority member of the Subcommittee of Jurisdiction, the gentleman from Indiana [Mr. HILLIS], this bill is before us today. I now yield as much time as he may consume to the gentleman from Indiana [Mr. HILLIS].

Mr. HILLIS. Mr. Speaker, I thank my colleague, the gentleman from Arkansas, for yielding time to me.

Mr. Speaker, I am pleased to join with the gentleman from Mississippi [Mr. MONTGOMERY] in urging passage of H.R. 752, the New GI Bill Amendment of 1985. The gentleman from Mississippi [Mr. MONTGOMERY], who is both the chairman of the Committee on Veterans' Affairs and a senior member of the Committee on Armed Services, deserves the full measure of credit for his tireless efforts last year to enact a new GI bill for our Nation's men and women in uniform. The measure we are considering today is basically a fine tuning of that initiative.

At the insistence of the Senate, last year's Defense authorization conference delayed the effective date of the new educational assistance program until July 1, 1985, in order to give the services adequate time to rework their recruiting and advertising campaigns and bring recruiters up to speed on the new program. The services soon found, however, that the long delay in implementation could cause more problems than it would solve. They feared a feast and famine situation in recruiting: famine until July 1 followed by a massive influx of new recruits after that date. This post-July 1 feast of new accessions could overwhelm the capability of the training base to provide a sufficient number of school seats in the final quarter of fiscal year 1985 and the early months of fiscal year 1986.

In recognition of this problem, H.R. 752 will broaden the eligibility time window by backdating the effective date of the new program from July 1, 1985, to the date of enactment of H.R. 752. Those few extra months will provide a much smoother transition, thus facilitating more orderly management of recruit training.

In addition, H.R. 752 will increase the attractiveness of the new GI bill as a recruitment incentive for high quality accessions by permitting prior service personnel who return after a break in service to be treated like new recruits for purposes of eligibility under the program. We are talking about a very small number of people here whom the services recruit to fill specific skill and shortage requirements.

H.R. 752 makes good sense, the slightly expanded eligibility costs little, and I urge my colleagues' favorable consideration.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. HILLIS. I yield to my colleague, the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, there is nothing wrong with H.R. 752. It simply makes changes of an effective date and of eligibility, which are apparently needed. I rise, however, to restate my objections to the entire program which Congress passed last year. We have created a program here which provided a great incentive for people to leave the service at a time when we are trying to get better people to stay in the service and to join our various service components.

It seems to me that when we are complaining about a large defense budget, when we are complaining that our retirement program does not do for us what we would like it to do, it is a strange thing that we create a rather new program, an expensive one, which gives people an incentive to get out of our armed services.

□ 1250

I still object to the original program, but I cannot object to the committee's determining that whatever we have here would better serve our recruitment needs by a change in the effective date.

I thank the gentleman for yielding.

● Mr. GRAY of Illinois. Mr. Speaker, I rise in support of H.R. 752, to revise the eligibility criteria for the new GI bill.

As a member of the Committee on Veterans' Affairs I would like to give some background on this important bill.

First, the new GI bill applies to individuals who between July 1, 1985, and June 30, 1988, initially enter on active duty or agree to serve for a minimum of 6 (or six more) years in the Selected Reserve.

The reason for the delayed effective date was to allow adequate time for the services to revise their advertising and recruiting literature and educate recruiters on the new program.

Second, potential problems envisioned by the services with the delayed effective date. Because the new GI bill is much more attractive than the current educational assistance program, recruits may wait until after July 1, 1985, to enlist.

A flood of new recruits after July 1, 1985, could swamp the training base.

The Army has already added 4,000 seats to the training base in the fourth quarter of fiscal year 1985 in anticipation of the increased requirement.

Third, recruiters should advise potential recruits of the more lucrative program available after July 1 to avoid later charges of recruiter fraud.

Fourth, need for extension of active duty benefit to prior service personnel. Services generally recruit prior service individuals on a selective basis to fill in shortage skills and meet specific requirements.

Including prior service personnel returning after a break in service will maximize the impact of the new GI bill in attracting high quality personnel.

Fifth, provisions of H.R. 752—

Would move back the effective date of the new GI bill from July 1, 1985, to the date of enactment of H.R. 752; and

Would also extend eligibility for the active duty program to prior service personnel returning after a break in service.

Sixth, Department of Defense position. DOD supports the backdating of the window of eligibility for the GI bill.

Seventh, cost of H.R. 752. CBO projects an increase in the accrual charge to defense of $20 million in fiscal year 1985.

Mr. Speaker, I commend my friend, the distinguished chairman of the Veterans' Affairs Committee, Mr. MONT-

GOMERY, and my friend the ranking minority member, Mr. HAMMERSCHMIDT, for their outstanding efforts on this and other matters pending before our committee.

Thank you. ●

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I appreciate what my colleagues have said pertaining to this bill, and I would like to commend the members of both the Veterans' Affairs Committee and the Armed Services Committee for their quick action and for the kind words said by Mr. HAMMERSCHMIDT, Mr. HILLIS, Mr. SOLOMON, and Mr. MCEWEN.

I feel I need to answer part of what the gentleman from Minnesota said. It was reported that a number of career military personnel would get out of the service if we did not provide educational assistance benefits for them after 1989, the termination date of the Vietnam-era GI bill.

Under the new GI bill that was enacted in 1984, those career service members with eligibility for the Vietnam-era GI bill may participate in a program of education under the new chapter 30 program after December 31, 1989. This program will keep the service personnel in the service.

So instead of forcing them out, under the bill we passed in 1984, we are going to keep them in. The gentleman was really on the wrong track when he said this will force people out of the service.

Also, we have what we call supplemental benefit. If an individual comes into the service on or after July 1, 1985, he is covered under the new GI bill. If he wants to stay in, he can get additional educational benefits that will keep him in the service for another 5 years.

We have a lot of problems with retention in the service. Of the persons who sign up in the military services, in all branches of the services, 35 percent of them never complete their first enlistment. We train them and then they get out. It costs a lot of money. We think the GI bill bill keep these people in the service, and therefore, it will cover the cost for educating a young American.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 752, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to ensure an orderly transition to the new active-duty and Guard and Reserve GI bill educational assistance programs provided in the Veterans' Educational Assistance Act of 1984."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEGISLATION INTRODUCED TO REQUIRE AMERICAN-FLAG VESSELS TO CARRY U.S. MAIL

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, today I am introducing a bill to require that U.S. mail transported by sea be sea carried on American-flag vessels, because such a requirement is badly needed to help promote our declining U.S. merchant fleet and because our national security is involved.

Historically, the carriage of U.S. mail had been reserved exclusively for American-flag vessels, and this was a tradition for centuries. These provisions were also included in the Merchant Marine Acts of 1928 and 1936, but the requirement has gradually eroded during congressional revisions of the postal statutes.

Finally, this congressional mandate was totally eliminated in 1970, when Congress completely revised postal statutes and created the U.S. Postal Service (Public Law 91-375). No provisions for U.S.-flag preference regarding the carriage of mail was included, and no explanation was given. Despite this omission, the Postal Service continued the cargo preference policy on U.S. mail through a regulation in its postal contracting manual; however, in 1981 the Postal Service deleted this regulation from its manual without any explanation or notice, and without expressing any concern about the adverse impact this action might have upon our national security and our need to maintain a viable merchant fleet.

Mr. Speaker, the national security implications of this situation can best be emphasized by noting that, since 1981 when the Postal Service dropped its cargo preference requirement, the international transport of U.S. mail by sea has been virtually monopolized by foreign operators, including Soviet bloc vessels. During fiscal year 1983, foreign flag ships were awarded 37 of the 45 contracts let by the Postal Service. Recent information indicates this trend is continuing.

It is bad enough that foreign-flag ships of friendly nations are allowed to carry U.S. mail, but I think it is a national disgrace that the privilege to carry this important cargo is now enjoyed by Soviet bloc vessels. Until recently, a Warsaw Pact operator known as Polish Ocean Lines carried U.S. mail between New York and Bremerhaven, Germany. This is just one example of what has become a common practice: the abdication of this sensitive, essential service to foreign and unfriendly powers.

On many occasions, during times of national emergency—and especially during the Vietnam war—the United States was made painfully aware that it could not depend on foreign vessels to carry vital cargo, so it is important for our Nation to rely upon our own merchant ships and to make certain that we maintain a fleet adequate enough to meet our national defense and economic needs.

The purpose of this bill is to require the U.S. Postal Service to use U.S.-flag vessels exclusively for the international sea transportation of the U.S. mail—unless no U.S. vessels are available at the time; or unless no U.S. vessels can provide service sufficient to meet the actual needs of the Postal Service.

Practically every other major trading nation practices the policy of reserving cargo exclusively for its own vessels, and I think it is now time for the United States to protect and promote its own merchant fleet by shipping American mail aboard American-flag vessels.

THE EAST IS BACK

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, today we will be discussing the MX missile, and we would like to think that the country's thoughts are focused on this debate. It is clear to me that the country is much more interested in the "final four." I want to point out to the Members who are here today something about the final four.

Just one basket kept Boston College from defeating Memphis State and then they would have inevitably defeated Oklahoma, and we would have had four teams from the Big East, ladies and gentlemen, four teams from

the same division in the final four. Incredible. I do not know what this has to do with the MX missile, but I know it has something to do with the fact that the East is back, my colleagues. The East is back. It is where the great basketball players come from, and it is about time that the teams that represent this great portion of the country are represented in the final four.

Mr. Speaker, I yield to the gentleman from Washington [Mr. DICKS]. The "Huskies," Mr. DICKS.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Speaker, I want to compliment the gentleman from New York. I think I have got this on proper authority, that Patrick Ewing is for release of funding for the 21 missiles.

Mr. DOWNEY of New York. He is, but none of the St. John's players are for the MX. We have surveyed the St. John's team and none of them are for it.

TO AUTHORIZE RELEASE OF FUNDS FOR MX MISSILE

Mr. ASPIN. Mr. Speaker, pursuant to Public Law 98-525, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the House joint resolution (H.J. Res. 180) to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

The SPEAKER pro tempore. The question in on the motion offered by the gentleman from Wisconsin (Mr. ASPIN).

The motion was agreed to.

□ 1256

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 180, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the joint resolution is dispensed with.

There was no objection.

The CHAIRMAN. Pursuant to section 110d, Public Law 98-925, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 5 hours, and the gentleman from Florida [Mr. BENNETT] will be recognized for 5 hours.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, is it true that there is an agreement that we will do 6 hours of the total 10 hours of debate today? Is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. ASPIN. So in the debate today there will be 3 hours allocated to me and 3 hours to the gentleman from Florida [Mr. BENNETT]; is that correct?

The CHAIRMAN. The Chair understands that that is the agreement between the parties. That is the agreement.

Mr. ASPIN. With that understanding, Mr. Chairman, I would like to yield half of my time to the gentleman from Alabama [Mr. DICKINSON].

The CHAIRMAN. Without objection, it is so ordered.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman. It is for that purpose that I rose to my feet to determine what would be the apportionment of the time. That is satisfactory. Thank you.

Mr. ASPIN. Mr. Chairman, it is now my understanding that the gentleman from Alabama [Mr. DICKINSON] this afternoon has an hour and a half; I have an hour and a half; and the gentleman from Florida [Mr. BENNETT] has 3 hours. Is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I thank the gentleman for yielding to me.

Mr. Chairman, today we are moving once again into a debate that has been taking place over some 8 years. We have been fighting the battle of the MX ever since the Carter administration in 1977. I think that during that debate, and particularly in the last few months, particularly here in 1985, we have had all kinds of statements on the MX which are, many of them, exaggerated, some of them are demagogic. I would like to begin this particular debate on behalf of those who are in favor of the MX missile, to try to make just a few simple, plain, understandable points.

In the first place, Mr. Chairman, there seems to be an atmosphere that the MX missile is something that has been conjured up by the Reagan administration as some kind of a giant, military extravaganza that has gone far beyond what would be considered appropriate in any national arsenal.

The fact of the matter is that the Carter administration is the father of the MX missile; not the Reagan administration, although it appears, based on the leadership of the House of Representatives and on the statements against the MX that are being made, that it is the Democrats who are opposing the MX missile and who are accusing the Reagan administration of all kinds of chicanery in connection with that missile.

□ 1300

But it was President Carter who recognized, and I think we ought to pay tribute to him for it, that there was a definite imbalance in the land based nuclear deterrent that existed in the United States in 1977 and the nuclear deterrent land-based in the Soviet Union. As a result of that imbalance it had been determined that with the size of the Soviet arsenal, because of the tremendous throwweight of the Soviet missiles, and because of the fantastic accuracy of the Soviet missiles, the SS-18 and the SS-19, it was theoretically possible for the Soviet Union to wipe out 90 percent of the American land-based arsenal, the Minuteman III, and at the same time have adequate missiles remaining to respond to any counter strike that the United States might throw against the Soviet Union.

So, President Carter requested his newly appointed Secretary of State, Cyrus Vance, to travel to Moscow and see if he couldn't get the Soviet Union to do something about the terrific threat posed by the SS-18's and the SS-19's. Secretary Vance is reported to have met with the Soviet leaders in the Kremlin and to have suggested to them that if they would be willing to eliminate the SS-18 and the SS-19 we would withdraw the proposals that had been made in the Pentagon to create a weapon that was a vast improvement over the Minuteman III and to some extent would have the same capabilities as the enormous weapons in the Soviet arsenal, the SS-18 and the SS-19.

The story is told that when Mr. Vance made that proposal to the Soviet leadership in the Kremlin, he was laughed out of Moscow. They said, "Do not be so ridiculous to think that after all of the effort we have gone through and all of the money that we have spent on building these weapons that we are going to destroy them simply on the promise that you will not do something that you say that you plan to do."

I am not sure whether this is correct, but it is reported that Mr. Vance came back to Washington in a state of semishock at the negative response he had received from the leaders of the Soviet Union. It was at that point, with the recognition that the Soviets had no possible intention of joining in eliminating all of these hard-target capable missiles that the Secretary of Defense in the Carter administration Harold Brown a Democrat, a well-respected Democrat, who had distinguished himself as Secretary of the Air Force in the Johnson administration, started down the road that led to the development of the MX missile.

So I think that we ought to recognize that the MX debate should not be a partisan matter. We are dealing with a weapon that was created by a Democratic President. The Carter administration proposed the MX, developed the MX, and then found, as later administrations have found, that the

question of basing the MX was a difficult one. The selected alternative on the part of the Carter administration was what was known as the racetrack; the MX missiles were to be carried around an oblong type of track where there would be deep holes along the way into which each missile could be placed.

The purpose of the racetrack was that the MX missiles would be very hard targets to knock out because the Soviets would not know in which of these holes the missiles were located in at any particular time. This was the multiple protective shelters program [MPS]. The only difference that the Reagan administration made in the MX program when they came into power was that they felt that that racetrack basing was not effective, that there were flaws in it, that it was overcomplicated, and most of all, to be blunt, the States that were scheduled to receive those racetracks, Utah, Nevada, were unwilling to accept the racetrack proposal, and as a result of political considerations, it went down.

Now let me try to explain what heavy land-based missiles, they play in the matter of arms control. There is a generally accepted belief that the best way to achieve arms control is to have first of all a balance between the competing countries. If both countries have basically the same level of weapons, if there is an equality in those weapons, then it will be far more difficult for one side to attack the other side.

□ 1310

That was in fact incorporated in the first arms control developments and negotiations [SALT I] that were carried out under the Nixon administration, in the amendment offered by the late Senator from Washington Senator Henry Jackson, provided that no arms agreement should be concluded that did not include this measure of equality. If you can achieve that equality—and one of the problems of SALT II was that it did not achieve that equality—the next step would then be to reduce the weapons down to lower levels.

That is precisely what the proponents of the MX are seeking to do, to create in place of the Minuteman III—and that is the major part of the U.S. nuclear defense deterrent—to replace the Minuteman III that went into operation some 10 or 15 years ago with a weapon that is equal in its explosive power and also in its accuracy to the SS-18's and the SS-19's of the Soviets. That is what the MX is designed to do. All it does is to make it possible for us to demonstrate to the Soviet Union that we have achieved this equality in land-based missiles.

In fact, to hear some of the people who have lately talked about the MX, one would think that we were building a vast arsenal of these missiles under the terms of this resolution, a kind of doomsday machine. Whereas in actual fact the Soviet Union, with its SS-18's and its SS-19's, and now moving into SS-24's and SS-25's, has 800 of the MX-type missiles. All we are asking in this resolution, which has been called up by the chairman of the Committee on Armed Services for just 21 missiles, with the funds for these 21 missiles to be unfenced under formula developed in the 1985 legislation developed by the Speaker of the House and the then majority leader of the U.S. Senate, Senator Howard Baker.

So what we are proposing today is really nothing more than what the Jackson amendment of prior years required that we do. Notice that we have not even begun to think of trying to match the Soviet Union with its 800 MX-type missiles; we are simply just getting under way in a very modest way.

One of the speeches made here in the well this morning by one of the Members of the House said it was insane for us to spend all of this money, all of these millions of dollars on the MX and then put them in the ground and not use them. But actually all we are dealing with here, as someone else pointed out, in this particular resolution, is $1.5 billion, a very minor portion of the 1986 defense budget itself.

Let me point out that is what we have always done with our missiles since the nuclear age opened, by putting them into the ground. We put the Minuteman II in the ground and we put the Minuteman III in the ground. We have it now in a number of silos in the Middle West section of the country, and we have never fired a single one of those missiles in anger. But their position in the ground has in fact not been wasted money. It has preserved the peace over the longest period of time in modern history. We have had over 40 years of peace. Shortly after the bomb was dropped on Japan the pundits were predicting that there would soon be another war using these weapons because in modern history, once a new weapon had been developed, it has always been used in short order. But because we put millions of dollars into those Minuteman missiles and put them in the ground that did not mean that this money was wasted because they have preserved this peace that we have enjoyed for such a long period.

I remember some years ago what a member of our committee, the Committee on Armed Services, used to say when we took trips abroad to visit military installations. Occasionally, when our plane would land on a rather primitive airfield, that member would shout out, "Mutual of Omaha wins again." But we were glad to have Mutual of Omaha winning again. Because then we can live to take another trip to some other airfield. You are glad to have Mutual of Omaha win again.

That is exactly what we have been doing here. What we are doing with the MX is simply modernizing our nuclear land-based deterrent that has preserved our peace and bringing it into conformity with the provisions set down in the amendment provided by the Senator from Washington, the late Senator Jackson.

I believe one other point should be made because there has been a good deal of concern over the fact that our negotiations are going on in Geneva in a sincere effort to try to achieve some kind of an agreement with the Soviet Union. Mr. Chairman, many of the people who have been opposing the MX and who have accused the administration of some kind of chicanery by bringing back the chairman of the negotiating team in Geneva, turn out to be the same people who, in the last election, were criticizing the administration for never having negotiated an agreement on arms control with the Soviet Union. President Reagan was accused of having somehow neglected to achieve an agreement, although none of these critics ever bothered to mention that the Soviets were the ones who walked out of the arms talks. It was not the Americans, it was the Soviets who walked out. Well, now we have finally gotten the Soviets back to the arms talks in Geneva. We have gotten our negotiators in place, a very able crew headed by Ambassador Kampelman, a Democrat. And yet strangely, the same people who urged us to get the negotiations going are now unwilling to pay any attention to what our negotiators have told us, that not to fund the MX would pull the rug out from these negotiations. For the House of Representatives to vote down the MX this week would demonstrate that the Congress of the United States and the President are not united on this important issue to the Soviet side. That would gravely harm our negotiating posture. And we would also be sending a message to the Soviet Union that as far as the House of Representatives is concerned, we are willing to give away this very effective missiles that is designed to equal the heavy missiles that the Soviets have without getting a single concession out of the Soviet negotiators at the bargaining table.

How do we expect to achieve any effective arms agreement without demonstrating that the United States does not intend to do all the giving. We are going to insist on equal strength on both sides, and eliminate the imbalanced that currently exists between the Soviets and ourselves.

□ 1320

Let me make two additional points. One is that we heard some remarks on the floor this morning that we needed to increase our jobs, that there are many people who are unemployed. Certainly we all want to do something to help those unemployed; but I would like to emphasize that I put in the CONGRESSINAL RECORD a couple weeks ago a detailed list of the jobs that would be created by the MX, the jobs that would be lost if the House of Representatives were to wipe out the funds set aside for the MX and presently fenced for 21 missiles. Thirty-two thousand jobs a year in manufacturing centers in companies from California to the shores of Massachusetts Bay; 32,000 would be lost if the money is voted down. And if the money is approved there will be 32,000 new jobs retained in areas of unemployment, and there are many of these around the country. I don't think any Members can ignore those jobs.

One final point, Mr. Chairman. It seems to me that if we vote this week to fund the MX missile, as the Senate has done on two successive votes, we will be in effect posting on our Nation's borders some of the signs that are similar in many areas in suburban Washington, which read as follows: "Warning: Neighborhood watch. All suspicious activities are reported to 911, the Montgomery County Police."

By funding just 21 minutes, we are putting the Soviets on notice that we intend to defend our turf and protect our citizens. We do not intend to be less alert and less prepared to the threats to our security contained in the SS-18's, the SS-19's, the SS-24's, and the SS-25's.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield for a question?

Mr. STRATTON. I would be glad to yield to the gentleman.

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman for yielding.

I am a little puzzled by the jobs issue the gentleman raises. If we follow that threat of logic, would the gentleman conclude that a successful arms treaty would threaten economic development?

Mr. STRATTON. Well, I think as I said, the most successful type of arms control is when you have an equality of weaponry between the two world powers that are involved. We do not have that equality at the present time and, therefore, it is hard to see how you can have any effective arms control without first having that equality.

Mr. Chairman, I yield back the balance of my time.

Mr. BENNETT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, it would be a sad day if this important issue were to be tied to jobs. Really, I have great difficulty in understanding anybody arguing that you ought to build a nuclear weapon because of the jobs that it produces, when its ultimate end would be to wipe out the lives of many, many people, if it were ever effectively used. I do not think questioning jobs is a way to approach this matter.

Now, since the gentleman from New York has made speeches on this subject, some of my constituents have written to me about this and have urged that maybe I should think several times about trying to end the MX because they did not want to see the jobs end; but really, actually, they do not thoroughly understand my position on this, because they do not realize that what I am trying to do is to see to it that we do not plan to have a nuclear war.

It really is a tragic thing that a country dedicated to higher principles, as is the United States of America, would do what amounts to planning for a nuclear war, and that is what we are doing, because we are seeing to it that we do not have sufficient conventional strength in Europe and our leaders over there have told us that we would be overrun within a matter of days and would have to go to nuclear war.

Now, that is not because we cannot get enough conventional strength. It is simply because we have not appropriated for it and made it available. We have the manpower. We have the resources. We have the money. So we would not have to have a situation of that nature.

We are living in the past. That is what it amounts to. After World War II, we had a monopoly on nuclear weaponry. We could tell the rest of the world that if they did not behave, that we would just drop nuclear bombs on them and they would have to behave. Well, that situation changed when Russia got the nuclear weapon and Russia has exceeded us to some extent in those nuclear weapons; but that is not a question of a problem about encouraging them to war on account of nuclear weapons, because actually they do not want a nuclear war any more than we do.

And actually, there is not going to be a nuclear war unless we ourselves start it, in my opinion, because we are the ones who are most threatening the world by not being strong enough, as we could be, in conventional weaponry in Europe. That is where I would like to see the money from the MX missile go. And it could go very effectively in that field to see to it that we do not have to have a nuclear war; since with these funds for conventional weapons we could actually win a conventional war in Europe.

I would like to address for a moment the question of unity and the question of overall strength and its relationship to the MX issue. I say this because I have received several letters from the President. I have been invited to the White House. I have been down to the White House and talked to the President orally upon this matter and he has always stressed two things. He has stressed unity and he has stressed the overall strength of our country.

Of course, he could not very well stress a bargaining chip with regard to the MX, because he himself has said that it is not a bargaining chip, and so have the Russians said that it is not a bargaining chip. The Russians said, "We won't go to the bargaining table because of the MX. We might go for other concerns we have, such as the Trident submarine, the cruise missile, and other things of that type, or the SDI, the outer space star wars we are talking about now." And when the star wars mounted its course, then they were willing to go back to the bargaining table, but it was not because of the MX, because they repeatedly said that it is not a bargaining chip, and the President says it is not a bargaining chip. The Secretary of State says that, the Secretary of Defense says that. So why is it then that it is so important with regard to the conversation going on in Europe?

The President explains that by saying that it is a question of showing our overall strength. Well, our overall strength could be better shown by having a strong conventional war power ability in Europe instead of just adding to the redundancy that we presently have with regard to our nuclear ability.

The Achilles heel of our freedom and security today is the degenerate position of our conventional NATO forces in Europe. There is no such tragic failure with regard to strategic weapons at all. Both sides have a great redundancy in the field of nuclear weapons. Neither side can win a nuclear war, regardless of who starts it. And both sides know it.

A more meaningful way to stay strong in 1985 or to become strong would be for the United States to come out for its ability and the ability of NATO forces to adequately fight a conventional war in Europe, thus forestalling a nuclear war, not planning for one.

That could be achieved by building up our conventional weaponry, still retaining our nuclear deterrent, or by reducing the Russian and Warsaw Pact weaponry by some sort of mutual agreement, perhaps also involving nuclear weapons; but it cannot be achieved by building a new, faulty weapon, a very vulnerable weapon.

Why do we not seek a first strike prohibition against each side in both conventional and nuclear weaponry and maintain credible forces in both conventional and nuclear weaponry,

but on a lower scale than we now have? That would be a real thrust for the strength of freedom and the NATO forces and a package that would be good for both the NATO and the Warsaw Pact nations.

The President's letter to me on unity and standing together in a strong national defense got my attention, the one I received this morning. It is one of several that he sent. The answer, however, is not to construct additional nuclear weapons, but to see to it that we do not have to use them at all.

I want to refresh your memory by quoting from what Gen. Bernard Rogers said to us about our status in Europe last year. He has repeated it twice this year, essentially that within days we would have to go to a nuclear war there.

His precise quotation was:

NATO's major weakness is in the conventional leg of the triad * * *. If Allied Command Europe were attacked conventionally, NATO political authorities would face fairly quickly the decision to authorize the release of theater nuclear weapons * * *. Such heavy reliance on early first-use does not provide a credible basis for deterring what I believe to be the most likely threat the Alliance faces: Soviet intimidation and coercion of West European nations resulting from the threat of massive conventional military superiority.

□ 1330

I also read the other day a quotation in the newspaper by the President which really distressed me. It was implied there that those who opposed the MX were in some way less patriotic, and that is implied by other supporters of the MX. It is not my purpose to downgrade the patriotism or courage of anyone. It is my purpose to say, however, that I have yet to meet a person or hear one quoted who has had very much frontline combat experience, and who has been an enthusiast for the MX or still is an enthusiast of the MX. I do not know one. There may be such people, but I have never talked to one personally.

The ones that I have heard speak do not seem to have much enthusiasm for the weapon, the ones who have actually had combat experience. A weapon is supposed to do injury to your enemy. That is what it is supposed to be for. This one is faulty for its vulnerability.

I know that personal references are sometimes in poor taste. I do not claim to be any great hero, but I do think I should share with those who do not know me that I served for 5 years in the infantry in World War II, both as an enlisted man and as an officer. I fought in hand-to-hand combat in New Guinea and in the Philippines. And there I lead about 1,000 guerrillas in combat against the Japanese. I have been awarded the Silver Star, the Bronze Star, and the Filipino Legion of Honor which is the highest award that the Filipinos give to someone who is not a Filipino.

I do not claim any great credit for this, and there are undoubtedly many here in the House of Representatives who have served more and with more distinction than I have, and have done things better for their country, I am sure. But when I read statements made about patriotism and courage for one's country being tied up with support for a faulty, vulnerable weapon it not only disgusts me, it makes me furious.

I am voting "no" on the MX, and I certainly hope that the President is not questioning my patriotism. A "no" vote on a wasteful program should never be construed as anti-American or soft on defense, particularly when you advocate that every penny of it and more yet be spent for conventional weapons in Europe which would prevent a nuclear war.

Weapons are supposed to, as I say, do injury to the enemy. This very vulnerable weapon is much more likely to do injury to ourselves. There are tremendous needs of weapons for our country and they are mostly conventional weapons in Europe where the Warsaw Pact has three times the numbers of tanks, three times the artillery, and twice the armored personnel carriers, for example, and there are many other discrepancies. There is absolutely no excuse for this.

The truth is if Russia decided to march through Europe today it could have Europe within a matter of days unless we retaliated by the use of nuclear arms. What credibility is there to our defense strength in this? And yet the President says to us that we ought to stand for a strong national defense.

I have said very little about the merits of the MX because, admittedly, the debate has shifted away from the merits and the demerits for the simple reason that there are not very many merits to the MX and everybody knows this.

Secretary Weinberger said in his confirmation hearings, and I quote:

I would feel that simply putting it (the MX) into existing silos would not answer two or three of the concerns that I have: namely, that (the location of) these are well known and are not hardened sufficiently, nor could they be, to be of sufficient strategic value to count as a strategic improvement of our forces.

He was joined by Gen. Lew Allen, the head of our Air Force, in similar comments, and even Senator JOHN TOWER, who now heads the delegation at the peace talks in Geneva said, and I am quoting:

By stuffing the MXs into fixed silos, we are creating just so many more sitting ducks for the Russians to shoot at * * *. True, the MX missile itself will be more powerful, more accurate—and we need that kind of weapon. But it is of little use to us unless the Soviets are convinced that it can survive an attack. Without that, the Russians will have no incentive to start serious arms control talks.

I must add that in testimony we had before our committee this year there was talk of strengthening the silos and making them stronger. But there was no talk of a calendar for that and no real talk about a dollar figure for it. I have heard dollar figures mentioned. The best dollar figure I have been able to get on it is something in excess of $21 billion. That is the lowest figure I have heard. I have heard much higher figures than that. It actually will cost more to put these 100 missiles in hardened silos than to build the missiles, if it can be done at all.

But you know it was intriguing the thing that happened before our Armed Services Committee, which was that a lot of people talked about the hardening of silos, and their vulnerability, because everybody knows they are vulnerable. And what did they say? We had about five people talk and there were five different ways in which they said they were going to be more vulnerable, and they had not even gotten together to discuss it. They had not had a caucus to decide which position they were going to present to the Congress. Finally one man seemed to think that it was all a matter of communications. I never could follow him in that, and that is as hard to follow as some of these things about arms control. These were all different kinds of ideas and they were all on hardening, but it speaks pretty eloquently that nobody estimates the hardening will take place before 1990 and nobody knows how much it is going to cost. But they said at least $21 billion. And I think the $21 billion is probably arrived at very arbitrarily because they do not really know how they are going to do it.

What has changed since those quotations that I made? Well, something has changed. All that has really changed is that there is a Machiavellian group of people, a very fine group, but a Machiavellian group of people who obeyed the White House dictate to find a way to produce the MX. They were told to find some way to get the MX and so they combined it with their ideas about arms control, and they put together an absolutely absurd package which Congress regrettably passed. It passed it in a way in which it could be brought to an end, which was done. But, anyway, that is the only reason that it came before us.

The only thing that saves us from that package is the fact that we are voting today to kill it.

I sat with the Scowcroft group when they told senior Members of Congress what the plan was. I did not hear a single person, and these are all personal, intimate friends of mine that I have had over a period of many years, I did not hear a single person say that they really favored the MX. In fact, I heard some of them testify this year

that they do not favor the MX in this basing mode.

Now, they favor, the MX as a missile, as I did in the years in which we were seeking a place to move it around, and we thought we could find one, and that is, to address the gentleman from New York, what Mr. Carter favored. He favored some sort of a way in which it could be protected by moving it around in some way. And when we got down to the fact that the only way in which we could do it was to put it in these particular missile silos, all of the authorities, without exception, without exception, all of the authorities say that it is a mistake. The only thing that saves them is that some time, a decade or so hence from now, they are going to have a way to harden these things. And, incidentally, by the time they get around to hardening them we are going to have Midgetman, because that is supposed to come in in 1990. And nobody suggests that these things are going to be hardened before 1990. They do not know how to harden them, and they expect $21 billion, that is $21,000 million, to be spent in doing this if they can do it at all.

So all I heard at this meeting was that the MX could be obtained for the President by putting together some arms control language. That is all I heard. So a combination of two very faulty objectives were put together and passed by the Congress, and the only protection we and the American people and the world have in this matter is that we are now voting on whether or not we are going to kill the MX. This we certainly should do, and end that package, and end all dream of a weapon which is so highly vulnerable and so expensive in this period of history.

I would like to say something about the U.S. Congress as I close these remarks. I will talk later perhaps, if I am stimulated to do so, since not a lot of people are asking to speak today. I love this Congress; I love its roots. I am a student of history and I have written two books about the American Revolution.

One thing is clear, and that is that when our Constitution was drafted a few years after the Revolution, which was conducted 100 percent by Congress, without an executive, just a one-House Congress, and that is who ran the war. When the Constitution was put together they had some thoughts about it. One thought was that they did not want the militia and the Continentals under Washington to be separated as they were during the war. So they gave us the President, they created an executive, and they gave him the power to be the Executive Officer over the military in time of combat. He is the Commander-in-Chief. But they did not dream of giving him the war powers, giving that to the President of the United States. No way. They made that real, real clear. They gave the power to declare way only to the Congress, not to the President. And the Constitution provides in article I, section 8:

> The Congress shall have power * * * to raise and support armies * * * provide and maintain a Navy * * * make rules for the Government and regulation of the land and naval forces.

Nothing could be clearer than that the framers of the Constitution wanted the Congress to make decisions about war, whether to get into it, and the type of weaponry we should use.

So when you talk about unity, when you had a Congress split almost half and half last year, how does the President come to Congress and say "Be unified by joining me?"

Well, he does not have the authority. The authority rests with the Congress. It is Congress' responsibility to do the very thing on which the President is saying "Join me and be unified."

There is no way you are going to get unified on that because the Congress is not unified behind the thing he wants them to do, and the Congress has the responsibility for it. And the Congress ought to get on with it, in seeing to it that our country is not faced with a nuclear war, as we presently are, because we are not in a position to win a conventional war in Europe.

We ought to hold that truth in our heart. When we stood up to become Members of Congress we put up our right hands and we swore under God that we would uphold the U.S. Constitution. The Constitution is calling on each of us today to reavow that, and vote no on the MX.

The no vote is a vote of common sense. The money saved should be put into conventional weapons in Europe to prevent a nuclear war from occurring.

This is a patriotic vote. It is a patriotic vote that every soldier who has served his country, who has been shot at and has taken life should be proud to cast.

□ 1340

Mr. HUNTER. Mr. Chairman, would the gentleman yield?

Mr. BENNETT. I yield to the gentleman.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I would just like to ask a few questions about the gentleman's statement to the effect that the Congress was meant to be independent of the President in weapons programs, developing weapons programs, and was not necessarily to be a yes-man.

Mr. BENNETT. I did not say independent; I said it was their responsibility, not the responsibility of the President.

Mr. HUNTER. I understand that.

Mr. BENNETT. There is a difference.

Mr. HUNTER. You know, in reflecting on the gentleman's statement, I think that we face some new elements today that we did not have in those days. I cannot think of a time when the U.S. Government, whether it is the Congress or the President, through the last several centuries had any arms talks on, for example, reducing or slowing development of repeating firearms, the Gatling gun or anything else.

Mr. BENNETT. The gentleman's memory is not very good, if the gentleman is a student of history, he would realize arms control talks have been taking place since our so-called war with France in the 1790's.

Mr. HUNTER. I would say this, treaties have been taking place.

Mr. BENNETT. I did not say treaties, I said talks about arms.

Mr. HUNTER. I cannot recall any of our arms developers being slowed by government action from developing the most effective weapons, rifles and then machine guns, that they possibly could develop.

Mr. BENNETT. They did not have a prohibition against weapons, no, but they did talk about arms control and that is what I thought the gentleman was talking about.

Mr. HUNTER. Well, if I could continue, today we have a situation in which we have the Geneva talks ongoing right now and they were not timed by this Congress, they were not in fact timed by the President; they were timed by the Soviets. And they happen to be taking place at the same time this vote is coming forth.

I can recall in reading about the last World War, a time when Mr. Churchill had to go before his Congress, if you will, in the middle of the war, after the fall of Tobruk and withstand a vote of confidence against his government.

At a time when he was very much pressed by Hitler's troops and the Nazis were winning victories throughout Europe, Mr. Churchill had to divert his resources from opposing the enemy and had to place those resources into defending his own government.

Mr. BENNETT. I do too; I see a parallel between me and Mr. Churchill.

Mr. HUNTER. Well, we did not time the arms talks, we did not time Geneva. But in fact we have people like Paul Nitze coming before us who are not any part of any Machiavellian gang; he has been an arms control expert and an arms control negotiator for a number of Presidents.

Mr. BENNETT. He was not all that enthusiastic about the MX. The gentleman is really making a speech out of my time so I am going to cut him

off. I liked Mr. Churchill. I met him once; when I came back after World War II and got well enough to go out on the street and start practicing law again my mother said to me: "Well, I am going to see Mr. Churchill."

I said, "Momma, you've never been out of Georgia. Why are you going to see Mr. Churchill?"

She said, "Well, he was such a magnificent man and you and MacArthur and Churchill won that war, I am going to take him 2 dozen fresh eggs," because they had a shortage of eggs in England then. So she did that.

We all worshipped Churchill and just mentioning his name makes all of us feel patriotic about that magnificent man. I am not going to yield to the gentleman further.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. The gentleman has time to make his own speech. I want to follow up with a few words to kind of polish off what the gentleman said because he seems to be implying what I think the President is implying by some of the things he said, at least some of the things he has been quoted on and some of the things which he wrote me about, which have to do with patriotism.

Mr. HUNTER. If the gentleman will yield.

Mr. BENNETT. I am not going to yield. The gentleman can make his speech on his own time, but I am not going to yield, I am going to make my speech and sit down after I have yielded to him.

The gentleman has plenty of time on his side.

I just do not want to be needled here.

What takes courage today, do you think it takes courage today to vote for the MX? No; what takes courage today is to be opposed to it.

I come from a district which is a very hardnosed strong district about everything about national defense. I am very suspect about this in my district. I will not pick up a single vote with this. A lot of people will question me. I am likely to have an opponent because of it. That takes courage. Being for the MX would take no courage at all. I am doing what I think is courageous and the right thing to do.

Now, I may be wrong, I may be dumb, I may not see it like I ought to see it but I see it as a very vulnerable weapon that is going to cost us over 30 billions of bucks. With that 30 billions of bucks you could put it into conventional warfare and see to it that if we did not win a war at least we would postpone having to go to nuclear war for 6 months in Europe.

In 6 months, if we had 6 months of being able to hold them back in Europe, we would I think be able to get the world to come to a logical conclusion how not to have a nuclear war.

So what I am saying to you, my dear friend, is something that takes courage. I am not saying I am a great courageous person, but I am saying the Lord gave me the opportunity to stand here and talk before the people of the United States and they know, if you do not know, that it takes courage to buck the President of the United States, coming from a district which gets great support from the national defense, and gives a lot to it.

In the gentleman's mind, perhaps, my medals are tarnished, maybe in the mind of the President they are tarnished; maybe they are tarnished, maybe I did not win them. At least I earned the right to speak on the floor of this House.

And I want to tell you something, I feel the MX missile is a waste of money, I think it is taking money away from other places where we ought to have it in our national defense.

The CHAIRMAN. The gentleman from Florida [Mr. BENNETT] has consumed 22 minutes.

The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, these pending two votes on the MX Peacekeeper missile are probably the most important two votes we might cast this year. I will rise tomorrow to speak at greater length as to the contribution the MX will make to deterrence. As has been pointed out, we will have a truncated session here on the debate, we have 6 hours today and 4 hours tomorrow.

Today, however, I would like to make some introductory remarks that I hope will help set the stage for the debate. Over the next 2 days you will hear a great deal about stabilizing and destabilizing weapons systems, about systems that have or do not have first-strike capabilities.

This issue before us has everything to do and nothing to do with these issues because the Soviets already possess a destabilizing first-strike capability with 600-plus SS-18 and SS-19 missiles.

The balance of strategic nuclear power that has existed for 40 years has been disturbed, disturbed and upset by the Soviets due to their massive deployment of these missiles capable of delivering a devastating first strike to our retaliatory capabilities.

Stability is the prime reason that we are here today. The President, our Commander in Chief, has determined that this system, the MX, is vital to our national interests and will contribute to stability. It is not coincidental that he has the support of so many Members of Congress. Many of us have seen the same intelligence data that he has seen and have come to the same conclusion as has this President.

We need the MX to stabilize the nuclear balance. In fact, this system has received bipartisan support from the last four Presidents.

Four Presidents have determined that this system is vital to our national interest, Republicans and Democrats alike.

Congress has never denied a President a strategic system he has judged to be in the highest national interest.

Let us make sure the 99th Congress is not the first one to deny the President this system that contributes both to stability and deterrence.

Now, tomorrow and through the balance of this day I am sure we will get into more of the technology involved, the fact that we are not going to put these into hardened silos, that the Soviets have put theirs into hardened silos; but what we must keep in mind, Mr. Chairman, is that since we deployed our last ICBM the Soviets have deployed two new systems, the SS-18 and the SS-19.

The SS-18 has the capability we are talking about putting into the MX.

□ 1350

We debate and they deploy. Not only have they deployed the two systems and put them in place while we talk, they have also gone forward with a new shorter range system called the SS-20. They have averaged one per week since the late 1977, one per week putting a system in place, each with three warheads. They have over 400 SS-20 missiles in place, enough to target every major target in Europe and into Asia.

We talk, they deploy. That is what we are continuing to do now. But aside from the technology involved and aside from the numbers of missiles, this particular vote boils down to a political vote.

Last year the Speaker of this House and the majority leader in the Senate got together and came up with some arguments dealing with our conference on the Defense authorization bill. There were three elements that had to be agreed on. One required this administration to go forward affirmatively and seek arms negotiations talks, and we did this. Another was to go forward with a new concept; a small, mobile missile called Midgetman; and we did that.

And the other was to go forward with the second buy of 21 MX missiles which we fenced in conference. We put a fence around it and said "OK, we will authorize, and we will appropriate this money for these 21 missiles, but we will not authorize you to go into production until we have a vote in the new Congress, and the offhand chance that there might be a new President."

Well, we have gone forward in good faith, and we have set up the negotia-

tions; the talks are ongoing in Geneva; we are going forward with research and development for the small missile, and now it is time to keep the total package and the bargain, and unfence the money that we did fence contingent on these other two things.

So I think it is very essential that we serve notice on the Soviets that yes, we are willing to talk, we are anxious to talk, we are anxious to come to some agreement on arms control, to a build-down in our nuclear forces on both sides, have some sort of verifiable system to show both sides we are willing to do this.

But in the meantime, we are going to do more than just talk. If this Congress serves notice on the Soviets that we are not going to build and deploy this system anyway, there is very little for them to negotiate about, because you cannot get something for nothing.

So I would hope that this Congress in its wisdom and this House in its wisdom will follow the other body and serve notice by unfencing these funds. This will show that we are willing to go forward until the Soviets show us through the negotiation process in Geneva that they are willing to take serious steps toward enhancing stability and doing away with the need to have deterrence on nuclear missiles.

So, Mr. Speaker, I would urge everyone here, all the Members, to vote to unfence the money and let us show a unanimity of purpose and support for the President who, after all, has the ultimate responsibility of setting the course of this country, both as to international relations as well as the defense.

The CHAIRMAN. The gentleman from Alabama [Mr. DICKINSON] has consumed 8 minutes.

Mr. STRATTON. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. Mr. Chairman and fellow Members of Congress, the military need for the MX is clear in light of the qualitative and quantitative Soviet buildup over the last two decades. The Soviet Union has deployed the latest fourth generation ICBM, the SS-19. This missile is the latest in a line of offensive strategic weapons that the Soviets have fielded since the Kennedy administration, including the SS-18, the largest ICBM in either nuclear arsenal. The SS-18 is twice the size of the MX and is capable of carrying 10 MIRV'd warheads. The only ICBM to be classified as "heavy," the SS-18 is more accurate than the Minuteman, thus gravely endangering our ICBM force; 308 of these awesome weapons have been deployed in hardened silos. Along with these missiles already deployed, the Soviet Union has two even more formidable weapons in development now—the SS-X-24 and the SS-X-25. They are capable of being based in mobile launchers as well as in hardened silos, thus enhancing the survivability of the Soviet nuclear arsenal. It disturbs me to think that 50 percent of the Soviet nuclear force is less than 5 years old, while 80 percent of the U.S. force is 15 years or older.

Because of the integral relationship between U.S. national security and the strategic triad, the development of the MX is especially crucial. The U.S. triad has, along with U.S. efforts at the bargaining table, been the prime deterrent to nuclear confrontation in the last 30 years. Our triad is comprised of land- and sea-based missiles and strategic bombers. This system is based upon the idea that a diverse, mobile force is more survivable. The dispersal of the U.S. nuclear arsenal presents overwhelming difficulties to Soviet war planners. They would have to track, detect, and destroy the U.S. nuclear submarine fleet; prohibit the launch of land-based ICBM's, and finally, destroy enough U.S. air bases so U.S. bombers could not retaliate. It is easy to see the interdependence of each leg on the others. Each leg of the triad has unique characteristics which require equally unique and well-timed methods of attack in order to defeat them. Each leg of the triad complements the others in terms of survivability. The strength and survivability of each leg merely adds to the strength and survivability of the other two. However, while each leg shares the strengths of the others, they also share the weaknesses. If one leg is weak, the entire triad is weakened.

Today, it is our land-based ICBM's that weaken the rest of the triad. The United States has not deployed a new ICBM since the Minuteman III in the early 1970's. The cost, and time that we must devote to the upkeep and modernization of these missiles grow with every year they remain in their silos. I believe it is more prudent to deploy a new, more accurate, missile—one that we can trust to perform should there ever be a need. As much as I dread the thought of war, I dread even more being held hostage by the nuclear arsenal of another nation, when the means to protect ourselves are in our grasp. An upgraded Minuteman system just cannot provide the same deterrent capability needed to prevent a Soviet attack. The MX provides this capability.

Some have argued that the MX should be abandoned in favor of a small ICBM, the Midgetman. This is worse than skipping MX in favor of Minuteman modernization. The Midgetman exists only on paper, and could not be ready for deployment until the mid-1990's, the MX has been flight-tested and proven capable. As with the triad itself, the Midgetman could be developed to complement the MX, not replace it. The MX will cure the short-term problem posed by our inferior position to the Soviets in land-based ICBM's.

Another argument posed is that the Trident D-5 missile could serve the same purpose as the MX. Once again, the Trident program could complement the MX, not replace it. SLBM's do not offer the same hard target capability as the MX. Neither do they address the short-term problem of the U.S. lag in ICBM's. Reliance solely on our nuclear submarine force brings us back to the same problem faced in reliance on only two legs of the triad-decreased flexibility, and survivability. The need for a strong land-based ICBM force is obvious. It is the only leg of our triad that has the accuracy to strike hard targets in the Soviet Union. They can be communicated with easily by command authorities. Their time from launch to target is short, and they can be retargeted rapidly. But most importantly, the land-based ICBM is on alert and ready to be launched 100 percent of the time, while our sea based missiles are only alerted about half that time. Bombers will take 12 or more hours to reach their targets. The MX in Minuteman silos would have all of these advantages, as well as being part of an increasingly sophisticated command, control, and communication system that would help ensure that the Soviets could not count on preventing the launch of the MX. The MX is also survivable in terms of the triad as a whole. This fact helps avoid a Soviet first strike. The Soviets know it is not militarily prudent to attack when there is a chance of retaliation. The MX gives us this retaliatory capability.

In October 1984, the 98th Congress voted a moratorium on the $1.5 billion for fiscal year 1985 MX funding with the hope that this would be an invitation to the Soviets to return to Geneva. There are once again talks in Geneva, but we can't be sure that it was because of the moratorium on funding.

Our changes of achieving an arms control agreement on multiwarhead land-based ICBM's rests on whether the 99th Congress continues funding for the MX. I believe it is first necessary to realize that the MX was not created solely for the purpose of bolstering our aging ICBM's, or for strengthening our triad. It was designed to be an integral player in U.S. long-term arms negotiations with the Soviet Union.

The MX, as part of the overall strategic modernization program, contributes to arms control in two ways. First, it demonstrates to the Soviet Union that the United States is willing to take whatever steps necessary to nullify Soviet superiority in nuclear arms, while not seeking superiority ourselves. It also provides the Soviets

with the chance to move toward an arms control agreement that is equitable for both sides. The MX is not a "bargaining chip" in the ordinary sense of the word. When deployed, it will become an integral part of a greater whole—the strategic triad itself, which is our ultimate bargaining chip. The MX will increase U.S. leverage in Geneva. A "no" vote on MX would send a message to our arms negotiators that we are not willing to support them to our fullest capability. It would also send a message to the Soviets that we are unwilling to stop their unprecedented advances and buildup. Finally, a no vote on the MX would project divisiveness instead of the bipartisan unity that is especially needed now.

The role of the MX in the renewed START talks is based in a long held truth that it is far easier to negotiate from a position of strength. Because the MX will eliminate the imbalance that exists in ICBM's, the U.S. position in Geneva will improve. Simply put, a fraction of the Soviet ICBM force can effectively threaten the entire number of U.S. land-based missiles. Without the MX there is no incentive for the Soviets to agree to a reduction in ICBM's. They realize that we cannot strike their hardened targets. This is the heart of the problem. The deployment of the MX would put Soviet silos at risk, but would not give the United States a clear cut superiority.

There is no historical precedent to lead us to believe that the Soviet Union will unilaterally agree to arms reductions without our deployment of, or at least the threat of the deployment of, a modern, accurate, survivable missile. The Soviet Union respects only strength. They have shown this time and time again through history. It is generally agreed that the countries in the Eastern bloc could have been freed if the allies had presented a united front in the postwar years. Soviet movements into Afghanistan, Central America, and Africa could have been prevented, or at least mitigated, had the United States shown strong resolve to halt Communist expansion. The United States and the Soviet Union are not the only historical examples of this lesson. Nazi Germany could have been halted, had the allies not consented to Hitler's wishes. How long must we stand aside and watch the Soviets advance their cause at the cost of freedom around the globe. The United States has a duty to protect its interests around the world. We cannot let ourselves be constantly constrained by the fear of the awesome Soviet nuclear arsenal. We should not seek superiority, but parity. The type of parity that has kept the world from nuclear conflict for 30 years.

□ 1400

In closing, I believe our duty is clear. The time has come to put this issue behind us. We have hesitated far too long. This body has a great history of making difficult decisions. We must continue this trend by voting for the MX missile. I, for one, intend to do just that. Since the dawning of the modern nuclear age, the United States has depended on its strategic nuclear triad for protection. In playing partisan politics, we have, in effect, weakened our defense.

Let me close by saying something. It was referred to earlier that it does not take any courage to vote for the MX missile. Well, let me tell you something: When I see all of my distinguished powerful colleagues, some of them, if not most of them, what I call the real powerhouses in some circles, opposing the MX missile, it takes courage for a freshman to walk on this floor and stand tall for America. This is what this vote is all about. It is about doing what is right for America. This is not a vote on the budget. This is not a vote for or against the President. This is not a vote for or against the Democratic or Republican leadership. This is a vote for America. This is a vote for my children and your children and their secure future.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Let me thank the gentleman from Florida for providing this time.

Let me say that I listened intently to his opening remarks, and I thought that they were extraordinarily thoughtful remarks about a very complex subject. There was not much sloganeering or that sort of thing. He described why he took the position he did on the MX missile. The gentleman from Florida has taken leadership on the floor of this House to vote against a strategic weapons program called the MX. I am going to vote the same way, for my own reasons, many of which match the reasons of the gentleman from Florida. But let me say I appreciate the leadership the gentleman has given.

Now, I come from a State that has a lot of armaments. We have two strategic air command bases, one slated for B-1's, the other, for cruise missiles; both have B-52's and KC-135's. We have 300 underground Minuteman III missiles with advanced MK-12A warheads. We know something about arms in North Dakota. We are ground zero, as a matter of fact, because of the prime targets in our State.

But I am here to oppose the MX missile today because it does not make any sense. I cannot endorse throwing billions of dollars that we do not have at a weapon system we do not need, one that will provide nothing in the form of additional security for this country.

In the early 1980's we heard President Reagan say one of our problems is that we have a land-based missile system that is vulnerable to Soviet attack. Well, now several years later the President is saying, "What I would like you to do, Congress, despite a $1.7 trillion national debt and another projected deficit this year of $180 billion to $200 billion, I want you to come up with some $14 billion more so you can build a bigger missile with a bigger bang and more accuracy and put it in the missile silos that I have told the American people are vulnerable to Soviet attack."

Is that going to frighten the Soviets, that kind of an arms program? Are the Soviets going to get upset by the American people spending money they do not have for a missile they do not need and putting that missile in a silo that is vulnerable?

Oh, no, I do not think so. I think the Soviets would see the same sort of illogic in that argument that some of us in Congress do.

Now, we have a nuclear triad, as the previous gentleman described. We have a sea-based strategic force, we have an air-launched strategic force, and we have a land-based strategic force. We have a very strong nuclear triad. And you listen to the debate on some of these issues and you start getting a little frightened because you have people come to the well of the House here that suggest somehow that America is a second-class power, somehow we do not have the nuclear strength to put at risk the Soviets in the event that they would launch a nuclear attack. That is nonsense. Of course we do. We are far stronger than the Soviets, far stronger than the Soviets in overall strategic strength. We have a much stronger triad than they do. And they know it.

That triad defends this country. We do not need to build another land-based, multiple-warhead missile to defend this country, especially one that defies logic, such as the MX.

Well, the President says, now, the reason we have to vote for the MX is we are at the bargaining table in Geneva. Six months ago the President said the reason we had to vote for the MX was the need to get the Soviets to the bargaining table. Now we are back here, 6 months later, and the President says the reason we need to vote for the MX is because the Soviets are at the bargaining table.

Now, I do not quite follow the President's logic. It is not unusual. That has been true on a number of things. The President says the route to deficit reduction is to spend more money on the military and reduce taxes. It did not make any sense to me. It does not to most people.

□ 1410

I do not understand his logic on the MX missile either. Why spend money we do not have for something that we do not need and put it in holes that he said were vulnerable?

Let us analyze the MX. Mr. STRATTON said, I think correctly, that the MX has a better component of accuracy. I accept that. Of what value is that at this point? Well, I assume, based on the remarks that I have heard that if we have a missile with a higher component of accuracy, we can put at risk a Soviet silo. Now, would those who want to put the Soviet silo at risk want to put at risk an empty silo? No, I expect that they are talking about putting at risk a Soviet silo that has an SS-18 or an SS-19 housed in the silo.

Does that suggest to you as it does to me that there are people talking about first-strike potential? Of course it does. What else can they be talking about? Can anyone in America describe to me conditions under which America would launch a first strike? If so, I would like to hear it today during this debate. Anyone? Can anyone describe a reason that we want to develop a first-strike nuclear capability? I bet they cannot. I bet you will not hear it during this debate.

The CHAIRMAN. The time of the gentleman from North Dakota [Mr. DORGAN] has expired.

Mr. BENNETT. Mr. Chairman, I yield 5 additional minutes to the gentleman from North Dakota.

Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Florida.

Mr. BENNETT. I thank the gentleman for yielding.

Mr. Chairman, I would like to make a point if I may. That is, there is a lot of confusion in the public about first strike, and he is referring to first strike. First strike is, technically speaking, the ability to knock out the opponent so that he cannot return fire. There is a difference between that and being the first to use nuclear weapons.

Our President, the Scowcroft Commission, and the leaders of our military have said that we will use the nuclear weaponry first. We have repeatedly said that. That is not a first strike; that is "the first use of" nuclear weapons.

As between first strike and "first use of," obviously, the most immoral of those two is the "first use of." First strike merely means that you are going to wipe them out so that they cannot come back at you. "First use of" means you are going to be the first to use this weapon which would plunge this world into a chaos.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding the additional time.

Mr. Chairman, I understand the gentleman's point, and that distinction is raised by those who are experts in arms control. In my judgment, in large respect, it is a distinction without a major consequence. I think most of us on this floor understand that if there is any kind of nuclear attack, if there is any kind of a nuclear strike at all, we are not going to have a civilization.

Nuclear war must be prevented. We cannot survive one. There is not a survivable or a winable nuclear war. There will not be a limited, survivable nuclear war. Those are the terms that have not only surprised me, but very much frightened me in the last several years as they have been bandied around this town.

Let me conclude by talking about something that is also important. We are talking about a weapons program that I think adds nothing to this country's security. If I thought it did, I probably would be inclined to support it. I do not think the MX can be demonstrated to provide anything in addition to this country's present security and present strength. But it can significantly weaken this country. If we stopped the MX missile program today, a program we do not need, we save $14 billion.

Let me ask the American people what they think threatens this country. Well, there are a number of things, one of which most of the American people understand, is a Federal deficit that is out of control. A Federal deficit that this administration and this Congress cannot seem to manage. Fourteen billion dollars of additional spending is what we are talking about for a missile we do not need.

Where are the stout-hearted men and women who continue to talk daily about the need to save money; about the need to restrain Federal spending? Where are they when we talk about the MX missile, a missile we do not need? They are nowhere around because to oppose something like the MX missile, which some sort of wrap in the flag and say, "You must support it because it is patriotic to do so," to oppose that puts them at risk politically.

Look, in my judgment, the risk politically, and the risk economically to this country is to continue spending blindly on these kinds of projects that we do not need and increase the Federal deficit which mortgages this country's future and chokes America on red ink. That is one of the dangers to this country that we must address.

Let us begin addressing it when programs come to this floor of this House that we do not need by saying "no" to those programs; "no" whether they are domestic or military programs.

I have said before and I say again, I sometimes think that this administration wants to do anything the Soviets do; it does not matter whether it is smart; it does not matter whether it is poor judgment. They just want to do what the Soviets do. If our intelligence community found tomorrow that the Soviets were going to resurrect the calvary unit, we would have this President requesting that we go out and buy a million horses. Just as long as the Soviets are doing it, we want to be sure we are doing it.

What we ought to do is invest carefully in defense systems we need and defense programs that work. If we make those kinds of investments, careful investments, that make this country strong, we are going to prevail, we are going to prevail against our adversaries around the world.

But if we throw money away because someone believes if we vote no on these sort of boondoggles, we are not standing tall, we are not going to prevail. Standing tall means making the right decisions at the right time, and this MX missile, I swear to you, is not the right decision because we do not need it and we do not have the money to build it; it is just that simple.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman.

Mr. STRATTON. I thank the gentleman for yielding.

Does the gentleman believe that it is in our national interest to have a nuclear deterrent?

Mr. DORGAN of North Dakota. I appreciate the question. Absolutely. There is not anyone in the House, in my judgment, that does not believe we do not need a nuclear deterrent.

As I indicated earlier, we have a triad that is the strongest nuclear deterrent in the history of civilization. Let me just comment about the gentleman's comment about jobs. This is not a jobs program. We are talking about spending $14 billion.

Mr. STRATTON. The gentleman said that he believes in a nuclear——

Mr. DORGAN of North Dakota. I have not yielded to the gentleman.

Mr. STRATTON. Well, I yielded to the gentleman.

Mr. DORGAN of North Dakota. And I yielded to the gentleman from New York for a question as he did to me.

I am saying in response to the gentleman, yes, I believe in a nuclear deterrent. I believe in one that really does deter and one that really does work, and one that is cost-effective.

Mr. STRATTON. Do you think we ought to have an old-fashioned nuclear deterrent or should we have an up-to-date one? That is the real issue.

The Minuteman III is out of date.

Mr. DORGAN of North Dakota. I reclaim my time, Mr. Chairman.

That is not an issue at all. There is no question here about up to date or out of date; we live with 300 underground Minuteman missiles with the

most modern nuclear warheads this country has at this point. That is a deterrent; that is part of a strong triad that has prevented nuclear war.

Now, what we have to talk about is real arms reduction. When people say to me the only way to reduce arms is to increase them, I say that does not make any sense.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding me this time.

Mr. Chairman, the gentleman who just spoke talked about how the MX could not concern the Soviets. I will tell you one thing that has not concerned the Soviets, it is the fact that they have built, since 1972, over 800 SS-17's, SS-18's, and SS-19's as opposed to the United States building and deploying no new missiles.

They built over 200 Backfire bombers, long-range strategic bombers. We have built and deployed no new bombers. I think we have rolled out a couple of B-1's; we are not using them yet. They built 38 ballistic missile submarines; we have a total of 5 Tridents in the water, the last one on sea trials. It is not even capable of operations yet. That deteriorating situation will not deter the Soviet Union.

You know, it is interesting to sit here and to listen to the MX missile being described as a "pet project" of Ronald Reagan that does not have the consensus of any expertise, real expertise, in the defense community behind it. That is absolutely untrue, and I think the gentleman who just spoke would admit it if he looked at the facts.

Here you have Melvin Laird, former Defense Secretary for the United States; Harold Brown, former Defense Secretary for the United States; James Schlesinger, former Defense Secretary for the United States; the Scowcroft Commission; a blue-ribbon panel of some of our best minds in the country, all supporting the MX. In fact, there are few weapons systems that have been developed, conventional or strategic, that have had as much of a consensus as the MX has behind them.

Let me address, very briefly, the survivability argument. There is an argument made that the MX is not survivable in and of itself, and therefore, we should not build it. I would argue back that if that is now the criteria and the new standard for going forth with strategic systems, then practically nothing should be built. Because strategic systems operate in the context of the triad, and it is true, that all of our ICBM's, not just the MX, but also the Minutemen are not, in and of themselves, survivable. They could be knocked out with part of the strike force that consists of 308 SS-18 missiles that the Soviets presently have.

□ 1420

But the facts are that it will take 30 or 40 minutes for that force to arrive in the United States, and that would give the United States sufficient warning, for our bombers to escape. By the same token, if SLBM's were launched at our bombers, because the Soviet SLBM's presently do not have that hard-target kill capability, our ICBM's would be able to escape.

So the triad forms a deterrent that is much stronger than the sum of the three parts of the triad taken separately.

Let us go a little further. Bill Perry, who was Under Secretary for Research and Development for the Department of Defense, told this committee some time ago that he could not guarantee the survivability of our submarines beyond the 1990's. So if you are really talking about survivability about one single part of the triad, it appears at least that at some time in the future even our submarines may well be at risk.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. Let me make a few more points and then I will be happy to yield. Let me make another point on the bargaining chip argument.

People talk about whether or not the MX missile should be considered a bargaining chip. In fact, if all of our systems are negotiable, and I think the President of the United States has said everything is on the table and we look forward to the time when we can reduce and do away with all nuclear weapons, everything is negotiable, everything is a bargaining chip, whether you are talking about bombers or heavy missiles or SLBM's. We look forward to that time. We do not build these missiles only so we can use them. We do not feel we are only going to be satisfied if we are going to be able to use them. We look forward to the time when we can reduce every part of the triad.

So if you define bargaining chip as being something that is negotiable in return for a quid pro quo from the other side, everything is a bargaining chip. But remember the term "quid pro quo," because we sat here and listened to Arkady Shevchenko, who was at one time Mr. Gromyko's deputy before he defected to the United States, and we asked him about MX missiles.

Mr. MAVROULES asked him, "Will it make or break the arms talks if the MX missile is killed?" and Mr. Shevchenko said, "My short answer is no."

Then I asked him if we should do away with it, and he said we should not unilaterally do away with the MX missile. He said if you unilaterally give up something, the Soviets will only escalate their demands. And he talked about the time when it, looked like Congress was going to hang tough on the ABM, and we got an ABM treaty out of it because we showed we are willing to go to production, not because we were willing to cut a system unilaterally.

So we cannot cut a system unilaterally. So everything is a bargaining chip. Let us take that point up front.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield to me?

Mr. HUNTER. I will be happy to yield in just a second, and I will yield to the gentleman from Massachusetts first.

Let us talk about Geneva. Whether we like it or not, and I think we should like it, we are in Geneva.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 5 additional minutes to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding me this additional time.

Mr. Chairman, we should appreciate the fact that our President has negotiators in Geneva right now. If anybody can say, after having Max Kampelman come back and put his prestige behind the MX missile, after having Paul Nitze sit before us and say, "Do not give up the MX missile," and after all of the other arms negotiators who testified before us, can anybody really say that that is not going to affect the prestige of the President of the United States or the perception that the Soviet Union has regarding our resolve?

Maybe it is bad luck, bad timing, that Geneva should come up, that the Soviets should want to come to be bargaining table at the time when the MX missile is coming up, but I would like to ask my colleagues to remember, the Soviets did not make the MX missile being knocked out a condition of their coming to the bargaining table. But in fact, the President's prestige is on the line, and if Mr. Shevchenko is right, then the Soviets will escalate their demands if we give up the MX missile.

Let me just make one or two other points. According to some of our experts, in nonacoustic ASW, antisubmarine warfare, and I am talking about the survivability of our submarines, the United States now ranks fifth behind the Soviets, the Germans, the British, and the Canadians, and I would give this information to my friends who think that the sea-based leg of our triad, our ballistic missile submarines, are in fact going to take the place of our land-based systems and perhaps our air-based systems.

Let me finally say that if we unfence the MX funds, we will give our negotiators a solid start in Geneva. If we do not unfence the MX funds, the Soviets will renew their perception that they

have had for a long time that the United States is not capable of formulating a bipartisan foreign policy. And incidentally, when I spoke to the gentleman from Florida, I was not attempting to tarnish his medals; I was simply saying there is a time when our foreign policy should go forth from these shores in a single voice. There is a time when Congress should stop fighting with the President. There is a time when Congress should fight with the President. This is not that time. There is a time when Congress should stop fighting with the President and when we should stand behind him and we should go to Geneva united, and I would yield to my friend, the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. I appreciate my friend from California yielding.

Mr. Chairman, I just want to talk to the gentleman about two points he made, and the gentleman is absolutely correct that this weapons system did not start with President Reagan, but it had the support of other Presidents and other Secretaries of State. But I might remind the gentleman that if he is going to use that argument, it does not wash water because we have three Presidents who supported the SALT II agreement, and we had four or five Secretaries of State who supported the SALT II agreement, and it was this President when he was campaigning who campaigned against it. So it just does not hold water.

Mr. HUNTER. Mr. Chairman, let me take my time back and tell the gentleman the reason I said that was because I saw the implication in one of the former speeches that somehow this was Ronald Reagan's brainchild and that he had a wild idea one day and went out and built an MX missile. That is not accurate. It has been a missile that has been in development for a long period of time, and it has had the consensus of a number of Secretaries of Defense behind it.

Mr. MAVROULES. If the gentleman would yield further, I am going to have some time later, Mr. HUNTER, and if you want to, I will yield to you, the other point I want to make, and you are absolutely correct that if we do not continue research and development on the nuclear submarines and nuclear missiles, of course they are going to be vulnerable in 5 to 10 years. But the point is, we want to make it known here as part of this discussion that we are improving those areas also so that maybe 5 or 10 years from now they are not going to be vulnerable. We are spending billions of dollars in that area to improve that system. Am I correct?

Mr. HUNTER. You are not correct in the sense that when Bill Perry, our Under Secretary for Research and Development, said "I cannot guarantee the survivability of the submarine leg of our triad beyond 1990," he was taking into consideration that, yes, we are continuing to spend money in that area. He did not say, "I cannot guarantee it if you do not spend another dollar."

Mr. MAVROULES. If the gentleman will yield further, the testimony that I listened to was that "we can guarantee it for 5 or 10 more years, but if we do not continue the research and development, the qualitative edge, then we could be in trouble." But now we are doing that.

Mr. HUNTER. Let me just respond briefly to my friend. The message that I saw in Bill Perry's statement, was that even in making the advances that we are making, and even in spending the resources that we are on the submarine leg of our triad, the Soviets are in fact closing the qualitative gap anyway.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my friend, the gentleman from New York.

Mr. DOWNEY of New York. I thank the gentleman for yielding.

Mr. Chairman, the gentleman raised an important point in discussing the synergism that exists right now about the fact that Soviet submarines are not capable at this juncture of attacking both bombers and missiles simultaneously.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has again expired.

Mr. HUNTER. I ask the gentleman from Alabama for 2 additional minutes.

Mr. DICKINSON. I am committed on time. Let the gentleman from New York get the time from the opponents.

Mr. BENNETT. Mr. Chairman, I yield 2 additional minutes to the gentleman from California [Mr. HUNTER].

Mr. DOWNEY of New York. If the gentleman will yield further, does the gentleman foresee a day when the Soviet submarines will have missiles accurate enough to strike both bombers and land-based missiles simultaneously?

Mr. HUNTER. I would tell the gentleman that I am sure that the Soviet Union is moving forward on developments to make all of their missiles more accurate, and some day they will probably have the equivalent of a D-5 missile.

Mr. DOWNEY of New York. The gentleman is a member of the committee and has thought about this, but how would the gentleman propose that we structure our force to prevent the Soviets from having the capability, from their sea-based leg of the triad, from destroying both land-based missiles and bombers simultaneously?

Mr. HUNTER. I think that the gentleman is aware of the fact that we are moving forward with the MX missile, and at the same time we are moving forward with the Midgetman missile, which as the gentleman from Arkansas said essentially exists only on paper right now, but we are moving into what I would call a mobile/deceptive mode.

Mr. DOWNEY of New York. In the land-based system.

Mr. HUNTER. That is right. But I would remind my friend that since 1972, we have talked a lot about building a lot of things. The only thing that makes any difference to the Soviets is what is really built, and they have built and deployed 758 SS-17's, SS-18's, and SS-19's compared to zero missiles being built and deployed by the United States since 1972.

□ 1430

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield further to me?

Mr. HUNTER. I am happy to yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, the reason I asked the gentleman the question is it seems to me we often look for technological fixes or the building of a new system to prevent our forces from becoming more vulnerable. To a certain extent that is necessary and appropriate. But the Soviets someday will continue to modernize their submarine ballistic force and be capable of destroying both land-based missile systems, including mobile Midgetman and our bombers.

The way to prevent that is to prevent the Soviets from acquiring that technology, and the way to prevent the Soviets from acquiring that technology is not to continue the process of escalating the arms race, but to recognize that if you freeze the systems, theirs and ours, where they are, you will have attained a great deal of security.

The CHAIRMAN. The time of the gentleman from California [Mr. HUNTER] has expired.

Mr. BENNETT. Mr. Chairman, I yield 2 additional minutes to the gentleman from California [Mr. HUNTER].

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. Let me just respond briefly, and then I will yield to the gentleman from Michigan for a question.

Mr. Chairman, let me just say that if the gentleman is sincere about reducing armaments, the best thing we could do right now is to allow foreign policy to go forth from these shores with one voice and to support the MX missile and to support the President during these arms negotiations and hope that his negotiators can achieve some of the reductions the gentleman has spoken of.

Mr. Chairman, I now yield to my friend, the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, I thank the gentleman for yielding.

The gentleman was right when he stated that past Presidents and past administrations have supported the development of the MX missile, but I think we can also agree clearly from the facts that over the years there have been over 30 basing modes discussed, and no past President, while he was in office—and certainly not the last administration—supported, nor does that past President support today, nor do many of the leading experts that were discussed by the gentleman from California support the MX missile in the Minuteman silos, hardened or not, because of the lack of survivability.

Mr. HUNTER. Mr. Chairman, let me simply answer the gentleman and tell him that of all the arms experts we have listened to and who have testified before our special panel, most of the experts support the Scowcroft Commission recommendation to put MX into existing silos. And let me say simply one more time that it is not our task to say that each individual piece of the triad, the submarines, the bombers, and the missiles, have to independently be invulnerable.

I have explained how, although they can in fact launch on our missiles with their SS-18's, our bombers would have a chance to escape from their bases. And we have exactly that situation with the Minuteman today.

Mr. HERTEL of Michigan. Mr. Chairman, since we have been given the time to clarify the issue here, I wonder if the gentleman will yield further?

Mr. HUNTER. I am happy to yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, let us make it clear, though, that there are many experts, including past Presidents, who clearly do not support, and never did support, putting the MX missile in a Minuteman silo.

Mr. HUNTER. Absolutely. I think that Mr. Carter supported the mobile system that would run around a racetrack in Nevada.

Mr. Chairman, I yield back the balance of my time.

Mr. STRATTON. Mr. Chairman, I yield 15 minutes to the gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. Mr. Chairman, this Nation, this Government, this Congress, and this House have probably lavished more time, attention, and debate on the question of whether to build and deploy a new intercontinental ballistic missile than on any other single national security issue in history. I am not sure the MX deserves all this attention. Contrary to myth, it is among the least costly of our major weapons programs. Moreover, in light of the Soviets' deployment of hundreds of "MX-type" ICBM's, the small number of missiles that the U.S. plans to deploy cannot be considered by any objective observer to be an escalation of the arms race or an attempt by the United States to field a force threatening the Soviet Union with a first strike.

Recently, President Reagan commented that if the MX had been called the Minuteman IV; that is, an upgrade of our present 15-20-year-old ICBM force, it would have been built and deployed long ago. Last fall, I visited a Minuteman missile site and, as a result of that visit, I believe that we should suspend all of the rhetoric and view the MX, in terms of its military role, as the President suggested. The fact is that the Minuteman missiles are aging rapidly. At some point we will begin to lose confidence in their reliability and, as a result, the intercontinental ballistic missile leg of our strategic deterrent will be degraded. Replacing the Minuteman missiles would require an expenditure comparable to the cost of the MX. Consequently, it makes good sense to deploy the MX to replace some of the Minuteman missiles.

Some critics have claimed that the MX cannot replace the Minuteman because it cannot be maintained and operated in the Minuteman silos. Having inspected a Minuteman silo inside and out, I can answer this allegation: It is entirely feasible to deploy the MX in Minuteman silos.

Consequently, I believe that those who are interested in sustaining the viability of our strategic deterrent forces and at the same time ensuring the highest possible chance of achieving successful arms control negotiations will support the MX when the vote comes up tomorrow. After all, that was the game plan recommended by the Scowcroft Commission and accepted by the President and the Congress.

MX is needed, as pointed out by that Commission, to strengthen our strategic forces by finally placing the Soviets' most advanced missiles at risk. The Commission saw this as a necessary condition for its ultimate objective, creating the conditions under which arms control negotiations might begin to make progress toward a more stable strategic environment in which each side would agree to reduce the number of large missiles and move toward smaller, less threating single warhead weapons.

In the absence of the MX in the U.S. arsenal, the Scowcroft Commission was skeptical that the Russians could be persuaded to agree to reduce their MX-capable missiles.

Mr. Chairman, I find the reasoning I have just recounted just as persuasive today as it was when this body first accepted it as the rationale for approving MX deployment. I ask my colleagues to reaffirm the support of this House for the MX.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I rise today as a freshman after listening to all the original discussion. I am very proud to have heard the words of the gentleman from Florida [Mr. BENNETT] and the stand he has taken.

It seems that this MX debate has gotten down to the point that if you do not support the President, you are not patriotic, and if you are a Democrat, you are weak. I do not buy that.

The more I hear talk about jobs, it sort of makes me laugh. The district I represent has the worst unemployment problem in all of America. This country needs a jobs program but not an escalation of the nuclear arms race to accomplish the goal of jobs. I am very proud to hear the remarks and the stand that has been taken so far, and I would like to make my position clear as a newcomer to this Congress and add it to the types of rhetoric that have been heard so far.

In a Newsweek magazine article comparing the strength of both the United States of America and the Soviet Union, they compared 28 major weapons systems categories. Of those 28 major weapons systems categories, America was superior in 9, was equal to or had a lead in 15, and trailed the Soviet Union in but 4 weapons category systems. There was not one American military expert who was questioned who would trade the position of the United States militarily for that of the Soviet Union.

We have come down to a point as Democrats of apologizing for our position. I do not believe that there is any citizen out there who gave a mandate to this President to escalate the nuclear war. They like him, and let us not be confused about it. He will stand and look you in the eye and give you his position. America likes that, and that is certainly commendable. But for us now to take that position of his popularity and spill it over into America's position on the nuclear future of this country would be catastrophic.

The MX is a "sitting duck." Without mobility, there is no defense. I believe the speakers on both sides so far have stated that, and we understand that.

□ 1440

This President himself stated that this program was not a bargaining chip; so the arguments on it, in my opinion, are rather ludicrous.

I think what is most important to me as a freshman is trying to decipher, to distill, and digest all the information you have to make an important decision. Certainly we do not want to sell the President down on an important position; but this country is

being sold a bill of goods that bigger is better. I think President Eisenhower warned us himself that America would become a military nation by its spending, and we have become that. That cannot be argued. That is a fact.

We are no closer to peace than we were 4 years ago. I believe now it is time for America to meet with Mr. Gorbachev. I do not believe the Russians are crazy and want to explode and detonate the world. I do not believe that any bargaining position is enhanced by having a big hammer. It usually makes your adversary rather mad.

Our strength is unquestioned and for all the debate over this particular missile, which would give somebody looking in to believe that America's strength is not what some might report it to be, would not be very wise for them to accept that position; but America's strength is in its people and in seeking freedom, not in its position to continue to escalate a nuclear race.

I want to also now include statements of James Kilpatrick, written March 24, yesterday, in the Akron Beacon-Journal. The fundamental question he poses is:

Does the United States now possess a sufficient retaliatory capacity to deter the Soviet Union from launching an attack?

The truth is that the United States now possesses a nuclear arsenal sufficient to destroy the Soviet Union altogether—its cities, its refineries, its transportation system, its power generating plants, its military bases.

There is no question of that. I believe it is time now for America to give peace a shot, not with a hammer, but with mutual consent: Two rational parties to sit down and seek peace, not to try to hammer out peace by having a bigger weapon.

There was a time when America was prepared to overcome the narcotics problem by creating a super drug. Now we are going to overcome our defense problems by creating a super weapon.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BENNETT. Mr. Chairman, I yield the gentleman 1 more minute.

Mr. TRAFICANT. Mr. Chairman, I believe our position should be clear. I believe the Soviet leaders, whatever their flaws or the intepretation by the American people, that they are not lunatics. They love their country and their homeland, too, and faced with the proposition of destruction, I do not believe they are going to opt to push a button, nor should I believe that our dialog here today should be one that could be misconstrued that we would as well.

I think our position is clear. I am proud of the position I have taken. I do not particularly feel that there is any lack of patriotism in anybody who questions this particular spending. It does not cut it. It is a sitting duck and it does not help America. If we discuss those issues and put those issues on the line and tell it like it is, it cannot be denied. It is not a time for a parochial fight. If you want to create a jobs program, I am for it a 100 percent and I would hope you would rise with it. I would not only help to support it, I would help to write it with you.

Mr. Chairman, I include the article from the Akron Beacon-Journal, as follows:

MX BARGAINING CHIP IS A BUST

(By James J. Kilpatrick)

WASHINGTON.—The House of Representatives will be voting this week whether production of the MX intercontinental nuclear missile should be continued. Last Tuesday, the Senate said yes. The House should say no.

Three reasons alone add up to a compelling case against continued investment in the MX. The first has to do with retaliatory capacity, the second with the problems of the MX itself, the third with alternatives to pouring more money into nuclear arms. A fourth argument more persuasive than all the rest, is that the likelihood of a nuclear war has become so remote that its possibility no longer should dominate defense planning.

The threshold question that has to be met in any discussion of new strategic weapons may be simply put: Does the United States now possess a sufficient retaliatory capacity to deter the Soviet Union from launching any attack? If the answer is no, then perhaps a case could reluctantly be made for continuing the hemorrhage of public funds in this area. If the answer is yes, as many informed observers believe, then the MX cannot be justified.

The truth is that the United States now possesses a nuclear arsenal sufficient to destroy the Soviet Union altogether—its cities, its refineries, its transportation system, its power generating plants, its military bases. Our Minuteman missiles may be vulnerable and our bombers may be aging, but given the will to retaliate—and few would doubt that Ronald Reagan possesses that will—the United States still retains the capability of wreaking awesome destruction upon an enemy. At some point, enough is enough. We have reached that point.

What is to be done with the 21 MX missiles voted by the Senate? The answer appears to be that we will "superharden" the existing Minutemen silos and house the new supermissiles there. But expert opinion is sorely divided on the feasibility of this approach. Unlike a submarine, a silo stays put; its location can be targeted to the last millimeter. Before the folly of the MX is compounded by the folly of silo deployment, surely renewed thought should be given to some form of mobility.

The argument that carried the Senate, convincingly put forth by Mr. Reagan, was that to abandon the MX would cut the legs from under the negotiating table in Geneva. A no vote would send the wrong signal. The MX must be preserved as a bargaining chip.

But a bargaining chip ceases to be much of a bargaining chip when this argument is so publicly pursued. If we mean to wage a nuclear war with the Soviets, and the MX is essential to survival, then the MX has to be produced. It becomes non-negotiable. Talk of a "chip" dissipates the seriousness of our supposed determination.

No one knows—no one can know—what the MX missile system ultimately may cost. Congressional testimony estimates the price of each missile at $74 million; the superhardening could range from $100 million to $180 million per silo. We are talking of squandering billions and billions of dollars in tax funds, merely to achieve some temporary enhancement of a destructive capacity that is more than sufficient already.

Rep. Charles Bennett, D-Fla., recently remarked upon the alternative to continued nuclear production. If the $13 billion that has been allocated to the MX since 1974 had been channeled to conventional arms instead, our armed forces could have acquired 840 M-1 battle tanks, 716 Bradley fighting vehicles, 144 Apache attack helicopters, 180 F-16 fighter bombers and 48 F-15 fighter jets. All of these have been requested by the Pentagon for the coming fiscal year.

Surely it makes more sense to prepare for wars that likely will be fought than to prepare for an improbable catacylsmic conflict.

My own serene conviction, for whatever it may be worth, is that no nuclear war will ever be waged. This conviction rests upon the observation that Soviet leaders, whatever their flaws, are not raving lunatics. They love their homeland as we love ours, and in a showdown they will not risk its destruction. The time to stop this nuclear arms race is now. The House should say so this week.

Mr. DICKINSON. Mr. Chairman, I yield 11 mintues to the distinguished gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the Chair and I thank the gentleman from Alabama.

I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding.

The previous speaker made some pretty strong remarks and I think that the people of this country have the right to choose who they want to believe regarding this very, very important issue. The President in a report to Congress on March 4, 1985, had this to say:

My report also concludes that Peacekeeper is an essential element of our arms control strategy. Without the Peacekeeper, our chances of reaching an equitable agreement with the Soviet Union to reduce significantly the size of our nuclear arsenals are substantially lowered. Indeed, should Congress delay or eliminate the Peacekeeper program, it would send am unmistakable signal to the Soviet Union that we do not possess the resolve required nor the continuity of purpose to maintain a viable strategic triad and the policy of deterrence the triad represents. The time has come to place this issue behind us, the President went on. While we have debated the merits of the Peacekeeper program, the Soviets have deployed over 600 Peacekeeper type missiles. If we are to move towards an equitable treaty in Geneva, procurement of the 100 Peacekeeper missiles must continue.

I thank the gentleman for yielding.

Mr. COURTER. Mr. Chairman, I thank the gentleman for his comments. I think they are very appropriate.

What I would like to do is spend a couple of minutes attempting to refute

the arguments that have been mentioned already against the Peacekeeper, the MX missile, and then go forward to some of the positive reasons that I think make it overwhelmingly necessary to deploy this type of a system.

I would like to start out by saying, in contradistinction to what was said by the gentleman from Florida, that a pro-MX vote is an easy vote. It is not. It is not easy to vote in favor of weapons systems, particularly systems that have massive destructive capability. You only do so if you deeply believe that they are absolutely essential for deterrence, that they are absolutely essential to preserve our way of life and to preserve peace and freedom. It is then a difficult vote and it is a courageous vote.

It has been said that the MX missile system is an expensive one. Indeed, it is. You are talking in terms of anywhere between $26 billion to perhaps $30 billion over the life of the system; but if you examine the sum of money that we spend for other things, the sum of money that we are spending for the security of this Nation on an annualized basis, you will realize that the MX system is something that is necessary for security, is necessary for deterrence, and is something that we can and must afford.

We are talking in terms of spending approximately one-half of 1 percent on an annualized basis of our total defense spending for the MX missile. Now, if it is a system that is militarily necessary, one-half of 1 percent on an annualized basis of our defense posture is certainly not overwhelming.

It has also been mentioned that the MX missile is vulnerable in deployed Minuteman II and III silos. I think the gentleman from California, DUNCAN HUNTER, spoke well about the fact that these systems have a cynergistic effect. It would be impossible for the Soviet Union to have great confidence in a disarming strike on all three legs of the triad.

Those people who look at silo vulnerability get the argument twisted. Basically, what we have is a question of force survivability. Is the entire strategic force that we have in the United States vulnerable? The obvious answer to that is that it is not. Each leg of the triad has different properties, different characteristics. The air breathing leg, the bombers, obviously can be called back. They take a longer period of time, but they are flexible. The sea launched ballistic missiles at least to the end of the 1980's, are invulnerable, but they have problems with regard to command and communication. It is difficult to communicate to the sea based leg of our triad. Everybody recognizes that. Everybody who has sat and listened to the hearings recognizes the fact that it is very difficult to communicate with our submarines. Without divulging their location.

The land based leg of our triad has different properties. They are more accurate. They are prompt and at the present time they are not as invulnerable, as we would like them to be, viewed in isolation.

But the Soviet Union does not look at the land based leg of the triad in isolation. They are not going to look at the U.S. total deterrent as one leg of the triad. They obviously look at all legs of the triad in conjunction with each other.

Finally, it has been said that the MX missile is a first strike weapon. Never have I heard that from witnesses. I have heard that only from people who criticize the deployment of the system.

I would like to ask a question of those. If the Soviet Union has approximately 5,000 strategically important targets, silos, command and control centers etc., how can the deployment of 100 MX missiles make this a first-strike weapon?

□ 1450

The point is it simply is not. No witness in my experience in the last 6 years as a member of the House Armed Services Committee has testified that 100 MX missiles could be construed to be a first strike weapon.

The Soviet Union has approximately, and these are estimates, 90 percent of their strategic capabilities in systems that are 5 years old or less, the height of their technology. At the present time, although we are now modernizing after the 1970's when we did very little modernization, about 90 percent of the U.S. strategic systems are in systems that are 15 years old or older. And that is a great difference between the Soviet Union and the United States.

I would like to also mention, that there has been a great deal said over the years during this debate, and this is not going to be the last debate this year, that it is acknowledged that the Soviet Union today has approximately 600 MX capable missiles. That means the Soviet Union has 600 land-based missiles that can put at risk our deterrent force, that can put at risk our hardened command and control centers. We do not have a comparable system.

Most people will agree that it is important for the United States and the Soviet Union to have equality, to have rough parity, to have equivalency. I would argue that I do not argue that the United States should be superior to the Soviet Union in strategic capabilities. I believe it is impossible. I would make the argument, however, that it is not appropriate to have the United States inferior to the Soviet Union with regard to strategic weapons, and that is the case today.

They have 600 MX capable missiles. We have none. We have been debating year after year and we have yet to deploy one. The first one will not be deployed until the year 1986.

Also, there is an issue with respect to resolve. Everybody knows that. If the Soviet Union knows, as they do, that the MX missile is the best strategic weapon for the United States, and if we walk away from this system unilaterally, if we walk away from this system without extracting any type of concession from the Soviet Union, they, the Soviet Union, will draw the correct conclusion and the appropriate conclusion with respect to our resolve and our commitment.

Also, Geneva. That has been mentioned a few times today. What will the signal be to the Soviet negotiators if we unilaterally withdraw this very capable weapon without extracting one concession, one thing from the Soviet Union? What type of signal will that give to our NATO allies after we persuaded them, and cajoled them, and spent hours talking to them, pleading that they had to have a tangible response to the deployment of Soviet intermediate range ballistic missiles in Europe, the SS-20.

When ally after ally is starting to deploy, recognizing the threat and recognizing the importance of deterrence, if we then, when it comes our turn to deploy a modern weapon on our own soil say no, we do not want it; go ahead, Europe, go ahead, France, we want your independent deterrent, Great Britain, we want you to deploy the cruise missiles, we want West Germany to deploy Pershing II, but we will not deploy the MX. What then will happen to NATO?

Also, it gives our deterrent capability, our deterrent structure, our deterrent force credibility, something that has not been mentioned here, something that really was not well mentioned 1 year ago when we debated this particular issue. And what is credibility? I have heard time and time again people saying, as we have already heard this afternoon, that the United States has enough force, has enough yield, has enough megatonnage in their strategic arsenal to kill all of the civilians in the Soviet Union two or three times. Or if the Soviet Union launched their SS-17's, 18's, and 19's, at the United States, we could deploy our Minuteman II's and III's or SLBM and bombers and we could annihilate Moscow, we could annihilate Leningrad, we could destroy their civilian population.

I would make the argument that the Soviet Union knows that that type of a threat is not a credible threat because we would simply not do it. If the Soviet Union, using their ICBM's that have hard target kill capability, in a surgical strike annihilates as much of

our deterrence as they possibly could, our land based missiles and our bombers that are in bases and our submarines that are in bases, would the United States then launch our missiles against Soviet civilian populations, killing 30 million to 60 million citizens of the Soviet Union? No. We would not and they know we would not. That itself would be immoral and, that would surely invite the annihilation of the American experiment, because the Soviet Union would have enough missiles to respond in kind, killing American civilian targets.

Therefore, in order to make sure that our deterrence, has credibility, we have to have missiles that are capable of targeting their missiles. We have to have a land based system that is capable of knocking out their weapons, not their people. And that is the only way we can possibly have a credible deterrence.

Until we go to defensive systems we have to, unfortunately, rely on deterrence. We must, if we rely on deterrence, have one that is believable, one that is credible.

Mr. KASICH. Will the gentleman yield?

Mr. COURTER. I will be happy to yield to the gentleman.

Mr. KASICH. I appreciate the gentleman yielding.

I would just like to point out for those who have taken the time to read the Scowcroft Commission Report, they use the word "stability" consistently throughout this report. For example, when they talk about the massive buildup here over the period of the last 10 to 15 years, 1,400 launches, 5,000 warheads, throw weight four times that of the United States, 800 of the missiles, the 18's and 19's that are similar to our MX variety, the fact that the Soviets are moving forward with tests of even 2 new missiles, which will mean they will have a total of 5 if we even deploy 1.

But I say to the gentleman from New Jersey [Mr. COURTER] it is very interesting to see in here that they actually talk about stability, and the purpose of MX they claim is to restore stability.

There are people that say the MX is a destabilizing force. The Scowcroft Commission says—and I understand there are some Secretaries who served the country before who do not agree with Scowcroft and they are the ones that were involved in letting the strategic deterrence of the United States deteriorate to the point where Republicans and Democrats alike have seen fit to join together to rebuild America's defense posture—but it says in here that "Overall perception of strategic imbalance caused by the Soviet's ability to deploy hardened land-based targets with more than 600 18's and 19's, while the United States is clearly not able to do so with the existing ballistic missile force, has been reasonably regarded as destabilizing."

If the gentleman will continue to yield for 1 additional minute, not only do they point out in this one section of the Scowcroft report, and I urge my colleagues to look at it, but they go on to say that a one-sided strategic condition in which the Soviet Union could effectively destroy the whole range of strategic targets in the United States, but we could not effectively destroy a similar range of targets in the Soviet Union, would be extremely unstable over the long run.

Mr. COURTER. I thank the gentleman. He said it better than I did. The point is well taken.

The concept of deterrence, when we worked that out with the Soviet Union quite a number of years ago, was based simply on two assumptions. One assumption is that both the Soviet Union and the United States would remain vulnerable, our civilian populations would remain vulnerable to an attack, knowing that the response would make any type of initial attack unreasonable, unethical, and immoral, and at the same time our military capabilities would be invulnerable; civilian populations vulnerable, military capabilities invulnerable.

That has been the modus operandi, over the years and that is what deterrence is based on. It was the Soviet Union, not the United States, that changed it. They have made our deterrent forces vulnerable, and all we are trying to do is regain parity. It is extremely important.

Finally, and my last point, and I thank the gentleman from Alabama for yielding for me to conclude my remarks, we have argued in the 1970's that we would modernize in the late 1970's. We argued that in the mid-1970's we would finally get around to modernizing in the early 1980's.

We argued in the late seventies that we would finally modernize the land-based leg of our triad in the mid-1980's. Yet there are some people today that say we should not deploy MX because someday in the 1990's we are going to deploy Midgetman, a small missile. If we do not deploy now, the Soviet Union can conclude that there will always be a strategic reason, there will always be an environmental reason, there will always be a fiscal reason, there will always be a doctrinaire reason, there will always be some reason for the U.S. Congress to debate and never deploy.

Mr. Chairman, I thank the gentleman from Alabama.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STRATTON. Would the Chair advise me as to how much time we have on this side remaining, with the gentleman from Alabama [Mr. DICKINSON]?

The CHAIRMAN. The gentleman from New York [Mr. STRATTON] has a total of 2 hours and 49 minutes left; the gentleman from Alabama [Mr. DICKINSON] has 56 minutes remaining. The gentleman from Florida [Mr. BENNETT] has a total of 4 hours and 17 minutes remaining.

Mr. STRATTON. Four hours, Mr. Chairman?

The CHAIRMAN. The figure 4 is correct.

The Chair now recognizes the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I have a further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. STRATTON. The agreement, as I understood it, and as it was developed between the Speaker and the chairman of the Committee on Armed Services, was that we were to have 6 hours of debate on today.

The CHAIRMAN. That is the Chair's understanding.

Mr. STRATTON. And we were to have 4 hours of debate tomorrow.

The CHAIRMAN. The gentleman is correct according to the Chair's understanding.

Mr. STRATTON. And therefore the proper allocation of time between the opponents and the proponents would require that we conclude the 6 hours with both sides conducting 3 hours of debate.

The gentleman from Florida has how much time remaining in the 6-hour period for today, Mr. Chairman?

The CHAIRMAN. The gentleman from Florida, for the time today, has 2 hours and 17 minutes. The gentleman from New York is correct.

Mr. STRATTON. I am just wondering if the gentleman could consume a little bit more of his time, that is the gentleman from Florida, so that we will end up with equal time on both sides.

The CHAIRMAN. The Chair now recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank the gentleman from Florida.

Mr. Chairman, let us remind ourselves why we are taking 10 hours for this debate, why so many people are involved, why the vote is expected to be so close, because the last speaker from New Jersey pointed out what the real issue is.

While the proposition before us is to unfence 21 missiles, the last gentleman speaking in behalf of unfencing those 21 talked about 100 MX missiles. That is what we are talking about. We are not talking about one-half of 1

percent of the defense budget. We are talking about probably as much as $40 billion.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I mentioned 100 missiles because of the irresponsible statements, I would argue, the inaccurate statements that the MX even in its full complement of deployment, is a first strike weapon. Obviously the debate today is uniquely suited to the 21 missiles. I think everyone will concede regardless of how you vote today and regardless of the outcome, no more than 21 missiles will be unfenced.

Mr. HERTEL of Michigan. If 100 are not adequate, what good would 21 missiles do if that is the gentleman's point on the 21 today?

Mr. COURTER. Well, we need 100. Twenty-one is better than none. It does show some resolve. It does show some capability with respect to rendering the inequality equal, putting their military posture at risk.

Mr. HERTEL of Michigan. But the gentleman believes, as he just said again, that we need 100.

Mr. COURTER. I believe we need 100, but you obviously are never going to get to 100 unless you have an affirmative vote on 21. The issue today is the 21. Regardless of how you vote today, you will never get more than 21. Based on this vote.

Mr. HERTEL of Michigan. But you will never get to 100 unless you do vote yes on the 21.

Mr. COURTER. I thank the gentleman for yielding. I am sure there will be many people arguing that 21 is enough of an indication, it shows our resolve, it is militarily necessary. There will be those that say we should stop at 50 and those who say we should stop at 75. Those issues I am sure will be visited on a future day.

Mr. HERTEL of Michigan. The gentleman has pointed out and clarified for me my very point, that is that we are going to keep hearing about 21 missiles, 48, 50, until we hit 100, because the gentleman and many others want 100 missiles. The administration wants 100 missiles. That is why we are not talking about one-half of 1 percent of this defense budget. That is why we are talking with superhardened—and I love the adjective superhardened—silos and spending as much as $40 billion.

Mr. COURTER. Mr. Chairman, will the gentleman yield further?

Mr. HERTEL of Michigan. I yield to the gentleman again.

Mr. COURTER. No. When I used the words one-half of 1 percent of the defense budget over the useful life of the system I was calculating all 100.

Mr. HERTEL of Michigan. I thank the gentleman for that clarification.

We are talking, then, as the discussion focuses, about 100 MX missiles. Let us not kid ourselves as some people in the Senate did, the other body did, some people said they were going to vote and some people are saying they are going to vote for 21 now but they will oppose the 48 and they will always oppose 100 missiles. But that is why we keep seeing votes switch in this House and in the other body. One time a Senator from the Midwest votes yes, last year; this year that Senator voted no. That Senator will have many more occasions to go yes and no on the very same missile on the very same basing mode that we are discussing today and that we discussed last year.

The CHAIRMAN. The gentleman will please suspend for just a moment.

The gentleman will not refer to votes in the other body.

The gentleman may proceed.

Mr. HERTEL of Michigan. Mr. Chairman, I will try to refer to positions in the other body and strategies.

I am trying to address today those people who have voted no consistently against the MX missile because of all of the issues raised today, who are now saying they might vote yes for the first time and they might only vote yes this one time.

Well, this is not the end of the story, this is not the end of the line in this House because several more times this year and at least one more time this week we are going to be voting on the MX missile. And it was said in our caucus last week and it was said in the Committee on Armed Services last week that we all agree the negotiations are not going to be completed by next month. We all believe the negotiations are not going to be completed by next year. In fact, most experts expect that the negotiations in Geneva will take 2 or 3 or 4 years.

So when the question of resolve is raised you cannot tie that question and that issue and that argument only to the 21 missiles this week because over the period of the negotiations the escalation for the MX will go up and within the period of negotiations I predict, and within 4 years the question of 100 MX missiles will be back on this floor just as it is back in this debate today as the central focus, 100 missiles.

□ 1510

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BENNETT. I yield 5 additional minutes to the gentleman from Michigan.

Mr. HERTEL of Michigan. Now, it would be easy to say that although we have been elected as Congressmen and as our chairman of the Sea Power Subcommittee has pointed out under the Constitution we have the responsibility to decide these questions, that we should just listen to somebody else, and if they are wrong, it is not our fault; we just gave them a bargaining chip; we just gave them a chance.

But it is our responsibility, and we all know it is our responsibility, and we will know it next year and 5 years from now and 10 years from now.

Over 30 basing modes have been attempted in the last decade, plus, for the MX. Two years ago, Secretary Weinberger himself told us that we could not put it in the existing silos. Then they came up with an adjective, "hardened" silos, and "superhardened" silos—let us talk about those for just a minute.

They do not even have the technology yet for the superhardened silos; they cannot tell us when they will be finished, although it would be at least, under testimony from Under Secretary Wade, at least not until 1990 would they be prepared to have those superhardened silos, and they cannot tell us yet how much it will cost, exactly, because they do not know exactly how they are going to do it.

So superhardening those silos is still going to make them vulnerable. In fact, under an attack by the Soviet Union, we could have less than 1 percent survivability of these silos; because we are not talking only about the Soviet system tomorrow, and we are talking about the MX and hardened silos not even being ready until 1990 at the very least, the very least; the very soonest they say it is possible.

And what are the Soviets doing? Well, we are going to stick these MX missiles in the same hole the Minuteman missiles are vulnerable in today. What are they doing? Well, it was in the Washington Post just 2 weeks ago. The administration told us just a few months ago that the Soviets are going to deploy two mobile missile systems in the Soviet Union.

What is our response? To put the MX missile in the hole. Now we know from testimony from the administration, from Under Secretary Wade, that we could accelerate our mobile missile program and have it in operation as a deterrent by the early 1990's, and no one disputes that.

In other words, we could have the mobile missile that the Soviets are working on today to deploy deployed in this Nation at about the same time that the vulnerable, unsurvivable MX missile would be placed in these expensive, superhardened silos.

When we talk about "no alternative" let us look at what the alternatives are, and let us look at credibility. We all agree here that the Trident, the D-5 missile included is our best weapon and our best deterrent. And yet people say, and rightfully so, that maybe in

the 1990's it will not be as survivable; it will not be as invulnerable.

Well, then, why do not we accelerate the development today of the Trident missile which we have the capabilities of doing. In fact, it is very possible that we could double the acceleration of the Trident submarine. Why finish the force of Tridents in the mid-1990's and later when we agree it may be vulnerable at that time? When it is invulnerable, why not accelerate it today?

Why? Because the money is going other places. The same reason we cannot accelerate the mobile missile today; is because people want to spend money on the MX over the next few years.

Let us talk about the amount of money we spend when people talk about resolve. We spend over $300 billion a year on the defense of this Nation. No one can question our resolve, and certainly the Soviet Union has seen that resolve through those expenditures, and through the choices that we have made in those areas, but our money we know even with this huge deficit that has been run up over the last 4 years is not unlimited; our allies' money is not unlimited; and our enemies' money is not unlimited.

So we all must make choices, and that is why I argue for the mobile missile acceleration; for the Trident II acceleration. Those things could give us credibility. We talk about our NATO allies that we are proud of for going along with us and deploying the cruise missile, the Pershing, which I think many of us would agree is what got the Soviets to the bargaining table in Geneva, the Soviets do not fear the MX but they do fear the cruise and Pershing missiles, and I think they are very concerned about what might happen under SDI. But not the MX; that has not come up in this debate as something that the Soviets really fear as much as the cruise, the Pershing, and SDI.

Let us talk about our brave NATO allies who stuck with us.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STRATTON. I yield 3 additional minutes.

Mr. HERTEL of Michigan. Our NATO allies are not clamoring, as some would suggest, for us to build the MX missile, because they are concerned about it being used as a first strike weapon; they are concerned that it is destabilizing, and they know that the Trident is a better deterrent.

So our NATO allies, and the people in our NATO allied countries, will not be disappointed if we do not go along with this destablizing weapon, the MX.

Let me just talk about what is going to happen if the 21 are unfenced, then we will go to 48, and we will get to 100. It will cost over $40 billion. The saddest part is, there will be no real deterrence, and as far as the defense of this Nation, the saddest part is that more of the money did not go to conventional forces. We are already seeing the Defense Department talk about cutting things like munitions and food for our troops, and stretching out other weapons systems that we agree are needed.

The saddest thing for the defense of our Nation is that in the end when we have these silos, these vulnerable holes—and we all know that is true; we will have picked up nothing for the $30 or $40 billion which we have spent.

Now it is not easy to say no at a time like this; but if we do not say no today, we will not have the chance to say no later. The talks in Geneva will go on. Not only this week while we face 21; the talks will go on while you face full funding for 48, full funding for 100, and the argument will be the same:

That argument is not on the facts or the deterrence of the MX missile, but rather on the question of resolve. We have shown resolve. I think we have given enough alternatives today and in the past, and I think we have shown we have spent enough on our national defense. I think we have shown that we care, that we can agree in so many other areas, that when we are torn so much on this one issue, there has got to be a good reason.

Why the MX? Why is that the big debate every year? Because it is the most vulnearable, for the most amount of money that does the least good for the defense of this Nation.

I ask you to vote no on it.

I yield to the gentleman from Washington.

Mr. DICKS. I appreciate the gentleman yielding, and I certainly was not trying to in any way hurry him along; I just wanted to ask him a question.

One of the things that the bipartisan Scowcroft Commission talked about was the fact that they felt these missiles would not be vulnerable because they debunked the whole notion of a window of vulnerability. They said, no rational Soviet planner can attack our land-based ICBM's because he or she would know they would be devastated by our submarines and bombers. And that synergism creates survivability.

Does the gentleman in any way dispute that notion of synergism, as related by the most distinguished panel of Americans that has ever spoken on this kind of argument?

Mr. HERTEL of Michigan. The gentleman's argument, and we heard it earlier today from the other side, is that if we have the triad, and we have different weapons coming at the Soviets if we are under attack, that they cannot defend against all three legs of the triad as easily.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BENNETT. I yield 3 additional minutes to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, that is a point upon which we base our strategic defense and can agree. But when we spend our money for the three legs of the triad, we still should make the best choice for the triad, and as I argue today, the mobile missile that the Soviets are showing us would be a stronger leg.

Let us agree on this: That of the three legs of the triad, when we have the B-1 in place, we have the Trident II in place, the MX would be the weakest link of that triad. Do you agree?

Mr. DICKS. Thanking the gentleman for yielding, I would not agree, because I believe synergism will work. Let me just tell you——

Mr. HERTEL of Michigan. Would the mobile missile be superior to the MX missile in 1993?

Mr. DICKS. Well, let me explain one thing. I think that the Scowcroft Commission said that—a lot of my colleagues have not been willing to talk about, because I am afraid that everyone has made up their mind on this issue anyway, but just remember one thing the Scowcroft Commission said: That what MX does is give you some prompt, hard target capability. But most importantly, it gives you leverage to get the Soviets out of their vulnerable silos, to move toward the SS-24 and SS-25 which are mobile systems, which are more secure, as we move toward Midgetman.

Now when you put the two together, MX and Midgetman, you give the Soviets an exceedingly difficult problem.

Mr. HERTEL of Michigan. Reclaiming my time, Mr. Chairman, the gentleman has made his point.

The fact is, as I have pointed out, we already know that if we build the MX up to 100, which they are arguing for today, and they will be in the future, that will push back the mobile missile.

□ 1520

We all know that is a fact, that it is going to put it back until the late 1990's or maybe the end of the century.

Mr. DICKS. I disagree. The IOC on the Midgetman is 1992, 1 year after the IOC on the D-5.

What I would say to the gentleman is that this is the only immediate step in modernizing the strategic land-based missile that we can do in the near term.

Mr. HERTEL of Michigan. Let me take my time back for a moment to address a point that you made, and that is General Scowcroft. He told a group of us at a luncheon last year the question was not that the MX was not survivable. It is not. The fact is that he thought it was a question of resolve.

That is why I bring forth other ideas today, to show our resolve, and to remind the Members that we have spent $300 billion per year on resolve already.

Mr. MARVOULES. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I think there is one question that must be addressed here that we have not addressed at all. We talk about weapon systems, we talk about parity, superiority, we talk about qualitative, quantitative. If indeed the Soviet Union is so powerful, so threatening to the United States, why in God's name would they want to go back to the table? The MX missile is not going to bring them back to the table. The reason they are back to the table is because of the triad spending and research and development that is going on presently.

Mr. HERTEL of Michigan. The gentleman makes an excellent point.

Mr. MAVROULES. I will address that later on.

Mr. HERTEL of Michigan. A very excellent point. When Congress voted the full money for MX missiles 2 years ago they did not come back to the table. When we fenced 21 last year the Soviets still came back. Why? Because they are afraid of the cruise, the Pershing, and SDI.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

I think the Soviets probably came back because of the initiative of the President and other people on SDI.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

Mr. BENNETT. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan.

Mr. COURTER. If the gentleman will yield further, I just wanted to clear up what I thought perhaps was an inaccuracy. It has to do with the small Midgetman missiles. I have not heard any testimony that would lead me to conclude that the program could be accelerated. It is now on track. You are talking in terms of initial deployment in 1992. So regardless of what the vote is today, the initial deployment, at the earliest, of Midgetman, if this body so votes, which I doubt when they hear about the costs, will be 1992.

Mr. HERTEL of Michigan. Well, I think we can agree on that. That is exactly my point. It would be 1992. That was testimony from Under Secretary Wade just this past month, but also at that very same hearing he pointed out that we cannot have the MX in the super-hardened silos until, at the earliest, 1990. So we are talking about 2 years for one system that is not defensible against the mobile missile, which we all know is far superior. And we are going to hear that argument later: We cannot now afford the mobile because we spent all the money on the MX-hole-in-the-ground operation.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman.

Mr. Chairman, I think my colleague, Mr. COURTER, makes an excellent point, and that is something we will have to determine, as to whether or not we go for the Midgetman.

The other question, of course, is: Are we prepared to go along with the hardening, the cost of the hardening, for these 100 MX missiles? And those will be coming down the line pretty soon. That is another question we have to determine.

Mr. HERTEL of Michigan. I thank the gentleman very much. It is a good point.

In conclusion, let us all be sure what we are talking about. We are talking about not 21 missiles, although that is the provision before us; we are talking and will be talking, if this provision passes, from now on, for the future, about 100 missiles and the cost of 100 missiles, not the strategy of 21 missiles.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Ohio.

Mr. KASICH. I appreciate the gentleman yielding.

I think the gentleman from Washington makes a good point. And for those who read the Scowcroft Commission report, you do notice what we are linked.

Mr. HERTEL of Michigan. I yield for a question, not a statement.

Mr. KASICH. What the Scowcroft people say is that if we deploy the MX, it will provide incentive for the Soviets to move toward a single warhead.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore. [Mr. ADDABBO] assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

The SPEAKER pro tempore. The committee will resume its sitting.

TO AUTHORIZE RELEASE OF FUNDS FOR MX MISSILE

The committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 10 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, the MX missile is like a recurring nightmare. It is frightening, and it just keeps coming back.

Now, this body has set aside a great deal of time to debate whether or not the House should vote to release $1.5 billion to fund the production of 21 additional missiles. Today alone, as we debate here, the budget deficit that this country is generating and the staggering national debt that we are piling up for our children will have increased by $608 million and $487 million, respectively. The President says only domestic spending adds to our debt. What a fabrication. Military spending has gone up over 100 percent in 4 years. Those are hard dollars, and those are our dollars.

Now, I have listened to my colleagues stress the need to make some hard choices in order to bring the deficit under control. To me, this is the first test of those hard choices.

We have a deficit this year that may exceed $200 billion. Yet we are being asked to approve the release of $1.5 billion for a missile program that is being touted not for its military value but rather for the message that we wish to send to Moscow. The total program will cost more than $40 billion. This is the most expensive telegram ever sent, and the message we are sending to the Soviet Union is basically worthless. Here we are, building a weapons system that is vulnerable, expensive and unnecessary. Frankly, I think the message we are sending if we vote for the MX is that we do not know what we are doing. Now, I respect very deeply the Office of the Presidency. But I do not care how many Members of Congress the President talks to and cajoles, the facts are the facts.

If we vote no on the MX tomorrow, will the MX missile die? The answer is no. The MX Missile Program, like so many other weapons programs, is currently overfunded and undertested. The GAO tells us that as of January 1985, the MX Program had only expended $150 million of the $3 billion provided in 1984-85. My colleagues, that is less than 5 percent of the total funding available. GAO has confirmed that with the available funds only, not including the $1.5 billion that we are asked to release now, production could be sustained through 1986. So as long as the production line remains hot, the Soviets know that we can continue to produce missiles. The message is

clear. $1.5 billion more thrown into the equation will not make the MX any more of a bargaining chip than some say it already is.

The original MX test plan called for 23 test flights prior to deployment. Now we are going to deploy 21 missiles before we have even done those tests properly.

Here we go again. We have spent over $4 billion on the Sergeant York air defense gun, and it still has not passed crucial tests and it has performed so badly that the Secretary of Defense froze funding until the whole system is reexamined. We have spent over $1.5 billion on the Bradley fighting vehicle and yet it has not been fully tested, nor do we know the extent of problems that will arise and how much it will cost taxpayers to solve them. The MX itself has been plagued by cost overruns. Unit costs will exceed original estimates by as much as 35 percent.

I would say that the American people are fed up with the waste and the abuse of the military procurement system and expect Congress to exercise appropriate oversight authority over these programs.

I want to talk for a minute about this bargaining chip argument, because I think it is very important. It is so important that the President has flown back our chief arms negotiator to meet with Members of Congress. And I will be going to that meeting, as well as many of us, today. And I intend to say to that chief negotiator and to the President, if I have that opportunity, that we in this Congress have approved the spending of over $1 trillion in the last 4 years for defense. We are currently funding programs for development, procurement, maintenance, and modernization of weapons that include so many they are almost too numerous to mention in the time that I have, so I won't even list them. Is it possible that anyone could look at the funding levels of these programs and doubt our awesome strength?

Is anyone naive enough to think that out of all those weapons and this unbelievable arms buildup, only these 21 MX missiles will keep the Soviet Union at the bargaining table?

1530

When the administration announced the resumption of arms control talks in Geneva, it went out of its way to lower expectations concerning possible agreements that might result from these talks. They cautioned that it would be a long and arduous time.

Now we are told that if we do not approve the MX missile, we are pulling the rug out from under the people in Geneva. If we accept this specious line of argument, then we cannot oppose any request for any amount of MX missiles for 4 years or more. The President can continually use this argument to support a vast array of weapons systems, and let us look at some of them.

Star wars; he is going to say the same to us on that. Chemical weapons; he is going to use the same argument. How about nerve gas? Maybe that is going to pull the rug out from under the negotiators. I think we cannot support this logic; we should not support this logic.

As far as vulnerability is concerned, we know that the MX is a use it or lose it weapon. We are being asked to spend billions of dollars on a weapons system whose basing mode makes it completely vulnerable, and this point has been raised.

I want to talk a moment about the budget. I am happy to say that I am on the Budget Committee this year, and the President is telling us that we have to cut spending. But to him, military spending just does not seem to be spending. But we have to cut domestic programs. He is talking about cuts in financial aid for students. Biomedical research grants for cancer and other diseases. School lunch programs; senior citizen housing. He has asked us to approve increases in Medicare premiums for the elderly, and a 5-percent pay cut for Federal workers.

He wants to eliminate the Small Business Administration; the Legal Services Corporation; the Job Corps; Urban Development Action Grants; Revenue Sharing, and I can go on and on. I think that is a fundamental argument against building this very questionable weapon.

Any time we talk about controlling the military complex, we are accused of being unpatriotic, and I really resent that. I think it is impossible to morally justify asking for $1.5 billion for a weapons system that has no value, while asking Americans to endure further shredding of the middle-class programs that have made this country what it is today.

Let me conclude with a comment on research recently confirmed by the Pentagon that should change the entire debate for every Member in this body and for the American people. I am referring to the research done by a team that included Carl Sagan and other prominent American scientists confirming the probability of a nuclear winter occurring shortly after a nuclear exchange between the Soviet Union and the United States.

Nuclear winter is the description of what would happen when nuclear weapons explode billions of particles of earth and debris into the atmosphere forming a cloud between the Earth and the Sun. Temperatures would drop rapidly throughout the world and would remain at such a low level as to destroy all living organisms, including those that are crucial elements to our food and oxygen chain necessary for our very life.

The size of the exchange that would cause this is surprisingly small. Each side using 110 kiloton missiles, a very small exchange by nuclear standards, could trigger nuclear winter. That means that a veritable fraction of either the superpower's arsenals could cause the end of life on Earth as we know it, and that is what this debate is about.

Yet, despite this evidence, despite the Pentagon having confirmed these findings of nuclear winter, we do not hear talk of any new approaches; we do not hear any acknowledgement that this new information destroys the justification for these huge arsenals. Instead, we are asked for more missiles while we continue to talk, test and build, talk, test and build.

Mr. Chairman, we have a strong arsenal of weapons capable of defending this country. We have a strong arsenal of weapons on land, on sea and air. We can defend this Nation with an awesome strength. We have a tremendous deterrent already in place. We have it without the MX missile. We do not need it; it is as simple as that.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BOXER] has expired.

Mr. BENNETT. Mr. Chairman, I yield 1 additional minute to the gentlewoman from California.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding to me.

Mr. Chairman, I would like to simply ask a question. The gentlewoman is going to be seeing Max Kampelman today, America's arms negotiator. If America's leading negotiator at Geneva tells you that he needs the MX missile to have a strong position at Geneva, was I correct in hearing the gentlewoman say essentially that she will not be concerned about that argument?

Mrs. BOXER. The gentleman is totally incorrect. What I said was I intended to tell our chief negotiator and ask our chief negotiator are there not other reasons for the Soviet Union to be at the table, and this is not my own thought.

I have done a tremendous amount of reading on this subject, and many, many experts admit, and I have even heard testimony in front of committees that we do not need the MX to keep the Soviet Union at the bargaining table. I will discuss this; that is the purpose of the meeting. I assume we do not live in a dictatorship; I assume we are a democracy where we, as good, patriotic Americans can exchange ideas. I intend, definitely, to question him on this point.

I thank the gentleman.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. I thank the gentleman for yielding me this time.

Mr. Chairman, my colleagues, I had the opportunity to serve 6 years in this House, one of the prime aerospace districts in our country, where the B-1 was designed and will be partially built. Never did I use the jobs argument, and although I understand and respect those who talk about 32,000 jobs, a major strategic defense system is not a work program.

However, I now represent a district where, although there is not much production, many of the aerospace workers in southern California, both at Los Angeles and Orange Counties live.

I received a letter from a gentleman named Mr. B.J. Russel, who works on the Peacekeeper strategic defense system. I would like to read this very short letter in its entirety, because I think it says a great deal about the pride that the people have in a system that has come in on cost, on time, and has been almost too successful, if there is such a thing, because it lends itself to this false argument that this weapons system is so accurate that it is somehow or other destabilizing.

He writes:

DEAR MR. DORNAN: I am writing this letter to give you some facts about the MX program as I see them. I have worked on the program from the very beginning, so I believe I am in a position to know what has actually been happening.

Contrary to the common view of defense contracts, I can assure you that the people working on the project have done so with great diligence, and the results to date have been better than the results for any other major defense program I am aware of.

The seven flight tests have been completely successful. This is rather remarkable considering the complexity of the system, and the fact that its accuracy is much better and its capability to survive high nuclear environment is much greater than that of the Minuteman missile.

I also take pride in the fact that the program has been executed within budget. There have been no cost overruns. Everything the government has paid for has been delivered. Although the press has left the impression that MX is about to bankrupt the treasury, I do not believe there is much basis for saying that. The fact is that MX is not even one of the ten most costly defense programs. If the object is to save dollars, there are other programs where much larger possibilities exist.

Finally, the program has met all its schedules. This has involved a high level of dedication and technical ability. The MX team is extraordinary, and would take years to rebuild, if it should be dispersed.

As to the ultimate use of the MX, none of us ever want or expect to see a nuclear weapon used. My expectation is that the President (or some future president) will eventually negotiate treaties eliminating all nuclear weapons. However, I cannot see how he can achieve such an agreement if the Soviets see that we are stopping production and dismantling our weapons without getting any corresponding concession from them.

If I can provide any other information about the MX that you would find useful please let me know.

Sincerely,

B.J. RUSSEL.

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Mr. Chairman, I will go over some of the salient points that I think should be in the RECORD today, the first day of the debate heard across America on C-SPAN and by those Members who are here or watching and some of the facts that were brought out in an excellent article by the American Security Council that has been circulated to all of us by a "Dear Colleague" letter sent by the distinguished gentleman from Ohio [Mr. MCEWEN].

Before I do that, I would like to yield to some of my colleagues. I yield first to the distinguished gentleman from Arizona [Mr. RUDD].

Mr. RUDD. Mr. Chairman, let me just rise in support of what our good friend, the gentleman from California, is saying.

The United States has not built a land-based missile since 1970, and the Soviet Union's propaganda machine is telling us that we should not build this now. So they have been successful since 1970 in seeing that we do not build one. The numbers have been repeated over and over again, the overwhelming numbers thay have already deployed, with missiles that are equal to the MX missile. We are gratified and astounded that they want to come back to the bargaining table. Well, the sole reason they want to come back to the bargaining table is, of course, for themselves to try to convince us not to build the MX missile.

Mr. DORNAN of California. Or a space-based defense.

Mr. RUDD. It is a tragedy that we are not building it, and it is time that we build it.

Mr. Chairman, I rise in strong support of House Joint Resolution 180 to authorize the release of funds for 21 MX Peacekeeper missiles.

The United States has not deployed a new land-based strategic missile since the early 1970's. Consequently our land-based systems are aging significantly. Only 30 Titan II missiles remain in service as of February 1985, and all are scheduled for retirement by 1987. The Minuteman II and Minuteman III require continued upgrading to keep them operational and are well past their design lives.

By contrast, since the time we last deployed our most modern type of ICBM, the Soviets have deployed three new types—the SS-17, SS-18, and SS-19—including 360 of the latter which are comparable in size to the MX, and 308 of the much larger SS-18's with 10 warheads each.

They have rebuilt over 800 of 1,398 silo-based ICBM launchers; hardened all new silos and command, control, and communication centers to better withstand retaliation by U.S. ICBM's; and have developed a fifth generation of ICBM— the MIRV capable SS-X-24 and the single RV SS-X-25.

The MX is the only available near-term option for modernization of U.S. land-based forces and the preservation of the integrity of our triad of strategic defense forces. The triad-air, sea and land-based forces—poses nearly insurmountable planning difficulties for the Soviets in timing a first strike. It has proven a successful strategy for more than 30 years. We should not now compromise a vital leg of that triad by refusing to modernize our land-based ICBM's.

Approval of the MX is also essential to progress at the bargaining table in Geneva. With the MX, we have 38 significant leverage. We will start these new talks from a position of strength.

However, if we vote down the MX, the Soviets' incentive to negotiate seriously on the deep reductions the President has proposed will be diminished substantially, We will prove that the Soviets can succeed in obtaining an important concession without ever having given anything in return. We cannot unilaterally disarm.

Furthermore, the arms talks in Geneva will not produce results overnight. They will likely go on for months and years. If we kill the MX—the only available system to redress the immediate imbalance in land-based forces—we compromise our security pending the outcome of those talks. And let's not fool ourselves—even when we have an agreement with the Soviets, we can't count on their abiding by it. The Soviets have a long history of violating treaties. Over the last 14 months, the President has sent three reports to Congress on Soviet treaty violations. All three indicate a pattern of violations, not just isolated incidents. If we can't trust the Soviets to comply with existing treaties, how can we trust them when a treaty is merely being negotiated? The MX must be there to provide deterrence.

The sole reason we are negotiating now is that they would have the United States leave them with an overwhelming advantage of not haveing the MX to counter that advantage, in other words, our unlateral disarmament.

This is no time to cast doubt on our national resolve. Beyond a shadow of a doubt, the MX is essential to our national security, and I urge that the resolution to release the funds for the MX be adopted.

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman from Arizona [Mr. RUDD].

Next I yield to my distinguished colleague and leader on the Committee on Foreign Affaris, the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of this resolution. It seems to me that the overwhelming argument in favor of this is that it just does not make sense to give up something without getting something in return.

Mr. Chairman, once again we are debating the merits of providing funds for the modernization of our strategic nuclear forces. I would like to take just a few moments to review the different perspectives of United States and the Soviet Union on the utility and purpose of nuclear weapons.

To the Soviet Union, the possession of nuclear weapons alone insures their status as a superpower. For without nuclear weapons which are used to threaten and intimidate the west, and the United States in particular, the Soviet leaders would not have a legitimate claim to the future of mankind. Let's look at some facts (facts which many even in this body refuse to recognize or confront): The Soviet Communist system of government is totally bankrupt, morally, politically and economically. The Soviet leaders cannot and indeed do not offer Soviet Communism as an attractive model for a thriving or productive economy; a free and open system of government, with due process of law or the holding of fair elections; or a society where its citizens can pursue "life, liberty and happiness . . ." no, the Soviet leaders—from V.I. Lenin to the new ruler and CPSU head, Mikhail Gorbachev—have relied on terror and party control to insure the regime's continued survival. Their grip on power has lessened little in the almost 70 years since the Bolsheviks acceded to power by a bloody coup. And nuclear weapons play a significant role in insuring that Soviet power is respected and feared.

In the mid-1950's, the Soviets began assembling an arsenal of nuclear weaponry based on a war-fighting theory—that is, to shape one's forces as to achieve the highest chances of winning the war no matter where, how or why it started. Thus, the Soviets chose to structure their nuclear forces around large, highly MIRV'd land-based ICBM's: The quickest, most accurate—and therefore most destabilizing—tool for nuclear blackmail and destruction. Today, almost three-fourths of all Soviet warheads are atop land-based ICBM's. The Soviets continued to build up these offensive and destabilizing nuclear forces, through exploiting ambiguities and violations of arms control threaty language and allocating immense funds for the strategic rocket forces. Simply stated, the Soviets have taken a no-nonsense approach to nuclear strategy—should hostilities erupt, they plan to win the conflict swiftly and decisively. Soviet nuclear doctrine has, from the beginning, "focused on the problems associated with acquiring the means and devising the methods for fighting to victory."

The United States, on the other hand, does not use nuclear weapons to threaten other nations. On the contrary, U.S. military doctrine strategy and force structure are all designed to deter and prevent war, not initiate it. In the late 1940's and early 1950's, the American defense and scientific communities chose to disperse U.S. forces among three legs of a strategic nuclear triad—ICBM's, submarines carrying SLBM's and long-range bombers—emphasizing the belief that the best approach to nuclear force structure is to stress stability. And, let us not forget, for many years the United States held a de facto "nuclear monopoly" on explosive devices and the means of delivering them to their targets, without using it against an alien and hostile ideology and growing power, the Soviet Union. One has to wonder what the world would look like today if the situation had been reversed.

Hence the dilemma we now face: The United States possesses a stable yet aging and relatively inaccurate triad of strategic forces, while the Soviet Union maintains a large offensive force of highly-mirved ICBM's which is capable of destroying virtually all of our ICBM's in their silos in a first strike and holding our most valuable political and military assets at risk. As Strategic Air Command Commander in Chief Benny Davis recently told Congress, "our deterrent strategy must have a capability that leaves no doubt in a potential aggressor's mind that he could not succeed by threatening or initiating aggressive acts against this Nation." This is the essence of deterrence, and also the reason we again meet today to discuss and debate the merits of modernizing the land-based leg of our strategic nuclear triad.

In my view, there are four main reasons why we have a solemn duty to approve continued funding for MX/Peacekeeper production. They are:

First. The age of our present ICBM force, and the need to upgrade and modernize our land-based nuclear forces;

Second. The ability of our nuclear forces—particularly our ICBM force—to hold at risk those Soviet targets which the Soviet leaders value most;

Third. The need to show national resolve, given the massive buildup of Soviet nuclear forces; and

Fourth. The positive impact a vote for continued MX production funds will have on the recently revived United States-Soviet arms control negotiations in Geneva.

Since the United States deployed its most modern type of ICBM, the Minuteman 3, the Soviet Union has deployed three new types of ICBM's—the SS-17, SS-18, and SS-19—including 360 SS-19's which are equivalent in size to the MX, each with 6 warheads, and 308 of the much larger SS-18, each with at least 10 warheads. I say "at least" because many estimate the SS-18 can or does actually carry 14 or more warheads. According to the Defense Department, "at least one additional modified version of both the SS-18 and SS-19 is likely to be produced and deployed in existing silos in the future." In addition, the DOD states:

> Despite these development programs, the Soviets appear to be planning on new, solid-propellant ICBMs . . . two new solid propellant ICBM's, the medium-sized SS-24 and the smaller SS-25, are being tested . . . available evidence suggests mobile as well as silo deployment for both systems. Development for all of these missiles have been under way for many years.

The Soviets surpassed the United States in number of deployed ICBM's in 1970. By deploying their fourth generation ICBM's with MIRV capability and large throw-weight, the Soviets surpassed the United States in numbers of reentry vehicles [RV's] in 1975, and continued deployments have significantly increased the Soviet advantage. The Soviets now have about 35 percent more launchers than the United States—1,398 versus less than 1,030—and about three times as many warheads—6,420 versus around 2,130.

The age of our forces was also brought home to me recently when I was informed that a Minuteman 3 missile, which had been randomly selected by the Air Force, removed from its silo and test fired from Vanderberg AFB in my district, had failed to work properly and had to be destroyed during its flight. It is unfortunate, but it is a fact nonetheless, that these systems are not 100 percent reliable. They are getting old. They need to be replaced, and it is advisable to begin replacing them now with a very capable missile such as the MX/Peacekeeper.

Part of the previous discussion addressed the MX's military capabilities. Here, the MX excels; it promises to be our most accurate land-based missile yet. These expectations have been confirmed by the results from the MX's highly successful flight testing program. Some politicians believe accuracy is unimportant to deterrence, however; we need only threaten Soviet cities to deter Soviet aggression, they say. I disagree. From what we know of their own statements—and they have been quite consistent about this over the years—the Soviet leaders value most their nuclear weapons and the means for delivering these weapons to their intended targets, the command and control infrastructure necessary for implementing Soviet war plans, and the political and military leader-

ship. The MX—unlike most of our present-day forces—will be able to successfully engage these and other hardened Soviet targets. Our ability to hold at a risk these targets is stabilizing on the military balance and adds to deterrence, as it will complicate the war plans of the Soviet leaders and make even more uncertain the outcome of a decision to initiate a nuclear war with the United States.

Next, let me turn to American resolve. Too often we underestimate how important it is for deterrence for the United States to appear resolute in the face of the many challenges posed by the Soviets. In the Soviet lexicon, the "correlation of forces" is a vitally important tool for assessing the current "balance" of all kinds of political, military, international, and other factors affecting Soviet politico-military decisionmaking. If the Soviets believe—as they undoubtedly did under the previous administration—that they can so to speak "get away with anything," they will probably judge the correlation of forces is in their favor, and proceed with the action or activity in question. If, however, they perceive a resolute American response in opposition to the Soviet activity, then they will be less likely to undertake that activity.

Since 1981 the United States has come a long way in changing the Soviets' perception of America's resolve and willingness to defend ourselves and our interests and allies across the globe, Mr. Chairman, as I'm sure practically all of us here would agree. Yet, much remains to be done. If we were to deny funds for producing the MX, after so many administrations—both Republican and Democrat—have called it "vital to U.S. defense and security," I believe this would send entirely the wrong signal to the Soviet leaders.

This leads into my final point, Mr. Chairman. Across the country, across Europe, indeed across the entire globe, people yearn for a reduction in the number and destructive capability of nuclear weapons. As a member of the congressional arms control monitoring group, I know I share their sincere feelings that the recently revived bilateral arms control talks underway in Geneva will yield positive results. President Reagan is to be commended for holding his ground in the face of the Soviets' diplomatically untenable position calling for the removal of all NATO INF forces prior to the resumption of arms control talks; he held firm, did not advocate unilateral concessions, and in fact has brought the Soviets back to the table. We should be "cautiously optimistic" about these new talks. The historical legacy of United States-Soviet bilateral arms control is certainly a "mixed bag" at best; the road has been rocky, as the Soviets have exploited or violated every treaty they have signed with us. They are now violating SALT II, the 1972 ABM Treaty, and the President has issued two reports, mandated by the Congress, outlining further Soviet areas of noncompliance. We, as a nation, must view these actions with grave concern. They call into question the Soviets' commitment to treaties, and raise questions about the advisability of engaging in such negotiations in the first place.

Yet, there can be progress in arms control, in my opinion, if we are patient and the Soviets decide it is in their interest to negotiate in "good faith." We as legislators have a solemn duty and obligation to defend the security interests of this country and to insure that our negotiators have adequate leverage in the form of capable forces so the negotiations can go forward. A realistic person would ask: Why would the United States unilaterally cut back its own forces without seeking a corresponding reduction in Soviet forces?

Mr. Chairman, I vividly recall, it is indelibly imprinted in my mind, an occasion in August 1979, when in Moscow as a member of Codel Wolfe, I met with members of the Presidium of the Supreme Soviet, the governing body of the U.S.S.R. parliament. I asked how they were going to reciprocate for then-President Carter's cancellation of the B-1 bomber, deferral of the MX and Trident missiles, cancellation of the neutron warhead, vetoing of a nuclear aircraft carrier, et cetera. The reply? "We don't believe in unilateral disarmament." All have heard how the Soviets answered General Rowny at the SALT II negotiations when he asked how they were going to reciprocate for cancellation of the B-1, "We are neither pacifists nor philanthropists * * *."

While the MX has been both hailed and chided as a supposed "bargaining chip" in the negotiations, I believe the MX should be supported because of its military capabilities, as well as its potential for eliciting reasonable and desirous tradeoffs from the Soviets. Let's look at a hypothetical situation (one which, in fact, might not be so farfetched): Should the President receive an offer from the Soviets to drastically reduce their SS-18 and/or SS-19 ICBM forces in exchange for a reduction in the number of planned or deployed MX's, what would he do? Such a tradeoff might very well be in the U.S. interest. But the point I wished to raise was that such a scenario would be impossible without this body approving legislation authorizing and appropriating funds for the continued production of additional MX missiles. I think the President should at least have at his disposal the option of approving or turning down such a proposal. For the negotiations to go forward and to insure that our negotiators have adequate options available to them, we must approve the funding for these 21 MX missiles.

Thus, Mr. Chairman, contrary to the arguments espoused by opponents of the MX, there is a very real purpose and need for that weapon system. It is an important component of the President's strategic modernization program. It is important as a symbol of U.S. resolve. It is vital because it will enable us to strengthen deterrence by holding at risk those targets the Soviet leaders value most. And it is important for our arms control delegates to be able to approach the negotiations from a position of strength. America needs the MX, Mr. Chairman. It's time this body recognized the vital importance of the MX to the continued security of this Nation, and passed authorizing and appropriating legislation. Thank you.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. COURTER. Mr. Chairman, I yield 5 additional minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I yield to another of my distinguished colleagues, the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Chairman, I rise in strong support of the MX missile. The MX missile represents the credible deterrent that we need today to regain a strategic balance between the United States and the Soviet Union. While I recognize the imperfections of the missile's basing mode and the very real need, in light of the Federal deficit, to exercise fiscal restraint, I believe that, in the best interest of our nation, we must go forward with the immediate deployment of the MX missile as recommended by the President's Commission on Strategic Forces.

We need the MX, the first new U.S. ICBM in a decade, to ensure that the strategic objectives outlined by the Scowcroft Commission—improved ICBM capability, modernization of land-based forces, and progress in arms control—are all effectively achieved. The Commission's recommendations called for a balanced approach to meeting our security needs, an approach in which the MX missile is a crucial and irreplaceable element. Together with the development of a small, mobile ICBM and arms control negotiations with the Soviet Union, the MX will serve to strengthen the U.S. policy of deterrence, our most effective guarantor of peace.

Mr. Chairman, without the MX, the deterrent capability of our strategic triad is in serious jeopardy. In the 15 years since the United States last deployed an ICBM, the Soviet Union has deployed the SS-17, the SS-18, and the SS-19—deployments which repre-

sent over 800 missiles—and they are reportedly ready to deploy still two more new types. Highly accurate and capable of destroying hardened targets in the United States, these Soviet weapons have given the U.S.S.R. a decisive advantage in land-based ICBM forces and have created a destabilizing imbalance between the two superpowers which the MX missile is designed to counteract. Although some contend that deployment of the MX will heighten the instability of superpower relations by giving the U.S. a first-strike capability, I strongly disagree: by deploying only 100 missiles, we will challenge the Soviet ability to destroy our land-based forces without creating a force large enough to completely destroy theirs. The MX system does not, Mr. Chairman, represent a first-strike threat to the Soviets but rather a deterrent to the very real first-strike threat they now hold over us.

By redressing the current Soviet superiority in ICBM capability, the MX missile will repair the weakness in the land-based portion of our strategic triad that continues to grow as our Titan II and Minuteman systems age and become outdated. We have allowed this trend to continue too long: all three legs of our strategic defense—land, sea, and air—must be strong. The MX is vital to achieving this goal.

It is vital, too. I believe, for the successful negotiation of an arms control agreement. With the recent resumption of arms control talks in Geneva, there is sincere hope for progress in limiting the expansion of both superpowers' nuclear arsenals. In this atmosphere, the significance of our decision on the production and deployment of the MX missile is more than a question of whether the MX is a "bargaining chip" to be traded for Soviet SS-18s at the negotiating table. The importance of the MX is not as limited as that—it represents less a chip in our hand than an expression of our national will to maintain an effective deterrent. I submit, Mr. Chairman, that we cannot expect to achieve through arms negotiations what we are not willing to pursue on our own. By demonstrating our willingness to offset Soviet ICBM advantages, we can help to create an atmosphere that encourages the Soviets to conlude a fair and substantive agreement. It is in this context, Mr. Chairman, that deployment of the MX missile is critical to the U.S. negotiating position in Geneva.

Clearly, the objectives of improved ICBM capability, force modernization, arms control leverage, and demonstration of national will can best be achieved by the immediate deployment of the MX missile. While the debate over the missile's basing mode has been long and complex, and a technically and politically acceptable solution has been difficult to achieve, I firmly believe that the Scowcroft Commission's recommendation for deployment in existing Minuteman silos sufficiently addresses concerns for the missile's survivability.

As the Commission emphasized, the MX can rely for its survival on the strength of our strategic triad: since the Soviets would be unable to attack all three legs of our strategic forces simultaneously without threat of retaliation, the mutual survivability of the triad acts as a deterrent and a protection for our land-based missiles. The vulnerability of Minuteman silos can also be reduced through research to improve hardening technologies, making the missile silos better able to withstand attack. This approach has been supported by the Scowcroft Commission and funded by Congress. Without sacrificing MX survivability, this basing strategy will allow us to proceed with the prompt deployment which is required for strategic modernization while continuing development of a small, single-warhead missile that will be suitable for a mobile basing mode. Together, the MX and the small, mobile missile will strengthen our ability to deter attack—in the short term and in the long term.

While I recognize, Mr. Chairman, the need for restraint and frugality in defense, particularly now as we face a serious national deficit, I believe that international peace and stability can only be preserved if we maintain a strong and effective national defense. The MX missile, which is operational now, is necessary for the preservation of our national security. It is a program that has been supported by four Presidents and six Congresses; already we have invested $9 billion in its development. To abandon the MX now would be to waste that investment and gain nothing in security and deterrent capability.

As the MX missile is our best near-term option for meeting ICBM modernization requirements. I believe that we must continue our commitment to its deployment and free the $1.5 billion needed for the production of 21 missiles. While I certainly support the development of a small, single-warhead ICBM as an important step toward integrating strategic force programs with arms control negotiations, such a system will not be operational before the 1990's and our force modernization must not be delayed any longer. Therefore, Mr. Chairman, it is in the interest of both deterrence and progress in meaningful arms control negotiations that I support the release of funds for production of the MX missile and urge my fellow colleagues to do the same.

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman from California [Mr. SHUMWAY].

Mr. Chairman, let me say to my colleagues that the American Security Council is one of the largest private-sector caucuses of any of the groups that surround our Capitol Hill area here. It assists us with information and with an exchange of ideas and some camaraderie on any issue. The American Security Council claims to have 237 Members of this House, and keep in mind that the breakpoint for a majority is 217 plus 1. Their motto is "Peace through Strength."

Now, if every one of the 237 Members, who like to proudly point to their association with the American Security Council and its slogan, were to vote for this system, we would have no issue in doubt here today or when the vote comes tomorrow night. So that means that there must be a goodly number of members of the ASC who have decided to go in a different direction than the general body of knowledge within that organization. If that is so, no one is questioning their patriotism.

I keep hearing this strawman held up here today. There have been some articles that maybe have gone too far across this country, but as I said in a 1-minute speech today, if someone stands in this well as an Amish Member or as one of our great deceased Members from a year ago and votes against every weapons system, if he is a unilateral disarmament person or a pacifist, it still does not bring his patriotism into question. I have not heard one Member on my side of the aisle or on the other side who supports the Peacekeeper do that. So please give us a break and stop holding up this strawman.

This is strictly a question of judgment, and it does not mean you are stupid if you do not go along with the arguments we make for the system. It simply means your judgment takes you in another direction, and we are tying to change minds, both sides in this debate.

Now, in this excellent article that the gentleman from Ohio [Mr. MCEWEN] sent around, there were some points that I think have to be made. Some of them have already been made, but they bear repeating. Our current actual and projected military spending, $82 to $86 billion, comes to $40 billion less than the Jimmy Carter budgets projected for that time period when the majority party in this House last held the Executive Mansion.

There was a figure of 200 then discussed by President Carter. And how did they arrive at that 200 figure? Because people get up and say that this is a destabilizing first-strike system.

The very thinkers who developed our SIOPS plan to integrate 200 Peacekeeper missiles settled at the 200 figure because they decided that at about 250 MX Peacemakers, with its 10 warheads, you would start to reach

a provocative number where the Soviet Union's paranoia would have some basis in fact. We are now talking about 100 missiles when the Reagan program is completed, and as has been pointed out quite correctly by the gentleman from New Jersey, what we discuss here today is unfencing No. 22 through No. 42—21 missiles only, hardly a first-strike capability.

One-third of 1 percent of our Federal budget goes to this system, and although my constituent, Mr. Russell, may not be precisely correct on 10 weapons systems costing less than the entire program—and some people are throwing around billions of dollars like 30 and 40, and that is not fair—in constant dollars, then dollars projected into the future, the entire 100 will cost $21.5 billion. And we cannot be unfair and not adhere to that figure since there have been no cost overruns and this is one of the most efficient programs of our strategic system.

As the gentleman from Arizona mentioned, our very latest Minuteman rolled off the assembly line in 1970. We have a choice here of either correcting the aging of some of our IBM land-based forces or letting them be replaced unilaterally by disarmament through obsolescence. Seventy-five percent of the Soviet force is less than 5 years old; 75 percent of our U.S. force is 15 years old or older. Missiles do deteriorate over time.

Many of you have had delivered to your offices a very attractive brochure made up by the U.S. Air Force that talks about the ICBM modernization program. In this brochure, when it discusses the triad, it says we have 38 Titan II missiles on station, and that they will all be phased out by 1986. This is already wrong before it leaves the printer's. By the time it gets around to our offices, we have only 29 Titan missiles on station.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has again expired.

Mr. COURTER. Mr. Chairman, I yield 5 additional minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, although 29 is the figure that we say is on line, keep in mind that because the total on-line capability of our strategic forces is classified, our military people can only say that substantially above 90 percent of our Minuteman and Titan missiles are on station at any one time. That means that 29 is not a hard figure. We shut one of these Titans down—and they are deteriorating, and they are liquid-fueled—every 45 days. By September of the first year when the people who are declaring for the next Congress, the 100th Congress, before 9 months is up in that very next Congress, every one of these Titans will be gone and they will only just barely have started to be replaced by some of these MX Peacekeepers.

But they are going into Minuteman holes, so in effect we are not replacing any of our Titan force, which was really our most powerful weapon, with the 9-megaton warhead.

While we debate the MX—and we will still be debating the B-1; some will come on this floor and try to stop that airplane from being delivered to Minot or Grand Forks Air Force Base in the district of the gentleman from North Dakota [Mr. DORGAN]—first they go to Dyess, then they go to Ellsworth, SD, then to Grand Forks, and there will be four B-1 bases—there will be somebody who will come along and try to stop that strategic defense system. That debate is not over, although we pretty well have the momentum going for those who believe in peace through resolve and strength. We will debate the Trident, we will debate the D-5 missile system, and while we are debating all these systems, the Soviets will have deployed 30 new strategic weapons in various states of research, development, production, and deployment.

The Soviets can target six missile warheads per silo. That is three times more than every intelligence briefing tells us is necessary. Our Defense Intelligence Agency says that Soviet superhardened silos can withstand a direct hit from the warheads of one of our most powerful missiles, the Minuteman III. Only a Peacekeeper can have the deterrent effect of threatening one of the Soviet's superhardened silos.

Peacekeeper will reduce the growing Soviet temptation for a first strike or, even more important—because I agree that they may not be irresponsible enough to consider starting a war, but nuclear blackmail is not beyond them; they exist on diplomatic blackmail in every corner of the world—it gives us a genuine capability to retaliate against some of the Soviets' remaining command bunkers and their missiles, so this is not strictly a countersilo system. It is a system to threaten hardened targets, but that can include submarine pens, it can include some industry, and it certainly should include command bunkers, all toward a deterrent effect.

Now, Cambridge Reports—that is their title; Cambridge Reports is a survey group in this country, highly respected, and I do not have to say that because all the groups polled throughout this country from Gallup to you-name-it agree with this—says that 60 percent of our citizenry agrees against 33 percent on the other side and says yes on Peacekeeper if you give them this following suggestion: That we can resume arms reduction talks with the Soviets from a position of strength. There is a margin of military superiority in spite of what you hear in this well here of the Soviet Union over the United States in both conventional and strategic forces and this Peacekeeper missile and the entire military modernization program is not going to change that.

□ 1550

We must replace part of our land-based intercontinental ballistic missiles that have already exceeded the design life. All—all will be ready for retirement in the next 5 years. Then what are we going to do?

Our Poseidons will be ready for retirement in 1990. Our B-52's will be more than 30 years old. I repeat, our choice is simple. We either replace some of our aging missiles or they will be replaced through unilateral disarmament by obsolescence.

The President is exactly correct, that if this had been named the Minuteman IV, they have been saying this in the Pentagon, by the way, for years.

Shakespeare is usually right, but in the case of "What's in a name?" "A rose by any other name"—is wrong. He was wrong. If this had been called the Minuteman IV, merely presented to this Congress as a modernization of our decaying, aging Titan force or our Minuteman force, just as the Minuteman I disappeared without a whisper to be replaced by Minuteman III, we would have these systems in silos already.

Mr. BENNETT. Mr. Chairman, I yield 5 mintues to the gentleman from Oregon [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, we have heard a lot about signals in the debate on the MX. And we have heard a lot about resolve. I agree that those are two most important factors in this debate. But they have been used on the wrong side of the issue.

The signal that the people of this Nation are waiting for, are hungering for, is the signal that we are going to do something to slow, to stop the arms race. The signal that we should send—that we must send—to Moscow is a signal that we are serious about mutual disarmament of nuclear weapons. The defeat of the MX by the House would be such a clear signal.

The resolve we must show is not a resolve to continue the insanity of building more weapons of holocaust. The resolve we must show is one of willingness to take risks for curtailment of nuclear weapons by all who possess them. Furthering the arms race leads to their certain use. The construction of more and more nuclear missiles and bombs is sure and swift destruction of our world. Armageddon is waiting to happen. We must resolve to do all in our power to forestall that biblical warning.

President Reagan is obsessed with building more nuclear weapons. All else seems unimportant. Our people

are frightened. Our economy is in deep trouble. Our relations with allies are disintegrating. All this is swept aside in his obdurate demand that we continue the arms race.

Mr. President, do you know what you are doing to this country? Do you know what is happening to us? The growing of food is far more important to our survival as a free people than the building of more nuclear weapons. Yet our farmers are being forced to abandon their farms while you do nothing but pressure the Congress for more bombs.

In 1930 Stalin murdered the farmers of Russia in cold blood. Soviet agriculture has never recovered. They cannot sufficiently feed their own people to this day. Mr. President, you are presiding over the liquidation of our farmers and the result will be the same as Stalin's brutal act. Broken men, though still alive, will not come back to the farm. It will take decades to revive our agriculture if it is allowed to deteriorate further. That would mean disaster for our people. Please consider, Mr. President, something you seem not to understand: National security depends as much if not more on food production as it does on arms production. As another populist once said, let our farms go bankrupt and grass will grow on the streets of our cities. Who will build weapons then?

Mr. President, you are right when you say the farm programs of the past were disastrous. I agree with you they should be changed. But the farmers should not be shipped overseas. We need them here. What we do not need, Mr. President, is more nuclear weapons. We do not need the MX. If you cannot see past your obsession to the real condition of the American people today, to our farms and our industries, then we in the House of Representatives must be your eyes. We in this body must resolve to send a signal to our own President that it is not MX the country needs but a concern for our own people and their livelihoods.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I will be glad to yield.

Mr. COURTER. I just wanted to give the gentleman a chance to clarify a statement that I heard. I am sure I heard it inaccurately. I heard that the gentleman was equating the policies of President Ronald Reagan with that of Stalin in Russia; is that correct?

Mr. WEAVER. I said that Stalin murdered his farmers.

Mr. COURTER. And President Reagan is murdering our farmers?

Mr. WEAVER. And this President is presiding over the liquidation of our own farms.

Mr. COURTER. Well, I thank the gentleman for the clarification. I am sorry that he chooses to use those words about our President.

Mr. WEAVER. Those are the very words I used, I tell my friend, the gentleman from New Jersey, exactly the words I used.

Mr. STRATTON. Mr. Chairman, I yield 8 minutes to the gentleman from Mississippi [Mr. MONTGOMERY], the distinguished chairman of the Committee on Veteran's Affairs and a distinguished member of the Armed Services Committee.

Mr. MONTGOMERY. Mr. Chairman, I want to thank the distinguished chairman of the Subcommittee on Procurement for giving me this time for the strong stand that he has taken on this side of the aisle in support of the MX missile. I also take the same position as the distinguished chairman, the gentleman from New York.

Most of the subjects have been covered, but I would like to go back over the basing mode. That seems to be the big problem with a number of people who are opponents of the MX missile. They say the basing mode does not make any sense.

Well, I disagree. I think the basing mode that has been selected by this President for the MX is not that bad.

Using existing silos is not a big cost to the taxpayers of this country. I point out that as compared to the racetrack concept. It was estimated that it would cost $50 billion to put the MX under the racetrack concept.

Under the dense pack basing mode, it would have cost over $30 billion.

Under a basing mode with existing silos, it would cost $2.6 billion for 100 missiles. Certainly that is a savings when we are looking to find something that would deter the Soviets, and it makes a lot of sense. You do not have to put a lot of concrete in and use a lot of land when you already have these existing silos.

I know the next point will come up that you can knock out all of these silos. That are already targeted by the Soviet Union. Well, I am not convinced that the Soviets on a first strike can knock out all of these MX's. The point I tried to make in the Democratic caucus the other day was that we do not have any experience in a nuclear war, and that is good. Thank God for that. We do not have that experience, but we do have a lot of experience on what goes wrong in a conventional war. We have found that platoons are wiped out, companies, battalions, when wrong decisions are made, that in a conventional war everything goes wrong.

I would think also this could happen in a nuclear war, that many things could go wrong. Whichever country would launch missiles would be pretty busy. Let us say instead of losing a platoon or a company, you probably are going to lose a whole country. So we better take a good hard look about deterrence and how we handle the MX missile.

□ 1600

Another point on mode basing is that if the Soviets do launch a first strike of ICBM's on the United States of America, they are, as I said earlier, going to be pretty busy. As I understand it, the Soviets will have to make an attack on our bombers. By that time they will be up in the air. Soviet missiles can strike these bombers in 8 to 10 minutes.

The Soviets also in the meantime will have to be launching their ICBM's that will take from 30 to 40 minutes to reach the targets here in the United States. And surely whoever our Commander in Chief is, having that 30 or 40 minutes time, is not going to let the MX's or the Minuteman missiles sit in those silos, and he or she is going to launch these missiles. So they will be able to launch them.

It is a good buy. It does not cost a lot of money, as we already have the existing silos.

Someone mentioned and was talking about the small mobile missile, that it makes a lot of sense for us to have them. As I understand it, the concept is now to put these small mobile missiles close to MX silos and Minuteman silos and in case of a first strike coming toward our Minuteman or MX silos we can move these small, mobile missiles away from the silos. We would have at least 15 minutes, and they will go 30 miles an hour, and they can move out. Therefore, the Soviets would not be able to destroy all of our missiles. In fact, they would have to have enough missiles to destroy or put a target base on 44,000 square miles, which would take over 17,000 warheads, and the Soviets just do not have that many warheads.

So I think we ought to work on the MX, move ahead on the MX missile, and also work on the small, mobile missile.

Mr. HUNTER. Will the gentleman yield?

Mr. MONTGOMERY. I will be glad to yield to the gentleman from California.

Mr. HUNTER. I thank my friend from Mississippi for yielding.

I think it is interesting to note that as we have talked now for some 3 or 4 hours in this debate, and as the gentleman was speaking about the MX missile, and the fact that it is tested, it is tried, and it is a system that we have right now, it occurred to me that there has not been yet, at least in my view, a single word of criticism about the missile itself. Nobody has gotten up on the House floor and said, "Well, the guidance system is defective. It does not have a big enough payload; it is not accurate enough." There has not been a single world of criticism, politi-

cal or technical, about the missile itself.

Ambassador Nitze's input in this situation is very vital because this is one of our leading arms negotiators. I want to thank the chairman of the committee, LES ASPIN, for putting together the policy panel where we could listen not just to our DOD representatives, but also listen to our arms negotiators. And Mr. Nitze following the statements that he gave to us, was asked what would happen if MX was killed, and he said:

I think the Soviet Union—the decisionmakers in the Soviet Union take many factors into account, and they are really quite conservative on how they estimate what is going to happen in the United States.

If it were not to be unfenced, I think they still would believe that it will be unfenced somewhat later. So I am not sure that it would make an immediate and dramatic difference. But I think it would convey a greater hope to them that there would be opposition in the United States against the very thought of maintaining an adequate deterrent against real opposition, and that it would encourage them to increase their opposition, increase their propaganda campaign, play upon the divisions in Europe and try to defeat us indirectly.

I would simply ask my friends to remember that this in not Ronald Reagan, the Republican, negotiating with the Soviets. It is the United States negotiating with the Soviets. Paul Nitze represents all of us.

Mr. MONTGOMERY. Let me make a point on this basing mode. The gentleman is supporting the MX concept and the basing mode, so he generally feels like I do, that we could launch these missiles. So, therefore, that puts the ball back in the court of the Soviet Union, in that it is a deterrent that they know that they cannot knock out all of these MX missiles. So it will deter them from firing a first strike.

Mr. HUNTER. Absolutely. And in the case of a submarine ballistic missile launched attack against our bomber bases, they would now have that much more deterrent in our ICBM's that we could retaliate with. So there is a deterrent capability with MX even using the basing mode that the gentleman talked about.

Mr. MONTGOMERY. I thank the gentleman.

PARLIAMENTARY INQUIRY

Mr. COURTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. COURTER. The inquiry is how much time is left for the proponents and the opponents of the motion in the aggregate. I seem to have lost track. I wonder if the Chair can advise me.

The CHAIRMAN. There remains 1 hour and 43 minutes of today's time for the general debate for the opponents of the legislation and 1 hour and 23 minutes for the proponents for today's debate.

Mr. COURTER. And who has the 1 hour and 43 minutes?

The CHAIRMAN. The gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Florida.

Mr. BENNETT. Someone just told me that the White House has asked people to come down there at 5 o'clock. I have not been asked to come, and I never knew about this, and I am not upset about it at all. But I realize that if that is true it is kind of awkward about our time here and I do not know exactly what you want to do with us if we do not finish, because there is not enough time between now, if we get everybody's time. I do not know what that problem is. I am not invited, and as long as I am not invited I will stay here. But if we are going to complete the time I guess we would have to come back. And I never heard of going to the White House and coming back. That is something new. I never heard about that.

But, anyway, that is just a thought for the Speaker to think about.

Mr. Chairman, I now yield 13 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DICKINSON. Will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Alabama.

Mr. DICKINSON. I appreciate the gentleman yielding in order that I might reply. It was my understanding, and all I know is that an invitation came to the office that all of the Members were being invited to the White House at 5 o'clock this evening.

Mr. BENNETT. What is the idea for handling the House? How are we going to handle it with this debate taking place on the floor?

I never received such a message myself, and I am not uptight about it at all. I have already been to the White House once.

Mr. DICKINSON. It is very seldom that they consult with us before they make any decisions. They simply inform us. There is supposed to be a bus being provided starting at 4 o'clock to take the Members down and to bring them back. There was not any concert with anything I did or that the committee did. It was just an announcement because they brought one of the negotiators back to discuss the state of the negotiations.

So I intend to be here as long as the debate is going on.

Mr. BENNETT. That being the case, then you and I can talk it over together, if necessary. We can just stay here and talk.

Mr. DICKINSON. I am always glad to speak to a gentleman who is amenable to logic and persuasion, and if his mind is not closed.

Mr. BENNETT. Then that settles the question, because we will just stay here, because I do not know of any way in which you can request that the Congress recess.

Mr. DOWNEY of New York. I thank the gentleman for yielding to me. We are going to spend a great deal of time listening to the pros and cons of the MX missile. We have already heard a great deal, and we will hear more as the afternoon and tomorrow wend their way.

But I want to talk for a few minutes about strength. The issue of strength has been raised on this floor of whether Democrats are for it or against it. And I will outline some of the things that I know to be strong, and elements of strength, and things that Democrats are for.

First of all, Democrats are not for vulnerable systems. If there is one great lesson of history it is that in Pearl Harbor in 1941 we had a very powerful fleet stationed there, powerful and exposed, and it was a ripe target that was attacked, and attacked convincingly. Doing that again is something we are clearly not for.

What we can argue, in a bipartisan way, is that we are both for peace, and peace is not just the absence of war, but a recognition that we inhabit this planet with the Soviets, and we need to get along, that we have got to be able to resolve our differences through negotiations, as opposed to through violence. And that in the process of establishing a permanent peace, we need to recognize that nuclear weapons are here to stay, probably through our lifetime and the lifetime of our children. That is an unfortunate fact of life.

The question of how we achieve that peace with nuclear weapons has been resolved over the last 40 years through a process of deterrence. It makes sense, up to a point. It is something that has worked, albeit we are questioning it now with the advent of star wars.

□ 1610

Deterrence is best maintained through the process of having a stabilizing force on both sides.

Since I cannot tell the other side what their force is going to be, I only have control over my own force. Our own achieves deterrence when it is survivable and not provocative, when it is a second strike.

What are the elements of this force? You need to have a capable triad, that is without question, no one disputes that. We will dispute of course what the elements should be, how it should be modernized.

The first thing we need to continue to explore is the idea of freezing the testing and deployment of new types of weapons. And I hope that is some-

thing that our negotiators keep in mind as we begin this entire process, because you can achieve enormous security with a freeze on the testing and deployment of new weapons and existing weapons.

But let me talk for a few minutes about the triad. Clearly the submarine-based leg of our triad is its most survivable base. It is clear to me that even with the advances the Soviets have made in ASW that the Trident submarine force will remain a secure and viable element of deterrence, certainly for the next 10 to 20 years.

A sea-based leg of the triad is best if it is believed to be a second-strike force; a survivable force of Trident I missiles, where we would use the additional money now planned for the D-5 to be plowed back to buy additional Trident submarines with C-4, makes the most sense.

I believe there are many other Democrats who believe that as well.

With respect to the air-breathing leg of the triad, there have been discussions of whether or not the B-1 is the best system or not. I believe that the cruise-missile-carrying wide-bodied jets, plus the stretched FB-111's was the better way to go but that has not been the path this Congress has chosen. It has chosen the B-1 bomber. It is likely that the B-1 bomber will be secured, up to possibly 100 and maybe even more. We will have the B-1, we will have cruise missiles, we will have SRAM's, we will have the B-52H's probably for the next 20 years. We will certainly have the B-1 for that period of time.

Last, and some Democrats are for the B-1 and some are against it, but everyone as far as I can tell has been for the cruise missile program. I have been. We were a little concerned when President Ford slowed it down but we are pleased at the rate at which it has been procured to date.

Last, we come to the ICBM leg of the traid. For those of you who believe that you can have a Midgetman without arms control, let me disabuse you of that notion. If we do not have a way to restrain the number of Soviet warheads aimed at us, we are not going to be in the environment of the future capable of deploying a survivable Midgetman unless we can reduce their warheads.

So arms control and the Midgetman go hand in hand. And I believe as, other Democrats, do that a single survivable warhead that has mobility is a viable way to provide deterrence.

Now why do we want a second-strike force? Why should we not do what the Soviets have done, and build big missiles and threaten their big missiles? First of all, we should build what we need and not what the Soviets have built. And if our policy is to be a second strike, and President Reagan has said it is a second-strike policy, you will hear throughout the course of the debate on the MX that our policy is second-strike, the MX has no place in that strategy. It has no place because even with hardening of silos, to 100,000 or higher pounds per square inch, this is a vulnerable system.

When we debated the B-70, and I was not here during the period of the sixties when that was debated, it was clearly recognized that the B-70, though it would fly high and fast, was vulnerable to Soviet land-based missile attack; we decided to scrap it. Now we are faced with an interesting similar position today.

The MX as it is currently configured is the first system that we will consciously deploy that is both vulnerable and antithetical to our stated policy of second strike.

How can we achieve stability and deterrence while we proceed with modernization? The Soviets have in the past suggested that we have a freeze. We discussed the freeze here on the floor of the House of Representatives. It passed here; it did not pass in the Senate.

What would the freeze provide us? Well, the gentleman from California [Mr. HUNTER] raised an interesting point before. He said that our force structure manages to survive, and Mr. DICKS, our colleague from Washington, has made the same point, because there is a synergism; you cannot attack land-based missiles and bombers simultaneously because submarine-based ballistic missiles that the Soviets currently have are not capable of doing that, and that is correct.

But there will come a time in the future when Soviet sea-based missiles will be accurate enough to attack bombers and land-based missiles. Then the advantage will be to the side that goes first. And that will leave us with only the sea-based leg of the triad as a viable system of deterrence.

Now while I believe that that sea-based leg of the triad is a viable system of deterrence, I do not want to rely on it alone. Only if we restrain the next generation of technology on their side will we see this notion of stability and deterrence survive. If the Soviets are allowed to get highly accurate sea-based systems, whether we have them or not, both sides are less secure.

The only way stability can be achieved is if: First, we build weapons that are stabilizing; and second, restrain the other side from building systems that are destabilizing.

Whether we shout at the Soviets, whether we talk to the Soviets, whether we ignore the Soviets, the decision in the next day will be based on what is in the U.S. security interests in terms of procurement first. I hope and I wish our negotiators well, but we need to make the judgment not based on what happens in Geneva, but what happens here on the floor of the Congress. We need to emphasize stabilizing survivable systems and let the negotiators achieve what they can.

We are here with the awesome responsibility of providing this country a deterrent force. The MX has no place in that deterrent force.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I will be happy to yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding.

I appreciate the gentleman's statement. He indicated that Democrats, I guess that is with a large "D," do not vote in favor of vulnerable systems. I ask the gentleman really two questions: First, does he believe in the synergistic effect with regard to the mulitiple systems that we have, which is explained by Scowcroft, explained by the gentleman from Washington [Mr. DICKS] and a number of other people; No. 1; and second, how would the gentleman talk about the vulnerability of the Minuteman II's and III's? Certainly he is not arguing that we should remove them from the arsenal. They have some deterrent capability, but they are vulnerable according to his definition.

Finally I am sure the gentleman recognizes the importance of systems like tanks which are vulnerable, systems like command-and-control centers which are necessary for strategic capability and so forth.

Mr. DOWNEY of New York. Let me try to answer the gentleman.

Mr. COURTER. Early-warning radars, they are all vulnerable. So obviously you have voted in favor of vulnerable systems.

□ 1620

Mr. DOWNEY of New York. Let me try and answer the gentleman's question, because I think he has made his point clear.

The gentleman from Washington [Mr. DICKS] will tell you, and I think, the record is ample demonstration of the fact, that I believe in synergism; indeed, for those of you who are losing sleep over the window of vulnerability, when the Scowcroft Commission finally provided you the sleeping pill so that you can get through the evening not worrying about it, you had heard me and others already talk for years about the synergistic effect; that it is insane for anyone to believe that he could simple attack one leg of the triad and not have the other two survive to destroy him.

That exists today. That is true today. The best way to retain the survivability of the land-based force is to prevent the Soviet Union from doing any more testing of its SS-18 and SS-19.

That is the way, over time, for the land-based leg of the triad to become more secure. You cannot wage a first strike unless you have done the sort of tests that allow you to have some confidence that your system will work. If you do not test, you cannot wage a first strike. That is the way to prevent the vulnerability of land-based systems.

As to the vulnerability of tanks and other systems, any military system we build is——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BENNETT. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York.

Mr. DOWNEY of New York. Any system you build is potentially capable of being destroyed. MX is a lot more so than most. The question is, whether or not you want to lead with your chin or not.

I yield to the gentleman from Washington.

Mr. DICKS. I appreciate the gentleman yielding, and the gentleman is correct; he was one of those, along with Congressman DELLUMS, talked about the synergistic relationship long before the Scowcroft Commission came up with it, basically on the argument that you didn't need to go to the MPS system; that you could put missiles in existing silos and because of synergism, the Soviets could never, a Soviet war planner could not attack the land-based missiles in isolation.

I guess, I just feel that this is still the case and that we get one thing that the Scowcroft Commission talked about out of some deployment of MX and that is leverage to get the Soviets to move out of their vulnerable silos toward mobile systems like the SS-24 and SS-25, and as we move toward Midgetman, then we have enhanced stability because we have gone to mobile systems which are more survivable.

I say to the gentleman, if we kill the MX program, I do not see why the Soviets would continue to go on a mobile basis if they have a sanctuary with 648 SS-18's and SS-19's that are now invulnerable to attack because we do not have a system that is accurate enough.

Mr. DOWNEY of New York. Let me respond to the gentleman, because he has raised a thoughtful question, and we have discussed it both publicly and privately.

First of all, the synergism remains whether you have MX or not, with the Minuteman II's and III's because they still cannot, whether you have MX or do not deploy MX, destroy the land-based system and the bomber system simultaneously.

The second point, and I thought I made this and I will make it again, is that when you are attempting to lay out what is best for your country, clearly you must be cognizant of what it is the Soviets are doing. One can argue that they are going mobile because of any number of systems; MX, the Pershing or the D-5. I mean, all would argue for the Soviets to go mobile.

The logic is somewhat confused and circular. I do not know why it makes a lot of sense for us to deploy systems that can be easily countered by the Soviet Union. That is a question that we need to raise at another time.

The point the gentleman has made to which I agree is that we retain the synergistic effects with the existing land-based leg of the triad. You need not have another system to do that.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. BENNETT. Mr. Chairman, I will yield 2 additional minutes to the gentleman, after I make a remark myself.

Mr. Chairman, I would like to say about the point of synergism and the triad, that after all there is another thing we have not talked about too much, and that is the cruise missile. I guess it is synergistic as well.

So this beautiful concept of synergism, it just has to do with the fact that they do work together, and so does the triad which already exists. If you got rid of all the ICBM's, there would still be synergism.

I yield 2 minutes to the gentleman from New York.

Mr. DOWNEY of New York. I yield to the gentleman from Washington.

Mr. DICKS. As the gentleman knows, it has been 12 years now since the last Minuteman III's were built. We have argued about this missile system. During that timeframe, the Soviets have deployed seven new ICBM's, they have modernized their entire force; what I do not understand is why it is bad for us to have some prompt, hard target capability to get them out of those vulnerable silos as long as we do not present them with a first strike potential?

Mr. DOWNEY of New York. I do not think that the point is necessarily the one that the gentleman has made. We do have hard target kill capability; we retain that capability in the cruise missile; we cannot do it in 30 minutes, we can do it in 8 hours.

The point the gentleman makes is that there is somehow a need for us to be able to place in jeopardy Soviet ICBM's, because this is something they have decided to do. Well, I do not believe that they have chosen the right path for stability. I do not want to mirror their mistake. I want our system to be deterrent, nonthreatening, and survivable.

If it is those things, we can hold ourselves out to the world as truly being the ones who are interested in deterrence, not the ones who are interested in waging a first strike. The problem is, when the numbers of MX are added to the numbers of D-5, added to the number of Pershing II are added together, that is a first-strike capability.

We can talk ourselves until we are blue in the face saying we do not want to wage a first strike, but if the Russians were doing the same thing, we would have to respond. They will have to respond; the arms race will be ratcheted to another level that will be mutually detrimental, and that is something I want to prevent.

I will be happy to yield to the gentleman from California.

Mr. HUNTER. I appreciate my colleague yielding to me.

Let me ask the gentleman about something that has troubled me, and I think must trouble every Member of the House that has to make this decision in voting for or against MX.

We have had very esteemed leaders come before us; people who have worked for Democrat and Republican administrations like Paul Nitze. The last thing Paul Nitze told us was, I think it would convey a greater hope to them, the Soviet Union, that there would be opposition in the United States against the very thought of maintaining an adequate deterrent against real oppostion, and it would encourage them to increase their opposition, increase their propaganda campaign, play up on the divisions in Europe—very important to us, and to try to defeat us indirectly.

That is a very strong statement for Mr. Nitze to make, and not only did he make that but four Secretaries of Defense said essentially the same thing; and I would ask my friend, if perception is also an important part of this game. Because here he says, the way the Soviets perceive this, you may say it is a common sense decision, but their headline is going to be "the Reagan Administration Has Been Weakened." Does not that bother you?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BENNETT. I yield 2 additional minutes to the gentleman from New York.

Mr. DOWNEY of New York. These talks will probably take a great deal of time.

I do greatly respect Mr. Nitze, Mr. Kampelman, and our arms negotiators. They have been appointed by President Reagan. President Reagan believes deeply in the MX missile; I would be very surprised if Mr. Kampelman were to come back and say, "I do not think it is such a good idea." He'd lose his job.

This has been a position that the administration has maintained, and I anticipate that with all due respect to these eminent gentlemen, they maintain their position because it is the position of the administration.

Mr. HUNTER. If the gentleman would continue to yield, I think you missed part of my question.

My question is not just about the MX missile; it is about the other things that Mr. Nitze talks about. Play up on the divisions in Europe. I think the Soviets have perceived that coming out of the Euromissile crisis, Europe held together.

I think Mr. Gorbachev will be very skilled in driving those wedges in Europe.

Mr. DOWNEY of New York. I am not going to let the Soviets dictate our policies to us.

□ 1630

The Soviets have been witness to the 40 years of the miracle of democracy, where members like ourselves, who held very different views, were capable of discussing and resolving our differences in open debate. That will continue to be the case of the next couple of years as we sort through what is appropriate for our own defense and what is not appropriate for our own defense. Let the talks go ahead as they will, and let us try and make the decision as to what is best for America's security independent of those discussions.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. I thank the gentleman for yielding.

Mr. Chairman, Adm. Thomas Moorer, who led the interrogation of the Japanese high command at the end of World War II, explained to us that when he had questioned the Japanese leaders as to why they felt they could attack the United States of America on December 7, 1941, with impunity, he said the answer he received from the Japanese high command was the same from all: They had logically looked at the United States and had come to a conclusion on three points. First of all, they recalled that President Roosevelt's request for reinstitution of the draft had passed this body by only one vote; second, the United States had failed to fortify its interests at Wake and Guam Islands; and, third, the U.S. Army had just completed maneuvers in Louisiana, using wooden rifles and cardboard tanks.

Admiral Moorer points out that it was the conclusion of the Japanese high command that the United States of America, when presented with a fait accompli, that when they woke up on Sunday morning and the deed was done, that the United States of America would have neither the will nor the capacity to respond. And thus they made the decision to attack our sovereign territory.

Mr. Chairman, common sense tells us that being unprepared for war has never prevented one. In 1973, Soviet President Leonid Brezhnev said:

> Trust us, comrades, for by 1985, as a consequence of what we are now achieving, we will have reached most of our objectives * * * a decisive shift in the correlation of forces will be such that by 1985 we will be able to exert our will whenever and wherever we choose.

Gen. George Washington, our first President, said in his first address to the Congress: "To be prepared for war is the effectual means of preserving peace."

We are now engaged in a historic debate on whether to maintain our Nation's defenses sufficient to deter war and thus preserve the peace.

Mr. John Fisher, persident of the American Security Council, recently said in an article to a Washington newspaper anti-defense lobbyists and lawmakers have attacked the MX as being part of a massive defense buildup. They fail to mention that President Reagan's actual and projected total military spending for 1982 through 1986 is $40 billion less than that which was planned by his predecessor during the same period. In addition, while Mr. Carter had requested 200 MX missiles, President Reagan has cut that request in half.

The MX will replace our 30-year-old Titan missiles. This replacement is necessary if the U.S. wishes to maintain a land-based deterrent.

While the MX is expensive, the total cost of this long overdue replacement is less than one-third of 1 percent of the 1985 Federal budget. The last four Presidents, the last four Secretaries of Defense, and the Joint Chiefs of Staff for over a decade have all urged modernization of our ICBM force by building the MX. While the United States has not built a missile since the 1960's, Soviet production has never stopped.

Mr. Fisher goes on to say that today 75 percent of Soviet strategic weapons are less than 5 years old while 75 percent of U.S. strategic weapons are at least 3 times as old or older. Missiles, like planes and submarines, deteriorate over time. They become less dependable. Time makes them obsolete. The Soviets know this and have thus continued a program of replacing their old missiles with new ones. They now have in place more than 600 strategic missiles that are more powerful than the MX. In fact, in 1982 alone, they installed more MX type warheads than the United States plans to deploy in its entire program.

I cannot help but wonder why certain so-called peace groups have never protested this massive ongoing Soviet military buildup.

Last year the bipartisan Scowcroft Commission stated that it is essential to replace our aging Titan and Minuteman missile systems which are currently being dismantled because they are too old, too corroded, too dangerous to maintain. While the U.S. Congress still debates the MX missile, the B-1 bomber, the Trident submarine, the Soviets have 30 new strategic weapons currently in production. Today the tremendous Soviet advantage allows them to target six warheads on each of our ICBM silos, which is about three times more than they need. But here is the crux of the debate: The U.S. Defense Intelligence Agency estimates that the Soviet's superhardened silos can withstand a direct hit from our most powerful Minuteman III's. The MX would be the only missile in our arsenal that could threaten those Soviet silos, a necessity for deterrence.

Thus, the MX missile would reduce the growing Soviet temptation for a first strike or for nuclear blackmail, because it reestablishes—it does not launch onto new ground—it reestablishes a meaningful capacity to react to a Soviet attack.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. MCEWEN] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 3 additional minutes to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. According to both the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, the Soviet Union now has a margin of military superiority over the United States in both conventional and strategic forces. The MX missile and the entire military modernization program will not change any of that. The U.S. modernization program is only aimed at replacing part of our strategic defense that because of age must be replaced. Our land-based intercontinental ballistic missiles have already exceeded their design life and must be dismantled. Our aging strategic submarine force must be retired over the next few years. Our 30-year-old B-52 bomber force has by attrition been reduced from 2,300 bombers under President Kennedy to 287 under Carter and 231 today. The last U.S. bomber that was built was built when I was in the sixth grade.

I recently saw a documentary on the production of the B-52, which began in 1952, was produced for 10 years and then terminated by Robert McNamara when President Kennedy impounded the funds that were appropriated by the Congress for the last 90. The reason it was proposed the B-52 should not be built was because: First, it was too expensive, it was three times the most expensive plane ever built, second, as it rolled off production in 1952 they said it was too sophisticated to maintain; and third, they said it was World War II technology that was now obsolete.

□ 1640

Those three points as to why we should not build the B-52; it was too expensive, too sophisticated, and obsolete.

I guarantee that that same debate will be applied to every weapons system by those who choose not to strengthen our national defenses. You can take the debate, anyone who served in this Congress for more than a year, can take the debate on any system, whether it be on the M-1, whether it be on the B-1, whether it be on the MX, whether it be on aircraft carriers, whether it be on cruise missiles, and the response will be the same: No 1, it is too expensive, No 2, it is too sophisticated to maintain, and No. 3, it is already obsolete.

The question was asked earlier in the debate, why all the fuss over the MX? I have the answer to that: Because the MX is the first commitment by the United States to maintain the strategic triad since 1950. Essentially the choice before Congress is between replacing some of our aging ICBM's, or continuing our unilateral disarmament by obsolescence.

For 40 years, our strong defense has deterred aggression and kept the peace. The world is too dangerous and human liberty is too valuable to invite aggression by abandoning it now.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume to ask a question.

Would the gentleman from Florida indicate whether or not he plans to use all the time allotted today, or does he have an idea at this time?

Mr. BENNETT. I do intend to use all the time that people have asked for today, which will take us well beyond 5 o'clock, in my opinion, because I am extending time as people ask me. But I think at the end of the day we can probably say that the time we will have is 4 hours tomorrow. Is that what the gentleman understands? That is agreeable to me.

Mr. DICKINSON. Let me say first that I have checked, and the White House informs me that every office was called on the Democratic side, including the gentleman from Florida, and I do not know why he did not get the message, but——

Mr. BENNETT. I checked myself, and my staff has told me categorically that no such message has been received. I am not uptight about it. I just do not know why the White House is able to cut off this debate. If you want to do it the other way, it suits me. Is there some way to recess and come back?

Mr. DICKINSON. No, not at all. And I do not know who was so bright down at the White House that they would schedule a briefing during our debate on the bill. There has to be somebody down there with more sense than that. I do not know, but I think there ought to be more sense than that.

Anyway, I plan to stay here as long as the time that is allocated. We will conclude with the number of speakers that we have over here. It is my understanding that the gentleman will go forward as long as there are speakers desiring to be heard on this side.

Mr. BENNETT. The only speakers I have here are Mr. MARKEY, Mr. LEHMAN, Mr. MAVROULES and possibly Mr. SEIBERLING. They are the only ones who have asked me. But that does look like beyond five. Not being invited at all, if the gentleman wants to go to the White House, maybe he could put somebody else in that chair. I will not take advantage of the gentleman. I do not know how.

Mr. DICKINSON. I thank the gentleman. What I was trying to indicate is that we will go forward, and all of the speakers who wish to be heard will be heard on this side today, until the expiration of the total 6 hours, if that is agreeable with the gentleman, and I assume that the gentleman from New York, who is handling the proponents' time on that side, will agree to that.

I will be glad to yield to the gentleman.

Mr. STRATTON. I think we ought to continue until we have exhausted any speakers who want to speak from this side.

Mr. DICKS. Mr. Chairman, will the gentleman yield, briefly?

Mr. DICKINSON. I will yield to the gentleman if the gentleman from New York has finished responding. Has the gentleman from New York finished responding?

Mr. STRATTON. Yes. As I said, we intend to go to anybody else who wants to speak. I do not know how many speakers there are.

Mr. DICKINSON. I yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, the MX continues to be an extremely emotionally charged issue for this House and for the Nation as a whole. It has become for many a symbol of either our resolve to respond to the Soviet arms buildup or to ending the nuclear arms race.

While I certainly do not underestimate the importance of the issue, MX is a system whose virtues are exaggerated by its strongest opponents, and whose drawbacks are oversold by its sharpest critics. To paraphrase Columnist Leslie Gelb's observations on arms control, MX is neither sin nor salvation. It is rather an important, but far from inclusive, issue in the overall question of how to reconcile the implications of Soviet nuclear force deployments and the desire to vigorously pursue reductions in nuclear arms on both sides that can result in a more stable environment and lessen the chances that tensions could lead to nuclear conflict.

What MX has come to symbolize is the divisiveness in the American body politic that has resulted in a discouraging lack of progress toward either of these goals. What we have instead are "phyrric" victories for those who advocate strategic modernization or arms control to the exclusion of the other. One element hailed the success of their efforts to block ratification of the SALT II agreement on the grounds that it would result in Soviet superiority. The other side seeks to halt whatever U.S. strategic weapons program is closest to deployment in the belief that this will somehow end the arms race.

But both sides are repeatedly frustrated. The Reagan administration, for all its campaign rhetoric, continues to observe SALT II limits. And strategic modernization issues do not somehow magically disappear. The realities of this imperfect world are that for the foreseeable future, some mix of both arms control and strategic force modernization is required if we are to protect freedom and reduce the chances of war.

It is in recognition of this reality, and the roadblock that polarization presents to facing it, that I joined with others in this House and in the other body to seek a bipartisan consensus on a balanced approach to these issues. We saw the report of the Scowcroft Commission, which combined recommendations for strategic modernization that could lead us toward a more stable environment with the requirement to vigorously pursue arms reduction efforts, as a guideline on which to base such a consensus.

I believe we have had some success in this area. I think any objective observer would have to conclude that this administration has exhibited a more flexible and serious approach to arms control as a result of its endorsement of the Scowcroft recommendations. I have just returned from Geneva where I was a congressional observer to the negotiations. I am convinced that we have an extremely capable team that is dedicated to seeking an agreement that will enhance mutual security. I am also convinced that the flexibility they have been provided will make an agreement more likely. While the history of negotiations on these issues with the Soviets teaches us that progress takes time, I count myself as an optimist that we can be successful.

There has also been some success in promoting more stable strategic modernization efforts. The single warhead missile has received strong support and research on it is proceeding well. The Congress has developed parameters on the program designed to ensure that it meets the objectives outlined in the Scowcroft report and has tied MX developments to progress on this system. We have also voted to moderate the rate of MX procurement over the last 2 years.

But the tenor of this debate clearly illustrates that we have not been total-

ly successful. The middle ground on strategic issues remains a lonely area. But I am committed to continuing the effort to make it a majority. Because regardless of the outcome of this vote, or the fate of this particular weapons system, the question of how to reconcile the twin goals of force parity and arms control in a way that can prevent war will go on. We will still have to debate the fate of the Midgetman, whether to deploy the D-5 and if so in what numbers, what to do about antisatellite weapons and where we go with SDI.

There are also critical arms control questions to resolve. We have to decide what form interim restraints will take while negotiations are underway. Both sides must work to reaffirm the AMB treaty. We have to determine how strategic defenses could be consistent with offensive force reductions or if they will fuel the arms race. And if this latter outcome is the case, which I think is most likely, how do we put in place controls that will have the confidence of both parties?

Without a consensus approach that will give us a consistent and enduring approach, we will continue to spin our wheels, miss opportunities, and the world will become even more dangerous.

With these factors in mind, and after long and difficult reflection, I have concluded that the release of funds for the 21 MX missiles included in the fiscal year 1985 Defense Authorization Act should be approved.

I have reached this conclusion first because I believe that it will help contribute to force stability. I reject the contention of nuclear warfighting advocates that a nuclear conflict could somehow be won. The truth is that the whole world would be the loser. But I also reject the argument that force structure imbalances are irrelevant to efforts to prevent nuclear war, or to avoid submission to nuclear blackmail.

Like it or not, we live in a world where our safety and freedom depends on deterrence. Deterrence is by its very nature in the mind of the beholder, it can not be neatly quantified. Our task is to balance the uncertainties facing a Soviet leader. There must be enough force to make as certain as possible that a rational adversary will not attack, or seek to coerce us through the threat of attack. At the same time we must be careful not to accumulate so much force that will create the fear that a rational American President would attack or seek to coerce. If we do, the temptation to preempt such a feared attack might become too attractive for comfort.

The sad fact of the matter is that the Soviets have deployed 648 large, MIRV'd, highly accurate SS-18 and SS-19 ICBM's. We have not deployed any forces that threaten them. This Soviet monopoly in prompt hard target capabilities causes this member, at least, some uneasiness.

The question is how do we convince the Soviets to move, over time, in both arms control and force deployments away from this type of system. The Scowcroft Commission concluded that some MX are "necessary to encourage the Soviets to move toward the more stable regime of deployments and arms control" outlined in that report. The prospect of MX has in fact already resulted in the Soviets moving in the direction of mobile systems which were advocated by Scowcroft, with the SS-24 and SS-25. We want to continue that trend, and I must conclude that release of funds for these 21 missiles will do so.

The second basis for my support of the resolution relates to arms control negotiations. It is important to make the distinction between the leverage that the Scowcroft report saw some MX providing, and the traditional concept of a bargaining chip. The leverage argument sees MX as a necessary means toward an end, the incentive that can provide enhanced stability. It is in this respect like the ugly duckling that led to the swan.

In an arms reduction agreement we may well want to give up the MX. I would certainly hope that if the Soviets were willing to make substantial reductions in their force of SS-18's and 19's that we would be willing to do the same for MX. But this is not the only potential positive outcome.

The potential for any positive outcome will be hindered by a refusal to approve this resolution in my judgment. The negotiations have just begun and this is the first test of our united front. Ambassador Nitze said it very clearly in his March 15 letter to House members.

> I believe the prospects for achieving meaningful arms reductions with the Soviets will be damaged if Congress fails to support President Reagan's request for MX production funds.

It is impossible to address this question without also asking the question, what about the long term? What happens to MX after this resolution is resolved?

The issue of ICBM survivability will continue to be an issue. I concur with the statement made by my colleague from California [Mr. DELLUMS] on this floor last year on this subject:

> A number of people in the Pentagon said that when they evaluated America's nuclear triad, that they came to the interesting conclusion that our land based missiles would be vulnerable to Soviet attack sometime in the mid-1980s. A number of us, the distinguished gentleman from New York [Mr. DOWNEY], myself, and others took the floor in the 1970's and argued against this assertion.
>
> We said you do not need each leg of the nuclear triad to be independently survivable. To use the argument of my colleague from Washington, we argued that the synergistic relationship among the three aspects of the triad collectively would not allow this country to be vulnerable, that no rational Soviet planner would look at America's ICBM's and say, "Aha, they are now vulnerable to attack," because they knew what we knew. We had two other legs of the triad that could wreak havoc on the Soviet Union * * * You do not need each leg to be independently survivable.

While I recognize that my good friend from California does not agree with me on the question of MX production, we do agree that opposition should be on other grounds than the supposed window of vulnerability. One must recognize that ICBM's constitute only about 25 percent of U.S. strategic forces, as contrasted to 70 percent of Soviet forces. Even with the full MX force advocated by the administration it would constitute only 10 percent of our overall ICBM launchers, and only about 10 percent of our total ballistic missile warheads. Thus I conclude that the near-term leverage provided by deployment of a limited MX force does not produce unacceptable risks.

For the longer term I share the concerns of many, because we can never be absolutely certain what future developments hold for the survivability of the other legs of the triad. That is why I am a strong supporter of development of a survivable single warhead missile and an active research effort into more survivable ICBM basing modes.

A second long-term question relates to force size. I must state that I have serious questions about the implications of the full force of 100 MX advocated by the administration. It was these questions which prompted me last year to include an amendment on the authorization bill that requires a detailed report on overall strategic modernization plans, including anticipated numbers of D-5 Trident II missiles and Midgetmen. This report, due April 15, will help the Congress insure that the President's commitment not to develop a U.S. first-strike capability is fulfilled.

A factor in this issue is the better than anticipated accuracies demonstrated in MX tests to date. This combined with recent adjustments in estimates of Soviet silo hardness could well enhance the military effectiveness of the MX and require a smaller force structure for the same capability.

My own personal view, is that with approval of the missiles covered in this resolution, the time will have come for a de novo review of the MX program. We will have approved 42 missiles, which I believe represents a militarily significant force. In fact many Members may remember that in 1981 this administration originally suggested we deploy only 36 MX in existing silos while we sought a more survivable

basing mode for the longer term. Let me cite Secretary Weinberger's own statement before the Defense Appropriations Subcommittee:

> Deploying the MX in reconstructed silos gives us a short-term improvement in our existing ICBM force. It is an interim way of breaking the Soviet monopoly on prompt hard target counterforce capability until the D-5 and more permanent MX deployments become operational.

For any deployed force, operational test and spare missiles will be required. I am inclined to think that it will be appropriate to pause with approval of 40 to 50 deployable missiles, keep a warm line with production at a moderate rate of testing and spare missiles, and defer final judgment on the ultimate MX force objective while we consider developments in a number of areas.

Among the issues that must be considered are what progress we have made in arms reduction efforts; what developments have taken place on other strategic weapons programs both in the United States and the Soviet Union; what we have learned from our exploration of alternative basing modes; and what direction the debate over strategic defense takes us.

By keeping a warm production line we can maintain the needed leverage for arms control without making commitments that could prejudice desirable outcomes.

I certainly recognize that this is not the administration's view on the issue. While I speak only for myself, I know that this approach does have attractions for many Members who have pondered this question. It represents what I believe is a reasonable outcome that could command broad support.

Let me conclude by looking ahead and considering what would happen if this House votes not to approve this resolution.

The President will accuse the House, and the Democratic Party in particular, of undercutting the negotiations in Geneva.

It will strengthen the hand of those both inside and outside the administration who oppose arms control negotiations in principle and who believe that no positive agreement is remotely possible.

It will inhibit U.S. flexibility in Geneva on the strategic defense initiatives and other thorny issues.

There are also things that rejection of the resolution will not accomplish:

It will not finally resolve the MX question. The fiscal year 1986 request will still be before us and the administration will redouble their efforts for approval. Anyone in this House who thinks this is your last MX vote is dreaming.

It will not produce a Soviet offer to correspondingly reduce its forces. As they responded to our SALT negotiators when asked what they would give up after we decided unilaterally to cancel B-1, "Nothing, we are neither philanthropists nor fools, now what else do you want to give up?"

In sum defeat of this resolution will have no positive results, but many negative ones. It would be a bad step for the Nation, our party, and the prospects for a consensus that could give the arms reductions negotiations a legitimate chance.

Mr. BENNETT. Mr. Chairman, I yield 9 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. I thank the gentleman for yielding me this time.

Mr. Chairman, spring is here and so is the first vote of the year on the MX missile. When you are looking for a reason why the MX should be continued in production, you just look at the newspaper headlines. Right now, the Geneva talks are opening, so Geneva is the reason that we need the MX missile. Every year we get a different reason, but the program remains the same.

Before, they said that we had to build the MX because we have a window of vulnerability. Remember that one? But after racetracks and dense packs, they found no home for the MX except the same vulnerable Minuteman silos. Therefore, they decided that there is no window of vulnerability, so we can build the MX missile.

Last year they said that we need the MX because we are not talking to the Soviets. Now they say we need the MX because we are talking to the Soviets. In this spinning constellation of administration policies and pronouncements, there is one fixed star: Produce the MX regardless of the consequences. It is "promise them anything, but give them the MX."

I think we can all agree on one thing: The MX is a loser. Strategically, militarily, economically, it makes absolutely no sense. Defense missiles and nuclear arms control are supposed to have the same purpose; to reduce the risk of nuclear war. The MX does just the opposite. The MX decreases stability and increases the risk of nuclear war.

We all know about the merits of the MX, it has none. The MX is to nuclear weapons what Ohio savings and loans is to the banking industry: It is a missile without a mission. A weapon without a home. It will sit in the same, vulnerable silos that house Minuteman missiles and invite a Soviet attack. It is called the Peacekeeper, but it is in fact a war fighter. It is a $41 billion exercise in weakening American security and reducing nuclear stability.

Unable to argue for the MX on its merits, the administration is trying to give it a sugar coating of arms control to bathe it in the glow of Geneva. Now President Reagan has ordered Max Kampelman to abandon the arms talks at Geneva, to come to Washington to push for MX production, and all of us are invited over to the White House at 5 o'clock tonight to talk to Mr. Kampelman about the need for an MX missile. Our chief arms control negotiator may miss talks in Geneva in order to lobby for more nuclear missiles. That says it all about this administration's attitude about new nuclear weapons.

Mr. Chairman, President Reagan has been telling the truth: The MX is not a bargaining chip for Geneva; Geneva is a bargaining chip for the MX. The MX missile is making a mockery of the Geneva talks. And the story this spring is the same as it was last summer: Promise them arms control, but give them MX.

Last year, there were three positions here in the House. Some of us wanted no production of the MX missile. The administration wanted production of the MX missile. The compromise position was to fence production of the MX so long as the Soviets were negotiating in good faith.

Let me quote from the architect of that compromise, Congressman LES ASPIN, the chairman of the Armed Services Committee:

> The amendment that we are offering here is an amendment that says that we will vote for 15 missiles, fence the money for 6 months, wait and see if the Soviets come back to the table. If they come back to the bargaining table, the money is not spent. If they do not come back to the bargaining table, the money is released.

Now that was the argument for the Aspin-Price amendment. Use the MX as an incentive for the Soviets to negotiate. As long as the talks are going on, the funds remain fenced. That was the purpose of the Bennett-Mavroules amendment. The only thing that Bennett-Mavroules did was to place the decision on whether the Soviets were negotiating in the hands of Congress rather than in the hands of the President.

We seem to be suffering from MX amnesia on Capitol Hill today. Some people seem determined to forget the reason we decided last summer to have a vote this spring: We are getting two-stepped here in Congress. We got one-stepped from no MX to a fenced MX last summer. Even those of us who supported no production voted for the middle position: a fenced MX. Put up the money appropriated, but do not spend it as long as there are good-faith negotiations going on. A real bargaining chip. Quite a move for those of us who were against all production of the MX.

Now they are trying to two-step us from fencing the MX to producing the MX; saying that now the fence is no longer an incentive for the Soviets to negotiate, even though it got them back to the negotiating table just as

we were promised by those of us who wanted to see a fence.

Let me return to the RECORD of last year's choice. On May 31, the gentleman from Wisconsin, my good friend, said:

We are trying to encourage the Soviet Union to return to the bargaining table. That is the purpose of the original amendment. The trouble with the Bennett-Mavroules amendment is that it says that after 6 months if the Soviets are not at the bargaining table and bargaining, we will have another vote in Congress on the issue. That is not much of an inducement for the Soviets to return to the bargaining table.

Well, with all due respect to those who held that position, I say you were wrong last year, and you are wrong today. The Soviets did come back to the talks, and the Soviets will stay at the talks if we continue the fence that we set up last year. What we are hearing now is a lot of reverent talk about the strategic triad. You would think that we were talking about the Blessed Trinity, but none of us are arguing about the triad. Nobody today is saying that we should not have land-based missiles. What we are saying is that we should not have destabilizing, unnecessary sitting ducks or land-based missiles if we can continue to produce the same effect by having the fence money that keeps the Soviets at the bargaining table.

We are hearing a lot of talk about President Reagan's efforts to achieve arms control. But let me read from the RECORD of August 1982, the debate on the nuclear freeze.

Now, the President says that he is interested in genuine arms control, and I would like to believe him. But look at the record. The record tells us something different. When President Kennedy proposed the Test Ban Treaty in 1963, Ronald Reagan opposed it. When President Johnson pushed for nonproliferation in 1967, Ronald Reagan opposed it. When President Nixon negotiated the SALT I agreement in 1972, Ronald Reagan opposed it.

□ 1650

When President Ford restricted the sale of weapons-grade material in 1975, Ronald Reagan opposed it. When President Ford concluded the Vladivostok Agreement in 1976, Ronald Reagan opposed it. And when President Carter negotiated SALT II in 1979, Ronald Reagan opposed it.

For 20 years Ronald Reagan has opposed every step toward arms control by every President of either political party, whether they be Republican or Democrat.

Now, they are saying they are for arms controls. Well, maybe, and maybe not.

These are not my words. These are the words of the gentleman from Wisconsin, the chairman of the Armed Services Committee in 1985.

Now, President Reagan has ordered Max Kampelman to leave Geneva to lobby for more MX missile production. He and his colleagues were already lobbying Congressmen by phone from Geneva, but it seems that was not enough.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

Mr. BENNETT. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. So now, Mr. Chairman, our chief negotiator may miss arms control negotiating sessions in order to lobby for nuclear missiles, and the Geneva negotiating sessions for each arms control area will happen only 1 day a week. I say that we would be a lot better off if Max Kampelman was in Geneva trying to limit nuclear missiles and not in Washington lobbying for more missiles.

And we would be a lot better off if the MX factories were working 1 day a week and the arms talks were running around the clock.

Does Ronald Reagan have a record of support for arms control? Does James Watt have a record of support for the environment? Maybe, maybe not.

We have a chance here. We can fence this money. We can continue to use it as the inducement to goad them back to the table, to serve as the bargaining leverage that our negotiators need in Geneva.

We are not voting to kill the MX missile here today. That is something everyone has to understand while listening to this debate. We are going to fence the money, as we have had it fenced for the last 7 or 8 months. That is all, plain and simple. A yes vote is to produce the MX missile; a no vote is to fence the money, put it on the table, and threaten the Soviets that we will produce if they do not negotiate in good faith.

It seems to me that that is the classic definition of a bargaining chip. It seems to me that that is the kind of a position that a country interested in stopping new arms production ought to be taking if they want to be credible in the eyes of the world in their attempts to in fact achieve such an agreement. That is what we are offering here, a choice between production or the threat of production, not production or no production.

We took a middle ground last year. It was not easy for many of us to take it, but we did. It has been successful in bringing the Soviets back to the table. They know that there is in fact a bipartisan consensus.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has again expired.

The Chair now recognizes the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the distinguished gentleman from Massachusetts has been combating a straw man. The resolution which we are in the process of debating today and tomorrow and voting on tomorrow was not concocted by the gentleman from Wisconsin. It was concocted by the distinguished Speaker of the House of Representatives, Mr. THOMAS P. O'NEILL, JR., and the former majority leader of the U.S. Senate, Senator Howard Baker. They were the ones who determined the procedures without any intervention on the part of any member of either the House or the Senate Armed Services Committees.

The gentleman is talking about something that does not exist in this law, and I think that point ought to be made clear. As a matter of fact, the chairman of the Armed Services Committee tried to point it out on this floor when he was being ragged by his colleagues, but nobody paid any attention to it, and if the gentleman from Massachusetts has any complaint about what is going on here, he ought to refer that complaint to the Speaker of the House.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. No; I will not yield to the gentleman. He did not yield to me.

Mr. Chairman, the gentleman has also said that if this goes down, it simply means that the money will continue to be fenced. That is not true, either. The fencing operation was part of an agreement to continue the production line for the MX missile. If we are going to turn on the MX and turn it off, it is absolutely impossible for us to undertake any economic procurement of this particular missile, and the agreement of the Speaker of the House and the majority leader of the Senate in the 98th Congress made it perfectly clear that the funds, if they were unfenced, would make it possible for the 21 missiles approved in the 1984 legislation to be assembled into actual missiles rather than to remain in individual parts.

A Member of the other body tried to persuade the Members in the other body to believe that this money did not really mean anything, that there was plenty of money available, but the fact of the matter is that that is not the case, and we would be doing grave damage to the status of the defense bill if the recommendations of the gentleman from Massachusetts were to be pursued. Eighty-two percent of the research and development money has already been expended, 52 percent of the Milcon money has already been expended, and 32 percent of the procurement funds has already been expended.

The program outlined here will cost $11.2 billion in then-year dollars, and the 1985 Peacekeeper Procurement Program represents only 11.4 percent of the total. Those who want to wipe out the MX can do it by voting no, but

they cannot retain the MX and at the same time vote no.

So I think it is important that we not, as the gentleman from Massachusetts has done, resurrect old lines from the last campaign, but that we take a clear look at exactly what we are doing financially and what we are doing in terms of our foreign policy.

The gentleman from Massachusetts was apparently quoting the President of the United States or at least was criticizing the President of the United States for suggesting that we would undercut the negotiations going on in Geneva by voting no on this particular resolution, but I would point out, as I tried to point out earlier in my opening remarks, that one of the most outstanding negotiators in the United States' stable of negotiators is Mr. Paul Nitze, who has been at this job over a long period of time. Mr. Nitze happens to be a Democrat, a long-time Democrat, but he is one who has the wisdom and the courage to rise above partisanship and to subscribe to the view that the majority leader of the House, the gentleman from Texas [Mr. WRIGHT], announced when he left the White House a couple of weeks ago, that foreign policy and defense policy should stop at the water's edge.

Here is what Mr. Nitze, who is much more familiar with the process of negotiating with the Soviets than is Mr. Kampelman, says—although apparently the gentleman from Massachusetts thinks that he is going to cast some mesmeristic spell over the Members of Congress who go down to the White House—

I think it would convey a greater hope to the Soviet Union that there would be opposition in the United States against the very thought of maintaining an adequate deterrent against real opposition, and that it would encourage them to increase their opposition, increase their propaganda campaign, play directly upon the divisions in Europe and try to defeat us indirectly.

□ 1700

Now, that is a statement by somebody who knows what he is talking about.

Mr. Nitze goes on to say:

It is vital to the success of our negotiating effort in Geneva that we convince the Soviets that, as a country and alliance, we stand united. We must bring them to conclude as early as possible that their public campaign will not bear fruit, and that they should get down to serious bargaining at the negotiating table.

That is precisely what happened with what went on early in this House and in the North Atlantic Alliance. They are back at the negotiating table because of the strong posture of the United States.

Congressional support for the MX will send just such a message to Moscow. It will send a strong signal of national resolve and will greatly strengthen our hand in Geneva.

He goes on to say:

I believe the continuation of the MX program is essential for the maintenance of a strong deterrent posture, for the support of our fundamental foreign policy objectives, and for the chances of success at the Geneva arms control negotiations.

He also points out that as the leader of the Western Alliance, we have to remember the impact of our action on our allies. He says:

I believe a decision to continue production of MX will demonstrate to our partners and America that is resolved to maintain the strategic balance as a solid basis for its commitment to peace.

Were we to back away from MX, we would place ourselves in a most awkward position vis-a-vis our European partners—

Who have agreed to accept the nuclear deterrent—

As the leader and most powerful country of the West, should we do less?

I think this is the kind of statement that we ought to ponder over and not be so foolish as to suggest that somehow there is something phony about what the negotiators in Geneva are saying to us, because it would be a serious mistake, in my judgment, for the Democratic Party to be the party responsible for bringing about this kind of tragic rupture in a long-lasting alliance.

Mr. BENNETT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, before I yield to the gentleman from Masschusetts [Mr. MAVROULES], I would like to make an observation about what has just been said.

First of all, I would like to say that the people who are working to try to help our country in the arms control movement certainly ought to be congratulated for their efforts, but they are administration appointees. They are appointed by this administration.

The complimentary remarks are particularly applicable to Mr. Nitze. He is one of the finest men this country has ever produced, a great man. He would not cavil. He would not bow or scrape to do anything for political reasons, but he is representing the administration. I heard the testimony of Mr. Nitze, the report in the newspaper, in my opinion, was accurate, the Washington Post. Here is the lead on the story:

The Reagan administration's top arms control adviser yesterday said that he doubts that withholding funds from the MX missile would have "an immediate or direct" impact on the arms talks in Geneva; a statement placing him at odds with the administration's main argument for releasing $1.5 billion for the missile this year.

I want to compliment the gentleman from New York for the way he has presented his work today and I want to compliment Mr. Nitze on what he is doing for our country; but I think when you look at all of it, you really do see that Mr. Nitze is representing, as he should, the adminstration in these matters. Despite that, he has the courage and determination which comes from being a mature gentleman. I am not quite as mature as he. I am in that direction. He was willing to serve his country in this way and was not willing to overstate the case, and he stated the case as he did. It is not as strong as some people would lead you to believe it was in the direction of being an absolute rubber stamp for the administration.

Now, we have already had several people here today that have made fine speeches, like the gentleman from New York [Mr. DOWNEY] and others, who have been very, very active in trying to kill the MX. I am not a partner in just trying to postpone the MX. I want to kill the MX, because of the fact that we have not got a basing mode for it. That is the only thing I have against it; but I am against it for that reason.

The gentleman from New York [Mr. DOWNEY] has been mentioned. Others have been mentioned; but the man I am going to yield to is a man who has really done legion work for this effort to try to kill the MX.

Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I just want to respond very lightly to my chairman, the gentleman from New York [Mr. STRATTON], who is putting up a great fight on that side of the aisle on this particular issue.

This is not a Democratic or a Republican issue. I think we ought to get that straight. There is no position taken as a formal position of the Democratic leadership on the MX missile. I think it is important that we maintain that position.

Also, I, too, listened to the testimony put forth by Mr. Nitze. I have listened to Mr. Weinberger. We listened to the Soviet defector, Mr. Shevchenko. We listened to most of the people who came before our panel.

The one question that I asked each and every one of them, if indeed the MX missile is that one particular missile that would cut the legs from under our negotiators in Geneva, as suggested by the President. To a man, each and every one of them said no, that one weapons system does not; but let me be fair and state that they recommended going ahead with the MX missile anyway.

Let us try something else here.

Mr. Chairman, Congress and Presidents have, for over 200 years, made the critical decisions and sacrifices that have made America strong and kept her free.

From the rostrum of this House almost three-quarters of a century

ago, Woodrow Wilson spoke of a world made "safe for democracy." And a generation later, Franklin Roosevelt utilized the resources of the "arsenal of democracy" to free a suffering world from the terror of totalitarianism.

At those critical times, we did not stand as Democrats or Republicans, but as Americans. For in times of trouble, in the immortal words of Thomas Paine, "It is not in numbers but unity where our great strength lies."

Yet now, this House is once again locked into a passioned debate on the future of the MX missile.

We are told this vote will measure the unity of our land. And the argument is put forth that without this one weapon system, America will lack the resolve to "stand tall" in negotiations with the Soviet Union in Geneva.

To my colleagues in this House: If the MX were those things, if it was the weapon to guarantee peace in the world and disarmament in Geneva, then I am convinced this House would support this request without reservation.

But in fact, the MX is a broken promise. The rhetoric does not match the reality to be found in years of testimony, investigation and debate.

At issue here is not a lack of resolve, but a lack of judgment if we authorize more billions for a weapon vulnerable on the drawing board and in the silo.

Some of those on the other side of this argument know, in their hearts, the MX is a waste of money. But, they are worried. In the cloakroom and corridors of the Capitol we hear whispers of being "soft on defense."

Well let's look at the record. In 5 years, the Reagan administration has requested $1,234 billion for defense. Congress has appropriated $1,174 billion during that period, providing 95 percent of the administration's defense program.

Those budgets and this spending reflect the true commitment of Congress—and the American people—to rebuilding U.S. military capability. It is a very visible effort, which can serve only to impress the Soviets that America is serious about its national security.

Yet, after appropriating all this money, we have been told that failure to release the $1.5 billion in "fenced" MX funds "will knock the legs out from under the negotiating table."

Now of all the arguments, this is the most difficult to accept. In reality, the "fenced" MX funds represent one-tenth of 1 percent of what the United States is spending of defense during the present 5-year program.

CONGRESS AND REAGAN'S DEFENSE BUILDUP

[Dollar amounts in billions]

	1981	1982	1983	1984	1985	Total
Reagan requested	$177.1	$221.8	$257.5	$273.4	$305.0	$1,234.8
Congress appropriated	$178.4	$213.8	$239.5	$258.2	$284.3	$1,174.2
Proportion of Reagan request appropriated (percent)	101.0	96.0	93.0	94.0	93.0	95.0
Real growth rate (percent)	12.7	12.2	7.6	4.4.	5.8	

Source: Office of Management and Budget.

□ 1710

Mr. STRATTON. Will the gentleman yield to me just a moment?

Mr. MAVROULES. I will be happy to yield.

Mr. STRATTON. The amount, as the gentleman indicates, is a relatively small amount. But if we do not unfence it the line, the production line for the MX missile is going to collapse. In fact, the date on which we set the vote for the MX was the absolute last date that we could utilize the production line, or else we would end up with nothing but small parts.

Mr. MAVROULES. As a matter of fact——

Mr. STRATTON. I think that was the point that I was trying to make.

Mr. MAVROULES. Mr. Chairman, I am not going to argue your point, and I am not going to take you up on it. But the figures I have reflect a little different from what you are saying.

As a matter of fact, of all of the contracted moneys versus money that has been authorized up to this point, I think you will still find that we have an excess of $500 million that has not been contracted for and that will not come on line until September 1985. So it is a judgment.

I am going to agree with you for the sake of agreeing, not for the sake of argument. But hear me out.

Mr. STRATTON. It means that we are going to have no missiles whatsoever, not even the first 21.

Mr. MAVROULES. That is incorrect, because in the agreement we had in the conference report we did give the up-front money for the continued production of the 21 missiles.

Mr. STRATTON. But not until you unfence it. That is the point. The 21, the two 21's are included in the same batch.

Mr. MAVROULES. I disagree. I cannot agree with the gentleman on that point. The money has been given up front for the production of the first 21 missiles.

What we are talking about here is an additional 21 missiles. If you remember, we gave the long-term money, did we not, Mr. Chairman? Did we not give the long-term money for the 21 missiles?

Mr. STRATTON. The first 21 have not been assembled. That is the point. And they can only be assembled when the money is unfenced.

Mr. MAVROULES. Correct me if I am mistaken. In the conference report of last year did we not allow the long-term funds? I would ask my colleagues from the other side to answer this. Did we not allow the long-term funds for the continuation of production of the 21 missiles? May I ask staff here? They are here today.

Mr. STRATTON. Well, the staff has already answered the question and said no.

Mr. MAVROULES. On the other hand, I would ask staff on the other side.

Mr. STRATTON. And I did not terrorize them, either.

Mr. MAVROULES. It is immaterial on this point, and if you will hear me out you will hear my entire argument.

Mr. STRATTON. The gentleman was suggesting that it was just a mere matter of funds.

Mr. MAVROULES. It is.

Mr. STRATTON. When as a practical question, it is a matter of whether we are going to have some kind of a defense.

Mr. MAVROULES. As a matter of fact, it is an infinitesimal sum of money that we are referring to, and it is others who make it seem very important. I do not. But under the present 5-year program, let me repeat, it is one-tenth of 1 percent of what we are spending.

And, by the way, those are not my figures. Those are from the Office of Management and Budget.

Can we seriously believe that one-tenth of 1 percent, one-one thousandth of the administration's 5-year defense program is the critical mass which is going to make or break the talks in Geneva?

If that one-one thousandth is so important, we must really be wasting the remaining 99.9 percent of the $1,174 billion we are spending on defense.

And to my wavering colleagues, if you are still concerned, I have one more sobering statistic to offer.

The funds which I have been discussing are for the last 5 years. The period of fiscal 1981 to 1985.

During the next 5 years, the administration's Department of Defense budget forecast totals, in current dollars, another $1,985 billion.

FISCAL YEAR 1986 DEPARTMENT OF DEFENSE BUDGET LONG-RANGE FORECASTS

[Dollars in billions]

	Fiscal year—				
	1986	1987	1988	1989	1990
BUDGET AUTHORITY					
Total, current dollars	$313.7	$354.0	$401.6	$438.8	$477.7
Total, constant (FY 1986) dollars	$313.7	$339.4	$369.5	$388.0	$406.7
Percent change	5.9	8.2	8.8	5.0	4.8
OUTLAYS					
Total, current dollars	$277.5	$312.3	$348.6	$382.3	$418.3
Total, constant (FY 1986) dollars	$277.5	$299.0	$319.3	$336.1	$353.8
Percent change	8.4	7.7	6.8	5.3	5.3

FISCAL YEAR 1986 DEPARTMENT OF DEFENSE BUDGET
LONG-RANGE FORECASTS—Continued

[Dollars in billions]

	Fiscal year—				
	1986	1987	1988	1989	1990
Composite pay/price assumptions for outlays	$100.0	$104.5	$109.2	$113.7	$118.2

Source: Annual Report to Congress, Caspar W. Weinberger, Secretary of Defense, fiscal 1986.

After reviewing these numbers, can anyone seriously question the commitment of the United States to national security.

These defense budgets are the bargaining chips—which forced the Soviet Union to return to the negotiating table in Geneva.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MAVROULES] has expired.

Mr. MAVROULES. Will the gentleman from Florida [Mr. BENNETT] yield me 3 additional minutes?

Mr. BENNETT. Before I allow the gentleman the 3 additional minutes, I would say I have talked to staff and the gentleman is essentially correct. There are 21 missiles which have already been authorized and appropriated for, and they are not affected by this vote.

Mr. MAVROULES. If you recall, Mr. Chairman, I was in the conference committee at the time and we gave the long-lead money to finish 21 missiles.

Mr. BENNETT. You have reassured me and you are correct.

Mr. MAVROULES. What we are referring to is the other 21 missiles which are fenced at this point.

Mr. BENNETT. Unfortunately you are correct.

I do yield the gentleman 3 additional minutes.

Mr. MAVROULES. The point I am trying to make here is that the MX missile is not the one weapons system that is going to make or break the Geneva arms talks. It is indeed the resolve of Congress. The moneys that I refer to, these are the defense budgets, which are indeed the true bargaining chips, which indeed force the Soviet Union to return to the negotiating table in Geneva.

Let me kind of sum up a little bit at this point, because I think it is important to stress a couple of points.

We know the MX missile in Minuteman silos is vulnerable because one of our current negotiators labeled it a "sitting duck" just 3 years ago.

And if the soft on defense argument sounds familiar, 2 years ago this House demanded that our Marines in Lebanon be redeployed to a safer location. We were accused of being soft on security, and favoring surrender.

But the administration knows that this House of Representatives was right on Lebanon. And today, we are just as right on the MX missile.

Mr. Chairman and colleagues, we must draw the line, MX does not add to our security.

The Soviet negotiators in Geneva know it.

The American public knows it.

This Congress must show it.

It is time to stop wasting money. This resolution should not be approved.

Mr. DICKINSON. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank the chairman.

I think I would like to start off by just saying there are many of us that do not feel that the Soviets returned to the negotiating table because of the MX. However, I think the MX is a factor. I think most people would grant the Soviets returned to the table because of the strategic defense initiative, because that is something they are very concerned about.

But the fact of the matter is I believe the MX does have a bearing upon the Soviet's attitude at Geneva. I think that is inescapable.

If the President of the United States does not have the power to get the MX through this Congress and you are a negotiator in Geneva for the Soviet Union, would you not wonder if he might not have the clout, or might lack the clout to get the SDI research and development funds through the Congress? I certainly would. And if I were a negotiator for the Soviet Union I would just sit there and say, "Listen, this guy does not have it. He may have carried 49 States, but he cannot control that Congress of his."

So I think there is a direct bearing on these negotiations with what we do here tomorrow and the rest of this week.

The President in his press conference the other day said:

> For more than a decade we have debated the MX and while we were debating the Soviets were deploying more than 600 such missiles, 648 to be exact, and targeting them on U.S. targets. Now they are on the verge of deploying two new stratetic land-based systems and we are still debating.

I think that is deplorable. We continue to debate while they run away from us. They have 648 SS-18's and SS-19's.

The gentleman from Massachusetts [Mr. MARKEY] said we need to continue to freeze MX funds while we negotiate. Let us look at what that mentality has brought us.

Since 1968, and I am looking at the Soviet military power book, since 1968 when we had approximately 1,000 U.S. ICBM's and the Soviets had about 800, the Soviets have increased to about 1,200 ICBM's while we stayed at about 1,000.

□ 1720

Our U.S. reentry vehicles are about 2,000 now and the Soviets have increased from about 800 to 6,400 reentry vehicles. While we sat around and talked, they have gone from about 800 to 6,400 reentry vehicles. We have gone from approximately 1,000 to 2,000. They have been running away from us.

While we stood around and talked since 1970, they have 7 ICBM's either under construction or on the drawing board. We have completed one. The MX is the first one since 1970. We do not have that built and deployed yet.

That is what happened while we sat around here and talked. When you talk about bombers, the Soviet Union since 1979 have gone from 250 intercontinental-capable bombers to 400; we have gone from 400 because ours are so old and outdated, the B-52's, down to below 350 which are operational.

We continue to talk and talk, they continue to build and build. I think we are at the point right now where we have to take some action, especially to see any results from the Geneva START talks.

You know, one of the things that bothered me today, and I want to digress just a moment, is that during the debate tempers get a little heated and we say some things that we later regret. One of the things I think one of our colleagues on the other side of the aisle ought to regret before this day is over, that is Mr. WEAVER of Oregon, is what he said equating Stalin's genocide action with what President Reagan has been doing. I would like to urge him to reconsider saying things like that in the future because, even though he may differ greatly with the President, to equate this President, who is very, very popular with the people of this country, who carried 49 States, with Stalin, is just unthinkable.

Why should we back the President in Geneva? I think it is relatively simple. That is, the future security of the United States is at stake.

If we show no resolve tomorrow and the rest of this week, the Soviet Union, in my view, will not negotiate in good faith. They will continue to build and build and build without any restraint whatsoever, and while they build, they will sit in those chairs in Geneva and not negotiate. And if they do not negotiate, Mr. Chairman, then I think the risk of a nuclear war is much greater than if we show some resolve right now.

You know, we have heard people talk about history earlier today. Winston Churchill talked about no resolve as far as the British Empire was concerned prior to World War II. And they let their military might deteriorate into nothing while they negotiat-

ed with Hitler. We have talked about this before.

While Great Britain deteriorated as a military power, Hitler rose to be one of the greatest menaces to our society and the freedoms the world has ever known, the people of this world stood by and let it happen.

Now we are faced with a much more monstrous possibility and that is that the Soviet Union, who has moved into Afghanistan, who supported genocide in Vietnam and now in Cambodia, who supported Communist expansionism even into our Hemisphere, and now who is threatening to build a nuclear force without equal in the history of this world, we stand idly by and let it happen.

I feel very strongly, Mr. Chairman, that this is a time for the United States to show resolve, and I hope that before this debate is over, my colleagues on the other side, who are on the bubble, will see this also and will vote with us. I think it is going to be a very close vote and a very important vote.

Mr. BENNETT. Mr. Chairman, I yield myself such time as I may consume before I yield to the gentleman from Florida [Mr. LEHMAN].

Mr. Chairman, I would like to say that you have got to bear in mind, when all these figures are given to you about how much the Russians are producing in the way of missiles, that if the gentleman feels that we are not doing what we should and we do not have a reasonable parity and should go further forward, I would be willing reluctantly to spend all this money on other nuclear weapons, but I would want to spend them on some good nuclear weapons. The triad would still exist even if you got rid of the ICBM's; namely, the cruise missiles, the Trident submarines and the bombers. If you want to take the $34 billion or $40 billion, or whatever figure you want to have, and apply it to Trident submarines and nuclear weaponry, through the bombers and cruise missiles, or if you can find a good basing mode for the MX, you are not closing that off. This is some 30-some-odd billion bucks you are going to throw down the drain for a faulty missile.

It is my opinion that things we spend that kind of money on ought to do harm to the enemy.

It was my suggestion in my first speech, and everything I have ever said about the MX, was that I would prefer that it went to conventional weaponry in Europe because we are asking for a war in Europe, we are asking for a nuclear war because we cannot win a conventional war. So I would prefer that the money be spent in that way. But if you are so obsessed with the fact that we need more nuclear weapons I prefer to put it into some weapons that will do some harm to the enemy.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Chairman, I would just like to ask one question: Is the MX a more accurate weapon than the Titan or Minuteman missiles we now have?

Mr. BENNETT. At the moment, the MX, I would assume, is more accurate but there is some doubt cast on it by the GAO report.

Mr. BURTON of Indiana. The GAO?

Mr. BENNETT. The General Accounting Office, who made a study of it.

Mr. BURTON of Indiana. What do they know about how accurate a missile is?

Mr. BENNETT. Well, if the gentleman does not know that they know about missiles, they know a lot about missiles. They have a very substantial weapons division. They have got a report on it that has been asked for by the Government. It has not been released yet. But things have leaked out of it. I have never read it. But I read in the paper about it. The paper says that they have some doubts about its accuracy. But it is probably more accurate than the present Trident weapon. But by the time it goes into production, in my opinion, the weaponry of the Trident submarine will be better.

And I will say something else: Why all this fetish about accurate weaponry when you say you do not want to have a first strike capability? Why are you so concerned that the weapon might kill a few people outside of the silos if you are not striking for a first strike? Now, if you are striking for a first strike, I can understand it. But our country has denied the fact that it is going to have a first strike. I frankly feel that if we buy the MX missile my own opinion is you have got 100 missiles in the silos and you are buying 123 other missiles. That is like buying 6 spare tires for a jalopy. Nobody would ever do it. There is no sense to it whatsoever. They testified about the spares. They testified what it would mean about getting old and they did not testify anything like that number; a very much smaller number.

So it will not be very long, if we get the 100 missiles in the tubes, that they will have another 100 tubes and, of course, that, times 10, makes it 2,000 missiles, or warheads. So you have a very substantial group. Whether that would be first strike or not I do not know.

But I am inclined to think it would be. I am inclined to think that adding it to the Trident missiles that we have, and the other things that we have, the cruise missiles, I would think we probably would have a pretty good first strike capability.

Somebody earlier on today thought it was not very important the difference between first strike and first to use. But they are very, very different. Our country stands solidly for the idea of not having a first-strike capability. That is not having the ability to wipe out them so they cannot in turn respond. But our country also stands very firmly for the first use of nuclear weaponry. As between the two, there is no comparison about the morality of the two. The one that says you are going to be the first to use a nuclear weapon in my opinion is the least moral, particularly since our country could preclude it by being able to win a conventional war in Europe which we are not spending the money to do.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. Now I will yield to the gentleman.

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I appreciate and have heard his argument a number of times.

Mr. BENNETT. And I have heard the gentleman's response.

Mr. COURTER. I understand that. It is my understanding, and correct me if I am wrong, that the gentleman, going back to 2 or 3 years ago, was a proponent of MX.

Mr. BENNETT. A proponent?

Mr. COURTER. Yes.

Mr. BENNETT. I was never a proponent of anything but movable capacity, being mobile.

□ 1730

Mr. COURTER. Is it not true that the gentleman—and you have a right to change your mind; I have no concern about that—I am just trying to find what the gentleman's argument is.

Mr. BENNETT. I do not feel at all vulnerable about it. I mean, suppose I had been? I will just say for the purposes of your debate that I was a strong advocate of the MX missile, which is not true because you will not hear me—there is not a speech in the RECORD that I remember, and I am sure I never made one in favor of the MX—I was asked to speak for the MX, and I said, I do not think they are going to find a way to use it.

It is a good missile, but we are not going to find a good basing mode until we get along better—I am not going to be a proponent of it. So you are not correct if you think I was a very strong advocate of it.

Mr. COURTER. Well, I do not know how strong you are; it was my impression that you were in favor of the procurement of the MX.

Mr. BENNETT. Well suppose I was, so what?

Mr. COURTER. Well, the point is as follows: Whether we assume that cor-

rect or assume it not correct, it does not make too much difference. I would like to ask the gentleman——

Mr. BENNETT. Until it starts making a difference, I will assume it.

Mr. COURTER. I would like to ask the gentleman a question. It is conceded, I think, by both sides that the Soviet Union has the capability of first striking or rendering our strategic deterrent, at least our land-based strategic deterrent, vulnerable. Their SS-18's and 19's do have that hard target kill capability.

It is also conceded that our land-based deterrent, our sea leg and our air-breathing leg of our triad does not have that capability.

Mr. BENNETT. I do not concede for the same timeframe.

Mr. COURTER. All right. Does it upset you at all—let me ask you this—you will have your chance, but——

Mr. BENNETT. Well, I do not have to.

I have a perfect right to say what I think.

Mr. COURTER. Does it upset you that the Soviet Union can essentially eliminate our deterrent strategic capability, or much of them, certainly a land-based leg of our triad, and we do not have that capability with respect to the Soviet Union?

Is that lack of parity at all bothersome to you? I assume it is not; I would like to hear your explanation.

Mr. BENNETT. Well, I would like to have everything perfect; you are certainly looking at a person who has got many wounds of many kinds, and I am probably known mostly by the wounds that I have got rather than what I have accomplished.

But I would say that it does concern me that we are not as strong in that field as we would like to be, but it would concern me greatly if we spent $35 billion on such a vulnerable weapon as this when we have a Trident submarine which is capable of wiping out every city and every hamlet in all of Russia.

Now, you may be concerned by the fact—we had a debate the other day on radio—I heard you make the statement the other day, well, you should not be that cruel; you should not wipe out civilians.

Well, that shows a little bit about being in combat. I do not like to say this, but the truth is that if you are a combatant and you have fought in combat, you do not always save every civilian that happens to be around.

I, myself, have been guilty of that. When I knew that I was facing a particular location that had enemy in it, I did not entirely check to get their serial numbers to see if there were not some people there who were civilians. I never purposely ever killed a civilian, but if there were people there firing at me from a particular location, I would fire back.

Mr. COURTER. Would the gentleman yield?

That was precisely my point. It was never your desire to purposely attack civilians. I am suggesting that if the only weapons we have have the capability of attacking civilians, that is right now the land-based leg of our triad does not have hard target kill capability, then you will be pushing the United States in the position of having to respond by annihilating civilians.

Mr. BENNETT. Maybe we ought to—if you want to keep people to argue about this, it is all right with me. I just feel, myself, that you are failing to look at the realities of it; that we have to do the best we can with whatever weapons we have.

There are some weapons I would like to prohibit, that I do not think we really need, like napalm and a few like that, but I would like to do it by international treaty.

As far as this is concerned, it seems to me that until we have weapons that are more accurate, I think we should use them in any way we feel we should use them.

The real thing I feel about it, and with this I am going to conclude because we have been talking too much, and you are not going to be satisfied anyway; we talked the other day at great length and you are not going to be satisfied with my position; I am not going to be satisfied with yours.

The real thing I feel about it is that we are making a very grave error in 1985, which is not to be able to win a conventional war in Europe. And that is the main thrust of what I am trying to do. I am trying to pick up the money out of the MX pocket, and I would reluctantly give it to other nuclear weapons, if you wanted to put it in other nuclear weapons; but it really ought to go into conventional war, because there is the immoral thing we are doing in 1985.

The immoral thing is asking for a nuclear war when we could prevent it, and we are asking for it because of the fact that we are not sufficiently strong in Europe to hold them back for a very few number of days. That is a crime, that is a crime against humanity; we ought to correct it.

Mr. DICKS. Will the gentleman yield on that point?

Mr. BENNETT. I will yield if you really want to go on with it.

Mr. DICKS. I think it is an important point. As the gentleman pointed out, that a Trident II submarine could destroy the entire Soviet Union. We have also discussed in this debate before how they are relatively invulnerable, certainly until the 1990's, and the gentleman from New Jersey used the date, at least until 1990 absolutely.

So now the gentleman raises the specter of having an MX missile for a limited nuclear war, to avoid hitting civilians. I do not think that is a serious point to discuss; we are not going to discuss limited nuclear war, but the gentleman has pointed out that the MX, because it is so vulnerable, because it is not survivable, would have to be used as a first attack weapon.

Well, that is not our policy, the first strike. I think we have clarified some of these things, and move back to the MX missile. Let us agree on one thing: The triad, which we do agree upon as a policy, strategic policy, that the MX if put in place would be the weakest link of that triad. Is that correct? Does the gentleman agree?

Mr. COURTER. No, because the Soviet Union does not look at individual links of the triad, just like one football team does not look at a quarterback only. He has got to look at the whole synergistic effect of the offense and defense.

The Soviet Union looks at the United States from a strategic standpoint, cannot pick up one weapons system.

The flaw in saying that our sea leg is a great deterrent because we can annihilate Soviet civilian population is simply to say that if we use that weapon we will, in fact, destruct ourselves; it is committing suicide.

Mr. DICKS. None of these weapons will destruct ourselves.

Mr. COURTER. I do not think any rational decisions by the President of the United States would say that the Soviet Union, in some sort of a period of great tension attacked military targets that our response would be to attack civilian targets.

Right now our only response is that. My argument is, it is not a very credible response.

Mr. DICKS. The gentleman is suggesting that we should not have——

Mr. COURTER. And therefore, deterrence is breaking down.

Mr. DICKS. The gentleman is suggesting that we should not have MAD, mutual assured destruction? That is what the gentleman is suggesting?

Mr. COURTER. I would argue that we should do the research and development to see if we can move from a doctrine of mutually assured destruction, as I pray that we will be able to one day, to defensive systems.

I would also submit, and agree with you, that the only doctrine we can possibly have right now is mutually assured destruction. That is based on deterrence. That is what your side is arguing and that is what our side is assuming.

I want to get away from it; I do not like it, but it is the only thing I think we have at the present time, and therefore we have to live with it.

Mr. DICKS. I think the argument on SDI will be a separate debate. But the point is here, what we are talking about is the vulnerability of the MX missile. After all these hours now, and

after all the debate all these years, by putting that MX missile in that silo I will again quote Secretary Weinberger:

Whether you harden it or superharden it, it is going to be as vulnerable today as it was 2 years ago when the administration rejected that. And the other side has not made a point yet as to the fact that the MX will not be that vulnerable, nonsurvivable after over $30 billion is spent on the MX missile.

Mr. BENNETT. Thank you.

I have been very unfair. Mr. LEHMAN has been waiting since 12:30 today. Actually, he asked me yesterday, and he is the last speaker on our side. I guess at the end of it, if everybody rolls it over, we will wipe out all our time.

Are there any other speakers? Oh, there is one more speaker. I will let you be the last speaker if you want to, except I will say a word or two at the end.

I yield 6 minutes to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Chairman, I want to thank the distinguished dean of the Florida delegation.

As I sat here since almost 12:30, the more I sat the more depressed I became with this debate.

Mr. Chairman, I do not often come to the well of the House to speak. I was not a particularly good orator before my surgery, and since the surgery I have been even less inclined towards speechmaking. There was, however, one positive political benefit from my surgery. Without any reflection on any of my colleagues, it is now physically impossible for me to speak out of more than one side of my mouth, on the MX or any other issue.

Others will argue the technicalities of this issue in the 20 hours of scheduled debate this week. Someone must speak on behalf of our grandchildren, and that compels me to rise today in opposition to the release of $1.5 billion to fund 21 new MX missiles for fiscal year 1985.

In the 40 years since Hiroshima the superpowers have continued to stockpile nuclear weapons. Yet, we have avoided a nuclear explosion. It's like the story about a man who falls off of a 50-story building. After falling 40 floors he waves to some window washers on a scaffold and shouts, "no sweat so far." We are at 40 years, not 40 floors, and if we build 21 more MX missiles, we too are just as idiotically optimistic in the face of annihilation.

Recently in Miami I lost a good friend. He was operated on in the finest of the teaching hospital medical centers by the best trained staff and attended by the best operating room team. Yet at the end of the operation, the preservative into which his diseased tissue was supposed to be placed was instead injected into his spinal column, killing him. A human mistake by experts, despite all safeguards, can destroy life on earth as easily as it destroyed this one good man.

The MX is the ultimate "Yuppie" weapon. It is very high-tech. It has no military value. It cannot be used without total self-destruction. Yet we think that we need it. We are buying it to impress our neighbors with our literally upward mobility.

In the middle ages, the best minds of the church spent time and money debating how many angels could "dance on the point of a pin." Now our nuclear experts similarly confuse us with quasi-religious talk about silos, basing modes, ICBM's, MIRV's and the triad. Thousands of years from now some other planetary visitor will see what is left of our Earth and how life was eliminated because we tried to determine how many nukes we could make dance here on Earth.

That same visitor from space might wonder at the lifeless remains of our hardened silos, and at the foolishness of a people who could so easily destroy themselves.

A few years ago Clint Eastwood when playing a supercop, Dirty Harry, said to the bad guy before his own quick draw—first strike, "Go ahead make my day."

Not long ago, veto pen in hand, the President so challenged the Congress on taxes. Think of our now, or future, Commander in Chief, a model of a hardened silo in one hand and a red telephone to Moscow in the other. I fear those same words, "make my day," and those words will make the last day for life on Earth.

The MX is not a bargaining chip and we are not in a poker game. We are risking the survival of mankind. I urge my colleagues to join me in opposing the MX.

□ 1740

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from New York.

Mr. STRATTON. Those of us who have been conducting this debate here have not been able to hear Mr. Kampelman. I wonder if the gentleman from Florida had had the privilege of hearing what Mr. Kampelman had to say and whether he may have changed the gentleman's mind.

Mr. LEHMAN of Florida. I have read some of what Mr. Kampelman has to say. I respect Mr. Kampelman. I think he is going to be a good negotiator if they give him the power to negotiate.

Mr. STRATTON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, nearly 3 years ago I cosponsored an amendment with the gentleman from Massachusetts [Mr. MAVROULES] to eliminate the funds for the first nine production MX missiles. At that time the administration was asking for the missiles before a determination was made on how to base them. It was ludicrous, to me, at that time to produce missiles when there was no basing mode.

That basing mode has been resolved, though not in the way many individuals feel it should be, but resolved nonetheless. We are now left with two alternatives. Either we modernize our land-based leg of the triad or we do not. Either we retain the upgrading of our triad or we do not. There are good reasons for moving forward on this program.

First, since 1980 we have pursued our commitment to modernize the strategic forces due to the age of our systems and the investment in offensive strategic forces made by the Soviet Union since the signing of the SALT II treaty. The Soviets have now deployed six new or modified systems since SALT II. We will have an operational MX capability late next year, the first new system since the late 1960's. No amount of rationalization can explain away the discrepancy in land-based offensive systems.

Second, the alliance has held up magnificently against a massive Soviet effort to turn around the deployment of the Pershing II and the ground-launched cruise missiles. Our NATO alliance is holding firm. It would indeed by ironic, in my mind, for the European allies to see the United States put the MX missile to rest not because of Soviet pressures, but because of our own weak resolve not to make the investment necessary to modernize and retain the programs of the strategic triad.

The MX will be the first of our missile modernization efforts to be deployed.

In a GAO report, it says: "Accuracy achieved by the first of test missiles has been significantly better than design requirements."

The D-5 Trident missile will not be on line until 1989, and the paper Midgetman is not expected to be ready until 1992. Modernization means putting new systems in the field; it does not mean waiting for the next idea to materialize.

Finally, let me agree that the MX missile cannot be a bargaining chip and is not a bargaining chip. The MX missile gives us a capability we now lack and cannot afford to give up in light of the Soviet MX-like missiles.

We cannot go back to square one and begin all over again. If we do that, that does not mean that the need has gone away. It is still very much there. If we close down the line, there will be no new production as we know it today.

In last year's bill the language for fencing the funds for the 21 missiles was done with the March date in mind because it was that March date that was the time that we would run out of funds for continued production. The

end of this month that production will begin to close down. That line will be closed in May 1985.

Let us also agree that cancellation of the MX, after we have spent over half of the program dollars, is more than a waste of money. It is a waste of courage to ignore the capability of the Soviet Union. It is a waste of courage to ignore the limited steps that can be taken to counter that capability head on.

Arms control will not defend this country. Arms control will not do away with the Soviet land-based offensive strategic forces aimed at the United States, Europe, and Asia. Arms control cannot guarantee peace. Arms control cannot guarantee security. Congress is responsible for the national security of this country. Congress is responsible for setting the standards in this free world. If this Congress cannot make a commitment to limit the security investment, who are we to lead in the future?

I support the unfencing of the MX missile funds. We cannot continue with an off-and-on policy with defense. We saw this in the B-1. We now have seen it with the MX.

□ 1750

The first B-1 is coming off the production line into our inventory this summer after a 2-year stoppage in 1979. The MX is in need of moving forward.

In December 1986, the first 10 authorized missiles, authorized in 1984, will be ready. The 1980 funded missiles, which are necessary, must be moved forward now.

Thank you, Mr. Chairman,

Mr. DICKINSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CARNEY].

Mr. CARNEY. I thank the gentleman for yielding me this time.

Mr. Chairman, Americans observing the ongoing debate on arms control have been subjected to both sides presenting the arguments. United States-Soviet systems have been presented as well as the United States-Soviet systems' survivability characteristics. The numbers of weapons in each country's arsenals; the relationships between NATO and the United States have also been presented. Obviously, both countries have the ability to destroy each other if all their weapons were successfully launched.

The real debate, arms control, should focus on two issues: Deterrence and fruitful negotiations leading to the reduction of forces, greater stability of those forces, and confidence building.

Today, we are debating the merits of House Joint Resolution 180, a resolution to authorize the expenditure of $1.5 billion for the procurement of 21 additional Peacekeeper missiles. It is imperative that we put the Peacekeeper missile debate in the context of: First, preserving deterrence; and second, advancing productive arms control negotiations. Negotiations that should lead to fruitful conclusions.

We should not debate the horrors of the nuclear winter or other emotional and less than substantive issues. I believe the Peacekeeper has great merit in both the enhancement of deterrence and in arms control.

When dealing with the issues of deterrence, we must do just that: Ask not what destructive value our weapons systems have or our adversaries' weapons systems have, but ask what value these weapons systems have in preventing our adversaries from launching thermonuclear weapons. The Peacekeeper missile has great value in the promotion of deterrence. Taken in the total context of our triad, it presents to the Soviet Union numerous planning problems. It substantially reduces their certainty or probability of a successful-first strike attack.

Additionally, it places some of their prompt, hard target warheads on the 668 SS-18 and SS-19's in jeopardy. This action alone should encourage the Soviet Union to negotiate in good faith at Geneva.

If I may, I would like to focus the remainder of my remarks on the ongoing negotiations in Geneva. Negotiations, like politics, is the art of give and take, and an attempt to reach reasonable goals. In the case of arms control negotiations, these goals should be for the reduction of nuclear forces, hopefully to the ultimate level of zero. They should be for the improvement of stability and a balance in the existing forces, and they should be for the promotion of confidence-building measures.

Let us examine the give and take aspects of the present negotiations. One, to enhance stability, the United States desires to move to a small, mobile missile, the Midgetman. However, the United States is presently prohibited from deploying a new, small, mobile missile. The Soviet Union is now testing the SSX-25, a small, mobile missile. Some believe this is in violation of SALT II agreements. I am not here to argue that; the Soviets believe it replaces their SS-13, under the 5 percent agreement of SALT II.

The important point here is that if we want to deploy a new, small missile we have to get an agreement at the bargaining table. What will our quid pro quo be? What will we give at the bargaining table to get their agreement to allow us to move to that missile?

Frankly, we have nothing to give. Let us look at the balance of the existing forces. The ICBM forces. Let us look at it from the standpoint of prompt, hard target capability. Today, the Soviet Union has an exclusive hold on this capability. What can we present to the Soviet Union in the give and take to get them to move back from their position of having 668 prompt, hard target-kill capable missiles? We have nothing, unless we have the peacekeeper.

Let us look at the future, ladies and gentlemen. Under SALT II, we have nowhere to go, but the Soviet Union still can deploy the SS-24 under SALT II protocol as a new missile. This will be a missile that has the characteristic of being MIRV'd to 10 warheads. It has the characteristic of being mobile as well. We have nothing in that area.

We have nothing to match that capability, which, as I said before, the Soviet Union can have and can build under present SALT II agreements.

If we do not continue to develop and deploy the MX missile, we have two areas in which the Soviet Union would be crazy to give up, because we have nothing to give up in return.

There are other points we must consider, and some people talk about those points: The Strategic Defense Initiative, for example. People believe that is something we can bargain with. Frankly, I believe that is something we can bargain with, but it should be bargained with the Soviet Union on the basis of the fact that they are moving forward with strategic defense initiatives, and we have to be very, very concerned about that. We have to be concerned about the possibility of a breakthrough by the Soviet Union in the area of strategic defense.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman.

Mr. KASICH. I appreciate the gentleman yielding for just an instant.

Mr. Chairman, I was in the meeting at the White House with Mr. Kampelman. Mr. Kampelman, of course, agreed with the gentleman from New York. Mr. Kampelman said that we clearly need to have the MX, that the Soviets understand strength and determination; that if we do not give them the MX missile, we seriously undermine the negotiating process. He also said that the Soviets will say if we give them this, unilaterally, and get nothing in return, the Soviets will say, "What else can we get if we do not give anything in return? Maybe if we sit and wait, the United States will concede to us other systems unilaterally, and we do not have to negotiate anything away."

I just want to point out to the gentleman from New York that our chief negotiator in Geneva, Mr. Kampelman, said we need the MX missile in order to conduct the kind of successful negotiations and the reductions in the numbers of nuclear weapons that we would like to see, but only if we have strength, determination, and resolve,

and something behind the process of negotiating, and that is strength and consistency.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. CARNEY. I yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding to me.

Mr. Chairman, I appreciated the gentleman from Ohio's statement regarding Max Kampelman's statements. Let me just say that he concluded, Mr. Kampelman concluded, by saying that in his estimation, if the MX was taken from consideration, it will delay the negotiations.

I think that is perhaps the strongest statement that he has used so far.

He has to be back, I believe, to commence negotiations at 11 o'clock tomorrow morning. He flew to the United States, as a Democrat who asked his fellow Democrats to stand behind the President of the United States. I think he made a very compelling argument. He said, "You know, I am a Democrat, but in my book we only have one President at a time, and this is a time to support him."

I thank the gentleman again for yielding.

Mr. CARNEY. I thank the gentlemen for their comments.

Mr. Chairman, if I may continue, we may look at the B-1B bomber, and we have to realize that the Soviet Union is now doing research and development and in fact have constructed a Blackjack bomber, which we can negotiate for. We can look at cruise missiles. The Soviet Union, of course, has the ASX-15, a cruise missile that has comparable capabilities with our cruise missile. These are issues that can be negotiated on in good faith at Geneva. If we do not go forward with the MX missile, or the Peacekeeper missile, as I prefer to call it, we do not have a viable position to deal the Soviet Union on the SS-24 and the SSX-25.

□ 1800

And we also do not have anything to deal with the Soviet Union on their present hard-target kill capability, the SS-18's and the SS-19's.

A lot has been said about Mr. Kampelman coming here today, and I believe Mr. Kampelman came here today because he realizes that if he does not have things to deal with in the give-and-take of arms negotiations, these arms negotiations that we all hope will be successful cannot be successful. So he has taken time out from his negotiations in Geneva to come here to build a base for himself and our negotiating team from which they can deal with the Soviet Union.

The CHAIRMAN. The time of the gentleman from New York [Mr. CARNEY] has again expired.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I will continue to oppose funding for the MX missile for a very simple reason. It is a waste of money. It is a missile without a mission.

The best argument President Reagan can muster on behalf of the MX is that it is a bargaining chip in the recently revived nuclear arms negotiations with the Soviet Union.

At a time when Federal deficits are running at $200 billion every year, when the Nation adds $1 trillion to the national debt every 4 or 5 years, the idea of spending $25 billion for a bargaining chip is ludicrous.

A bargaining chip is all the MX can be. It surely won't add to the defense of the Nation.

The whole rationale for the MX was that it would be invulnerable to a Soviet first-strike attack, that it would survive for a retaliatory attack on the Soviet Union.

But after several different schemes to base the MX in a way to make it invulnerable all proved impractical, the present plan was developed to put the new MX missiles in old Minuteman missile silos. It was the vulnerability of the latter which led to talk of the MX in the first place.

So, no increase in the Nation's security. But do we simply need additional nuclear warhead delivery capability?

Hardly. With B-52 bombers already in the fleet and B-1 bombers on the way, with Pershing and cruise missles stationed in Europe, with Minuteman missiles at the ready, with Trident submarines prowling the seas, the United States certainly doesn't need the MX as a delivery vehicle.

In short, the MX is useless except as a bargaining chip at the Geneva talks.

The cost of the currently sought batch of 21 missiles will be $2.5 billion.

That's $2.5 billion the U.S. Government doesn't have. The Treasury Department will have to go out and borrow the money.

Recently, President Reagan told county elected officials that he adamantely opposes renewal of Federal revenue sharing for local government at a cost of $4.5 billion because "we don't have any revenue to share."

Shouldn't the same reasoning apply to Pentagon weapons systems which aren't absolutely critical to our national defense? When we don't have the money to pay for them and no prospect of getting the money except by more self-destructive borrowing, marginal or "nice-to-have" weapons systems should be put on the shelf.

A major flaw in the defense buildup psychology of President Reagan and Defense Secretary Caspar Weinberger is their tendency to go for every new weapon on the wish list of the admirals and generals. Making choices is too painful for them.

It would be like a family reacting to reports of burglars in the neighborhood by installing three locks on every door, bars on all the windows, and electronic alarm system, barbed wire fence around the property and attack dogs in the yard.

The family would have good reason to feel secure, but it would also be feeling broke. Its actions would not pass the test of common sense.

Neither is it sensible for a nation to spend $25 billion for a MX missile system it doesn't really need and can't really afford.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. Mr. Chairman, as we reach the end of this debate today and look forward to tommorrow, we can agree on one basic thing, and that is that while we are voting on 23 MX missiles this week, the proponents of the MX have admitted that they are talking about a hundered missiles. So unlike the other body, when Members talked about voting yes on 21 and no on 48, the issue in the House is very clear. Everyone agrees that 21 is of no use to us; it is just a step to 100 MX missiles.

Let me point out that there is more than that in the equation. We know that the Defense Department is asking not only for a hundred eventually but for 123 backup missiles for testing, et cetera. So we are talking about an awful lot of money. We are talking about, with superhardening, $30 billion to $40 billion plus.

That brings me to the second point. That is that it has not been denied—because it cannot be denied, because Secretary Weinberger himself told us 2 years ago—that if we put the MX missile in the same Minuteman silo, it will be vulnerable. It will continue to be vulnerable, whether it is hardened or superhardened, with whatever technology they talk about for the future which they do not have today. And they cannot tell us how much it will cost to superharden those silos, and they cannot give us an honest answer as to their survivability. It could be as low as 1 percent.

The MX will remain vulnerable, even with that high cost, and many of us contend, therefore, that this $30 billion or $40 billion will not add to the defense or the deterrent strength of this Nation. In fact, that $30 billion or $40 billion could be used for many other things regarding the defense of this Nation, whether it is to accelerate the mobile missile, accelerate the Trident, or to strengthen our conventional forces—things that make common sense, things that we know would work.

The CHAIRMAN. The time of the gentleman from Michigan. [Mr. HERTEL] has expired.

Mr. STRATTON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. RAY].

Mr. DICKINSON. Mr. Chairman, will the gentleman yield for an inquiry?

Mr. RAY. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I would like to get the attention of the gentleman from Florida [Mr. BENNETT] and the gentleman from New York [Mr. STRATTON] and see if there is an agreement.

Mr. BENNETT. Mr. Chairman, if the gentleman will yield, I thought we were going to be able to have an agreement, but I find out now that our request already is for 160 minutes, and I only have 120 minutes to divide tomorrow. There are 2 hours, for 120 minutes. So there is no way I can get the requests in now. I am trying to pare down Members and tell them not to take that long. I regret that I am not able to do what I thought I was going to be able to do. It is quite embarrassing to me because I told Members they could have time.

I really have not promised 160 minutes, but I have requests for 160 minutes.

Mr. DICKINSON. Mr. Chairman, I do not want to take further time from the time allocated to the gentleman in the well, but I did want to get an understanding as to whether the gentleman was going to take his unused time tomorrow or not.

Mr. BENNETT. I would like to use all the time tomorrow. It is not much. It is only 15 or 20 minutes, something like that.

Mr. DICKINSON. Mr. Chairman, if we could reach an agreement, I think it would be desirable.

Mr. Chairman, I thank the gentleman for yielding.

Mr. RAY. Mr. Chairman, I rise in support of House Joint Resolution 180.

Mr. Chairman, it is my opinion that the Soviets do not want a nuclear conflict, but what they do want is to take America toward a neutral position.

Mr. Chairman, there are some people in this Congress who are helping that position out. The best way for them to accomplish this is to weaken NATO from internal conflict in this country and in Europe and to force America into a posture of not having a viable deterrent.

□ 1810

Now, I believe, Mr. Chairman, that a viable deterrent is the MX missile, that continued funding is also needed to continue that program now.

Without being too repetitious, I would like to remind the Congress that the MX program is a long program, spanning 5 more years even under the President's plan and program; however, the particular vote faced on House Joint Resolution 180 has two immediate impacts; one on the negotiations line and one on the production line. One single vote may not show resolve or lack of resolve regarding a particular weapons system; however, the vote may indeed be interpreted as the beginning of a shift in direction if it is inconsistent with the trend developed over the past several years. That trend in needed modernization of U.S. strategic forces has been positive. An affirmative vote is needed to maintain the continuity of that positive trend.

The negotiations at Geneva are unlikely to obtain immediate results, as we are up against veterans who have been negotiating for years, who know how to delay and how to stall. Support for the MX missile from only the barest majority in this Congress will only tend to lengthen the negotiation process. If the continued procurement of the MX missile is now disrupted and at some later point in time if production must be restarted to reemphasize resolve and to create the military incentives for the Soviets to reduce their heavy ICBM forces, the cost will be much greater than if continued modest progress toward the goal is maintained.

A negative vote will not destroy the negotiations, as has been pointed out; but it will make negotiations for an effective arms control agreement substantially more difficult for the United States.

The committee recently heard from a group of Soviet specialists who indicated that the Soviet Government views negotiations, among other objectives, as a way to reduce the burden of Soviet military programs. Many programs in the Soviet economy are competing for the resources devoted to the Soviet military. Although they may never negotiate away the strategic parity they believe they possess today, they will seek to avoid expensive and extensive responses in the future.

The MX missile, Mr. Chairman, will make vulnerable the centerpiece of Soviet offensive weaponry, weaponry such as the SS-18 and the SS-19 and will create the need for the Soviets to respond with relatively expensive counter measures; for example, silo hardening, ABM, and more heavy missiles. Negotiations are another and less costly way for them to avoid many of these financial burdens. Unless the MX program proceeds, the Soviets will not be convinced that a response is required, as is the need to negotiate the issue.

Some say the Soviets have never expressed concern over the MX missile. The absence of Soviet expressions of concern regarding the MX, however, in my own opinion, can be explained in several ways. They know how to respond when it is to their advantage to do so.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. STRATTON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. RAY. They would probably respond when needed to do so by saying that the MX program has slipped, has been reduced, and has lacked strong support; the size of the deployment does not threaten to eliminate today's rough strategic parity. The Soviets do not want to show too much interest because they would then be asked to pay too high a price to reduce the threat posed by the MX missile. This does not mean that they are not concerned, however, only that they have not expressed that concern from within their closed society.

Mr. Chairman, in closing, let me say that the MX has been characterized as a sitting duck; but so are our heavy aircraft carriers and battleships, which are also characertized now as sitting ducks. Some believe they should never have been authorized, and other military installations throughout our land and Europe and NATO and the Pacific basin.

The MX position is one of deterrence and, quite frankly, I believe that if it fails, mobile missile and superhard silos will not matter.

Mr. KASICH. Mr. Chairman, would the gentleman yield for a second?

Mr. RAY. I yield to the gentleman.

Mr. KASICH. I think an important point as we are closing out the debate tonight should be made. There was an agrument made over here and the gentleman from Georgia was here at the time about the amount of money we are spending on defense in this country. I think it ought to be pointed out that under the Presidency of John F. Kennedy, 50 percent of the budget of the United States went to defense, and under this President we have got about 26 percent of the budget going for defense.

Everybody is concerned, naturally, that we spend the money wisely, but I wish the gentleman would comment on that, the fact that John Kennedy was seeking to spend 50 percent of the budget of this country on defense, and we have people who would say we are spending too much today, when it is only 26 percent.

Mr. RAY. Well, I thank the gentleman for those comments. I totally agree with him.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

● Mr. FAUNTROY. Mr. Chairman, I rise in opposition to this joint resolution that would release $1.5 billion for the procurement of 21 operational MX missiles.

The argument being utilized to support this joint resolution is that our arms control negotiators need this to enhance their bargaining power with the Soviet Union. Such an argument elevates perception theory to a position of dominance that will fuel and drive the escalating arms race. Despite the widely held view that the MX missile is ineffective in terms of deterrence and retaliation, we are told that we must continue to fund this strategically flawed weapons system because a failure to do so would signal a lack of national resolve which would damage the military and diplomatic prestige of the United States of America. The open-ended theory that we must build and deploy even ineffective weapon systems or perceptions of the United States will suffer is nonsense. The Congress has supported the funding requirements of many weapon systems designed to assure the strategic defense of our country. We have weapons in our arsenal that can destroy potential adversaries many times over. The United States now has 9,000 strategic nuclear warheads in its arsenal. Our potential adversaries are well aware of our deterrent capabilities.

Nevetheless, to the advocates of perception theory dominating our defense policies, there can never be enough. To perception theorists the MX is vital, no matter its vulnerability to attack in Minuteman silos. This vulnerability means that this weapon system can only be useful as a dangerous and destabilizing first strike nuclear weapon. The MX cannot survive an attack and has no deterrent capability.

Even though the above is conceded by almost everybody, and is certainly known to our potential adversaries, we are told that we must still spend $1.5 billion to provide this bargaining chip or according to the perception theorists we will be seen as weak. For psychological reasons we must open up the coffers. Ultimately, the full MX program will cost $41 billion and provide 200 missiles. We are told by the administration that we must spend this money for a weapon system that is commonly called a turkey. This call to more Pentagon waste comes at a time when we are being asked by the administration to cut vital domestic programs in fiscal year 1986.

For example, cuts of: $1.8 billion in our Housing Assistance Program; $2 billion in rural housing programs; $200 million in training and employment; $2 billion in civilian agency pay for our Federal workers; and $500 million in student financial aid to name a few.

Mr. Chairman, we are fast approaching a situation where we may have the most frightful defense in the world, but not a great deal to defend. We need an adequate defense, and we have one. We also have security needs at home. At a time when many of our citizens are suffering unemployment due to the transition taking place in the international economy, with jobs being exported to cheap labor markets abroad, and at a time when we are being asked by the administration to freeze, cut, or eliminate the very programs designed to cushion our citizens through difficult times, we can ill afford a $1.5 billion psychological bargaining chip for those defense advocates driven by perception theory. We must provide for an adequate defense of the United States. The MX does not do that and it will absorb scarce financial resources. Enough is enough.

I urge my colleagues to reject the joint resolution and the MX.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from New York will state his parliamentary inquiry.

Mr. STRATTON. The parliamentary inquiry, Mr. Chairman, is, can the Chair advise us as to the amount of time remaining to the gentleman from Florida [Mr. BENNETT], the gentleman from Alabama [Mr. DICKINSON], and myself.

The CHAIRMAN. The time remaining for today or the entire debate time?

Mr. STRATTON. Just today.

The CHAIRMAN. The Chair would like to advise the gentleman from New York that the gentleman from New York has 14 minutes remaining.

The gentleman from Florida [Mr. BENNETT] has 26 minutes.

The gentleman from Alabama [Mr. DICKINSON] has 13 minutes.

Mr. STRATTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. RAY] having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 180) to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution, had come to no resolution thereon.

□ 1820

YOUTH EMPLOYMENT OPPORTUNITY WAGE ACT OF 1985—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-45)

The SPEAKER pro tempore, laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit to you proposed legislation entitled the "Youth Employment Opportunity Wage Act of 1985."

One of the Nation's most serious and long-standing problems is providing adequate employment opportunities for our young people. Even in times of great economic prosperity, unemployment remains a significant problem for young people, particularly young Blacks and Hispanics. The purpose of the draft bill is to make it possible for employers to expand job opportunities for young people during a period of special need—when young people are looking for summer jobs.

The proposal would permit employers to pay young people under 20 years of age, from May 1 through September 30, a wage of no less than either 75 percent of the otherwise applicable minimum wage or $2.50 per hour, whichever is less. This bill provides protections so that adult workers or previously hired youth will not be adversely affected by the proposal. It prohibits the discharge, transfer, or demotion of any employee because of ineligibility for the youth wage and for the purpose of hiring an eligible youth and it provides penalties to assist in enforcement of this provision.

For many businesses, the existing minimum wage prices unskilled young people out of the job market. While some businesses can afford to hire unskilled youth and provide the training and experience expected to pay off in future productivity, such expectations are often unreasonable over a short summer employment span.

Studies over the past decade have repeatedly demonstrated that the minimum wage has reduced job opportunities for large numbers of our youth. This is particularly true for jobs involving considerable initial training. The restricted job opportunities for youth, especially minority youth, due to the minimum wage have contributed to the growing consensus on the value of a lower minimum wage for youth as a means of expanding their employment.

The concept of a youth employment opportunity wage has attracted a broad coalition of support. It has been endorsed by many organizations, including the National Conference of Black Mayors and organizations representing businesses that would provide jobs for these youth.

The proposal would enable employers to expand job opportunities for youth during the summer months. It would enable many young people to find jobs, earn money, and gain the experience and skills needed for future work and higher wages. The bill would

not diminish the opportunities for higher wages for those with job skills.

Because it provides for a demonstration period and an evaluation of the program, the bill should allay any doubts as to the ameliorative impact of the youth employment opportunity wage.

I urge the Congress to enact this legislation speedily.

RONALD REAGAN.

THE WHITE HOUSE, *March 25, 1985.*

PRC POPULATION PROGRAM: A VIOLATION OF HUMAN RIGHTS

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to draw to the attention of Congress the crimes against humanity being committed by the People's Republic of China, and to introduce a resolution denouncing those policies.

In 1979, the PRC adopted as part of its population control program a policy of "one couple/one child." This policy supposedly protects the freedom of couples to make voluntary decisions concerning family planning, but, in reality, relies upon coercion, economic penalties, and forced abortions—often late in pregnancy—for refusal to comply with the program. In accordance with the program, the PRC Government has given sanction to family planning workers to enforce a "birth quota" system established for each community in the country. This repressive system licenses the workers to monitor a woman's menstrual cycle, dictate to couples if and when they may have their one child permitted under the policy, and take drastic measures—ranging from forced abortions to involuntary sterilization—to ensure compliance with the quota system.

Moreover, this policy has fostered an increasing incidence of female infanticide, particularly in rural areas where peasants regard a male child as vital to their economic well-being in retirement years. Except in a few token cases, infanticide has gone unpunished by the PRC Government, thus indirectly condoning the heinous practice.

Such atrocities against Chinese women and children have been documented time and again by State Department officials, reputable journalists, and social scientists. The specifics are recorded in the State Department's "Country Reports on Human Rights Practices for 1984," the Washington Post, the Wall Street Journal, the New York Times, PBS' "Nova" series, CBS' "Sixty Minutes" and other media.

On January 7, for example, the Washington Post carried part two of a series of articles on the PRC's population control program written by its Peking correspondent, Michael Weisskopf.

Mr. Weisskopf's sobering insights should shock even the most committed proabortion member of this body. He writes:

> Publicly, they claim to rely on the powers of persuasion and education, exercising a policy of voluntary consent * * *. But a closer and longer look reveals a very different picture. China to be sure is curbing its population growth, but its success is rooted in widespread coercion, mass abortion and intrusion by the state into the most intimate of human affairs * * *.

The Post's correspondent points out that—

> Any mother who becomes pregnant again without receiving official authorization after having one child is required to have an abortion, and the incidence of such operations is stunning—53 million from 1979 to 1984, according to the ministry of Public Health—a 5-year abortion count approximately equal to the population of France.

Mr. Speaker, at this point I enter in the CONGRESSIONAL RECORD the article published in the Washington Post on January 7, 1985, and a Washington Post editorial published on January 10, 1985. I hope my colleagues will take the time to read these disturbing accounts.

[From the Washington Post, Jan. 7, 1985]

ABORTION POLICY TEARS AT CHINA'S SOCIETY

(By Michael Weisskopf)

DONGGUAN COUNTY, CHINA—No government program has cut so deeply into Chinese society nor inspired such strong resistance in 35 years of Communist rule as the struggle to trim China's population.

Chinese leaders consider their policy of "one couple, one child" a fight for national survival, the chief prerequisite of modernization. Publicly, they claim to rely on the powers of persuasion and education, exercising a policy of voluntary consent. They point to declining birth rates and happy one-child couples as symbols of success worthy of the United Nations' first family planning award given jointly to China and India in 1983.

But a closer and longer look reveals a very different picture. China, to be sure, is curbing its population growth, but its success is rooted in widespread coercion, mass abortion and intrusion by the state into the most intimate of human affairs.

"The size of a family is too important to be left to the personal decision of a couple," Minister of Family Planning Qian Xinzhong explained before resigning last year.

"Births are a matter of state planning, just like other economic and social activities, because they are a matter of strategic concern," he said. "A couple cannot have a baby just because it wants to. That cannot be allowed if China is to stabilize its population and keep it from doubling and redoubling as it might."

The one-child policy was launched in 1979 as the centerpiece of an ambitious plan to contain China's population at 1.2 billion by the year 2000. China now has a population estimated at 1,038,000,000—22 percent of humanity—and has just 7 percent of the world's arable land.

Loosely enforced at first, the policy was tightened in 1982 after population growth rates began to climb. Since then, the state has strictly required intrauterine devices for all women with one child and sterilizations for one member of every couple with two or more childern.

Cutting the growth rate of 1.15 percent in 1983—less than half the 1970 level—these regulations are credited officially with preventing millions of births yearly.

For all its statistical gains, however, the one-child policy is piling up heavy costs in broken lives and is tearing at the fabric of Chinese society.

China is a society dominated by peasants who live off the land and strive for big families as a matter of economic necessity—the more children, the more hands to till the soil. To them, birth control is a threat, which many actively counter. They hide pregnant women. They secretly remove IUDs. They falsify sterilization certificates. And they physically attack officials.

Every year, millions of Chinese defy authority and have more children despite jolting penalties—heavy fines, dismissal from jobs and loss of farmland, housing and economic benefits—that leave them farther behind in China's march to modernization. Yet at least one-quarter of the 15 million to 20 million babies born in China every year are unapproved.

Faced with strong popular resistance, Peking resorts to even stronger measures. To this struggle, it brings the full powers of a totalitarian state, operating without fear of political opposition. there is no check on official abuse, no outlet for human rights complaints and no forum for public debate of the policy.

What emerges from more than 200 interviews spaced over three years with officials, doctors, peasants and workers in almost two-thirds of China's 29 main subdivisions is the story of an all-out government siege against ancient family traditions and the reproductive habits of a billion people.

The story offers a glimpse of China usually hidden from foreigners but painfully familiar to most Chinese—a world of government-sanctioned infanticide, of strongarm sterilizations and of abortions performed at a rate as high as 800,000 a year in a single province.

It is a harsh milieu, in which houses are razed and valuables seized as the penalty for birth control violations, in which women are forced to wear intrauterine devices as the price of compliance.

While the policy works smoothly in many parts of China, local officials eager to please the central government often resort to excess.

THE DARK SIDE OF FAMILY PLANNING

Nowhere is this dark side of family planning more evident than in Dongguan, a bucolic patch of Guangdong Province in southern China. Here, abortion posses scoured the countryside in the spring of 1981, rounding up women in rice paddies and thatched-roof houses. Expectant mothers, including many in their last trimester, were trussed, handcuffed, herded into hog cages and delivered by the truckload to the operating tables of rural clinics, according to eyewitness accounts.

Dongguan had been engulfed by an intense birth control campaign known as "high tide," engineered by local officials to bring birth control offenders in line with the one-child policy.

In 50 days, 19,000 abortions were performed—almost as many as the county's live births on all of 1981.

Dongguan's "high tide"—details were confirmed in interviews here after initial reports in Hong Kong—dramatizes the least cited but most frequently observed form of birth control in China; abortion.

Any mother who becomes pregnant again without receiving official authorization after having one child is required to have an abortion, and the incidence of such operations is stunning—53 million from 1979 to 1984, according to the Ministry of Public Health—a five-year abortion count approximately equal to the population of France.

In 1983 alone, the number of abortions nationwide—14.4 million—exceeded the combined populations of the District of Columbia, Maryland, Virginia, West Virginia and Delaware.

Visits to rural south China produced evidence of more than five abortions for every birth in places such as Duan Fen commune of Guangdong Province.

Although abortion was criminally punishable as murder in China, as late as the 1950s, it is dispensed today without debate over moral questions.

"It's more humane to kill children before they are born than to bring them into a society of too many people," said Xu Fangling, a birth control official who helped direct the Dongguan campaign. "If you consider the serious difficulties overpopulation creates for people living today, the moral problem of abortion isn't too serious."

Nor is the timing of abortion usually a factor. Many are performed in the last trimester of pregnancy—100,000 in Guangdong last year, or 20 percent of the province's total abortions—and some as late as the ninth month. Officials say it often takes that long to get reluctant women to clinics.

Doctors normally terminate late-term pregnancies by injecting an herbal drug into the womb, killing the fetus and inducing labor—a kind of induced stillbirth. The dead fetus is usually expelled in 24 hours.

In the Inner Mongolian capital of Hohhot, however, hospital doctors practice what amounts to infanticide by a different name, according to a Hohhot surgeon, who would not allow his name to be used for fear of reprisal. After inducing labor, he revealed, doctors routinely smash the baby's skull with forceps as it emerges from the womb.

In some cases, he added, newborns are killed by injecting formaldehyde into the soft spot of the head.

"If you kill the baby while it's still partly in the womb, it's considered an abortion," explained the 33-year-old surgeon. "If you do it after birth, it's murder."

He said the practice began in 1981 after hospitals in Hohhot passed a new regulation banning births of second children except in the case of ethnic Mongolians, who are treated more leniently under a national minorities policy. For everyone else, he said, "the second child cannot come out alive. The doctor has the obligation to prevent it."

A doctor who ignores the regulation risks losing his job, he said. He estimated that hundreds of babies die this way in his hospital every year.

"You get used to it," said the surgeon, explaining how doctors react. Sitting in the corner of a coffee shop during the interview, he lifted a cup and said, "It's like drinking coffee. At first, it's bitter. But after a while you don't notice the taste.

"I've done it myself."

Similar practices have been reported from other urban centers. A former hospital patient in the northwest city of Urumqi said that she saw women in labor being wheeled into a large room marked "abortion ward."

A medical student in Canton who worked in a hospital gynecology ward in 1982 told foreign visitors that pregnant women were required to present birth authorization cards before admission to the delivery room. He said doctors who were under orders to abort all unauthorized pregnancies often strangled or smothered newborns.

While abortion is justified officially as a necessary expedient, its high incidence is considered an embarassing breakdown of a system carefully crafted to prevent unplanned pregnancies.

China's family-planning work is backed by the full organizational might of the Communist Party, which extends its influence to every factory, neighborhood and village. Every Chinese belongs to a "unit"—workplace or rural governing body—and every unit has a birth control committee headed by party officials. These officials have enormous power over the lives of their charges. Almost all decisions require their approval—who earns bonuses, who gets housing space, who grows cash crops, who has a chance to study, who marries and who has children.

When Peking gave local party chiefs responsibility for family planning, it added a powerful lever to assure compliance. Then, to fortify the resolve of these officials, it added financial incentive. In most parts of China, local officials earn cash bonuses only if their units observe birth control limits.

With a financial stake in low births, officials put a high premium on prevention. They carefully plan new births for their unit, requiring written applications from any couple wanting to have a child and matching requests with quotas that trickle down from Peking.

The primary target of their work, however, is couples who already have two or more children. At least one parent is required by the state to undergo sterilization, and local officials use methods ranging from cash rewards to coercion to get those eligible to the operating table. Almost always the woman bears the responsibility.

Official statistics show a high level of success; 31 million women and 9.3 million men were sterilized between 1979 and 1984, totaling almost one-third of all married, productive couples in China.

A national sterilization drive last winter boosted annual sterilizations for 1983 to an extraordinary 16.4 million for women and 4.4 million for men, according to the Public Health Ministry—exceeding the total number of such procedures in the previous five years.

Most sterilizations in rural areas are done collectively in "high tides" organized by local officials to coincide with the visit of roving surgical teams who operate in improvised facilities or cold, austere clinics equipped with little more than board and bucket.

A roundup in frigid northern China near the Mongolian border illustrates how the process works.

The campaign, which was described by a participating doctor, began in November 1983, when officials from every commune in the county searched their records for women under the age of 45 who had two or more children. Then they broadcast their names over public loudspeakers and set dates by which each had to report to the clinic for surgery.

There was a warning to potential evaders: a loss of half of their state land allotment, a fine of $200—equal to about a year's income—and a late fee of $10 for every day they failed to report.

Several couples initially defied the warning but were quickly brought into line. Officials went to their homes, confiscated valuables, such as sewing machines and building materials, and threatened to sell them within three days unless they submitted to the operation.

The surgical team left in early January after completing its goal of 16,000 sterilizations in two months, according to the doctor.

It was an unsually successful campaign considering the intensity of opposition to sterilization. The very mention of a "high tide" has sent whole villages of eligible women into hiding. To head off a mass exodus last year in coastal Fujian Province, Fuquing County officials reportedly organized late-night "surprise attacks," hustling sleeping women from their beds to 24-hour sterilization clinics.

Another popular dodge is phony sterilization certificates. Couples buy falsified or purloined forms at high prices. When the woman gets pregnant, she pleads for leniency, claiming she was a victim of faulty surgery.

As resistance stiffens, however, so does the penalty for evasion.

When women in a Yellow River community of Henan Province fled in advance of a "high tide" last spring, Xiuwu county officials tore off roofs of their houses and knocked down walls with tractors, according to a Chinese medical staffer who witnessed the wrecking.

Female workers in the sleepy southern port city of Zhanjiang were docked their wages until they reported for sterilization surgery, according to factory hands there. Although 20 women at one candy plant stood their ground and were fired, most gave in to the financial pressure.

"Who dares to oppose the regulation?" asked a 34-year-old mother who had an operation she did not want. "I have three children. Can I afford to feed them without a job?"

Officials are no less forceful in dealing with one-child mothers. They are required by national regulation to have IUDs inserted after their first child is born and strictly forbidden to remove the stainless steel loops.

Other forms of contraception are permitted, including birth control pills and condoms, but statistics reflect the official preference for easier and more reliable IUDs: Of 124 million married women using birth control, 55 percent wear IUDs—69 million, which exceeds the total number of IUD users in the rest of the world combined.

AUTOMATIC IUD IMPLANTS

In some city hospitals, doctors automatically implant the devices immediately after a woman gives birth, often without informing the woman or seeking prior consent, according to a Peking gynecologist.

Official prodding substitutes for hospital efficiency in most places, however. Family-planning authorities call on new mothers to stress the need for contraception. There are follow-up visits to "educate" the woman until she possesses an IUD certificate, for which she gets a cash bonus and time off work.

Little choice is given in places such as rural Fujian, where women who refuse IUDs lose their right to grain rations and medical benefits for their first child, according to an overseas Chinese visitor.

Women fitted with IUDs in most of China regularly are shepherded into clinics for X-

rays to make sure of proper placing. Up to six times a year, they are stood before decades-old equipment to endure the kind of fluoroscopic examination discouraged in the West for fear of causing radiation damage to ovaries or fetuses. Frequent X-ray exams are considered necessary because of the high failure rate of IUDs, which are often inserted in factory-line fashion without concern for sizing.

Of greater concern to authorities is the problem of surreptitious removals. Women who had submitted reluctantly to IUD insertions pay charlatan doctors to extract them with homemade metal hooks. It is a common occurrence in rural areas, where the so-called "hook wielders" charge as much as $25 for a home "operation," often undoing the family planning work of an entire village in a few days' time.

These "hook wielders" remain popular despite their record of disasters—hundreds of deaths and injuries reportedly caused by penetration of the uterus and intestines with unsterilized bicycle spokes or bamboo sticks.

For local officials who claim to run voluntary IUD campaigns, the reported incidence of such deviant behavior is contradictorily high: 80 percent of IUD users in some parts of Fujian had their loops removed in 1981; 10,000 extractions were reported in a single county of Sichuan Province between 1980 and 1983.

"These so-called doctors are swindlers who take advantage of the backward desire of peasants to have more children," said Sun Guoliang, vice chief of Sichuan's birth control office.

"There are women who were less than willing in the beginning to have the IUDs put in," he said. "Others may have been willing at first but changed their views after the swindlers told them the loops would make them sterile." In case of contraceptive failure or abuse, however, there are other controls built into the system.

Few unauthorized pregnancies can elude the tight supervision of birth control activists, a phalanx of female members of the party, Communist Youth League and Women's Federation who are deputized by local officials to monitor the reproductive lives of Chinese couples.

These activists, who often are referred to derogatorily as "mothers-in-law" for their meddling ways, each focus on a few couples in every factory, neighborhood and rural hamlet.

They know everyone's contraceptive method. They make daily house calls to remind birth control pill users to take their pills. They issue condoms on request, giving repeated instructions and insisting they be used "two at a time" or be inflated first to test for leaks.

The activists closely watch for signs of pregnancy—morning sickness, craving for sour food or swollen breasts—and cultivate informers to report on their neighbors or coworkers.

They keep detailed records of every woman's menstrual cycle, checking to make sure of regularity.

"If it is late, we wait four days," said Yu Caihua, an activist in Zhou Nan County of Shandong Province. "If the woman's period still doesn't come, we take her for a check-up."

MONITORING CONTRACEPTION IN THE WORK PLACE

Many factories around the country hang up blackboards listing each female worker's contraceptive measure and the day her period arrives. The women are required to place a check mark next to their names after menstruation begins every month. If she fails to report on schedule, her boss will be asked why. The woman is then ordered to take a pregnancy test.

A positive test spells trouble for any woman who already has a child. She is urged to have an abortion, offered a cash bonus and time off from work as a reward. If she refuses, the pressure mounts.

This is where China's family-planning apparatus comes down with full force. It also is the breaking point for many Chinese.

First come the tactics of persuasion played out in what is known euphemistically as "heart-to-heart chats." Several activists visit the pregnant women at home to explain the need for population control. She is urged to have an abortion for the good of her nation, her community and her family. Husbands and mothers-in-law are recruited for the talks because they often pose the biggest obstacle to abortion.

If she holds her ground, the talks intensify. More officials enter the fray, sometimes eight or 10 at a time. They come for hours every day lecturing, cajoling, pleading. Eventually, the local party chief joins in and the tenor changes. Now the pregnant woman is criticized for resisting and warned of the penalty for unauthorized birth, which varies from place to place but can include loss of farmland, fines of up to $1,000, firing from factory jobs, public censure and the denial of land, medical benefits, grain rations and educational opportunities for the unplanned child.

To increase the pressure for speedy abortion, the woman is charged a penalty, called a "talking fee," of $2 per day in the rural suburbs of Qingdao in east China, according to peasants there.

In coastal Jiangsu Province, she is required to sign a "guarantee" promising to pay any penalty, according to family officials there.

Fines begin in the fourth month of pregnancy in factories of Shantou in east Guangdong, where both husband and wife lose 50 percent of their monthly wage—to be refunded if she finally has an abortion.

Party chief Huang Zhigao of Double Bridge Village in the southwestern province of Sichuan acknowledged the practice of "helping" pregnant women to the clinic if they refuse to go on their own.

As an example, he cited the story of a 32-year-old woman named Li who had a baby girl and became pregnant again in the hope of having a boy. After numerous visits to her home by "persuasion groups" proved unsuccessful, eight activists appeared at her doorstep one morning and told Li, then four months pregnant, "if you don't go to the clinic willingly, we'll take you," according to Huang.

"The woman struggled and started crying when they started taking her by the arms," recalled Huang. "She was dragged about 50 yards and finally gave in."

Activist Zhang Xiujun, who was among those "helping" Li, said, "It took all of us to get her to the clinic."

Huang justified the episode as a necessary "administrative measure." He said Li and another woman who met a similar fate complained that they had been taken against their will, but "they were told there was no way out because they rejected our advice to go willingly."

The large number of Chinese who reject such advice every year indicates less aggressive enforcement or stronger resistance elsewhere.

Many pregnant women hide in the mountains or flee to a relative's village to escape official harassment, practicing what is colloquially known as "childbirth on the run." So many runaways reached the remote, northwestern province of Gansu that a regulation was passed directing local officials to "terminate within a limited time all unplanned pregnancies of women not in their home residential area," according to an internal document.

Those who stay home simply resist the official hectoring, usually passively. In numerous cases, however, the pressure becomes too much and explodes into violence. There have been attacks against the private gardens of activists in Sichuan and Anhui provinces. And there have been physical attacks against officials themselves—stabbings, clubbings and beatings, according to official news reports.

A Guangdong peasant named Wu Jingqu, who had two children, personally pulled out his wife's IUD and got her pregnant. When the deputy party secretary of his commune visited the couple and pressed the woman to have an abortion, Wu reportedly hacked him to death with a meat cleaver. Wu was executed.

A Shandong activist was hospitalized for two months after she was kicked in the groin and beaten with wooden staves by a man who objected to her urging a pregnancy test for his wife.

"Some peasants accept the idea of birth control easily and some don't, said vice chief Sun of Sichuan. "The activists have to do their work, and the peasants want more children. There are inevitable clashes."

For many peasants who are just starting to prosper under today's flexible economic policies and want more farm hands, the prospect of being fined for having children seems unjust. For local officials, however, the only way to stop unplanned births is to make them prohibitively costly.

At the Double Bridge commune, Huang decided to make a "negative example" of a 29-year-old woman named Meng who fled 200 miles to have her second child at an aunt's home. Huang, who lost his bonus because of Meng's clandestine delivery, took revenge when she returned. He stripped her family of half of the land given by the state for farming, fined her $400—almost thrice her annual income—and denied her the right to grain and cloth rations for the second child.

To sharpen the sting, Meng was forced to make a self-criticism at a mass meeting. Standing before 100 peasants who sat on stools in the village warehouse, she endured what in Chinese terms is a painful loss of face.

"Since then, we haven't had an unapproved second birth," said Huang.

(Michael Weisskopf recently has completed a four-year assignment as Peking correspondent for the Washington Post, a period spanning the initial implementation of China's policy of "one couple, one child.")

[From the Washington Post, Jan. 10, 1985]

"ONE COUPLE, ONE CHILD"

The China series by Michael Weisskopf, the Post's correspondent in Peking for the last four years, illuminates the scope and type of measures the authorities there employ to limit their country's population. This is, for Westerners, a difficult subject. Many Americans, we would surmise, accept that the world's most populous nation must do something to cap and eventually trim the

growth of a population already estimated at over 1 billion. But while some of the means are what you could call extremely rigorous—education, propaganda, economic leverage, social pressure—other methods fall into the realm of the openly coercive and brutal: mandatory abortion, induced stillbirth, the strangling of the new-born. That the state actively sanctions and sponsors these means underlines the dilemma.

Having favored first three children and then two children per couple earlier in the 1970s, an alarmed government went to "one couple, one child" in 1979. The difference between two and one, it calculated, was the difference between reaching 1.54 billion people in the year 2052 and peaking at 1.05 billion in 2004.

Many Chinese, especially tradition-oriented peasants, have gone to strenuous lengths of resistance and evasion to have more than one child. Even among those willing to stop at one, however, tradition and individual preference have led many to want a son. What happens when the one child officially permitted turns out to be a girl? The saddest fact of all those recounted by Mr. Weisskopf is the short count of healthy baby girls. It is measured in the hundreds of thousands each year. The explanation for it is the practice of infanticide, the horrible response of desperate parents to the official edict. The government decries it, feebly.

It is sometimes suggested, in mitigation of reports like this one, that China can ill afford the ethical standards of more affluent societies and that its policy is not without its own considered and defensible moral basis: better that some suffer now so that a greater number will not suffer later. But it is not mere sentimentalism that produces a response of outrage to what is going on in China. A totalitarian state is using its immense resources to intervene crudely, often violently, in the most delicate personal choices of millions of human beings. In the name of modernization, the state is seeing to the death of live human beings. It is the kind of policy that puts a deep moral divide between the United States and the People's Republic, notwithstanding the cooperation they seek on more routine affairs.

Mr. SMITH of New Jersey. Mr. Speaker, these reprehensible crimes against humanity cannot go unnoticed. My resolution denounces the PRC's policy toward their own women and children, and further calls upon the other nations of the world to reject similar inhuman practices in their own countries. The text of the resolution follows:

H. CON. RES. —

Concurrent resolution concerning United States policy towards the one-child-per-family program and forced abortion policies of the People's Republic of China

Whereas in 1979 the People's Republic of China adopted a one-child-per-family policy that purports to protect voluntary decisions by couples on matters relating to family planning, but in reality relies on coercion, economic penalties, and forced abortions (often late in pregnancy) for refusal to comply;

Whereas as a direct result of this one-child-per-family policy, the incidence of female infanticide in the People's Republic of China has skyrocketed to several hundred thousand deaths per year because couples, particularly those living in rural areas, regard a boy as vital to their economic well-being and a source of financial security in retirement;

Whereas the one-child-per-family policy of the People's Republic of China makes use of a repressive "birth quota" system that empowers family planning workers to dictate to couples if and when they may have the one child permitted under the policy;

Whereas the People's Republic of China's family planning workers violate a woman's right to privacy by monitoring private details of a woman's life, including the onset of menstruation in order to track compliance with the one-child-per-family policy;

Whereas the State Department's Country Reports on Human Rights Practices for 1984 states with regard to the People's Republic of China, "Each province sets guidelines for the desired number of children to be born during the year. These guidelines are often translated into rigid quotas at the unit level [such as factories and communes]. Women must apply for permission from their unit to have a child. Although contrary to announced central government policy, many of those becoming pregnant without permission are reportedly coerced into having abortions, even in the later stages of pregnancy.";

Whereas numerous reports by social scientists and by journalists associated with the Washington Post, the New York Times, the Wall Street Journal, the Public Broadcasting System "Nova" series, and the Columbia Broadcasting System's "Sixty Minutes', and other media, have documented pervasive reliance by local People's Republic of China officials or forced for coerced abortion in order to achieve birth quotas for specified areas;

Whereas reports indicate that, as a result of the one-child-per-family policy, more than 54 million unborn children have been killed by abortion in the People's Republic of China;

Whereas the Department of State policy for the 1984 International Conference on Population stated that, "Attempt to use abortion, involuntary sterilization, or other coercive measures in family planning must be shunned, whether exercised against families within a society or against nations within the family of man", and the United Nations Declaration of the Rights of the Child issued in 1959 calls for the legal protection of children before birth as well as after birth;

Whereas at the Nuremberg War Crimes trials, forced abortion was regarded as a "crime against humanity"; and

Whereas while "official" People's Republic of China policy forbids infanticide, prosecution has been virtually nonexistent except in a few token cases: Now, therefore, be it

Resolved by the House of Representatives (with the Senate concurring), That the Congress—

(1) finds the one child-per-family-population control program of the People's Republic of China, with its reliance on forced or coerced abortion and resultant increase in female infanticide, to be violative of the human rights of the citizens of that country, constituting an ongoing crime against humanity;

(2) calls upon the Government of the People's Republic of China to cease immediately this repressive policy and respect the human rights of its citizens; and

(3) calls upon the governments of other countries to reject suggestions for the institution of such inhuman policies in their own country.

THE ROSE TARIFF EQUITY ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, today I am reintroducing legislation to bring equity in the trade relations in the rose industry between the United States and the European Community. This legislation would align tariff rates on fresh cut roses with those imposed by the European Community in an effort to ensure the future economic survival of the domestic rose industry.

At present, the future vitality of America's rose producers is being seriously endangered by underpriced, underassessed foreign imports flooding our markets. From 1977 to 1982, imports increased from 10.3 million blooms to 94.1 million. In addition, 126 million roses were imported into this country in 1983 capturing 20 percent of the domestic market. The market share captured by imports increased to 24 percent in 1984 and is projected to corner 28 percent of the domestic rose market in 1985. Such growth in imports in this country will be devastating to domestic rose growers. Over the past decade, more than 30 percent of the domestic rose growers have been forced out of business. Without action to correct the present inequities, we can expect to see more departures from this industry.

One of the major reasons for the strong penetration of the domestic market by foreign rose producers is the very low import duty enjoyed by foreign exporters to this country. The European Economic Community imposes a duty three times as high as that imposed by the United States during the prime marketing season. In addition to the tariff advantage, major exporters of roses to this country enjoy competitive advantages resulting from unfair trade practices and subsidies.

Since 1977, domestic rose growers have repeatedly attempted to obtain relief through appropriate administrative channels. The unfair trade practices of rose importing countries have been well documented and upheld by the International Trade Administration and the Court of International Trade, but domestic rose growers still have been unable to secure a remedy to their problem. The only remaining avenue of relief is through legislation.

The legislation I am introducing today to align U.S. tariff rates on fresh cut roses to the same levels that are currently imposed by the EEC. This legislation will return a greater degree of fairness and equity in this industry and can help to prevent many of our Nation's rose growers from experiencing the fate suffered by domes-

tic producers of other cut flowers. Similar inequitable tariffs on carnations and chrysanthemums have pushed the foreign market share of these flowers to levels that are causing the virtual dissolution of the domestic industry for these flowers. We must act to prevent similar actions from taking place in the rose industry.

The bill I am sponsoring has the support of growers and wholesalers in the rose industry and will help prevent a demise of the domestic rose industry. I urge my colleagues to join me in support of this legislation.

H.R. 1701

A bill to amend the Tariff Schedules of the United States to provide for rates of duty on imported roses consistent with those maintained by the European Economic Community on imports of roses from the United States and other nations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart G of part 15 of schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 192.18 and inserting in lieu thereof the following:

"192.14	Roses: If entered during the period from November 1 of any year to May 31 of the following year, inclusive.	24% ad val.	40% ad val.
192.16	If entered during the period from June 1 to October 31 of any year, inclusive.	17% ad val.	40% ad val."

(b) Items 192.15 and 192.17 are redesignated as 192.11 and 192.13, respectively.

SEC. 2. The amendments made by the first section of the Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

A PITTSBURGH VIEW OF THE REAGAN BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 10 minutes.

● Mr. COYNE. Mr. Speaker, the budget submitted by President Reagan proposes that we continue our increases in military spending as we reduce or eliminate spending for certain domestic programs.

The revenue proposals in the budget would actually decrease the amount of funds the Government can raise in the next few years as we attempt to lower the deficit.

To follow the budget course recommended by the administration would be to saddle the Nation with economic problems on a scale nearly unthinkable just a few years ago. If we adopt the administration's recommendations, we can expect 50 percent more national debt than was incurred in all the years combined from the Presidencies of George Washington through Jimmy Carter.

It is not emphasized often enough that should Congress agree to all of the President's budget suggestions for fiscal 1986, we can still expect a budget deficit of $180 billion for that year, even as programs which have helped make our society more equitable are eliminated. The President has submitted an unbalanced budget to the Congress and has not given any indication as to how he would balance his budget in the next fiscal year.

How, we might ask, have we arrived at a situation in which large domestic spending cuts will leave us with such a huge deficit?

It is not because, as the administration suggests, we spend too much on domestic programs. Appropriations for social programs, including education, job training and employment, social services, unemployment compensation, food and nutrition, and other income security programs totalled $96.7 billion in fiscal 1981. Outlays for these programs would reach only $98 billion in the next fiscal year under the Reagan budget. Transportation, community and regional development, natural resources and environment, and energy program spending, which amounted to $62.8 billion in fiscal 1981, would decline to $49.8 billion in fiscal 1986.

The big budget increase in military spending, which has more than doubled since fiscal 1980. At this point, I would like to include in the RECORD a chart which shows military appropriations approved for the last 6 years, the administration's proposals for the next 5 years, and the percentage increase in spending for each of these years:

DEFENSE SPENDING

[Budget authority, dollars in billions]

Fiscal year	Amount	Percent increase over previous year (adjusted for inflation)	
		Before	After
1980	$145.8	14.1	2.1
1981	182.4	25.1	12.7
1982	218.7	19.9	12.3
1983	245.8	12.4	7.9
1984	264.2	7.5	4.1
1985	292.6	10.7	6.0
1986	322.2	10.1	5.9
1987	363.3	12.8	8.1
1988	411.5	13.3	8.7
1989	448.9	9.1	4.9
1990	488.1	8.7	4.7

Source: House Budget Committee, President Reagan's fiscal year 1986 budget.

This increase, combined with the inequitable tax cuts approved by Congress in 1981, tax cuts which have meant a massive loss of dollars to the Treasury, is the basis of our current deficit problem. A recurring high deficit, of course, means an increase in interest costs the Government must pay when it borrows money. Unless we alter our current policies, we can expect the interest burden per capita to quadruple between 1980 and 1990.

The administration budget figures are especially disturbing because they are based on what could be termed a "best case scenario." That is, the assumptions are based on an economy in which there is high growth, low inflation, relatively low unemployment, and a declining interest rate.

What the administration fails to acknowledge as it puts together budget figures is that the recovery we are now experiencing, welcome though it is, may not be permanent. The current expansion will be 3 years old at the end of this year. Normal cyclical factors such as a waning of consumer and business confidence, rising consumer debt burden, and excess building of inventory during the second half of this year could precipitate a recession in 1986. The average peacetime expansion, it should be noted, lasts about 34 months. If the recovery should falter and unemployment rise, the deficit situation would worsen markedly. By some estimates, we can expect an addition to the deficit of about $25 billion for each 1-point rise in unemployment. So it is conceivable that if the unemployment is a point or two greater than anticipated for fiscal 1986, a year in which the administration predicts unemployment will average 6.9 percent, we could increase the deficit by $25 billion for each percentage point above the projection. We should recall that the administration has been seriously off the mark in the past when it came to forecasting unemployment. The administration budget for fiscal 1982 projected a jobless rate of 7.2 percent. As we are all aware, the jobless rate for that year turned out to be 9.7 percent.

What happens if we slide into a recession after the President's proposals to eliminate the Economic Development Administration, the Job Corps, urban development action grants, and general revenue sharing to cities are adopted? We know we will have a deficit of $180 billion if we follow the administration's advice and eliminate many social programs. Should unemployment rise only 2 points above the administration's projections, as it did in fiscal 1982, we can expect an increase to the deficit of about $50 billion in a period in which jobs programs have been cut back or eliminated. I see nothing in the administration's budget which addresses this all too real prospect.

When inflation is accounted for, real grants to State and local governments would be cut in half in budget authority from fiscal 1981 to fiscal 1986. Grants to States and lccalities would decline by 18 percent in the next fiscal year alone under the Reagan budget.

At this point, I would like to share with my colleagues my estimate of the impact of the administration's proposed budget reductions, with special

attention given to the city of Pittsburgh and the 14th Congressional District which I represent.

TRANSPORTATION

Funding for mass transit in fiscal 1986 would be reduced by 67 percent from fiscal 1985, from $4.2 to $1.4 billion. The President's budget would also eliminate the Discretionary Grant Program and prohibit the use of Federal assistance for mass transit operating expenses. A new formula capital assistance program funded by the 1-cent per gallon gas tax dedicated to mass transit, would mean an effective reduction of more than 58 percent in total capital assistance. The new budget also includes an increase in the minimum local match of capital costs from 20 to 30 percent.

Such reductions in aid for capital projects make it very unlikely that new transit systems will be built. Moreover, the aid reduction may result in a deferral of maintenance for aging facilities and equipment. Layoffs and plant closings in the bus and manufacturing sector are also probable. A projected loss of $875 million in Federal operating assistance would force transit authorities to rely more on State and local funding or to reduce mass transit programs.

The Reagan budget reductions would cause the Port Authority of Allegheny County to lose immediately $10.7 million in Federal operating assistance. This constitutes about 8 percent of the authority's income and could mean a combination of a 10-percent service reduction, a layoff of 230 employees and a fare increase of 25 cents. The Discretionary Grant Program slated for elimination provides revenue for transit facilities which affect the area's busways and downtown subway. Overall, adoption of the administration's budget proposal would halt plans to extend the Martin Luther King, Jr. East Busway, stage II of the light rail transit project and the Spine Line Rapid Transit Project between downtown and Oakland.

I would like my colleagues to be aware that the port authority in my district is already facing severe economic difficulty and could not possibly sustain a budget reduction of this proportion. The authority projects a deficit of $6 million in its $140 million budget by June 30 and is now preparing plans for a complete shutdown of the system by that date if new funds are not secured to lower the existing deficit.

STUDENT AID

The new budget proposes a $2.3 billion reduction in student financial assistance and guaranteed student loans. A cap on aid would limit a student to no more than $4,000 in Federal assistance per year. The interest rate on guaranteed student loans, now set at 8 percent, would be tied annually to a rate determined by 91 day Treasury bills. Students from families with adjusted gross income in excess of $25,000 would not qualify for such programs as Pell grants or subsidized work-study job programs. This change in the law, if enacted, would affect approximately 1 million students. Families with adjusted gross income above $32,500 would qualify for federally guaranteed loans but would be ineligible for other subsidies. At this point, it is worth noting that the Commonwealth of Pennsylvania had 267,221 guaranteed student loans outstanding in fiscal 1984, about 8 percent of the national total. At the University of Pittsburgh, 21,000 students in a university population of 36,000 receive some form of student aid. The median family income of the student population is $28,951. Student aid cutbacks on a scale such as those proposed in the fiscal 1986 budget would have a serious impact on public universities such as the University of Pittsburgh.

FOOD ASSISTANCE

A $550 million reduction in the school lunch and breakfast program in next year's budget could mean that 8,000 to 10,000 schools, and 5 to 6 million children, would be forced out of the program.

Funding for the Supplemental Food Program for Women, Infants, and Children would be lower in the next fiscal year than it is this year. This funding reduction comes from the removal from the rolls of 100,000 women and children who now receive benefits. Limitations on program funding mean that only 3.1 million of the more than 9 million now eligible actually participate in the program. The short-term savings realized by these cuts will be more than offset by the eventual cost of caring for children who become ill because of poor nutrition.

In addition, next year's budget includes a freeze on food stamps. This program, which has been cut $7 billion over the last 4 years, serves approximately 1.08 million in Pennsylvania. Nationally, about 20 million of an eligible population of 35 million use food stamps.

Of special concern to Pennsylvanians, especially the thousands of long term unemployed, is the failure of the administration to include in the budget a provision, as recommended by the President's Commission on Hunger, which allows for more flexible eligibility rules. Under current rules, rigorously applied assets tests force many unemployed to sell personal property to qualify for food stamps. Unemployed people in very distressed areas are often unable to sell personal property for anywhere near the fair market value. This only adds to economic hardship for these individuals.

The administration also proposes to eliminate two programs which support the efforts of emergency food providers: the Temporary Emergency Food Assistance Program and the Emergency Food Distribution and Shelter Program. Each program provides aid to private sector organizations to assist the hungry. This action comes at a time when, according to a 1984 U.S. Conference of Mayor's study, two out of four cities surveyed experienced increased demand for emergency food in 1984.

Let us consider for a moment the seriousness of the hunger problem in Allegheny County. According to the Hunger Action Coalition, requests for emergency food assistance increased substantially last year. From July to December 1984, the coalition aided 5,057 households, or 13,422 people, and only 3 out of 10 of these individuals had been served before. Approximately three out of four of the heads of households assisted were under age 65. The overwhelming number served were under age 61. More than half the people assisted were on food stamps but were unable to make ends meet.

HOUSING AND URBAN DEVELOPMENT

The administration proposes a 2-year moratorium on additional Federal assistance for low and moderate income housing.

New budget authority for housing for fiscal 1986 would be $499 million. This compares with the $10.8 billion in budget authority for housing Congress approved in 1985. The reduction this year would be more than 90 percent.

The housing moratorium means that in the next 2 years there would not be an increase in housing units under the section 8 existing program, the section 202 Elderly and Handicapped Housing Program, Public and Indian Housing or in the new, highly promising rental rehabilitation and development grants. Further, the administration proposes a recission of $253 million in public housing authority operating funds.

In the area of community development, the administration would reduce the multipurpose Community Development Block Grant [CDBG] Program by 10 percent, thereby reducing the fiscal 1986 authorization to $3.125 billion. The CDBG allocation formula would also be revised so as to reduce effectively by 23 percent allocations to cities with populations of $50,000 or more. The Urban Development Action Grant [UDAG] Program, funded this year at $440 million, would be eliminated, as would the Economic Development Administration, authorized this year at $226 million.

The effect of these urban cutbacks would be felt immediately in Pittsburgh. A 23-percent CDBG reduction would mean that public streets, lights, and bridges would deteriorate further and rehabilitation of aging housing would not take place. Every $15,000 reduction in CDBG funds means one more home will go without necessary

rehabilitation. In Pittsburgh last year, the Home Improvement Loan Program provided 1,379 below market rate rehabilitation loans to homeowners for a total of over $8.8 million. Of the 1,495 individual housing units rehabilitated, 811 benefited low- and moderate-income homeowners. Under the Forgiveness Loan Program, which makes rehabilitation loans for up to 20 years at an interest rate of 3 percent to homeowners with family income of $9,000 or less, 188 loans were made in 1984 for a total of $2 million. In addition, it is worth noting that every $10,000 lost in CDBG money used for economic development means the city loses the ability to create or retain two jobs. Construction and rehabilitation of bridges, of course, will be deferred or canceled.

If the administration succeeds in eliminating UDAG, the hard-won revitalization of what has been rated America's most livable city will be challenged. UDAG's have been an important component in making the city more livable. A UDAG grant for the city's Northside, for example, provides low-interest loans to homeowners. Other UDAG's have been essential to downtown revitalization. At this point, I would like to include in the RECORD a chart which lists the UDAG's received by the city of Pittsburgh, the amount of private investment generated by UDAGs, and the number of jobs created:

UDAG GRANTS TO PITTSBURGH 1978–1984

Project	Action grant	Private dollars	Jobs created
Northside revitalization	$8,100,000	$26,400,000	144
Parkway Center Mall	4,626,000	17,350,000	1,200
Giant Eagle Market Center	4,150,000	24,065,218	417
Silver Lake industrial park	215,000	739,000	20
Gateway Clipper	1,055,000	4,010,000	140
Four Station Square complex	4,847,000	26,098,747	600
Lemington Home	1,130,783	4,274,529	87
South Aiken offices	990,000	3,678,447	60
Convention Center Hotel	21,000,000	107,083,190	1,510
1000 California Avenue	460,000	1,839,102	58
Allegheny International/Stanley	17,000,000	108,279,000	1,185

JOB CORPS

The administration would eliminate the Job Corps in fiscal 1986. This is a program which provides remedial and skill training to low-income young people aged 16 to 22. Some 40,000 youths use the services of this excellent program at 107 training centers throughout the country.

I believe the skills learned in the Job Corps serve the graduates well in a market in which roughly 40 percent of their age group is unemployed. Not everyone, of course, has a job waiting upon leaving the corps. Neither do many graduates of college. But the Job Corps gives its participants, 90 percent of whom dropped out of school, a base upon which to build.

The elimination of the Job Corps would have widespread effect in Pittsburgh. Since 1972, more than 7,000 youths have participated in programs at the Pittsburgh Job Corps Center, a center which now assists 340 corpsmembers. The local economy benefits from more than $4.5 million a year in Job Corps Center funds which are spent on staff salaries, corpsmember stipends and goods and services.

VETERANS BENEFITS

The fiscal 1986 budget would limit free health care for veterans of all ages with non-service-connected disabilities to those with incomes of $15,000 or less or to those in certain other limited categories. Those eligible for free health care would include veterans with a Veterans' Administration compensation rating for treatment of non-service-connected disabilities; former prisoners of war; veterans exposed to certain herbicides or atomic testing; VA pensioners and veterans of World War I, the Spanish-American War or the 1916 Mexican border war. The $15,000 cutoff would be adjusted for those with more than one dependent. Veterans above the limit would pay their own expenses, up to a defined limit. The limit would rise as the veteran's income increases. When expenses exceed that limit, the veteran would be eligible for VA medical treatment.

Reductions of this sort will be a distinct hardship for the 837,000 veterans who reside in the western Pennsylvania VA district. While the overall number of veterans in the district will decline by 9 percent by 1990, the number aged 65 or older will rise from 11 percent of the veteran population to 26 percent in the same period.

SMALL BUSINESS

The end of the Small Business Administration [SBA], as proposed by the administration, would mean a halt to low-interest Federal loans to new and existing businesses.

Nationwide, SBA outlays for fiscal 1985 assistance to 21,500 businesses are expected to total $726 million. In western Pennsylvania, the SBA had 3,312 outstanding loans totaling $131 million as of December 1984. In the same fiscal year, the western Pennsylvania SBA office provided 310 loans for a total of $40 million and is credited with aiding in the creation of more than 2,000 area jobs.

Several SBA programs slated for elimination are of particular interest to northeastern cities such as Pittsburgh. Section 503 development companies, section 7(a) regular small business loans, small business innovation research activities and SBA management assistance are among the programs which have demonstrated their usefulness. More than half of the section 502 money spent in fiscal 1984, for example, went to businesses in the Northeast and Midwest.

GENERAL REVENUE SHARING

The administration budget would end general revenue sharing [GRS], a local government assistance program budgeted this year at $4.567 billion.

An abrupt termination of GRS funds would be a blow to thousands of hard-pressed local governments. For roughly 6 out of 10 towns with populations of 10,000 or less, revenue sharing is the only Federal grant these localities receive. City and county governments rely on the revenue-raising ability of the Federal Government to help meet local needs in such areas as education, police, fire, and health care. Local governments in Pennsylvania receive $219,033,000 in GRS funds, nearly 5 percent of the national total.

When there was similar talk of eliminating GRS 2 years ago, I commissioned a study to determine the impact such an action would have on the 14th Congressional District of Pennsylvania. The report shows that the city of Pittsburgh uses all of its GRS funds for public safety. Police services receive 62 percent of the funds, and firefighters receive the balance. Without the funds, the city would have to raise taxes or lay off public safety officers.

The manager of the borough of Coraopolis pointed out the importance of the $90,000 in GRS funds the borough receives when she said that: "If these moneys were eliminated, one additional solution to millage increase would be bankruptcy."

The borough secretary of Millvale, where GRS funds make up about 7 percent of the budget, said that any reduction in the revenue-sharing allocation would be catastrophic.

In Stowe Township, where many of the residents are elderly on fixed incomes, the manager noted that the end of revenue sharing would force the township to raise taxes. This would, of course, increase the existing burden on elderly residents.

HEALTH PROGRAMS

Next year's Reagan budget would reduce Medicaid benefits by establishing a fixed cap on payments to the States for Medicaid services and would change the present system of a Federal match for State expenditures.

The proposed fiscal 1986 cap of $22.8 billion is $1.3 billion below the level needed to maintain current services to the approximately 22 million low-income persons covered by Medicaid. Under current rules, once a State establishes eligibility criteria in accordance with Federal guidelines, all individuals who reside in the State are entitled to services and the State is entitled to Federal matching funds. With the proposed funding system, each State, regardless of the number of people who meet the eligibility requirements, would receive a fixed amount of money. No new funds would be available to cover an increased number of people needing care, such as the elderly or unem-

ployed. Of the people who now receive Medicaid, 14 percent are age 65 or over, another 14 percent are adults in families with dependent children. While children account for a relatively large portion of recipients, they are responsible for only 12 percent of Medicaid spending. The elderly are the beneficiaries of 37 percent of Medicaid spending. The blind and disabled account for 35 percent.

The administration also proposes to cut Medicare by $22.6 billion over 3 years. Beneficiaries would bear 31.4 percent of this cut. A 1-year freeze on payment rates to various health care providers would mean that reimbursement rates to hospitals would remain at the present level. The freeze on payments to doctors would extend through December 1986. The monthly premium for coverage under part B, which pays for physicians services, outpatient hospital care and lab tests, would increase. The premium, which now covers 25 percent of program costs, would cover 35 percent of costs by 1990. This would mean an increase in the monthly patient premium from $15.50 in 1985 to $34 in 1990.

Beginning in fiscal 1987, the administration would index the part B deductible to the annual national increase in medical costs. As a result, the part B deductible, not $75, would rise each year. The proposal would also delay initial Medicare eligibility until the first day of the month following an individual's 65th birthday. Coverage now begins on the first day of the month in which a birthday falls.

The freeze proposals, since they are limited to health services provided by Medicare, could encourage cost shifting to non-Medicare patients. This may lead to a situation in which doctors and hospitals take cost-cutting shortcuts in treating Medicare beneficiaries.

The fiscal 1986 budget would also freeze funding for four health block grants at this year's level. Created in 1982, these block grants, for maternal and child health services, community health centers, alcohol, drug abuse, and mental health services and preventative health programs, have been sharply reduced even as demand for services remains high. The proposed funding for alcohol, drug abuse, and preventative health programs would be below levels of fiscal 1981, and maternal and child health services would be only slightly above the fiscal 1981 level.

AMTRAK

The funding for the National Rail Passenger Corporation, or Amtrak, would end in the administrations's fiscal 1986 budget. The Amtrak funding level for this year is $684 million. In addition, the administration proposes no funding for the northeast corridor improvement project.

Without Federal assistance for the railroad, States and localities will be forced to come up with the money necessary to operate raillines. In many instances, this will mean the elimination or drastic curtailment of less-traveled routes and the resulting loss in jobs for employees who work on these lines. In Pittsburgh, three commuter trains would be affected immediately by a shutoff of Amtrak funds. These trains connect the city to Chicago, New York City, and Washington, DC.

FEDERAL EMPLOYEES

A 5-percent cut in salary is slated for all Federal employees in the fiscal 1986 budget for a projected savings of $1.8 billion. The administration also plans to cancel the January 1986 cost-of-living increase, limit future COLA's, and cut early retirement benefits. Reductions such as these would lower the morale of Federal employees and this, most likely, would lead to an exodus of the best managers and workers from the Federal Government.

In conclusion, I should point out that the fiscal 1986 budget which the administration sent to the Congress last month represents a philosophical statement. I have outlined some of the ramifications of following that philosophy. The adoption of this budget would, I believe, have a serious detrimental effect on our cities. Further, we should understand that the Chief Executive has failed to carry out his responsibilities by submitting a budget out of balance by $180 billion.

It is now up to the Congress to make the decisions on the budget which have to be made. I hope that we act in a compassionate manner which assures assistance to those who need it while making sure the Federal Government operates in a fiscally responsible manner.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HENRY) to revise and extend their remarks and include extraneous material):

Mr. TAUKE, for 60 minutes, March 27.

Mr. TAUKE, for 60 minutes, March 28.

Mr. FRENZEL, for 5 minutes, today.

Mr. ROTH, for 30 minutes, March 26.

(The following Members (at the request of Mr. STRATTON) to revise and extend their remarks and include extraneous material):

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. COYNE, for 10 minutes, today.

Mr. MONTGOMERY, for 60 minutes, March 26.

Mr. GAYDOS, for 30 minutes, March 26.

Mr. GAYDOS, for 30 minutes, March 27.

Mr. AUCOIN, for 60 minutes, March 27.

Mr. AUCOIN, for 60 minutes, March 28.

Mr. AUCOIN, for 60 minutes, March 29.

Mr. AUCOIN, for 60 minutes, April 1.

Mr. AUCOIN, for 60 minutes, April 2.

Mr. SCHEUER, for 60 minutes, April 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HENRY) and to include extraneous matter:)

Mr. COURTER in four instances.

Mr. ROWLAND of Connecticut.

Mr. FRENZEL in seven instances.

Mr. CONTE.

Mr. DANNEMEYER.

Ms. SNOWE.

Mr. DORNAN of California in five instances.

Mr. HYDE in two instances.

Mr. CLINGER.

Mr. WHITEHURST.

Mr. KRAMER.

Mr. WOLF.

Mr. MCKERNAN.

(The following Members (at the request of Mr. STRATTON) and to include extraneous matter:)

Mr. COYNE.

Mr. MONTGOMERY.

Mr. FAUNTROY.

Mr. LUKEN.

Mr. FRANK.

Mr. MURTHA.

Ms. KAPTUR.

Mr. SIKORSKI.

Mr. CLAY.

Mr. RANGEL in two instances.

Mr. JACOBS.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. COELHO.

Mr. GRAY of Illinois.

Mr. MOAKLEY.

Mr. FEIGHAN in two instances.

Mr. ADDABBO.

Mr. FASCELL.

Mr. DARDEN.

Mr. FLORIO.

Mr. MANTON.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's

table and, under the rule, referred as follows:

S. 630. An act to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnapping a Federal drug law enforcement agent; to the Committee on the Judiciary.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa.

ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 26, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

846. A communication from the President of the United States, transmitting a report stating the extent to which the stated soil and water conservation programs and policies are met in the budget, pursuant to 16 U.S.C. 2006(b) (H. Doc. No. 99-43); to the Committee on Agriculture and ordered to be printed.

847. A letter from the Acting General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize appropriations for the Department of Energy for National Security Programs for fiscal year 1986 and fiscal year 1987; to the Committee on Armed Services.

848. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 178(c) of title 10, United States Code, to modify the method of selection of Directors of the Henry M. Jackson Foundation for the Advancement of Military Medicine; to the Committee on Armed Services.

849. A letter from the President and Chairman, Export/Import Bank of the United States, transmitting a statement to the Congress with respect to a proposed transaction of more than $100 million with Columbia, pursuant to the act of July 31, 1945, chapter 341, section 2(b)(3)(i) (88 Stat. 2335; 91 Stat. 1210; 92 Stat. 3724); to the Committee on Banking, Finance and Urban Affairs.

850. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Escheated Estated Fund Review," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

851. A letter from the Secretary of Health and Human Services, transmitting the 1984 edition of "Health, United States," which is complied by the National Center for Health Statistics, Office of the Assistant Secretary for Health, pursuant to PHSA, section 308(a)(2)(A) (88 Stat. 368; 90 Stat. 387); to the Committee on Energy and Commerce.

852. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

853. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a draft of proposed legislation to facilitate the adjudication of certain claims of U.S. nationals against Iran, to authorize the recovery of costs incurred by the United States in connection with the arbitration of claims of U.S. nationals against Iran; to the Committee on Foreign Affairs.

854. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a draft of proposed legislation to amend the Trading With the Enemy Act to authorize ex gratia payment to Switzerland in accordance with agreement; to the Committee on Foreign Affairs.

855. A letter from the Chairman, Council on Environmental Quality, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

856. A letter from the Senior Vice President, Federal Land Bank of Columbia and Federal Intermediate Credit Bank of Columbia, transmitting the annual report of the Farm Credit Retirement Plan, Columbia District, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

857. A letter from the Acting Assistant Attorney General, transmitting a draft of proposed legislation to provide for the recovery by the United States of the costs of hospital and medical care and treatment furnished by the United States in certain circumstances; to the Committee on the Judiciary.

858. A letter from the Acting Assistant Attorney General, transmitting a draft of proposed legislation to provide for interim designation of U.S. attorneys and U.S. marshals by the Attorney General; to the Committee on the Judiciary.

859. A letter from the Science Adviser to the President, transmitting notice that the science and technology report and outlook will be delayed, pursuant to 42 U.S.C. 6615(a); to the Committee on Science and Technology.

860. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Weather Modification Reporting Act of 1971, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1986 and 1987; to the Committee on Science and Technology.

861. A letter from the Under Secretary of State for Mangement, Department of State, transmitting the fourth annual report on the implementation of the Foreign Service Act of 1980, pursuant to Public Law 96-465, section 2402 (a) and (b); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Goverment Operation. Report on oversight plans of the Committees of the U.S. House of Representatives (Rept. No. 99-25). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. Report of the Committee on Veterans' Affairs pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 99-26). Referred to the Committee of the Whole House in the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. OAKAR:

H.R. 1699. A bill to establish certain restrictions on the transportation of high-level radioactive waste and spent nuclear fuel; jointly, to the Committees on Public Works and Transportation, Energy and Commerce, and Interior and Insular Affairs.

By Mr. FRENZEL:

H.R. 1696. A bill to make permanent the existing temporary duty-free treatment for certain wools finer than 46s; to the Committee on Ways and Means.

H.R. 1697. A bill to amend the Internal Revenue Code of 1954 to allow noncorporate shareholders of foreign sales corporations the same deduction for dividends received from such corporations as is allowed to corporate shareholders; to the Committee on Ways and Means.

By Mr. SHARP:

H.R. 1698. A bill to amend the Energy Policy and Conservation Act with respect to the strategic petroleum reserve by requiring testing of drawdown and distribution of the reserve; to the Committee on Energy and Commerce.

By Mr. SHARP (for himself and Mr. DANNEMEYER):

H.R. 1699. A bill to extend titles I and II of the Energy Policy and Conservation Act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ACKERMAN:

H.R. 1700. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to guarantee loans made to veterans for the purchase of residential units held by cooperative housing projects; to the Committee on Veterans' Affairs.

By Mr. PANETTA:

H.R. 1701. A bill to amend the Tariff Schedules of the United States to provide for rates of duty on imported roses consistent with those maintained by the European Economic Community on imports of roses from the United States and other nations; to the Committee on Ways and Means.

By Mrs. BENTLEY:

H.R. 1702. A bill to protect and promote the American merchant marine by shipping U.S. mail exclusively aboard U.S.-flag vessels; jointly, to the Committee on Post Office and Civil Service and Merchant Marine and Fisheries.

By Mr. BONKER (for himself and Mr. SOLARZ):

H.R. 1703. A bill to amend the Foreign Assistance Act of 1961 to reauthorize the activities of the Overseas Private Investment Corporation, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CLINGER:

H.R. 1704. A bill to include the offenses relating to sexual exploitation of children under the provisions of RICO and authorized civil suits on behalf of victims of child pornography and prostitution; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H.R. 1705. A bill to establish in the Department of Labor A Federal Boxing Commission to prescribe and enforce fair labor standards applicable to the conduct of professional boxing and to impose certain other requirements relating to professional boxing, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. GARCIA (for himself, Mr. KOLTER, Mr. TOWNS, Mr. MITCHELL, Mr. RAHALL, Mr. CROCKETT, Mr. BIAGGI, Mr. MARTINEZ, Mr. RANGEL, Mr. MURPHY, and Mr. RICHARDSON:

H.R. 1706. A bill to encourage State and local governments to increase investments in distressed areas by permitting such governments to negotiate reductions in their regulatory burdens with the Office of Management and Budget; to the Committee on Government Operations.

By Mr. GRAY of Illinois:

H.R. 1707. A bill to repeal the contemporaneous recordkeeping requirement and certain other recently enacted provisions of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. LEHMAN of Florida:

H.R. 1708. A bill to amend section 502 of the Rehabilitation Act of 1973 to permit members of the Architectural and Transportation Barriers Compliance Board to continue to serve until a successor has qualified; to the Committee on Education and Labor.

By Mr. MONTGOMERY:

H.R. 1709. A bill to amend title 38, United States Code, to increase from $35,000 to $50,000 the maximum amount of life insurance coverage provided under the Servicemen's and Veterans' Group Life Insurance Programs and to extend eligibility under the Veterans' Group Life Insurance Program to members of the Individual Ready Reserve and the Inactive National Guard; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.R. 1710. A bill to remove maximum hiring ages and mandatory retirement ages for selected Federal employees not covered by the Age Discriminaiton in Employment Act of 1967; jointly, to the Committees on Post Office and Civil Service and the District of Columbia.

By Mr. UDALL (by request):

H.R. 1711. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 1986 and fiscal year 1987; to the Committee on Interior and Insular Affairs.

By Mr. BOEHLERT:

H.J. Res. 202. Joint resolution designating the week of April 14, 1985, through April 20, 1985, as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Oklahoma:

H.J. Res. 203. Joint resolution commemorating March 25, 1985, as the 60th anniversary of the United Oklahoma Bank; to the Committee on Post Office and Civil Service.

By Mr. JEFFORDS:

H.J. Res. 204. Joint resolution to designate May 1985 as "Very Special Arts U.S.A. Month"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself and Mr. SOLOMON):

H.J. Res. 205. Joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN:

H.J. Res. 206. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. LEHMAN of Florida, Mr. YATES, Mr. GREEN, and Mr. GARCIA):

H. Con. Res. 98. Concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance of victims of the Holocaust; to the Committee on House Administration.

By Mr. HUGHES:

H. Res. 113. Resolution to amend the Rules of the House of Representatives to establish additional conditions with respect to official travel of members and employees of committees; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. HOLT:

H.R. 1712. A bill for the relief of Gregory Wayne Cote; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 1713. A bill for the relief of William P. Smith; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. MORRISON of Washington, Mr. MACK, Mr. KANJORSKI, Mr. SHAW, Mr. APPLEGATE, Mr. WAXMAN, Mrs. SMITH of Nebraska, and Mr. DIOGUARDI.

H.R. 43: Mr. WILSON, Mr. YOUNG of Alaska, Mr. FUSTER, Mr. FOLEY, Mr. EVANS of Illinois, and Mr. MCCURDY.

H.R. 52: Mr. MICA, Mr. LEWIS of Florida, Mr. BOLAND, Mr. FRANK, Mr. CONTE, Mr. MACKAY, Mr. FASCELL, Mr. SKELTON, and Mr. JENKINS.

H.R. 193: Mr. ANDERSON.

H.R. 208: Mr. HAYES.

H.R. 359: Mr. LAGOMARSINO, Mr. DOWNEY of New York, Mr. WEISS, Mr. TALLON, Mr. AKAKA, Mr. SAXTON, Mr. DERRICK, Mr. ROYBAL, Mr. PANETTA, Mr. GALLO, Mr. FUSTER, Mr. DARDEN, Mr. SKELTON, Mr. MINETA, Mr. SABO, Mr. ECKERT of New York, Mr. SUNIA, Mr. CAMPBELL, Mr. RANGEL, Mr. RAY, Mr. BEVILL, Mr. DWYER of New Jersey, Mr. LEVIN of Michigan, Mr. MITCHELL, Mr. MRAZEK, Mr. SCHUMER, Mr. FRENZEL, Mrs. HOLT, Mrs. BYRON, Mr. SOLARZ, Mr. SPRATT, Mr. DAUB, Mr. RAHALL, Mrs. LLOYD, Mr. BERMAN, Ms. MIKULSKI, Mr. LELAND, Mr. HAWKINS, Mr. SAM B. HALL, JR., Mr. FAZIO, Mr. WALGREN, Mr. TOWNS, Mr. HORTON, Mr. STARK, Mr. KOSTMAYER, Mr. FEIGHAN, Mr. FROST, Mrs. BOXER, Mr. BEDELL, Mr. WHITLEY, Mr. RITTER, Mr. WOLPE, Mr. MILLER of California, Mr. WHEAT, Mr. MARTINEZ, Mr. FISH, Mrs. KENNELLY, Mr. JACOBS, Mr. VENTO, Mr. HATCHER, Mr. BRYANT, Mr. LAFALCE, Mr. SCHEUER, Mr. MORRISON of Washington, Mrs. ROUKEMA, Mr. FRANK, Mr. CHANDLER, Mrs. BENTLEY, Mr. HAYES, Mr. GRAY of Illinois, Mr. BARNARD, Mr. MANTON, Mr. GEKAS, Mr. WISE, Mr. MCCOLLUM, Mr. NEAL, Mr. CHAPPELL, Mr. SILJANDER, Mr. THOMAS of Georgia, Mr. HUGHES, Ms. OAKAR, and Mr. GINGRICH.

H.R. 428: Mrs. BOGGS, Mr. BOULTER, Mrs. BYRON, Mr. STENHOLM, and Mr. THOMAS of Georgia.

H.R. 479: Mr. BLAZ and Mr. PACKARD.

H.R. 480: Mr. BLAZ.

H.R. 521: Mr. LEHMAN of California and Ms. KAPTUR.

H.R. 539: Mr. EVANS of Illinois, Mr. HOPKINS, Mr. DEWINE, Mr. SKELTON, Mr. KANJORSKI, and Mr. CAMPBELL.

H.R. 585: Mr. LIPINSKI, Mr. DERRICK, and Mr. BORSKI.

H.R. 644: Mr. ROYBAL, Mr. DEWINE, Mr. YATRON, Mr. MARTINEZ, Mr. HUGHES, Mr. FAZIO, Mr. FISH, Mr. MORRISON of Washington, Mr. AKAKA, and Mrs. BENTLEY.

H.R. 646: Mr. APPLEGATE and Mr. BOEHLERT.

H.R. 782: Mr. BERMAN, Mr. MARKEY, Mr. BATES, Mr. RIDGE, and Mr. STARK.

H.R. 930: Mr. FUQUA and Mrs. MARTIN of Illinois.

H.R. 1021: Mr. YOUNG of Alaska.

H.R. 1109: Mr. GINGRICH, Mr. THOMAS of Georgia, Mr. FISH, Mr. SWINDALL, and Mr. YOUNG of Florida.

H.R. 1123: Mr. BARTLETT, Mrs. BOXER, Mr. GREEN, Mr. LEHMAN of Florida, Mr. MURTHA, Mr. SABO, Mr. STANGELAND, and Mr. WATKINS.

H.R. 1142: Mr. ZSCHAU.

H.R. 1287: Mr. SEIBERLING, Mr. MRAZEK, Mr. BERMAN, Ms. MIKULSKI, Mr. LUKEN, Mr. HUGHES, and Mr. BATES.

H.R. 1324: Mr. MILLER of Washington, Mr. CROCKETT, Mr. MARTINEZ, Mr. FRENZEL, Mr. SLATTERY, Mr. ANDERSON, Mr. PORTER, Mr. MARKEY, Mr. BEILENSON, Mrs. SCHNEIDER, Mr. MCKINNEY, and Mr. SENSENBRENNER.

H.R. 1359: Mr. WORTLEY and Mr. CHANDLER.

H.R. 1397: Mr. DE LA GARZA.

H.R. 1425: Mrs. BOXER.

H.R. 1473: Mr. CHANDLER.

H.R. 1475: Mr. RANGEL.

H.J. Res. 10: Mr. GREGG, Mr. WAXMAN, and Mr. JEFFORDS.

H.J. Res. 37: Mr. HOWARD and Mrs. JOHNSON.

H.J. Res. 41: Mr. HYDE and Mr. BLAZ.

H.J. Res. 101: Mrs. HOLT, Mr. MONTGOMERY, Ms. KAPTUR, Mr. BLAZ, Mr. LIVINGSTON, Mr. RICHARDSON, and Mr. KRAMER.

H.J. Res. 127: Mr. SUNIA, Mr. RICHARDSON, Mr. PURSELL, Mrs. HOLT, and Mrs. COLLINS.

H.J. Res. 133: Mr. BURTON of Indiana.

H.J. Res. 144: Mr. BARNES, Mr. BERMAN, Mrs. BOXER, Mrs. COLLINS, Mr. CROCKETT, Mr. DARDEN, Mr. FUSTER, Mr. GREEN, Mr. LANTOS, Mr. MCGRATH, Mr. O'BRIEN, Mr. ROE, Mr. SMITH of Florida, Mr. TOWNS, Mr. WAXMAN, and Mr. WEISS.

H.J. Res. 171: Mr. MAVROULES, Mr. SAVAGE, Mr. BORSKI, Mr. ADDABBO, Mrs. JOHNSON, Mr. HENRY, Mr. LUNDINE, and Ms. KAPTUR.

H. Con. Res. 50: Mr. SEIBERLING and Mr. CONYERS.

H. Con. Res. 69: Mr. YOUNG of Florida, Mr. PERKINS, Mr. FIELDS, and Mr. CHANDLER.

H. Res. 12: Mr. DONNELLY, Mr. STUDDS, Mr. JEFFORDS, Mr. DIOGUARDI, Mr. RINALDO, Mr. BORSKI, Mr. SEIBERLING, Mr. LUNDINE, and Ms. KAPTUR.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

64. By the SPEAKER: Petition of the Department of Labor, State of North Carolina, relative to the establishment of a National Center for Applied Technology and Skills; to the Committee on Education and Labor.

65. Also, petition of the Association of Pacific Island Legislatures, Agana, GU, relative to Compacts of Free Associations; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

66. Also, petition of the Association of Pacific Island Legislatures, Agana, GU, relative to nuclear waste dumping; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

EXTENSIONS OF REMARKS

HUMAN RIGHTS SPEECH BEFORE THE SUPREME SOVIET DELEGATION

HON. ROBERT K. DORNAN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DORNAN of California. Mr. Speaker, a few weeks ago this Congress hosted a delegation from the Supreme Soviet of the U.S.S.R. in response to a U.S. congressional delegation that visited the Soviet Union in 1983. This was a rare opportunity to address those Soviet officials face to face, about the issues and the policies we so seriously question, particularly growing human rights violations.

One of my California colleagues, HENRY WAXMAN, courageously took the opportunity to speak out forcefully to the Soviet delegation for the thousands of voiceless Russian citizens who suffer so severely because of their beliefs.

HENRY has a long record of steadfast efforts on behalf of Soviet dissidents. His eloquent appeal for justice to the Soviet delegation was even more powerful and comprehensive than the excellent demand for justice and religious liberty that he made in the Kremlin in 1983 as part of that American parliamentary group.

I applaud HENRY's powerful statement before the Soviet delegation. Our colleague spoke not only for himself but for all of us. I hope all of my colleagues who weren't present that morning will carefully read Mr. WAXMAN's words. You'll be as proud of our colleague as I was. It is a solid indictment of totalitarianism.

HUMAN RIGHTS SPEECH BEFORE THE SUPREME SOVIET DELEGATION

The recent re-establishment of U.S.-Soviet talks on arms control has brought increased hopes for the improvement of relations between our two nations. It is an improvement in which all of us—and indeed the entire world—places great hope.

Your visit provides an excellent opportunity to discuss the realization of these shared hopes. But if we are to build a relation of trust on which genuine security and cooperation between our two countries can be established, we must also discuss, and try to resolve, the issues that divide us.

Solidifying a relation of trust between our countries requires that each of us abide by all of the provisions of international agreements to which we are signatories. It is difficult for an informed public to have faith in negotiations with a country that flouts solemn agreements in one area, such as human rights, while professing the urgent need for new agreements in another area, such as arms control or increased trade.

We view human rights as an international as well as bilateral matter. It has to do with commitments freely undertaken by the Soviet Union in international instruments, most notably under the Helsinki Final Act and the Universal Declaration of Human Rights, to respect the human rights of its citizens.

All too often when representatives of my country speak of public concern for human rights issues in your country, we are told that this is an interference in your internal affairs and thus not a legitimate topic for discussion between our governments.

Let me make clear that we cannot accept that response. Human rights concerns are an integral part of our policy vis-a-vis the-Soviet Union. These concerns will not go away; they remain a permanent component of the U.S.-Soviet agenda.

Your willingness to fulfill international human rights agreements inevitably reflects on your willingness to abide by other accords. Your failure to fulfill agreements influences our approach to negotiations and agreements on all issues of importance.

Now we are seeing deterioration, not improvements, in your human rights policy. I hope our meeting today can be a turning point for reversing that trend.

Recent events trouble us. There have been waves of arrests aimed at destroying or isolating those groups in the Soviet Union who refuse to submit to the control of the State, dissent from the tenets of Soviet ideology, or insist that the State respect their basic religious and ethnic rights.

New violations of the spirit of the Helsinki accords are commonplace. Your government has eliminated the ability of average citizens to place direct-dial phone calls to the West, enacted more stringent customs search regulations, made it more difficult to send package mail to the USSR, interdicted international mail, and established new penalties for unauthorized contacts with foreigners.

We remain concerned about long-standing instances of injustice. There are still 43 Soviet Helsinki Monitors in prison—their only crime was to call the public's attention to certain shortcomings in your government's observance of the Helsinki Final Act's human rights provisions. At least three Monitors have already died in prison. And just last week Vyacheslav Bakhmin of the Psychiatric Working Group was re-arrested.

We are concerned as well with the treatment of all political prisoners. Many prisoners of conscience face horrible conditions in labor camps, prisons, and psychiatric hospitals; systematic denial of family visits and correspondence rights; meager, barely subsistent food; and brutal treatment, including severe beating from wardens.

A Hebrew teacher from Ukraine, Iosif Berenshtein, sentenced in December to a four-year camp term, was partially blinded by prison guards during a recent beating. Two other leading imprisoned Jewish activists, Anatoly Shcharansky and Iosif Begun, have been hospitalized after prolonged periods of punishment, isolation, and protest hunger strikes. In addition, at least nine political prisoners died last year while in confinement.

Moreover, Soviet treatment of other groups has hardly been better. Ukrainian human rights activists, as usual, have suffered particularly badly, and although Ukrainians number less than twenty percent of the population of the Soviet Union, they account for over forty percent of its political prisoners.

The Soviet government has turned a deaf ear to international protests at its harsh treatment of Dr. Andrey Sakharov and his wife Elena Bonner. Soviet authorities continue to isolate the Sakharovs from the world.

The tens of millions of Soviet religious believers practice their faith at their own peril As a matter of routine they face employment and education discrimination. And those who disobey laws restricting the practice of religion face prison terms—recently three Russian Orthodox priests, two Roman Catholic priests, and Orthodox Jew, a Lutheran Minister, and an Armenian Apostolic deacon have been placed in detention.

Some 200 reform Baptists have been imprisoned for their faith. Many Baptist pastors have been jailed repeatedly.

Soviet Adventists have also been subjected to official repression: the plight of Soviet Pentecostals is exemplified in two month-long hunger strikes by 55 Pentecostals in Chuguevka.

The Soviet State even decrees which religions can exist in your country. Thus the Ukrainian Catholic (Uniate) Church and Jehovah's Witnesses are illegal.

Soviet Jews face an especially hostile climate. Not only are they restricted in their religious observance; denied access to materials from which they can learn about their history, religion, and culture; their Hebrew teachers subject to increasing repression; but most frighteningly, those who seek to emigrate are increasingly being presented as traitors and criminals.

As recently as February 17 a program appeared on the first channel of Soviet television entitled "Conspiracy Against the U.S.S.R." It drew a connection between the C.I.A., Nazism, and Zionism. This preposterous claim has become more and more commonplace in Soviet brochures, books, newspapers, and television. To the Soviet public it signals that aggressive, hostile behavior towards those Jews who seek to emigrate enjoys official sanction.

Although the official Soviet Anti-Zionist Committee proclaimed in June 1983 that Soviet Jewish emigration was essentially "completed," there are some 400,000 Soviet Jews who want to emigrate. We are prepared to submit a list of names of people that put a lie to the statement that there are few Jews who want to leave. We know of them because their relations in Israel and the United States appeal to us for help. Members of this delegation know of them because of our personal visits with refuseniks who have told us of their long wait to be reunited with their families.

These people will never be allowed to leave if your present emigration levels continue. Last year, only 896 Jews, 913 Germans, and less than 1,000 Armenians were allowed to leave the Soviet Union. In some cases families have waited over 25 years to

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

be reunited. There is no other area where forward steps can have a greater positive impact on the overall atmosphere than in the one of freer emigration.

We recognize, however, that there are some modest, but hopeful signs in your human rights performance. Although Soviet emigration continues to fall, the number of refuseniks of long standing who are getting out has risen. In January and February emigration totaled only 163, but 75 were from the Moscow area and many were long-time refuseniks. Another welcome development was the January family visit to Anatoliy Shcharanskiy at his place of confinement.

I tell you this morning that we want to improve relations between our two great nations.

We want to enjoy a mutual and vigorous free trade.

We want a meaningful and lasting arms control agreement.

We want our two nations to enjoy peace and prosperity together.

But I also tell you that for any of these wonderful things to happen, we need to see a dramatic and consistent improvement in your country's human rights policy.

We need to see more emigration and a stop to repressive actions against cultural and religious study groups. We need to see that the Helsinki Final Act is being fulfilled. In this, as in other areas, it will be deeds and not words which will register Soviet willingness to take our serious concerns into account as a matter of policy.

If we take small steps together now we will be able to take great strides together later. Let us do what is necessary and just so that our nations can forge a bold path together.●

ELIE WIESEL ON APARTHEID IN SOUTH AFRICA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FAUNTROY. Mr. Speaker, on Friday, March 22, 1985, the New York Times published a moving op-ed article by the distinguished novelist, Elie Wiesel. In this article entitled "Apartheid's So-Called Law," Mr. Wiesel, who has written so eloquently on the Holocaust, speaks out clearly on the moral imperative of ending the apartheid system of South Africa. Mr. Wiesel, a victim of the Holocaust, has the skill, wisdom, and the prophetic capacity to hear and feel and give voice to the pain of the victims. While his writing is universal, he speaks from a Jewish perspective, one that has been put into action by the membership of organizations such as the American Jewish Committee, the American Jewish Congress, the New Jewish Agenda, the Jewish Community Council of Greater Washington, and the Union of American Hebrew Congregations lending their voices and bodies to the protests at the South African Embassy. Elie Wiesel's message is presented below.

APARTHEID'S SO-CALLED LAW

(By Elie Wiesel)

Shame: that is what a white man, a Jew like me, feels while visiting Soweto in South Africa.

I remember: it was 10 years ago, I had come on a lecture tour of several cities. The organizers did not hide their concern: was I going to embarrass them be speaking out against apartheid? "Don't forget," advised a well-know liberal, "that after your speech, you return home while we stay here." In other words, I was not going to suffer the consequences. I promised him that I'd say nothing until I had studied the problem.

My project was to visit the blacks in their ghetto. The next day I traveled to Soweto, and what I discovered there made me doubt the human species. I felt guilty, confronted by the unspeakable suffering of the oppressed men, the resigned women, the children with melancholy eyes. Because of my color, and also my nationality, I was supposed to be superior to them. I belonged to another social and ethnic order, I belonged to another humanity. And I wasn't proud of it.

But beyond my shame, there was something else. What I understood in Soweto is that the racial laws of South Africa are wrong, not only because they result in collective and individual oppression but also, and especially, because they are laws.

Racism itself is dreadful, but when it pretends to be legal, and therefore just, it becomes altogether repugnant. Without comparing apartheid to Nazism and to its "final solution"—for that defies all comparisons—one cannot but assign the two systems, in their supposed legality, to the same camp.

Both have shown that laws can be twisted and distorted to the point of becoming instruments of torture and death. When the law itself becomes criminal, its authors are doubly criminal because they deprive their victims of the basic right granted to all human beings: recourse to justice. But beyond this, in South Africa justice itself is manipulated and perverted—and this scandal remains an affront to humanity.

That individuals commit injustice against their peers is, unfortunately, a regular occurrence. That they should be protected by those in power is not uncommon. At times, governments also abuse the law in order to strengthen their authority. But the South African Government goes further: by raising segregation and racial persecution to the ethical level of law, it puts into practice the antinomian rules of Orwell's world. Evil becomes good, inhumanity is interpreted as charity, egoism as compassion.

Victims no longer have the right to complain. Their misfortune is ridiculed. The torturer decides whether or not they suffer. He determines the shape of their liberty and their language. By exposing them to constant humiliation, the torturer attacks not only their right to live but also their very being.

That is why, in meeting South African blacks, the visitor is ashamed not to be like them. He is ashamed of his liberty.

As a Jew, I am all the more sensitive to this kind of injustice. I had no hesitation, after leaving Soweto, about denouncing apartheid in all my lectures. At Durban, Cape Town, Port Elizabeth and Johannesburg, the South African public showed its understanding. Certainly, to them, the situation is more complex, perhaps more tragic because it is unsolvable, than it appears to an outsider. Yet the young, the intellectuals and the students are opposing the Government with an increasingly dedicated resistance. It is also for them that we must act: our support extends first to the victims and then to their allies. Without such resistance, we would all be accomplices.●

FEDERAL EMPLOYEE AGE DISCRIMINATION AMENDMENTS OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. ROYBAL. Mr. Speaker, today I am introducing the Federal Employee Age Discrimination Amendments of 1985, which would remove maximum hiring ages and mandatory retirement ages for Federal employees not covered by the Age Discrimination in Employment Act [ADEA] of 1967.

The ADEA now protects most Federal workers over age 40 against all forms of employment discrimination based on age. However, several Federal occupations are excluded from the act because they fall under separate statutes. Mandatory retirement should be eliminated for these occupations; thereby applying the goals of the ADEA to all Federal employees.

The bill I am introducing today amends the relevant Federal statutes, and removes mandatory retirement ages and maximum hiring age limitations, where applicable, for the following occupations: U.S. Park Police; air traffic controllers; Panama Canal employees; Department of Justice law enforcement personnel; Federal Bureau of Investigation; District of Columbia firefighters; U.S. Forest Service firefighters; Foreign Service Officers; Commissioned Officers of Public Health Services; Tax Court judges; Coast and Geodetic Survey officers; Lighthouse Service officers; Central Intelligence Agency employees; Comptroller General; Assistant Comptroller General; Chief Judge of District Court of the Virgin Islands; and Director of the Federal Judicial Center.

The maximum hiring age limitations and mandatory retirement ages which these agencies are permitted to practice are in direct conflict with congressional intent in enacting the Age Discrimination in Employment Act. It is the ADEA's premise that "as a matter of basic civil rights people should be treated in employment on the basis of their individual ability to perform a job." The ADEA's purpose is to "promote employment of older persons based on their ability rather than age; to prohibit arbitrary age discrimination in employment." Maximum hiring age limitations and mandatory retirement ages are in opposition to this congressional mandate because they are founded on a notion of age-based

incapacity and do not consider an individual's potential or job performance.

As is the case with the ADEA, this bill does not require Government agencies to retain unfit public safety employees, nor does it make all age limitations unlawful. Employers are able to discharge an individual who is unfit or incompetent. In addition, age limitations are allowed if age can be shown to be a "bona fide occupational qualification" reasonably necessary to the normal operation of the agency.

Many of the Federal agencies not currently covered by the ADEA recognize that mandatory retirement ages are ineffective ways of ensuring a fit work force. A 1981 report on special retirement provisions prepared by the Office of Personnel Management asserted that a program of periodic medical examinations would provide a more accurate picture of individual performance ability. The OPM report goes on to state that:

> The Marshall's Service, Bureau of Indian Affairs, Immigration and Naturalization Service, and Secret Service stated that it is more logical and equitable to use functional age (as determined through periodic medical examination) rather than chronological age to determine fitness for duty. The advantage in using individualized tests of fitness is obvious when one considers the fact, as noted by the Forest Service, that employees in that agency do not generally retire from primary positions, but from administrative positions which are no more strenuous than similar positions in other fields in which performance is unrelated to chronological age.

The genesis of Federal retirement ages was arbitrary and the reasons for the exemptions are obsolete. In 1947, Congress passed Public Law 80-168, which allowed early retirement—age 50 after at least 20 years of service—for FBI personnel whom the Attorney General identified as no longer able to perform efficiently. The liberalized benefits were viewed as a reward for the arduous and hazardous work endured by certain FBI agents. Congress considered the cost of these liberalized benefits to be minimal because only 36 agents would be eligible to retire at the time the law was passed and only 64 agents would become eligible during the following 5 years.

Almost immediately after the adoption of the statute providing special early retirement benefits for certain FBI employees, other employee groups began requesting equal benefits. In 1948, Congress extended special retirement benefits to all employees with duties that involved investigating, apprehending, or detaining persons suspected or convicted of committing Federal crimes. Congress extended coverage to certain employees in Federal correctional facilities in 1956 and to Federal air traffic controllers and firefighters in 1972. Coverage was also extended to employees in these occupations who transferred to supervisory or administrative positions.

In 1974, Congress: First, further liberalized benefits; second, deleted all reference to employee hazard as a basis for coverage; third, emphasized in its legislative history that the liberalized benefits will improve the quality of law enforcement and firefighting services by helping maintain a young and vigorous work force; and, fourth, established, effective January 1978 mandatory retirement at age 55 or 20 years of service, whichever comes later, up to age 60. Many occupational groups became eligible and in 1978 about 52,000 employees in various Federal agencies and the District of Columbia government were covered. The head of any agency with employees covered by the special early retirement statute also was authorized to set minimum and maximum hiring ages for covered employees, if approved by the Civil Service Commission. Thus, the liberal retirement benefits policy first passed by Congress in 1947 for the benefit of 36 FBI agents subjected to hazardous duty had, by 1978, been expanded to cover 52,000 employees.

The assumptions used to justify the hiring age limitations and mandatory retirement ages for these Federal occupations have been called into question by scientific evidence and by practical experience. The basis for mandatory retirement has come under increasing criticism from many sources. An abundance of scientific evidence exists showing that chronological age is a poor indicator of ability to perform a job. Abilities associated with job performance do not invariably decline with age. As workers age, there is greater variation in their abilities, and in some cases, there is improvement of certain skills and abilities with the added experience that comes with age. In many cases, older workers do not show significant declines in muscle strength and their performance in many jobs is equal to, or better than, the job performance of younger workers.

Research conducted by Dr. Paul Davis, an exercise physiologist who has worked for the FBI, U.S. Fire Administration, Marines, and Secret Service, has shown that age cutoff standards are unreliable. Many of the physically fit older officers he tested demonstrated much better health and fitness profiles than out-of-shape younger officers. Thus, the only judicious method of determining who is physically qualified for police work is to physically test applicants and incumbants.

Many law enforcement and fire departments have demonstrated that a program of medical examinations, physical fitness testing and physical fitness training is a more efficient and cost-efficient means of ensuring a fit department. Research on the city of Los Angeles firefighter program demonstrated that: It is possible to test for an individual firefighter's fitness to perform his/her job; through medical exams, physical fitness testing and physical fitness training, the department has increased its fitness levels and reduced risk factors associated with atherosicerotic heart disease; frontline firefighters in their fifties and sixties have passed their medical exams; fitness program and testing has cut back on work-related disabilities which have been estimated to cost the city an average of $250,000. Other fire and police departments which have implemented physical fitness programs and individual testing procedures in lieu of age restrictions have noted improved health and performance, as well as fewer disability claims.

A 1977 General Accounting Office report pointed out that much of the work of public safety personnel is not hazardous and that the special early retirement provisions are provided without regard to the nature of the work of many of the covered employees. Several agencies, including the FBI, Postal Service, and Forest Service require annual physical examinations for older employees. In these examinations, the employee must either pass a specific endurance test or, after a physical exam, be medically certified as capable of performing the job. Through these tests, almost all older employees are determined to be physically capable of performing their jobs.

In sum, mandatory retirement of competent Federal employees is unnecessary and wasteful. Maximum hiring age limitations arbitrarily exclude all but the young from a broad range of Government jobs and unnecessarily restricts the pool of applicants. Mandatory retirement policies arbitrarily remove experienced employees from their jobs. Many, if not most, of the public safety employees mandatorily retired are from supervisor or administrative positions that are not as strenuous as primary positions.

I urge my colleagues to support the Federal Employee Age Discrimination Amendments of 1985 in order to ensure that, in accordance with the goals of the ADEA, all Federal employees are judged on their individual ability to perform a job rather than on stereotyped assumptions of incapacity due to age.●

PRIDE IN NEW JERSEY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, in the past the great State of New Jersey has

been much maligned by jokes and even political gibes. Recently, there has been a strong upsurge in pride in our State. Both residents and nonresidents are recognizing the many appealing aspects of the diverse and interesting Garden State. I commend to my colleagues a recent editorial from the Asbury Park Press, one of New Jersey's leading voices of journalism, that eloquently outlines the rise in appreciation of the great State of New Jersey.

[From the Asbury Park Press, Mar. 13, 1985]

APPRECIATING NEW JERSEY

A BIG JUMP NATIONALLY AS A GOOD PLACE TO BE

It looks as if the era of the New Jersey joke is over. While New Yorkers may still like to kid about the Garden State, they are moving inside our borders in unprecedented numbers, often bringing financial offices and administrative headquarters with them. And according to a recent poll by the Eagleton Institute of Politics at Rutgers University, Monmouth and Ocean counties are the place to be.

The Shore area ranked 47th of 329 metropolitan areas in the nation, according to the 1985 version of Rand McNally's "Places Rated Almanac." That represents a jump of 111 places from our ranking of 158th four years ago. The placement is based on nine categories: climate and terrain, housing costs and availability, health care, crime, transportation, education, the arts, recreation and economics.

Our proximity to the cultural and financial resources of New York City helped the rating, as did our farmland, excellent park systems and miles of beaches. Because this is one of the fastest-growing regions in the state, or economy clearly is booming. People for the entire metropolitan area have realized that Monmouth and Ocean counties are a fine place to put down roots.

The Eagleton poll points out there is a new sense of state pride flourishing all over New Jersey. While only 23 percent of those polled in 1980 felt that the state was a better place to live than other states, currently 46 percent of New Jersey residents responded positively to that question. The Meadowlands complex and the Atlantic City casino industry have helped instill a sense of state identity, and the promotions on television and in other media are starting to make an impact.

Nevertheless, the Rutger's poll also indicated vague feelings of uneasiness about pollution, especially toxic waste problems, which residents perceive as getting worse. Urban areas are less sanguine about New Jersey, according to the poll, and many young people despair about ever having the money to buy their own home.

Monmouth and Ocean county residents should be particularly concerned about the dangers to their valuable coastline. Ninety percent of those polled saw the shoreline as one of New Jersey's best features, but New York City's sludge dumping and river sewage is a growing threat to our ocean water quality. Beyond that, legislators in Trenton need to agree on a stable funding base to protect the entire coastline from continuing erosion.

All this popularity could be a mixed blessing. Continual growth creates problem as well as jobs, and the Shore area needs to protect its farmlands and ensure that new homes and industry do not turn the area into one gigantic traffic jam. Planning, with stiff controls on development, is the key to the quality of life in the Monmouth-Ocean area.

All in all, however, it's encouraging that New Jersey is beginning to get a reputation as a good place to live. If public officials and industry cooperate on positive solutions to problems, the next edition of Rand McNally may see the Shore area make another jump forward in the ratings.●

IN SUPPORT OF THE MX

HON. JOHN G. ROWLAND

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. ROWLAND of Connecticut. Mr. Speaker, after many months of deliberations, I have come to a decision on how I shall vote when the House takes up the issue of whether to proceed with production of 21 MX missiles.

Last Friday, I announced that decision at a news conference at the State Capitol in Hartford, CT.

I ask unanimous consent that the text of my statement on this question be inserted in the RECORD.

STATEMENT BY CONGRESSMAN JOHN G. ROWLAND

I have called this press conference today because I think the public has a right to know how I'm going to vote on the MX missile, the most important decision Congress is presently facing.

During my campaign for Congress, I ran as a supporter of the MX missile and as a supporter of a strong national defense. I believed, at the time, there were very sound arguments for the United States to continue to reinforce its triad defense system in the face of militaristic Soviet policies and the Soviets' defiance of our calls for arms reduction.

Since the November elections, I have thoroughly analyzed my position on the MX just as I have been analyzing my position on a number of issues. It is only natural and proper for a Congressman to do that. Before the election, I had no way of knowing what the President's budget would mean for my district and for Connecticut. Nobody did. And before the election I had no way of knowing what the atmosphere for arms talks would be like in March. Again, nobody did.

There has been no issue that I have given more careful thought to, or spent more time on, than the MX. It is fair to say that I have agonized over this decision.

Our country's national defense is not a subject that calls for a knee-jerk reaction. My decision today is not a knee-jerk reaction. My offices in Connecticut and Washington have been flooded with calls and letters on this issue, more than on any other. I have listened very carefully. I have been lobbied by private organizations, special interest groups and even the White House. Again, I have listened very carefully. Members of my staff are not not even in unanimous agreement on this issue.

But the most important consideration has been my own conscience, the knowledge that my vote on the MX will be as important as any vote I will ever take as the Congressman from the Fifth District of Connecticut.

The MX is a highly emotional issue. It generates powerful feelings on both sides. And it is an issue where it is easy for a Congressman to make at least as many enemies as he does friends.

My office probably received close to a thousand letters, and hundreds of calls, on the MX. The clear majority of those writers and callers urged me to vote against the MX. You can see the difference (holds up two different stacks). These were pro-MX (smaller stack) and these were against (much bigger stack).

Faced with those kinds of pressures it would be easy for a Congressman to count votes. But this is not a political issue, it's not a mathematical issue, it's not a numbers issue.

I am not about to count votes on an issue as important to our national security as this.

I am not afraid to stand alone on this issue in the Connecticut delegation. Being one of the crowd is not what's important here.

The only thing—absolutely the only thing—that matters here is doing what is right for our country and our national defense.

After weeks of grappling with this issue, I have made my final decision. I am standing behind my campaign pledge. Next week, I will vote in favor of authorizing the funds the administration has requested for the MX missile.

This is a decision I make without any apology or regret. After studying this issue thoroughly, I am convinced we need to put the Soviets and our allies on notice that we will not unilaterally concede our deterrent capability.

We need to put them on notice that as long as the Soviets are prepared to support a massive build-up of their land-based capability, the United States will not bend.

And we need to put the world on notice that the United States Congress stands firmly behind our negotiators in Geneva and will not take steps to undercut them.

I am aware that some opponents of the MX have called it a "turkey" and say it is costly and unnecessary. I completely reject that. If this weapon were such a "turkey" a member of the Soviet Politburo would not have come to the United States recently to personally urge President Reagan not to build it. I know the American people are smart enough to realize this.

I am proud that this Nation has had the will and the courage to rebuild its defenses over the last four years. We must not allow this Nation to once again wear the veil of weakness we saw before those steps were taken.

In conclusion, I hope and pray this weapon system that I am about to vote for will never be deployed. I am a sincere and fervant supporter of arms reduction, and I would like nothing better than to see all weapons banished from the face of the Earth. But I am also enough of a realist to know that the Soviet Union will not be swayed by good deeds alone. They showed that when they walked away from the negotiating table in Geneva more than a year ago. They only returned because the United States has refused to back down from its position of strength.

We must continue this position of strength to meet the first and foremost obligation of our Federal Government—the protection or our citizens.

Thank you very much. I would be happy to answer any of your questions.●

W.R. GRACE CO. ($684 MILLION PROFIT) FILES SHORT TAX RETURN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. CLAY. Mr. Speaker, the Grace Commission has made many recommendations for reducing the Federal budget. But many of us know the General Accounting Office has concluded that the Commission overstates the level of savings that could be achieved. However, some of us may not realize that this firm made a domestic profit of over $684 million in 1981 through 1983, at the expense of the U.S. taxpayer by exploiting tax loopholes and other Federal subsidies.

The Washington Post recently reported that "even the waste-fighting Grace Commission cashed in" on these Federal laws. What W.R. Grace did was to fund the Commission's work by setting up a private tax-exempt foundation which then solicited funds which contributors could claim as a charitable contribution in its tax returns.

These and other inconsistencies are described in the Washington Post article which is submitted for your consideration. While W.R. (Peter) Grace continues his onslaught against the disadvantaged minorities, the working poor and others, his $6 billion company files short tax return forms.

[From the Washington Post, Mar. 17, 1985]

FOE OF WASTE GOT A BREAK—GRACE'S FIRM WIPED OUT U.S. TAX BILL OVER 3 YEARS

(By Dale Russakoff)

No business leader in America has railed more against federal subsidies than J. Peter Grace, chairman and chief executive officer of the $6 billion-a-year conglomerate, W.R. Grace & Co.

His Grace Commission called for 2,478 austerity measures that it says would "stop the excessive and unnecessary squandering of government funds for foolish projects." A commission official says wasteful spending is "sending the country down the tubes for future generations of Americans."

Grace rarely mentions, though, that his company, like most large, diversified corporations in America, is a major-beneficiary of federal expenditures in the form of spending subsidies and tax breaks that allowed it to wipe out its 1981 to 1983 tax bill.

Even the waste-fighting Grace Commission cashes in. Grace emphasizes that the commission's money comes from private contributions, but these are mostly tax-deductible, meaning that the U.S. Treasury is a silent partner in each donation. This is because Grace has formed a tax-exempt foundation to solicit the funds, which qualify as charitable contributions in the eyes of the internal revenue code. The Grace commission, No. 53 on the Fortune 500 list, is a multinational conglomerate that deals in fertilizer, fast food, chemicals, sporting goods, animal husbandry, petroleum, minerals, hardware and more.

It uses federally subsidized inland waterways to ship millions of tons of fertilizer a year, according to John Gish, a Grace vice president. The government operates the waterways at a cost of $3.5 million a day, while businesses pay a total of $100,000 a day in user fees, according to the Office of Management and Budget.

A major exporter of agricultural products, Grace & Co. benefits, according to Gish, from the Export-Import Bank, which lends money to foreign customers of American firms, and from Public Law 480, which aids developing countries in securing food.

It also uses the Overseas Private Investment Corp., which insures American companies from expropriation in politically unstable settings. A 1977 General Accounting Office study named Grace & Co. as one of three U.S. companies that had received a total of 29 percent of OPIC's insurance at that time.

Grace's agricultural divisions use research data, provided free by the Tennessee Valley Authority, in deciding which products to develop. And they make extensive use of the Freedom of Information Act process to gather at little expense federal data on competitors, according to Gish.

On the tax side of the ledger, Grace wiped out its federal tax bill for the years 1981 to 1983 because of tax breaks available to its divisions and by selling excess tax benefits to other companies, according to the company's 1983 annual report.

Grace earned $684 million in domestic profits in that period, excluding state and local taxes paid, the report shows.

The company's write-offs included $99 million in deduction from purchases of tax-favored equipment; $61.3 million in tax credits for the purchases, for research and development and other investments; $10.7 million in depletion allowances, and lesser breaks. These write-offs reduced the company's 1981-83 tax bill to $40.5 million, or 6 percent of its profits, compared with the 46 percent statutory rate.

The company also made $53.2 million in 1982 by selling "excess" tax benefits, for a net 1981-83 gain of $12.7 million from the tax system. Congress no longer allows such sales, but they were legal, and widely used, at the time.

Gish emphasized in an interview that the company is not endorsing the subsidies by taking advantage of them. In fact, the Grace Commission proposed abolishing most budget subsidies benefiting Grace. For now, though, they are part of the environment in which Grace and its competitors operate, Gish said.

"We have a fiduciary responsibility to our stockholders," Gish said. "If we have an officer who says: 'Here's a federal subsidy, but I'm not going to take it because the government has a deficit and I want to help wipe it out,' that guy should be out in the street. It'd be like Grace writing in its financial statement to the stockholders: Profits are down, but we managed to increase our taxes this year to do our share in trying to reduce the federal deficit."

Grace & Co. has distributed a memo stating that its sale of tax benefits was not a tax break but a transaction that should be viewed as increasing the company's income. It concludes that Grace & Co. had a $40.5 million tax bill for the years 1981 to 1983.

One congressional aide who wrote Grace to inquire about his firm's tax breaks was sent the memo along with a cover letter from Grace that ended:

(1.) What's the above to you?

(2.) Are you comfortable in the splendor of the Rayburn House Office Building?●

THE 67TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DORNAN of California. Mr. Speaker, on February 24, 1918, the Republic of Estonia declared its independence, culminating decades of struggle for national identity and statehood. For a period, all too brief, between that time and the Second World War, Estonia like its Baltic neighbors enjoyed prosperity and progress. Then, as the Second World War unleased destruction on the European and Asian continents, Estonia had to contend with cruel invaders from both the Soviet Union and Nazi Germany. The shadows which had loomed over these small northern republics finally suceeded in darkening their political independence.

The Estonians fought bravely against both forms of totalitarianism, but unfortunately the Soviet bear had reached out and grasped the brave Estonians and their neighbors in its crushing grip. It is because of that development that we celebrate Estonian Independence Day from afar. Just a few legislative days ago, when I was unavoidably back in my district, my colleagues recognized the 67th anniversary of that declaration of independence. I am honored to join them by placing in the RECORD this statement of support.

We who are free must not let our own comfortable situation or our preoccupation with more recent examples of Soviet aggression in Nicaragua or Afghanistan make us forget the brave people of Estonia who today still struggle under the ultimate atrocity—the Soviet attempt to erase a nationality. It is cultural genocide. It is a policy of russification, linquistic erasure and deprivation of basic national identity. Systematic, brutal, and implacable, the Soviet masters in Estonia as well as the other Baltic nations are doing their best to reduce this area to vassal provinces. Forced labor, deportation, colonization by transplanted peoples from elsewhere in the Soviet empire, all add up to a continuing atrocity.

It is ironic that the Soviet Union faces a rapid population increase among its non-European peoples, which threatens to make the U.S.S.R. much more Asian and much less European. In fact the Soviet army by the year 2000, according to some projections, is likely to be more Asian than European. It's no wonder the Soviets covet citizens like the brave people of Estonia and the other Baltic nations, but all the more ignorant that they have ruthlessly suppressed, killed, or

driven thousands of them into exile. So all those tenaciously true patriots are not available, because they remain to this day Estonian not Soviet.

Freedom everywhere is diminished when it is denied anywhere in the world. We are all sufferers for the ongoing national atrocity visisted upon Estonia by their Soviet oppressors.

We can do no less than to remember the anniversary of the Declaration of Independence of the Republic of Estonia. We keep that memory before us, as a reminder that many dreams of national freedom are not yet fulfilled.●

ADMINISTRATION BUDGET CUTS TO HAVE DRASTIC EFFECT ON MASSACHUSETTS COLLEGES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FRANK. Mr. Speaker, one of the most creative and useful institutions in Massachusetts is the Massachusetts Higher Education Assistance Corp. The president of this organization, Dr. Joseph Cronin, is one of the leading educational administrators in Massachusetts—and indeed in the Nation. He has had broad experience as an educator and educational administrator, and he has been performing superbly as the president of MHEAC these past few years. I have, myself, had occasion to call on him several times to help explain the complexities of financing higher education to parents and students in my district and no one I have seen does a better job of presenting complexity in an understandable and accurate way.

He recently sent to the members of the Massachusetts congressional delegation an analysis of the effects of President Reagan's proposed drastic budget cuts in higher education lending on institutions in Massachusetts. Dr. Cronin is one of the national experts in this field and he well documents the chilling effects the President's proposals would have on the important function of higher education.

I ask that his letter be reprinted here so that others may get the benefit of his analysis.

MASSACHUSETTS HIGHER EDUCATION ASSISTANCE CORP.,
March 19, 1985.

Hon. BARNEY FRANK,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN FRANK: The Reagan Administration has proposed substantial reductions in student eligibility for a higher education loan. His budget proposal will eliminate 40,000 Massachusetts students from eligibility in order to save $98 million.

I thought you would like to see the effect on Massachusetts students at the larger independent Massachusetts colleges and universities. The impact on U. Mass.-Amherst is more than six million dollars, but the great burden of costs will be felt by those at private colleges.

The biggest surprise may be the impact on Northeastern University. Although 80 percent of their students earn a portion of their tuition through cooperative education jobs, many must borrow the rest to pay for tuition, textbooks, room and board.

School:	Loans [1]	Amount
Northeastern University	2,140	$5,353,173
Boston College	1,452	3,793,894
Boston University	1,251	3,711,185
Harvard College	1,056	3,467,540
Bentley College	837	2,001,939
Suffolk University	756	2,125,179
Wentworth College	599	1,410,511
College of the Holy Cross	468	1,110,354
Merrimack College	439	999,075
Stonehill College	433	991,343
Tufts University	418	1,080,519
Worcester Polytechnic Institute	406	894,484
Western New England College	367	922,566
Assumption College	362	843,873
Babson College	339	873,665
Massachusetts Institute of Technology	332	896,340
Brandeis University	281	674,547
Simmons College	262	648,508
Clark University	243	563,350
Springfield College	207	501,100
Smith College	191	421,562
Emerson College	190	492,078
Mount Holyoke College	186	439,970
Regis College	182	414,176
Wheaton College	176	403,650
Nichols College	174	407,071
Wellesley College	155	356,315
Williams College	140	328,592
Emmanuel College	139	299,543
American International College	131	303,518
Central New England College	131	297,760
College of Our Lady of the Elms	127	309,182
Curry College	125	288,606
Lesley College	122	329,116
Anna Maria College	105	259,547
Amherst College	104	210,510
Berkelee College of Music	103	243,925
Gordon College	95	221,974
Massachusetts College of Pharmacy	89	215,854
Eastern Nazarene College	54	125,062
Wheelock College	48	116,553

[1] To students from families with adjusted gross income of more than $32,500.

Again, these figures are for Massachusetts students only; 85 percent of Amherst College students have parents living in other states. MIT imports from other states 90 percent of its students, 75 percent of whom stay in Massachusetts and add to our famous high tech prosperity.

The most interesting fact is that 70 percent of our student loan recipients are from families with less than $32,500 adjusted gross income. But many of these will be ineligible for loans because of the arbitrary $4,000 cap on all sources of federal aid: Pell grants, work study, and loans. The Guaranteed Student Loan Program serves mainly low income and working class families and middle income families with two or three in college at once.

We appreciate your continued support of this program.

Sincerely,

JOSEPH M. CRONIN, *President.*●

MX SYSTEM IS NEEDED

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, I offer for the RECORD a recent article I authored which appeared in the Philadelphia Inquirer on Friday, March 15, 1985. I urge my colleagues to consider it as they examine the merits of the MX missile.

[From the Philadelphia Inquirer, Mar. 15, 1985]

MX SYSTEM IS NEEDED

(By Representative Jim Courter)

It seems that every year—just about when Washington's Cherry Blossoms start blooming—members of Congress start voting on the MX.

Once again, the MX program faces perhaps its most critical vote in late March. Congress will be voting on whether to release $1.5 billion in funds—money that was approved by a politically divided Congress last year but held back until this year's new Congress had a chance to vote on it.

With the arms talks resuming in Geneva—and with the Soviet buildup of land-based missiles continuing unabated—the need for the MX is more critical than ever. The challenge to Congress in light of these facts is clear: Can it put aside the political divisions of 1984 and support the MX program—or will it effectively kill the program and give the Soviets unilateral concession on the eve of new arms talks?

As a member of the House Armed Services Committee, I believe that the need for a new land-based missile system to counter the growing Soviet threat is clear. The Soviets have modernized their land-based missile force at least five times while we have debated MX.

Our current land-based force, mostly Minuteman missiles, provides a diminishing retaliatory threat against hardened Soviet military targets. At present, only MX—with improved accuracy, range and yield—can provide the kind of strategic balance we need to counter the massive Soviet arms build-up of the last 15 years.

When Congress votes on MX, it must take a close look at why the system has been recommended by the last four presidents and the last six Congresses. A major reason is the fact that our defense strategy depends on the "triad" of our land, air, and sea-based strategic weaponry that provides flexibility for countering any potential Soviet first strike.

President Reagan's defense modernization program has successfully improved our air and sea forces, but our land-based system has an average age approaching 15 years—while most of the Soviet land-based forces are less than five years old.

The entire triad is threatened when one part becomes weak. Defense planners rely on the triad because it is "synergistic," that is, one leg of the triad is available for retaliation even if the Soviets launch a first strike against another leg. Those who claim MX is "vulnerable" because it is in fixed silos are missing the point: MX will be part of an overall strategic system that, in total, can survive virtually any kind of Soviet attack.

Besides, there are plausible ways to make the MX itself less vulnerable. I favor "point defense," which involves conventional antiballistic missile radar and missiles that would protect the MX in its fixed silos. The administration should make the decision that this is the way to go, and further develop these limited defense technologies, giving the Strategic Defense Initiative (SDI) greater focus and a more efficient use of resources.

There is real bipartisan movement on this solution; for example, Zbigniew Brezezinski, President Carter's former national security

adviser and Harold Brown, Carter's defense secretary, have supported the concept. A defended MX is not a hair-trigger weapon.

Congress must also consider another important new development: the resumption of arms talks in Geneva. Throughout the history of arms negotiations, unilateral disarmament by America has *not* evoked a similar Soviet response—quite the contrary. When President Carter unilaterally cancelled the B-1 in 1977, a Soviet negotiator, when asked what he would give us, is reported to have said: "Nothing. We are neither fools nor philanthropists."

It was Andrei Sakharov, the well-known Soviet dissident, who best crystallized the thinking of the Soviets on MX. He said: "It seems very important to me to strive for the abolition of powerful silo-based missiles at the talks on nuclear disarmament. While the U.S.S.R. is the leader in this field, there is very little chance of its easily relinquishing that lead. If it is necessary to spend a few billion dollars on MX missiles to alter this situation, then perhaps that is what the West must do."

What Sakharov and others have recognized is that we can only make arms control progress by forcing the Soviets to make concessions. So far—as our land-based missile system has grown older and less capable—we have not been able to force these concessions.

When Congress votes on the MX issue this month, it would do well to review the original strategic reasons for its development. It would do well to look at the current arms control climate and ask itself if it really wants unilaterally to cancel a major weapons program on the eve of the most important negotiations of the decade. The nature of the Soviet threat will not diminish through rhetoric or good intentions—which is why Congress will agree to the President's request for MX funding.●

THE "FREEZE PLUS" BUDGET

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DANNEMEYER. Mr. Speaker, last week the Senate Budget Committee passed a budget resolution for fiscal year 1986 which calls for a general freeze accompanied by additional specific cuts. This is a commendable first step toward producing a budget vehicle which, we can hope, takes substantial action toward reducing the deficit. I am offering a similar package here in the House and, accordingly, wish to share with my colleagues my statement before the House Budget Committee on March 20.

STATEMENT OF THE HONORABLE WILLIAM E. DANNEMEYER

Mr. Chairman, thank you for affording me this opportunity to appear before the Committee as we begin debate on the First Concurrent Resolution on the Budget for Fiscal Year 1986.

Every year we go through the same drill. Every year many of us harangue our colleagues about the need for a balanced federal budget. Every year some of us offer alternative budgets indicating what could be done to achieve a balanced budget. But every year Congress shies away from taking the steps necessary to put our fiscal house back in some semblance of order. And every year we spend more than we take in.

I believe enough years have gone by—and the President was certainly reelected in part because the American people demand action on reducing federal budget deficits *without raising taxes*—that we should now seriously consider proposals to curb this runaway spending spree.

The time has come.

Only a couple of years ago, many both in and out of Congress scoffed at the seemingly ludicrous idea of "freezing" spending. It will never happen. It's too simple a solution.

Now there is increasing and serious consideration of just such a freeze, not only here in the House, but in the Senate, and by the Administration, and by a growing number of business, financial, and taxpayers' organizations. This is a welcome and constructive development. But it is not enough.

I submit that a freeze alone will not be sufficient to reduce the deficit to levels where interest rates would decrease enough to promote and sustain economic growth and prevent the resurgence of inflation. A freeze by itself—a one-year freeze on FY 1986 budget authority at FY 1985 levels—would still result in annual deficits approximating $170 billion in 1988 and 1989.

We need to augment a freeze with additional selective budget cuts, totaling about $29 billion in FY 1986, increasing to $69 billion by FY 1989. This "freeze plus" budget has far greater impact; budget reductions of $63 billion in FY 1986, growing to $163 billion by 1989, would result in plummeting interest payments on debt service. The deficit would thus be brought down to "acceptable" levels of $149 billion in FY 1986, $112 billion in FY 1987, $89 billion in FY 1988, and $79 billion in 1989.

Upon enactment of this budget, the nation's financial markets would take notice and be astounded to realize that Congress is finally taking serious action to reduce the deficit. Falling interest rates would propel the private sector, fueling economic productivity and growth. And this growth enlarges the revenue base, providing increased receipts for the federal treasury.

In promoting this "freeze plus" budget proposal, I realize that many, if not most, of the optional budget cuts will be unpalatable to several of my colleagues. This is to be expected. One of the merits of a freeze, however, is that we all share the burden. Once we single out only certain programs for reduction or dismemberment, we each must face the howls of anguish from those affected.

However, I believe the list of options which I am proposing comprise the least offensive recommendations; most are program changes contained in the President's budget, many additional cuts are options offered by the Congressional Budget Office, a few are recommendations of the Grace Commission.

Moreover, not included in my savings totals but listed as additional alternatives are options such as price-indexed bonds, a credit budget "Market Plan," and Grace Commission management savings.

If we adopt a "freeze plus" which is essentially what the Senate Budget Committee has done, and the private sector responds with increased economic activity, additional reductions will accrue to the deficit from increased revenues. Thus, we can essentially realize a balanced federal budgets by 1990, possibly even by 1989. This would be the best single gift we could provide the taxpayers of this country, not to mention the future generations we are currently saddling with having to pay for the monstrous debt we keep adding to.

I invite the Committee to study this proposal. The figures have undergone several revisions and are as yet not finalized. The Congressional Budget Office has been requested to cost it out. What is important is that the Budget Committee consider a proposal which would go further toward reducing federal budget deficits without raising taxes than any other plan you are likely to have presented, and which is relatively similar in scope to the package passed by your Senate counterpart.

I believe the time has come to take such action. Putting it off and neglecting the responsibility we all have to do something constructive about reducing our budget deficits will only result in the problem getting worse. Eventually, something must give. Let it be excessive federal spending.

THE "HIT DOCTOR"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. RANGEL. Mr. Speaker, one of the most terrifying of all drugs is heroin. There are approximately 500,000 heroin addicts in the United States, and about 10 tons of heroin have been entering the United States annually since 1981.

In 1982, former Secretary of Health, Education, and Welfare Joseph A. Califano submitted a report to Hugh L. Carey, former Governor, State of New York on drug abuse and alcoholism. This report graphically depicts the degradation of a heroin "shooting gallery."

Because of the death of 11 people from heroin overdoses in Washington, DC, in the last 2 weeks, heroin is again receiving media attention. On March 16, 1985, columnist Courtland Milloy wrote a piece entitled The "Hit Doctor" which appeared in the Washington Post. The article describes the overwhelming need of heroin addicts for a "hit," and the service "One Hand Diane" provides to her customers for $5 a shot.

Because the article may be of interest to Members, and could have some educational value in deterring heroin use, I ask that it be inserted in the CONGRESSIONAL RECORD at this point.

The article follows:

THE "HIT DOCTOR"

While the men talked sports and sang at her bedside, One Hand Diane prepared to serve another customer. Although her left arm and right leg have been amputated, she is considered by many to be the best "hit doctor" in the city.

"Bring it on down," said One Hand, motioning to the customer with a heroin-filled syringe, which she held like a throwing dart. One Hand lay on a mattress, about 80

pounds of abscessed flesh wrapped in a sheet and resting on a circular hot water tube. A syringe was stuck in the nub of what had been a leg.

The customer lay across her bed, facing a nicotine-stained ceiling light that gave the room a putrid haze. "Hit me in the neck—now!" the customer commanded. One Hand held the syringe in her mouth and fingered for veins.

What was about to be injected into the customer was anybody's guess. A buy had been made minutes earlier at the corner of 14th and W streets NW. It was a $30 bag of something called "Cincinati." It was assumed to be heroin, but when the syringe began to fog up One Hand paused.

"Hey, what's that?" asked another customer, who was holding an alcohol-soaked paper towel to his neck.

The customer who was about to be injected winced, then said, "Oh, it must be cut with cocaine—or something." One Hand shrugged, raised the syringe like an ice pick then made the hit. True to form, she never even looked at the customer's neck.

The increase in this city's heroin addict population has made people like One Hand Diane popular and powerful. Because many junkies are afraid to inject themselves, they pay someone else to do it. One Hand charges $5 a hit. Her associates say she earns more than $800 a day, half of which goes to support her own heroin habit.

Her apartment is well known to D.C. narcotics officers, who have raided it several times. Located just off the Howard University campus, near the Highway Christian Church, it is just one of hundreds of what are known as "oil joints," formerly called "shooting galleries." While police were occupied elsewhere, word got out that One Hand was cool again.

Around this site, a junkie life style has mushroomed that belies the myth of glamor often associated with drugs. Women congregate around One Hand's bloodstained bed, tending to her needs in hopes of receiving free hits. Men nod, scratch at open sores and vomit through their noses.

And in the midst of it all is One Hand Diane, a grotesque symbol of the living death that is heroin. She had started, like most others, with a casual sniff, a fit and full-bodied woman of 180 pounds searching for relief. Now, at age 37, she looked like a corpse, a decomposing body, with movement only in her eyes and that one hand.

A few years ago, she had taken a "bad batch," heroin that had been cut with iron or quinine. Some people lose their voices when this happens; others lose their lives. One Hand had lost an arm and a leg. But who cared?

She didn't. Heroin addicts care about heroin, and how to finance that next hit. One Hand had found a solution to that problem as a successful oil joint house mama.

"Don't chuck your guts in here," she warned a customer who staggered around the room in search of a trash can.

"This is good stuff," the customer said, stumbling toward an open window, where he began to vomit.

One Hand was doing a bustling business; customers were lined up at her bedroom door. "Ya'll coming from everywhere tonight," she said, stuffing dollar bills into the sheet next to her body. The smell of burnt bottle caps had combined with her personal malodor to create a gut-retching stench.

Worst of all, children stood in the doorway to One Hand's bedroom—singing along with the groaning junkies, discreetly peeking at what was going on.

"When the depression hits you, this just takes the world away," a customer told a child as One Hand finished a hit. One Hand passed the customer a paper towel then pointed to a bottle of rubbing alcohol.

"Damn! My neck! Is it swelling up?" the customer asked. Nobody even looked up, except One Hand, who was holding out her hand for a payment, and a child who stared curiously at the blood dripping from the junkie's neck.

Mr. Speaker, after Marion Barry, the Mayor of Washington, DC, read the article "The 'Hit Doctor'" he called District of Columbia Police Chief, Maurice Turner and told him "That's one shooting gallery that has to be closed down immediately." A subsequent Washington Post news story entitled "'One Hand Diane' Arrested on Drug Charge" which appeared on Thursday, March 14, 1985, reported that:

Diane Marie White, known on the streets as "One Hand Diane," was arrested by D.C. Police on heroin possession and drug paraphernalia charges last night after Mayor Marion Barry ordered an investigation of reported drug activity at the woman's Northwest Washington apartment.

* * * * *

She was taken to D.C. General Hospital after Dr. Don Thomas of the Washington Hospital Center found that she had collapsing veins and that there was decaying flesh on the stump of her right leg, which was amputated along with her left arm several years ago."

"One Hand Diane" lost her right leg and left arm when she took a 'bad batch' of heroin that had been cut with iron or quinine. Here is a woman, age 37, whose body was destroyed by heroin.

Mr. Speaker, I ask that the article entitled "'One Hand Diane' Arrested on Drug Charge" be inserted into the CONGRESSIONAL RECORD at this point.

The article follows:

"ONE HAND DIANE" ARRESTED ON DRUG CHARGE

Diane Marie White, known on the streets as "One Hand Diane," was arrested by D.C. police on heroin possession and drug paraphernalia charges last night after Mayor Marion Barry ordered an investigation of reported drug activity at the woman's Northwest Washington apartment.

The city's public health commissioner and a private doctor were called to White's apartment at 400 W St. NW after narcotics detectives and uniformed police officers went to the residence about 6 p.m. and found that White was seriously ill.

She was taken to D.C. General Hospital after Dr. Don Thomas of the Washington Hospital Center found that she had collapsing veins and that there was decaying flesh on the stump of her right leg, which was amputated along with her left arm several years ago.

The arrest came three days after activities at White's apartment, known on the street as one of the city's "oil joints" or "shooting galleries" used by addicts as hideaways to inject heroin, were described in a Washington Post story.

Police Chief Maurice T. Turner Jr. said yesterday that Barry called him Sunday, the day the story was published, and told him, "'That's one shooting gallery that has to be closed down immediately.'"

A minister who has known her several years, Tom Nees of the Community of Hope, said last night that she seemed almost relieved by her arrest.

"'I guess this is it,'" Nees said White told him as she waited to be seen by a physician at D.C. General.

"She really wants to live, is very personable and has a radiant smile," Nees said. "She needs hospitalization. But she doesn't have any Medicaid or any way of getting care unless the police go into her apartment and arrest her. Then she can get care."

But more than three hours after her arrival at the hospital, emergency room personnel were still awaiting a decision from a hospital resident on whether White would be admitted, Nees said.

Undercover narcotics officers, led by Detective Alfred Lee McMasters, had worked since Sunday to obtain evidence for the search warrant issued yesterday, according to Inspector Kris Coligan of the morals division.

Coligan said he talked with Turner about the case on a "daily basis," but that it was more difficult to gather evidence for the warrant because the activities were taking place in a private residence rather than in an abandoned building, as is more common.

Because of White's deteriorating physical condition, Public Health Commissioner Andrew McBride arranged for a fire department ambulance to accompany officers to her apartment and for a doctor to be called before she was moved.

White's daughter and another woman were in the third-floor apartment when police arrived, and the daughter admitted the officers, police said. They said White was found lying on a bed.

McBride arrived at the apartment a short time later and summoned Thomas to examine the 37-year-old woman.

About an hour later, fire department medical technicians strapped White into a wheelchair to move her down the stairs of the apartment building and then transferred her to a stretcher. Neighbors, meanwhile, gathered on balconies and in front of the building to watch as the woman was carried out.

She was wrapped in a white sheet that covered her body, except for part of her face and her right hand, which gripped the stretcher as she was lifted into the ambulance.

Inspector Coligan said detectives who searched White's residence found a handwritten list of fees: $1 for entry, $2 or $3 for a disposable "set of works" consisting of a syringe and small heroin cooker, and $5 to prepare and inject the heroin into a user's neck.

An officer leaving White's apartment carried a small white plastic bag of syringes.

Police said the second woman, Dorothy Willis McRae, 30, was charged in a separate warrant with violation of the federal bail reform act. She remained in custody last night.

Police officials and McRae said that McRae's husband Leonard is serving a 10-year prison term after pleading guilty to manslaughter in connection with administering a fatal heroin overdose.

White's daughter, who police said had been seeking medical help for her mother, was not charged.

The Community of Hope's Nees said he met White about three years ago when she was in Howard University Hospital for an amputation, and that he had subsequently remained in contact with her.

"I hadn't been able to get in [to her apartment] for the past several months," Nees said. "The people at the door wouldn't let me in." He said White had lost "a lot of weight" since he had seen her.

"I think she has a will to live, but she's got a habit and she's powerless over that," Nees said. "I told her that if she really wants to get rid of it that our organization will find her a place to live and give her the care she needs."

Coligan said that White "was known " to police. "When [the Washington Post article] came out, we knew what they were talking about. Mayor Barry and Chief Turner told us to find this place and put it out of business, and we did."

Coligan added, however, that White's arrest will have little impact on use of heroin in the city.

"In the whole big picture of the drug network in the District, I don't believe putting her out of business is much of a deterrent. But this place has been identified and as such needed to be shut down."

Annette Samuels, a spokeswoman for Barry, said last night that the mayor had been concerned about the Post's story about the apartment.

"It shocks all of us." Samuels said. "It's a terrible situation."●

THE 67TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DORNAN of California. A few legislative days ago, while I was home in the 38th District of California, an event occurred here which I had intended to observe and support. Since I was here only in spirit, I want to take a few minutes amid the many demands on our time to address that event: the 67th anniversary of the declaration of independence of Lithuania. The plight of Lithuania as a victim of Soviet aggression and occupation is all too easily forgotten as we struggle with later and even ongoing Soviet efforts to add to their empire by conquest. Looking at the flow of Soviet weapons via Cuba through Nicaragua into El Salvador, and reading of repeated Soviet atrocities in Afghanistan, we sometimes tend to forget momentarily the continuing ultimate atrocity of an entire nation subdued and burdened with the yoke of Soviet domination.

Because we can never permit our selves to forget the miserable circumstances of those millions of Lithuanians who to this day live under alien rule, I am pleased to join my colleagues by adding to the RECORD this statement of my concern. The valorous Lithuanian people have been tenacious in retaining their national identity. They are an example to all of us for their patriotism and personal loyalty. If these Lithuanian patriots are able to carry forward their national identity despite Soviet attempts at cultural, genocide, then the United States can at least honor their resistance by continuing to refuse official recognition of Lithuania and its Baltic neighbors as parts of the U.S.S.R.

Like so many small countries of Eastern and Central Europe, Lithuania has had to resist the forces of totalitarianism from the Communists of the Soviet Union after suffering for years under the Nazis of Hitlerite Germany. And, like so many of these countries, Lithuania faced the dreadful disappointment of losing a set of Nazi chains only to gain another set of Communist fetters when Hitler's war machine collapsed in 1944-45, and the Soviet bear embraced the Baltic States.

Lithuania and its neighbors never even enjoyed the brief respite from oppression in 1946-47 that others experienced. The cold war came early in the Baltic. and it has never left.

Let me say that the Final Act of the Conference on Security and Cooperation in Europe, the Helsinki accords, were never intended to consign the people of Lithuania and its neighbors to the dustheap of forgotten peoples. The Soviets may argue for their twisted interpretation to which misinterpretation we can only reply by hammering on this theme: Lithuania, along with its Baltic neighbors, is and ought to be independent. And we must also point out constantly to the Soviets that national rights of language, worship, and political preference are also part of the Helsinki accords. In short, the least we in free America can do is to remind the Soviet Union at every occasion that they are breaking not only their own constitution but international commitments. We have a stake in this struggle because when freedom is diminished anywhere it is diminished everywhere.

I salute the people of Lithuania on the 67th anniversary of their independence. Long may we celebrate the occasion, and, God willing, one day soon, may we celebrate it with them in their own capital of Vilna.●

THE REAGAN TAX CUTS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, I commend to the attention of my colleagues the following two editorials from the March 21, 1985, Wall Street Journal. As these editorials indicate, the jury is in on the Reagan tax cuts, and there is empirical evidence that lowering the top tax rate has actually increased the amount of taxes paid by upper-income earners.

The articles follow:

HAPPY RETURNS

Just as Abe Lincoln once scotched criticism of Gen. Grant's drinking with an order of more of the same, we've reached the point at which Ronald Reagan can start saying the same thing about his tax cuts. If this is voodoo economics, send in more witch doctors.

A nearby article by Richard Vedder and Lowell Gallaway examines a telling source of information about the Reagan tax cuts—the Internal Revenue Service's data and analysis of the nation's tax returns. The most recently available annual data—those for taxes people paid on their 1983 income—show that the total tax bill for individuals making more than $50,000 annually is going up, while the tax bill for people making less than that is going down. This is the same effect demonstrated in the 1982 figures. In the aftermath of the Reagan tax cuts, the rich are paying more and virtually everyone else is paying less.

Critics point out that total tax receipts from all income classes fell from 1981 to 1983, but what they don't say, for obvious reasons, is that that's because the tax burden has been lightened for the middle class and poor. The revenue surge in 1982 from high-income taxpayers (in the teeth of a recession) was also waved away by some critics last year as a result of all sorts of extraneous factors and anomalies. No doubt there will be novel explanations for 1983's surge. But the widely held Washington view that the Reagan tax cuts would unfairly provide the rich with tax breaks and wreck the economy is becoming ever more difficult to credit.

What has, in fact, been happening with U.S. tax revenues are the very things supply-siders predicted would happen from day one—with marginal rates on gross income reduced, high-income earners with the greatest ability to produce real wealth are producing more of it. They are increasing their incomes with more economically productive work and less speculation. And with tax rates reduced, they are exposing more of that income to taxation. Their income expands and total IRS revenue from them expands. Look at the data.

The long-predicted supply-side effect on economic productivity is strikingly shown in the analysis done by Messrs. Vedder and Gallaway on individuals with gross annual incomes higher than $1 million. The portion of their income derived from "business activity" (small corporations, farms, partnerships and business and professional income) has jumped in two years from 3% to 15.8%. Ronald Reagan has put the idle rich back to work.

Moreover, revenue continues to pour in. The Treasury's monthly statement for the first four months of the current fiscal year shows that receipts have risen 11.6% from last year's period, a pace slightly ahead of the budget's current projections. What is especially remarkable here is that revenue is outpacing inflation and real growth combined. This is occurring in a fully developed environment of low tax rates—the complete Reagan cuts and the continuing lower rates on capital gains.

Now the bad news. Although Reaganomics has decisively blocked the congressional impulse to tax and spend, it now appears that even if you cut and index taxes, they'll still

spend. Consider the difference between OMB's past spending projections and what has actually happened. Back in 1983, OMB said federal outlays in fiscal 1985 would be about $918 billion. In its just-released budget, OMB now says the outlays for that same fiscal year will be more on the order of $959 billion. The conclusion here is inescapable: The Reagan tax cuts aren't driving the federal deficit: spending is.

This fact should be borne in mind in coming months when the congressional budget warriors stumble and start demanding a tax increase to rescue their failed war on the deficit. Fritz Hollings, most notably, is already calling for the elimination of indexing, which would only hammer everyone making $50,000 or less. It is becoming ever more apparent, however, that raising taxes to bring down the deficit would probably have precisely the opposite effect. After 10 to 15 year of bracket creep and rising federal spending, there is hardly a taxpayer left in America who doesn't understand that when Congress raises taxes, you find a way to cut your adjusted gross income. Without utterly draconian enforcement measures, a tax increase will *shrink* the tax base; revenues will stay flat of fall. The deficit will grow.

We have reached the point at which the tax-increase crowd—or at least its more responsible members—ought to sit down and take a hard, open-minded look at the accumulating data on the income and revenue-raising effects of tax reduction. If Congress wants to reduce the deficit it should understand that it has no other choice than to cut spending. And if these elected officials wish to claim some of the direct credit in the '86 elections for sustaining the economy's growth, they should review the data and think seriously about another tax cut.

Soaking the Rich Through Tax Cuts

(By Richard Vedder and Lowell Gallaway)

Almost a year ago, the release of Internal Revenue Service data on 1982 income-tax returns showed that higher-income Americans paid more in income taxes in 1982 than in 1981, whereas lower- and middle-income Americans paid less. The preliminary IRS data for 1983 tax returns are in, and repeat the pattern of the 1982 returns. Upper-income earners are paying a greater share of the tax burden after the Reagan tax-rate cuts.

A year ago, this interpretation was still open to question by critics and skeptics, while supply-siders proclaimed that since the top income-tax rate fell from 70% to 50% in 1982, the 1982 IRS data showed the tax cut was working just as they said it would. The incentives for higher-income Americans to engage in tax avoidance and even tax evasion were reduced and they responded accordingly. The fact that the number of returns from citizens with an adjusted gross income (AGI) of more than $1 million grew by nearly 60% amid the greatest recession in years was ample evidence that the tax cuts were working.

VARIOUS ARGUMENTS

All of this, of course, was mildly embarrassing to Democratic presidential hopefuls who were spending most of last year trashing the Reagan administration for its tax policies that supposedly benefited the rich and hurt the poor. However, a horde of commentators rose to their defense and attacked the supply-side view. They argued that the 1982 data were not typical. John Berry of the Washington Post suggested that the stock-market boom explained the rising affluence (and tax payments) of the rich, somehow assuming that the tax-rate reductions has no bearing on that boom. Joseph Minarik of the Urban Institute argued that because of inflationary "bracket creep," the payments from the rich typically rose and the 1982 results merely reflected a long-term trend.

Still others used different arguments. Donald Kiefer, a researcher for the Congressional Research Service, claimed that the wealthy, anticipating the tax-rate reductions, engaged in income-shifting tactics in late 1981 that swelled 1982 taxable income. Finally, some people maintained that because of rising nominal income, the definition of "rich" and "poor" was changing, meaning that a simple analysis of the data by constant-income classes led to distorted findings.

TABLE I.—TAX PAYMENTS BY INCOME GROUPS, 1981 to 1983

	Taxes paid [1]			Percent of total taxes paid:		
	1981	1982	1983	1981	1982	1983
Income class [2]						
$0 to $15,000	$26,571	$23,949	$21,037	9.1	8.4	7.4
$15,000 to $30,000	80,475	74,196	67,000	27.6	26.0	23.6
$30,000 to $50,000	88,322	86,363	84,736	30.3	30.2	29.8
$50,000 to $100,000	52,156	51,732	55,179	17.9	18.1	19.4
Over $100,000	43,633	49,387	55,781	15.0	17.3	19.6
Over $1,000,000	4,901	6,955	10,231	1.7	2.4	3.6

[1] In millions of dollars; refers to total tax liability.
[2] Adjusted gross income.
Source: Internal Revenue Service.

While supply-siders believe the bulk of these criticisms to be misdirected or exaggerated, the fact remains that conclusions were being drawn on the basis of a single year's observations. As Mr. Vedder said in a Joint Economic Committee study published last November, " . . . the final word will be the 1983 data."

Well, the preliminary 1983 IRS data are in and they further support the contention that as after-tax rates of return rise the supply of labor and capital also increases. As the first table indicates, affluent Americans (say, those with an AGI of more than $100,000) paid substantially more than in 1981. Poor and middle-income Americans (those making under $50,000 AGI) paid less in 1983 than in 1982, and far less than in 1981. While tax payments rose 28% from 1981 to 1983 for the affluent group, they decreased nearly 12% for the low- and middle-income groups.

The increase in payments from the super rich was particularly dramatic—those with an AGI of $1 million or more paid 108% more in 1983 than in 1981, and the number of "tax millionaires" more than doubled in the greatest explosion of millionaires in U.S. history.

These results are not surprising. In the aforementioned JEC study, an analysis of 29 years of tax data from 1954 to 1982 revealed that upper-income Americans have been highly sensitive to variations in marginal tax rates on both ordinary and capital-gains type income. The study revealed that some Americans were in the backward-bending portion of the Laffer Curve—where reductions in tax rates so stimulate growth in the tax base that total tax receipts from the group rise. Profs. James Gwartney of Florida State University, Richard Stroup of Montana State University and James Long of Auburn University have reached virtually identical conclusions using quite a different methodology and different data sources.

The rise in tax payments reflected mainly a boom in what might be termed "entrepreneurial" income—income from small businesses, partnerships, farms, etc., or from working. The second table indicates that passive or *rentier* income, in the form of dividends, interest, royalties and the like, grew far less rapidly. It would appear that a big surge in entrepreneurial activity has occurred in response to the increase in the part of income that individuals keep after taxation.

The one argument of the critics that has not been addressed is the notion that rising nominal income normally pushes more Americans into higher tax brackets, increasing the pool of persons with incomes in excess of a given amount. One way to deal with this argument is to look at the relative income of Americans, that is, to examine, say, the top 10% of income recipients, regardless of what their income many be. Analysis using this procedure indicates that the shift in tax payments toward the rich is somewhat less dramatic than shown in the first table, but it is occurring nonetheless. The share of total income taxes paid by the top 1% of income recipients grew from 17.44% to 20.64% between 1981 and 1983, with the share of middle-income groups showing a noticeable decline.

TABLE II.—CHANGING INCOME OF THE "VERY RICH," 1981 AND 1983 [1]

	AGI reported [2]		Percent of total AGI	
	1981	1983	1981	1983
Income source:				
"Rentier" income [3]	4,509	7,147	40.5	28.2
"Entrepreneurial Income"—total [4]	6,620	18,182	59.5	71.8
Business [5]	329	4,012	3.0	15.8
Financial [6]	4,105	8,718	36.9	34.4
Human capital [7]	2,186	5,452	19.6	21.5
Total income	11,129	25,329		

[1] "Very rich" is defined to include returns with an AGI of over $1,000,000.
[2] In millions of dollars.
[3] Dividends, interest, rent, royalty income, and estate and trust income.
[4] All income other than "rentier" income as defined above; see below for specific sources.
[5] Small Business Corporations, Farms, Partnerships, and Business and Professional income.
[6] Primarily capital gains.
[7] Wages and salaries.
Source: IRS data, author's calculations.

A single index of progressivity is the "tax Gini coefficient." A value of 1 indicates perfect progressivity—one rich person pays all the taxes—while a value of 0 describes a situation in which everybody pays the same absolute tax, regardless of income. The tax Gini rose from .6488 to .6560 between 1981 and 1983, a move in the direction of greater progressivity. In other words, the 1981 tax cut seems to have been successful in promoting a key part of the liberal agenda of the past half-century, namely, "redistribute justice."

All of this, of course, speaks to the great tax debate beginning now in Washington. The Treasury, Kemp-Kasten and Bradley-Gephardt proposals all continue in the spirit of the 1981 legislation, further reducing marginal tax rates, raising the rate of return on investment in both human and physical capital, and stimulating growth, fairness and administrative simplicity in the tax system. The evidence from the period 1981 to 1983 indicates that these initiatives also hold the promise of making a welcome addition to the U.S.'s long-term economic vitality.●

ACID RAIN CRISIS

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. SIKORSKI. Mr. Speaker, the acid rain crisis threatens the environment of the entire North American Continent. A solution to the acid rain problem is simple—we must reduce the pollution which causes it. In order to protect our most sensitive regions, scientists tell us that we must reduce this pollution by 50 percent. While this complete solution to the acid rain problem will require new legislation, I and others in this body have long maintained that much progress can be made in combating acid rain if the Reagan administration would merely enforce the existing Clean Air Act.

President Reagan and EPA Administrator Lee Thomas have an excellent opportunity to reduce acid rain as they must set new rules governing the use of tall smokestacks by June 13. Tall stacks have been illegally used by major polluters to disperse pollution instead of controlling it since President Nixon signed the Clean Air Act in 1970. For 15 years, these big polluters have shifted the burden of controlling pollution from their shareholders to the American people. Americans are now paying the price—premature death, acid rain, lung disease, and damage to buildings and crops.

Last week, the National Clean Air Coalition released a new report which analyzes the impact of these tall stacks on our environment. The report concludes that if President Reagan and Administrator Thomas were to outlaw tall stacks, nationwide levels of these deadly sulfur oxides could be reduced by as much as 7.5 million tons. This reduction would provide 75 percent of the reduction called for under the acid rain legislation which I authored in the last Congress, and all through enforcement of the existing Clean Air Act.

I urge my colleagues to join with me in calling on EPA to fulfill the will of Congress by outlawing tall stacks, and I ask unanimous consent that the summary of this report by the Natural Resources Defense Council be printed in the CONGRESSIONAL RECORD.

TALL STACKS: A DECADE OF ILLEGAL USE; A DECADE OF DAMAGE DOWNWIND

SUMMARY

The "tall stacks" problem—the use of tall smokestacks and other methods to disperse pollution in the atmosphere—has plagued the American environment for a generation. Solving the problem by enforcing the Clean Air Act would reduce deadly sulfur dioxide pollution by as much as 7.58 million tons every year.

For more than 10 years, the Environmental Protection Agency has doggedly pursued a policy of resistance to the law on tall stacks. Its policy of letting them be substituted for pollution controls has four times been rejected by federal courts. Now, EPA must write new tall stacks regulations. EPA can and should adopt a simple, straightforward policy of requiring a reasonable level of actual pollution reduction. Such a policy will promptly yield substantial benefits in terms of fewer downwind deaths, better visibility and less acid deposition—benefits measured in the billions of dollars every year.

To gauge the impact of this tall stacks policy on public health and the environment, the Natural Resources Defense Council has analyzed 539 utility units at more than 200 power plants with smokestacks taller than 200 feet. Of these:

212 units which came on line after 1970 should have been required to make actual pollution reductions; their use of tall stacks is an evasion of the Clean Air Act;

The result has been predictable—an increase in long range transport of sulfur dioxide, which transforms into sulfates and acid rain as it travels in the atmosphere, eventually returning to earth to victimize people and natural resources downwind;

If these units had been well-controlled in 1982, a recession year, the environment would have been spared 4.01 million tons of sulfur dioxide pollution. The potential savings would be 7.58 million tons in any year when the units generated power at the industry standard (i.e., operating 65% of the time);

Requiring these 212 to make reasonable pollution reductions would yield significant improvements in public health and welfare;

There are 23 superstacks taller than 1,000 feet in use at eastern power plants, with the highest 1,203 feet tall;

The practice of venting two or more units through the same stack—which increases the heat of the exhaust and the height of the exhaust plume—make the effective height of some stacks as much as 5,000 feet or more.

The 1950's and 1960's saw the development of a new generation of coal fired power plants which shared two common characteristics: they were much larger than older plants, and their pollution threatened local public health, even though the huge new plants were built far from urban population centers.

During the 1950's and 1960's, there was no technological alternative to building tall smokestacks to keep pollution from posing a local menace. New cleanup techologies were developed in the late 1960's in response to health concerns. Yet America's utilities have clung so fervently to the idea of pollution dilution that their actions have amounted to a conspiracy against the American environment.

Even after Congress ordered the use of cleanup technology in 1970, even after many of the states set cleanup deadlines for the utilities, even after studies began to expose the consequences in terms of acid rain and health damage downwind, utilities built, used, and defended tall stacks. The tallest stack in use on an eastern power plant, already nearly 700 feet in the 1950's, is more than 1200 feet today. The practice of combining the exhaust gas from smaller power plant units in a single large stack makes the effective height of these stacks three times or more their physical height. Today, sulfur-laden exhaust gas shoots as high as a mile straight up into the atmosphere before beginning to disperse. The utility has solved its local pollution problem by making the pollution its neighbors' problem.

With tall stacks in use at more than 200 facilities today, tall stacks have become the nation's problem.

About 60 percent of the stacks in use today are "grandfathered" by law and regulation. It will take an Act of Congress to require cleanup of these. We believe Congress must do so. But the subject of this report is the second category of tall stacks, those at 95 power plants mostly in the eastern half of the United States which are clearly in violation of the Clean Air Act, those where new tall stacks or new units have been built since 1970. Sometimes, the utilities have had the approval or acquiescence of state clean air official in building these new stacks. Sometimes the utilities have built the stacks in the face of orders to clean up, then cajoled or coerced state regulators to approve dispersion after the fact. Almost always, the federal Environmental Protection Agency has blessed the result.

The evidence is clear: a report by the Ford Administration concluded that if state clean air plans in place in 1972 had only been followed, sulfur emission by 1975 would have been reduced by 50%—11.8 million tons.

In case after case, in state after state, the American environment was denied or swindled out of thousands of tons of pollution cleanup—tens of millions of tons nationwide—at enormous expense to public health and welfare.

By definition, dilution through tall stacks does not reduce pollution. It just adds to the pollution burden downwind, and with it the damage that it causes to sensitive populations and environments sometimes hundreds of miles away. In any eastern state, long distance transport caused by tall stacks is the primary source of sulfur dioxide and sulfates. On average, 70–90% of sulfate concentrations in any state in the eastern half of the United States originate outside the state. Ohio's sulfur emissions are 30 times greater than the sulfur in Ohio rainfall. For Maine, on the other hand, there is more sulfur in rainfall than is emitted from sources within the state.

Tall stacks are cheaper than pollution control—cheaper, that is, for the power plant operator. But like pollution, the cost of dilution falls downwind. While tall stacks and other dispersion techniques are designed to protect people nearest the plant from direct adverse health impact from sulfur dioxides, they increase the production of sulfates, a fine particle derived from sulfur dioxide. These fine particles are inhaled deep into the lungs and are directly responsible for damage to public health. Sulfate pollution may contribute to 50,000 early deaths each year in this country, according to the Congressional Office of Technology Assessment. The same study indicated that 250,000 people suffer from sulfate-related diseases.

Sulfate particles are also responsible for the majority of haze over much of the eastern United States. The increase in haze and the related decrease in visibility in recent years corresponds closely with increasing use of tall stacks in emissions in the Midwest and the Southeast.

The excessive and unnecessary sulfur dioxide emissions from tall stacks have worsened the acid rain problem throughout the United States and Canada. The National Academy of Sciences estimates that $5 billion or more in damage is done every year by acid rain in the eastern United States alone.

The loss of fish from thousands of lakes and streams is the most obvious effect. Acid

rain threatens 9,000 lakes and 60,000 miles of streams in the United States. Lakes and streams in 34 states are either vulnerable to or have already been damaged by acid rain.

Crops and forests are also suffering from acid rain. Forests in the eastern United States are suffering from stunted growth and "dieback." Acid rain is the primary suspect in the death of red spruce trees on high altitude slopes in the East. Some scientists have labeled it the prime suspect in the decline in tree growth in the eastern U.S. since the late 1950's. Acid rain can also reduce the yield and marketability of certain crops.

Acid rain also leaches metals from the ground and from corroded pipes into water supplies. It can also increase mercury levels in fish.

The National Academy of Sciences estimates that acid rain causes $2 billion in damage to buildings and monuments each year and $5 billion in damage overall. Acid rain also corrodes metals and automobile finishes.

The Clean Air Act made pollution dilution illegal in 1970; Congress emphatically rejected it a second time in 1974, and yet a third time in 1977. Four federal courts have rejected EPA's attempts to circumvent its clear legal mandate. When the current tall stacks regulations were overturned in 1983, EPA and the Reagan Administration fought the case all the way to the Supreme Court of the United States, where the court declined to hear the government's arguments.

Now, EPA is under a June 1 Court deadline to rewrite its tall stacks policy. Its draft was a blend of halfhearted control and stubborn resistence to full-faith compliance with the law. EPA must do better. EPA can and must make a major contribution to a clean environment simply by requiring pollution reductions and forbidding the use of tall stacks as anything but a last resort in those few cases where reductions are insufficient to protect public health due to local weather conditions or terrain. EPA has the authority—indeed the legal mandate—to adopt such a policy. The needs of the victims of the environmental swindle of tall stacks, public health and the environment, should themselves compel EPA to act.●

JOHN OSTERS RETIRES FROM LOCAL 880

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FEIGHAN. Mr. Speaker, after many years as an active union leader, John Osters is retiring from his position as business rep and recorder for local 880 of the United Food and Commercial Workers International Union. John has been a strong and faithful worker, committed to improving the conditions facing working men and women in the Greater Cleveland area. He has served as president of the Lake County AFL-CIO for many years, and his participation in a variety of community and charitable organizations has long been of concrete benefit to those groups. John and his wife Mary, his daughter, Mary Ann, and his two granddaughters are looking forward to spending more time together following his retirement. I know that my colleagues in the House will join with me in wishing him well and thanking him for all the fine work he has done.

Mr. Speaker, I ask that an article on John's retirement which appeared in the February edition of The Voice of Local 880 be printed in the RECORD following my remarks.

JOHN OSTERS IS RETIRING, BUT HE IS NOT QUITTING

John Osters was destined to be a union man.

Even when he first went to work for Garfield Market, an independent, in 1947, there seemed no doubt of his strong union intentions. Three years later he was elected steward there.

"I have five brothers, all older, and they were all active in their respective unions at that time," recalls Osters, who is not retiring as business rep and recorder for Local 880. "I pretty much got active with the union right from the start."

Osters became a B.A. for Local 427 in 1961 and remained on staff until his retirement.

Yet, he can't pick out any one most memorable moment during his time with the union because what was always important to him was helping others. And that always goes hand in hand with working at the former Meat Cutters District Union 427 and, since the merger, at Local 880.

"I think the best thing that ever happened with the union was the merger in 1983," says Osters. "They say that in unity, there is strength. Well, the corporations are getting bigger and the unions have to keep pace or they'll get chewed up."

Once helping people was in Osters' blood, it was impossible to keep him inactive. Even in retirement, he plans to stay busy in a volunteer capacity.

"I plan to do a lot of volunteer work in Lake County, where I live, to help workers and their families," says Osters, who also worked as treasurer and president of the Credit Union for 24 years. His wife, Mary, is a member of the Credit Union staff, "I plan to also get involved with organizations like the Red Cross, the Salvation Army and the Mental Retardation Board of Lake County. I'm certainly going to stay busy."

For many years, Osters has been one of Lake County's leading citizens. He is president of County's AFL-CIO. He served for a few years on the otherwise conservative County Hospital Board—and that board, a Willoughby newspaperman once said, "hasn't been the same since."

Osters says he plans to spend more time with his wife of 37 years, his daughter Mary Ann, and two granddaughters, ages 10 and 15.

Osters' career with the present Local 880 was relatively brief, but it was significant. As a leader of the meat cutter component of the three-local merger, he worked with District Union 427 president Frank Cimino, secretary-treasurer Ray DeSantis and other fellow staffers to implement the new local structure.

Under the new setup, Cimino became executive vice president and DeSantis recorder. The positions are spelled out in the merger agreement.

When Cimino retired to head the health and welfare operation of the meat cutters, DeSantis advanced to executive vice president and Osters to the recorder slot.

At Voice press time, no decision had been made for his replacement as recorder. President Joseph Madzelonka said a number of names were under consideration. The job will be filled from the meat cutter staff.

Madzelonka called Osters "a man who gave a lot to the labor movement but who still had time for a wide range of community activities. We wish him sell."●

THE DRUG ENFORCEMENT INCENTIVE ACT OF 1985

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. HYDE. Mr. Speaker, last week I introduced H.R. 1621, the Drug Enforcement Incentive Act of 1985, which would provide for cash awards to domestic and foreign narcotics agents, law enforcement personnel, and others who make outstanding contributions to the fight against illegal drug trafficking.

My bill would allow the Attorney General, in consultation with the various U.S. agencies and components involved in narcotics control, to make the awards to those individuals deemed worthy. The money for these awards would be derived from the proceeds resulting from selling the property forfeited to the United States, or cash seized, as a consequence of illegal drug trafficking.

We are losing the war on illegal drug trafficking because our present approach to dealing with the problem is not working. We can continue on our present course—hurling money and rhetoric in the same old way, or adopt a more liberal approach such as legalizing certain drugs to control their use and abuse, but this is more surrender than solution. Neither approach is going to really solve the war on drugs and will only contribute more to the horrendous and devastating toll that drug use takes on our society.

One of the obvious questions concerning this proposed bill might be: Why is it necessary to reward someone for doing what he or she should be doing anyway as an officer who takes an oath to uphold the law?

These awards would not only be given to those who risk their lives in the fight against illegal drug trafficking, but also to those resisting the heavy pressure to cooperate with the traffickers or to turn a blind eye to their activities. Let's face it, we are dealing with situations involving extreme danger and staggeringly large amounts of money—these rewards would be a form of endangerment pay.

H.R. 1621 also contains a provision allowing such a reward to be made posthumously to the survivors of someone who was killed or otherwise deceased before receiving the award.

Following is the text of H.R. 1621, the Drug Enforcement Incentive Act of 1985:

H.R. 1621

A bill to amend title 28, United States Code, to provide for awards to domestic and foreign narcotics agents and other persons who make outstanding contributions to the fight against the illegal drug traffic in and to the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug Enforcement Incentive Act of 1985".

SEC. 2. AUTHORITY FOR AWARDS.

Subparagraph (B) of section 524(c)(1) of title 28, United States Code, is amended to read as follows:

"(B) the payment of awards under paragraph (2);".

SEC. 3. DETERMINATION OF AMOUNTS AND RECIPIENTS OF AWARDS.

Paragraph (2) of section 524(c) of title 28, United States Code, is amended to read as follows:

"(2)(A) The Attorney General—

"(i) may, in the Attorney General's discretion, make an award under paragraph (1)(B), in any amount the Attorney General determines appropriate, to any United States or foreign national for an outstanding contribution to the prevention and control of illegal drug traffic, or to the survivors of such a United States or foreign national in cases where the individual making such contribution dies before the award is made; and

"(ii) shall, in making any such award take into account—

"(I) the value of the sums and objects forfeited to the United States as a result of the conduct for which the award is made; and

"(II) whether persons engaging in illegal drug traffic are arrested as a result of the conduct for which the award is made.

"(B) The Attorney General shall consult, with respect to the making of awards under this subsection, to the extent the Attorney General considers appropriate, with any of the entities within the Department of Justice and with any of the following entities outside such Department:

"(i) The Bureau of Alcohol, Tobacco, and Firearms in the Department of the Treasury.

"(ii) The United States Customs Service in the Department of the Treasury.

"(iii) The National Institute on Drug Abuse in the Department of Health and Human Services.

"(iv) The National Institute on Alcohol Abuse and Alcoholism in the Department of Health and Human Services.

"(v) The Food and Drug Administration in the Department of Health and Human Services.

"(vi) The United States Coast Guard in the Department of Transportation.

"(vii) The Department of Agriculture.

"(viii) The Department of Education.

"(ix) The Bureau of International Narcotics Matters in the Department of State.

"(x) The Department of Defense.

"(xi) The Central Intelligence Agency.

"(xii) The United States Information Agency.".●

MOVING AHEAD WITH SYNTHETIC FUELS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. MURTHA. Mr. Speaker, in the 1970's America paid a severe price for our shortsightedness on energy. We need consistency and careful planning to achieve energy independence.

As long as U.S. potential for self-sufficiency remains untapped, the likelihood of future shortages remains real.

America has always been the pioneer in finding advanced technologies. Our technical superiority helps keep us strong and independent.

These points are particularly important in light of the continuing debate in Congress over the future of synthetic fuels development. For the information of my colleagues, I want to insert into the RECORD testimony I recently gave to the House Budget Committee on our energy situation and the future of synthetic fuels.

HON. JOHN P. MURTHA'S TESTIMONY FOR BUDGET COMMITTEE

Mr. Chairman and members of the Budget Committee, because the United States is still dangerously dependent on foreign suppliers of energy, we need to assist the private development of synthetic fuels.

Our vulnerability to oil supply disruptions in 1973 moved the United States toward alternative fuels production. Now, our long term consumption of imported oil is the problem.

In 1973, during the oil embargo, United States imports of oil accounted for about 36 percent of demand.

In 1984, a period when many people said the energy crisis was over, DOE indicates that the United States imported about 33 percent of its oil demand.

Have we not learned the fact that we are still dangerously dependent on foreign oil? We can pretend the situation is not serious because there is a surplus of oil on the world market, and decreased prices. But that pretense costs us dearly in two fundamental areas: Our significant balance of trade deficit, and our national security: both military and economic.

Our imports are increasing, now at just over 5 million barrels a day, because U.S. production is declining:

The U.S. is producing just over 3 billion barrels of oil per year, the same level of the past dozen years. To maintain this production, U.S. reserves are being depleted faster than new reserves can be found.

Despite the eight-fold increase in prices since 1973 and the drilling of 660,000 new wells, U.S. oil reserves fell by one-third to less than 27 billion.

Strategic planning is the key to survive in a future where more domestic energy is needed and less is available. Achievement of energy independence requires time and commitment. So long as U.S. potential for self sufficiency remains untapped, we remain vulnerable to the instability and frequent disruptions of our oil supply.

America has always been the pioneer in finding advanced technologies. We have the necessary technology to develop the kind of fuels we need for a secure future. More importantly, we have the raw materials for synthetic fuels in huge abundance—enough feedstocks to satisfy all our fossil energy demands for several centuries.

Last summer, the President and Congress reassessed the goals of the program. The consensus was that the objective of the program was sound and with a streamlined program, we could meet the objective of using domestic fossil resources to reduce our dependence on foreign oil.●

FIGHTING CULTURE WARS IN AFGHANISTAN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, private initiative is a leading American strength. It lies behind many of this country's best efforts in international public diplomacy. The fledgling National Endowment for Democracy is a privately managed, Government-funded organization which promotes democratic principles and activities abroad. I would like to commend to my colleagues' attention Suzanne Garment's review of the NED's successful passage through appropriations hearings in the House and of its activities abroad:

[From the Wall Street Journal, Mar. 15, 1985]

FIGHTING CULTURE WARS IN AFGHANISTAN

(By Suzanne Garment)

There is nothing like the thought of hanging to concentrate the mind, and nothing like a crisis to show what an organization is or is not good for. This week the National Endowment for Democracy, a private but government-funded group recently established to support the growth of democracy throughout the world, went before a House subcommittee for its annual appropriations hearing.

In the good old post-World War II days, the U.S. gave a certain amount of covert aid to political and cultural institutions that promoted democratic, American-style ideas in various countries. During the Vietnam War, the belief spread among our opinion leaders that we should not stick our self-interested noses into other nations' sacredly indigenous affairs in this way. The official U.S. aid shriveled, and few private American organizations were willing or able to fill the breach.

But not everyone in American politics looked upon this purification as a good thing. Thus it came to pass that Ronald Reagan, in a 1982 speech to the British Parliament, proposed a new unit to take up the job of watching out for the health of democratic ideas. The speech turned into an organization that was finally declared official by Congress in November 1983.

At the beginning the project looked like a sure loser. It couldn't be secret anymore, of course. The projects the Endowment dealt with would be initiated and carried out by private organizations, so the government would not dirty its hands with operational details. The board would give voice to the whole howling range of American politics—

business and labor, Republicans and Democrats, hawks and doves. Surely the organization's policies would emerge as pious platitudes, proclaiming impartial disgust with hostile dictators on the left and friendly dictators on the right.

It is something of a miracle that Endowment President Carl Gershman was able to keep this bunch on speaking terms long enough to spend any of that money Rep. Brown is so worried about. The labor movement is the biggest single force in the Endowment so far, because at the beginning only labor had pre-existing organizations already engaged in the sort of work that the fledgling Endowment wanted to support. Therefore, others on the board, Democrats at least as much as Republicans, were always looking to take a whack at the unions. The Democratic Party has been tussling over which ideas and people should henceforth control it, so people from the various Democratic factions have made trouble for one another. *Realpolitik* fans have not been able to see why we truly need a democratic think tank in Guatemala, while a certain sort of idealist has recommended projects like U.S.-Soviet youth leadership exchanges as the route to democratic nirvana.

Puzzlingly, though, the Endowment has not only survived but has given support to a pretty consistently good list of projects. Money has gone to help plan an international youth conference in Jamaica, to strengthen democratically based cooperatives in Chile, to help support the independent newspaper "La Prensa" in Nicaragua. And, of course, there has been money for Afghanistan.

Consider the Endowment's most recent effort in the face of the Soviet occupation of Afghanistan. Over the last few weeks expert witnesses have been testifying on the current situation to the Congressional Task Force on Afghanistan. From them we get a consistent idea of what the Afghans need now. They need effective arms. They need food in the face of the Soviets' deliberate destruction of agriculture. They say they also urgently need education, both within the country and outside it. This request would not naturally go to the top of a U.S. policy maker's list. But the Afghans know that the Soviets aim to pacify the country in the long run by such devices as destroying the schools and taking the young children away for Marxist education in the Soviet Union. Such tactics may not bear fruit next month but could destroy the culture of Afghan independence in the generation to come.

The Endowment has just awarded an education grant to American Friends of Afghanistan. The money will go to writing, reprinting and distributing textbooks in areas controlled by freedom fighters; to training Afghan teachers and sending them home to reopen schools, and to give Afghans portable video cameras—plus training—so they can bear witness to the invasion's impact.

Yes, this is a small effort compared with a nice bunch of missile launchers. But there is no doubt that the state of the spirit inside Afghanistan and the state of opinion abroad can be changed so as to affect Soviet calculations of what this war is worth to them. Two days ago the United Nations Human Rights Commission in Geneva issued its strongest resolution yet on Afghanistan, condemning Soviet torture, bombing of civilians and destruction of agriculture. The vote followed a report last week from within the U.N. bureaucracy accusing the Soviets of torture and chemical warfare. Such U.N. actions would have been unthinkable a decade ago.

The small new Endowment is already beginning to give us a few bangs for our bucks. Would that more publicly funded agencies could give such a clearly satisfying account of themselves.●

WOODY HEABLER RETIRES FROM LABOR POST

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FEIGHAN. Mr. Speaker, after 35 years as an active member of the United Food and Commercial Workers International Union, Woody Heabler has retired from his position as executive assistant to the president of local 880 in Cleveland. Heabler joined the union in 1947 as a stock clerk in the A&P store at Archwood and West 25th Street in Cleveland. There he met Joe Madzelonka, a fellow employee who is now president of the local. Together, as rank and file and staff union activists, they have made a major contribution to the lives of thousands of workers in the Greater Cleveland area.

From the Archwood A&P, Woody went on to help open several of the chain's outlets on the southwest side of Cleveland. In 1949, he was promoted to head cashier at West 130th and Pearl Road, Southland. A year later, he entered the Navy for 4 years, and subsequently returned to his job with A&P.

In the mid-1950's, Woody was elevated to the local 880 staff, becoming secretary-treasurer. Following a merger with Akron local 698, he was named executive assistant to the president. He and his wife Rose are justly proud of their three children and their seven grandchildren.

Mr. Speaker, Joe Madzelonka has written a warm salute to Woody in the February issue of The Voice of Local 880. I ask that it be printed in the RECORD following my remarks.

The salute follows:

ABOUT WOODY . . .

(By Joseph Madzelonka)

It's hard to think of Woody Heabler as a legend. He still has the boyish manner that makes people stare in disbelief when he tells them he's 55. What I mean is, Woody doesn't look like a legend. And yet, when he walked out of his office a few days ago, everybody knew that a visible change was taking place in the union's personality.

Woody isn't completely leaving the local. He'll be back to help us whenever we need his capabilities which are considerable. And his office has a new occupant, Jim Jerele, one of the bright young men in the Ohio labor movement.

We expect great things from the people who took on new responsibilities in the aftermath of Woody's retirement. But no one will make things happen the way Woody did. He has a style of his own.

In his determined way, always with humor, he could come up with achievements in negotiations, organizing or grievance settlement that bordered on the spectacular. Yet, when the cameras moved in to record his deeds for posterity, Woody liked to step aside and let the spotlight fall on the rest of the team.

Does that mean he's modest? Woody? Oh, hell no. He just doesn't deem the accolades worth trifling with. When told that *The Voice* was going to make a fuss about his retirement, he suggested the amount of space such coverage warranted by holding up a hand with thumb and forefinger an inch apart.

That's the same Woody who could snap the boredom out of a room with a few outrageous remarks, who could wave his ever-present cigar like a baton, turning a dull session into a symphony of laughter and applause.

Yes, I'm prejudiced. Woody and I have been friends since we met 38 years ago as high school kids in a West Side A&P store. My wife Mary and I helped celebrate many happy milestones with Woody and Rose, the birth of three Heabler children—and seven grandchildren. We were there when the occasions were not so happy as well.

We walked a lot of picket lines; we'll be walking more in the years ahead. Woody can't get over being a union man.

He'll bristle at the things said about him in this column and the cartoon that appears over my head. He'll say "nonsense," or some barnyard equivalent thereof.

But there's nothing he can do about it. He can take comfort if necessary in the fact that there is not enough space in this paper to recount all our experiences or the full measure of my regard for him.●

THINKING ABOUT DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. RANGEL. Mr. Speaker, on March 7, 1985, the House of Representatives wisely reconstituted the Select Committee on Narcotics, which I am privileged to chair. The House by its action signaled that it was not going to retreat from dealing with the serious problem of drug abuse, a problem which harms so many of our people and destroys our society.

For years, knowledgeable drug authorities have said that the most effective technique against drug abuse is eradication of drugs in source countries before they are shipped to the United States and other countries.

The staff of the Select Committee on Narcotics estimates that 8 to 20 million people are now using cocaine in America, and that, at a minimum, 85 tons of cocaine entered the United States in 1984. Based on a heroin addict population of 500,000 people in the United States, it is estimated that at least 10 tons of heroin have been entering the country from 1981 to 1984.

It is estimated that 25 million people in the United States regularly use marijuana and that as many as 40 million people may be occasional users. On the basis of illicit marijuana production and trafficking data available in late 1984, it is estimated that 30,000 to 60,000 tons of marijuana is being smuggled into the United States annually. This is augmented by about 4,000 tons of domestic production as compared to about 700 tons in 1980. An estimated 200 tons of hashish, the compressed resin of the cannabis plant, is smuggled into the United States annually.

Clearly, it is in the national interest of the United States to maintain good diplomatic relations, with as many drug-producing nations as possible, yet it is imperative that the State Department and our Ambassadors to these nations, make it clear that drug production must come down. It is for this reason that I worked with Congressman BENJAMIN GILMAN and Senator PAULA HAWKINS to enact an amendment to the Foreign Assistance Act, contained in the Department of State Authorization Act, section 1003 of Public Law 98-164, to authorize the President of the United States to cut off military and economic assistance to countries that fail to take adequate steps to curtail illicit drug production.

As chairman of the Select Committee on Narcotics Abuse and Control, I have consistently advocated a broad-based attack on drug abuse including international narcotics control, drug abuse law enforcement, drug abuse prevention, education, and rehabilitation efforts. We are all aware of the recent kidnaping and murder of a DEA agent and pilot in Mexico, and the death of 11 people in the Washington, DC area from a "bad" batch of heroin. When drugs can cause events such as these, it is time to evaluate narcotics control to the highest priority in our dealings with the 13 narcotics-producing nations.

I was pleased to read a February 24, 1985, editorial in the Washington Post entitled "Thinking About Drugs." I agree with their statement that "Nothing else in the world damages this country and its citizens more—in lives lost and blighted and in other economic and social costs. Yet our official and national attention to it is fitful and compartmentalized." Mr. Speaker, I ask that the editorial entitled "Thinking About Drugs" be inserted in the CONGRESSIONAL RECORD at this point.

The editorial follows:

THINKING ABOUT DRUGS

As a society, we have some curious notions of what foreign enemies to concentrate on keeping from the gates. We spend tens of billions of dollars a year to prevent nuclear war: a terrible peril, necessarily of compelling priority, but a very abstruct peril all the same. The President can spend what is, in a political sense, an even more precious commodity—his claim on the public's attention—to point up the perceived dangers of Marxism in Central America. Meanwhile, though it is not ignored, another international matter whose menace is far more immediate, real, costly, terrifying and pervasive is treated as almost routine.

We refer to drugs, most of which are produced abroad. Nothing else in the world damages this country and its citizens more—in lives lost and blighted and in other economic and social costs. Yet our official and national attention to it is fitful and compartmentalized. The drug trade seems to ebb and flow as a law-enforcement priority. Until very recently, it was not regarded as a crucial consideration for American diplomacy. It is still possible to read whole books and learned articles on Latin America and other drug sources without seeing a mention of the dread flow. Cobalt engages the strategic thinkers, not cocaine.

Suppose the Mexicans were sending guerrillas across the border to raid ranches in Texas, occasionally killing an American. Suppose the Russians were sending frogmen on a like mission to isolated Aleutian islands. It is not hard to imagine the adrenalin that would flow as the country contemplated these affronts to American sovereignty and tranquility. Yet thousandfold multiples of these effects arise from the drug trade with no remotely similar political or emotional swell.

True, the "raiders" now crossing the border have not been dispatched or, presumably, winked at by their governments—although Reagan officials question whether Cuba and Nicaragua are as innocently detached as they claim to be. Especially in Latin America, the source and conduit countries are themselves increasingly ravaged by drugs. Drug use grows within their borders. The drug business has created centers of wealth and power challenging the integrity and, as the United Nations recently put it, "the very security" of some countries. It becomes increasingly necessary to define drug abuse not just as an overwhelming health and social issue but as a revolutionary political force of global dimensions.

We have no inclination to dump all the blame on the producing countries—friendly countries, after all. They are in the grips of a monster created in the first instance by the immense demand generated by the American market. We are certain, however, that a basic condition of wise policy is for the problem to be given a measure of attention and respect no less than that accorded nuclear war and Central American guerrillas. Even at this late date, the first requirement is thinking about drugs, urgently, comprehensively, correctly.●

MARY MATHEWS LIVES TO BATTLE FOR YORKTOWN

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. WHITEHURST. Mr. Speaker, one of Virginia's great patriots is Mary Mathews of Yorktown. She and her late husband established one of the most popular restaurants in eastern Virginia. Nick's Seafood Pavilion has a reputation that extends far beyond the boundaries of the Old Dominion.

Through their lives, Nick and Mary Mathews represent the ideal American success story. They came to America virtually penniless, but like so many who have adopted our country, they believed in the dream which we claim for ourselves. Nick and Mary struggled and sacrificed, and built a thriving business, but more important, they have given back so much to their community, State, and Nation.

It was fitting, therefore, that Mary Mathews should have been selected by the U.S. Navy to be the sponsor of the latest U.S.S. *Yorktown* now in commission. In the devotion to duty which has been an integral part of her life, Mary showed her true grit on the way to the launching ceremonies. Her husband Nick, who was accompanying her, died suddenly during the flight to Mississippi, but Mary Mathews carried on, just as she continues to today.

Mr. Speaker, I am pleased to insert in the RECORD a marvelous profile of Mary Mathews which appeared in the March 21, 1985, edition of the Richmond News Leader. The writer, Katherine Calos, has captured Mary's great spirit. I know that my colleagues, and all readers of the RECORD, will be inspired by her life, as I have been during the many years I have been honored and privileged to count her my friend.

[From the Richmond News/Leader, Mar. 21, 1985]

MARY MATHEWS LIVES TO BATTLE FOR YORKTOWN

(By Katherine Calos)

YORKTOWN.—Mary Mathews still cries when she talks about her late husband. She cries when she visits his grave daily at the Yorktown Victory Center. She cries when she sees his picture in an exhibit inside the center.

Her husband of 40 years, Nick Mathews, has been dead for two years now, but her memories have not died with him.

Together the Greek immigrants built a lunch counter in World War II Yorktown into the 425-seat Nick's Seafood Pavilion. They prospered enough to pay the town's electric bill when a dispute with the county resulted in street lights being cut off. To prevent the Yorktown Victory Center from being build in Newport News, they donated 22 acres of land to the state. When no one else was willing to build a bicentennial monument recognizing the Revolutionary War victory at Yorktown, they put up a granite rotunda beside the river.

SHE WENT AHEAD TO CHRISTEN SHIP

Then he died April 14, 1983, as they were flying to Pascagoula, Miss., to christen the U.S. Navy cruiser Yorktown. She went ahead and christened the ship as he would have wanted her to do, and then she brought him back home to bury him.

A marble tomb now marks his grave on a promontory just behind the victory center building. American flags decorate pots of chrysanthemums at each corner.

One day she will be buried beside him. The chiseled inscription already reads in the plural: "Patriots, philanthropists, benefactors to man, state and country."

Before that day comes, Mary Mathews says she has a few more projects to accomplish.

One of them would be to build a traditional Greek icon stand beside the river in memory of her husband. A lamp and an icon of St. Nicholas, patron saint of sailors, would be placed inside a structure that looks like a tiny church atop a pedestal. It would represent a prayer of safe passage for travelers.

She's also campaigning to have Yorktown Day made a state holiday, get rid of the bath-houses on the town beach and stop construction of a pier for cruise ships.

SHE TAKES TOWN'S HERITAGE SERIOUSLY

She isn't shy about expressing her irritation at people who don't take her town's heritage seriously, whether they be state legislators, Yorktown officials or sunbathers on the beach. In accented English that still tends to follow the syntax of Greek, she chastized the state legislators who refused to substitute Yorktown Day for election day as a state holiday this year.

"That's ignorance not to respect your own background," she said.

"Without history, a strong sense, the people be like animals. Any place you go, people ask your name, name of your parents; same as a nation, you gotta have background. History makes the world survive.

"For these people not to recognize Yorktown Day is a crime. I never expect they say no. They say, 'You don't have to have holiday to be patriotic.' You got to have holiday to renew spirit.

"I'm 40 years here and I never miss a vote. And I work 18 hours in the restaurant."

Her losing battles with town officials have pitted her concern for history against their concern for tourism. They want to build a pier to bring in cruise ships; she's concerned that the pilings would disturb Cornwallis' ships on the bottom of the York River. They built bathhouses on the sliver of beach beneath the town bluffs to encourage recreational use of the river; she wants them removed to preserve the dignity of the setting.

"Little by little, they make a resort town," she complained. "This town to make like that. There is no room! There is no sand! God made Cornwallis to come five blocks down from here. There is no place for him to go. Same with us. No room.

TOWN'S PURPOSE IS NOT AS A RESORT

"This place, God made it for different purpose. You have to respect that. Not for good time."

Maria Pappamihalopoulou already was a U.S. citizen when she left Sparta in 1930 to join her father, a naturalized U.S. citizen, in New York. Nikolaos Matheos, a native of the island of Karpathos, had preceded her to the U.S. by 10 years. They met at her uncle's restaurant.

"It's luck, that's all," she said. "You can't escape the luck. I saw him, he saw me, that's it. It was just destiny." In 1942 they were married and in 1944 they came to Yorktown.

"By accident, destiny," she said. "We didn't even know the town was here. We left New York because was too cold. I was getting sick in winter. We thought, go to Florida. We stop on the way to see friends and stay. Destiny."

STARTED RESTAURANT IN WARTIME

They decided to open a Yorktown restaurant and started out serving anything they could find in a wartime economy. She laughs about the time she thought she was getting a great deal on four lambs. Then her husband saw them. "He say, 'Mary, you don't got lambs. You got goat.' "

Some of those early days are recorded now in an exhibit that opened last year at the Yorktown Victory Center. An oak bench from Ellis Island immigration center in New York, the long white dress Mrs. Mathews made for her wedding and the first table in their Yorktown restaurant are among the articles telling "One Story Among Millions" in the overall scheme of "An American Dream."

That story continued with the prospering of their restaurant. Its decor evolved into a pastiche of sculpture, paintings and plants. In the foyer alone are a statue of Leda and the Swan, a pair of statues called Night and Day, two mosaics of Greek mythological figures and a tin man made of scraps left over from the Yorktown cruiser.

In the Nile Room, people often toss pennies into a pool, which has collected more than $750 for the Shriners' Hospital. Beside the pool is a model of the United States luxury liner and statues of an Egyptian queen and of Moses being taken from the bulrushes. A 12-foot religious painting stretches across one wall.

Other statues and paintings are everywhere. Most were bought inexpensively. A few, however, have cost in the range of $25,000.

"Big place, empty walls, it's dreary," she explained the collection. "I don't like it. Cover the walls, the people feel at home."

As the restaurant grew, so did the philanthropies. In addition to the land for the victory center and the bicentennial rotunda, they built a room at the Newport News hospital in 1954, built a hospital in Greece, fixed the church in her home town, donated facilities for the Yorktown Historical Shipwreck Museum, contributed to the Fort Eustis Military Transportation Museum, bought fifes and drums for a Yorktown school band and contributed to the repair of mosaics at a Greek Orthodox archdiocese building in Charlotte, N.C. Most recently she's given the Yorktown Victory Center gift shop a display case in her husband's memory.

In 1980, Christopher Newport College in Hampton recognized their contributions with an honorary doctorate in humanitarianism.

INSCRIPTION INSPIRED HER GIVING

The Mathews never had any children to inherit their fortune. Some would say that's why they give away so much. Mrs. Mathews, however, refers to an inscription she saw in a New York hotel during their honeymoon.

"When you have people come to you and they pay a dollar, you try to repay them with $1.10," she paraphrased it. "That struck me, even when I was young. It was good advice."

Now she dresses each day in her mourning colors of black, dark blue or brown and walks down the steps from her house to her restaurant. She arrives at 9:30 or 10 a.m. and stays until it closes at 11 p.m.

"When he die, I was sure to close up," she said. "After, I change my mind. It would be dirty. It would have newspapers in the door. If he see this room, he don't like to see it dark and abandoned. Leave it open.

"His friends come in. People come in. It's life."●

EIGHTH CONGRESSIONAL DISTRICT RECOUNT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COELHO. Mr. Speaker, I would like to share the following editorial regarding the Eighth Congressional District recount which appeared in the Indianapolis Star yesterday.

The editorial follows:

EIGHTH DISTRICT RECOUNT RULES FAVOR NEITHER CANDIDATE

(By Patrick J. Traub)

It's time to roll the 8th Congressional District clock back to Dec. 13, 1984. All but one event since then might just as well have not occurred.

The one event that needed to occur was the Democratic majority of the U.S. House of Representatives voting to investigate who won the election.

The bottom line of the election at this moment is the following:

Republican candidate Richard D. McIntyre has gained a lead of 34 votes over Democratic candidate Francis X. McCloskey.

All the work completed by 14 of the 15 county recount commissions has amounted to nothing more than a lot of sweat, rhetoric and newspaper articles.

The only commission whose work has meaning was the Gibson County recount, which resolved a double count of two precincts by that county's computer. That correction changed McCloskey's 72-vote lead, according to the original canvas by the county clerks, to a McIntyre lead of 34 votes.

Rules adopted by the U.S. House favor neither candidate, although McIntyre has been disadvantaged by the refusal of the House Democrats to recognize the state certification.

Washington Republicans and McIntyre have complained loudly the rules adopted by the House on its recount favor McCloskey. And, on the surface, the argument carries with it political weight because the Democrats drafted the rules.

But, the new rules favor neither man and many result in a fair, districtwide recount that unfortunately will not be recognized by the loser. Whoever loses will claim through November 1986 that the 1984 election was stolen from him.

The new rules favor neither because the rules are simple. The House is going to count the ballots cast in the election. Its General Accounting Office auditors are not going to discard ballots that were not initialed or on which the precinct was not designated. Those ballots will be counted.

Because of that, two major events will occur during the recount. Ballots in all 15 counties will be counted the same. And, more than 45,000 ballots never re-examined will be looked at for the first time.

In Vanderburgh County, more than 3,800 ballots were thrown out because precinct workers failed to write their initials or the precinct number on the ballot. However, more than 370 ballots on Gibson County lacking initials were counted.

The House Democrats argue that if the ballots were good for Gibson County, what's wrong with Vanderburgh?

Because Indiana law does not provide for coordinated recounts in multi-county districts, there can never be a coordinated recount.

It is true the U.S. House is ignoring present Indiana election law by not seating McIntyre. So did the Indiana House in seating Rep. Janet L. Hibner, R-Richmond. Two wrongs may not make a right, but treating similarly cast ballots differently is definitely a wrong.

Both McCloskey and McIntyre workers grant they do not know now who will win the election because no one knows what the additional 104 precincts in Vanderburgh County hold.

As long as the House doesn't change its rules, that makes for a fair count.●

CARL CLEMENS HONORED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. ADDABBO. Mr. Speaker, I would like to bring to the attention of my colleagues, the record of community service of Carl Clemens. In recognition of his lifetime of community work, I submit the following article from the March 24, 1985 edition of the New York Daily News for the RECORD:

Manhattan has its Times Square and, for 60 years, Ridgewood had its Times Triangle—the title given to a tiny triangular park at the intersection of Cornelia St. and Cypress and Myrtle Aves. The park derived its nickname from the Ridgewood Times, a local weekly that has operated from a building opposite the park since 1925.

Now, by order of the City Council and Mayor Koch, the park will be called Carl Clemens Triangle, in honor of the publisher and president of the Ridgewood Times.

Clemens began his career with the paper in 1920, when it was 12 years old and he was only four years older. A son of German immigrants, he started as an errand boy and went on to become a tireless worker for the Ridgewood community.

"This is an honor bestowed upon very few people in the City of New York," Koch said as he signed the name-change bill sponsored by councilman Walter Ward (D-Howard Beach).

"Carl has been a lifetime New Yorker and has worked continuously for the betterment of the quality of life for its inhabitants," the mayor continued. "His life is truly a success story and he deserves the praise we give him today."●

MX, THE SOVIET THREAT, AND ARMS CONTROL

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. KRAMER. Mr. Speaker, I rise in reluctant support of this resolution, releasing funds for fiscal year 1985 MX procurement.

My reluctance stems from my fervent wish that we could vote today to banish such terrible weapons of mass destruction from the face of the Earth forever.

We do have within sight the prospect of transforming this dream into reality, but we must get there from here. And "here"—the reality with which we are faced—is a massive Soviet advantage in strategic nuclear strike power, an advantage gained despite—perhaps it would be more accurate to say "because of"—SALT I and SALT II, the arms control agreements that were supposed to give us a nuclear arms freeze.

The Soviets, with their highly accurate, MIRV'd force of SS-18 and SS-19 ICBM's now have the ability to launch a devastating first strike against our land-based missile force. Alone, the more than 300 SS-18's now deployed have the capability of knocking out 80 percent of our ICBM silos. The nearly 400 SS-19's currently deployed have virtually the same ability to destroy hardened targets.

Add to this first-strike threat the Soviets' program of superhardening their ICBM launchers and command and control facilities, their comprehensive civil defense program, designed to bring their industrial infrastructure through all-out nuclear war, their violations of the ABM Treaty, which seem to be part of an effort to "break out" with a nationwide antiballistic missile defense, and their clear intent to deploy the SS-X-24 and 25—two new, highly accurate, hard target killing ICBM's—with a large proportion of them mounted on mobile launchers.

Add to this the Soviets' continued and blatant attempts—in violation of SALT—to conceal most of their efforts to gain a decisive strategic advantage with which to cow the United States and our allies into submission.

Add to this the fact that our most accurate ICBM's—our Minuteman III's—have neither the accuracy nor the punch to crack the Soviets' superhardened launchers and command and control centers.

Since SALT I was signed in 1972—while the United States stuck to the terms of the SALT I treaties and even of the unratified SALT II treaty—the Soviets have deployed 28 new or significantly modified strategic weapons systems. And as we debate whether or not to buy 21 more MX's this year, they have at least 8 more systems—including the SS-X-24 and 25—either poised for deployment or under development. Moreover, there is evidence that indicates they may have deployed the SS-16 ICBM—once again, a violation of SALT.

"Here" is a very frightening and dangerous reality indeed.

The comprehensive arms talks now going forward in Geneva offer the shining hope that we may at least achieve real arms control as opposed to the cosmetic and dangerous arms control we have known to date. They offer the hope that the generation of strategic weapons which we will deploy in this decade—including MX, the Trident D-5, and the B-1B—will be the last of their kind.

Regrettably, because of the arms-control policies of past administrations, this last generation of offensive nuclear weapons systems must be put in place to restore the strategic balance, give us a basis of strength from which to go forward with arms negotiations, and carry us through the period from now until the day we will be able to implement the sort of real arms control I believe is possible and that I believe President Reagan is pursuing in the Geneva talks and with the strategic defense initiative.

Let me take a moment to share some thoughts about real arms control.

The key ingredients of real arms control are, first, substantial and lasting reductions in strategic nuclear weapons, second, the nonnuclear defensive technologies to ensure that any failure to adhere to arms control accords will not upset the strategic balance, and third, policies that encourage defense over offense.

To be substantial, reductions in strategic nuclear weapons must reduce stockpiles on both sides below the levels the United States and the Soviet Union believe necessary to achieve assured retaliation.

The only way it will be possible to begin reducing nuclear arms stockpiles significantly is if the United States and the U.S.S.R. can be reasonably certain they have the means to offset such a reduction with defensive weapons—a star shield.

This is the promise of President Reagan's strategic defense initiative. This program of intensive research will determine and demonstrate the feasibility of strategic defense technologies. Once these defensive weapons have been proven practical, we will be in a position to begin a step-by-step cutback of nuclear offensive weapons coupled with a symmetrical fielding of nonnuclear defensive weapons—the star shield.

This would introduce a new look in strategic arms, a policy new look based on genuine reductions in strategic nuclear weapons backed up by nonnuclear defenses. And reducing stocks of offensive nuclear weapons while putting in place offsetting nonnuclear defensive systems maintains the strategic balance—and does so at a less threatening level.

I am convinced that this is an imminently practical approach to achieving real arms control and a safer world. With it, we can change the name of the strategic arms game from offense to defense. With it, we can begin the process of dramatically reducing the danger of nuclear war. With it, we can

transform the strategic arms race into a peace race.

But we cannot get there from here without first going through a difficult and perilous time, a time of negotiations and changing policies and perceptions, a time demanding unity and strength of purpose, a time that will sorely test our courage and creativity and mightily try our patience and resolve.

We now face one such test, my friends and colleagues. I urge you to join me in standing up to it, in supporting the resolution now before us, and in dedicating yourselves to the support of arms and arms control policies that will make the MX and its terrible sisters the last generation of their kind and give all humankind the precious gift of a world forever free of the threat of nuclear holocaust.●

THE MIDDLE EASTERN STEREOTYPE: FASHIONABLE PREJUDICE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express my concern about a rising tide of misunderstanding directed against persons of Middle Eastern and North African descent.

Writers, newscasters, government officials, and others have found that it is easy to make disparaging statements against Arabs and Moslems. We are living during a time when the new stereotype of an evil foreigner is that of an Arab or Moslem fanatic. We seem to remember only the terrorism of the PLO, and not the statesmanship of Anwar Sadat.

This is a dangerous perception, Mr. Speaker, because our history is rife with examples of violent prejudice.

I ask my colleagues to please be sensitive to the fact that many North African and Middle Eastern countries are our allies, and that most people in these regions want nothing to do with the political and religious fanatics who capture our headlines.

The following article is submitted for insertion in the CONGRESSIONAL RECORD in the spirit of understanding and tolerance:

[From the Washington Post, Mar. 19, 1985]

THE "INSTANT ARAB KIT"

(Jack G. Shaheen)

When I think of the word "Arab," I see 180 million people in the greater Arab world. Most share heritage, religion and history. In 21 Arab countries we see city dwellers and suburbanites, farmers and villagers. Their dress is traditional or Western. The variety of their garb and life style defies stereotyping.

When many of us hear "Arab" we think "anti-American," "anti-Christian," "cunning," "unfriendly" and "warlike." Yet most of us know little of the Arab people, customs or accomplishments. The myths of the media encourage distrust and misunderstanding. Once a negative image becomes ingrained, it endures. The result: a self-perpetuating, dehumanizing stereotype, caricatures rather than human beings.

Several distortions exist:

Arabs are extremely wealthy. In fact, the average Arab has a per capita income of approximately $1,000 per year.

Arabs are barbaric and uncultured. The Arabs gave the world a religion—Islam—a language and an alphabet. Arab scholars contributed significantly to medicine, mathematics, astronomy, chemistry and the arts.

They are sex maniacs and white slavers. As a Fulbright scholar who traveled extensively in the Middle East, I found most Arab husbands to be monogamous. Slavery is prohibited.

They are terrorists. A small minority of Arabs, Israelis, Europeans, Americans and others resort to terror.

They are buying up America. The U.S. Treasury reports that Arab investments in America, compared with those of other groups, are minimal. The leading investors are the Dutch, British, Canadians, Germans, Swiss, French and Japanese. Investments made by Arabs are tagged "Arab money" in a way German marks and French francs are not.

OPEC equals Arabs. Only seven of the 13 members are Arabs.

Iranians are Arabs. Iranians are Persians.

When depicting Arabs, TV and screen writers, novelists, cartoonists and other media professionals incorporate these myths with the "Instant Arab Kit." The kit includes belly dancers' outfits, headdresses, veils, dark sunglasses, flowing gowns and robes, oil wells, evil mysticism, limousines and camels. We see Arabs as billionaires, bombers or belly dancers—villains of choice. It is fashionable to be anti-Semitic—provided the Semites are Arabs.

Stereotypical Arabs prowl TV screens. Children see heavies such as The Desert Rat, Ali Boo-Boo, Abdul-O, the Un-Cool-O and Abdullah the Butcher on "Popeye," "Woody Woodpecker" and other shows.

In "Cagney and Lacey," the police women deceive an arrogant, oil-rich Arab, whose Rolls-Royce bears a license plate "OILBUX." The rich Arab runs over a poor Jew, but he refuses to pay the victim's hospital bills. In "CHiPs," a reckless sheik tries to bribe the officers—"a way of life" in his country. In "Alice," Ben, the oil baron, asks Flo to become Wife No. 4.

Common film portrayal of Arabs—the deprived woman, the stupid sheik and the inept lover—surfaces again in several 1984 films, such as "Best Defense," "Bolero," "Cannonball Run II" and "Protocol."

In "Best Defense," Kuwaiti children throw stones at Eddie Murphy's tank. Roars Murphy: "Okay, you desert rats, now you die." "Bolero" features a kidnapping sheik as an inept lover. In "Cannonball Run II," an ape kissing King Falafel. The king smiles, saying: "If only your mother could kiss like that!" "Protocol's" hordes of Arabs ogle Goldie Hawn—she has, after all, blonde hair. Arabs are so deprived, the stale formula goes, they'll do anything for a sexy blonde.

Comic strips attract our attention. An arrogant would-be seducer of Western women, Sheik Oily-O-leum, appears in "Brenda Starr." "Spiderman" features Dr. Mondo, a nuclear terrorist. My favorite cartoon character, Dennis the Menace, complains on Thanksgiving Day: "Dewey's family's havin' meat loaf. His dad says some Arab is eating their turkey."

I have yet to read a novel featuring heroic Arabs. Sometimes the antagonist is half-Arab, as in "Key to Rebecca." In novels such as "The Haj" and "The Sphinx," Arabs appear as religious fanatics. Other novelists contend they are inept assassins intent on destroying Israel and the West with nuclear weapons. Yet Israel is the only nation in the Middle East with nuclear arms.

We are less inclined to view TV, motion pictures and other forms of entertainment as propaganda because entertainment is supposedly harmless. Yet entertainment performs as propaganda precisely because audiences absorb messages unknowingly.

Stereotypes, endlessly repeated, seem natural, and are thus often perceived as truth. The distorted images should be abandoned along with other stereotypes—the black domestic, the greedy Jews, the savage Indian, the dirty Hispanic and the Italian mobster.

The civil rights movement of the 1960s curbed the Stepin-Fetchit-type portrayal of blacks on television. The movement also helped bring to the screen more realistic portrayals of other groups. But Arabs haven't received the same second look from the media. They deserve the kind of acceptance other ethnics receive.

Today's Arab stereotype parallels that of the Jews in pre-Nazi Germany, when newspapers and films made them dark and threatening. The characterization of Jews as anarchists or devious financiers was intolerable. Yet this caricature has been received and transferred to another group of Semites, the Arabs. Now it wears a robe and a headdress, instead of a yarmulke and a Star of David.

Perhapes the best way to eradicate the mythical Arab is to insist that media professionals accept responsibility. when any group is degraded, we all suffer. The time has come to retire the stereotype. Such redress would reveal a people just as radiantly human as others, gracing and enriching our lives on this marvelously varied Earth.●

RIGHT BOOK AT THE RIGHT TIME

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, I want to share with my colleagues an excellent editorial and review by M.S. Forbes, Jr., deputy editor-in-chief of Forbes magazine, on the right book at the right time: "The Pentagon and the Art of War," by Ed Luttwak. For those interested in reforming our military, I commend both the book and Mr. Forbes review:

RIGHT BOOK AT THE RIGHT TIME

The Pentagon and the Art of War (Simon & Schuster, $17.95) could change the course of American military history. Written by Edward N. Luttwak, a much respected military analyst at Georgetown University's Center for Strategic & International Studies, the book analyzes concisely and convincingly the fundamental flaws of America's military establishment. It could become the catalyst for a major examination and

reform of the way the Pentagon is (mis)managed.

Read it, and you'll realize why the Pentagon has become such a massive, muscle-bound, unresponsive bureaucracy, and why we get immensely complicated, expensive and often unworkable weapons, not to mention those $10,000 coffee pots. You'll also understand the core of our failure in Vietnam, as well as lesser disasters like the abortive Iranian hostage rescue mission and the murderous destruction of the Marine barracks outside Beirut.

The fundamental problem isn't the quality of our uniformed personnel, but the system under which they operate.

The system has its roots in a decision made at the end of World War II to keep intact an immense cadre of high-level officers. The idea, according to Luttwak, was "to create a peacetime defense establishment specifically designed for rapid expansion. As many senior officers as possible were retained in the permanent peacetime service." Experienced officers, unlike an infantry rifleman, can't be created with a few weeks of training. We would, in short, inventory officers—on active duty—for the next big war.

That's why today, with our armed forces numbering around 2 million, we have more generals, admirals and colonels than we did in 1945, when we had more than 12 million men in uniform.

MAKE-WORK MAKES FOR INEFFICIENCY

The impulse was benign, but the results of this decision were malignant and profound. All that ails the Pentagon today flows from it. "Overhead of greatly disproportionate size has found employment for itself in the systematic overcomplication of every aspect of peacetime defense and whatever warfare we have had," writes Luttwak.

Exacerbating this problem is the powerlessness of the Chairman of the Joint Chiefs of Staff. He has no authority over the services, which, as a result, have become potent, independent fiefdoms.

This overbureaucratization is why we rarely get simple, workable weapons. "The problem is the refusal of research and development officers to put themselves out of business by actually declaring their work completed and ready for production. . . . With so many officers employed in specifying requirements . . . which among them will not fail to uncover further requirements?"

Overbearing military bureaucracies trample or ignore vital intangibles, such as morale and effective officer leadership. In Vietnam, for instance, commanding officers were rotated every six or seven months. "This nefarious practice meant that commanders were relieved just when they had learned their job and understood the war they were fighting." The reason for this bloody foolishness? So that as many officers as possible would have combat experience, a necessity for rapid promotion. "Career enhancement" took precedence over knowledgeable leadership for our men in combat.

This book is a gold mine of eye-opening analyses ranging from the Soviet Union's extraordinary military power to our misbegotten emphasis on supersized aircraft carriers.

What's to be done? The current debate on what is the proper rate of growth for military spending misses the point entirely. First and foremost, argues Luttwak, we must have a "central military staff that presents true choices of national military strategy" to the President and Defense Secretary. Otherwise we will continue to get the "lowest common denominator on which all the services can agree. By an omission that is so huge and amazing, there is no such source of *national* military advice."

Whether or not you accept this and other of Luttwak's ideas, his book should set the terms of debate.

Read it, and urge your congressional representatives to read it, too.●

DEBATE ON THE PEACEKEEPER

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DORNAN of California. Mr. Speaker, as Congress begins debate on the Peacekeeper, it is important not only to take a close look at the system in the broad perspective of national security, but also in terms of man-hours already devoted to the production and deployment of the missile. I have read countless articles, been briefed by the experts, and talked to a great deal of concerned individuals on the President's program of strategic modernization but nowhere have I found stronger support and greater pride in work than with the men and women who work with the Peacekeeper weapon system on a daily basis. I recently received a letter from one of my constituents, Mr. B.J. Russel of Cerritos, CA, who epitomizes the selfless devotion of the American spirit. In the space of a short, handwritten letter, Mr. Russel summarizes our basic, simple arguments for deployment of this much needed strategic system that our last four Presidents have all supported.

DEAR MR. DORNAN: I am writing this letter to give you some facts about the MX program as I see them. I have worked on the program from the very beginning, so I believe I am in a position to know what has actually been happening.

Contrary to the common view of defense contracts, I can assure you that the people working on the project have done so with great diligence, and the results to date have been better than the results for any other major defense program I am aware of.

The seven flight tests have been completely successful. This is rather remarkable considering the complexity of the system, and the fact that its accuracy is much better and its capability to survive high nuclear environments is much greater than that of the Minuteman missile.

I also take pride in the fact that the program has been executed within budget. There have been no cost overruns. Everything the government has paid for has been delivered. Although the press has left the impression that MX is about to bankrupt the treasury, I do not believe there is much basis for saying that. The fact is that MX is not even one of the ten most costly defense programs. If the object is to save dollars, there are other programs where much larger possibilities exist.

Finally, the program has met all its schedules. This has involved a high level of dedication and technical ability. The MX is extraordinary, and would take years to rebuild if it should be dispersed.

As to the ultimate use of the MX, none of us ever want or expect to see a nuclear weapon used. My expectation is that the President (or some future president) will eventually negotiate treaties eliminating all nuclear weapons. However, I cannot see how he can achieve such an agreement if the Soviets see that we are stopping production and dismantling our weapons without getting any corresponding concession from them.

If I can provide any other information about the MX that you would find useful please let me know.

Sincerely,

B.J. RUSSEL.●

HONORING MR. JAMES GIBBONS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. CONTE. Mr. Speaker, let me take this opportunity to recognize the hard work and dedication of one of my constituents, James F. Gibbons. Mr. Gibbons will be retiring as the director of vocational and technical education for the Pittsfield School Department in July 1985 after 35 years of service in the Pittsfield school system.

Since 1950, Mr. Gibbons has been committed to improving the quality of education for the people of Pittsfield. Through his outstanding efforts, many young people have left high school with useful knowledge that has better prepared them for life in the "real world."

His enthusiasm and expertise in the field of industrial art earned Mr. Gibbons his first position as a shop instructor at the Pittsfield Vocational School in 1950. It was for his excellent work, I am sure, that Mr. Gibbons was subsequently offered a teaching position at the former South High School in Pittsfield. Because of his superior performance, he was named vice president at south in 1964.

After being named vocational director in 1972, Mr. Gibbons was called upon by the Taconic High School in Pittsfield to become its acting principal. Along with then acting Vice Principal William Murray, Mr. Gibbons worked to ease the tension at the school until a new principal was appointed.

Mr. Gibbons' determination in improving employment opportunities for young people has earned him great respect in Pittsfield. He was the underlying force in the development of the vocational opportunities program for ninth graders. Mr. Gibbons was also instrumental in developing occupational-education programs at Pittsfield High School.

Mr. Gibbons' 35 years of experience in the educational field have enabled him to meet every challenge he has

faced with success. I am proud to represent such an outstanding individual. He has dedicated his life to serving the youth in the community.

I congratulate Mr. Gibbons for a fine career as an educator. Through his efforts, Pittsfield schools have earned an admirable reputation. I sincerely hope that Mr. Gibbons enjoys a peaceful and productive retirement with his wife, Josephine, in Pittsfield.●

NUCLEAR WASTE TRANSPORTATION SAFETY ACT OF 1985

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Ms. OAKAR. Mr. Speaker, today I am introducing the Nuclear Waste Transportation Safety Act which addresses the serious and growing problem of indiscriminate transportation of nuclear waste on our Nation's highways.

For more than a generation now, high level nuclear waste has been accumulating in nearly every State. This waste material is highly toxic. It will remain a deadly danger for thousands of years. The safe disposal of high level nuclear waste is one of the greatest responsibilities we have to future generations of humanity. To deal with the problem of safely disposing of this highly toxic material, Congress in 1982 passed the Nuclear Waste Policy Act, which provides for the long-term disposal and storage of nuclear waste material.

Unfortunately, the Nuclear Waste Policy Act failed to address the problem of nuclear waste transportation. In the past few years, toxic nuclear materials have been regularly transported from one site to another. In some cases, the material passes through densely populated areas, including the city of New York. Nuclear waste shipments are also made through my own State of Ohio, en route from a site in West Valley, NY, to another at Two Rivers, WI.

Understandably, citizens of Ohio and the neighboring States of New York, Pennsylvania, Indiana, Illinois, and Wisconsin are alarmed by the unavoidable risks they must assume because of these shipments.

The Nuclear Waste Policy Act of 1982 establishes stringent waste disposal procedures to minimize the dangers of nuclear waste disposal. The act implicitly recognizes the fact that the waste has to be moved from their place of generation to the final respository. The legislation, however, did not envision the establishment of rolling nuclear waste repositories on our Nation's highways.

The legislation I am introducing accepts that nuclear waste has to be moved if it is to be safely disposed. The Nuclear Waste Transportation Safety Act, however, would limit transportation of nuclear waste to the one time that it will be moved to the final waste repository site. The purpose of this legislation, therefore, is to protect the public from any unnecessary transportation of these highly radioactive materials.

In the event of overriding reasons of public health and safety or national security, a waiver to the transportation restrictions could be issued, but only after a review by competent Federal and State officials who would have to give their written approval for any transportation of nuclear waste.

Finally, the bill would provide adequate insurance to compensate any victims of accident during the transportation of these hazardous substances. The likelihood of accident, of course, would be severely curtailed if nuclear waste is permitted to be moved only once and no more.

Regardless of how any of us feel about nuclear power, we have to recognize that it is here and its byproducts will remain in our environment for millenia to come. Our responsibility is to minimize the risks to our citizens. The Nuclear Waste Transportation Safety Act of 1985 would eliminate unnecessary dangers associated with the transportation of these wastes by limiting the number of times the waste can be moved.

People should not be forced to assume risks to their health and safety especially when they have not gained any benefits from the electricity generated by the powerplants that create nuclear waste in the first place. I encourage my colleagues to join me in stopping the unnecessary shipment of nuclear wastes on our Nation's highways.●

JEFF SOUZA, VOICE OF DEMOCRACY WINNER

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Ms. SNOWE. Mr. Speaker, the spirit and vision of the Founding Fathers has been passed through the generations by writings, songs, and speeches. These are the sounds of our Nation's past.

The sounds of our Nation's future can be heard in the Veterans of Foreign Wars Voice of Democracy scriptwriting contest, which this year attracted more than one-quarter million participants from more than 8,000 schools. This year's theme was "My Pledge to America."

I am proud to inform the House that the winning script from the State of Maine was written by a student in my district, Jeffrey Souza of Greene, ME. Jeff, a junior at Leavitt Area High School in Turner, ME, is the son of Arnold and Virginia Souza, and hopes to pursue a career as a physicist in the years to come.

Jeff's central point in his essay is one which we could all stand to remind ourselves from time to time, lest we lose our perspective in the daily crush of our duties: "* * * More than any single promise which I could ever give, my greatest pledge to America is to have trust and belief in her * * *."

Mr. Speaker, I insert Jeffrey Souza's essay following my remarks:

MY PLEDGE TO AMERICA

(My Jeffrey Souza)

My pledge to America goes beyond saluting the flag. More than a mere political conviction or a simple idea, that pledge is a permanent part of my life. The convictions I hold about my nation are basic ones, convictions that should be basic to all Americans, beliefs which by their nature should arouse a sense of pride and dedication to our great republic.

I, as a member of the youth of our country, know that the duty of continuing our prosperity falls upon the shoulders of each new generation. This duty I do not take lightly. My part in the effort for America's future is to learn and broaden my experiences to their fullest extent, for this is the part of my life which lays the groundwork for all of my future achievements. It is this learning that has manifested itself in the self-reliance and ingenuity that has become part of our country's character throughout our mere two-hundred years as a nation. It has brought us through repeated hardships and crisis, while each time America has sprung forth with a new vigorous brilliance.

My course thus far has been directed towards that which beckons us all the realizing of the American Dream. An amazing thing, this American Dream of ours, the envy of those worldwide for its perfect simplicity—a home, a family, the freedom to pursue that personal goal which we each crave in our own hearts. These rights and privileges, however, cannot be achieved without individual cooperation with the system which bestows them. That is why it is vital to our democracy for *all* Americans to be aware of and take part in the administration of our government—a government which *truly is* ours; of the people, by the people, for the people. This is part of my pledge to America; to be aware, to care, to participate—through the great power of the vote; all to preserve the power *we the people* have over ourselves.

There comes a time, however, when these rights, which we have given ourselves equitably, and in the cause of justice are threatened—and this time is when the specter of war is upon us. This is a time when each man must look upon his life and realize that for which he is being called upon to defend. Finding that the rights of man, freedom equality, *justice for all*—are those basic yet mighty principles which our forefathers have actually given their lives for. This I pledge to my country; to defend her with all my strength and will against each and every aggressor which attempts to wrest our great prize of freedom from us. Just as each brave man who has ever gone to war for what he *knows* is right, I too pledge that which can

be given only once—the ultimate sacrifice—I pledge my life to America in her moment of most desperate need—her actual struggle for survival—the time of war.

Finally, more than any *single* promise which I could ever give, my greatest pledge to America is to have trust and belief in her; to know that she holds those truths and liberties which are the property of all men. These are what warrant the devotion of so much; this is why I pledge the loyalty of my body and soul to our great nation, the United States of America.●

EXTEND FEDERAL SUPPLEMENTAL BENEFITS PROGRAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. TRAFICANT. Mr. Speaker, the administration has publicly expressed its opposition to the extension of the Federal Supplemental Compensation Benefits Program and to the reform of the Federal-State unemployment compensation system.

The administration maintains that:

One. Unemployment compensation benefits are deficit-financed;

Two. Recessionary unemployment has ended;

Three. Structural unemployment is not the responsibility of the unemployment compensation system; and

Four. Extended compensation assistance is a disincentive to work.

First of all, recessionary unemployment is continuing in many parts of the country, including my area, the 17th District of Ohio. Over 8.4 million workers are out of work in addition to those workers who are no longer counted as unemployed. Unemployment over 7 percent is still recessionary.

Second, workers want jobs and compensation is not a substitute for jobs. But compensation is a bridge, the length of which gives an unemployed worker a better chance to find a job.

Currently, the House is considering a decision as to whether the Federal Supplemental Benefits Program should be extended. While the President does have the right to state what his reaction would be to legislation reauthorizing this program, this should not deter the House from moving ahead with an extension bill. The President has sent his signal to the Congress, but now the Congress should send a signal to the unemployed, that they are not forgotten. I urge my colleagues to push forward this important initiative.●

CLYDE C. COOK

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. MONTGOMERY. Mr. Speaker, it is a pleasure for me to bring to the attention of this great body the deeds of a remarkable man, Clyde C. Cook.

Clyde's noteworthy career in service to his country began with Army military intelligence during World War II. He also served in the same capacity during the Korean conflict.

For the past 40 years Clyde has worked for the Veterans' Administration and has served as its Director of Procurement and Supply since September 1975.

It has been my great fortune to know and to work with Clyde during this time and I must say, his professionalism is of the highest quality and his dedication to assisting his fellow man is unsurpassed. The relationship that the Committee on Veterans' Affairs and its staff has shared with Clyde over the years has been both productive and rewarding.

Recently, Clyde received the first Distinguished Service Award of the National Industries for the Severely Handicapped [NISH], a nonprofit, national agency which helps work centers for the handicapped obtain Federal contracts.

Clyde was chosen for his achievements in employment of the severely disabled as Chairman of the President's Committee for Purchase From the Blind and Other Severely Handicapped. This special committee was established by the Javits-Wagner-O'Day Act, which authorizes the Federal Government to award long-term, exclusive set-aside contracts to work centers in exchange for realistic, cost efficient goods and services.

During Clyde's tenure as Chairman of this committee, 1977-84, of which he is still a member, the dollar value of procurements from NISH more than tripled to nearly $72 million. In addition, there are now Federal contracts with 219 work centers in 47 States employing over 10,000 severely handicapped people.

Mr. Speaker, I know that my colleagues will want to join with me in congratulating Clyde Cook for his tremendous accomplishments and in expressing our deepest gratitude for the conscientious and concerned manner in which he has served our handicapped and veteran populations, as well as the Nation as a whole.

He has more than earned our heartfelt thanks and our best wishes for continued success.●

A TRIBUTE TO NORTHEASTERN UNIVERSITY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. MOAKLEY. Mr. Speaker, I would like to extend my heartfelt congratulations to Northeastern University in Boston, MA, as they proceed with a year-long celebration in honor of the 75th anniversary of cooperative education.

Founded on the premise that all who desire should have an opportunity to acquire a quality higher education, when Northeastern first opened its doors in 1898, it was comprised of a handful of students who attended classes in the attic of a YMCA. Since most of its student body was unable to commit their time to full-time academic study, Northeastern University's unique Co-op Education Program was ideally suited to their individual needs. Through a cooperative education, students were able to earn an income in their chosen professions, while simultaneously learning about their future careers.

Because of the remarkable success rate of Northeastern's graduates, similar programs were implemented at colleges and universities nationwide. Northeastern is now recognized as one of the leading institutions in the world to offer a cooperative education, each year placing approximately 9,500 students with over 2,500 employers. The program has also been expanded to include a number of graduate and professional curricula in addition to programs in the university college.

For 75 years, Northeastern University has afforded individuals with an opportunity to partake in an alternative and innovative learning experience. At this time, I would again like to thank my colleagues for allowing me to share this success story with them, and also wish Northeastern many more years of growth and prosperity.●

CHARLES COMBS, GREATER CINCINNATI UAW-CAP COUNCIL "MAN OF THE YEAR"

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr LUKEN. Mr. Speaker, it is with great pride that I draw attention to a friend and an outstanding citizen from my district, Mr. Charles Combs. Charlie has been chosen as Greater Cincinnati United Auto Workers "Man of the Year" by the Greater Cincinnati UAW-Community Action Program Council. I extend greetings and felici-

tations to Charlie upon receiving this citation of merit for his leadership efforts.

Charlie is well known and highly esteemed for his integrity and tireless service in the community. Employed as the international representative for UAW Aerospace, and the legislative representative for UAW in Ohio, Pennsylvania, and West Virginia, Charlie has combined active participation in the UAW with dedication to civic affairs in the local area. From 1969 to 1977, he served as chairman of the Greater Cincinnati UAW-CAP Council, while serving as vice president of the UAW Local 863 from 1970–77. He was also general board member of the Ohio State UAW-CAP Council, and member of the UAW National CAP Advisory Council. Charlie is admired and respected for his efforts in building the CAP Council in Cincinnati.

However, Charlie also donated his tireless effort to the United Appeal, as vice chairman of the U.A. Campaign, chairman of the UA Labor Participation Committee, and Board Member of the UA Community Services Department. Also important, Charlie was a member of the Board of Trustees on the South Western Ohio Regional Council on Alcoholism. It is interesting to note he did extensive work for this cause before alcoholism prevention became a frequent topic in the media. Charlie's other activities were varied and equally significant: vice chairman and member of the Executive Committee of the Hamilton County Democratic Party, delegate to the 1976 Democratic Party Convention for the Second Congressional District of Ohio, member of the Mayor's Overall Economic Development Committee, and a member of the Board of Directors at University of Cincinnati. Charlie also gave 5 years of military duty to his country, serving 3 years as a U.S. Army paratrooper.

Very often on this floor, Mr. Speaker, we talk of things that are wrong and of great evils that need to be corrected. It is for me both a pleasure and an honor to be able, on this occasion, to speak of something that is very right and that deserves both our tribute and our praise. That is the distinguished career of Charlie Combs, a man dedicated to serving others and his community. We are proud to know him and I congratulate the Greater Cincinnati UAW-CAP Council for voting him their "Man of the Year" for 1985.●

KENNAN'S THOUGHTS ON THE SOVIETS IN 1947: STILL RELEVANT TODAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. HYDE. Mr. Speaker, As we undertake another round of arms control talks with the Soviet Union in Geneva, mandatory retrospective reading is former Ambassador George Kennan's famous "Mr. X" article on "The Sources of Soviet Conduct" which appeared in the July 1947 issue of Foreign Affairs. Particularly relevant today, as they were nearly 40 years ago, are the following observations:

It must invariably be assumed in Moscow that the aims of the capitalist world are antagonistic to the Soviet regime, and therefore to the interests of the peoples it controls. If the Soviet Government occasionally sets its signature to documents which would indicate the contrary, this is to be regarded as a tactical manoeuvre permisible in dealing with the enemy (who is without honor) and should be taken in the spirit of caveat emptor. Basically, the antagonism remains. It is postulated. And from it flow many of the phenomena which we find disturbing in the Kremlin's conduct of foreign policy: the secretiveness, the lack of frankness, the duplicity, the wary suspiciousness, and the basic unfriendliness of purpose.

These phenomena are there to stay, for the foreseeable future. There can be variations of degree and of emphasis. When there is something the Russians want from us, one or the other of these features of their policy may be thrust temporarily into the background; and when that happens there will always be Americans who will leap forward with gleeful announcements that "the Russians have changed," and some who will even try to take credit for having brought about such "changes." But we should not be misled by tactical manoeuvres. These characteristics of Soviet policy, like the postulate from which they flow, are basic to the internal nature of Soviet power, and will be with us, whether in the foreground or the background, until the internal nature of Soviet power is changed.●

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWRY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1985

● Mr. STOKES. Mr. Speaker, I consider it an honor to be invited to participate, once again, in the congressional call to conscience vigil for Soviet Jewry. It is our duty, as Members of Congress, to speak out against renewed efforts by the Soviet Union to oppress its Jewish citizens.

Soviet oppression of its Jewish population has reached new heights. First, the number permitted to emigrate in 1984 was less than 2 percent of the level of emigration permitted Soviet Jews in 1979. Fewer than 1,000 received permission to leave the Soviet Union last year. Also, while fewer and fewer Jewish citizens are allowed to leave the Soviet Union, more and more Soviet Jews are being harassed and persecuted in their own homes. The most recent form of persecution involves attempts by Soviet authorities to associate the use of narcotics with Jewish religious practices. While searching the apartments of Soviet Jews, the authorities plant, and then find, narcotic substances purportedly used in Jewish rituals.

Mr. Speaker, the pain and suffering inflicted on the Jewish people who live in the Soviet Union today is reflected in the struggle of a family of refuseniks that I have adopted, Vladimir and Izolda Tufeld. Vladimir worked as an electronics engineer in a Moscow factory where he was given a security clearance. In 1973, he quit his job in anticipation of receiving an exit visa to Israel. But, instead of an exit visa, he received a denial to emigrate on the grounds that his job had given him access to vital secrets.

In 1976, the Tufelds' son, Igor, was arrested at a demonstration at the Soviet Supreme Court. Vladimir contacted Western correspondents to make them aware of the arrest of the refuseniks. This action led to Vladimir's harassment, and eventual dismissal from his job at a construction bureau. In April 1977, Vladimir and Izolda's son was finally permitted to emigrate to Israel. But there was a price that Igor had to pay: He alone was permitted to emigrate, and his parents were to be left behind to continue their harsh existence under the Soviet authorities. The separation of the Tufeld family has been especially painful because Igor has since married, and fathered a son whom his parents have never seen. Igor has also traveled to the United States on several occasions to encourage support for his parents.

Mr. Speaker, although the Tufelds have shown strength of courage, the years of separation from their son, and harassment at the hands of Soviet authorities have taken their toll on Vladimir and Izolda's physical well-being. In August 1977, 4 months after Igor's departure for Israel, Vladimir suffered a heart attack. Since that time, he has also suffered from an acute spinal condition, as well as a kidney ailment. Surgery is required for both of these conditions, but Vladimir insists that these operations be performed in Israel. Izolda, in turn, has been hospitalized for acoustic neuroma, a tumor growing from a nerve in the area of the ear. This condition required immediate surgery, but Izolda was denied treatment for nearly a year. Despite their failing health, the

Tufelds have been repeatedly refused permission to emigrate, each time they have submitted applications for exit visas.

Mr. Speaker, I am proud to represent the Tufeld family in today's special order, and I commend my distinguished colleagues for joining me in denouncing the injustices suffered by the Tufelds and so many other Soviet Jewish people. The actions of the Soviet Union in perpetrating these injustices against Soviet Jews violate not only international agreements, such as the Helsinki accords, but they also violate simple human dignity. It is my deepest hope that, as the United States and the Soviet Union reach out to each other once again to cooperate in reducing our nuclear arsenals, new frontiers of agreement will be opened up in the human rights area as well.●

ENVIRONMENTAL SOUNDNESS OF FOREIGN INVESTMENTS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. BONKER. Mr. Speaker, in the wake of the tragic accident at Bhopal, India, we must take whatever steps we can to assure the environmental soundness of future foreign investments by American firms. A number of measures are being discussed to provide that hazardous chemical and other facilities both here and abroad are designed, sited, and operated in a manner that will avoid another accident of this kind. The bill I am introducing today with Representative SOLARZ is not intended to be a comprehensive response to the Bhopal tragedy, but an important component in the formulation of a broader U.S. policy initiative in the area of international environmental protection.

The purpose of this legislation is to ensure that the criteria governing U.S. Government risk coverage for American private investment overseas reflect adequate public health and environmental safety standards. The bill would amend the authority of the Overseas Private Investment Corporation [OPIC]—a U.S. Government agency which encourages and assists developmentally sound foreign investment in the world's poorest nations by insuring the U.S. investor against expropriation and other political losses, and in some cases by loans or loan guarantees. The legislation would prohibit OPIC support for projects which are not designed and managed in accordance with acceptable international public health and environmental safety guidelines, such as those used by the World Bank, and would require OPIC to notify host governments of any restrictions under U.S. law relating to public health and safety, or the environment that would apply to the project if it were carried out in the United States.

This legislation is designed to provide a balanced approach which is consistent with previous congressional intent regarding U.S. private investment abroad. It would neither impose U.S. public health and environmental safety laws upon foreign governments, nor would it place unreasonable requirements on U.S. industry which could result in disincentives to U.S. private overseas investment.

Multinational corporations, and American firms in particular, can play a constructive role in promoting environmentally sound economic growth in developing countries. The environmental awareness of U.S. corporations is substantial and growing, and an increasing number are demonstrating the positive contribution that private industry can make in enhancing international environmental protection and management. However, American firms will find their efforts to seek continued and expanded access to developing country markets and materials frustrated unless they pursue more environmentally sound policies.

This bill will ensure that U.S. companies seeking official risk insurance and financing for investments overseas conform to reasonable environmental safety standards in designing and managing their foreign projects. Adoption of these new criteria would be an important step forward in reducing and controlling potential environmental risks and would also reinforce our country's traditional leadership in global environmental protection and management.●

EXTEND THE FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COYNE. Mr. Speaker, in his recent news conference, President Reagan told us that unemployment benefits for 325,000 jobless Americans should be allowed to expire.

Nobody should worry, he suggested. Job training programs will take care of any problem.

Let us consider for a moment what the President did not say.

He did not say that his budget for next year would cut Job Training and Partnership funds by $1 billion.

He did not say that his budget would rescind more than half the funds appropriated for this year for the JTPA Dislocated Worker Program.

He did not say that his budget would dismantle the Trade Adjustment Assistance Act.

We know what the President said.

We also know what he did not say.

I believe the Congress should have its say in this matter by acting this week to extend the Federal Supplemental Compensation Program.●

REV. JOSEPH B. HEAD—PATRIOT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FRENZEL. Mr. Speaker, on January 27, a great patriot, Rev. Joseph B. Head, of Minneapolis, celebrated his 85th birthday. America is full of patriots, but I, personally, know of no one who has done as much to encourage all Americans, particularly youngsters, to promote and respect the freedoms we enjoy in the United States.

Reverend Head founded the Liberty Bell Education Foundation many years ago to promote patriotism. He is its principal asset and driving force. He has devoted his life to traveling around the country to teach Americans to love their country.

He is loved and respected by all whom he meets. As an example, after he spent a few weeks in North Carolina promoting patriotism some years ago, the State declared that March 7 was Joseph B. Head Day in North Carolina. That was a touching tribute to his tireless efforts.

Over 300 people were on hand to celebrate Joe's birthday. And many more would have come if they could.

I consider Joe Head a very special friend whose life-long service to his country has been above and beyond the call of duty. America is great because of citizens like Joe Head, and Joe Head is great because America has allowed him to be. I hope the happy combination of Joe Head and the United States of America enjoy many more years together.●

PUBLIC AWARENESS PLUS

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Ms. KAPTUR. Mr. Speaker, I would like to bring to the attention of my colleagues a program being sponsored in my district by the Lucas County Association for Retarded Citizens. "Public Awareness Plus" is the program being undertaken by the LCARC and will designate the week of March 25 through March 31, 1985 as "Mental Retardation Week" in Ohio's ninth district. Its intent is to promote the image of persons with mental retardation as people first, with basic human

needs for acceptance, understanding, love, companionship, and opportunities to develop and contribute to their community.

Each year, 126,000 children are born in this country with some form of mental impairment. At any time during a person's life, accidents to the brain, inflammation or contagious diseases can cause damage to the brain resulting in mental retardation. It is estimated that 3 percent of our Nation's population is mentally retarded. Many of these citizens can and do enjoy a life very similar to that of all other citizens. It is important that public attention be drawn to the causes and prevention of mental retardation and that acceptance and understanding of the mentally retarded be increased.

I was pleased to cosponsor House Joint Resolution 108 introduced by Congressman BUTLER DERRICK which would designate March as "National Mental Retardation Awareness Month." While this measure is still pending before the Congress, I commend the Lucas County Association for Retarded Citizens for taking the initiative in instituting such a public service program in our community.●

H.R. 1699, A BILL TO EXTEND THE ENERGY POLICY AND CONSERVATION ACT OF 1975, AND H.R. 1698, A BILL TO REQUIRE A TEST DRAWDOWN AND SALE OF OIL FROM THE STRATEGIC PETROLEUM RESERVE

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. SHARP. Mr. Speaker, today I am introducing legislation to extend the Energy Policy and Conservation Act of 1975 [EPCA]. For 10 years, EPCA has been the keystone of our protection against an oil supply disruption.

The strategic petroleum reserve [SPR] is authorized, constructed, filled, managed—and drawn down, if need be—under title I of EPCA. Our Nation's effective participation in the International Energy Agency [IEA], a group of oil-importing nations including the United States and our major allies, is made possible by title II of EPCA.

Few if any Members want to see these important energy emergency authorities expire.

However, these two titles of EPCA are scheduled to expire on June 30, 1985—only 3 months from now.

After much consideration, I believe the wise course is a simple extension of these authorities until June 30, 1989. This bill also modifies several legislative vetoes in EPCA, which are of the type ruled unconstitutional by the Supreme Court in its Chadha decision several years ago.

Some Members might desire a more lengthy measure. I understand that: EPCA touches on many different subjects. Some Members may wish to repeal or limit some of these diverse EPCA authorities. Others may seek to expand them.

I myself could suggest several changes that would be worthwhile. I have not included them, however, because the kinds of amendments that could be offered would turn a simple, noncontroversial bill into a complex, controversial one that could not be enacted by June 30.

I do not wish to start the process of encumbering this legislation and jeopardizing the SPR and the IEA, and I hope my colleagues will understand and consider their own potential amendments in the same light. While we may disagree on how just large our SPR should be, or on how fast we can afford to fill it, we all agree that it must remain available to help this Nation in a disruption.

Similarly, there is widespread agreement on the importance of effective coordination and cooperation with our major allies through the efforts of the International Energy Agency.

Mr. Speaker, I intend to bring this measure to the floor as soon as possible. I hope my colleagues will support it, by giving it prompt but restrained consideration.

Mr. Speaker, I am also introducing today a bill that requires a test drawdown and sale of crude oil from the strategic petroleum reserve [SPR]. This is the same measure that the House unanimously approved during the last session, on September 18, 1984.

The SPR is one of the Nation's major defenses against the oil price shocks and economic hardships that could result from an oil supply emergency. More than $16 billion have been spent over the last 9 years building the SPR storage sites and facilities, and buying the 460 million barrels of crude oil now stored there. This is enough to replace well over 100 days of all crude oil imported into the United States.

But despite SPR's crucial role and our enormous investment in it, there has not yet been a single, start-to-finish, "wet barrel" test of the entire SPR drawdown and sales process. There have been numerous tests of SPR machinery, including pumps and pipelines at the different SPR sites. There have also been simulated "paper sales" of SPR oil, in an attempt to verify the workability of the SPR oil auction process.

But these partial tests and simulations are not a substitute for a complete test of the entire SPR system. This system is more complex than is generally recognized. Its success depends not only on the proper functioning of sophisticated machinery, but also on correct bureaucratic decisions and buyer compliance with detailed financial and Government purchase paperwork requirements, all within a very short time span.

Successful use of SPR entails the following steps:

First. Initial selection by DOE of which of the five SPR sites will be drawn down, what types and grades of oil will be sold, and in what volumes.

Second. Bidding on those volumes by refiners, traders, and others.

Third. Selection by DOE of winning bidders on the basis of high bids, and compliance with still-untested standard sales contracts.

Fourth. Rapid shipment of oil out of SPR, through various pipelines, docks, barges and tankers, to the winning high bidders.

Fifth. Refining of SPR crude into usable products, and final sale.

This bill is based on the belief that we should not wait for an actual oil disruption to have a full test of this process. If there are flaws in it, they should be discovered now, not later when time may be short and the consequences costly.

The estimated cost of this test is about $4 million—less than one-tenth of 1 percent of our total investment in SPR to date.

A modest but complete test of SPR is a concept widely supported by many in the petroleum industry, by those concerned over preparedness for an oil emergency, and by groups such as the Chamber of Commerce of the United States, the Industrial Oil Consumers Group, and the National Council of Farmer Cooperatives.

As the Department of Energy noted more than a year ago, EPCA currently prohibits the drawdown and sale of SPR oil, except during an actual oil emergency as declared by the President. This law provides no exceptions, even for modest drawdowns and sales undertaken for test purposes. The bill alters these provisions of EPCA so that the test can be carried out under the nonemergency conditions now prevailing in the world oil markets.

The major provisions of the bill:

Require a test sale of 1.1 million barrels within 6 months of enactment.

Specify that the sale will be carried out under the current SPR distribution plan, which calls for auction sales to high bidders.

Allow additional future test sales of SPR crude oil, in the discretion of the Secretary of Energy.

Let the Secretary of Energy alter the current SPR plan and regulations, if needed to adjust and account for the current noncrisis circumstances. Any such alterations would apply only to

the test sale, and would not be subject to congressional review.

Bar sales by DOE to Federal agencies, so the test does not become a sweetheart deal among different Federal agencies.

Allow SPR oil to be sold at a slight discount, because bids may be slightly below the world oil price—so that the bidding buyers can offset extra costs of Government paperwork and Jones Act shipping fees that would not be incurred if they purchased oil from England or Nigeria, for example.

Require oil sold off during the test to be replaced over the following year, so that congressionally-mandated SPR fill rate requirements are not adversely affected by the test.

Mr. Speaker, while we may disagree over how much oil still needs to be added to the SPR, and how large it should ultimately be, no one disputes the need to be absolutely sure that SPR works effectively: We must be confident that, during a crisis, we can use the oil stored in it. That is how to avoid a precipitous rush to top off tanks by millions of auto drivers—which is precisely the kind of consumer reaction that can turn a minor supply disruption into a major shortage.

Accordingly, I urge all my colleagues to support this modest test of our chief defense against an oil supply disruption. I expect to bring this measure to the floor in the near future.●

REAUTHORIZATION OF TITLES I AND II OF THE ENERGY POLICY AND CONSERVATION ACT [EPCA]

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DANNEMEYER. Mr. Speaker, as the ranking minority member of the Fossil and Synthetic Fuels Subcommittee of the House Energy and Commerce Committee, I am pleased to join with the chairman of the subcommittee in cosponsoring this legislation to reauthorize titles I and II of the Energy Policy and Conservation Act [EPCA] until June 30, 1989. Without this legislation, these titles of EPCA will expire June 30, 1985.

Among other things, title I of EPCA authorizes the strategic petroleum reserve, one of this Nation's most important weapons against disruption in foreign oil supplies. The reserve now contains 460 million barrels of oil, enough to replace U.S. oil imports for more than 100 days. It represents a taxpayer investment of $16 billion. If title I of EPCA were allowed to expire, our ability to have and deploy the SPR would be jeopardized.

Title II of EPCA contains provisions authorizing this country to participate in the International Energy Agency [IEA] and specifying the terms under which U.S. oil companies may participate in programs established by the IEA. The administration supports the IEA and our participation in it as a way of promoting cooperation between the United States and its allies in the event of a disruption in world oil supplies.

There are other provisions in titles I and II of EPCA that could, and probably should, be allowed to laps e. I believe, however, that the simple extension my colleague from Indiana and I have proposed is the most responsible approach to insuring no disruption in strategic petroleum reserve activity or in our participation in the International Energy Agency.

I look forward to working together with the chairman to secure prompt passage of this legislation.●

WETA-TV WINS FREEDOMS FOUNDATION AWARD

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. WOLF. Mr. Speaker, I recently learned of a significant honor which has been received by WETA-TV, channel 26, and I would like to share this news with my colleagues since many Members of Congress are viewers of this public television station which serves the Washington metropolitan area. The Freedoms Foundation recently announced that WETA-TV has been awarded the Valley Forge Honor Certificate for Excellence in Electronic Communications for the public television series, "Congress: We the People."

WETA-TV President Ward Chamberlin and everyone on the WETA-TV staff are to be commended for this award. At this point in the RECORD I insert a formal announcement which describes the Freedoms Foundation Award for WETA.

"CONGRESS: WE THE PEOPLE" WINS FREEDOMS FOUNDATION AWARD FOR WETA, APSA, ANNENBERG/CPB PROJECT

WETA-TV, the American Political Science Association (APSA) and The Annenberg/CPB project have been selected by Freedoms Foundation at Valley Forge to receive the Valley Forge Honor Certificate for Excellence in Electronic Communications for the public television series "Congress: We the People." The 26-part series, hosted by Edwin Newman, is a co-production of WETA and APSA, funded by The Annenberg/CPB Project.

The annual Freedoms Foundation competition was established in 1949 "to honor with incentive awards, schools, organizations and individuals whose efforts strengthen an understanding of freedom and the fundamentals of a free society." The competition "seeks to recognize and draw public attention to constructive works and deeds which support America, suggest solutions to basic problems, contribute to responsible citizenship, and inspire love of country."

Winners are selected by a national jury of state Supreme Court justices and officers of national educational service and veterans organizations. The awards will be presented in the spring.

"Congress: We the People," which premiered nationally over PBS in August, 1984, takes viewers inside the halls of the U.S. Capitol for a close-up analysis of how Congress works. It examines the transaction of business within committees, on the floor, and within party caucuses, and follows members of Congress from fundraising campaigns through elections and beyond. With related texts and study guide, "Congress: We the People" is being used as a course by many colleges and universities.

The executive producer of "Congress: We the People" is Ricki Green. The senior producer is Jim Wesley and the series editor is Norman Ornstein. The Annenberg/CPB Project, operating under a grant from the Annenberg School of Communications and administered by the Corporation for Public Broadcasting, funds programs that use telecommunications and new technologies to enhance higher education.●

DEBATE OVER SOCIAL SECURITY CUTS AN EXAMPLE OF FEDERAL DECEPTION

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. DARDEN. Mr. Speaker, I rise today to bring to your attention a very interesting article written by one of our former colleagues, Elliott Levitas. As you know, Elliott represented the Fourth District of Georgia in the House for 10 years and was dean of the Georgia delegation. Although we remember him most for his leadership in the fields of aviation saftey and environmental protection, Elliott is knowledgable in many fields, including the problem of the growing Federal deficit. I believe he makes an important point in this article about Social Security at a time when we are setting our hands to the task of reducing the deficit. I would ask that Elliott's article, which appeared in the Atlanta Constitution, be entered into the RECORD.

DEBATE OVER SOCIAL SECURITY CUTS ARE EXAMPLE OF FEDERAL DECEPTION

(By Elliott Levitas)

Once again, your government is deceiving you. This time, it has to do with debate over the budget deficit and proposed cuts in Social Security cost-of-living-adjustment benefits, commonly referred to as COLA.

If any private business advertised as falsely as the government is doing about the Social Security program and budget deficits, no doubt a number of federal agencies would prosecute that firm for false and misleading advertising and for using deceptive financial statements.

This matter is made even worse because the pain that will be inflicted upon elderly Americans would not even result in any real-world reduction of the federal deficit, nor will it have anything other than a paper accounting effect of budget reduction.

The federal deficit is simply the difference between the amount of money taken in by the federal government and the amount of money spent by the federal government in any given year. But there are two types of expenditures the government makes, and the distinction between them is vital.

There are the earmarked revenues—trust funds—that can be spent for one purpose only, the purpose for which they are designated. Then there are general revenues, unrestricted funds, which can be spent for all other purposes in the federal budget, such as defense, welfare, education, food stamps and the like.

The most obvious example of an earmarked tax expenditure is, of course, the Social Security program. Taxes paid into the Social Security fund can be used only for Social Security purposes and nothing else. A reduction in spending from that earmarked fund would not result in a cutting of expenses. It would not reduce the general deficit—because none of the "savings" could be spent on the general categories of the budget such as VA benefits, tanks, federal salaries, prisons, etc.

To state it even more simply, if the Social Security program, or any other trust fund/earmarked tax program, were abolished, the real deficit would remain exactly the same.

The real deficit is the shortfall between the unrestricted, general revenues, which can be spent for the cost of general government, and the spending for all other items in the budget, except those which have an earmarked source of tax revenue.

Social Security is operating at a surplus. On paper, the existence of the Social Security program made it appear that the federal deficit last year was reduced by the tune of about $11 billion. In other words, the deficit would have been $11 billion more than it was if there had not been a Social Security program. Under these circumstances, to suggest that the reduction in Social Security COLA benefits can reduce the real deficit is nothing short of an outright lie, and in this case, an outright lie that would severely hurt senior citizens.

Reducing expenditures in the Social Security program will increase the amount of Social Security tax dollars going into the Social Security trust fund, making the surplus even larger, and yet not one single cent can be used to reduce the alarmingly enormous real deficit this country is now facing.

How can this situation exist? It exists because our country operates under something innocently called a "unified budget." The unified budget means that, for accounting purposes, all income and all expenditures of the government are lumped together, even though much of the revenue cannot be used for most the expenditures. A CPA who certified that type of financial statement without qualification would be in deep trouble quickly.

This "unified budget" idea came into existence during the Johnson administration for the same reason that some people in government today are proposing to reduce Social Security benefits. Namely, it is a means of deceiving the public about the real budget deficit. Placing the Social Security trust fund into a unified budget had the effect of making it appear—on paper—that the deficit was less than it was, or indeed, that there was a surplus.

In Johnson's days, financing the Vietnam War was a very important concern. By creating the unified budget, the result was to disguise and hide the real cost of that war. The unified budget, of course, has become appealing to presidents and budget directors from that time forward, which is the reason they fight mightly against any truth-in-budgeting legislation that would separate out the earmarked trust fund programs that cannot be used for general revenue purposes.

While the restricted use taxes cannot be used for other purposes, they still have to be spent through the regular process of legislation. When the president (or OMB) and Congress refuse to spend the trust funds they simply accumulate and reduce the paper deficit in a phony book-juggling charade, and these funds are not being used for the reasons they were collected.

Social Security is only the biggest example of this fraud of the public. The Aviation Trust Fund is another. That fund, again, is not usable for any other purpose than aviation trust fund expenditures—and has about a $5 billion surplus. Airline passengers and private pilots pay a tax for a specific reason. But it is not being spent even though the need exists for modern radar at many airports, and there are hundreds of runways that lack precision landing devices.

Why does this earmarked money sit there unused while the tax continue? Because by letting it stay on the books as surplus, it shows a lower "unified" deficit than would show otherwise. Failure to spend the money, for budget image purposes only, jeopardizes air safety.

In the case of Social Security this attractive, fraudulent accounting device is being used to "phony up" the federal books. Reducing Social Security COLA benefits will only make the fraud phonier.

As long as it was merely fraud for fraud's sake, for public-image purposes, perhaps the problem was not so severe. Now the matter is getting more serious. The fraudulent budgeteers are suggesting that, by reducing Social Security payments to senior citizens, we are somehow making an attack on excessive government expenditures, or on inadequate revenues that fund the general purposes of defense, social programs and the like. Obviously, that is not so.

It is for this reason that this fraud must not be permitted to continue. It is for this reason that the attempt to "reduce" budget deficits on paper only must not be permitted to occur, especially not on the backs of senior citizens of this country from whom these real dollars will be taken, not to reduce the real deficit, but to create a phony image that the deficit is being reduced.

If there is any need to change the Social Security program, if it is too costly, then that is a problem on its own that should be addressed on its own. But it has nothing to do with the real federal deficit. To suggest otherwise to to make the government the most fraudulent advertiser in America.●

WARREN BROOKES WARNS OF A TIGHT MONEY TRAP

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, Warren Brookes, a syndicated columnist for the Detroit News, has written an excellent essay on the "Thatcherization" of the American economy by the high interest rate policies of the Federal Reserve Board. He warns that if the Fed continues it's tight money, slow-growth policies—guided by the arbitrary, narrow prescription known as "monetarism"—the promising expansion of President Reagan's first term will soon fizzle out.

I commend this column to my colleagues and urge them to support legislative efforts, such as those authored by Representatives HAMILTON and KEMP, to reform the policies and institutional arrangements of the Federal Reserve Board.

The column follows:

The week of Feb. 17 marked the requiem for supply-side economics in the Reagan administration, and the official anointing of monetarism for the second term.

The appointment of committed monetarist Beryl Sprinkel as chief economic adviser, coupled with Fed Chairman Paul Volcker's cool announcement that he would "allow moderate 3-4 percent economic growth this year," signaled that orthodox tight-money slow-growth policies would force Congress to raise taxes greatly to deal with the deficit.

Thus supply-side expansion will terminate in a 1986 recession, and growth will stagnate through the decade—as the monetarists "Thatcherize" the U.S. economy.

It was, after all, Mr. Sprinkel who rooted Mr. Volcker on to tighter and tighter money in 1981 and 1982, then quietly lobbied for his reappointment in 1983. Mr. Sprinkel is a virtual disciple of Milton Friedman, the father of monetarism. And with all due respect to that great and kindly genius who has done so much for the cause of freedom and free markets, Mr. Friedman's monetarism seems (to this writer) fatally flawed.

The flaw is that monetarism makes money, instead of production, the power lever of the economy—and gives the bankers, rather than the entrepreneurs and producers, the power to determine our economic destiny.

It does so by correctly contending that the key to GNP growth is the level of monetary growth, but arguing that the only way to keep money from outracing real growth is to hold money growth arbitrarily to 3 percent a year—because that is all the economy can safely manage without igniting inflation.

In short, it infers that growth is inflationary and must be restrained to keep inflation low—ideas which have been shredded again and again by such nations as Japan, Korea, and the Republic of China.

This tight-money monetarism shifts the focus of investors from goods production to money manipulation and exchange, to give paper money power and value it does not, or should not, really have. This, in turn, deflates the value of commodities and slows the natural rate of money turnover, or velocity. This in a time of recession can quickly produce self-reinforcing deflation, as trades move out of goods and commodities into holding, rather than spending and investing money.

The result of all strict monetarist policies is invariably low growth, high interest rates and unemployment, and weak new business creation. The reason is clear: Monetarism

undermines money's two most important functions—as a medium of exchange to facilitate easy commerce; and as a store of value, to promote long-term investment and savings.

By limiting monetary growth arbitrarily, dollars are held in financial instruments, rather than spent or invested in commodities or growth expansion, thus slowing velocity and limiting real growth.

And by focusing on fixed quantities of money, rather than actual price levels, inflation is fought not by expanding the nation's store of value in which to invest, but by deflating the value of current assets.

The supply-siders argue that the function of central banks is to supply as much money as the real economy and its growth demand, and no more. If the economy wants to grow at 7-8 percent, that real growth should be accommodated not by printing money arbitrarily but by responding to real demand.

To ensure that this does not lead to inflationary credit expansion, beyond real demand, the supply siders argue that the central bank's only commitment must be to commodity price stability. If commodity prices start rising, credit must be limited—and if commodity prices start falling, credit must be eased.

Over the past year, the commodities markets have steadily signaled that the Fed was overchoking a growing economy—as the price of gold fell from nearly $400 to its current level of around $290, and the dollar soared out of control.

This commodity "deflation" was a clear signal that the Fed's policies were too tight—and that inflation was no danger. Yet the Fed, with wooden-headed determination, stuck to its low-money, monetarist growth targets, and nearly gave us another recession, slowing an 8-10 percent economy to 1.9 percent by the third quarter, warning of inflation, even as gold, oil, and everything else was falling.

That is monetarism's fatal flaw—by making a god of paper money and its quantity, it takes the economy's eye from producing goods and growth and makes the bankers king.●

INTRODUCTORY STATEMENT ON THE CHILD PORNOGRAPHY ACT

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. CLINGER. Mr. Speaker, as we all know, one of our responsibilities as Representatives of U.S. citizens is to make laws protecting those unable to protect themselves. Yet, today in this country, thousands of innocent children are in desperate need of prompt rescue. They are victims of child pornography, prostitution, and sexual exploitation.

This afternoon, I am proud to introduce legislation amending the Racketeer Influenced and Corrupt Organizations Act to extend its protection to such children who are victims of sexual crimes.

Our most precious resource is our next generation—youngsters whom we must care for and protect. Too many children, however, maligned by sexual abuse, carry with them mental scars which may impair their ability to live normal, happy lives. Public officials and the media have just recognized the dire seriousness and implications of child pornography. Particularly in recent months, newspapers, magazines, and television networks have devoted generous amounts of time and space to shed light on this gruesome crime.

We in Congress have taken positive steps to combat the problem. Last year, for instance, Congress passed the Child Protection Act which strengthened Federal laws protecting children against pornographers. The act's provisions included items such as raising the fines for those convicted of the crime and raising the maximum age of children protected by the law. Although this law was a step toward eliminating child pornography, it is merely a slap on the hand for the widespread networks of criminals accumulating sizable profits from the exploitation of children.

The sophistication of the underground groups which organize, produce, and distribute child pornography is vastly underestimated. The child porn and prostitution industry has crept into a number of countries and infiltrated all parts of the United States through the efforts of numerous, well-organized operators. These networks have refined extremely efficient systems for disseminating their pornography and laying out elaborate plans to lure and trap their young victims.

To crack this intricate network used to market kiddie porn, we need legislation which reaches past the boundaries of Federal and local pornography statutes of the past. Not only must we convict and prosecute pornography peddlers, but we also need to provide better protection for the pornography victims whose civil and human rights have been violated.

The Rico statute is the perfect vehicle to serve this purpose. Extending the Racketeer Act to cover the child pornography industry would allow severe penalties to be imposed on those involved in the interstate pornography market. Among other things, the act provides for differential sentencing, thus imposing a more stringent sentence on larger operators. Such a Federal measure would also alleviate the problem of prosecuting those who produce pornography in one State, yet distribute it in others.

Rico would benefit pornography victims by providing a mechanism through which they could halt the distribution of pornography by allowing the courts to issue injunctions against the national distribution of the material. Rico would further aid pornography victims by enabling them to sue for treble damages and attorneys' fees. In order to do this, however, the legislation amends the act to extend damages to the "person" for child pornography, since Rico originally extended damages only to business or property.

I urge my colleagues to support me in this effort to halt hideous sexual crimes against children before the already serious problem escalates further. This bill extending an effective and stringent act for the protection of children would be the most effective means by which we can achieve this goal.●

MAINE'S WOMEN HISTORY WEEK ESSAY COMPETITION WINNERS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Ms. SNOWE. Mr. Speaker, in honor of Women's History Week of 1985, the Maine Commission for Women held an essay competition for the students in Maine. Women's History Week is a unique time to explore and celebrate the many contributions women have made to this great Nation. The essay competition raised the awareness of girls and boys about the wealth of women's history left out of standard texts used in schools. It has taught students to recognize the richness and diversity of the lives of ordinary women, as well as honor the accomplishments of women throughout Maine and the country.

I want to take this opportunity to share with my colleagues some of the winning essays at the elementary and junior high school level.

Allison Hewett of Pownal Elementary School was the first place winner for the elementary school category. She wrote about Joan Benoit, the winner of the first women's Olympic Marathon.

The essays follow:

JOAN BENOIT: MARATHON WINNER

I would like to tell you about my favorite real woman. She won the first women's Olympic Marathon in Los Angeles, California, USA, in the summer of 1984. Her name is Joan Benoit.

Joan Benoit lives in Freeport, Maine. Freeport is not very far from where I live. She was 27 years when she won the race. She started running a few years earlier to strengthen a broken leg from a skiing accident.

I met Joan Benoit twice. First I met her at a celebration ceremony in Freeport. It was for her because she won the marathon. There were two cakes, one decorated like an American flag and the other like her gold medal. The next time I met her was at the supermarket. I talked to her. I think she is very nice! She asked me what kind of jelly beans I like best and I said "Black." She told me that was her favorite kind too!

I am not a runner like she is. But there are many things about her and about her victory that I admire. She believed in doing

something that was important to her even though it was different. She believed in herself. She did not give up even when she injured her knee and had an operation only about a week before the trials. She seemed like a happy person and it was fun to meet her.

MOTHER TERESA

(Lisa Boudreau wrote about Mother Teresa who won the Nobel Peace Prize for her work among India's poor. Lisa attends 5th grade at Ogunquit Village School and won First Honorable Mention.)

August 27, 1910, Agnes Gonxha Bojaxhius was born in Slopje, Yugoslavia. As a child, she always wanted to do something beautiful for God. Her family is Catholic and very religious. In 1922, at the age of 12, she decided to become a missionary. Missionaries travel to foreign lands to tell people about God's love.

In 1928, she joined a religious order called the Loreto Nuns. First she had to go to Ireland for a year to learn how to speak English. After a year of training, she went to India.

In 1931, she began teaching geography and history at St. Mary's High School in Calcutta. She also served as the school principal. In 1936, Agnes took her final vows as a nun. She had to promise three things: To love God, to live a simple life, and to obey God. When she became a nun, she took a new name. She chose the name Teresa, meaning "The little one". She came to be known as Mother Teresa after seventeen years of teaching.

On August 16, 1948, Mother Teresa was allowed to leave the convent to live among the poor.

In 1949, she moved to Calcutta to start a school. She brought a suitcase and a chair. That was all she had. She found a mud hut in the slums for her schoolhouse. She had no table, no chairs, no blackboard, and no chalk. Still, the children came. She taught them the alphabet, she taught them to wash and comb their hair, and she taught them all to pray. Mother Teresa told the children that God loved them. All this was done on the first day. Soon other nuns came to join her.

In 1950, her order received canonical sanction from Pope Pius XII and it became a pontifical congregation in 1965. There were now 12 nuns helping Mother Teresa with her work. Soon after, the Archbishop of Calcutta bought them a larger house where all the nuns could live.

In 1964, Pope Paul VI gave Mother Teresa his ceremonial limousine, which she immediately raffled to help finance her leper colony.

Mother Teresa was summoned to Rome in 1968 to found a home for the needy of Italy. It was staffed primarily with Indian nuns.

The International Association of Co-workers of Mother Teresa was founded in 1969.

Mother Teresa was given the Pope John XXIII Peace Prize and the John F. Kennedy International Award in 1971. A year later she received the Jawaharlal Nehru Award for International understanding.

In 1975, Mother Teresa's picture was on the cover of Time Magazine.

She won the Nobel Peace Prize, the most famous award of them all, in 1979. Mother Teresa's picture was on the front page of Calcutta's largest newspaper. It proclaimed, "Mother of Bengal is now the Mother of the World."

Mother Teresa is a very caring person. She is the most famous nun in the world.

MARGARET CHASE SMITH

(Ricky Brochu of State Street School in Brewer, Maine, was Second Honorable Mention. He wrote about Margaret Chase Smith, the famous Senator from Maine.)

Margaret Chase Smith was born in Skowhegan, Maine on December 14, 1897, the daughter of George and Carrie Chase. There were six children in the family. Two brothers died in early childhood, leaving one boy and three girls.

George Chase was a busy, cheerful man who worked in his own one-chair barbershop, right next door to his home. Haircuts were fifteen cents so the Chases' weren't rich. Carrie Cash often went to work, waiting on tables at the Coburn Hotel, working at the Five and Ten Cent Store or the local shoe factory to help make ends meet.

Margaret attended local schools and graduated from Skowhegan High School in 1916. She taught school, worked on a local newspaper and held several other jobs.

She met Clyde Smith, former selectman and now State Senator. He was twenty-two years older than she and they were married in 1930. When he died in 1940, Margaret was elected to fill his unexpired term in Congress. In 1948, she was elected to the United States Senate by a record-breaking majority and was the first and only woman in the history of our country to serve in both United States House of Representatives and the United States Senate.

In 1949, she was chosen "Woman of the Year" by the United Press and was also named one of the ten Americans who did the most for the welfare of the United States and its people.

Before one of her elections, a friend of Margaret's gave her a red rose in a glass vial. She fastened it to her dress and made it a part of her daily attire.

In the 1950's, Senator Joseph McCarthy started his attack on Communism. He accused a lot of people of being Communists. He only made these attacks from the Senate floor where congressional immunity protected him from being challenged by his victims. Many people lost jobs and some even committed suicide. Senator Smith finally decided she had to do something about this. Six other Senators agreed to help her. Margaret delivered her first major speech at the Senate and she called it her "Declaration of Conscience" speech. It has often been called her finest hour.

Margaret continued to be re-elected and worked very hard for her State and Country.

In 1964, she was placed in nomination for President at the Republican Convention, making her the first woman ever to have been nominated. In the final ballot, she received the second highest number of votes.

Her principal committee service in the House was on the Naval Affairs Committee for which she had a presidential commendation. She served on many more committees and even served as a Lieutenant Colonel in the Air Force Reserves.

In 1972, Margaret Chase Smith was defeated in her bid for the fifth term by the Democratic candidate. It was a sad day for the many people from Maine who had come to know and love her.

Six months after her defeat, she accepted a request from the Woodrow Wilson National Fellowship Foundation to be a visiting professor in residency at universities and colleges throughout the country. During her career, she received many honorary doctorates. All this and she had never attended college.

Margaret donated her home in Skowhegan for a library. It was dedicated in August of 1982.

On August 30, 1984, the Federal Building in Bangor was renamed The Margaret Chase Smith Building.

AN OBSCURE WOMAN OF THE PAST

(Elizabeth Luetje of King Middle School was the Junior High School First Place winner. She wrote about Prudence Crandall, one of Maine's first abolitionists.)

Many women in American history are well known for their accomplishments; others are practically unknown although their contributions have been significant. Prudence Crandall was one of these.

"I am finally realizing that blacks are being treated unfairly," said Prudence Crandall as she walked home on a cold, January night in 1833. Miss Crandall, a young woman, who owned and directed a schoolhouse in Canterbury, Connecticut, impressed me greatly. She was self motivated and believed she could win the losing battle she was fighting. Her tenacity in fighting to keep her school open when so many of those around her did not agree was a source of inspiration. She had courage and self-esteem. After being accused by Canterbury's leading citizen and politican, Andrew Judson, who said, "Prudence Crandall is a conspirator with abolitionists and Connecticut will become the Liberia of America," Prudence could not even defend herself. Since she was a woman she had to be represented by men at the Town Meeting.

Prudence was a quiet rebel unlike Martin Luther King who was a leader of blacks. She was a leader in her own way, without riots and speeches. She lived in a time when blacks were not free. People were not interested in her ideas. Yet she could see that people, no matter what their color, should be regarded as people and individuals. Prudence lived in a time before Abraham Lincoln and the Emancipation Proclamation.

It all started when a black girl asked Prudence if she could be a scholar at the private school Prudence ran. Prudence went home that night to read "The Liberator," a newspaper that told about the division of the black and white races, and the Bible. She spent all night thinking about the consequences of the black girl in her school. She finally realized that blacks were entitled to a good education as much as anyone. She decided to admit the black girl, Sarah, as a scholar. For that decision she paid dearly. Her neighbors broke her windows and threw rotten eggs at her house. She was threatened and people said that she had gone against the Constitution and the laws of God. She was taken to trial several times. Her school was closed, then reopened, then closed again. Once, the townspeople bolted the door so securely that Prudence and her students had no way to getting into the school. After many episodes with the court, Prudence was finally able to reopen her school. At last Sarah received the education she so badly wanted.

Miss Prudence Crandall was an unsung heroine. She contributed in a humble way to history, but her contribution was very significant. she devoted her entire life to anti-slavery ideals. She was also one of the first people in America to realize that the color of one's skin is not important. She also saw the importance of education as a key to the future.●

MAINE WOMEN'S HISTORY WEEK ESSAY COMPETITION WINNERS

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. McKERNAN. Mr. Speaker, in commemoration of Women's History Week of 1985, the Maine Commission for Women held an essay competition encouraging students to explore and celebrate the contributions women have made to our country and to the State of Maine. Through these essays, students were able to learn what is absent from most history books—the stories behind the women who, at home and in public life, made our country grow. By sharing these stories, we all benefit from a heightened awareness of women's contributions to American life. I am pleased to share with you five of the winning essays by Heather Lee, Tammy Snowdeal, Katherine Raymond, Sharon Duchesneau, and Rebecca Zorach.

The essays follow:

"AUNT LAURA"

(Heather Lee wrote about her great aunt Laura Lee, a unique and daring women of the 1800's. Heather, who attends 7th grade at Maranacook Community School, won First Honorable Mention.)

Aunt Laura is my great, great aunt on my father's side of the family. When I was trying to think of a woman to write about, she came directly to mind. I never met her, but I have heard many interesting stories about her from my father, my aunt, and my grandparents. I was attracted by her painting and drawing because I, too, greatly enjoy these same things. I also was enchanted by her somewhat exciting life. I have always loved fancy clothes and my Aunt Laura designed many different styles for herself. The clothes she designed and wore were extremely beautiful and I love looking at the many pictures we have of her wearing them.

Aunt Laura Lee was born on March 17, 1867, in Charlestown, Massachusetts. Her parents were Daniel Webster and Anna Elvira Collier Lee. Laura has two brothers, my great, great uncle. Charles Collier Lee and my great grandfather, Ralph Everett Lee. Both of the boys were younger than she. I never has a chance to meet my uncle or my grandfather.

Laura Lee was an art student at the Boston Museum of Fine Arts for four years. After that, she went to Europe and Paris where she and a girlfriend shared an apartment. In Paris, Laura attended the Julian Academy and studied under teachers such as Bougereau, Fleury, Boulanger and Jules Lefebvre. My Aunt Laura loved to take long walks by herself and also to ride a man's bicycle which she owned. People told her it wasn't good for her to get so much exercise; that these activities were not ladylike. This, of course, did not stop her, for she continued to do it anyway because she enjoyed it immensely. Laura decided that it would be much easier to ride her bicycle if she were wearing trousers, so she fashioned many special bloomers or divided skirts and wore them often. She not only wore them for bicycling, but also this clothing was part of her normal daily attire. Laura's mother, and some of her friends also adapted this clothing design for bicycling.

In the year 1882, at the age of fifteen, Laura convinced the barber to cut her curly hair in a very short bob. She kept it this way for the rest of her life. This, of course, was something that very few women dared to do. However, Aunt Laura was known for doing things differently. Also in that year of 1882, Laura Lee had many paintings on display at the Chicago World's Fair. Though shocking a great number of people, she wore her bloomer costume to the exhibit.

At age nineteen, Laura fashioned a one-piece bathing suit of her brother's into one for herself. This she wore swimming at Revere Beach in 1886. She was one of the few girls of her time who could swim and was annoyed with not being able to move about in the cumbersome swimming suits that the women were supposed to wear at that time.

A self portrait of Laura Lee is hanging in the Chelsea Public Library. It is done in remarkable pastels and is dated 1893. The portrait shows Laura somewhere around the age of twenty-five. Her hair is a light blonde, short and curly, and her eyes are a light blue. She is dressed in blue velvet, and stands with her palette and brushes in front of an easel.

Laura Lee did more than painting and pastels. She was also known for her tooled leather work, jewelry making, designing her own clothes, and batiking. As a matter of fact, one year she was awarded the "Master Craftsman" medal by the Massachusetts Society of Arts and Crafts, of which she was a member, for her fine work in batik.

Aunt Laura was never married and once said she did not want to be "stuck with a man." She was not, though, a man hater and had quite a few boyfriends during her younger years.

My Aunt Laura and her mother, Anna Collier Lee, were both ardent workers of the Women's Suffrage Movement and did as much as they possibly could for the cause. Laura was finally forced to give up her life of painting at the age of eighty when the eyestrain became too much for her. She died eight years later on September 22, 1954.

My Great Aunt Laura is one of the people I most greatly admire. My family has pictures of her and a few portraits that she has painted of my great, great grandmother. These paintings are at my house. Laura was a very beautiful woman, and her works of art are beautiful also. I am hoping to get to the Chelsea Public Library one day to see her portrait and also some of her mother's art work and poetry, which is on display there.

I am very sorry that I never had a chance to meet my great aunt, Laura Lee. But, I am glad that I have the knowledge about her. I got the information from a book written by one of my relatives and also from the many newspaper clippings that have been collected through the years. I hope, one day, to accomplish as much as my Aunt Laura Lee did or even more. I also wish to be as much like her as I possibly can by becoming an independent, unique, and self-reliant individual.

THE TOY LADY

(Tammy Snowdeal of Rockland District Junior High won Second Honorable Mention. She wrote about her grandmother Thelma Marr who is called Mrs. Claus because of all the toys she gives to poor children at Christmas.)

Many years ago, there was a young woman named Thelma Marr. At Christmas time inner family, there were very few gifts, just like a lot of other families. It always made her very sad to see so many children go without nice things.

When Gram got older, she started a toy project called toys for tots. She collects clothes and toys which people no longer want or need and repairs them for needy families. When Christmas time arrives for people who have little or no presents for their children, they call my grandmother and ask for a little help from "Mrs. Santa Claus" of Thomaston, ME. She asks for the ages, size, sex and names. She then procedes to make Christmas boxes for each family, with presents for each individual family member. She wraps each present with ribbons and name tags. She then puts the gifts in a box with the address attached. The Knights of Columbus picks up these boxes and make deliveries. The deliveries sometimes takes them to Warren, Thomaston, Rockland, Waldoboro, Union, and Rockport.

There are games, puzzles, riding toys, mittens, scarves, clothes, dolls, banks, coloring books, crayons, records and just plain toys. They are repaired and cleaned until they are good enough to be given to the little kids.

Each year Gram has to keep records of the people who call for help which takes a lot of time. Time is a very big part of this project. Packing the boxes takes quite a few months to accomplish before the deadline of Christmas eve.

When she isn't packing boxes. She is answering the telephone, or the doorbell to talk to the people who come to drop things off and see her workshop. Lots of children drop by to see the famous "Mrs. Santa Claus."

Already she has been on TV many times, received tons of awards, and even got a card from our President, Ronald Reagan, to congratulate her on her worthy hobby. Her other hobbies include oil painting, crcoheting, drawing, and making cabbage patch dolls.

I've included pictures and articles from the Courier Gazette to look at.

Toys for Tots has been going strong for 14 years. Mrs. Marr, now 63 years old, is still going stronger herself. She outworks most of her Christmas helpers whom she calls "her elves." The elves help wrap presents, and pack boxes.

It is very common to see Gram's house in quite a clutter during the Christmas months. As she has over a 1,000 families a year to bring gifts to.

Stores in the area are usually quite helpful in donating toys and wrapping paper. Also included are scotch tape, name tags and ribbon. Community clubs of all sorts help by donating small checks in which to buy these needed materials.

When Gram and her husband Mr. Harold Marr were first married 43 years ago, money was very hard to come by. As the years passed she had seven children of her own.

Right before Christmas each year she worked in the Camden Fire House painting small toys to donate to families. Doing this, she was able to afford to buy her own children a few things. She always wished that she could do more for her children, and as she got older she managed to do more for everyone.

With seven children, 32 grandchildren, and five great grandchildren coming to see her quite often. She is busy visiting with

them. And we are all quite proud to see her on T.V. and read about her in the paper.

As a women of 63, she is full of love and energy. Gram has helped so many people find joy in Christmas, and understand the real meaning of Christmas. Our family are her elves. We love to help her with her project but it is very hard work to help her and very tiring. She moves circles right around us sometimes. Even though I'm only 12, I wish I had half her energy!

As you've probably already guessed, Mrs. Thelma Marr of 128 Main St. Thomaston is my favorite idol. She is kind, loving and generous to a point which is rarely found these days.

She loves all the children on her toy list as if they were her own responsibility. Never is one child given more than the next.

The parents of these children are very thankful to her and often try to buy her a small gift out of appreciation, which is never accepted.

As you can gather from this report, Mrs. Santa Claus is a remarkable woman in many ways. As I mentioned earlier one of her hobbies is making cabbage patch dolls, she sells these to get money for her project. Once in a while a child will come in and look longingly in the dolls' direction. Then she will take one off the shelf and give it to the child with a little twinkle in her eye, and a smile on her face. Then everyone hears a "I love you, Mrs. Claus!" or a shy little "Thank You." Actually that is Gram's only main reason for still going strong. For her to hear "I love you" once in a while is her biggest reward. Those little loving twinkles in her eyes must be catching because before you leave the toy lady's house you are twinkling and smiling, too. It is also easier to remember the real meaning of Christmas.

All of the President's Men—and Woman

(Katherine Raymond wrote about Frances Perkins who served in Franklin Roosevelt's Cabinet. Katherine, who attends Cony High School, won First Place in the high school category.)

Frances Perkins served as Secretary of Labor during Franklin Roosevelt's entire presidency; she was the first woman ever appointed to a presidential cabinet post. Despite many obstacles, she initiated several programs which are still very much in effect today.

Fanny, her given name, grew up with her family in the Brick House in Newcastle, Maine. She later moved to Worcester, Massachusetts and attended Mt. Holyoke College. As a class assignment, she conducted a survey of local factory workers to see if they were satisfied with working conditions. The results of this survey horrified Fanny so much that she decided to dedicate her life to helping the labor force of America.

When Fanny was 25 years old, she converted from the Congregational faith to Episcopalian. She registered in this church under the name of Frances and supposedly subtracted two years from her age; this careless, but honest, mistake would later come back to haunt her. She was also registered to vote as a Democrat in spite of the fact that her entire family belonged to the Republican Party.

Frances married a man named Paul Wilson, but she insisted on keeping her maiden name and the title of miss. This would also cast a shadow on her past. She was not, however, as concerned with equal rights for women as she was with social justice.

Frances' reputation in the field of labor came from her service in New York State as chairwoman of the Industrial Board under Governor Alfred Smith and industrial commissioner under Governor Franklin Roosevelt. She was appointed Secretary of Labor on the basis of this experience, although she did not belong to a labor union, and she was not identified with organized labor. These deficiencies cost her some support from these groups.

Frances took her oath of office on March 5, 1933. She had many big ideas, some of which were to become a part of Roosevelt's New Deal plan. She believed that there should be laws to establish a minimum wage, maximum hours worked in one week, abolish child labor, provide for workmen's compensation, safer working conditions, and public works to provide jobs.

The minimum wage law was hard to pass; a large percentage of workers were union members, and a strike or threat of strike was usually effective enough to get wage increases. Labor unions, however, rarely offered membership to women, children, or Blacks. This law did discourage the hiring of immigrants over citizens because they would work for lower wages. Frances also believed in cost of living wage increases.

The existing law for maximum hours worked in one week was 54 hours for women and minors; while Frances was in office, it was reduced to 48 hours. She wanted an amendment to the Constitution to limit, regulate, or prohibit child labor, but only succeeded in regulating jobs in mining and manufacturing. She believed that the children should be in school instead of taking jobs away from adults.

Workmen's compensation is insurance against injuries sustained on the job. There are too many technicalities involved in this for it to be amended, it could only be improved. Frances pushed for safer working conditions and succeeded in hiring many more factory inspectors to enforce safety codes.

Frances wanted to improve the public works department; if private industry could not provide decent jobs at reasonable wages, then the federal government should. Logically, this would keep unemployment down, and the government would have to pay less Social Security. The Social Security Act was perhaps her most important accomplishment while she was in office. This act provided people with a check from the government if they were unemployed because of old age, illness, or scarcity of jobs. This same act still aids millions of people today.

Frances combined the very corrupt immigration and naturalization services into the Bureau of Immigration and appointed Daniel W. MacCormack as commissioner. Also while she was in office, the Civilian Conservation Corps passed; it forbade job discrimination because of race, color, or creed. She also re-established the Bureau of Women in Industry, which had been abandoned years ago.

Despite Frances' accomplishments, she lived under a cloud of doubt because of her past. Because there was no record of a Frances Perkins born in 1882, some people insisted that she was a Communist spy. There was a record of a Fanny Perkins born in 1880; she simply made a mistake when writing her birthdate on a form. The only record of her husband's marriage was to another woman. All of these doubts about her accompanied the fact that she was the first woman in a presidential cabinet.

Frances remained very professional and performed her job well. Forty years ago, in July of 1945, she left her office after the death of President Roosevelt. Many of her programs are still in existence today. In 1965, after several strokes, the woman from Newcastle, Maine died. She will always be remembered as having greatly improved the way Americans worked for a living.

Margaret Chase Smith

(Sharon Duchesneau of Bangor High School won First Honorable Mention. She also wrote about Margaret Chase Smith.)

Who is the woman whose rich and diverse life is the epitome of the Maine ideal? Who is the woman whose contributions to society are so many and so important that they have earned her a place in American history? Who is this woman whom we honor with great pride in celebration of National Women's History Week?

She is Margaret Chase Smith, the outstanding former Senator and Congresswoman from Maine.

As Lee Agger points out in "Women of Maine" (Guy Gannet Publishing Co., 1982), Smith's political career is "an almost perfect symbol of the Maine ethic." For inside this Skowhegan-born lady is the feisty and independent spirit, the Yankee frugality, and the courageous manner so representative of many Mainers.

In 1940, Smith was elected to the office in the United States Congress that had once been held by her husband, Clyde H. Smith (1876-1940). She represented Maine for eight years and established, during that time, an independent reputation. She voted in favor of the then unpopular European Recovery Program and the draft, the latter which she terms one of her most difficult votes because it affected so many families. In further testimony to her independence, she voted against a bill to freeze the social security tax and opposed a Republican sponsored cut in Harry Truman's budget.

In 1948, with 71.3% of the total vote, Smith won a seat in the Senate. To do this, she had to overcome the "woman question" and opposition from many. Prior to her election, only six other women had served in the Senate—five of them were appointed and another had won an "interim" election. Thus, with her victory, Smith became the first woman of any party elected to the Senate and the first woman to serve in both the House and the Senate.

It did not take her long to make an impression on the Senate and on the country. In 1950, she became one of the first Republicans to criticize Wisconsin Senator Joseph McCarthy's accusations that over fifty of the employees in the Department of State were Communists. Because of this was the "Cold War" era and because Russian espionage in the United States was full swing, McCarthy's accusations were not taken lightly by politicians and citizens. Instead, they induced the "Red Fever" hysteria which spread across the nation. For Smith to speak out against McCarthy, a former judge whose word was taken seriously, is tribute to her courage and her independent spirit. Response to her "declaration of conscience" was overwhelming. The public response was 8-1 in her favor and she gained editorial support from a majority of the newspapers in America. Groups from both the far-right and the far-left presented her with numerous awards and citations. In praise of Smith, a Democrat senator from Missouri, Stuart Symington, said, "Senator Smith represents just about all that is best in American public life, even if she is a Republican." These words, perhaps, sum up

Smith's character and are a testimony to the fact that she was loved and respected by members of all political parties.

In addition to helping bring the Senate and the nation to their senses and to ending the "Red Fever" hysteria, Smith established her reputation as a hard-working politician by serving on countless committees in the Senate. She served on both the Armed Services Committee and the Appropriations Committee, two of the most powerful groups in Washington. As chairperson of the Armed Services subcommittee, she conducted a thorough investigation of charges of ammunition shortages in Korea and won praise for her work. She worked to upgrade the status and pay of women in the military and cosponsored the Equal Rights Amendment during her entire tenure in the Senate. Her roll call record of 2941-0 is legendary.

In 1964, Senator Smith's name was placed in nomination for President of the United States at the Republican National Convention in San Francisco. She was the first woman to be so honored by a major political party.

In 1972, she lost her bid for a fifth term in the Senate. Since then, however, she has remained an active citizen and is still outspoken on issues. She has served on boards of businesses and academic institutions and has lectured at colleges and universities, including Notre Dame and the University of Oklahoma. On Norridgewock Avenue in Skowhegan, the Northwood Institute Margaret Chase Smith Library Center houses a wealth of information on its most famous citizen. The library is host to may seminars and exhibits and is open to research by appointment.

Margaret Chase Smith is a woman whose life is symbolic of the Maine ethic. For 32 years she represented Maine in Washington, displaying during that time her courage, independence, and ability to serve both Maine and America. As Agger writes, "Her career transcended gender limitations and she taught all that honor and courage need not be related to gender." Indeed, Margaret Chase Smith has done this and more, for she is a role model to us today, a woman whom we strive to imulate in our lives. It is with pride that we honor this woman and her achievements during National Women's History Week.

HARRIET TUBMAN

(Rebecca Zorach wrote about Harriet Tubman who fought against slavery all her life. Rebecca won Second Honorable Mention and attends Waynflete in Brunswick, Maine.)

One of the many memories I have of my early childhood in upstate New York is of visiting Harriett Tubman's home in Auburn. I remember very little about the house itself—only that it seemed small from the outside, but was light and airy inside. It was my first encounter with the idea of slavery, and in that respect it affected me deeply. One of my favorite games for a long time afterward was pretending to be a slave escaping through the fields and forests around our house. I never knew and can never know the actual perils Harriet Tubman faced in her daily life, and the strength she brought to her life. But I can still admire her deeply.

Harriet Tubman was born around 1820 in Maryland, the child of two plantation slaves. Her master was neither any kinder nor much more cruel than most masters. When Harriet was very young, two of her sisters were "sold down the river"—sent deeper into the South to an even more bleak situation. The memory haunted her forever, and the threat of a similar fate remained with her as long as she remained a slave. A second event which greatly affected her was when, at fourteen, she was hit on the head with a lead weight which had missed its intended target, another slave. She lay near death and delirious for two months. As she began to recover, she prayed to God to change her master's heart, so he would help her. But then she heard that as soon as she recovered she would be sold South with her brothers, and she changed her passive prayer. "Lord," her new prayer ran, "if you ain't never going to change that man's heart, kill him."

She was not sold South when she recovered; she remained for fifteen years, doing "a man's work" and developing strength and stamina. But her determination did not change; in 1849 the continual threat of being sold down the river forced her to take control of her life. She was a strong woman and could not tolerate the feeling of not being in control that was so present in every slave's life. She escaped to Pennsylvania, leaving behind her family and everything she knew. A dream of freedom pushed her forward to reach her goal. After she achieved it, she returned to the South nineteen times as a conductor in the network called the Underground Railroad. She freed more than 300 people, including the family she had left behind.

No other person, male or female, black or white, freed so many others—and at such personal risk. Conducting for the Underground Railroad was a deadly business, especially for the woman called "General Tubman" and "the Moses of her people"—a woman with a $40,000 reward on her head. She was truly a Moses to her people, giving hope of escape to all slaves, and at incredible personal risk. No place was safe for Harriet Tubman; whether in the South, with blood hounds on her trail, or in the North, where the fugitive slave law allowed Southerners to force Yankees to help try to capture her.

Harriet Tubman was not the passive, complacent slave who flourished in fiction and prejudice among Northerners as well as Southerners; she forced recognition and respect, however grudging from both sides of the Mason-Dixon line. She and the Underground Railroad forced Northerners to recognize the problem of slavery and the conflict inherent in the system of slave states coexisting with free states in one nation. She felt that war was necessary to resolve the conflict. When the Civil War broke out, however, she refused to support the Union side at first because the war was being fought over reuniting the North and South—not over freeing the slaves. Eventually, however, she served the Union Army as a spy and guide, and as a liaison between white officers and black soldiers. She refused pay because black soldiers received only half wages; and later, the government refused to give her a pension for her efforts. Late in her life the government grudgingly granted her a pension as the widow of her husband, another veteran.

As a nineteenth-century black woman, Harriet Tubman had two strikes against her to begin with. Even abolitionists were often prejudiced against blacks and women, in their own ranks or otherwise. But "General" Tubman commanded their respect. It is in some ways a failure of society that the greatest compliment paid to her was to refer to her as a man or to say that her accomplishments were so great as to have earned the highest admiration even had she been a white man. But those who praised her thus had no higher praise at their disposal, and such praise is a mark of, indeed, their highest admiration for her wisdom, strength of purpose, and courage. Perhaps it is because of this that she even appears in history books at all, her life generally condensed to one sentence. Other women of similar spirit are not granted even this.

Harriet Tubman's achievements were incredible. I hope someday to return to her house in Auburn, New York; it is a link to the past that makes her more real and immediate, and her achievements more impressive.●

PERMANENT DUTY SUSPENSION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FRENZEL. Mr. Speaker, today I have introduced a bill, H.R. 1696, which will permanently eliminate the duty on certain coarse wools, all of which are currently not produced in the United States. These wools are currently duty free under temporary duty suspensions initiated since 1977.

Since the suspension has not been controversial, and since the American Textile Manufacturers Institute has agreed that the temporary suspension should be made permanent, I have introduced a bill to accomplish that goal, affecting wools of 46's grade or lower.●

HOMELESS WAIF OF WEAPONS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, as we debate the strategic rationale of the MX missile this week, I thought my colleagues might be interested in the op-ed article below from the Washington Times, March 25, 1985, entitled "The Homeless Waif of Weapons."

The piece places MX in an arms control context. It also proposes a way to base the missile and give the Strategic Defense Initiative better focus over the short and medium term.

HOMELESS WAIF OF WEAPONS

(By Jim Courter)

President Reagan faces his first big national security test of his second administration when the House votes this week on whether to release the funds to buy the first 21 MX missiles. The conventional view had been that the Senate would be the major hurdle to the MX this year. This perception was always incorrect—since 1981 the real battle has been in the House of Representatives. Nevertheless, I believe the President will narrowly succeed and the funds for the MX will be released.

The vote comes as the arms control negotiations have resumed, the Soviets have a new leader, and the nuclear strategic balance is in a state of flux. This new situation presents opportunities as well as challenges. There is a new element, an unknown "X factor," in the arms control talks between the United States and the Soviet Union. The new element is the evolving superpower positions on the relationship between offensive and defensive weapons.

This new "X factor" is the area where the distance between the United States and the Soviet Union is greatest; at the same time, it presents opportunities as the new, fluid factor in arms control.

The initial disagreement between Secretaries George Shultz and Caspar Weinberger on the linkage between the three sets of negotiations is prelude to the tough decisions that the administration has yet to make in not only the new talks, but what will best serve our national security interests and enhance strategic stability between the United States and the Soviet Union. It is discouraging that the arms control talks are the prod that stimulate the debate within the administration; it would be far better if these decisions were made outside of arms control pressures.

The long, festering history of the MX missile and its current predicament best illustrates the administration's lack of leadership in this area and its inability to give some focus to the Strategic Defense Initiative by deciding the program's short- and intermediate-term goals.

Some have labeled the MX the "homeless waif" of weapons, due to the numerous impractical, if creative, ideas about how to base it. At last count, more than 30 different proposals as to how to base the MX have been considered. The Reagan administration's current plans call for basing it in existing Minuteman silos. This represents abandonment of its previous goal to base the MX in a survivable way, so it would not be vulnerable to a Soviet surprise attack.

The MX, or missile experimental, was designed to reduce the risk of nuclear war by improving the American deterrent force. This improvement is needed to modernize our aging missiles, increasing accuracy and effectiveness against hardened targets to convince the Soviets that they could never hope to win a nuclear war. These targets include 600 new Soviet ICBMs—each having a payload equal to or greater than the MX—which have been added in the last decade.

But also critical to the MX-concept is the basing-mode issue, and this has eroded much political support for the systems. Without a survivable basing mode, the MX, with 10 warheads, would be a sitting duck. The reason the MX needs to be based in a survivable way centers on crisis stability: given a growing crisis between the superpowers, if our land-based nuclear deterrent could not withstand a first strike, it could lead to a launch-on-warning or launch-under-attack policy, increasing the risk of nuclear war through miscalculation or accident.

There is a straightforward, logical solution to the vulnerability problem. Unlike most of the more than 30 different ideas on how to base the MX, it is relatively cheap, practical, and employs much technology already available.

It is called point defense, and involves conventional anti-ballistic missile radars and missiles that would protect the MX in its fixed silos. The administration should make the decision that this is the way to go, and further develop these limited defense technologies, giving the SDI greater focus and more efficient use of resources.

Many have opposed or have been reluctant to recognize the value of a limited ballistic missile defense system to protect our missiles because the ABM Treaty, signed in 1972, has been considered sacrosanct. But the treaty allows for one missile field to be protected (an option that the Soviets have exercised around Moscow). And the treaty could be modified to allow for a wider use of ballistic missile defense. The ABM Treaty, while valuable when signed, addressed a certain "snapshot" in the strategic nuclear relationship between the United States and the Soviet Union. But rather than inducing the Soviets to stop building offensive missiles, they have continued to improve and deploy effective silo-killing ICBMs.

The strategic environment has changed since 1972, and it is now clear that the most stable nuclear environment is one in which there is the right mix of offensive and defensive forces. The arms control negotiations implicitly recognize this reality.

We should deploy MX, protecting it with a point defense. This would secure the U.S. land-based ICBM force, enhancing nuclear stability with the Soviet Union. The program could be linked to arms control, with the extent of this deployment related to how successful our negotiators are in encouraging the Soviets to reduce their SS-18 and SS-19 ICBM force. Missile defense systems would improve the chances for controlling offensive arms by providing insurance against cheating on missile limits—a potentially dangerous and destabilizing development in an environment of deep cuts.

Missile defense may go against current dogma, but it would make a sensible conceptual whole out of two important, but disconnected programs: MX and SDI. It deserves open consideration by Congress this year.●

THE CUBAN REVOLUTION—25 YEARS LATER

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FASCELL. Mr. Speaker, I wish to call to the attention of our colleagues an important historical and policy study entitled "The Cuban Revolution—25 Years Later," that has recently been published under the auspices of Georgetown University's Center for Strategic and International Studies and its significant issues series.

During the 25 years since Castro came to power in Cuba, the influence of his Marxist regime has had profound effects upon political developments within the Western Hemisphere and throughout the Third World. In addition Cuba has figured prominently in the Soviet Union's world strategy and in 1962, the question of Soviet offensive military capability on the island precipitated the most critical East-West confrontation in the postwar era. Despite the importance of Castro's Cuba for American foreign policy, the American public is largely unaware of the realities of life today in Cuba itself as well as the extent of Cuban influence in the Third World.

This volume attempts to heighten U.S. public awareness about the Castro regime in Cuba and to spark scholarly debate on this important foreign policy issue. I commend the Center for Strategic and International Studies for its role in making this important publication available to policymakers and to all persons interested in developments in the Western Hemisphere and the Caribbean.●

IN CELEBRATION OF GREEK INDEPENDENCE DAY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FLORIO. Mr. Speaker, I am proud to join my Greek-American constituents today in commemorating the 164th anniversary of Greek Independence Day. I invite my colleagues to join in remembering the sacrifices made by the Greek people in their struggle to reignite the flame of freedom and democracy during the Greek War of Independence.

On March 25, 1821, a handful of very brave Greeks rose in rebellion against the mighty Ottoman Empire and declared their independence. This began a 7-year struggle to regain the freedoms and values that have been associated with the Greek people since ancient times.

After 400 years of brutal slavery under the Turkish yoke, the Greek people exhibited their strong spirit of independence and their sense of liberty in rebelling against the Ottoman Empire and in struggling to regain the independence that had been quenched with the fall of the Byzantine Empire in 1453. One hundred and sixty-four years later, I join with Greeks around the world in paying tribute to the Greek people for their dedication and perseverance in this and subsequent struggles. It is their commitment to the concepts of freedom and democracy that has enabled the accomplishment of so many advances in the areas of art, architecture, literature, government, and the sciences. The Greek contribution to civilization is evidence of this deep commitment to progress and advancement.

As we recall 1821, I urge my colleagues to also reflect on the plight of the thousands of Greek Cypriots who are to this day struggling for peace, union, and stability on Cyprus. It has been 11 years since Turkish armies, in a repetition of the Ottoman invasion of 1453, invaded and subjugated the Cypriot people. Since then, attempts to heal the division of the island and ensure stability have failed miserably.

The U.S. Government must constructively support a solution to the Cyprus dispute by conveying to the Turkish Government our opposition to the maintenance of Turkish troops on Cyprus and to the intransigence that they and the Turkish Cypriots have shown toward any efforts to achieve peace. This can best be achieved by again cutting and conditioning U.S. military assistance to Turkey. Congress is currently reviewing the fiscal year 1986 foreign aid request and I hope that this message will be sent to the Turkish Government this year. Additionally, our Government must support cooperative, intercommunal efforts on Cyprus. For this reason, on February 7, 1985, I introduced House Concurrent Resolution 56, calling for the establishment of a Cyprus Cooperative Development Fund that would provide financing for projects that would benefit both communities such as transportation projects, schools, and other infrastructure projects. Funds would only be made available after an agreement by the Greek Cypriots and Turkish Cypriots that the proposed project would be beneficial to both communities. A similar fund was approved by the House last year but was not addressed in the Senate. I am hopeful that this fund would stimulate the political will necessary for pursuing a settlement.

I hope that the fierce tenacity and vibrant love of independence that was so evident in 1821 will also be beneficial to the Greek Cypriots as they struggle, by diplomatic means, to remove the grip of the conquering Turks. Despite the numerous indignities suffered by the Greek people during 400 years of slavery, despite the repression and persecution that plagued their everyday lives, the Greek people never gave up the hope that, one day, their courage and perserverance would be rewarded with freedom. I join with the Greek people in celebrating this joyous anniversary and commend this memorable reminder of one nation's struggle for freedom to the attention of my colleagues.●

TRIBUTE TO JUDGE PHILIP J. CHETTA

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. MANTON. Mr. Speaker, on Tuesday evening, March 26, 1985, the Queens Borough Lodge No. 878 of the Benevolent and Protective Order of Elks will celebrate "Judiciary Night." The lodge will express appreciation to the judiciary of Queens County as the "Best Bench in New York City."

The 1985 Judiciary Night Dinner pays special tribute to the Honorable Philip J. Chetta, who has served the courts of Queens County with distinction through the years.

Philip J. Chetta was born and raised in New York City, receiving his full education in the Borough of Queens, from St. Leo's Parochial School in Corona through his law degree from St. John's School of Law. Judge Chetta did outstanding work as a Queens County assistant district attorney from 1956 through 1966. He was appointed to the criminal court of the city of New York on May 14, 1969.

Judge Chetta was elected to the supreme court of the State of New York, the 11th Judicial District, in November 1974. He has served with distinction on the supreme court since January 1, 1975.

Judge Chetta is active in many community, civic fraternal and political organizations. He has been a member of the Queens Borough Lodge of Elks for more than 30 years. He was a founder and 5-year charter president of the Corona Community Volunteer Ambulance Corps. He is past president of the Corona Lions Club, the Columbian Lawyers Association, the Corona Lawyers Club and the Assistant District Attorneys Association of Queens County. He is active in Queens County Bar Association and the St. Leo's Holy Name Society.

Judge Chetta served for 3 years with the 17th Airborne Division in World War II. He is a member of the Veterans of Foreign Wars and holds the Military Order of the Purple Heart.

Mr. Speaker, it is with great pleasure that I join with the Queens Borough Lodge No. 878 of the Benevolent and Fraternal Order of Elks in paying tribute to the Honorable Philip J. Chetta. I know my colleagues join me in congratulating him on an excellent career on the bench and in wishing him continued success in the future.●

DROUGHT AND FAMINE IN ETHIOPIA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. COURTER. Mr. Speaker, the editorial page of the New York Post has emerged as one of the most thoughtful journalistic voices in the country. In particular, their views and advice on America's continuing struggle with global tyranny are outstanding.

I commend to my colleagues the following editorial from the Post on the drought and famine in Ethiopia, which examines that tragedy from important perspectives not given a great deal of attention in other papers.

The editorial follows:

ETHIOPIAN AID MUST GO TO THE ACTUAL VICTIMS

Three days of rain have aroused hopes that the Ethiopian drought is finally over and the great famine will soon begin to abate. Alas, these hopes are probably misplaced because the famine is not the result of the drought alone. It is not simply the result of any natural calamity. It is in great measure a man-made famine.

That is not to support the Ethiopian junta's cynical charge that America or the West in general is to blame for Ethiopia's suffering because of a failure to send sufficient or timely famine relief.

AMERICA'S ROLE

America is the largest provider of famine aid. In addition to the contribution of unofficial famine relief agencies, U.S. food aid to Ethiopia since October alone has been a generous $127 million—with a further $50 million going to Ethiopian refugees in the Sudan.

But the Mengistu junta's anxiety to fix the blame on America is understandable. For it is the junta's policies which are at the root of the Ethiopian people's distress.

First, the junta insisted on dogmatic Marxist agricultural policies. Mengistu kept agricultural prices artificially low, forbade the peasants to stockpile food against future harvest failures, and channelled 90 percent of investment into inefficient collective farms that produce only 6 percent of the nation's grain.

Such policies have produced the usual results. Although the junta received over $1 billion in Western aid, there was a 15 percent decline in per capita food production and a fall of 10 percent in land under cultivation between 1974 and 1982.

Indeed, it was in 1982 that a United Nations project warned the junta that these policies would soon produce famine. It therefore recommended immediate food rationing and a shift of investment from state farms to small-scale peasant producers. Mengistu rejected this warning and the UN agreed to suppress the report.

LAVISH FETE

When famine came, the junta at first ignored it—perhaps because it coincided embarrassingly with the 10th anniversary of the revolution against Haile Selassie. In a seven-hour address to his party congress, Mengistu made no mention whatever of the famine. The anniversary was celebrated with great pomp and at enormous expense, calculated at something between $150 million and $200 million.

According to the Washington think tank, the Center for International Security:

"A color television transmission facility was readied in great haste for the occasion, with the live transmission equipment (trucks and the rest) flown in from Europe at the last minute, at a cost of over $12 million, which, considering there were no color TV sets in the country, was ludicrous. The junta solved this slight inconvenience by using a $2.5 million Japanese development grant to buy color TV sets from Europe. For decoration medals alone, given out during the ceremonies, the government paid a Swiss manufacturer over $2 million."

ROADBLOCKS

While these high-jinks were taking place in Addis Abbaba, Catholic relief agencies estimate, an average of 250 people each day were starving to death in the Ethiopia's distressed northern provinces.

Even when the junta was forced by international pressure and Western governments to treat famine relief as a high priority, they either delayed or tried to profit from it. Soviet ships carrying cement were given priority in Ethiopian ports over ships carrying Western food aid. The junta placed on import tax of $12.50 a ton on such supplies, plus handling and trucking charges of $165 a ton. Some food aid simply disappeared. It turned up as pay for soldiers or the "People's Militia"—that is, to finance Mengistu's various civil wars.

It so happens that an estimated 80 percent of Ethiopia's starving people are living in areas controlled by the Eritrean or Tigrean rebels. In order to defeat the rebels, the junta has refused to allow relief agencies to provide food aid to these areas. It has also turned down a rebel offer of a cease-fire that would allow foreign relief operations to take place in safety.

In other words, what these poor people suffer from is not famine produced by the impersonal cruelty of nature but a policy of deliberate starvation imposed by the Ethiopian government for political purposes.

PRACTICAL WAY

This faces Western countries with a painful moral dilemma. Are they to supply famine relief to a government which uses it not to relieve famine but as a political weapon? Or are they to refuse assistance on the grounds that such aid props up a tyrannical regime—even though one consequence of withholding aid would be to increase human suffering?

No simple answer presents itself. But the most practical solution is to offer the aid but to insist at the same time that the U.S. government or recognized aid agencies must oversee its administration and distribution.

Such a policy would provoke the usual cries of "imperialism" and "neo-colonialism"—but not from the starving people of Eritrea and Tigre.●

FOREIGN SALES CORPORATIONS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1985

● Mr. FRENZEL. Mr. Speaker, today I have introduced H.R. 1697, which attempts to correct a disparity in the law relating to foreign sales corporation. Currently, individual shareholders are not entitled to a dividends received deduction for FSC distributions and therefore cannot obtain the same export tax incentive available to corporations. Under the DISC the export tax incentive replaced by the FSC, individual exporters had the same benefits as did corporations.

Because I believe it is important that FSC law cover individual shareholders, I have introduced a bill which will take care of the disparity.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 26, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 27

9:00 a.m.

*Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the soybean industry.
SR-328A

Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Martha R. Seger, of Michigan, to be a Member of the Board of Governors of the Federal Reserve System.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration, and to hold oversight hearings to review activities of the Office of Commercial Space Transportation, Department of Transportation.
SR-253

Labor and Human Resources
To hold joint hearings with the Committee on Veterans' Affairs on the nomination of Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.
SR-418

Veterans' Affairs
To hold joint hearings with the Committee on Labor and Human Resources on the nomination of Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.
SR-418

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

9:30 a.m.

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, refugee programs, and the Office of Child Support Enforcement.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Board for International Broadcasting, Arms Control and Disarmament Agency, and the Federal Communications Commission.
S-146, Capitol

Armed Services
Defense Acquisition Policy Subcommittee
Business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-222

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

Finance
Business meeting, to consider pending calendar business.
SD-215

Veterans' Affairs
To hold oversight hearings to review the Veterans' Administration construction process.
SR-418

10:00 a.m.

Agriculture, Nutrition, and Forestry
To hold hearings on the nomination of John R. Norton III, of Arizona, to be Deputy Secretary of Agriculture.
SR-328A

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for foreign assistance programs.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Revenue Sharing and the New York City Loan Program (Department of the Treasury), Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

Foreign Relations
Business meeting, to continue markup of S. 660, authorizing funds for fiscal years 1986 and 1987 for development

and security assistance programs of the Department of State.
SD-419

Judiciary
To hold hearings on the proposed sale by the Department of Transportation of Conrail.
SD-226

2:00 p.m.
Armed Services
Closed business meeting, to consider S. 674, authorizing funds for fiscal year 1986 for the Department of Defense, and routine military nominations.
SR-222

MARCH 28

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the wheat industry.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Pipeline Safety Act.
SD-G50

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

Rules and Administration
To hold an organizational meeting, to consider committee rules of procedure for the 99th Congress, membership for the Joint Committees on Printing and the Library, committee budget for 1985, and other pending legislative and administrative business.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on guard and reserve affairs.
SD-342

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

Armed Services
Manpower and Personnel Subcommittee
Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdication of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-232A

Foreign Relations
To hold hearings on S. 659, authorizing funds for fiscal years 1986 and 1987 for the Department of State.
SD-419

Judiciary
Business meeting, to consider pending committee business.
SD-226

12:00 a.m.
Armed Services
Preparedness Subcommittee
Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-222

1:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To resume hearings in closed session on certain activities of the Drug Enforcement Administration, Department of Justice.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Executive Office of the President, and the Internal Revenue Service, Department of the Treasury.
SD-116

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
Closed business meeting, to mark up those provisions which fall within the subcommittee's jurisdiction of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-232A

3:30 p.m.
Select on Ethics
Closed business meeting.
SH-220

MARCH 29

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the cotton industry.
SR-328A

Finance
To hold hearings to review the findings of the President's Commission on Industrial Competitiveness.
SD-215

10:00 a.m.
Armed Services
Military Construction Subcommittee
Closed business meeting, to mark up S. 537, authorizing funds for fiscal year 1986 for military construction programs of the Department of Defense.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To resume hearings on S. 679, authorizing funds for fiscal year 1986 for the Maritime Administration, Department of Transportation, and the Federal Maritime Commission, and S. 102, authorizing funds for fiscal year 1986 for the maritime construction differential subsidy.
SR-253

Foreign Relations
To continue hearings on S. 659, authorizing funds for fiscal years 1986 and 1987 for the Department of State.
SD-419

APRIL 1

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the rice industry.
SR-328A

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

2:30 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

APRIL 2

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on

commodity assistance for the sugar, wool and honey industry.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the activities of the Office of Government Ethics.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food for Peace Program (Public Law 480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on strategic defense initiative.
SD-138

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
SD-126, Capitol

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
SD-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Labor and Human Resources
To hold hearings on S. 484, to extend for 3 years the moratorium on the ban of the artificial sweetener saccharin.
SD-430

APRIL 3

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the peanut industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SD-G50

Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. International Trade Commission, U.S. Customs Service, and the Office of the U.S. Trade Representative.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy shipbuilding and conversion.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Environment and Public Works
To hold hearings on the availability of environmental impairment insurance and its relation to the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (P.L. 96-510), and the Resource Conservation Recovery Act (P.L. 98-616).
SD-406

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury.
SD-124

APRIL 4

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the food for peace program and export industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Con-

rail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 15

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for conservation programs.
SR-328A

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for research and extension programs.
SR-328A

APRIL 16

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SR-428A

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, bilingual education, and adult and vocational education programs.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Finance
To hold hearings to review an administration report on prospective payment for skilled nursing facilities under the Medicare program.
SD-215

Labor and Human Resources
To hold oversight hearings on activities of the International Labor Organization.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for AMTRAK.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

*Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

*Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138
Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for naval petroleum reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

MARCH 26

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implementation of the Stevenson/Wydler Technology Innovation Act (Public Law 96-480).
SR-253

MARCH 28

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192
2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 1

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192
2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 2

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192
2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192
2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

SENATE—*Tuesday, March 26, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious God of truth and righteousness, we pray for those who chair committees and the members. Guide them as they hold their hearings, consider the information, and make the decisions which determine their recommendations to the Senate. Be with the committee staffs as they do the hard work of study and research which provide committees with the resources needed. We thank You for behind-the-scenes labor which deals with momentous issues bearing upon the people, the Nation, and the world. Grant Dear God, that truth and justice may be the ultimate criteria by which judgments are made, and the will of the Senate resolved. In the name of Him Who is Truth. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders each have 10 minutes, followed by special orders not to exceed 15 minutes each by the following Senators: Senators WEICKER, PROXMIRE, DIXON, and BUMPERS.

Then there will be routine morning business not to extend beyond the hour of 3 p.m., with statements limited therein to 5 minutes each.

Following the conclusion of routine morning business, the Senate will turn to any legislative or executive calendar business which may be cleared for action, possibly S. 413, the war risk insurance, if it can be done by unanimous consent without amendment, and I must say at this point I doubt that is possible because there are a number of Senators who have indicated to me that if a bill is brought up there will be various and sundry amendments offered, including unemployment benefits, the farm credit relief, an amendment to overturn the cargo preference decision, resolution to express the sense of Congress that educational benefits not be reduced, and that is only four that I can think of offhand.

I would assume that once the word was out that amendments were being offered, there probably will be at least that many additional amendments.

So I say to my colleagues I have not yet determined whether or not to call up S. 413.

Mr. President, I have been visiting with the distinguished Senator from Massachusetts and the Senator from Connecticut with reference to a resolution on South Africa. If that can be cleared and if there is no objection, we may be able to take care of that this afternoon, if we can work that out.

Mr. KENNEDY. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. KENNEDY. Mr. President, I appreciate the cooperation of the majority and minority leaders. I think this resolution is self-evident, and we know that it takes appropriate consideration by the leaders to work these matters out in terms of calendar. But it is the plan of the two sponsors, Senator WEICKER and myself, at least to have this matter submitted and then to object to its consideration. That way it will at least remain on the desk so we have the opportunity to speak to the resolution during the course of the morning hour. Then we would hope to have an opportunity to talk with the majority leader through the course of the afternoon and depending on the schedule of the Senate hopefully——

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. DOLE. It would be possible to discuss it without formally submitting it in hopes we might be able to agree on some language so we can take it up immediately.

Mr. KENNEDY. Sure. We will be mindful of that, certainly. Of course, by having it at the desk we certainly would be in our rights to amend or modify or change the language if need be.

I do think that it is important that we have the matter at least on the calendar. We could proceed with that.

We want to cooperate with the majority leader.

I suggest that during the course of the morning hour we be able to speak to the resolution. We would withhold its introduction to later in the afternoon.

Mr. DOLE. That would be better.

Mr. KENNEDY. And we would hope we can work out its final expedition. If not I would say it would be our intention at least to have it introduced and placed at the desk.

That would be a satisfactory way of proceeding, if it is agreeable with the Senator from Connecticut.

Mr. WEICKER. Yes.

Mr. DOLE. It might be more helpful, I think, if we did it that way. Then, there would not be on record one language that we would have to change, and someone might misinterpret that.

Mr. KENNEDY. Fine.

I thank the leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is now recognized.

Mr. BYRD. I thank the Chair.

Mr. President, I yield as much of the time under my control as the distinguished Senator from Montana [Mr. MELCHER] wishes.

Mr. MELCHER. I thank the distinguished leader.

MEDICAID AND HEART TRANSPLANT

Mr. MELCHER. Mr. President, here in the Senate as well as here in Washington, we are continuously wrapped up with the big picture. But that being the case and that being inevitable, we cannot ignore the smaller pictures at the grassroots level. Some of the smaller events are matters of life or death.

A case in point is the proposition of the heart transplant for a 16-year-old youth, William Jeanotte, of Great Falls, MT. It is not a certainty that a transplant will mean life instead of death for William Jeanotte. But his doctors tell him and his mother that without a heart transplant William has no chance to live.

A few months ago, this 16-year-old youth was struck with a viral infection

that has left his heart muscles so weakened that his doctors inform him that without a heart transplant there is no chance for his continued opportunity to live.

He is indeed a prime candidate for a heart transplant. He is a patient whose life is on the line and whose doctors say that a heart transplant is the only remedy, the only possible treatment for him.

But he does not have the $55,000 to $75,000 that a transplant would cost. His mother, a working mother presently unemployed, does not have the money. Medicaid, unfortunately, does not pay for heart transplants.

I believe, as most or all Americans believe, that as a people we do not turn our backs on anyone who, because of their financial situations, cannot pay for necessary medical needs. This indeed is a case in point in that regard. The finances for William Jeanotte to have a chance for life are not available for him or his mother.

On behalf of all Americans, I believe Medicaid should finance this chance for life for William Jeanotte with the necessary heart transplant payments for his surgery and hospital costs. To accomplish this, I am today introducing a bill to immediately authorize Medicaid payments for heart transplants in cases such as William Jeanotte's. For his chance for life, it is absolutely an emergency humanitarian change in the law that must be passed immediately. For other Americans like him, it is essential that the bill be passed.

I urge immediate consideration of the bill. Delay compounds a threat to William Jeanotte's life, and delay will jeopardize the lives of others with similar heart impairments. I call upon all Senators, as well as all Americans, to concern themselves with this urgent need.

Mr. BYRD. Mr. President, I yield the remainder of my time to Mr. KENNEDY.

Mr. KENNEDY. Mr. President, might I just inquire as to how much time does remain?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. KENNEDY. I yield myself 6 minutes and then I will take the last minute, but I just want to make a summary comment.

SOUTH AFRICA

Mr. KENNEDY. Mr. President, just a few moments ago the Senator from Connecticut and I indicated in our discussion here with the majority leader that it is our intention to introduce a resolution addressed to the current situation in South Africa. But I would now like to speak to that situation, Mr. President. Hopefully we will have an opportunity for the Senate to go on record in support of the resolution which we will offer to the Senate this afternoon.

Mr. President, this morning I learned that the Reverend Alan Boesak, the president of the World Alliance of Reformed Churches, and the Reverend Beyers Naude, the general secretary of the South African Council of Churches, were arrested—along with 200 other people—by the South African police in Cape Town. They were arrested as they marched from the Methodist Church to the Parliament for the purpose of presenting State president, P.W. Botha, with a petition calling for an end to the violence in the eastern cape area. The march was peaceful and orderly and nonviolent, but the participants were arrested nonetheless. I am told that they will be held overnight in jail and will appear tomorrow morning at the magistrate's court in Caledon Square.

Once again, we are presented with powerful evidence of the irrationality of apartheid. I know Alan Boesak and I know Beyers Naude. They were my hosts during my trip to Africa in January. They are deeply religious men. They are men of God. They believe in nonviolence, and they also believe in justice. They were marching for peace in South Africa.

But the South African Government does not want peace for its people. It wants to maintain apartheid at any cost. Based on the events of the last 4 days, we know now—if we did not know it before—that the South African authorities have no compunction about shooting down unarmed people, about wounding and maiming innocent men, women, and children, about arresting and detaining clergymen, about attacking and imprisoning citizens who seek nothing more than to petition their Government for redress of grievances. It is all part of the price of keeping apartheid alive and well in South Africa.

Let us look at the events of last Thursday, because they speak volumes about life—and death—in South Africa today.

Last Thursday, March 21, 1985, was the 25th anniversary of the Sharpeville massacre in South Africa. On that same day 25 years ago, 69 people were killed and scores more were wounded when the South African police turned their guns on a crowd of peaceful demonstrators. It was supposed to be a day of mourning and remembering for the black people of South Africa. It was supposed to be a time for reflection and prayer. It should have been a moment of peace for all the people of South Africa. Instead, it was a day of horror.

One would have thought that the South African authorities might expect black people to gather together on the anniversary of Sharpeville, and one would have hoped that they would make every effort to avoid more violence and to avoid more bloodshed and to avoid more death and destruction. What we saw instead was a replay of the Sharpeville massacre. Once again, South African police turned their guns on a crowd of unarmed and peaceful blacks and shot them down. At least 19 people were killed; many more were wounded, and we have heard reports that the casualties are actually far greater than the official figures. Once again, the world saw the violent face of apartheid, coldblooded and deadly in its determination to preserve its racist form of government.

I might mention at this point that at the present time the South African Government will not permit any members of the press into those areas where the tragedy took place, and the Government will not permit members of the press in to visit the various hospitals in which the wounded have been taken. There have also been reports that the death toll may reach as high as 100.

The killings in Uitenhage constitute the single worst incident since Sharpeville in South Africa's long history of racial turmoil. A group of South African parliamentarians led by Helen Suzman flew to the eastern cape area to conduct an investigation of the incident. Their findings were reported in an article by Allister Sparks that appeared in the Washington Post last Sunday. According to the South African parliamentarians, the police fired without warning on an unarmed and peaceful crowd of funeral goers.

Mr. President, I ask unanimous consent that that article by printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Mr. President, I would like to include in my remarks certain excerpts from these findings.

People began gathering at a bus depot in Langa about 8 a.m. Thursday to go to the funeral of a student activist killed in a clash with police last week.

The funeral originally was to have been held last Sunday, but the authorities, fearing that the procession would be turned into a political rally, ordered it postponed until Thursday.

Belatedly, the authorities recalled that Thursday was the 25th anniversary of the Sharpeville massacre, in which police killed 69 black protesters.

Realizing the risk of permitting the funeral on such an emotional anniversary, a magistrate issued an order Wednesday night prohibiting it, but, in a further blunder, it was announced only in Kwanobuhle, where the funeral was to be held, and not in Langa Township.

The result was that on Thursday morning Langa residents did not know of the ban.

African funerals are community occasions that can take all day, and Thursday's gathering was leisurely. Community leaders had urged people to stay home from work to attend. It was going to be hot, so people had

brought hats and sunshades, and men took off their jackets, slinging them over their shoulders.

It was then that the police arrived. They came in an armored troop carrier called a caspir, which because of its top heavy bulkiness the townshipdwellers call a "hippo."

A police officer ordered them out of the buses. The people spilled out and stood milling around, bewildered and annoyed. Four men described as "Rastafarians"—probably black consciousness activists—moved among the crowd telling people that if they could not go in buses to the funeral, they should walk.

A column of people, perhaps 200 to begin with but swelling quickly as it moved along, began walking toward a street running south toward Uitenhage that passes through the southwestern side of the town.

The troop carrier drove through the procession to get ahead of it, and took up a position at the crest of a slope on the road overlooking a stretch of open ground and the town of Uitenhage less than a mile away. There it turned and parked across the road, blocking it.

As the vehicle passed, witnesses saw an officer inside talking on a "telephone." Soon afterward they noticed a second troop carrier coming up behind them.

The procession made its way up the slope toward the troop carrier. A teen-ager rode out front on a bicycle.

As the column of people approached the "hippo" a shot rang out, and the boy on the bicycle fell dead, his head burst open by a rifle bullet.

There was no order to stop, no warning shot was fired, and no tear gas was used.

Seconds later gunfire rang out from the troop carrier parked on top of the slope and the second one, which had driven up behind the procession . . . The people were caught in cross fire.

The Washington Post account quoted the testimony of one eyewitness who said:

I turned and ran. Everybody ran. The police were shooting at all of us. People were falling on either side of me. One of those who fell was one of the Rastafarians. I was afraid I was going to be shot too so I fell to the ground and lay still. I was next to the Rastafarian. I saw him try to get up and heard someone shout that the Rastif was still alive. There was another shot, and he fell again. I think he was dead. I got up and ran then. The other Hippo was firing at me. a bullet hit me behind the left ear. Another hit me in my thigh and another in my right leg. I crawled into a culvert at the side of the road and hid there for about a half an hour.

According to one of the parliamentary investigators, all of the eyewitnesses reported "that there was more than one volley fired and that the shooting continued after the people fled.

Senator WEICKER and I have come to the floor of the Senate today to offer a joint resolution that will offer Congress a chance to respond swiftly and with one voice to the recent violence in South Africa. We believe that this resolution merits the supports of all Senators who wish to go on record as opposing apartheid.

The resolution endorses the statement made by Secretary of State Shultz before the House Foreign Committee last week. At that time, Secretary Shultz responded eloquently to the outbreak of violence in South Africa. He said that the system of apartheid is "totally repugnant" to the people of the United States and that these most recent killings "underline how evil and unacceptable apartheid is." He went on to say that the violence in the eastern cape is "deplorable and the people of the United States have nothing except denunciation to say for it." We believe that the Secretary of State said it well, and we think the Congress should say it too.

This resolution also requests the Secretary of State to conduct an independent investigation of the violence in the eastern cape during periods of March 21 through March 24, and to submit a report to the Congress by the end of next month on the circumstances relating to the violence and to the number of people killed and wounded. We are getting differing reports about what happened in Uitenhage. The journalists report one thing, and the South African parliamentarians have confirmed that the shootings were indiscriminate and unprovoked. But the South African Government says something entirely different. The South African Ambassador, Mr. Brand Fourie, appeared on the Brinkley show last Sunday and stated that the victims of the violence were not going to a funeral, that they were instead marching on a white town. He said that the victims of the violence were carrying sticks, stones and firebombs, and that the police fired in self-defense. Who is to be believed? The members of the South African parliament who conducted their own private investigation? Or Ambassador Fourie, the spokesman for the South African Government inside the United States?

Official reports state that 19 people were killed. But we are hearing unofficial reports that claim that the death toll is much, much higher. Who is to be believed? The South African Government or the people who were there at the scene?

For these reasons, we ask the Secretary of State to conduct an independent investigation of the violence and to report back to the Congress. This is the kind of information that legislators should have as we consider various proposals dealing with U.S. relations with South Africa later this year.

Mr. President, when I was in South Africa last January, I saw many faces of apartheid, and I came away concerned that, unless there was meaningful change in the system of apartheid, there would be increasing levels of violence in that country My fears then are becoming realities today. I hope it is not too late. I urge my fellow Senators to support this joint resolution.

SEVEN MORE DIE IN VIOLENCE IN SOUTH AFRICA—LEGISLATORS CHALLENGE OFFICIAL VERSION OF THURSDAY KILLINGS

(By Allister Sparks)

JOHANNESBURG, March 23.—As seven more blacks died in racial unrest in South Africa today, six opposition members of Parliament who conducted their own investigation into the fatal shooting by police Thursday of 19 persons revealed that their findings directly contradicted the official version.

Today's violence centered on black townships around Uitenhage and Port Elizabeth in eastern Cape Province. Much of it took the form of retaliation by residents against black police officers and persons suspected of collaborating with the white-minority government.

The members of Parliament, all aligned with the liberal Progressive Federal Party, said evidence they had gathered in sworn affidavits by blacks who were in the crowd indicated that police had opened fire without provocation or warning.

The official police version, repeated by President Pieter W. Botha yesterday, is that a mob of 4,000 blacks armed with sticks, stones and gasoline bombs was marching on the white town of Uitenhage and that a contingent of police who tried to stop them opened fire only after being surrounded and attacked.

The death toll from the shooting rose to 19 today, as another victim died of injuries suffered Thursday.

The legislators said that an examination of bloodstains at the scene indicated that the crowd, which was on its way to a funeral, was about 20 yards away when the police opened fire and that there was no sign that they had surrounded an armored troop carrier in which the police were riding or that incendiary bombs had been used.

"The conclusion must be reached that the action was punitive and not preventative," the Parliament team's spokesman, Errol Moorcroft, said in a telephone interview from Uitenhage today.

The legislators also put some of the blame for the confrontation that led to the shooting on administrative bungling. They said the funeral procession had been banned at the last moment, but no announcement of the ban had been made in the township where the crowd began the march.

A number of policemen's homes were set afire yesterday and last night, and burning continued today. Eighteen homes were razed in the township of Tinus, near Port Elizabeth, police said.

Local reporters said smoke hung over the Uitenhage township of Kwanobuhle today as residents attacked the homes of policemen and a funeral parlor belonging to T.B. Kinikini, who was the only member of the township council who refused to join a mass resignation last week. The councilors have become targets because black nationalists regard them as collaborators in the white-minority government's system of segregation called apartheid.

Police reported later that Kinikini's 18-year-old son and two other youths who were guarding the funeral parlor were killed by a mob and their bodies were burned. Kinikini has gone into hiding, they added.

Kwanobuhle is the township where Thursday's funeral was to have been held, and the people who were shot were on their way there from Langa, a township about 10 miles away.

Police also said two black youths who attacked a policeman in Kwazakele, a town-

ship near Port Elizabeth, were shot and killed today.

The six opposition figures, who began an on-the-spot investigation within hours of the shooting and continued questioning Langa residents yesterday, found a high degree of corroboration in sworn affidavits from people in the funeral procession, Moorcroft said.

According to the chronology of events they compiled, people began gathering at a bus depot in Langa about 8 a.m. Thursday to go to the funeral of a student activist killed in a clash with police last week.

The funeral originally was to have been held last Sunday, but the authorities, fearing that the procession would be turned into a political rally, ordered it postponed until Thursday.

Belatedly, the authorities recalled that Thursday was the 25th anniversary of the Sharpeville massacre, in which police killed 69 black protesters.

Realizing the risk of permitting the funeral on such an emotional anniversary, a magistrate issued an order Wednesday night prohibiting it, but, in a further blunder, it was announced only in Kwanobuhle, where the funeral was to be held, and not in Langa township.

The result, Moorcroft said, was that on Thursday morning Langa residents did not know of the ban.

African funerals are community occasions that can take all day, and Thursday's gathering was leisurely. Community leaders had urged people to stay home from work to attend. It was going to be hot, so people had brought hats and sunshades, and men took off their jackets, slinging them over their shoulders.

It was then that the police arrived, the black witnesses told the investigation team. They came in an armored troop carrier called a Caspir, which, because of its top-heavy bulkiness, the township-dwellers call a "hippo."

A police officer ordered them out of the buses, the witnesses said. The people spilled out and stood milling around, bewildered and annoyed. Four men described as "Rastafarians," probably black-consciousness activists, moved among the crowd telling people that if they could not go in buses to the funeral, they should walk.

Moorcroft said witnesses told his group that a column of people, perhaps 200 to begin with but swelling quickly as it moved along, began walking toward a street running south toward Uitenhage that passes through the southwestern side of the town.

According to some of the peole who have made sworn statements, the troop carrier drove through the procession to get ahead of it, and took up a position at the crest of a slope on the road overlooking a stretch of open ground and the town of Uitenhage less than a mile away. There it turned and parked across the road, blocking it.

Some of the people said in their statements that as the vehicle passed, they saw an officer inside talking on a "telephone." Soon afterward they noticed a second troop carrier coming up behind them.

The procession made its way up the slope toward the troop carrier. All of the witnesses, Moorcroft said, recalled that a teenager rode out front on a bicycle.

He added that none of the affidavits make any mention of people carrying stones or sticks.

As the column of people approached the "hippo," the affidavits say unanimously, a shot rang out, and the boy on the bicycle fell dead, his head burst open by a rifle bullet.

They say that there was no order to stop, no warning shot was fired and no tear gas was used.

Seconds later gunfire rang out from the troop carrier parked on top of the slope and the second one, which had driven up behind the procession, they said. The people were caught in cross fire.

Moorcroft read the testimony of one man caught in the firing line, which he said was typical of many of the accounts the legislators had been given.

"I turned and ran," said the man, who said that he had been walking near where the cyclist fell. "Everybody ran. The police were shooting at all of us. People were falling on either side of me.

"One of those who fell was one of the Rastafarians. . . . I was afraid I was going to be shot, too, so I fell to the ground and lay still. I was next to the Rastafarian. I saw him try to get up and heard someone shout that the 'Rastif' was still alive. There was another shot, and he fell again. I think he was dead.

"I got up and ran then," the man's affidavit continued. "The other 'hippo' was firing at me. A bullet hit me behind the left ear. Another hit me in my thigh and another in my right leg. I crawled into a culvert at the side of the road and hid there for about half an hour."

Moorcroft said other affidavits gave accounts of the shooting. All said that there was more than one volley fired and that the shooting continued after the people fled.

RECOGNITION OF SENATOR WEICKER

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is to be recognized.

Mr. BUMPERS. Will the Senator from Connecticut yield for a question?

SOUTH AFRICA

Mr. WEICKER. Mr. President, I will yield shortly to the distinguished Senator from Arkansas. First I would like to associate myself with the remarks of the distinguished Senator from Massachusetts. I would hope that the Senate will act on the resolution this afternoon. We will try to work out the language to where it is satisfactory to all those that are interested—and I would imagine 100 Senators might be interested.

It was a Republican President, Abraham Lincoln, that made the statement that "What is morally wrong cannot be made politically right."

What goes on in South Africa today as a matter of law cannot be made right in any sense of the word.

I think the time has come to stand up and get counted. Let us be very clear as to what we are talking about when it comes to the blacks of South Africa. We are talking about a police state—no less.

More particularly, what we are talking about is the elevation of racism, segregation, bigotry to the level of law. What we are not talking about is deficiency of human character. We are talking about law.

Many people shrink away from the comparison between what the Government of South Africa and the regime of Adolf Hitler vis-a-vis the European Jew. They say there is no comparison. Certainly, in the matter of numbers killed there is no comparison to the Holocaust, although it seems to me we should all be concerned with the sanctity of one life. There is no comparison.

But in the sense of elevating the suppression of humanity by virtue of law, the two regimes are exactly the same.

I commend to my colleagues an article written by Elie Wiesel which appeared as an op-ed piece in the New York Times last week and I ask unanimous consent to include it at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, March 22, 1985]

APARTHEID'S SO-CALLED LAW

(By Elie Wiesel)

Shame: that is what a white man, a Jew like me, feels while visiting Soweto in South Africa.

I remember: it was 10 years ago. I had come on a lecture tour of several cities. The organizers did not hide their concern: was I going to embarrass them by speaking out against apartheid? "Don't forget," advised a well-known liberal, "that after your speech, you return home while we stay here." In other words, I was not going to suffer the consequences. I promised him that I'd say nothing until I had studied the problem.

My project was to visit the blacks in their ghetto. The next day I traveled to Soweto, and what I discovered there made me doubt the human species. I felt guilty, confronted by the unspeakable suffering of the oppressed men, the resigned women, the children with melancholy eyes. Because of my color, and also my nationality, I was supposed to be superior to them. I belonged to another social and ethnic order, I belonged to another humanity. And I wasn't proud of it.

But beyond my shame, there was something else. What I understood in Soweto is that the racial laws of South Africa are wrong, not only because they result in collective and individual oppression but also, and especially, because they are laws.

Racism itself is dreadful, but when it pretends to be legal, and therefore just, it becomes altogether repugnant. Without comparing apartheid to Nazism and to its "final solution"—for that defies all comparisons—one cannot but assign the two systems, in their supposed legality, to the same camp.

Both have shown that laws can be twisted and distorted to the point of becoming instruments of torture and death. When the law itself becomes criminal, its authors are doubly criminal because they deprive their victims of the basic right granted to all human beings: recourse to justice. But beyond this, in South Africa justice itself is

manipulated and perverted—and this scandal remains an affront to humanity.

That individuals commit injustice against their peers is, unfortunately, a regular occurrence. That they should be protected by those in power is not uncommon. At times, governments also abuse the law in order to strengthen their authority. But the South African Government goes further: by raising segregation and racial persecution to the ethical level of law, it puts into practice the antinomian rules of Orwell's world. Evil becomes good, inhumanity is interpreted as charity, egoism as compassion.

Victims no longer have the right to complain. Their misfortune is ridiculed. The torturer decides whether or not they suffer. He determines the shape of their liberty and their language. By exposing them to constant humiliation, the torturer attacks not only their right to live but also their very being.

That is why, in meeting South African blacks, the visitor is ashamed not to be like them. He is ashamed of his liberty.

As a Jew, I am all the more sensitive to this kind of injustice. I had no hesitation, after leaving Soweto, about denouncing apartheid in all my lectures. At Durban, Cape Town, Port Elizabeth and Johannesburg, the South African public showed its understanding. Certainly, to them, the situation is more complex, perhaps more tragic because it is unsolvable, than it appears to an outsider. Yet the young, the intellectuals and the students are opposing the Government with an increasingly dedicated resistance. It is also for them that we must act: our support extends first to the victims and then to their allies. Without such resistance, we would all be accomplices.

Mr. WEICKER. Let me refresh the memory of those of my generation about what we are talking about here. We all remember with great fondness one of Spencer Tracy's last movies, "Judgment At Nuremberg." If you ask anybody what that movie was about, they will say it was a trial of the Nazi war criminals. If you ask what war criminals, everyone scratches their heads.

It was not the trial of Goering, or Goebbles, or any of the rest of these. It was the trial of the German judiciary which legalized the politics of national socialism in Germany, the judges and the lawyers who made the law in the sense of a category of humanity being subhuman, in that case the Jews.

So my American friends start to get educated in this process. The laws of South Africa state that blacks are subhuman. The laws of the Government of South Africa in every manner, shape, or form—as to where one lives, the conduct of one's personal life, the education that one can receive, the matter of one's speech—the laws state that these 23 million people are not human beings.

That is the issue before the Nation.

Mr. KENNEDY. Will the Senator yield?

Mr. WEICKER. I yield.

Mr. KENNEDY. The Senator from Connecticut has said it very eloquently. Under Nazism, the day you were born as a Jew you were condemned to the gas chamber. Today if you are born as a black in South Africa you are condemned to the violence of apartheid, and perhaps to the kind of violence that we have just witnessed this past week. As a black, you live a life of repression and exploitation under the current system of apartheid. So it is really an accident of birth.

We talk here about democracy or communism, and in the United States, we can favor one system or another as a matter of choice. But the most sinister aspect of the Holocaust and of apartheid is that the moment that child is born—in terms of the Holocaust, a Jew, and in terms of South Africa today, a black—that child is condemned—to death in terms of the Holocaust, or to extensive suffering, which is rampant, and maybe to death, in terms of apartheid in South Africa.

Mr. WEICKER. The Senator is entirely correct. I feel that in the minds of many they feel that South Africa is akin to the United States in that we have all had problems in connection with the equalities of society blooming in our Nation.

What they do not understand is that the laws of the United States indeed have us all as equal as we strive toward that ideal, granted there is imperfection. But with the laws of South Africa there is no such ideal. The law is in the gutter. It is not in the stars, as in the case of the United States.

This was a simple practice that continued around the United States. But if you want the horrifying statistic that accompanies the concept, the Senator said that from the time a person is born, they are condemned to this life in South Africa. But it should also be pointed out that among the population of blacks uprooted by the Government to so-called homelands, only one out of two children survives to age 5. One out of two die.

There is the actual statistic that accompanies the concept.

Mr. KENNEDY. And that occurs in a country where, in terms of health care for the white population, the medical facilities are virtually unsurpassed on the continent, and probably serve white citizens well as any industrial society in the world. I think that this is an additional aspect to the extraordinary tragedy of the statistics pointed out by the Senator. I thank the Senator.

Mr. WEICKER. I thank the Senator.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

S. 735—GALLON GAS EXCISE TAX

Mr. WEICKER. Mr. President, I rise today to introduce legislation addressing two problems facing our Nation: an enormous budget deficit and a return to oil profligacy. These problems have long been with us, yet Congress has done little to resolve them.

Let me reiterate what we know, yet seem unwilling to face: Budget deficits and oil dependence continue to grow and thus threaten both the national economy and security. Deficits drive up interest rates, take capital away from the private sector, and strangle our ability to compete in international markets by inflating the value of the dollar. Net oil imports, expected to double in the next 10 years, once again subject our economy and foreign policy to manipulation by others. In response to these two problems, I am proposing legislation to increase the excise tax on gasoline and diesel fuel by 10 cents per gallon for each of the next 3 years. This would not only raise an estimated $51.4 billion in new revenues to reduce the deficit, but would assure a national conservation mentality.

I am not alone in believing that the time has come to enact such a tax. I have included articles from the Economist, Forbes, New York Times, and the Washington Post discussing the merits of such tax.

Mr. President, I ask unanimous consent that the articles appear in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WEICKER. There will be those who argue that the impact of this tax will be unevenly distributed among income groups and that it may cause an upturn in the Consumer Price Index. However, there is little doubt that the impact of huge deficit, and inevitable energy crisis, will pose far greater problem.

Currently, we enjoy plentiful supplies and lower prices for oil. Ten years from now, however, it is estimated that domestic oil production will have dropped sharply and net imports will have doubled. We will be back where we were 12 years ago—vulnerable to OPEC and scrambling for band-aid solutions.

Motor fuels account for over 60 percent of all petroleum consumed in the United States. It has been estimated that more fuel-efficient cars and trucks could cut our need for oil imports in half by the year 2000. At a time of declining prices, this is an opportunity to be seized. Any further drop in oil demand would likely stimulate even greater price declines. Therefore, a gas tax, in effect, pays for itself.

Instead of returning to the gas guzzling attitudes of pre-1973, we should recall the miles of gas lines and the ex-

tortionary prices and not allow a repetition of history.

A 30-cent-per-gallon tax on gasoline will reestablish a gas conservation ethic. Because gas prices are now about 20 cents less than at their peak in 1981, the economic impact of this tax will be minimized. Furthermore, the Economist estimates a very modest one-half percent increase in the Consumer Price Index over 3 years as a result of this tax. I believe this is a small price to pay to avoid OPEC blackmail.

The other great advantage of this tax is what it can do to resolve the budget deficit. The deficit has trebled since 1979. And again this year, we have an administration budget request that calls for major defense increases and the drastic reduction of programs supported by Congress and the majority of American people. Our children cannot afford the continued use of our national credit card. We cannot sacrifice education, health-care systems, scientific research, the poor, the handicapped, and the elderly in order to pay for the defense budget. More revenues are needed both to reduce the deficit and to continue our investments in humanity.

My proposal directs the revenues generated by this new tax to meet these two needs. Unlike previous gas taxes which direct revenues only to the highway trust fund, this bill provides that half of the revenue would go into the general fund to build America's future. The other half of the revenues will be deposited in the new "public debt repayment trust fund" which is established in this legislation. The moneys in this fund may not be spent except to pay interest on the national debt or to pay off bonds, used to finance the debt, as they come due. With such a fund, we can be assured that these new revenues will be used to offset the deficit and not be used to increase spending in any manner.

Let this generation get on with it. It is time we added to the well from which we have been drawing at whim and at will for years.

Mr. President, I ask unanimous consent that the bill I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reduction of the Deficit and Public Debt Revenue Act of 1985".

SEC. 2. INCREASE IN TAX ON DIESEL FUEL AND GASOLINE.

(a) IMPOSITION OF TAX.—

(1) DIESEL FUEL.—Subsection (a) of section 4041 of the Internal Revenue Code of 1954 (relating to imposition of tax on diesel fuel and special motor fuels) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) ADDITIONAL TAX IMPOSED.—In the case of any liquid on which a tax is imposed under paragraph (1) (other than liquid used as fuel in aircraft), there is hereby imposed an additional tax determined from the following table:

"If the liquid is used or sold—	The additional tax rate is—
On or after October 1, 1985.	10 cents a gallon
On or after October 1, 1986.	20 cents a gallon
On or after October 1, 1987.	30 cents a gallon.".

(2) GASOLINE.—Subsection (a) of section 4081 of such Code (relating to imposition of tax on gasoline) is amended to read as follows:

"(a) IN GENERAL.—

"(1) BASE TAX.—There is hereby imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of 9 cents a gallon.

"(2) ADDITIONAL TAX IMPOSED.—In the case of any gasoline on which a tax is imposed under paragraph (1) (other than gasoline used as fuel in aircraft and motorboats), there is hereby imposed an additional tax determined from the following table:

"If the gasoline is sold—	The additional tax rate is—
On or after October 1, 1985.	10 cents a gallon
On or after October 1, 1986.	20 cents a gallon
On or after October 1, 1987.	30 cents a gallon.".

(b) Floor Stock Taxes on Gasoline.—

(1) IN GENERAL.—On gasoline subject to tax under section 4081(a)(2) of the Internal Revenue Code of 1954 which, on October 1, 1985, October 1, 1986, or October 1, 1987, is held by a dealer for sale, there is hereby imposed a floor stock tax at the rate of 10 cents a gallon.

(2) OVERPAYMENT OF FLOOR STOCK TAXES.—Section 6416 of such Code shall apply with respect to the floor stock taxes imposed by this subsection, so as to entitle, subject to all provisions of section 6416, any person paying such floor stock taxes to a credit or refund thereof for any of the reasons specified in section 6416.

(3) DUE DATE OF TAXES.—The taxes imposed by this subsection shall be paid at such time after each applicable October 1 as may be prescribed by the Secretary of the Treasury or his delegate.

(4) TRANSFER OF 50 PERCENT OF FLOOR STOCK TAXES TO PUBLIC DEBT REPAYMENT TRUST FUND.—For purposes of determining the amount transferred to the Public Debt Repayment Trust Fund for any period, 50 percent of the taxes imposed by this subsection shall be treated as if they were imposed by section 4081(a)(2) of the Internal Revenue Code of 1954.

(5) DEFINITION AND SPECIAL RULE.—For purposes of this subsection—

(A) The term "dealer" includes a wholesaler, jobber, distributor, or retailer.

(B) An article shall be considered as "held by a dealer" if title thereto has passed to such dealer (whether or not delivery to him has been made) and if for purposes of consumption, title to such article or possession thereof has not at any time been transferred to any person other than a dealer.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 4041(b)(1) of such Code (relating to exemption for off-highway business use) is amended by striking out "paragraph (1)(B) or (2)(B) of subsection (a)" and inserting in lieu thereof "paragraph (1)(B), (2)(B), or (3) of subsection (a)".

(2) Section 4081(c) of such Code (relating to gasoline mixed with alcohol) is amended by striking out "subsection (a)" each place it appears and inserting in lieu thereof "subsection (a)(1)".

(3) Paragraph (2) of section 6416(b) of such Code (relating to special cases in which tax payments considered overpayments) is amended by striking out "paragraph (1)(A) or (2)(A) of section 4041(a)" and inserting in lieu thereof "paragraph (1)(A), (2)(A), or (3) of section 4041(a)".

SEC. 3. INCREASED REVENUES USED TO REDUCE FEDERAL DEFICIT AND PUBLIC DEPT

(a) AMENDMENTS TO HIGHWAY TRUST FUND AND AIRPORT AND AIRWAY TRUST FUND.—

(1) HIGHWAY TRUST FUND.—

(A) Paragraph (1) of section 9503(b) of the Internal Revenue Code of 1954 (relating to transfer to highway trust fund of amounts equivalent to certain taxes) is amended—

(i) by striking out "section 4041" in subparagraph (A) and inserting in lieu thereof "section 4041, other than subsection (a)(3)", and

(ii) by striking out "section 4081" in subparagraph (E) and inserting in lieu thereof "section 4081(a)(1)".

(B) Subparagraph (D) of section 9503(c)(4) of such Code (relating to transfers from the trust fund for motorboat fuel taxes) is amended by striking out "section 4081" and inserting in lieu thereof "section 4081(a)(1)".

(C) Section 9503(e) of such Code (relating to establishment of mass transit account) is amended—

(i) by striking out "4041" each place it appears and inserting in lieu thereof "4041 (other than subsection (a)(3))", and

(ii) by striking out "4081" each place it appears and inserting in lieu thereof "4081(a)(1)".

(2) AIRPORT AND AIRWAY TRUST FUND.—Section 9502(b) of such Code (relating to transfer to airport and airway trust fund of amounts equivalent to certain taxes) is amended by striking out "section 4081" in paragraph (2) and inserting in lieu thereof "section 4081(a)(1)".

(b) 50 PERCENT OF ADDITIONAL REVENUES APPLIED TO PUBLIC DEBT REPAYMENT TRUST FUND.—

(1) IN GENERAL.—Subchapter A of chapter 98 of such Code (relating to establishment of Trust Funds) is amended by adding at the end thereof the following new section:

"Sec. 9505. Public Debt Repayment Trust Fund.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Public Debt Repayment Trust Fund', consisting of such amounts as may be appropriated or credited to the Public Debt Repayment Trust Fund.

"(b) TRANSFER OF CERTAIN TAXES.—There are hereby appropriated to the Public Debt Repayment Trust Fund amounts equivalent to 50 percent of the taxes received in the Treasury under the following provisions:

"(1) section 4041(a)(3) (relating to additional tax on diesel fuel), and

"(2) section 4081(a)(2) (relating to additional tax on gasoline).

"(c) EXPENDITURES FROM PUBLIC DEBT REPAYMENT TRUST FUND.—Amounts in the Public Debt Repayment Trust Fund are appropriated and available for—

"(1) the payment of interest on the public debt, and

"(2) the payment at maturity, or the redemption or purchase before maturity, or any obligation of the Government included in the public debt.

Any obligation of the Government that is bought, redeemed, or paid out of the Public Debt Repayment Trust Fund shall be cancelled and retired and may not be reissued. The Public Debt Repayment Trust Fund is available until all Government obligations included in the public debt are retired.

"(d) OBLIGATION DEFINED.—For purposes of this section, the term 'obligation' means a direct obligation of the United States Government issued under law for valuable consideration, including bonds, notes, certificates of indebtedness, Treasury bills, and interim certificates issued for an obligation.".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

"Sec. 9505. Public Debt Repayment Trust Fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

[From the Economist, Dec. 15, 1984]

EXHIBIT 1

CURING THAT DEFICIT

Ronald Reagan is being bombarded by bureaucratic ideas to cut America's budget deficit, and they are not his forte. Instead of proposing a hundred contentious cuts in spending and dozens of "revenue enhancements", he could take one bold step that would immediately reduce his budget deficit and America's trade deficit. He could ask Congress to impose a federal tax of 30 cents on a gallon of petrol (gasoline) and one of 20 cents on cheaper diesel, and promise two more such increases in the next two years. This would not be popular. Cutting deficits never is. But it would work better and quicker than a line-by-line fight with Congress over cherished spending programmes and tax shelters. And might be less unpopular in the end.

The sums involved are large. American motorists buy 100 billion gallons of petrol a year, so every 10-cent tax would raise $10 billion. Diesel consumption is about 35 billion gallons, almost all of it for lorries. The federal government could therefore raise an extra $37 billion a year from a 30-cent tax on petrol and a 20-cent tax on diesel. Repeated for three years in a row, and assuming no change in fuel consumption, the taxes would eventually be bringing in about $110 billion a year. That is more than any of the deficit-cutting schemes now being proposed in Washington. It could be presented as a rational, even visionary, energy policy for the rest of the century. It would give American motorists and motor companies time to switch again to smaller cars, while putting yet more pressure on oil prices to fall.

MARKET SENSE VERSUS OPEC'S THRALL

Even after three such tax increases, motoring in the United States in 1988 would still be cheap. Petrol there now costs less than at any time since early 1980, although America's consumer-price index has risen by 30% in the meantime. It is far cheaper than in other big industrial countries. This is partly because the price of crude oil has been falling in dollar terms, but rising when expressed in currencies like the D-mark and sterling. It is also because the tax on a gallon of petrol is much smaller in America than elsewhere. See the box on the next page for details.

In the 1970s, the United States was slower than any other big country, bar profligate Canada, to learn it was nonsense to try to keep fuel cheap. Until Mr. Reagan decontrolled the price of all kinds of oil in January, 1981, Americans in the northern state wore jackets for their air-conditioned summer, then stripped to their shirtsleeves in centrally-heated winter. Once prices were deregulated, however, they worked their magic as quickly in America as anywhere else. Domestic oil production stopped falling, even as Americans started to save energy. In 1973, they had needed 1.12 tonnes of oil (or its equivalent in other energy) to produce $1,000 of real gross domestic product. By 1980, they were still using 1.03 tonnes, so they had been improving their fuel-efficiency by only 1% a year. Then prices were allowed to rise to reflect dearer crude oil. By 1983, the same $1,000 of real gdp needed only 0.92 tonnes of oil-equivalent energy. American fuel-efficiency was increasing at 3% a year.

The potential for even bigger savings is still large—especially in oil, where America has made much less progress in reducing its dependence than other industrial nations. In Japan, oil now accounts for 61% of final consumption of energy, down from 67% in 1973. West Germany has reduced oil's share from 62% to 55%. The United States has gone from 52% to 51%. It needs to curb its gas-guzzling ways because, unlike other false scares about "finite resources" oil will become worryingly scarce. The worry is not that the globe will be drained of the stuff: rather that, even as crude oil prices rise, people will not be able to switch from oil because there are no non-oil alternatives to present forms of transport. Better to economize slowly now and use higher petrol prices to spur research into other methods of transport.

The tax on petrol and diesel would not only narrow the budget deficit. It would also reduce that other troublesome deficit, on foreign trade. Although the United States has halved its net imports of oil from 8m barrels a day in 1979 to about 4m barrels a day this year, they are still costing about $44 billion a year—almost half its 1984 deficit on external current account.

The surest way to reduce oil consumption is to raise taxes at the pump. The best time to do that is when prices at the well head are falling. The higher taxes then have only a muted effect on the inflation rate but give the biggest boost to government revenues. A government whose budget deficit is under control—West Germany's, for example—could use the extra cash from taxing petrol to cut other taxes. For the United States, weakening crude prices offer the chance of raising more tax revenue with relatively little pain. Once the spot market knew that Americans would be economising on petrol, it would push crude prices down a bit further. Once Wall Street knew that Mr. Reagan had a workable scheme for cutting his budget deficit year by year, it would push down interest rates. The combined effect would be to keep the rise in consumer prices tiny—directly, one would guess, only by around ½% by the end of three years. And lower interest rates would help to slow the fastest-growing part of public spending, the federal government's interest costs on its bonds and treasury bills. That would be the prize for being bold now. May Mr. Reagan seize it.

FACTS AND COMMENTS

(By Malcom S. Farlies)

The odds on Reagan's getting the $50 billion cut in federal spending that he asks range from nil to aught. The odds of coming remotely close range from zero to zip. The odds of getting even half of the $50 billion are at best fifty-fifty.

So what do we do we keep the new super-record deficit closer to $100 billion than the $200 billion that is giving everybody (but a few of us) nightmares?

Would you believe that, for once, there's an easy answer? An answer that doesn't involve merely running the printing presses that print money faster and faster? An answer that could raise about $50 billion and do some good in the process?

Put a $10-a-barrel duty on imported oil. Yield: $20 billion. Add a 10-cent-per-gallon tax on gasoline, the price of which has declined by 20 cents a gallon in the past 48 months and is still headed down. Yield: $10 billion. There'd be a $20-billion-to-$25-billion additional yield in higher income and windfall taxes on domestic oil.

The foreign-crude-oil glut is barreling down. Without an import tax OPECers could fiscally destroy our indispensable domestic oil industry. Further sharp oil-price declines would once again pump up our profligate waste of this still-finite resource.

Gas would still be far cheaper, even with the 10-cent-a-gallon tax, than it was not so long ago.

So, *voila!*

We're left with "only" a $100 billion deficit.

C'est le déficit.

[From the New York Times, Apr. 1, 1984]

A CALL FOR HIGHER TAXES ON GASOLINE

(By Ernest J. Oppenheimer)

After a decade of energy mismanagement by the Federal Government, the United States is still importing about five million barrels of oil a day. This dependence imposes enormous costs on the economy and creates vulnerabilities to supply disruptions and to military entanglements. Recent events in the Middle East highlight this reality. But what so many overlook is that our domestic resources can solve the energy problem, once appropriate policies are implemented.

Between 1973 and 1984 this country paid about $500 billion for oil imports. According to studies prepared by Prof. Rod Lemon for the Institute of Gas Technology in Chicago, the hidden costs of imported oil, including adverse effects on the trade balance, domestic employment and output, inflation and military expenditures to protect vulnerable supply lines, more than double the direct costs. On that basis, the total costs to the economy of oil imports exceeded $1 trillion during the past decade.

In contrast, realistic energy policies would encourage maximum use of domestic energy resources and conservation. This approach would avoid virtually all the negative effects of oil imports. In addition, the domestic energy option would have significant beneficial effects on the economy, including increased government income from taxes and royalties, reduced need for oil stockpiling, improved competitiveness in world markets and healthier finances. These positive factors would probably cut the direct energy

costs to the economy in half, to about $250 billion.

Greater reliance on domestic energy sources could have saved the nation $750 billion during the past decade. Moreover, savings of $75 billion a year are possible in the future, once realistic policies are implemented.

Conventional United States petroleum resources are adequate to take care of essential requirements for several decades. Unconventional sources, such as heavy crudes, tar sands and oil shale will greatly expand future supplies. The outlook for natural gas is even more favorable. Conventional known sources of natural gas are conservatively estimated at 1,100 trillion cubic feet, enough to last for more than 50 years at current rates of consumption. Moreover, methane, the principal ingredient of natural gas, can be obtained from many other sources, including coal, peat and biomass. As long as the sun shines, we can obtain all the gas energy we need by converting plants into methane.

Instead of encouraging proper use of domestic energy resources, the Government has followed counter-productive procedures that limited energy production and incentives for conservation. These policies mark the greatest failure of our political system in recent years.

To rectify the situation, the following principles should guide our approach to energy: (1) Use oil principally for the production of transportation fuels (gasoline, diesel, and jet-quality kerosene). The 8.5 million barrels of oil per day produced domestically are adequate to take care of these markets. (2) Encourage the substitution of natural gas and coal for oil in stationary applications. (3) Make energy consumers pay the full economic costs of the fuels they purchase. (4) Facilitate optimum use of domestic energy resources and conservation through primary reliance on free markets.

To implement these principles, there are a number of specific measures that should be put into effect.

Abolish the "windfall" profits tax on oil—currently costing the industry about $10 billion a year. By using this money instead for exploration, domestic oil production could be increased by one million to two million barrels daily.

Remove restrictions on the use of natural gas and implement gas pricing policies that will facilitate increased gas utilization and the eventual emergency of free market pricing. Natural gas could replace two million barrels of oil a day in facilities with oil and gas capabilities.

Accelerate the use of coal to replace oil in electric power generation and heavy industrial applications. The combined use of coal and natural gas should be encouraged to reduce pollution. According to a study by the American Gas Association, coal and natural gas could replace over four million barrels of oil a day.

Impose a $1 per gallon tax on gasoline. Almost every industrialized country in the world has a tax of this magnitude. Only the United States has followed the mistaken policy of forcing the general economy to subsidize gasoline consumers. Such a tax would cut oil consumption by an estimated 500,000 barrels a day and would provide the Treasury with annual income of $100 billion.

Encourage the use of fuel-efficient equipment and conservation by making gasoline and other energy products reflect their true economic costs, primarily through free market operations supplemented by taxes. Available technologies can reduce energy consumption by the equivalent of one million barrels of oil a day per annum for the next several years.

If all these measures were implemented, the United States would soon achieve energy independence. Moreover, this approach would help solve other major economic problems, notably the foreign trade gap and the federal budget deficits.

[From the New York Times, Dec. 27, 1984]

TAX GASOLINE A DOLLAR A GALLON

(By Stewart L. Udall)

PHOENIX.—Is there another malaise brewing in Washington? That is what one senses, watching from the bleachers here in the desert. Just as a consensus grows that something must be done right away about the gargantuan deficit, a counter-consensus emerges among the political pundits that Congress and the President will perform their usual slow waltz and maybe produce some modest budget cuts sometime next summer.

But is there a quick-fix solution? Yes—a simple tax that could be enacted in a few weeks and that, with one bold stroke, would raise close to $100 billion and halve our annual deficit. Briefly put, we should tax gasoline $1 a gallon at the pump. Here are some arguments for such a tax:

It would end our borrowing binge and give the economy the balance it needs to sustain the current pace of economic expansion. It would protect millions of jobs that would be lost if the economy faltered. It would put us back on a path of living within our means, and help reduce our monstrous trade deficit. It would enable us to share some of our remaining oil with our children. It would safeguard our national security by placing a new curb on the power of the Organization of Petroleum Exporting Countries.

Is such a tax fair? Japan and our neighbors in Western Europe answered this question in the 1970's, when all of them enacted taxes that doubled the price of gasoline. In Europe today, gasoline prices are $2.50 to $3 a gallon. Consumers bear this burden because they know it is necessary to protect the economies of their countries.

Is such a tax fair? Japan and our neighbors in Western Europe answered this question in the 1970's.

Is such action politically feasible? Not if Washington offers politics-as-usual. However, we must put the future of the country first. Ominous warnings are flashing: unless there is a shift, America will claim the title "world's largest debtor" next year; and the official statistics are telling us our domestic petroleum output will enter a period of inexorable decline sometime this decade. Is it asking too much to urge our lawmakers to put their demagogic speechs about "regressive taxes" in their pockets and pass a tax that will encourage their constitutents to start making smart decisions now—decisions that will produce big savings for them and their children in the 1990's?

[From the New York Times]

HIT OPEC WHILE IT'S DOWN

(By William Safire)

WASHINGTON.—The most important price in the world is the price of a barrel of oil. In the hey-decade of OPEC, that price shot up from $3 to $33—a 1,000 percent increase that caused inflation and recession in the West, and ruination in the Third World.

Sorry, Charlie, business is business, said oil producers to consuming nations. But the price of oil was not set by supply and demand in free markets; it was manipulated by governments in cartel assembled, rigging the price by limiting production.

In the last few years, the rest of the world adjusted; OPEC's artificially high prices triggered conservation and substitute fuels, while recession lowered worldwide demand. To hold up prices, OPEC tried to cut production, but even so was forced to reduce the price of benchmark oil to $29 a barrel.

In Geneva last week, OPEC's ministers met to crack down on cheating within the cartel; Nigeria, which has to compete with non-OPEC production in Norway and Britain, told Saudi Arabia's Sheik Yamani to leap in his lake of oil. Algeria followed suit.

With the "spot," or non-contract, free-market price of oil now under $27 a barrel, the pressure to cheat on cartel rules of production and pricing is irresistible. Most industry analysts expect the OPEC price to fall this year to about $25.

The general reaction among consumers of oil is a satisfied smile: The greedy sheiks are getting their comeuppance. We sit and wait for more good things to happen.

That is a mistake; the time to kick a cartel is when it is down. Never has the moment been riper to crack OPEC, to add to the force of supply and demand the same kind of concerted economic warfare OPEC waged so successfully against us.

In forcing down the price, we would put economic pressure on the world's largest producer of oil—not Saudi Arabia but the Soviet Union, which is gradually making the nations of Western Europe its energy vassals.

Every time the price of oil is lowered $3 a barrel, the inflation rate in the United States drops by one percentage point. If the producers of oil can be induced to sell their product at 1978 prices—below $15—inflation would be removed, real interest rates would drop to 3 percent, employment would surge and the standard of living of Americans, not to mention the rest of the world, would be propelled upward.

This notion elicits an indulgent smile from those energy experts who only a couple of years ago thought oil prices would inexorably rise. But consider: when the Iran-Iraq war finally ends, an additional 3 million barrels a day will flow into the market. Gold rocketed to over $800 an ounce before settling back to $300; in what economic scripture is it written that oil must sell for over $20 a barrel?

Oil prices will stay high, and will rise much higher, only if the consumer nations fail to strike the cartel in its moment of greatest weakness. The United States should engage in some creative oil politics:

To increase supply, in addition to speeding deregulation of natural gas and repealing the misguided Fuel Use Act, we should look kindly on increased production and severely on market-rigging restraints. Mexico, which we pulled back from the financial brink with purchases for our strategic reserve, is now playing along with OPEC on restraints.

That's not neighborly; we should give preferred supplier status to Canada, Britain, Norway and Nigeria, which are increasing production. As Lawrence Goldmuntz suggests, at propitious moments we should auction some oil from our reserve, helping to break the world price, later picking up replacement oil more cheaply.

To reduce demand, we should listen to Lee Iacocca and not Ford or GM on fuel effi-

ciency, and hold auto makers to increased mileage standards. Americans for Energy Indpendence is right to urge us to use coal and not oil to generate electricity.

And if tax simplification is to be made a little more budget-balancing than its present "revenue neuturality," we should pick up $20 billion on oil import fees (Gary Hart's best idea) and gasoline taxes. The price at the pump (made up of the falling gas price and the rising tax) would be the same to the consumer; in effect, we would be reducing the U.S. deficit on OPEC's back.

OPEC can be defeated now by Bogsat—a "Bunch Of Guys Sitting Around a Table"—in the White House with a tough-minded directive from President Reagan to make the world safe for free trade.

SPRINGTIME FOR OPEC

Winter is already drawing to a close in the world's oil markets. In three or four weeks, producers will feel the approach of spring, when temperatures rise and the demand for fuel drops. That is the background to the current quarrels now occupying OPEC's meetings in Geneva.

This winter has been a great disappointment to OPEC. It had been counting on cold weather and rapid industrial expansion to lift sales and help it to maintain its prices. That hasn't happened, for three reasons. Conservation, throughout the industrial world, is steadily reducing the amounts of energy used to produce each dollar's worth of goods. Unusually warm weather in the eastern United States, the world's biggest market for heating oil, has dampened demand. And some of the oil companies have been drawing down their inventories.

It's the reverse of the process that helped OPEC enormously in driving up the price in 1979-81. When people expect a shortage to drive prices up, they grab for excessive inventory to make money on it—and that aggravates the shortage. When people think that there's enough oil to keep prices flat or even to make them fall, they run down inventories to avoid losing money on them—and that aggravates the oversupply.

The annual oil cycle is now moving through the period of peak demand without soaking up that oversupply, and the producers can only expect falling sales for the next half-year. That puts a special pressure on OPEC because all the exporting countries outside OPEC—the Soviet Union, Britain and Mexico are the most important—continue to pump their oil at rates very close to full capacity. As demand drops, OPEC has been cutting back its own production in a desperate attempt to keep prices from falling further. But the OPEC system of production quotas isn't working effectively. There's been too much cheating and chiseling by member countries that want the extra revenue. Now OPEC is apparently going to try to set up a tighter system of monitoring. Will it work? Probably not.

For the United States and the other oil-importint countries, a lower price is good for the economy if—this condition is crucial—it is a stable lower price. A sudden drop in prices is dangerous if it only sets off another surge in consumption that shortly snaps the market tight and sends prices bouncing higher than ever. That's what happened in 1979.

The trick is to keep pushing for conservation while the price falls. There's a simple solution. A gasoline tax of, say, 25 cents a gallon would discourage waste. But the total cost of gasoline, adjusted for inflation and including the tax, would still be well below the 1981 peak. Since a penny per gallon raises $1 billion a year, it would generate $25 billion next year—a substantial contribution to solving Mr. Reagan's budget embarrassment. A good idea? You bet it is.

[From the Washington Post, Mar. 6, 1983]

THE LOGIC OF THE GAS TAX

With oil prices falling, the time is right to step up the tax on it. But how should this be done? Unfortunately the most prominent proposal—the tariff on imported oil—is also the least satisfactory. A far better alternative is to raise the tax on gasoline specifically. How about raising the gas tax 10 cents a gallon each April for the next three years?

The trouble with a tariff on imported oil is that it would behave just like a tariff on anything else. It would raise the profits of American producers and refiners at the expense of their customers. Of all the industries that do not need additional government assistance, oil production and refining stand pretty close to the top of the list. A tariff would raise the prices of all oil used in this country, both domestic and foreign. But it would be collected only on the oil—currently about one-third of American consumption—that is imported.

That's not a very good deal for American consumers or for American industries that compete in export markets. In the 1950s and 1960s, the United States used import quotas to keep its domestic price higher than the world level. A European scholar, Peter R. Odell, has suggested that this differential may have been as important a contribution to European economic growth as the Marshall Plan was after World War II.

It would be preferable to impose a flat excise tax on all oil, whether produced here or abroad. That's what President Reagan half-endorsed in the contingent tax plan—now moribund—in his January budget. At $5 a barrel, it would raise about $28 billion a year. Like a tariff, it would impose a competitive disadvantage on American industry, but unlike the tariff it would make a serious contribution to reducing the federal budget deficit.

A gasoline tax increase of 30 cents a gallon would raise the same amount of money. But there would be no burden on industrial fuel. Nor would it affect home heating oil. A stiff increase in the gasoline tax raises serious amounts of money with few of the undesirable economic and social side effects of a broader oil tax. The country has already demonstrated that it can accommodate large increases in gasoline prices without any undue disruption. The tax would continue to push toward conservation in an area where it can be relatively easily achieved. With the availability of smaller and more efficient cars, it becomes less painful to cut consumption. The gasoline tax can be justified either as revenue policy or energy policy. Taking both together, it's hard to think of a more logical way to raise $30 billion.

ORDER OF PROCEDURE

Mr. WEICKER. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. WEICKER. I yield 2 minutes to the distinguished Senator from Arkansas.

Mr. BUMPERS. Mr. President, I think I have a special order. Am I next?

The PRESIDING OFFICER. Under the previous order, upon the completion of the special order of the Senator from Connecticut, the Senator from Wisconsin is to be recognized, then the Senator from Illinois, then the Senator from Arkansas.

Mr. BUMPERS. If the Senator will yield me a few minutes, I shall yield back all of my time following that.

Mr. WEICKER. I yield back all my time. I suggest the Senator go ahead.

RECOGNITION OF SENATOR BUMPERS

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas is recognized.

PRESERVING THE CONSTITUTION

Mr. BUMPERS. Mr. President, those of us who are personally acquainted with former Senator Sam Ervin of North Carolina, know him as an outstanding constitutional scholar and gentleman. Recently, the Southwest Times Record of Fort Smith, AR, ran a short review by Jack Moseley of Senator Ervin's book "Preserving the Constitution," and I submit this clip for the RECORD.

[From the Southwest Times Record, Fort Smith, AR, Feb. 24, 1985]

Recommended Reading: Sen. Sam Ervin of Watergate fame may not be the world's greatest writer, but he has one of the world's greatest messages in his autobiograph, *Preserving the Constitution.* He says:

"My life's story reveals in detail how Congress, presidents, federal departments and agencies, and activist Supreme Court justices all too often during recent years have frustrated the Constitution's objectives to secure good government for America, and freedom from tyranny for Americans, and why and how I nevertheless sought during my years in the Senate to make the Constitution a living reality for America and Americans."

Senator Sam has a patriot's heart, a constitutional scholar's mind and a freedom fighter's spirit. From "judicial verbicide" to "civil liberties for all," the venerable gentleman from North Carolina has produced far more than a personal history; he has issued a call to arms for freedom and a never-ending defense of the document that makes America and Americans what they are, can be and should be.

Life, luck and 30—Jack Moseley.

S. 736—CONGRESSIONAL CALL TO CONSCIENCE

Mr. BUMPERS. Mr. President, over the last month the world has been focusing its attention on the resumption of arms control talks between the United States and the Soviet Union, and upon the accession of Mikhail Gorbachev as General Secretary of the Communist Party of the Soviet Union. These events make it apparent that we are standing at an important

junction in our relations with the Soviet Union. Before us lie as many opportunities as there are challenges.

But let us not forget, Mr. President, that as our delegation faces the Soviets across the bargaining table in Geneva, there are an estimated 350,000 Soviet Jews who have expressed a desire to leave their country, but have been refused by Soviet authorities.

I am pleased to participate today in the 1985 Congressional Call to Conscience. The Call to Conscience, which began in 1976, seeks to illuminate the plight of Soviet Jews and their desperate situation under the tight-fisted authoritarianism of the Soviet bureaucratic apparatus. I only hope that an improving climate of reconciliation with the Soviets, as well as a new leader in the Kremlin, will compel the Soviet Government to reevaluate and relax its highly restrictive emigration policy for Soviet Jews.

The Soviets must realize that, because the United States was itself founded by emigres escaping the bondage of religious repression, we will not weaken our demands to ensure that Soviet Jews are afforded the human rights that are guaranteed them through international convention, and that are an essential element of human dignity. All facets of our relationship with the Soviets are interdependent, and our concerns about the fate of the Jewish minority in the Soviet Union cannot be forgotten.

The relaxation of emigrant quotas for Soviet Jews has long been perceived by the Soviets as a bargaining chip when undergoing discussions with the United States. I deplore this linkage, for no man has the authority to barter with the fate of another's fundamental human right. Nevertheless, a reversal of Soviet emigration policy would be a significant step toward demonstrating a renewed sense of sincerity in this newly emerging chapter of their history.

The history of recent Jewish efforts to emigrate from the Soviet Union can be traced to the 1967 Six-Day War. The striking victory won by the Israelis inspired feelings of national identity among Soviet Jews and provided them with a vision of a national life independent of the constant shadow of Soviet domination. Throughout the early 1970's, the movement gained momentum with the activism and courage of such patriots as Anatoly Shcharansky and Ida Nupel.

With the conclusion of the Conference on Security and Cooperation in Europe and the subsequent signing of the Helsinki Final Act in 1975, the prospects for an easing of emigration policy by the Soviets seemed a real and promising possibility. Indeed, for a few short years after the accords, Jews were allowed to leave the Soviet Union in unprecedented numbers.

But in 1979 the Soviets negated the word and spirit of the agreement that had been reached in Helsinki; their brutal invasion of Afghanistan put United States-Soviet relations at their lowest ebb in many years—and thus extinguished the hopes and aspirations of many Soviet Jews. The Soviets began closing the door to Jews seeking to emigrate and countered with an intensified campaign of cultural and religious harassment of the Jewish minority. The Soviets now equate the promotion of Jewish ethnic and cultural heritage as anti-Soviet agitation and propaganda.

Within the last 5 years Jewish emigration from the Soviet Union has declined dramatically, from 51,320 in 1979 to a mere 896 in 1984—a 20-year low. Behind the objective image portrayed by these statistics lies a human story of discrimination, harassment, intimidation, and oppression of the Jewish minority. The very fact that thousands of people are willing and eager to leave the country of their birth, many leaving family and friends behind, in order to freely practice their religious heritage is a testament to the severity of their repression.

I am most concerned with the plight of a young Jewish refusenik, Grigory Geihas. This refusenik's case has been brought to my attention by a constituent of mine, Joe Giuffre of Fort Smith, AR. Grigory is a 25-year-old Muscovite who was recently released from prison after having been arrested on the charge of draft evasion. Although he has been invited to study here in the United States at Brandeis University, the Soviet authorities have repeatedly denied him the required documentation to leave. I have contacted the State Department to check into Grigory's predicament and to urge the new Soviet leader, Mikhail Gorbachev, to reconsider the case of Grigory and to allow him to exercise the right to emigrate as he desires.

I hope in this time of new leadership in the Soviet Union that the denial of the rights of Soviet Jews to emigrate will cease and that the errant policies of the past will be abandoned. I also hope that once again those who wish will be reunited with their families in Israel or simply be allowed to start a new life free from the ominous burden of discrimination be granted that wish.

CLOSING THE NONBANK BANK LOOPHOLE

Mr. BUMPERS. Mr President, I am today introducing legislation, with Senators PRYOR and BOREN as original cosponsors, that would close the so-called nonbank bank loophole. It is abundantly clear that a bill such as this has overwhelming support in both Houses of Congress, and would probably pass by a very lopsided margin without much debate.

As I am sure that all of my colleagues remember, last September we debated and passed a comprehensive banking bill, S. 2851. The bill contained numerous provisions on a full range of banking issues, but the key provision in the bill was language to close the nonbank bank loophole. After that bill passed the Senate by a lopsided margin, the House did not take it up and did not pass a bill of its own.

Why? Because of a heated dispute about how broad or narrow the bill ultimately enacted should be. Congressman ST GERMAIN in the House, the chairman of the House Banking Committee, wanted a fairly narrow bill that closed the nonbank bank loophole and perhaps did a few other things. Senator GARN, the chairman of the Senate Banking Committee, wanted a broader bill that closed the nonbank bank loophole, granted expanded powers to banks, and accomplished other related purposes. The end result of this stalemate, as everyone is aware, is that no banking bill was enacted into law and the nonbank bank loophole remains open.

Mr. President, I strongly believe this loophole must be closed. Perhaps the Congress can agree on other banking issues as well, but I am absolutely certain that closing the loophole is one action that has overwhelming support in both Houses, and could be accomplished immediately if we would just do it.

My great fear is that unless we separate these issues, the House and the Senate will again reach a stalemate in the 99th Congress and this loophole, which is potentially devastating to Arkansas and many other States, will remain open indefinitely. It is for this reason that I am introducing a free-standing bill that has one single, solitary purpose, and no other. It slams the door shut on the nonbank loophole, action which should have been taken long ago.

Mr. President, what is this nonbank bank loophole? It is not widely understood. Congress enacted the Bank Holding Company Act of 1956 to force bank holding companies, which had been proliferating, to divest themselves of nonbanking businesses. Substantial amendments to the act were signed into law in 1966 and 1970. The 1970 amendments reflected congressional concern over the growth of one-bank holding companies. Thus, the 1970 amendments revised the definition of a bank holding company to include holding companies that owned only one bank and the definition of "bank" was amended to include any institution that accepts deposits that the depositor has a legal right to withdraw on demand—basically checking accounts—and engages in the business of making commercial loans.

This brings us to where we are today, Mr. President. Under the Bank Holding Company Act, a bank holding company is defined as "any company which has control over any bank." Thus, you cannot define what a bank holding company is unless you know what a bank is. And as I said, a bank is any institution that accepts demand deposits and—notice this is conjunctive—is engaged in commercial lending. In short, Mr. President, an entity becomes automatically a bank holding company, with all the restrictions that accompany that status, only if it owns or controls another entity that accepts demand deposits and makes commercial loans.

What is happening nationwide, as every Member of this body is aware, is that all sorts of corporate entities, be they bank holding companies, retail stores like Sears, insurance companies such as Prudential, or securities dealers such as Merrill Lynch, are seeking authority from Federal regulators to purchase a bank and to then divest that bank of either its commercial loan portfolio of the power to offer checking accounts, thereby converting that institution into a so-called nonbank bank.

What difference does all of this make? Why should we in Congress be concerned about this proliferation of nonbank banks? And more basically, why would Sears or Citicorp want to take advantage of this loophole?

To answer my last question first, Mr. President, bank holding companies, and recall that this is any entity that owns a bank, have fairly severe restrictions on their activities. In a nutshell, they may only engage in banking and other activities that are very closely related to banking. Thus, Sears would be legally prohibited from engaging in retailing and owning a bank at the same time. But if it purchases a bank and then divests that bank of its commercial lending portfolio, the creature that is created is not a bank. To carry it one step further, by taking advantage of this loophole Sears can purchase an entity that looks like a bank, acts like a bank, and smells like a bank, but which is not technically a bank within the meaning of the law. And, Sears does not become a bank holding company with all of the accompanying restrictions that status entails.

Let me give another example of why someone would want to take advantage of the nonbank bank loophole. The so-called Douglas amendment to the Bank Holding Company Act prohibits a bank holding company to acquire a bank in a State other than the State in which its banking operations are principally conducted unless the law of the State where the acquired bank is located specifically permits such an acquisition by an out-of-State bank holding company. In other words, the Douglas amendment prohibits interstate banking unless specifically authorized by State law. Thus, by way of example, Citicorp would be prohibited by law from purchasing a bank in Arkansas, because Arkansas law does not allow it. If, however, Citicorp purchases a bank in Arkansas and then either divests that bank of its checking accounts or commercial loan portfolio, then Citicorp is purchasing something other than a bank and the Douglas amendment restrictions on interstate banking would not be applicable.

Mr. President, although Congress bears a large share of the responsibility for the proliferation of nonbank banks, the main culprit is the Comptroller of the Currency, who has been approving applications for national bank charters, charters which would be used for nonbank banks, as fast as he can. Currently, 367 applications for these charters have been filed with the Comptroller of the Currency by 57 applicants, among which are 40 of the largest banks in the country. Thus far, 262 of these applications have been granted preliminary approval by the Comptroller. Only a very few States have not yet been targeted by some large nonbanking corporation or 1 of the 40 largest bank holding companies in the Nation. About 60 nonbank banks are planned for Florida, and 19 for Georgia, 15 for Pennsylvania, and 31 for Texas. Communities in these States that will host these institutions would be well to ask, What will happen to the capital their community generates? Will it be siphoned off to New York or Chicago? Will these nonbank banks be as committed to the welfare of our communities as locally owned and operated institutions?

I agree with Chairman Volcker's warning when he testified before the Senate Banking Committee last year:

> The haphazard exploitation of "loopholes" in existing law * * * could, in time, jeopardize the safety and soundness of the banking and payments system * * * the regulated banking sector would inevitably wither * * * One clear risk is that the overriding public interest in a strong, stable, and competitive financial system will be lost.

Mr. President, there is one bright spot on the horizon. On February 15, U.S. District Judge Howell Melton of Florida enjoined the Comptroller of the Currency from granting any more nonbank bank charters. The judge has this to say:

> The historical use of the term "business of banking" in the industry strongly suggests that its essential elements are the acceptance of demand deposits and the making of commercial loans and that a financial institution that is legally unable to engage in both activities cannot engage in the "business of banking" within the meaning of the National Banking Act * * * It is the Comptroller, not the plaintiffs, who should seek Congressional authority before imposing his personal policy preferences relating to interstate banking on the banking structure of the United States * * * The Comptroller does not serve the public interest by issuing charters to nonbank banks when their only conceivable purpose if to enable their parent companies to escape regulation under the Bank Holding Company Act.

Mr. President, the learned judge's logic is compelling, and I hope that he is affirmed on appeal, but we cannot take that chance. We must act legislatively to close this loophole. Even if the judge is affirmed, his opinion relies heavily on the provisions of the National Banking Act which controls the granting of national bank charters; it does not deal with State bank charters, and that portion of the loophole would remain open.

My bill is very simple. It defines a "bank" within the meaning of the Bank Holding Company Act to mean a FDIC insured bank or any institution eligible to make application to become a FDIC insured bank. It grandfathers those entities who were approved for nonbank bank charters before July 1, 1983, and it forces everyone else to comply with this new definition of bank—and this will mean divestiture for all those institutions approved by the Comptroller since June 30, 1983—within 180 days of the enactment of my bill.

I hope that the Senate Banking Committee will schedule hearings and an early markup on this measure. To quote from the House Banking Committee report that accompanied the passage of the Bank Holding Company Act of 1956, "The time for action is now. We dare wait no longer." I ask unanimous consent that a copy of the bill be printed in the RECORD at the appropriate place.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Financial System Integrity Act of 1985".

BANK HOLDING COMPANY ACT AMENDMENTS

SEC. 2. (a) Section 2(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)) is amended to read as follows:

"(c)(1) 'Bank' means—

"(A) an 'insured bank' as defined in section 3(h) of the Federal Deposit Insurance Act;

"(B) any institution that is eligible to make application to become an insured bank pursuant to section 5 of the Federal Deposit Insurance Act; and

"(C) any institution organized under the laws of the United States, any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands, which—

"(i) accepts deposits that the depositor may withdraw by check or similar means for payment to third parties or accepts demand deposits; and

"(ii) is engaged in the business of making commercial loans.

"(2) The term 'Bank' does not include—

"(A) any foreign bank having an insured or uninsured branch in the United States;

"(B) any depository institution defined in clause (ii), (iii), (iv), (v), or (vi) or section 19(b)(1)(A) of the Federal Reserve Act;

"(C) any organization operating under section 25 or section 25(a) of the Federal Reserve Act;

"(D) any organization which does not do business in the United States, except as an incident to such organization's activities outside the United States; and

"(E) any institution which functions solely in a trust or fiduciary capacity, such as described in subsection (a) of the first section of the Act of September 28, 1962 (12 U.S.C. 92a(a)), if—

"(i) all or substantially all of the deposits of such institution are in trust funds and received in a bona fide fiduciary capacity;

"(ii) no deposits of such institution which are insured by the Federal Deposit Insurance Corporation are offered or marketed by or through a company which controls such institution or by or through an affiliate of such company.

"(iii) such institution does not offer demand deposits or deposits subject to withdrawal by check or any other similar means; and

"(iv) in the case of any such institution which was in operation on September 13, 1984, such institution continues to engage only in such activities as such institution engaged in on September 13, 1984, and only at the locations at which such activities were conducted on such date. Nothing contained in this clause shall prevent any institution which engages in the activities authorized for such institution under this clause from increasing quantitatively the level of such activities.

"(3) For purposes of paragraph (2) (E) (ii), the term 'affiliate' means any entity which controls, is controlled by, or is under common control with another entity.".

(b) Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end thereof the following:

"(f)(1) Any entity which, because of the provisions of and the amendments made by the Financial System Integrity Act of 1985, is not in compliance with the provisions of this Act on the day after the date of enactment of such Act shall come into compliance with the provisions of this Act not later than one hundred and eighty days after such date of enactment.

"(2) Notwithstanding any other provision of law, the one hundred and eighty days time period specified in paragraph (1) may not be extended by the Board.

"(g)(1) Notwithstanding any other provision of law, an entity may continue to control any institution—

"(A) which became a bank due to the amendment to section 2(c) made by the Financial System Integrity Act of 1985; and

"(B) for which the approval of the formation (or acquisition by such an entity) of such institution (whichever occurs later) was formally granted on or before June 30, 1983, by the appropriate Federal or State regulatory authority.

"(2) Any institution described in paragraph (1) may continue engaging only in such activities as such institution engaged in on September 13, 1984, and only at the locations at which such activities were conducted on such date.

"(3) Nothing contained in paragraph (2) shall prevent any institution which engages in the activities authorized for such institution under paragraph (2) from increasing quantitatively the level of such activities.

"(4) Notwithstanding any other provision of law, section 4 of this Act shall not apply with respect to any entity which is a bank holding company only by virtue of its control of institutions described in paragraph (1).

"(5)(A) Any entity that controls any institution which became a bank due to the amendment to section (2)(b) of this Act made by the Financial System Integrity Act of 1985 and which is not described in paragraph (1) shall not retain control of such institution without the approval of the Board.

"(B) The Board shall not approve any such application for such approval if—

"(i) such approval would violate section 3 of this Act. Any such application for retention shall be deemed to be an application seeking approval under such section; or

"(ii) the entity involved is engaged in activities which are not permissible for bank holding companies under this Act.".

● Mr. PRYOR. Mr. President, I am pleased to join my colleague from Arkansas as a cosponsor of his bill to cut off the proliferation of the so-called nonbank banks.

The growth of this new creature—part bank, part insurance agent, part retailer—is a clear threat to the community banks of this country which have served us so well by meeting the needs of their customers, directing capital into profitable channels, and contributing to this Nation's economic successes. Out-of-State, impersonal giants cannot fill this function as efficiently as our local institutions.

Last year the Senate considered this question in the broader context of determining the appropriate powers of financial institutions. That effort stalled after passing the Senate, and I have seen no evidence to indicate that it would proceed any further this year. In the meantime, the Comptroller of the Currency has given preliminary approval to more than 250 new nonbank banks.

There seems to be broad agreement among Members of Congress on the harmful effects of further commerical bank expansion, and narrow legislation of this sort, as opposed to another comprehensive bank powers bill, seems to have a favorable outlook in both Houses of Congress. The bankers in our State have examined this approach and told Senator BUMPERS and me that they support it.

This may not be the perfect solution to the rapidly changing financial services sector, but it is a step that needs to be taken—and quickly. As the record shows, the Congress cannot, and should not, leave this responsibility to the regulators.●

● Mr. BOREN. Mr. President, I am very pleased to join my colleagues, Mr. BUMPERS and Mr. PRYOR, in introducing this bill to close the "nonbank" bank loophole.

The time has come to recognize the consensus which I believe exists in the Congress, and finally act to reverse this inequity in our financial system. We should act quickly to put a stop to this change of policy established by Federal regulators of the banking industry.

The historic intent of our banking laws was to provide for a stabilized, confident market with fair competitive boundaries. It was clearly the intent of Congress that bankers should bank, and security firms and retailers should not be given an advantage in these areas.

This policy has been fundamentally altered by the actions of the Comptroller of the Currency in allowing the establishment on nonbank banks.

The growth of these nonbanks could eventually circumvent States' law to the extent that the delicate balance envisioned in the original actions of Congress would be broken.

This unfair competition would threaten the service, confidence, and the stability of our States' banking system. That is why I join the two distinguished Senators from Arkansas in supporting this bill.

I ask my colleagues to join us in support of this legislation. It is high time we correct this technical flaw in the law.●

Mr. BUMPERS. Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

CAN BIG DEFICITS UNDERMINE U.S. FULL FAITH AND CREDIT

Mr. PROXMIRE. Mr. President, it is time we took a long, hard look at the full faith and credit of the Government of the United States. Recently, the Chicago Tribune displayed a cartoon showing a long line of people waiting to enter an institution labeled "Titanic Savings & Loan." The savings and loan carried a sign: "Backed by the Federal Government." Also appearing in the cartoon was a building flush against the S&L—obviously backing it up and labeled: "The Federal Government." Both the savings and loan and the Federal Government were drawn on an overhanging cliff. The Federal Government building's foundation was beginning to creak and give away under the deficit. Now, how about that? The Chicago Tribune is a major national newspaper. How much truth is there in the story its cartoon is telling?

Mr. President, the American people are gradually developing a creeping, uneasy fear about the Federal deficit and how it may undermine our financial institutions or our currency or

business confidence and collapse this strongest economy in the world. Is the Chicago Tribune editorial right? Could the first rumblings of failure in the Ohio Savings & Loan collapse signal a great deal more? Could it mean that the Federal Government itself might be in danger of financial collapse?

In a technical sense, the answer is simple and clear. The Federal Government of the United States is in no remote financial trouble. In fact, any financial institution supported by Federal Government guarantee or the full faith and credit of our country is certain to be safe and secure. Last year, 79 commercial banks failed. It was the worst year for bank failures in the last 50 years. But those failures only amounted to a tiny one-half of 1 percent of the Nation's commercial banks. Even more impressive not one single depositor lost a nickel. Even those whose deposits exceeded the $100,000 insurance coverage lost nothing because bank regulators arranged mergers which brought healthy banks in as merger partners with the failed banks and saved every last nickel of every insured depositor. In Ohio the failed banks were not—I repeat not—insured by the Federal Government. They were insured by a private institution that had no connection with the Federal Government.

In a technical sense, the Federal Government cannot fail. It is sovereign. The Congress can appropriate money and that must be honored. Right now the American dollar is the strongest currency in the world. In fact it is embarrassingly strong, too strong. The Federal Reserve Board has the legal authority to provide whatever funds—billions, trillions, you name it—that the Federal Government may need to make good its full faith and credit. The sky is literally the limit.

If this is the case, does that Chicago Tribune cartoon showing the Federal Government collapsing under the deficit rightly forecast a real possibility or is it impossible? The answer, Mr. President, is it that Chicago Tribune cartoonist is on to something? This country has a few years to go—like 15 or 20 or more. But if we do not take the painful, unpopular action necessary and take them promptly and stay with them through recessions as well as expansion periods, our monetary system will give way to inflation, sky-high interest rates and eventual economic collapse. The Federal Government through the Federal Reserve will be able to pay for anything regardless of how deep the deficit.

But that is precisely the trouble. The will of the Congress and the American people is going to be tested as it has not been tested before. Can a Democratic government come off a series of peacetime deficits of close to $200 billion a year? Can it persist with an austerity program through a period of economic slowdown? Can it hammer those deficits down to $100 billion per year or less? Can it stick with the austerity program through recession and heavy unemployment? Can it do so knowing that it has been the deficits which have fueled the economy's growth and the austerity that threatens the growth and will probably push the economy into temporary recessions when it is invoked?

Now, Mr. President, what kind of congressional and Presidential conduct will this necessary austerity require in our democracy? It will take a willingness for elected officials to do their best to explain to the electorate why growing, if temporary, unemployment, growing, if temporary, business failures, and growing, if temporary, loss of personal income are all necessary in order to stop the onrush of a disastrous national indebtedness. It will mean saying no to farmers when they need help, no to the unemployed when they desperately need jobs, no to eager young people who need a college education, no to administrations calling for more foreign aid, and no, of course, to well-heeled, big contributing defense contractors who bring jobs to hundreds of congressional districts and most States. Even more painfully politically, it will require Members of the Congress to say yes to higher taxes when those higher taxes are necessary to cover absolutely essential costs of Government. Will the American people stick with Government officials who make these unpopular decisions? They will if they consider the alternative. If Presidents of the United States and Congresses over the next 20 years do not make these tough, unpopular decisions to cut the deficit, this Nation will be ravaged by a super inflation and a far deeper and more serious depression.

WHY WE CAN AND SHOULD HOLD DOWN MILITARY SPENDING

Mr. PROXMIRE. Mr. President, does America need the kind of massive military buildup called for by President Reagan? Are we now militarily vulnerable? Should we devote substantially more of our economic and scientific resources to building the defense of this country? The answer is no. Compared to virtually every other nation in the world, the United States enjoys an immense security advantage. Consider our many blessed advantages: We are separated by two mighty oceans from any present or future potential military powers in Europe or Asia and, of course, today especially from the Soviet Union. No one even suggests that the Soviet Army will ever march down Fifth Avenue in New York nor will the Chinese storm the beaches of San Francisco, except as a wild flight into the ridiculous. And we don't rely on the oceans as certain and eternal barriers. We have far and away the greatest Navy in the world, on every basis of measurement. Our Navy has more tonnage than the Soviet Navy, more fire power, infinitely more nuclear capability, far more aircraft carriers and planes, plus a marine force that far surpasses the marines of any other nation on Earth. There is no question that the United States is as safe from foreign invasion of our continental States as it has ever been in our history. In fact, I will challenge any Senator to rebut the assertion that America is today safer from invasion than any sovereign country has ever been.

Of course, we now live in a nuclear age. A single attack in a few minutes could totally destroy any nation on Earth and kill most of its population. This has been the case since the Soviet Union developed its nuclear arsenal more than 30 years ago. What has kept the peace during that 35-year period? It is the grim and terrible fact that both superpowers have this immense capability. Obviously, any attack by the Soviet Union or any other nation on the United States would be an obvious act of suicide. We could retaliate with a swift, sure devastation of any aggressor, no matter how immensely destructive was the nuclear attack on our country. It is virtually inconceivable that still greater American nuclear power would add any significant assurance of greater military security.

Not only is the United States impregnable in its ability to protect its own borders because of its two oceans protecting our east and west borders, but it has the advantage of relatively small and friendly powers on our north and south in Canada and Mexico. No one even pretends that either country could become a military threat to the United States. Of course we are concerned about communism in Cuba and Nicaragua, but neither country represents the slightest military threat to the United States under any conceivable circumstances. In fact, throughout Central and South America no nation or combination of nations could at anytime in the foreseeable future pose a remote threat to this country. Any threat would have to come from the eastern hemisphere, across an ocean and against a vastly superior American naval and air power.

How about Europe and our NATO allies? Suppose the Soviet Union should take advantage of their obvious superiority in conventional weapons—particularly tanks—to sweep to the channel in a blitzkrieg modeled after the swift German triumph in early World War II. Aren't we told that NATO could only hold out for a few

days? And wouldn't the seizure of Western Europe give the Soviet Union a clearly predominant economic and potential military advantage that could threaten what now seems to be an impregnable America?

The answer to this fairy tale shows up in the Soviet experience during the past 5 years in primitive, little Afghanistan. Why should we expect a Soviet Union military force that has failed in 5 long years to overrun a primitive little, sixth-rate country like Afghanistan—located right on its border—to be able to take on the combined power of West Germany, France, the United Kingdom, Italy, and the United States with a far bigger and better trained and equipped army than Afghanistan ever dreamed of and overwhelm this massive power in a few weeks?

And that is not all, Mr. President. Rightly or wrongly, this country and its NATO partners have made it clear to the Soviet Union that such a Soviet attack on Western Europe would risk the definite possibility of provoking a nuclear reaction. The Soviet Union knows that the United States has not rejected the first use of tactical nuclear weapons in Europe. Why? We have said why. Indeed, our leaders have precisely pointed to a Russian invasion of Western Europe that began to succeed as the specific circumstance under which the NATO command might use the nuclear weapons necessary to repulse such an attack. The Soviet Union has moved against Hungary, Afghanistan, and elsewhere. She will move again. But she has never engaged in aggression against a power of roughly equal might and capability. The prospects that the Soviet Union would invade Western Europe, given the present balance of military forces and the expressed willingness of NATO to resist with nuclear weapons, if necessary, makes such a Soviet move virtually impossible.

Of course, there are other areas in the world where we could be involved militarily: the Middle East, the Korean peninsula, Indochina, and the Philippines. After the Vietnam experience, it is clear that we would be and should be very cautious about any involvement regardless of the size and strength of America's military force.

So what is the need for America's military power? Do we need more military power to protect this country and its vital interests? The answer is that we must maintain our military force and continue to improve our capability and work with all our might for mutual, verifiable and comprehensive arms control. Meanwhile we can rest in confidence that we do not need a massive strategic buildup to protect our national security. America has never been more secure militarily. There is no case—none—for the kind of massive military buildup for which the administration is calling.

THE GENOCIDE CONVENTION: TEMPUS FUGIT

Mr. PROXMIRE. Mr. President, in the closing days of the 98th Congress, the Senate adopted Senate Resolution 478 and, with its passage, decisively set one of the legislative priorities for this year: debate and ratification of the Genocide Convention.

Now, that was no idle pledge. It was not an offhand statement, nor was it a verbal pledge of the leadership.

It was, instead, a clear, decisive, and forceful statement of this body—adopted by a whopping majority of 87 to 2—that the Senate "endorsed the principles embodied in the Convention on the Prevention and Punishment of the Crime of Genocide * * * and declares its intention to act expeditiously thereon in the first session of the 99th Congress."

Mr. President, the adverb in that phrase is "expeditiously," yet here we stand, 3 months into the first session, with no clear idea when we can expect the debate on the Genocide Convention to begin.

Now, the word "expeditiously" was chosen with care, Mr. President. It was chosen deliberately. Because the authors of that resolution knew all too well that now—right now—is the best time for the Senate to be debating the merits of the Genocide Convention.

When could be better?

The beginning of any Congress is a time for reorganization and our legislative schedule is virtually nonexistent. The readjustment of committee size this year entailed an even longer period of delay than we have seen in a while and that has forced the Senate leadership to schedule short sessions and even five pro forma sessions.

For the past 3 months we have had ample opportunity to open debate on the Genocide Convention and proceed article by article through its consideration and never once interfere with any vital matter that the Senate had to consider. Ample opportunity, Mr. President.

Yet here we sit, Mr. President, with the Easter recess rapidly approaching and no clear schedule in sight.

But every day that we delay raises the possibility that the Genocide Convention will not be debated. Every day that we delay undercuts our ability to live up to the mandate embodied in Senate Resolution 478.

Other pressing business will soon mount. First, the budget resolution must take priority. Then the deficit reduction or reconciliation package. By then, the legislative committees will have vital reauthorization bills pending on the calendar. And, by that time, the appropriations bills will all be just around the corner.

Each and every one will pose an excuse for not scheduling the Genocide Convention. The majority leader will be besieged by requests of committee chairmen to move their particular measures along and not lay down any matter involving prolonged debate.

Nothing could be clearer—the Genocide Convention will involve a prolonged debate. Anyone who witnessed last year's debate and the frivolous amendment which was offered to the treaty knows we will be faced with either an outright filibuster or a filibuster by amendment, requiring a commitment of the Senate's time to assure that the opponents have their day in court and for the Senate to work its will and, in my opinion, overwhelmingly endorse the Genocide Convention without crippling amendments.

But precious time is being lost and we cannot permit that to continue.

I know the leadership of the Senate Foreign Relations Committee is struggling to set a date for a committee markup which they hope to announce shortly, and I am heartened by that fact.

But my fears remain, Mr. President, that too much time has been lost.

The Romans had a phrase for it: Tempus Fugit. Time is fleeting. Mr. President, that phrase is all too applicable in this case.

RECOGNITION OF SENATOR DIXON

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois [Mr. DIXON] is recognized.

S. 738—ADDITIONAL BANKRUPTCY JUDGESHIP FOR CENTRAL DISTRICT OF ILLINOIS

Mr. DIXON. Mr. President, I am honored to introduce legislation today with my colleague, Senator PAUL SIMON, which is intended to avert a major slowdown in the administration of justice in Illinois. The long and short of this legislation is that it would provide for an additional bankruptcy judgeship for the central district of Illinois, without which the two bankruptcy judges currently there will be literally swamped by the large and growing caseload.

Under current law, Mr. President, the central district has two full-time judges and one part-time judge. In July, 1986, the part-time position will be eliminated, leaving the work there to be performed by the two other judges.

That would not be a problem as far as I am concerned, Mr. President, if that step were truly justified. However, eliminating that position is the wrong step to take. The caseload in the central district has been expanding greatly over the past few years, not shrinking. More telling is the fact that in a comparison of nearby districts, the central district of Illinois is

the only one to carry as many cases as it does with only two full-time bankruptcy judges. Some districts carry an even smaller caseload, but have more judges.

The following table, which I ask unanimous consent to have printed in the RECORD illustrates my point:

There being no objection, the table was ordered to be printed in the RECORD, as follows:

District	Judges	Caseload total
Illinois Central	2	6,142
Wisconsin Eastern	3	5,728
Missouri Eastern	3	3,441
Missouri Western	3	4,660
New York Eastern	6	5,225
New York Western	3	4,391
Pennsylvania Western	3	3,868
Minnesota	4	5,728
Kansas	3	5,682

Note—For the 12-month period ending Dec. 31, 1984.

Mr. DIXON. Mr. President, in each of these districts, the total caseload is less intense than in the Central District of Illinois, but every one of them carries three, four, even six full-time bankruptcy judges. The central district of Illinois has two judges.

Something is wrong here, Mr. President. That is why Senator SIMON and I are introducing legislation to provide for a third bankruptcy judgeship for the central district.

We are not asking for a great deal with this bill, Mr. President. We are not asking for six bankruptcy judgeships, even though one district has that number and a less demanding workload. We are not asking that another district drop down to accommodate the Central District of Illinois. All the two Senators from Illinois are saying is, "Please don't single out the Central District of Illinois for unequal and unfair treatment."

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S. 738

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 152(a)(2) of title 28, United States Code, is amended by striking out

"Illinois:
"Northern 8
"Central 2
"Southern ..... 1.";

and inserting in lieu thereof the following:

"Illinois:
"Northern 8
"Central 3
"Southern ..... 1.".

Mr. SIMON. Mr. President, I am proud to join my distinguished colleague, Senator ALAN DIXON, in introducing legislation designed to ensure that the bankruptcy courts in central illinois are capable of dispensing justice.

Mr. President, the current overload on the bankruptcy judges in the central Illinois district is unfair and impedes justice in that region. True justice cannot be dispensed in an unfair situation. In fact, the principles of fairness and justice cannot be separated.

Let me cite some figures which illustrate the current inequity in central Illinois. The central district has only two full-time bankruptcy judges, with one part-time judge projected to be eliminated next year. These judges currently are handling more cases than in districts which have as many as six judges. In the New York eastern district, 6 judges handled 5,225 cases. In the central district of Illinois, 2.5 judges handled 6,142 cases. That case load will increase even more when the part-time judge is eliminated next year.

The residents of central Illinois obviously are not receiving the same service from their legal system as the citizens of eastern New York. That is not fair—and that is not justice.

Mr. President, Senator DIXON and I offer this legislation in order to ensure that the citizens of central Illinois are served fairly by our judicial system and with justice in its truest sense.

S. 737—TO AMEND IMMIGRANT QUOTA FOR COLONIES

Mr. DIXON. Mr. President, I rise today to introduce legislation which amends the Immigration and Nationality Act of 1965 by adjusting the immigrant quota for colonies. This bill, which mirrors H.R. 1482 introduced by Congressman NORMAN MINETA, would raise the colonial quota from 600 to 5,000 visas per year.

The need for this legislation, which for all practical purposes applies to would-be immigrants from Hong Kong, is clear. In 1997, Hong Kong will lose its status as a British colony as control is transferred to the People's Republic of China. The problem is, Mr. President, that thousands upon thousands of Hong Kong citizens hope to immigrate to the United States before Great Britain leaves that tiny colony. Unfortunately, under existing laws that would be impossible, as the current limit of 600 visas per year allows only a few individuals to emigrate at a snail's pace.

More than 30,000 applicants for U.S. visas from Hong Kong have already registered at U.S. consular offices, Mr. President. Most of those people have family relations in the United States, so to raise the number of visas per year would further the important national goal of family reunification.

There are probably thousands more who would apply if they thought there was any chance to immigrate to the United States. If this legislation is not adopted, most of these individuals will never be reunited with their families.

This is a modest proposal, Mr. President. In fact, a similar proposal has been supported in both the 97th and 98th Congresses. For example, there was agreement among the conferees to the Simpson-Mazzoli Immigration Reform Act during the 98th Congress to raise the visa quota for colonies from 600 to 3,000.

So, this proposal is not new—but it is important that we try to help a reasonable number of individuals to be reunited with their families in the United States.

I ask unanimous consent that the bill be printed in its entirety, and I urge my colleagues to support this much needed reform of our immigration laws.

S. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

INCREASE IN IMMIGRANT QUOTA FOR COLONIES AND DEPENDENT AREAS

SECTION 1. (a) To 5,000.—(1) Section 202(c) of the Immigration and Nationality Act (8 U.S.C. 1152(c)) is amended by striking out "six hundred" and inserting in lieu thereof "five thousand".

(2) Section 202(e) of such Act (8 U.S.C. 1152(e)) is amended by striking out "600" and inserting in lieu thereof "5,000".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to fiscal years beginning with fiscal year 1986.

S. 739—NATIONAL ENDOWMENT FOR HOMELESS

Mr. DIXON. Mr. President, I am today introducing legislation to establish a National Endowment for the Homeless. I am delighted to have my colleagues, Senator HEINZ, Senator GLENN, Senator BRADLEY, Senator KENNEDY, Senator KERRY, and Senator SIMON as cosponsors of this bill. A companion measure was introduced in the House by Representatives MIKE LOWRY and JIM LEACH. I believe that there is a widely recognized need for this legislation and a bipartisan consensus that the Federal Government must continue to maintain a safety net beneath the poorest and most vulnerable members of our society.

I would like to emphasize the bill's three most important characteristics: First, its low cost; second, its delivery of assistance through a streamlined, public/private cooperative effort; and third, its versatility and effectiveness in dealing with the wide variety of needs presented by the homeless in America today.

First, this bill will not increase costs to the Federal Government. It will simply maintain the current funding levels of two programs now serving the needs of homeless and hungry people—the Emergency Food and Shelter Program and the Emergency

Food Assistance Program. It would authorize $110 million annually, outright, and provide up to $50 million annually to match non-Federal funds dollar for dollar. Efforts such as that of a group of musicians who recorded "We are the World"—which is expected to raise $5 million for the hungry in America could, with this match money, be doubled.

Let me say this to my colleagues: The current money for the Emergency Food and Shelter Program runs out July 31, 1985. After that, there will be no more funds to provide even the most basic assistance to the homeless and hungry in this country. We must pass legislation before this occurs.

I held a hearing earlier this month in a small church on the West Side of Chicago on the problems of the homeless. After listening to hours of testimony from witnesses including Harold Washington, the mayor of Chicago, leaders of local shelters, social service professionals, and clergy, as well as homeless individuals, I became more convinced than ever that the emergency which has caused the Congress to act in the past continues to exist, and, in fact, is getting worse.

I learned, for example, that 30 percent of the children under 2 years of age who are admitted to Cook County Hospital are undernourished. We know that undernourishment of infants causes mental and physical retardation for which we will pay with human anguish and money in the years to come. The fact is that there are more families, more youths and more single women on the streets in our country than ever before.

Second, the endowment for the homeless which we are proposing would deliver assistance to the local communities where it is most needed, through a streamlined, public/private cooperative approach. The legislation would establish, just as in the FEMA program, an 11 member national board composed of representatives of private charities such as the Red Cross, the United Way, the Salvation Army, Catholic Charities, the Council of Jewish Federations, and the National Council of Churches. The Secretaries of the Departments of Health and Human Services and Housing and Urban Development, and three other members, would also serve on the board. It would also create a national council of shelter and food service providers composed of professionals in the field appointed by the national board. Both groups would work without salaries to see that the money gets to the people who need it. The bill requires that administrative expenses not exceed 3 percent of the Endowment.

We are trying to supplement funding for existing services, rather than supplant private funding sources. The provision for matching funds emphasizes this lean, cost-effective approach which, I believe, is the key to the future of government social programs. Keeping administrative costs to a minimum through a policy of offering grants to local community organizations has worked in the FEMA program, and it will work in the endowment. Service delivery stays in the hands of the experts, while the Federal Government acknowledges that it has a role to play in funding these efforts.

Finally, the endowment for the homeless, because of its creative partnership with private groups, offers the potential for an effective government response to a wide variety of needs. The homeless just do not fit into any single category. They are the families of unemployed parents who can no longer pay rent; they are battered women and runaway children; they are the real-life results of policies which led to the deinstitutionalization of mentally and emotionally handicapped people.

During the 1981–82 recession, literally thousands of volunteer community organizations including our churches and synagogues opened their doors to the homeless and the hungry, and began specializing in serving their particular long-term needs. I am proud of these generous individuals and organizations. The Federal Government could never hope to—nor would it want to—reproduce the variety of services and the love and care with which they are administered by these private groups.

Mr. President, we all feel a responsibility to the homeless. We meet them in urban, suburban and rural areas across our country. As you know, I have spoken often in this place on behalf of the farmers of Illinois, and I would like to say that that is a rural problem, too. First comes poverty, then the loss of your farm, and finally comes homelessness. In addition, farmers probably care more than anyone else about providing food and would like to see hunger and malnutrition decreasing rather than increasing in our country today. I don't believe we want to stand by while a new class of the rural poor evolves in our society.

Mr. President, this legislation is only a small step toward an answer to an immense problem which has been exacerbated by domestic policies that have cut or eliminated programs that meet the basic needs of all our people. I do not want to elaborate on the budget cuts of the last 4 years at this time, but it is painfully obvious that if we cut nutrition programs, people will be hungry; and it we cut housing assistance, people will be homeless; and if we cut low-income energy assistance, people will have to choose between paying their heating bill and buying food.

Hunger and homelessness in this country is a disgrace. We voted in the Senate to send $175 million in nonfood aid and $285 million in food assistance to Africa. It is important. But what about the people at home sleeping under bridges in Chicago, spending their days on heating grates to stay warm in New York, and rummaging through discarded scraps behind restaurants in Des Moines? This should not be happening in America. Mr. President, we can do better; indeed, we must.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Endowment for the Homeless Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to establish a private, nonprofit endowment with public and private funds that shall make grants and disseminate information to providers of shelter, food, and supportive services for the homeless, with particular emphasis on efforts to assist in the transition from temporary shelter to permanent homes, to meet the special needs of the homeless with mental and physical disabilities and illnesses, and to facilitate access for the homeless to other sources of services and benefits.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "Board" means the Board of Directors of the Endowment.

(2) The term "Council" means the National Council of Shelter, Food, and Service Providers established under section 10(a).

(3) The term "Endowment" means the National Endowment for the Homeless established under section 4(a).

(4) The term "homeless" means lower income families and individuals, elderly families and individuals, and handicapped families and individuals (as such terms are defined in section 3(b) of the United States Housing Act of 1937) that lack permanent housing.

(5) The term "locality" and "unit of local government" have the meanings given such terms under the food distribution and emergency shelter program carried out by the Federal Emergency Management Agency under the Second Supplemental Appropriations Act, 1984 (98 Stat. 1382).

SEC. 4. ESTABLISHMENT OF NATIONAL ENDOWMENT FOR THE HOMELESS.

(a) IN GENERAL.—There is authorized to be established a nonprofit corporation to be known as the National Endowment for the Homeless.

(b) STATUS OF ENDOWMENT.—The Endowment shall not be an agency or establishment of the Federal Government.

(c) APPLICABLE CORPORATION LAWS.—The Endowment shall be subject to the provisions of this Act and, to the extent consistent with this Act, the District of Columbia Nonprofit Corporation Act.

(d) PLACE OF INCORPORATION.—The Endowment shall be incorporated, and have its

principal offices, in the District of Columbia.

SEC. 5. NONPROFIT NATURE OF ENDOWMENT.

(a) STOCK AND DIVIDENDS.—The Endowment shall have no power to issue any share of stock, or to declare or pay any dividend.

(b) ASSETS.—No part of the assets of the Endowment shall inure to the benefit of any member of the Board of Directors of the Endowment, any officer or employee of the Endowment, or any other individual, except as salary or reasonable compensation for services.

SEC. 6. PURPOSES OF ENDOWMENT

(a) IN GENERAL.—The purposes of the Endowment are—

(1) to support efforts to provide shelter, food, and supportive services for the homeless, with particular emphasis on efforts to assist in the transition from temporary shelter to permanent homes, to meet the special needs of the homeless with mental and physical disabilities and illnesses, and to facilitate access for the homeless to other sources of services and benefits;

(2) to promote greater cooperation between the public and private sectors in providing more adequate resources to meet the basic human needs and to engender greater respect for the human dignity of the homeless;

(3) to serve, in cooperation with other organizations in order to avoid duplication of effort, as a national forum and a repository of knowledge to aid in the gathering and dissemination of information relating to homelessness; and

(4) to strengthen efforts to create more effective and innovative local programs by providing funding for demonstration programs for the direct provision of shelter, food, and supportive services to the homeless and to encourage the replication of successful program efforts.

(b) LIMITATIONS ON ACTIVITIES.—

(1) The Endowment may only provide funding for programs undertaken by nonprofit organizations and units of local government, and the Endowment may not carry out programs directly.

(2) The Endowment may provide funding only for programs that are consistent with the purposes set forth in this Act.

(c) CONGRESSIONAL OVERSIGHT.—The Endowment and its grantees shall be subject to the appropriate oversight procedures of the Congress.

SEC. 7 GRANT ASSISTANCE.

(a) IN GENERAL.—The Endowment may make grants to nonprofit organizations and units of local government engaged in the provision of shelter, food, and supportive services for the homeless in order to carry out activities that are consistent with the purposes of this Act.

(b) USE OF GRANTS IN ADDITION TO OTHER ASSISTANCE.—Assistance provided under this Act shall represent an increased level of support for the homeless and shall not substitute for financial support otherwise available for the homeless prior to the availability of assistance under this Act.

(c) PROJECT PRIORITY.—Priority shall be given to funding projects undertaken by nonprofit organizations that demonstrate the active involvement and cooperation of local and State governments, private sector organizations, and health care and social service providers.

(d) REPORTS AND EVALUATIONS.—Grant recipients shall be required to provide periodic financial reports and program evaluations to the Endowment and to agree to the requirements of section 12(c).

(e) DISTRIBUTION OF GRANTS.—

(1) Of the grants made by the Endowment in any year, 100 percent of the initial $110,000,000 distributed and 50 percent of all additional amounts distributed shall be allocated to localities on the basis of relative need, using objective indicators of the extent of homelessness in each locality. The Endowment shall consult with each State in determining the allocation of amounts under this paragraph.

(2) Each locality designated by the Endowment to receive a grant shall establish a local board for determining the appropriate distribution of the amounts received. Such local board shall include a representative of the unit of local government involved.

(3) To the maximum extent consistent with the purposes and requirements of this Act and with respect to amounts allocated under this subsection, the Endowment shall work with the local and national boards established under the food distribution and emergency shelter program carried out by the Federal Emergency Management Agency under the Second Supplemental Appropriations Act, 1984 (98 Stat. 1382), and shall pursue policies and procedures consistent with the policies and procedures applicable to such program.

(f) REMEDIES FOR GRANTEE NONCOMPLIANCE.—Whenever the Endowment, after reasonable notice and opportunity for hearing, finds that a grantee has not complied with the provisions of this Act or has diverted funds from the purposes for which they were granted, the Endowment shall cease further disbursement of funds until there is no longer any failure to comply or the diversion has been corrected, or, if the compliance or correction is impossible, such grantee shall be required to repay funds that have been improperly diverted or expended.

SEC. 8. INCORPORATION OF ENDOWMENT.

(a) IN GENERAL.—The individuals appointed under section 9 shall serve as incorporators of the Endowment and shall take whatever actions are necessary to establish the Endowment under the District of Columbia Nonprofit Corporation Act.

(b) CHAIRPERSON.—The President shall designate 1 of the individuals appointed under section 9 as chairperson of the incorporators, and as interim chairperson of the Endowment, until such time as a chairperson is elected in accordance with the bylaws of the Endowment.

SEC. 9. BOARD OF DIRECTORS.

(a) IN GENERAL.—The Endowment shall be governed by a Board of Directors composed of 11 members.

(b) MEMBERSHIP.—

(1) Except as provided in paragraph (3), the members of the Board shall be as follows:

(A) the Secretary of Health and Human Services;

(B) the Secretary of Housing and Urban Development;

(C) 1 individual designated by each of the following organizations: the United Way of America, the Salvation Army, the National Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Incorporated, and the American Red Cross; and

(D) 3 individuals (not less than 1 of whom shall be representative of private businesses) appointed by the members of the Board described in subparagraphs (A) through (C) before the expiration of the 30-day period following the date of the enactment of this Act from among individuals who have demonstrated a commitment to relieving poverty, after soliciting and giving consideration to recommendations from leading individuals and organizations active in providing shelter, food, and supportive services for the homeless.

(2) Of the members of the Board appointed under subparagraphs (C) and (D) of paragraph (1), the Board shall designate 5 members to serve for terms of 2 years and 4 members to serve for terms of 4 years. The Board shall make such designation before the expiration of the 30-day period following the date of the enactment of this Act.

(3) Upon the expiration of the term of any member appointed under subparagraph (C) or (D) of paragraph (1), a new member shall be appointed by the Board in accordance with the bylaws of the Endowment. Each such new member shall have a term of 4 years.

(4) No individual may be appointed to more than 1 term as a member of the Board.

(5)(A) Any vacancy in the Board occurring before the expiration of a term shall be filled in the manner in which the original appointment was made. Any member appointed to fill such a vacancy shall be appointed only for the remainder of such term.

(B) Vacancies in the Board shall not affect its powers.

(6) A member of the Board may serve after the expiration of his or her term until a successor has taken office.

(c) MEMBERS NOT FEDERAL EMPLOYEES.—The members of the Board shall not, by reason of their membership on the Board, be considered to be officers or employees of the Federal Government.

(d) PAY AND EXPENSES.—

(1) Each member of the Board shall serve without pay, allowances, or benefits by reason of such service.

(2) Each member of the Board shall, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board under this Act, be allowed (except in the case of members of the Board who are Members of Congress or officers or employees of the Federal Government) travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence, equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Members of the Board shall minimize expenses charged to the Endowment while carrying out their duties under this Act.

(e) AUTHORITY OF BOARD.—In order to carry out the purposes of this Act, the Board, after receiving recommendations from the National Council of Shelter, Food, and Service Providers established under section 10(a), shall have authority—

(1) to establish policies, procedures, and programs;

(2) to review and approve applications for financial asistance;

(3) to solicit and receive money and other property contributed to the endowment;

(4) to appoint employees as necessary; and

(5) to make necessary expenditures to carry out the purposes of this Act.

(f) LIMITATION ON ADMINNISTRATIVE EXPENSES.—To the maximum extent practicable, the funds made available to the Endowment shall be used to provide financial assistance for direct provision of services to the homeless in the most cost-efficient manner practicable. Not more than 3 percent of the funds made available to the En-

dowment in any year may be utilized for administrative purposes.

(g) DELEGATION OF AUTHORITY.—The Board may delegate authority granted under this section to the Council in order to carry out the purposes of this Act.

(h) COMMENT ON BOARD DECISIONS.—

(1) The board shall actively and routinely solicit comments and recommendations from individuals and organizations engaged in the provision of shelter, food, and supportive services for the homeless.

(2) The Board shall establish policies and procedures to provide the opportunity for localities and providers of shelter, food, and supportive services for the homeless to appeal the policies, procedures, and actions of the Endowment.

SEC. 10. NATIONAL COUNCIL OF SHELTER, FOOD, AND SERVICE PROVIDERS.

(a) ESTABLISHMENT.—There shall be within the Endowment a National Council of Shelter, Food, and Service Providers.

(b) MEMBERSHIP.—The Council shall be composed of 11 members appointed by the Board who shall be selected from among individuals who are engaged in the provision of shelter, food, and supportive services for the homeless and from among individuals engaged in research relating to homelessness. The Board shall, in the making of such appointments, give consideration to such recommendations as may, from time to time, be submitted by leading individuals and organizations active in the provision of shelter, food, and supportive services for the homeless.

(c) TERMS OF MEMBERS.—Each member of the Council shall hold office for a term of 2 years. Such terms shall be staggered as determined by the Board to be appropriate.

(d) PAY AND EXPENSES.—Each member of the Council, while attending meetings of the Board or while engaged in duties relating to such meetings or in other activities of the Board under this Act, shall be allowed (except in the case of members of the Board who are Members of Congress or officers or employees of the Federal Government) travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence, equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Members of the Council shall minimize expenses charged to the Endowment while carrying out their duties under this Act.

(e) RESPONSIBILITY AND AUTHORITY OF COUNCIL.—

(1) The Council shall provide opportunities for individuals and organizations engaged in the provision of shelter, food, and supportive services for the homeless to be actively and cooperatively involved in the decisionmaking process of the Endowment and in assisting the Board to carry out its responsibilities under this Act.

(2) The Council shall have authority—

(A) to make recommendations for consideration by the Board concerning any actions authorized under section 9 and any actions taken by the Endowment to carry out the purposes and requirements of this Act;

(B) to assist the Board in the development of guidelines, policies, and procedures for the review of requests for financial assistance under this Act and the selection of recipients for such assistance; and

(C) to exercise any additional powers and responsibilities delegated by the Board under section 9(g).

SEC. 11. OFFICERS OF ENDOWMENT.

(a) PRESIDENT.—The chief executive officer of the Endowment shall be a president appointed by the Board with the recommendations of the Council. The president of the Endowment shall administer the daily operations of the Endowment, reporting to the Board under guidelines and procedures to be established by the Board with the recommendation of the Council.

(b) OTHER OFFICERS AND EMPLOYEES.—The Endowment shall have such other officers and employees as the Board may determine.

(c) TERMS OF APPOINTMENT.—Officers of the Endowment shall be appointed on such terms, and for such terms or at the pleasure of the Board, as the Board may determine.

SEC. 12. RECORDS AND AUDIT OF ENDOWMENT AND RECIPIENTS OF ASSISTANCE.

(a) ANNUAL INDEPENDENT AUDIT OF ENDOWMENT.—

(1) The accounts of the Endowment shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Endowment are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Endowment and necessary to facilitate the audits shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons

(2) The report of each such independent audit shall be included in the annual report required in section 13. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the Endowment, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the Endowment during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) AUDITS OF ENDOWMENT BY GENERAL ACCOUNTING OFFICE.—

(1) The financial transactions of the Endowment for each fiscal year may be audited by the General Accounting Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Endowment are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Endowment pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers, and property of the Endowment shall remain in possession and custody of the Endowment.

(2) A report of each such audit shall be made by the Comptroller General to the Congress. Such report shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Endowment, together with such recommendations with respect thereto as he may deem advisable. Such report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, that in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President and to the Endowment at the time submitted to the Congress.

(c) ACCESS TO RECORDS OF RECIPIENTS OF ASSISTANCE.—

(1) Each recipient of assistance under this Act shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Endowment, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title. The Comptroller General of the United States or any of his duly authorized representatives shall also have access to such books, documents, papers, and records for such purpose.

SEC. 13. ANNUAL REPORT OF ENDOWMENT.

Not later than December 31 of each year, the Endowment shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress. Such report shall include a comprehensive and detailed report of the operations, activities, financial condition, and accomplishments of the Endowment under this Act and may include such recommendations as the Endowment determine to be appropriate. Such report shall also assess the extent and nature of the problems relating to homelessness and recommendations to more effectively address these problems. The Board and Council members and officers of the Endowment shall be available to testify before appropriate committees of the Congress with respect to such report, the report of any audit made by the Comptroller General under section 9, or any other matter that any such committee may determine.

SEC. 14. COOPERATION BY FEDERAL AGENCIES.

Upon request of the Endowment, the head of any Federal agency or instrumentality (including the Commodity Credit Corporation) shall, to the extent practicable, cooperate with the Endowment—

(1) to identify impediments to the use of existing programs, services, and benefits by the homeless; and

(2) to increase the opportunities for the homeless to gain shelter, food, and supportive services and benefits.

SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

(a) BASIC AMOUNT.—In order to facilitate the activities of the Endowment and to provide resources to encourage and solicit voluntary contributions to the Endowment, there is authorized to be appropriated to the Endowment $110,000,000 for each of the fiscal years 1986, 1987, and 1988.

(b) MATCHING AMOUNT—

(1) In addition to the the amounts authorized to be appropriated under subsection (a), there is authorized to be appropriated to the Endowment $50,000,000 for each of the fiscal years 1986, 1987, and 1988.

(2) The availability for expenditure or obligation by the Endowment of any amount appropriated under paragraph (1) shall be limited for each fiscal year to an amount equal to the amount received by the Endowment for such fiscal year from persons or entities other than the Federal Government.

(c) AVAILABILITY UNTIL EXPENDED.—Any amount appropriated under this section shall remain available until expended.

Mr. KERRY. Mr. President, today, as I join my colleagues in cosponsoring legislation that recognizes the pervasiveness of homelessness in America and begins to address the emergency that exists, I feel a combination of emotions. I am saddened by the plight of these forgotten Americans. I am embarrassed that the most affluent country in the world has done so little to help its citizens in need.

But, Mr. President, today I feel proud that we are taking action that I hope will allow America to hold its head high once again. Our task is overdue and it will not be an easy job. But it becomes clearer every day that inaction will not result in the spontaneous eradication of homelessness.

No single piece of legislation can solve this problem. Nobody pretends that it will. Those of us who join the Senator from Illinois today recognize that this problem has its roots deeply seated in a system that needs to change. The future of the problem depends on measures like this that will not only provide funding for the agencies that are already doing the job, but will also develop the information that will allow society to combat the problem on a more comprehensive basis.

I believe I speak for all of us when I say that I hope that this endowment and the other remedies Congress may mandate for the homeless, will have short lives. The notion that we may have to have a permanent agency to deal with this problem is unacceptable. We must devote our efforts to end this travesty as soon as possible.

In Massachusetts and New York, State government is beginning to do its part by providing funds, information, and other services. These States are providing a model for other States to follow. But the resources of the States are not enough and the Federal Government has so far abdicated its responsibilities. I believe that Congress needs to send a message that the problem of the homelessness is a challenge—a challenge that will be difficult. However, it is a challenge that I believe includes in it, a moral obligation.

The richness of our country in spirit and humanity requires that we bring along those of us who have not shared in the American dream. America may, in fact, be back, but it will never be truly on the path if we ignore so many of our citizens. And, while much of America celebrates in a recovery, the grim reality is that the uncounted multitudes of homeless people on the streets of America are a living testimony to the fact that a rising tide does not always lift all boats.

I ask unanimous consent that an article from the March 2 edition of the National Journal entitled "Faulty Food and Shelter Programs Draw Charge That Nobody's Home to Homeless," by Lynda V. Mapes, be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAULTY FOOD AND SHELTER PROGRAMS DRAW CHARGE THAT NOBODY'S HOME TO HOMELESS

(By Linda V. Mapes)

Despite an upturn in the nation's economy and improvement in the unemployment picture, the number of homeless people in America is on the rise. And so is criticism of the Reagan Administration's response.

Administration critics charge that the homeless have fallen victim to budget-cutting initiatives aimed at curbing federal deficits and that the Administration's response to the problem of homelessness has been half-hearted and ineffective.

Critics point to President Reagan's fiscal 1986 budget proposal to eliminate a Health and Human Services Department (HHS) community services block grant that has provided an estimated $125 million in emergency food and shelter to the poor, eliminate a $210 million emergency food and shelter program run by the Federal Emergency Management Agency (FEMA) and impose a two-year moratorium on spending for federal assisted housing for the poor.

"The cities are trying to help the homeless—some of them kicking and screaming, under court order," said Rep. Ted Weiss, D-N.Y., chairman of the Government Operations Intergovernmental Relations and Human Resources. "But the federal government has been most prominent among the missing."

Two Administration initiatives for the homeless—a program to convert buildings on military installations into shelters and an interagency task force on the homeless—have been especially controversial, drawing the charge that they were poorly managed and ineffective.

In reply to the critics, the Administration points to the enormity of the problem and the difficulty of identifying and treating it. "It's easy for Congress to start ripping into us, saying that we're not doing anything," said Dr. Harvey Vieth, the task force director. "It's a difficult problem. We're working on it."

HOW MANY HOMELESS?

By every available estimate, homelessness is on the rise. Quantifying the problem is a tricky proposition, however. To date, two national attempts have been made to count the homeless, but each provoked a storm of controversy. A 1984 Housing and Urban Development Department (HUD) report estimated that on any given night last December, 250,000-350,000, persons were homeless.

Advocates for the homeless took issue with the HUD estimate. An alternative estimate by the Community for Creative Non-Violence, a Washington advocacy group, put the figure at 2 million-3 million.

The controversy has angered many policy makers and advocates for the homeless. "I've been up here 15 months, and everyone's dickering over the numbers and they're not doing anything about the problem," said Joseph Vantrone, minority staff member on the House Banking, Finance and Urban Affairs Subcommittee on Housing and Urban Development. "I think the bottom line is, even if you accept the lower number, it's still a problem—and we've got to do something about it."

After accommodating battered women and runaway children, emergency shelters can make available about 91,000 beds nationwide. Even using HUD's conservative estimate of the number of homeless people, for every one who can get inside a shelter, two or three cannot.

A 1984 survey by the General Accounting Office (GAO) found that the number of homeless people in America increased by 38 per cent in 1982. In a separate study, the U.S. Conference of Mayors found that demand for shelter increased by 89 per cent in 1983, with 53 per cent of 66 cities surveyed saying they were unable to meet the demand. In an earlier mayors conference survey of 55 cities, 78 per cent reported that shelter was the emergency service most in demand, ahead of food, income assistance, medical care and energy assistance.

The HUD report and the GAO study also indicate that the demographics of homelessness are changing. While the homeless used to be made up primarily of alcoholics, drug addicts and older, white men, the homeless today are younger (average age 34); include more minorities (44 per cent) and more families with children (21 per cent). Homeless single women, once a demographic rarity, now make up 13 per cent of the homeless population.

Further, while the homeless were once considered to be a more or less permanent underclass, an increasing percentage of their ranks are people who have become homeless through circumstances such as unemployment, eviction and family and personal crises. More than half the homeless have completed high school, and 30 per cent have attended college, according to a 1984 report by the presidential Federal Interagency Task Force on the Homeless.

"There are a lot of surprised people eating in soup lines and selling their blood," said Mitch Snyder, head of the Community for Creative Non-Violence.

FEDERAL FACTORS

Two federal policy changes—deinstitutionalization of the nation's mentally ill and a decline in federally assisted low-income housing programs—have contributed to the rise of homelessness.

Irene Schifren Levine, coordinator of the HHS program for the homeless mentally ill, said in an interview that 25-60 per cent of the homeless population is estimated to be seriously and chronically mentally ill. "The problems of homeless persons are related to our mental health system and will not dissipate with economic recovery," she said.

The widespread release of mental patients from institutions began in the 1960s, spurred by the development of antipsychotic drugs that alleviated many symptoms of mental illness, enabling mental patients to live in a less restrictive setting than a state mental hospital.

With the passage of the 1963 Community Mental Health Centers Act, hundreds of thousands of mental patients—73 per cent of the 1959 state mental hospital population—were released into communities over the next 20 years. But in many cases, they were released with little more than a bus

ticket, on what homeless advocate Snyder calls "a forced march to nowhere."

It was intended that the deinstitutionalized mentally ill would be referred to some 2,000 community-based mental health facilities to be built throughout the nation. But after federal money appropriated by legislation establishing the centers ran out four-and-a-half-years later, states and localities failed to pick up the tab. To date, only 789 centers have been built.

Further, where centers were built, communities often did not prove to be the havens for the mentally ill that reformers had hoped. "Basically, the mental health centers were parachuted into the neighborhood, and the neighborhood didn't provide a warm welcome for people considered to be deviant," said Art Naperstack, dean of the School of Applied Sciences at Case Western Reserve University in Cleveland. "The process started for all the humane reasons and ended up [with] the back wards of the city and state hospitals [becoming] the city streets. The snake pit has just been moved from one place to another."

Another factor that has increased the ranks of the homeless is the nation's growing shortage of low-income housing, caused in part by demolition and deterioration. A 1984 GAO report estimated that a million single-room units were lost nationwide during the 1970s, nearly half the total supply. New York City alone lost 80 per cent of its single units to demolition and conversion during that decade.

In the meantime, Federal funds for subsidized housing have declined 60 per cent from $31 billion in fiscal 1981 to less than $11 billion in 1985. The mayors conference survey last year found the average wait for all types of housing assistance was 20 months. The survey also found that demand for assisted housing is so out of proportion to availability that 61 per cent of the cities surveyed had closed their waiting lists.

In his first term, Reagan instituted sweeping changes that scaled back low-income housing programs. The primary initiative was a voucher program under which poor people are given vouchers to present to landlords in exchange for housing.

The plan assumes there is no shortage of publicly assisted housing. But a mayors conference survey found that in half the cities surveyed, 25 per cent of the vouchers issued by housing authorities were voided after three months because prospective tenants were unable to find suitable housing.

PROGRAMS UNDER FIRE

Both of the Reagan Administration's initiatives aimed at providing shelter for the homeless have drawn sharp criticism. The program to convert unused buildings on military installations into shelters erupted into controversy last October when it was revealed that only 2 of 600 buildings identified by the Pentagon as possible shelter sites had been converted.

The Defense Department spent $900,000 on the homeless program, allowing the remaining $7.1 million to be spent to upgrade facilities for purposes other than housing the homeless.

"It's said the program is going to be reauthorized and obviously that's better than not," said Robert Hayes, attorney for the New York-based Coalition for the Homeless. "But the point is that another winter has come and gone and some people could have been inside."

The Interagency Task Force on Homelessness has also drawn heavy fire. Created in October 1983 by HHS Secretary Margaret M. Heckler, the task force was designed to cut red tape and act as an intermediary between the government and the private sector to distribute surplus government supplies to the homeless. The Interior and Defense Departments, HHS and the General Services Administration (GSA) were among the 13 federal agencies working under task force director Vieth.

Critics of the task force point out that it has been slow to deliver on agreements it entered into with federal agencies. For example, an agreement between the Defense Department and HHS called for the linkage of military commissaries with food banks across the nation, enabling food banks to obtain nonmarketable, surplus foodstuffs through commissary vendors. In all, 11 food banks were linked with 190 Army, Navy, Air Force and Marine installations. But as late as last November, a full year into the program, only 22 installations were actually delivering food to the food banks, and the amount of food distributed was too small for HHS to quantify for a congressional subcommittee investigating the task force's performance.

In another agreement, GSA agreed to donate empty buildings for use by food banks and shelters. So far, only 3 of 900 available buildings have been converted.

"It's easy to be critical," Vieth said in an intervew. "But we didn't know how to handle the situation. We knew there was a problem, so we started to look at it, and by right now we have a lot of things we can say about it."

The task force's agenda for the coming year, said Vieth, will focus on working to deliver surplus federal goods to people wishing to help the homeless and trying to expand access of homeless people to federal safety-net programs. "The real potential for helping these people is in these entitlement programs—they enable their lives to be viable. It's a potential we've only begun to mine," said Marshall Boarman, a special assistant to Vieth.

In a confidential report to the President last August, obtained by Weiss, the task force identified restrictions and requirements in federal entitlement programs that make the homeless ineligible for aid. For example, aid to families with dependent children is off limits for most homeless people, 87 per cent of whom are single.

The homeless are also ineligible for food stamps if they are in a shelter because they are classified as being institutionalized. And while social security benefits are available to the homeless mentally ill, their incapacity often makes it difficult for them to obtain and manage the money. In the coming year, the task force plans to work to duplicate the outreach efforts currently being made in New York by the Social Security Administration office to sign up homeless persons eligible for benefits in churches, shelters and on the streets.

BUDGET BATTLE

Meanwhile, Administration critics are setting their sights on a fight in Congress to block the President's proposal to eliminate the HHS community services block grant that provided $425 million in state food and shelter programs for the poor from fiscal 1981-83, to eliminate the FEMA program and to impose a proposed two-year moratorium on low-income housing.

Dennis Kwiatkowski, director of the FEMA program, estimated that 13 million nights of shelter and 85 million meals were provided by groups at the state and local level under the program from fiscal 1983-85. Asked about the agency's decision, not to request any funds for the program for fiscal 1986, he said: "We're an emergency management agency; we're not in the welfare business."

"As a drop in the bucket, it was an effective program," said Hayes. "But," he added, "it's discouraging that the only federal agency that can be trusted to spend money for the homeless is the agency that's supposed to help people when they get hit with a hurricane or a tornado. For a small program, it would get very high marks. But FEMA's never been interested in doing this."

The budget proposal drawing the loudest protests is the housing moratorium. "With homelessness rising all across the country, it would be an act of willful neglect for Congress to approve this," said Barry Zigas, president of the National Low Income Housing Coalition.

Weiss and other congressional advocates for the homeless, such as Reps. Henry B. Gonzalez, D-Texas, and Mary Rose Oakar, D-Ohio, are introducing legislation to create new federal programs designed to reverse proposed cuts in low-income housing programs, set up services for the homeless and create pilot programs to demonstrate the practicality of subsidized housing and services as an alternative to institutionalizing homeless people.

Sponsors concede, however, that such legislation will be difficult to pass in the face of spiraling federal deficits. And advocates of longer-range programs face an even steeper uphill battle because of the very large price tag involved, especially for programs involving the chronically mentally ill.

"What you've got are people who are going to need a great deal of care in every aspect of their daily functioning—housing, vocational rehabilitation, financial assistance, medical and psychiatric care, you name it," said Ellen Bassuk, who is an assistant professor at the Harvard University Medical School. "And some of them are going to need it forever—you're talking about decades of total treatment. It's not just expensive it's really expensive."

In the face of fiscal austerity and record federal deficits, creating new federal programs to provide this kind of comprehensive, long-term care for the homeless seems unlikely.

"When you look at the budget cuts, we're trying to salvage what we already have," said Vantrone of the House Housing and Urban Development Subcommittee. "It's hard to invent new programs. We've got to make do with what we've got."

Mr. HEINZ. Mr. President, homelessness in America can only be described as a national tragedy. Though reliable statistics are hard to come by, everyone can agree that the sheer number of homeless Americans is enormous—as many as 3 million, and that their ranks are increasing every year.

At the most basic level, the homeless need help in simply finding haven from the elements in emergency shelters. Studies have demonstrated that for the most part, shelters for the homeless are operated by private, nonprofit organizations, and to a lesser degree, local governments. The only involvement of the Federal Government in providing for these life-or-

death needs has been through the Emergency Food and Shelter Program administered by the Federal Emergency Management Agency [FEMA]. This program has provided a mechanism through which Federal dollars have been distributed quickly and efficiently to the people who can best put them to use—local shelter and soup kitchen operators.

By all accounts, the FEMA Program has been a tremendous success. With a minimum of bureaucratic overhead and intervention, the Federal Government has funneled critical money to the local groups that stand as the very last level of the social safety net.

The FEMA Program is slated to expire, however, at the end of the fiscal year. With the termination of this program, the support efforts so carefully woven, so tentatively in place, will unravel, with brutal results for the homeless. In my hometown of Pittsburgh, where FEMA money provides at least half the funding for local shelters, the price for ending this program will be tallied in human misery.

Today Senator DIXON and I are introducing legislation to replace and improve upon the FEMA Program. Our proposal would establish a wholly private, nonprofit organization—the National Endowment for the Homeless—which would operate in a fashion very similar to that of the FEMA Program, but with even less Federal intervention, and enhanced responsibility. Congressman LOWRY has introduced a similar proposal in the House.

The National Endowment would receive from the Federal Government in annual seed grant of $110 million. In addition to this, the Treasury would match, dollar for dollar, all private contributions received by the endowment up to an annual limit of $50 million. The total Federal appropriation would not exceed $160 million, which is consistent with a budget freeze in that FEMA spent that amount last year.

The endowment would serve four major purposes. First, it would manage the distribution of Federal and private contributions to local service providers for food, shelter, and supportive services. In this capacity, the endowment would replace the FEMA/national board arrangement.

Second, the endowment would work to improve the linkages between the public and private sectors, and all levels of government, in addressing the problems of the homeless.

Third, the endowment would, in cooperation with other organizations, serve as a clearinghouse for information on the homeless and successful strategies for dealing with it.

Finally, a portion of the funding for services would be awarded to innovative demonstration projects, which, if successful, could be replicated elsewhere.

On July 31, 1985, the FEMA Program will begin to gear down, and will be dismantled soon thereafter if Congress does not act. Congress could choose to continue to fund the FEMA Program on an ad hoc basis as it has for the past 2 years, but FEMA does not want this program any longer. The success of the FEMA Program is predicated on minimal Federal intervention, and maximum flexibility provided to the private, nonprofit sector for meeting local needs. In my judgment, it is best to extend this concept, and replace the FEMA Program with a National Endowment for the Homeless, rather than transfer it to another agency.

In a society plagued by holes in the safety net of support programs, the homeless face the possibility of no net at all. We need an intelligent strategy to restore hope to the millions of Americans whose only address is an abandoned car or a heating grate. Meeting the real needs of the homeless stands as a challenge to the conscience of this Nation and all its private and public institutions. I think a National Endowment for the Homeless would help us in meeting that challenge, and for this reason I commend this proposal to my colleagues.

THE PROBLEM OF HOMELESSNESS

Mr. BRADLEY. Mr. President, as we near the end of another winter and we witness the unfolding of a beautiful spring here and elsewhere, we would do well to think back to the bitter cold of January and remember that every winter thousands of Americans roam the streets of our cities looking for shelter from the cold. Indeed, even during the warmer months these individuals must engage daily in a degrading search for food and shelter.

The problem of homelessness is a source of great national shame. We cannot afford to continue to delude ourselves with the notion that the homeless represent a small group of individuals, mainly alcoholic men, who have chosen their lifestyle and do not wish to be a part of society's mainstream. The facts paint a different picture.

All sources agree that the homeless population is large and on the rise. Estimates range from 250,000 to 3 million homeless on a given night. The homeless population is composed of many different groups, each with its own problems and needs. The deinstitutionalized chronically mentally ill comprise a large portion of persons who seek respite in shelters for the homeless, with several studies suggesting that perhaps as many as half of shelter residents are mentally ill. The shelters are also filled, however, with persons not fitting the stereotype of the social outcast. Elderly poor and unemployed single persons make up a substantial portion of the homeless, with single women representing about 13 percent of this population. And most observers agree that the fastest growing subgroup among the homeless is composed of unemployed individuals and their entire families. It is no longer uncommon to see a number of children in these shelters or wandering the streets with their parents searching for food and clothing.

The homeless are to be found everywhere. In my State of New Jersey, the Governor's Homeless Task Force estimates that there are 20,000 homeless persons. They can be found beneath highway bridges, on our subway grates, and in cars, tents, doorways and parks. Their misery is visible not only in New York, Washington, Los Angeles, and Philadelphia, but also in Jersey City, Newark, Paterson, Trenton, and Camden.

Contrary to certain statements by the present administration, very few of the homeless choose to live in the streets. Homelessness, instead, stems from a variety of factors: Unemployment, social service and disability cutbacks, lack of aftercare services for the deinstitutionalized mentally ill, and housing shortfalls in urban areas. Sadly, several Federal policy decisions have contributed to this situation. Federal support for subsidized housing has declined precipitously in the past 5 years at a time when, according to a recent GAO study, the Nation is experiencing a growing shortage of low-income housing. Federal mental health policy, dating to the 1963 Community Mental Health Centers Act, has unwittingly resulted in a growing population of chronically mentally ill persons who are not receiving appropriate services and many of whom find themselves living on the streets.

Mr. President, to make matters worse, President Reagan has proposed in his budget that we cut the major Federal programs providing assistance to the homeless. The President has proposed to eliminate the Emergency Food and Shelter Program operated through FEMA, to eliminate the community services block grant, and to impose a 2-year moratorium on low-income housing.

Public-minded citizens and groups are presently working on behalf of the homeless. Volunteer organizations such as the National Coalition for the Homeless and, on a more local level, many churches and the Salvation Army, are doing what they can to help. Individuals, such as Msgr. John Hourihan of St. John's Church in Newark, are donating their time, energy, and in many cases, their money. Still, the problem outstrips the resources available.

Frankly, with only a few exceptions, government—Federal, State, and local—has done little to aid the homeless, and the President is asking the Federal Government to reduce its

commitment. There is simply no excuse for the Government to ignore the plight of our most needy citizens. It is imperative that we continue those programs which have successfully addressed some of the needs of the homeless. It is also imperative that the Federal Government, in concert with State and local governments and voluntary organizations, search for ways to address the long-term problems of the homeless. The Federal Government can and must take a position of leadership in combating this problem.

For these reasons I am pleased to join Senator DIXON as an original cosponsor of this legislation which would establish a National Endowment for the Homeless. In addition to providing the authorization necessary to continue emergency food and shelter relief programs, this bill would promote greater cooperation between the voluntary, private, and public sectors in coordinating efforts to assist the homeless.

This Nation was built by immigrants searching for a new home in a land of opportunity. Sadly, some of these Americans—most notably the homeless—are still searching. This day marks an effort by the National Coalition for the Homeless to make the people of our country more aware of the plight of the homeless. Our task, however, is to see to it that this problem not vanish from view after a single day of recognition. While still more must be done to address the full scope of this problem, this bill will help these unfortunate people find, if not the American dream, at least a safe, warm place to sleep.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 3 p.m., with statements therein limited to 5 minutes each.

Mr. QUAYLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

MX CONSULTATIONS AND VISITATIONS

Mr. SPECTER. Mr. President, when my statement on the MX was printed in the CONGRESSIONAL RECORD on March 19, 1985, inadvertently the attached lists, to which I referred, were omitted.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a list of the people/organizations with whom I conferred and the weapons/installations which I visited.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONSULTATION

President Reagan.
Secretary of State Shultz.
Former Secretary of State Henry Kissinger.
Secretary of Defense Weinberger.
National Security Advisor Robert McFarlane.
Former National Security Advisor William Clark.
Ambassador Paul Nitze.
Ambassador Edward Rowny.
Ambassador Gerard Smith.
Ambassador Paul Warnke.
Ambassador Kenneth Adelman.
Under-Secretary Richard DeLauer.
General Gordon Fornell.
General Brent Scowcroft.
Dr. Ron Lehman.
Under-Secretary Richard Perle.
General Richard Ellis.
START Advisor James Woolsey.
Action for Nuclear Disarmament.
Bucks County Alliance for Nuclear Arms Control.
Common Cause.
Council for a Liveable World.
Gladwyne Presbyterian Church.
Lawyers Alliance for Arms Control.
PA Campaign for Nuclear Weapons Freeze.
Pennsylvania Effort to Halt MX.
Professional Organizations for Nuclear Arms Control.
Sisters of the Immaculate Heart.
Women's International League for Peace.
World Peace and Justice Committee of the Catholic Archdiocese.
Unitarian Church.

VISITATIONS

Nov. 1981, Edwards AFB, Calif., Inspected B-1's and B-52's.

Feb. 1982, Grand Forks, N.D., Inspected Minuteman facilities Omaha, Nebraska; Visited SAC Headquarters; Los Angeles, Calif., Inspected industrial research establishment facilities (AF Space Div., TRW, Rockwell Int'l) on satellites.

Apr. 1982, Charleston, S.C., Inspected Poseidon Fleet Ballistic Missile Base.

May, 1982, USAEUR HQ. Heidelberg, Heilbronn, Bindlach Hof, Grafenwoehr, Vilseck, Bad Toelz Camp Worden, Germersheim; Visited Army facilities in Europe.

Nov. 1982, Los Angeles, CA, Rand, TRW on space lasers and other weapons, ABM Systems, antisatellite systems; Geneva, Switzerland, Observed START Talks in Geneva.

Apr. 1983, Norfolk, VA, Inspected Atlantic Fleet and Carrier Eisenhower.

Aug. 1983, Colorado Springs, CO, Visited NORAD Headquarters.

Nov.-Dec. 1983, Mildenhall AFB, UK, Greenham Common AFB, UK, Lakenheath AFB, UK, Observed GLCM and FB-111 units; Ramstein AFB, W. Germ., Bitburg AFB, W. Germ., Sembach AFB, W. Germ., Inspected F-15, A-10, OV-10 unit; Swabisch-Gemund Army Base, Mutlangen missile site, W. Germ., Observed assembly of Pershing II; Geneva, Switz., Observed START Talks in Geneva.

August 1984, Oman, Saudi Arabia, Inspected Rapid Deployment Force and Mid-East Naval Task Force.

S. 749—UNEMPLOYMENT BENEFITS EXTENSION

Mr. SPECTER. Mr. President, I send to the desk a bill on behalf of Mr. LEVIN, Mr. HEINZ, Mr. MATHIAS, Mr. MOYNIHAN, and myself, and ask unanimous consent that the bill be held at the desk until the close of business at the end of this week.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. SPECTER. Mr. President, I further ask unanimous consent that prior to the close of business, the Senate turn to the consideration of the bill and it be disposed of prior to the close of business on the day on which it is considered.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. SPECTER. Mr. President, in the absence of that unanimous consent, I send the bill to the desk in the regular course of business.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. SPECTER. Mr. President, I ask unanimous consent that the text of the bill not be read.

The PRESIDING OFFICER. It will not be read.

Mr. SPECTER. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S. 749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) EXTENSION OF PROGRAM.—

(1) Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31" and inserting in lieu thereof "September 30".

(2) Section 605(2) of such Act is amended by striking out "April 1" and inserting in lieu thereof "October 1".

(b) MODIFICATION OF AGREEMENTS.—The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this Act. Notwithstanding any other provision of law, if any State fails or refuses within the three-week period beginning on the date the Secretary of Labor proposes such modification of such State, to enter into such modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period.

Mr. SPECTER. Mr. President, the substance of this bill is to extend for a period of 6 months the unemployment benefits provided in the Federal Supplemental Compensation Act of 1982. This bill is being introduced at this time because the benefits are due to lapse at the end of this month, on March 31, 1985.

There is a tremendous need, as I see it, to have an extension of these supplemental unemployment compensation benefits around the Nation where there are areas of high unemployment, none with a situation so acute as in my State, the Commonwealth of Pennsylvania.

Yesterday, I attended a meeting in Pittsburgh, where the area has been very hard hit by massive unemployment in the steel mills, massive unemployment in the coal mines, and massive unemployment in construction, with a ripple effect from that unemployment.

I ask unanimous consent to have printed in the RECORD a list of organizations with which I met yesterday.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATION

Members of the Mon Valley Unemployed Committee.
Members of the Midland Alive Coalition.
Members of the LTV Steel Aliquippa Works.
Allegheny Employees.
AFL-CIO.
County Labor Coucil.
American Federation of Government Employees.
Steelworkers Union 2227.
Millrights Local 2235.
Pittsburgh Plumbers Local 22.
Steelworkers District 15.
Electric Machinists Local 60.
Glassport Borough Council.
Schiller Institute.
Tri-State Conference on Steel.
Local 1211 Rank and File.
Steelworkers Local 1256.
Steelworkers 3403.
Venengo Valley County Unemployed.
Local 1843 of the International Association of Machinists.
Carpenters District Council of Western Pennsylvania.
Greater Jeanette Unemployed Conference.
South Pittsburgh Action Workers.
Network to Save the Mon/Ohio Valley.
1397 Rank and File Steel Union.
Armour Meat Co.—United Food and Commercial Workers, Local 23.

Mr. SPECTER. Mr. President, the circumstances I heard about yesterday and which I have seen in a series of open house town meetings during my travel in the State of Pennsylvania have convinced me that it is a matter of great urgency that there be relief for the unemployed in this country and in my State.

In Mon Valley, the unemployment rate is estimated to be as high as 30 percent to 40 percent. In Beaver Valley, the unemployment rate is estimated to be in the high twenties. In South Pittsburgh, the unemployment rate is in the 35-percent level.

It was commented, in a way which was humorous on the surface but deadly serious below the surface, that in Mon Valley, the McDonald's went out of business, and that is the only place that has been known to happen, because there is such heavy unemployment, such heavy human suffering, and so little money with which people can keep body and soul together there.

There is a sense among the working men and women I have talked to across Pennsylvania of deep frustration, deep anguish, and deep anger about a situation which they did not create. The unemployment situation is caused significantly by foreign imports, by steel that is dumped and very heavily subsidized, because of the policies on international trade. The International Monetary Fund, for example, presents loans to nations such as Brazil, which is turn subsidizes Brazilian steel, and it is then returned to the United States, putting Pennsylvania steelworkers out of work.

When former Secretary of the Treasury Donald Regan testified before the Appropriations Committee last year, I called his attention to the plight of the Pennsylvania steelworker in a context where the Pennsylvania steelworker paid taxes to the U.S. Treasury, which in turn loaned the money to the International Monetary Fund, which in turn loaned money to the Government of Brazil, which in turn loaned money to Brazilian steel, subsidized the steel, which then came to the United States and put that Pittsburgh taxpayer out of work, something that was very fundamentally unfair.

The Japanese ravage our markets without opening theirs in return, in the absence of reciprocity. The International Trade Commission found that British steel was subsidized $125 a ton and is really the hallmark of exporting unemployment to the United States.

These are the problems that were not made by the unemployed in the steel towns of Pennsylvania or the unemployed across the United States. It is my view that there is tremendous suffering among the unemployed and that their plight should be recognized by this body. That is why this bill has been introduced.

I commend my distinguished colleague from Michigan, Senator LEVIN, for the leadership he has offered in the past on matters to extend unemployment compensation. I commend my distinguished colleague Senator HEINZ, who has been a leader in fighting for the unemployed, both with respect to unemployment compensation and health insurance benefits, and for his work in the trade field. However, unless we offer this assistance at this time, we will fail a great many Americans, Americans who deserve our consideration.

Mr. President, specifically this bill will extend for 6 months the unemployment benefits provided in the Federal Supplemental Compensation Act of 1982 [FSC] and provide Congress with additional time to act appropriately to reform and improve this vital program for hundreds of thousands of Americans. We have extended these benefits in the past and it is my firm belief, having traveled throughout the Commonwealth of Pennsylvania, that it is imperative to continue to help our fellow Americans provide for themselves and their families while they continue to seek employment and job training.

Mr. President, some have argued that the Senate should take no action to extend this program until the House of Representatives sends us legislation on this matter. I cannot agree. The human cost of an interruption of the FSC program would simply be too great.

FSC currently provides between 8 and 14 additional weeks of benefits to some 320,000 individuals who have used up their other unemployment compensation. The Department of Labor estimates that 1.34 million persons have been unemployed for 27 weeks or longer. And approximately 1.5 million persons would not receive extended benefits if the FSC program is terminated.

In my own Commonwealth of Pennsylvania, 8.2 percent of the civilian workforce is still unemployed. As of March 2, 1985, there were 28,868 Pennsylvanians utilizing the FSC program and by April 6, 1985, they will all be cut from this lifeline program. The urgent need for this timely legislation may be demonstrated by a glance at our unacceptably high level of unemployment. This figure (8.2 percent) understates the problem, because it does not take into account those who have exhausted Federal benefits yet still actively seek employment.

Even if economic recovery were to continue, the present rate of unemployment would not subside greatly enough to ease the suffering of hundreds of thousands of jobless Americans who are nearing the end of their compensation payments. As I have said the unemployment rate in Pennsylvania turns significantly on the serious situation in the American steel industry, which is compounded by the problem that the Government has taken ineffective stands against dumping of foreign imports.

In Pennsylvania, I face thousands of unemployed that know better than I that we are still a long way from full economic recovery. We must continue to strive for a revival of our basic industries, but meanwhile, terminating

the FSC program cuts off the wherewithal for these unemployed individuals to support themselves and their families while finding training for a new job.

The national unemployment rate of 7.3 is far too high, yet still does not accurately tell the story of Pennsylvania, Michigan, Illinois, Indiana, Ohio, and many other States.

Mr. President, I have testified before the Senate Finance and the House Ways and Means Committee regarding FSC in order to convey the unique and desperate situation some States face with regard to unemployment. I have also sponsored, and cosponsored legislation to extend unemployment benefits in the past. Today, Mr. President, for the sake of the Nation's jobless, especially those facing the March 31, 1985, deadline, I urge my colleagues to expedite passage of this bill and very important amendment.

Mr. President, I ask unanimous consent that a letter I wrote to President Reagan on March 22, 1985, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 22, 1985.

The President,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I urge that you give favorable consideration to extending unemployment compensation benefits which are due to expire at the end of this month.

I make this request because my state, Pennsylvania, has not shared in the economic recovery which has benefited the rest of the nation.

During the course of the past month, I have held a series of open house/town meetings in western Pennsylvania including Allegheny, Westmoreland, Beaver, Lawrence, Washington, Greene, Fayette and Cambria Counties where the unemployment rates are in high double digits because of loss of jobs in the steel and coal industries. Many other parts of Pennsylvania have high levels of unemployment.

On Wednesday of this week, a large group of unemployed men and women expressed their concerns at a large gathering in front of the Department of Labor. Their problems are urgent and require our consideration.

I believe that it is possible to structure a program to extend unemployment benefits without excessive cost. Such an extension could be tailored to areas of high unemployment where the need is so great at the present time.

Thank you very much for your consideration of this important problem.

Sincerely,

ARLEN SPECTER.

Mr. MATHIAS. Mr. President, I am pleased to cosponsor legislation which simply extends the Federal Supplemental Compensation [FSC] program for 6 months. I urge the Senate to take quick and favorable action so that the program can continue with minimal disruptions to its recipients and administrators. Time is running out. If we fail to act promptly, hundreds of thousands of long-term unemployed, currently receiving FSC, will feel the dire consequences, and so too will those who soon exhaust their regular unemployment benefits and then have no alternative but to go on welfare.

I agree with the administration, and I am sure with every Member of this body, that the lasting solution to our unemployment problem is sustained economic growth and a healthy private sector. But, as we work toward this goal, we must not forget those who have already fallen victim to economic dislocation. With millions of Americans still out of work, and many no longer eligible for any form of unemployment insurance, we must not abandon those who want to work, but cannot, due to circumstances largely beyond their control.

While Maryland's unemployment rate remains below the national average, thousands of Marylanders are still jobless, and many have exhausted their regular unemployment benefits. Further, many of these jobless workers, particularly those laid off from manufacturing jobs, are unemployed far longer than in the past, and many will have to be retrained for other occupations because their former jobs are gone forever.

The administration claims that the FSC Program is no longer needed and that the Job Training Partnership Act [JTPA] is the answer to the plight of the long-term unemployed. But this ignores the realities of the situations many of the unemployed are facing. The JTPA allows only minimal stipends, if any at all, for those enrolled in training programs. Thus, without the benefit of regular unemployment compensation or FSC, many find it impossible to participate in the program, particularly those with families to support. What kind of solution is this?

Without an extension of the FSC Program, a bad situation will only become worse. The welfare rolls in Maryland are already swollen by those who have exhausted all unemployment benefits. It is up to the U.S. Congress to address this deplorable situation by helping the long-term unemployed in their struggle to get back on their feet.

If the situation were not so serious, perhaps we could appreciate the irony inherent in the compelling need for the continuation of this program. Here we are trying to rescue the third tier of our unemployment insurance system when the second tier, the Extended Benefits [EB] Program, is all but dead. Only 3 of the 52 States and other jurisdictions are currently eligible for EB, while at least 16 States have unemployment rates above the national average. The effectiveness of the EB Program was drastically reduced by the Omnibus Reconciliation Act of 1981 by altering the criteria for triggering EB. The inequities of our unemployment insurance system have been well documented by Senators on both sides of the aisle, and it clearly needs a major overhaul. In light of this, extending the FSC Program for 6 months makes good sense; it gives us time to devise a permanent replacement for the complicated and fragmented unemployment insurance system we now have in place.

Mr. HEINZ. Mr. President, I just want to say that there are many areas beyond those in Pennsylvania that still suffer from extended and very devastating unemployment.

We may, with our closed steel mills, in our Steel Valleys and our Beaver Valleys and our Johnstowns and Lock Havens still have more pockets of unemployment where people, through no fault of their own, have lost their jobs, largely because every foreign country in the world has government-owned and government-subsidized steel industries which over the last 5 or 6 years have progressively taken over larger and larger shares of the U.S. steel market, as high as 28 or 30 percent at one point last year, and still in the high 20's this year, and because of their subsidized prices have driven American steel prices to levels that have caused the closings of many plants of many companies and the doors of many establishments.

The result has been tens of thousands of steelworkers laid off or simply terminated for all time.

When you are 55, or even 45, and you are out of work, and you have worked for 20 or 30 years at the same facility, when you have 20 or 30 years at the same facility, when you have 20 or 30 years of skill in one profession, which you do well, at age 45 or 55, Mr. President, it is pretty hard finding a job in the best of times. Try finding a job in a community where there is 20 or 30 percent unemployment at age 45 or 55. You are lucky if you are age 21, you are going to be able to find a job. If you are 45 or you are 55 it is going to be impossible.

Indeed, it is not just in those communities where there is unemployment that it is hard getting a job at that age; it is everywhere in this country.

We do have an Age Discrimination in Employment Act, but it really only helps you if you have a job. It prevents you from being retired before age 70 involuntarily. It prevents you from being discriminated against in promotion. But once you have lost the job, Mr. President, that Age Discrimination in Employment Act really does not mean a thing.

That is what you are really talking about here. We are talking about people who worked their productive lives. They are out of a job, and they are truly now out of luck.

51-059 O-86-16 (Pt. 5)

I have talked in terms of people in Pennsylvania who live in steel mill towns, McKeesport, Clarington, Johnstown, towns in Beaver County, such as Midland, and others, Aliquippa, Ambridge, a lengthy list, but, Mr President there are towns and communities across the United States from Pennsylvania to Oregon where there are pockets of unemployment of 10, 20, 30 percent of great duration in virtually every State in the Union.

If I had my way, I suppose I would try to write an unemployment compensation bill that targeted relief to all of those areas in great need, maybe through some kind of sub-State trigger, but we do not yet know how to do that and the legislation that Senator SPECTER has introduced is as good a tool to deal with the tragedy of long-term unemployment that we face in some of these areas with the human tragedy that he and I daily confront face to face every time we return to our home State. Unreservedly, I support his legislation.

Mr. LEVIN. Mr. President, I am glad Senator SPECTER introduced this bill today, and I hope this matter can be brought to the floor for a vote prior to recess.

I direct to the attention of my friend from Wyoming, when I say that this is the same matter that we had conversations on the floor on last week with Senator DOLE and Senator HATFIELD relative to the urgent need that we find some vehicle for a vote. No one can guarantee what will happen at that vote. No one is asking for such a guarantee. What we need is before this program expires an opportunity to continue because the 2.5 million folks who are drawing unemployment compensation in their first 26 weeks and the 350,000 folks who are on this Federal Supplemental Benefit Program that gives them an additional 8 to 14 weeks on top of the first 26 weeks are people. These are not nonpeople. These are Americans. They are brothers, sisters, cousins, aunts, and uncles of all of us.

This is a real need. The unemployed have not disappeared. The problems of unemployment have not disappeared. There are, again, 2.5 million people now receiving the first 26 weeks of benefits and 350,000 people who are receiving Federal supplemental benefits.

We are not here proposing a new program. This is simply an extension of an existing program until we can determine in the budget for fiscal year 1986 what we want to do with the Federal Unemployment Program.

So it is not a new program. It is not an increase program. It is simply the continuation of what now exists until we can make a more thorough assessment during the 1986 budget cycle of what we want to do with the FSC and the Federal Supplemental Compensation Program.

Mr. President, we want an opportunity for a vote. We want a vehicle prior to the recess. The program runs out during recess. It is morally wrong, in my view, for this Senate to recess without resolving one way or the other, up-or-down, or in some modified form, the survival of this program which has meant so much to so many people.

We eliminated, in effect, the extended benefit program in 1981. That was a 13-week program. For all intents and purposes we wiped it out.

There are only two States that receive extended benefits at this time. It is a success. So was the Federal Supplemental Benefit Program. That is what is at issue here. Without the FSC Program 48 out of 50 States have nothing.

That is the issue which I hope that the leadership will help us to resolve prior to the recess, and I urge that the leaders do look for that vehicle to give us a chance to express the will of the Senate as to whether we want this program to die.

The PRESIDING OFFICER (Mr. QUAYLE). The minority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that my name be entered as a cosponsor of the bill introduced by Mr. SPECTER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, will the minority leader yield the floor just for a unanimous-consent request without losing his right to the floor?

Mr. BYRD. No. I yield the floor.

Mr. LEVIN. I am sorry. It is because I failed to ask unanimous consent that Senator METZENBAUM be added as a cosponsor.

Mr. BYRD. I yield.

Mr. LEVIN. I thank my friend.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. Did the Senator from Michigan want to propound a unanimous-consent request that the Senator from Ohio be added as a cosponsor?

Mr. LEVIN. I do so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio will be added as a cosponsor.

Mr. LEVIN. Mr. President, I also ask unanimous consent that the senior Senator from Michigan, Senator RIEGLE, be added as a cosponsor of the Specter bill which was just introduced.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, let me respond to my friend and colleague from Michigan that indeed he has portrayed a very serious problem and, indeed, that is recognized and it is recognized by the majority leader as such.

There is negotiation going on at the present time between the Senators who are deeply involved in that issue on both sides of the aisle in an attempt to bring something before the body tomorrow. There are some specifics on that of which I do not have the details. But there is an appropriation involved. There is a figure mentioned and we all recognize it as a serious problem. Again we are faced with an attempt to try to steer the agenda without appendages, and that is very difficult to do.

But tomorrow it is my understanding that something will be presented which may be acceptable to the parites as a vehicle, not only a vehicle but an ability to get to a vote.

Mr. LEVIN. As always, I thank my friend for his courtesy. I am aware of the negotiations. Indeed, I am participating in them.

What I was stating, however, is that we would like for a vehicle to which an amendment can be added in the event that there is no agreement on the content of the vehicle itself. That is the vehicle that we would be needing prior to a recess so we can resolve up or down whether we want to continue this program.

IN SUPPORT OF THE LEVIN AMENDMENT TO EXTEND THE FSC PROGRAM

Mr. RIEGLE. Mr. President, I rise in support of the amendment offered by my colleague from Michigan. This amendment is of the utmost importance to the thousands of long-term unemployed who have lost their jobs through no fault of their own. Senator LEVIN's amendment extends the Federal Supplemental Compensation [FSC] Program which is scheduled to expire next Sunday night.

As I noted last month when I cosponsored S. 509 to extend the program, a critical need for these unemployment benefits continues to exist in the Nation. Nearly 8½ million people remain unable to secure employment despite their job search. Despite our urgent pleas to extend this program for these individuals in need, the Senate has failed to act. Moreover, the President has indicated that he will turn his back on the long-term unemployed. Mr. President, I cannot adopt this callous attitude. Too many people in my State, as well as many other States, remain unable to find jobs and need these benefits to aid them during their job search.

The time to act is now. The unemployed in our country can wait no longer to see whether Congress will act to relieve their plight. The program will expire next Sunday unless we act now. I strongly urge my colleagues to recognize the plight of the long-term unemployed in this country by supporting this amendment.

REWARDS FOR THE APPREHENSION OF NAZI WAR CRIMINAL JOSEF MENGELE

Mr. KENNEDY. Mr. President, last Friday, Congressman ROBERT MRAZEK and I proposed that the next appropriations bill include a provision for the Department of Justice to pay a reward of $1 million for information leading to the apprehension of Josef Mengele, the infamous Angel of Death at Auschwitz and the most wanted Nazi war criminal still at large today.

In our recommendation to the Senate and House Appropriations Committees, Congressman MRAZEK and I also proposed that adequate sums be appropriated to fund the expenses of the Justice Department in coordinating the efforts of the Federal agencies involved in the search for Mengele; in addition, we asked the U.S. Information Agency to give high priority in its overseas programming to publicizing the reward and other aspects of the search.

A number of other rewards have also been announced for the apprehension of Mengele, including a reward of $1 million from the prestigious Simon Wiesenthal Center in Los Angeles and a reward of 1 million marks—about $300,000—from the West German Government. In addition, the Washington Times newspaper, in a special editorial and article this morning by Editor-in-Chief Arnaud de Borchgrave, announced that it is offering a $1 million reward for Mengele.

I welcome these initiatives, and I hope that Congress will act as soon as possible to enact the Federal reward that Congressman MRAZEK and I have proposed in the effort to bring Mengele to justice.

It is now 40 years since the liberation of the concentration camps at Auschwitz; yet Mengele, who perpetrated such horrendous evil at those camps, is still at large. In this 40th anniversary year of the liberation of Auschwitz, the time has come to find Mengele, wherever he may be, and bring him to justice for his hideous crimes against humanity.

Mr. President, I ask unanimous consent that the following materials may be printed in the RECORD—the text of the letter that Congressman MRAZEK and I sent on March 22 to the Senate and House Appropriations Committees; a statement by the Simon Wiesenthal Center on our proposal; the articles and editorial to which I referred in today's Washington Times; two op-ed articles in the March 6 New York Times, one by Rabbi Marvin Hier and Rabbi Abraham Cooper of the Wiesenthal Center and the other by Ernest W. Michel, who was chairman of the world gathering of Jewish Holocaust survivors in Jerusalem in 1981; and an article by Art Harris in the March 8 Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 22, 1985.

Hon. MARK HATFIELD,
Chairman.
Hon. JOHN C. STENNIS,
Ranking Democratic Member, Senate Appropriations Committee, U.S. Senate.
Hon. JAMIE L. WHITTEN,
Chairman.
Hon. SILVIO O. CONTE,
Ranking Republican Member, House Appropriations Committee, House of Representatives.

DEAR MR. CHAIRMAN AND MR. RANKING MEMBER: We are writing to urge you to include in the next Appropriations bill a provision for the Department of Justice to pay a reward of one million dollars for information leading to the apprehension of Josef Mengele, the infamous Angel of Death at Auschwitz and the most wanted Nazi war criminal in the world today.

This year marks the fortieth anniversay of the liberation of Auschwitz, and an intensive new search is under way for Mengele, who personally sent more than 400,000 men, women, and children to the gas chambers and who conducted repulsive and sadistic human experiments on thousands of innocent victims at the concentration camps.

Experts at the Simon Wiesenthal Center in Los Angeles and other Nazi trackers believe that Mengele is alive and may be living in a remote area of Paraguay in South America. He is also reported to have been sighted in recent years in other countries in South America, as well as in Europe. Last month, the Reagan Administration joined the worldwide effort and opened its own investigation to locate Mengele; earlier this week, the Department of Justice, in testimony before the Senate Judiciary Committee, documented the effort it is coordinating with other federal agencies to bring Mengele to justice.

We believe that the offer of a federal reward is an appropriate and perhaps indispensable element for the success of the effort to apprehend Mengele and bring him to trial for his hideous crimes against humanity. We also feel that a reward by the United States Government is especially fitting, in light of reports that our Government itself may have permitted Mengele to escape justice in the period immediately following World War II.

At the present time, we are aware of two other large rewards for the apprehension of Mengele: one million dollars by a group affiliated with the Wiesenthal Center (one third to the persons responsible for Mengele's apprehension; one third to charity selected by cooperating law enforcement authorities in the country where he is apprehended; and one third to the Wiesenthal Center); and one million marks (about $300,000) by the West German Government. The one million dollar additional reward we are proposing would go to the person or persons responsible for Mengele's apprehension, nearly doubling the reward available to such persons, thereby providing a substantial new incentive for Mengele's capture.

Apart from an appropriation for the reward itself, we urge the Appropriations Committee to provide an additional amount to the Department of Justice to fund expenses of the coordinated effort by the federal agencies involved in the search for Mengele. We also urge you to include a provision specifically instructing the United States Information Agency in its overseas programming to give a high priority to publicizing the reward and other aspects of the search.

There are ample precedents in federal law for the payment of substantial rewards in appropriate circumstances. In the past Congress, for example, P.L. 98-151 appropriated $100,000 for the apprehension of the bomber of the Capitol in 1983; and P.L. 98-533 authorizes rewards up to $500,000 to be paid for information on terrorism.

The monstrous crimes committed by Josef Mengele are an affront to civilization, and we should leave no stone unturned in the effort to bring him to justice. Forty years after the closing of the infamous camps at Auschwitz, it it time to close this shameful chapter of their history.

Sincerely,

EDWARD M. KENNEDY,
United States Senate.
ROBERT J. MRAZEK,
House of Representatives.

WIESENTHAL CENTER APPLAUDS KENNEDY AND MZAREK PROPOSAL FOR $1 MILLION FEDERAL REWARD FOR CAPTURE OF MENGELE

[From the Simon Wiesenthal Center, 9760 West Pico Blvd., Los Angeles, CA]

The Simon Wiesenthal Center has applauded the call by Senator Edward Kennedy (D-Mass.) and Congressman Robert Mzarek (D-NY) for the United States Congress to appropriate a $1 million reward for information leading to the apprehension of Nazi war criminal Josef Mengele. The letter was sent today, March 22, to Senate Appropriations Committee Chairman Mark Hatfield (R-Ore.), and ranking minority member Senator John Stennis (D-Miss.), as well as House Appropriations Committee Chairman Jamie Whitten (D-Miss.) and ranking minority member Silvio Conte (R-Mass.).

The letter states in part: "This year marks the fortieth anniversary of the liberation of Auschwitz, and an intensive new search is under way for Mengele, who personally sent more than 400,000 men, women, and children to the gas chambers and who conducted repulsive and sadistic human experiments on thousands of innocent victims at the concentration camps. Experts at the Simon Wiesenthal Center in Los Angeles and other Nazi trackers believe that Mengele is alive and may be living in a remote area of Paraguay in South America. He is also reported to have been sighted in recent years in other countries in South America, as well as in Europe. Last month, the Reagan Administration joined the worldwide effort and opened its own investigation to locate Mengele; earlier this week, the Department of Justice, in testimony before the Senate Judiciary Committee, documented the effort it is coordinating with other Federal agencies to bring Mengele to justice."

In their communication, Kennedy and Mrazek continued, "We believe that the offer of a federal reward is an appropriate and perhaps indispensable element for the success of the effort to apprehend Mengele and bring him to trial for his hideous crimes against humanity. We also feel that a reward by the United States Government is especially fitting, in light of reports that our Government itself may have permitted Mengele to escape justice in the period immediately following World War II."

Kennedy and Mrazek also urged the Appropriations Committee to ". . . provide an

additional amount to the Department of Justice to fund the expenses of the coordinated effort by the Federal agencies involved in the search for Mengele". They also asked for inclusion of a "provision specifically instructing the United States Information Agency in its overseas programming to give a high priority to publicizing the reward and other aspects of the search". Kennedy and Mrazek also underlined that there exist "ample precedents in Federal law for the payment of substantial rewards in appropriate circumstances."

Rabbi Marvin Hier, Dean of the Simon Wiesenthal Center applauded the new initiative launched by Senator Kennedy and Congressman Mrazek. "Josef Mengele does not live in vacuum. There are people who know his whereabouts and this new initiative, should it be adopted, will be an added incentive in helping to find him. It will send a message to the world that the United States is finally serious in its commitment to bringing the infamous 'Angel of Death' to the bar of justice."

To date, other rewards being offered for Mengele's apprehension include $1 million by a group affiliated with the Simon Wiesenthal Center, $1 million D.M. (German marks) offered by the West German government, $50,000 from Simon Wiesenthal's Jewish Documentation Center in Vienna, and $25,000 by Serge Klarsfeld in Paris.

[From The Washington Times, March 26, 1985]

$1 MILLION REWARD

The Washington Times will pay $1 million for evidence leading to the apprehension, trial and conviction of Nazi war criminal Dr. Josef Mengele. Apprehension and conviction of Mengele is a first priority for any person or institution concerned about human rights yesterday, today and tomorrow.—Arnaud de Borchgrave, Editor-in-Chief

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TIMES' REWARD SEEKS SCOURGING OF JOSEF MENGELE

The Washington Times will pay a $1 million reward for evidence leading to the apprehension, trial and conviction of Nazi war criminal Dr. Josef Mengele, Editor-in-Chief Arnaud de Borchgrave announced today.

"Apprehension and conviction of Mengele is a first priority for any person or institution concerned about human rights yesterday, today or tomorrow," said Mr. de Borchgrave, who called Mengele "a monster whose successful escape from justice must be ended."

Known and feared as the "Angel of Death" because of the experiments he performed on prisoners at the Auschwitz concentration camp in Nazi-occupied Poland during World War II, Mengele is the most notorious Nazi war criminal still at large.

Though he has been pursued since the end of World War II, Mengele recently returned to the world spotlight when a former U.S. Army counter-intelligence officer said he believed that American intelligence services had arrested, questioned and released Mengele in Austria in 1947.

The reward, guaranteed by an insurance policy "to insure there is no question," Mr. de Borchgrave said, will be offered for one year from the date this information is first published in The Washington Times. The paper has set the following conditions for the reward to be paid:

To convey information regarding Mengele, one should address a letter to the Editor-in-Chief at The Washington Times, 3600 New York Ave., NE, Washington, D.C., 20002.

Mengele need not be apprehended during the period the reward is offered, but the information leading to his arrest must be submitted to the paper within a year.

The arrest can occur anywhere in the world by any recognized government or civic authority. The trial and conviction also can occur anywhere in the world. But Mengele must be apprehended, tried and convicted for the crimes he committed at Auschwitz, and the conviction must carry a sentence under the country of trial's law appropriate for mass murder.

The reward will be paid after the conviction directly to the person supplying the information.

Mr. de Borchgrave stressed that the reward was not a publicity stunt and that the paper was making the offer because of its belief in and strong support of human rights.

"When you have victims of this barbarian still living and graphically testifying of the horrors Mengele did, it is no publicity stunt," he said. "If Dr. Josef Mengele is alive and allowed to go unpunished, his life will be proof that our world cannot forcefully pursue and punish violations of human rights. . . . Josef Mengele must not escape his obscene crime."

The Washington Times chose to make the offer rather than spend the money to mount its own manhunt because it believes "providing a financial incentive they cannot resist" to someone who knows Mengele's whereabouts would prove more effective, Mr. de Borchgrave said. He noted that Sen. Edward Kennedy, D-Mass., recently proposed a similar approach, using government funds, and that Sen. Alfonse d'Amato, R-N.Y., and others recently have generated a concern that "makes us believe that evidence will be aggressively pursued by the United States government at this time."

Known for his good looks and elegant manners, Mengele is accused of ordering the deaths of 40,000 people, half of whom were children, at Auschwitz. Survivors say he frequently whistled operas while deciding the fate of his prisoners.

A physician and former major in the Nazi secret service, Mengele headed a genetic investigation team which operated on twins, children and midgets in the Nazi eugenic program in search of methods to produce perfect Aryan specimens with blond hair and blue eyes.

Though many believe Mengele is in Paraguay or elsewhere in South America, information regarding his whereabouts is vague and incomplete. He is known to have fled Europe for Paraguay in 1959 and become a naturalized citizen. He reportedly dropped out of sight in 1962, however, and his Paraguayan citizenship was revoked in 1979 under intense international pressure.

A West German magazine reported over the weekend that Chancellor Helmut Kohl believes Mengele is still in Paraguay, despite claims by that South American government that it knows nothing about the former Nazi's whereabouts. The Paraguayan government has been controlled for the last 30 years by the son of a Bavarian immigrant.

Sources said Mr. Kohl would press Paraguayan President Alfredo Stroessner for clarification when Mr. Stroessner visits West Germany in July.

The Times "may very well" offer similar rewards for the apprehension, trial and conviction of other notorious human rights violators, Mr. de Borchgrave said. But for now, he hopes to focus international attention on the search for Mengele.

"Mengele is such a heinous case, particularly if he is allowed to go unpunished, that we believe he, above all others, at this time must not be allowed to escape justice," he said.

$1 MILLION REWARD

The Washington Times is offering $1 million for evidence instrumental in the apprehension, trial and conviction of Nazi war criminal Dr. Josef Mengele.

To qualify for the reward, the evidence must be given to the Editor-in-Chief of the Washington Times or his designated representative between March 26, 1985, and March 26, 1986 and the individual providing the evidence must prove to the Washington Times' satisfaction that all of the criteria set forth below have been met:

(1) The evidence on which the reward claim is based must be provided by an individual and must not be previously a matter of public record as of the date it is given to The Washington Times.

(2) The evidence must be given to The Washington Times by letter: Att. Arnaud de Borchgrave, Editor-in-Chief, The Washington Times, 3600 New York Ave. N.E., Washington, D.C. 20002.

(3) For the reward to be given, Dr. Mengele must be apprehended withn two years by (March 26, 1987) and convicted by a judicial tribunal having custody of Dr. Mengele, jurisdiction over him and the power to carry out the punishment imposed. He must be convicted of multiple murders committed between 1939 and 1945. Penalty imposed for the crimes must be what the laws of the country trying him stipulate for multiple murder.

(4) The individual providing the evidence must prove to the satisfaction of The Washington Times that his or her evidence was instrumental in Dr. Mengele's apprehension, trial and conviction.

(5) The individual submitting the evidence must put a combination of six numbers and letters at the top of each page of the letter; at the bottom of each page of the letter, they must duplicate the sequence exactly. The person must tear off the bottom part of each page of the letter containing the code (being careful not to remove any part of the body of the letter), and must keep that bottom portion of each page containing the identifying code. In order to qualify to collect the reward, that individual must, at the proper time and within one year after Dr. Mengele's conviction, present to The Washington Times the bottom part of each page of the letter containing their code, and must otherwise prove to The Washington Times' satisfaction that he or she is the individual who provided The Washington Times the evidence that first met all of the above-listed criteria.

Although the evidence must be provided between March 26, 1985, and March 26, 1986, the payment will be made after the conviction and after that conviction is upheld following any appeals allowable by law-no matter how many years elapse between the time the evidence is given to The Washington Times and the conviction, provided that the evidence was given in the proper time frame.

After evidence is provided to The Washington Times, the individual providing the evidence relinquishes any proprietary rights to the information.

The Washington Times will keep the identity of those providing information confidential if requested and unless disclosure is required by law. In the event that evidence fitting all of the listed criteria is provided by more than one person, The Washington Times will pay only the individual who first offers such evidence to The Washington Times. The Washington Times will be the sole judge of whether all of the criteria for the reward have been met, and if so, who is entitled to the reward.

The picture in this ad was taken many years ago and is the best available picture which The Washington Times can provide.

The Washington Times is offering this reward because, as a newspaper dedicated to individual freedom and rights, it believes the apprehension and conviction of Mengele must be a first priority for any person or institution concerned about human rights yesterday, today and tomorrow. Mengele must be brought to justice so no violator of human rights can be assured of safety from justice.

ARNAUD DE BORCHGRAVE,
Editor-in-Chief, The Washington Times.

[From the New York Times, Mar. 6, 1985]

MUST MENGELE REMAIN UNCAUGHT?—A REAGAN EFFORT IS NEEDED

(By Marvin Hier and Abraham Cooper)

LOS ANGELES.—Forty years after Dr. Josef Mengele helped create hell on earth at Auschwitz as a servant of Hitler's Final Solution, there is renewed optimism that finally he may be on the verge of being brought to justice.

At no time since his name first emerged publicly at the Nüremberg War Crimes Tribunal has there been such sustained international interest in Dr. Mengele, known as the "Angel of Death" for the ease with which he sent people to the gas chambers.

What has thrust him into the center of world attention? For one thing, it was the testimony of such people as the "Mengele twins"—those surviving twins and guinea pigs who, 40 years later, laid bare their scars at Birkenau—and Ruth Eliaz who, testifying in Israel, told how she had put her own baby to death to spare it more suffering at Dr. Mengele's hands.

Ultimately, what has brought the United States Attorney General and senators, and investigators from Bonn and Ottawa, into the hunt is the growing body of evidence that indicates a possible American role in Dr. Mengele's flight from justice.

First came the disclosure of a 1947 memo from Benjamin J. M. Gorby, an officer in charge of operations for the 970th Counter-Intelligence Corps of the Army, that his office had received information that Dr. Mengele had been arrested in Vienna in 1947. Today, Mr. Gorby stands by the veracity of his source. Then, an ex-G.I., Walter Hawthorne, came forward to recall his "introduction" to Dr. Mengele at a Counter-Intelligence Corps detention camp in Idar-Oberstein, Germany, in July 1945.

Reacting to these disclosures, Lieut. Gen. William Odom, the Army's Assistant Chief of Staff for Intelligence, told a Senate Judiciary subcommittee that he did not doubt the Hawthorne testimony and that there was no indication of any follow-up to the Gorby letter by Mr. Gorby's superiors or colleagues. When pressed to explain, the general honestly pointed out that in 1947 there were more pressing issues at hand than the pursuit of a former SS captain.

Thus, there was widespread approval when William French Smith, then Attorney General, announced Feb. 6 that the Justice Department's Office of Special Investigations was being assigned to join in the search for Dr. Mengele. But has America now made the type of commitment necessary to correct any past errors?

We think the Administration erred in assigning the Office of Special Investigations the exclusive task of finding Dr. Mengele. While that office deserves praise for its vigorous pursuit of Nazis in America, it is not an intelligence agency. It is not equipped to mount the undercover operations necessary to find Dr. Mengele in Paraguay, where he has been spotted.

Will others act? Highly placed Israeli sources confirmed to us that Jerusalem has no agents in Paraguay. They emphasized that their intelligence resources were overworked, and emphasized that even in the case of Adolf Eichmann, Israel sent a team to Argentina to apprehend him only after he was identified by other governments. While the West Germans have for 25 years meticulously researched the Mengele case, zealously filed extradition requests and even offered reward money for his capture, Bonn has never treated the case with the same resolve used to pursue terrorists like the Baader-Meinhof Gang.

Whatever the results of an Office of Special Investigations or Congressional inquiry, surely Dr. Mengele will not be apprehended without special efforts. Thus, President Reagan should tell the Central Intelligence Agency that he considers the apprehension of Dr. Mengele a top priority and, copying the approach used to combat organized crime and drug trafficking, create a strike force in concert with West Germany and Israel. Its mission: seize Dr. Mengele and return him to West Germany to stand trial for murder.

Such a commitment would raise hopes that the 40th anniversary of V.E. Day will be more than a moment for symbolic gestures—rather, a time when the world will finally put a stop to the outrage that has put the "Angel of Death" above the law and beyond the reach of decent men.

Marvin Hier is dean and founder of the Simon Wiesenthal Center, an institute for the documentation of Nazi crimes. Abraham Cooper is associate dean. Both are rabbis.

[From the New York Times, March 6, 1985]

I SAW HIM IN ACTION

(By Ernest W. Michel)

I was deported from my hometown in Germany in 1939, when I was 16, and arrived in Auschwitz in the winter of 1942-43. We arrived at night, after spending approximately one week locked up in cattle cars. It was a horror. All around were shouts by SS men, "Juden/Raus!," and barking, biting dogs. There was crying, screaming, mass hysteria. All we knew was that we were surrounded by barbed wire fences.

Then men and women were separated; the men were placed in lines, the women on trucks. The line moved foward slowly. It was then that an elegant SS officer in a long black leather coat and gloves, with SS insignias on coat and cap, began directing us by thumb; some to the left, some to the right. We moved like automatons; no one knew what was happening.

We learned from older camp inmates that the officer who conducted the selection process was Dr. Joseph Mengele, and that the people sent in the other direction had been gassed. My reaction was one of utter disbelief. We were told to undress. Our clothes were taken away. All of our hair was shorn. Numbers were tatooed on our left forearms (Mine is 104995). We received striped prison uniforms and caps. This is how I recall my arrival in Auschwitz and my first encounter with Dr. Mengele.

In the summer of 1943, I was injured while doing construction work in the I.G. Farben complex, and had to go to the prison hospital for treatment. We all were petrified of the hospital; we knew that anything other than a superficial wound resulted in being "sent up the chimney." Because of the calligraphy I had learned as a student, I was assigned the responsibility of recording the name and reason for deaths of the thousands in inmates who were to be described as having died from heart attacks. I still remember writing: heart attack . . . heart attack . . . heart attack . . . hour after hour, day after day!

During the spring of 1944, the SS officer in charge of the prison hospital told me and one other male nurse to report for a special assignment. We were told to be in front of the hospital compound barracks to take inmates from a truck to the barracks and return them later to the truck.

When the truck arrived, I found six to eight women in various states of despair. Among them was a beautiful teen-age girl from Hungary with whom I spoke in Yiddish and German. She told me she had arrived the day before with thousands of other Jews from Hungary. She obviously was very agitated and fearful. Other than that, she seemed in total command of her faculties.

We took the women into the barrack where a separate room had been fixed up. A number of SS officers were in the room. Since I went back and forth into the room several times, I saw the faces of the officers and recognized Dr. Mengele.

After an hour, we were summoned back to remove the women. In the room where the "medical services" were performed, one woman was still connected to an electrical machine, presumably for electric-shock experimentation. We had been instructed to have a stretcher ready in order to carry the women out. We found two of them dead, one the Hungarian girl. Two obviously were in a coma; the others were breathing hard and irregularly. None was conscious. I noticed that the teeth of those still alive were clenched and that wads of paper were placed in their mouths.

Auschwitz and its various subcamps were evacuated on Jan. 18, 1945. I was sent first to Buchenwald and then to Berga. On April 18, on a transport from Berga to an unknown destination, two friends and I escaped. I arrived in the United States in July 1946.

There is a reason why the survivors must speak out. Efforts are being made—in America and other countries—to deny the reality of the Holocaust. After losing one-third of our people in the most savage massacre in Jewish history, we still have to prove that there really was a Holocaust.

No matter how difficult and trying it is to re-experience those nightmare years, I will speak out until Dr. Mengele and others like him are apprehended and justice is done. It is the least we can do—and expect—in and from a civilized world.

Ernest W. Michel was chairman of the world gathering of Jewish Holocaust survivors in Jerusalem in 1981. This article is adapted from Congressional testimony.

[From the Washington Post, Mar. 8, 1985]

ON THE TRAIL OF MENGELE

(By Art Harris)

Seen but Not Found, Sought but Not Caught: Where Is the Nazi Doctor of Death?

Tales of the Angel of Death, told over and over: they come from Auschwitz, from the jungles of South America, from CIA files, from fevered Nazi-struck imaginations, from hucksters of hellish relics. Somehow, they are all different, but all the same.

Take the woman in the jewelry store in Asuncion, Paraguay. She told an Israeli official about the day in 1965 when a customer asked about some merchandise. She came around the counter. She saw Josef Mengele. Two decades before, trim and elegant in his sleek black SS uniform, he had personally dispatched 400,000 other Jews to the ovens with a flick of his black-gloved wrist. But not her. She'd survived. And now he was browsing in her jewelry store, just one of 40,000 Germans living in Paraguay.

She could not speak, she would say later. She watched him leave and then she told her husband: "It was him. It was Mengele."

For 40 years, one of the monsters of history has wandered the globe untouched, a free man: the most notorious Nazi war criminal believed alive today, the Auschwitz doctor whose mass murders and grisly experiments evoke Evil Incarnate.

How can this be?

West Germany has had a warrant out for his arrest for 26 years and has added a $350,000 reward. Israeli Nazi hunters spirited Adolf Eichmann out of Argentina, but other have missed Mengele, they say, by minutes at a Paraguayan hotel, by little more at the Rome airport. CIA informants put him in Brazil, in Chile, in the drug trade or working as an auto mechanic. German prosecutors believe he may have been in Paraguay as late as 1982, if a jailed drug suspect can be believed: He is said to have been Mengele's roommate outside Asuncion, where they shared a passion for beekeeping.

What's more, the sightings began as soon as the Third Reich fell. American GIs say they saw him in an Army prison; a German professor claims he interviewed Mengele at a British prison camp in 1947. After that Mengele lived in his home town in Bavaria, where his family had made its fortune in the farm machinery business. His name arose at the Nuremberg war-crime trials, and he fled to Rome, where he is said to have gotten papers under the name of Gregorio Gregori.

In either 1949 or 1951, according to conflicting reports, he sailed from Italy to Argentina, where he lived under his own name in Buenos Aires, hawking heavy equipment for the family firm. Neighbors say he was "quiet, distinguished and courteous."

As Dr. Helmut Gregor, one of the dozen aliases he adopted over the years, he became an Argentine citizen in 1954 and performed abortions, says Nazi hunter Simon Wiesenthal. (At one point, he was "detained" by police when a patient died). His first wife divorced him that year, and in 1958 he married his older brother's widow. They were divorced three years later, and she left for Switzerland and Italy. After the West German warrant was issued in 1959 he became a Paraguayan citizen; he is said to have attended his father's funeral in Germany that year.

He has lived his life. He has had friends, patients, family. Now bounty hunters, revenge seekers, glory hounds and die-hard believers in earthly justice descend on South America in such numbers that they have fostered a trade in relics of this saint of Hell—photographs, an ID card, whatever souvenir of evil you want, except the man himself.

If alive, he would be 74 this month.

Now America wants him. Its top Nazi hunter, Neal Sher, a Justice Department lawyer who heads the Office of Special Investigations, flew to Europe last week to seek leads from German prosecutors and Nazi trackers like Wiesenthal, 76, who suspect Mengele is still in Paraguay, protected by President Alfredo Stroessner; but after all these years, they still don't really know.

On his SS application, he said he stood 5 feet 9, with brown hair and blue eyes. But others remember a shorter, darker-looking man in a country that worshipped blue-eyed blonds. Mengele's hang-up was that he "looked like a Gypsy," says Wiesenthal.

Indeed, he aimed to keep nature from future mistakes, drafting human guinea pigs for macabre experiments he believed might make Hitler's dream of an Aryan master race come true. As the SS doctor at Auschwitz, he dispatched nearly half a million to the gas chambers and killed thousands more with mad genetic quackery.

He was obsessed with twins: if German women could repopulate after the war with multiple births, military losses might be offset. He handpicked specimens as they came off the trains at Auschwitz-Birkenau deep inside Poland. In his black SS uniform, shiny stick in hand, he cut a striking figure to the bedraggled, frightened Jews, waving some to the left, to die, others to the right, to live.

"He looked gorgeous," recalls twin Eva Kor, 50, who sells real estate in Terre Haute, Ind. "But everyone was scared of him. He decided how long you lived."

One 12-year-old Jewish boy held a special fascination: Marc Berkowitz had blond hair, blue eyes and a twin sister, Francesca. SS officers on the lookout for lab rats perked up when their mother shouted, "Kill me, but not my twins!" Immediately, they were brought to Mengele, and the experiments began.

Berkowitz was ordered to disrobe and lie on a table. Fluid was drawn from his spine. "My whole body was burning, and the next thing I knew I was fighting back fainting," recalls the 53-year-old retired New York furniture salesman, physically disabled from his days at Auschwitz. He heard a whimper and reached out to comfort his sister. She lay on the next table.

At times, Mengele was almost gentle. He patted Berkowitz on the head as a nurse mopped his brow. Sometimes, he even apoligized. "I'm sorry we have to do this, but the pain will go away," he said.

Yet if his "guinea pigs passed out, or fought back, he eliminated them," says Berkowitz, who watched bloody bundles carried out of the lab. Ever stoic, Berkowitz fought to detach himself from the pain, and did as he was told. Once, he stood on his head for hours without passing out. He was prodded, punctured and poked. He was dunked in a steel vat of freezing water while Mengele lab technicians monitored his plummeting body temperature.

At last, when he was pulled out alive, Mengele strutted about the lab in ecstasy. He liked Berkowitz's attitude. "You're the type of boy I've been looking for," he said. "You're setting an example. The other children are behaving themselves. We're getting good results."

Berkowitz just tried to obey, intent on living from "moment to moment, second to second." So pleased was the doctor with his star guinea pig that he made Berkowitz his "lauper," or errand boy. He taught him German songs, recited poetry. Mengele loved classical music, and Berkowitz handcranked his Victrola, shined his boots and harvested his brussels sprouts.

But Mengele's moods changed like the weather. One day, Berkowitz watched him shoot a boy, first in one knee, then in the other. The boy was weeping as Mengele grabbed him by the hair and gave the *coup de grace* with a bullet in the brain. His sin: he'd wandered away from his barracks.

"You know he had no business over there," said Mengele. He asked Berkowitz if he'd done "something wrong" in shooting the boy, but didn't wait for an answer. "You have to respect the laws of the place," he said.

All the time, the crematoriums were running. Twins who survived the experiments were spared, of course, treated like prize pet rabbits. But if one in a pair died, Mengele killed the other to compare autopsies.

In other experiments, he snatched babies from mothers and tried to change the color of their eyes and hair, then killed them by injection. "What's the difference if you make black eyes out of blue eyes?" he asked one mother, than tried it with her child. It died.

Witnesses have also told German prosecutors:

He offered candy to two sets of twin girls, then shot them in the neck, castrated or sterilized "about 100 male prisoners," routinely tossed babies into ovens alive and wired inmates with electrodes to test their threshold for electric shock.

To boost his labor force, he ordered pregnant women onto their backs, then stomped them until they aborted. Once, he promised a special milk porridge for all expectant mothers who signed up, then gassed them all. He also gassed a barracks that included some of his former professors, all Jews.

"We called him the 'death doctor,'" says survivor Ernest Michel, 61, of New York City, who once escorted eight Jewish women to Mengele's lab as an orderly. When he hauled them away, two were dead, two were in a coma, another had to be disconnected from an electroshock machine.

Spared for his elegant penmanship, Michel was ordered to rewrite medical history. "Heart attack," he wrote day after day to cover up the true cause of death. "Our biggest fear was that no one would be left alive to tell what really happened," he says.

As one of Mengele's pets, Berkowitz was there in 1944 when his keeper exploded over a report of lice among the Gypsies. "I'm sick and tired of these filthy, diseased pigs," Mengele ranted. "I've been trying to keep this camp clean, and I'm fighting a losing battle!"

His solution: send the whole barracks to the gas chambers. And 700 Gypsies were marched off to be "disinfected" forever. One German officer nodded at Berkowitz, a witness to his rage. Said Mengele, "don't worry, he's one of us. If we had more boys like him we would have won the war."

Mengele liked to test Berkowitz, probing for the secret of his endurance. Once, he ordered Berkowitz to swim with the SS men who nearly drowned him for sport. To retest his courage, it was back to the pool.

When his mother's barracks was marched off to the gas chamber, Mengele conjured an errand so Berkowitz could take a last walk with Helen Berkowitz. For Mengele, it

was just another experiment, the Angel of Death testing the faith of a Jew.

"So," asked Mengele later, "do you still believe in God?"

"I've lost almost everything," replied Berkowitz, "but one thing I have not lost is God. You can take everything from me, but you cannot take my God."

Mengele reached for his revolver. It was holstered in black leather, hanging over a chair. He unsnapped one button. He unsnapped the other. He stared long and hard at his gofer.

"You gave the right answer." he said. He nodded at his boots. "I want a good shine today. I have very important things to do."

Berkowitz walked outside. Smoke was belching thick and black. He was thinking "I'm only 12, but I'd better say Kaddish (the prayer for the dead) for my mother. I don't know if I'll be around to say it tomorrow."

On Christman Eve 1944, with the Russians advancing on the eastern front, Mengele found Berkowitz in the washroom. A light snow was falling. Pausing at the door, flanked by two SS guards, he wished him well. Mengele seemed almost wistful. "Adieu," he said. And that was the last time Berkowitz saw him.

Everyone has an answer, a rumor, a theory, a cold lead, an excuse.

"I've [barely] missed him five times," says Wiesenthal. He has bagged 1,100 war criminals in his lifetime without ever getting as close to Mengele as the jeweler's wife.

Christmas 1963, Wiesenthal got tipped off in a letter: Mengele, Hotel American, Milan. He flew there with a German prosecutor. Said the manager, "Yesterday, he left." In Torremolinos, Spain, he missed him by two days; at the Rome airport, by mere hours.

Later, a group of Auschwitz avengers called the "Committee of 12" tracked him to the Hotel Tyrol near the thriving German colony of Hohenau in eastern Paraguay. They planned to spirit him to Frankfurt to stand trial. His alias that time: Dr. Fritz Fischer. They burst into room 26, but he was gone. Minutes before, Herr Fischer got a phone call, said the manager, raced down the stairs with his pajamas on under his suit, and vanished in the night.

Intelligence tips put Mengele in Chile 18 months ago; in Paraguay's German-speaking Mennonite villages on the Bolivian border as recently as last year; in Uruguay six months ago.

South American governments, rubbed raw by complaints that they're sheltering the fled legions of the Nazis deny it all.

Says the Chilean Embassy press officer: "We had one Nazi war criminal, and that was plenty." That would have been the late Walter Rauff, the SS general who conceived and operated mobile gas chambers used to exterminate Jews. He recently died in his sleep after running a fishing boat for years, under his own name, out of Puerto Provenir. Chile's supreme court denied his extradition request on a technicality. Another extradition request was denied in 1959 by Argentina, on grounds that it was written in German, not Spanish. And not till 1970 did Paraguay concede Mengele had been naturalized years before.

"The last photograph is 1963 in Asunción," says Wiesenthal by phone from Vienna. "We don't know his [new] alias."

What of rumors he may have undergone plastic surgery? Wiesenthal doubts it; no Nazi war criminal he caught ever went under the knife. What about the report of postcards sent to friends from Portugal? Does Wiesenthal say this is a Nazi disinformation trick to blur the trail?

Or CIA files portraying Mengele as a cocaine warlord, dealing under the name Dr. Henrique Wollman? "A stupid story," Wiesenthal scoffs. "He doesn't need the money."

It would certainly seem that way, if he can rely on rich Nazi friends and the family conglomerate, Karl Mengele & Sons, with offices in Paraguay, Argentina and the United States.

A $1 million bounty was offered last week by unnamed donors in Los Angeles after lesser amounts did no good.

He remains at bay, a fugitive with all the glamor of an emissary from hell, merely yapped at by the hounds of justice, and mythologized by Hollywood in two movies, "Marathon Man" and "The Boys From Brazil."

Mengele was born March 16, 1911, in Guenzburg, Germany, the third son of a wealthy farm machinery manufacturer. At 24, he joined Hitler's "Brown Shirts," the Nazi Party three years later.

He studied anthropology and zoology in Munich, hatching a fascination for genetics, which was further fueled at the Institute for Genetic Purification in Frankfurt. In 1938, he graduated from medical school, married Irene Maria Schoenbein, joined the Waffen SS and became the Auschwitz camp physician.

Their son Rolf was born at Auschwitz in 1944.

Like other Nazis in the early days after the war, he made little effort to hide his identity.

But at least two U.S. Army veterans say they believe he was in U.S. custody at one time. A retired California aerospace engineer, Walter Kempthorne, says soldiers put a redfaced prisoner through calesthenics around July 10, 1945.

"This here's the bastard who sterilized 3,000 women at Auschwitz," said one, as a man fitting Mengele's description huffed and puffed. Kempthorne was 19, a private at the Idar-Oberstein detention camp in occupied Germany, where Nazis were interrogated after the war.

Guards sometimes trotted them outside for fun and games, including a charade called "Luftwaffe": Prisoners were ordered to run around in circles "spitting like a plane," says Richard Schwarz, 59, a retired government labor lawyer in Washington, D.C. As a young private, he put a Nazi he now believes was Mengele through the drill, "pats on the fanny" and all.

"Presumably, it was Mengele," recalls Schwarz, who never heard the man's name, but has war correspondence indicating he wrote friends about just such a doctor. And the Simon Wiesenthal Center in Los Angeles, which hunts data on Nazi war criminals and supports Holocaust studies, turned up the two soldiers, along with a U.S. Army dispatch from an intelligence office who refers to an account of Mengele's arrest in 1947.

"We're searching our records of that camp," says Lt. Col. Craig NcNab, an Army spokesman. "You've got to understand, Mengele wasn't on top of anyone's list back then. In 1945, he was a doctor way off in the wilds of Poland."

And by the 1950s, he was long gone. In South America, the chase began, a slow and frustrating pursuit. Diplomatic channels yielded nothing. Everything grew vague.

Isser Harel, Israel's secret service chief who pulled off the daring snatch of Eichmann from Buenos Aires in 1960, eyed Mengele, too, but didn't want to risk losing Eichmann, he once wrote. Afterwards, Israeli agents tracked down his house in a middle-class suburb of Buenos Aires, but he was gone. They traced him to Paraguay. There, it was believed, he was protected by President Alfredo Stroessner, the right-wing strong man who took power in 1954, son of an immigrant German cavalry officer. It was easy to hide in a remote California-size country with only two million people and a gossipy capital where word travels fast when outsiders come sniffing around.

There was also plenty of camouflage from German colonies to the east, where lush, rolling hills between the Paraguay and Parana rivers lured refugees of the Third Reich to drive Mengele tractors around some of the world's most fertile subtropical farmland.

It was there Mengele was sighted in the '60s, from Pedro Juan Caballero, a coffee-growing town to the north, to Hohenau, a farming village to the south. Israeli agents staked out a hideout in a heavily fortified farmhouse nearby in the early '60s, but ruled out a commando raid. There was no airport nearby to pull off an Entebbe, and Israel couldn't afford any diplomatic casualties: the Eichmann affair had ended their honeymoon.

Agents kept up their search in Asuncion and the interior, then lost Mengele across the border in Brazil, according to heavily edited CIA files released last week. Accounts also surfaced of assorted avengers on the loose, and someone apparently mistook a man for Mengele. He was found beaten to death, but it turned out to be an ex-Nazi soldier.

Diplomacy offered another route for frustration. When West Germany's envoy protested in 1965 that Mengele's citizenship was invalid, Stroessner is said to have exploded in rage. "Once a Paraguayan, always a Paraguayan!" he shouted, pounding the table.

Especially when the citizenship papers are signed by old Stroessner friends like Alejandro von Eckstein, a Russian émigré who fought alongside Storessner in the Chaco War with Bolivia, and who still advises Paraguayan intelligence services.

At the American Embassy at Asunción, there were frequent rumors of Martin Bormann alive and well, but never Mengele, recalls A. Dane Bowen, political officer until 1964. Besides: "Hunting Nazi war criminals wasn't our big preoccupation."

In those days, Mengele lived openly, sunning at a villa a half-mile from the embassy and scouting for land in Alta Parana, just across the Argentine border, reportedly working as an auto mechanic northeast of Asunción near the Brazilian border. "Recurring rumors" said that Mengele was at a "well-guarded ranch, either near Encarnación, in eastern Paraguay, or in Chaco, and that he is protected by Stroessner," said a 1972 CIA report.

Veterans of the Asunción diplomatic corps say Mengele socialized with late Nazi Luftwaffe ace Hans Ulrich-Rudel, reputed mastermind of Odessa, the secret underground that resettled fleeing Nazis in South America. Rudel was a fixture at diplomatic receptions, a favorite of Stroessner, and a representative for German firms.

His dealings also included substantial payments to Stroessner's son, says Paris-based Nazi hunter Beate Klarsfeld, who, along with her husbands, tracked Nazi war criminal Klaus Altman Barbie to Bolivia, where he lived openly as a government security

consultant before his extradition to France. She claims Rudel's financial documents, in her files, detail the deals.

"I bumped into Rudel all over the place," says Benjamin Weiser Varone, 71, the former Israeli ambassador who made it a habit to befriend those like the jeweler's wife who had seen Mengele. He met Mengele's lawyer, dutifully filing such reports to Tel Aviv. He got no reply.

"Israel doesn't expect its ambassadors to be Nazi hunters," he says. But whenever Nazi hunters back home raised a fuss, Paraguayan officials called Varone on the carpet. "They would call me to express the displeasure of their president," says the retired diplomat turned writer, who lives in Brookline, Mass. "But they never denied he was there."

Naturally, Varone was a magnet for mercenaries and crackpots chasing the doctor. His standard line: "Go across the street. The Germans have a warrant for his arrest." His job was to keep Paraguay's crucial U.N. Security Council vote in Israel's corner. He charmed, he cajoled, he got it, even as Mengele was seen around town.

Later, in 1978, the U.S. Embassy heard he frequented the Caballo Blanco, or White Horse, a favorite German restaurant downtown. And a BBC crew with a hidden mike captured a Nazi boasting of playing cards with the doctor.

"Mengele? Oh, yes, he's around, but we don't know quite where. He comes and goes," officials would reply whenever Ambassador Robert White brought it up.

So, why wasn't he arrested—or something? "Because he wasn't wanted all that much," says White, who filed his Mengele tales with the State Department and got no reply. "We did report on it, but there was never much interest expressed by Washington in any way."

Still, such accounts irritated officials in the remote haven for rightwing refugess. "Bob, how can we polish up our image?" he was often asked.

"A good place to start would be to cancel Mengele's citizenship," he replied. Then, one day, out of the blue, the foreign minister said, "Bob, that's a wonderful idea. I'll bring it up with the president." And, in 1979, Mengele was stripped of his citizenship for being "out of the country for more than two years."

"We knew he was in Paraguay, but it's not something we pursued," says Alan Ryan, the top Nazi hunter for the Justice Department until 1983. There was no jurisdiction, and Ryan was too busy chasing Nazi war criminals hiding in America to go "smoke him out of the jungle."

These tales, of course, contradict Paraguay's official shrug that his whereabouts has mystified them since 1962, when Germany's first extradition request arrived. But if a hideout can be found, they promise to dispatch a posse. "We have made a full investigation and found no trace of Mengele in Paraguay," says the embassy press attache. "We believe he is not there anymore."

Horrors like the Holocaust make everyman a philosopher. Questions beget more questions. If Mengele is never caught, does that mean you can do unspeakable things in this life and escape justice? Or if he is put on trial, will that mean good finally triumphed over evil?

On Jan. 27, 1945, Berkowitz and his sister were liberated by the Russians, after surviving a death march in the freezing cold. And three years later, after stints in refugee camps, they wound up in America, sole survivors of a family of nine.

Berkowitz washed dishes in New York, sold furniture, shrugged off the pain of a crumbling spine and fought to understand. With Eva Kor, he started a support group for Auschwitz twins called Candles. So far, about 120 have come forward, 20 from the States. Many testified at a mock trail for Mengele in Jerusalem last month.

If Mengele is ever arrested, Berkowitz wants to ask him some questions. "I would like to ask him exactly what he did to his guinea pigs, so we can get medical help," he says. "We are like a puzzle. We have to be put back together piece by piece."

Ambivalent about revenge, he would prefer a trial. He doesn't hate Mengele. And he reflects that he is still his errand boy: "You see, he never dismissed me."

Says Wiesenthal: "Look, the life of Mengele is without importance. After so many years, criminals turn into witnesses. How can you punish somebody for the deaths of 400,000 people? If he is caught and gets life, he'll probably serve only a few years before he dies. That will end up to be a few seconds per victim.

But if Mengele is sent to the gallows, "the survivors should do it," says Berkowitz.

Now Mengele is hot, everyone's favorite villain. It's only taken 40 years. In South America, there are those who can look on it as a trend, not unlike other trends, a sort of nostalgia craze.

"There are people out there willing to sell you Bormann's bones and Mengele's hacienda," says New York lawyer Gerald Posner, whose research forays draw Nazi brokers like flies. "The minute they hear an American is hunting Nazis, their ears perk up and their wallets get itchy."

He's spurned diaries, rings and memorabilia. How about Mengele's original fingerprint card? asked a Brazilian cop. Only $500. Or recent photos, whispered an ex-Nazi officer over mint tea at the Hotel Mansour in Casablanca—after plastic surgery. A mere five grand. Or, maybe you like Mengele's SS ring, very cheap: $1,000, said the Argentine lawyer.

The flea market sells such rings by the trayful, swastika and all, $3 apiece.

ADOLESCENT PREGNANCY

Mr. DENTON. Mr. President, there has been extensive news coverage given to a recent publication by the Alan Guttmacher Institue comparing the teenage pregnancy rate in the United States with that of several Western European nations.

The report has prompted much breast beating over the alleged "fact" that the United States has not followed the example of the European nations in pushing "contraception saturation" as the best means of reducing teenage pregnancy rates. Many people seem to have forgotten that, during the last 15 years, we have spent billions of dollars to provide subsidized contraceptives to adolescents and adults.

On March 20, 1985, Cal Thomas, in his nationally syndicated column, provided an appropriate and needed response to the people who push the shortsighted contraceptive approach to dealing with the problems that adolescents face in our society.

Mr. President, I ask unanimous consent that the article be printed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 20, 1985]

WHAT THE SEX REPORT OMITTED

(By Cal Thomas)

It was that great Chinese-American philosopher Charlie Chan who remarked, "Expert is merely man who make quick decision and is sometimes right."

Charlie's wisdom could be applied to the Alan Guttmacher Institute, the left hand of Planned Parenthood, which has just released a new study indicating that pregnancy rates in Europe are far below those in the United States. The reason, according to the study, is the widespread availability of contraceptives throughout much of Europe.

There is no question that teen pregnancy rates in the United States are incredibly high. According to the Guttmacher Institute, 96 out of every 1,000 teens between the ages of 15 and 19 become pregnant every year in the United States, compared to 14 per 1,000 in the Netherlands, 35 in Sweden, 43 in France, and 45 in England and Wales.

But is the solution, as the Guttmacher study contends, more readily available contraceptives and more intense sex education in America? I don't think so.

The Guttmacher-Planned Parenthood approach to sex measures success by how well it prevents unwanted pregnancy and venereal disease. It is less concerned, protestations to the contrary, with the moral and social development of a child.

That is why sex-education guru Mary Calderone says of a book written by a colleague . . . "It is immensely refreshing in its openness, candor, realism—and particularly in its lack of authoritarianism, moralism, and dogmatism." The latter three are code words, of course, for values derived from religious faith.

In this view, a dose of God is more hazardous to one's psyche than a dose of herpes.

This philosophy says that it may be OK to control a child's access to candy, liquor, and the family car, but by golly we had better make sure he knows about intercourse in kindergarten, whether he is ready for it or not.

The Guttmacher report omits as much as it reports. For example, it omits findings published by the government of Denmark which show that since compulsory sex education was adopted in Denmark in 1970 and pornography, abortion, homosexuality, and incest involving those 18 and over became legal, there has, indeed, been a drop in the birth rate, but the price has been high.

Illegitimate births, which were supposed to drop, instead nearly doubled; abortion rates, which were predicted to fall with the ready availability of condoms and other contraceptives in grocery stores, actually doubled; venereal disease more than doubled; and divorces doubled. The only categories showing decreases were sex crimes (that was because nearly all of them, except rape, which increased, were decriminalized) and the age of first intercourse.

Sweden is the most "sexually liberated" country in the world. Swedish parents are forbidden by law to spank their children. Yet, the suicide rate among Sweden's teenagers is the highest in the world.

According to the Senate subcommittee on the family, while there may have been a reduction in the number of teen-agers having babies, there has been a marked increase in teen abortions.

With more than 5,000 "family planning clinics" now operating in the United States, many of them with the help of federal funds, and sex education courses in many public schools, it is clear that contraceptive information alone is not the solution to the unwanted consequences of sexual activity.

Dr. Jacqueline Kasun of Humboldt State University in San Francisco says there was a drop in adolescent pregnancies before Planned Parenthood programs began moving into California in the 1960s. Now, she says "after years of extremely high expenditures and effort in this area, we have the highest rate of teen pregnancy in the entire nation . . . and the highest rate of teen abortion."

One does not teach a teen-ager to drive a car by saying, "Here, kid. Take the keys and learn the rules of the road for yourself." One cannot successfully teach a child about sex outside the "moral rules of the road." In each instance, unwanted consequences are likely to occur.

My suspicion is that parents have grown tired of these so-called "experts" telling them how to raise their children and would appreciate the state's looking after parental interests once in a while.

After all, what should the goal of a nation's school system be: to produce a well-rounded and socially responsible young adult or to create a morally neutral robot who never has to think about the consequences of his or her actions?

NATIONAL EXAMINATION OF TEACHERS

ALBERT SHANKER'S NATIONAL PRESS CLUB PROPOSAL

Mr. HATCH. Mr. President, on January 29, 1985, Albert Shanker, president of the American Federation of Teachers, addressed an audience of educators, teachers, and business leaders at the National Press Club on the importance of making certain that only the best qualified to teach enter the classrooms of this Nation. In his thought-provoking statement, Dr. Shanker said that if we are ever going to improve the quality of instruction and really make reform possible in education, State and local school systems must initiate measures to insure that new teachers are qualified for the awesome task of teaching our youth.

What Al Shanker suggested on that occasion was that there be a nationally devised—nonfederally designed—test for new teachers. A test imposed by the teaching profession itself that would insure that a teacher of mathematics, for example, had sufficient command of the subject to teach it to students before entering the classroom and also knew something about how to teach.

There is nothing particularly new in the notion of national board competency examinations. All physicians subscribe to them in order to be certified in their specialty. All my friend, Al Shanker is suggesting, is that if the teaching profession really wants to stake a claim on being classified as a profession, let teachers be subjected to the same competency requirements by their peers that other professions accept as routine. Teachers ought to be willing to police themselves, independent of government, as other professions do such as doctors and lawyers.

Mr. President, because the remarks that Al Shanker made to the audience at the Press Club on January 29, 1985 make just good common sense, and since the question of teacher competence is under discussion in many areas of our country, his views should have the broadest national coverage. For that reason, Mr. President, I ask unanimous consent that the text of the dialog between Dr. Shanker and the attendees at the Press Club on January 29, 1985, be printed in the RECORD, including the question and answer discussion which followed his remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[National Press Club Speech, January 29, 1985]

ALBERT SHANKER PROPOSES THE CREATION OF A NATIONAL EXAMINATION FOR BEGINNING TEACHERS

Albert Shanker, President, American Federation of Teachers: Thank you very much. During the reception which preceded this luncheon, one of the reporters came up to me and said, "Well, the last time you were here, it was just the last minute in the question period that one of us managed to prod the news from you." That was a warning, so instead of waiting until the last minute, I think the time is now, at the very beginning, to state that I am here to do something that I believe no national organization in American education has called for before, and that is to call for a national teacher examination.

There have been organizations—ours included—favoring the idea of some examination for teachers. There have been localities that have developed their own tests, some states have developed theirs, and there exists a national teacher exam. But this is a call for something quite different.

The context of this call [for a national test for new teachers] is the reform movement of the last year. We in the American Federation of Teachers, while we have a few differences with a few of the proposals, support the overwhelming majority of specific proposals called for in the various reports which came out last year. And even on those that we do not specifically support or those with which we have some reservations, we believe that the movement for reform is so important that we are willing to talk of compromise on those issues.

Central to the issue of educational excellence and improvement is a staff, specifically teachers, who are capable of carrying out the program which is outlined in these reports. Many of the reports do call for examinations, and a number of the states have now adopted examinations. But the current examining process is very inadequate.

First, the examinations themselves would be considered a joke by any other profession. For the most part they are minimal competency examinations for teachers. What does minimal competency mean? Well, in a state like Florida, minimal competency for an elementary school teacher in mathematics is to pass an examination on a sixth-grade mathematics level. There are similar examinations involving English, involving history, involving other subjects.

Now, this would be the equivalent of licensing doctors on the basis of an examination in elementary biology or licensing accountants and actuaries on the basis of some type of elementary mathematics examination. I don't wish to criticize the states that have adopted these tests. It was difficult for them to do it. They met a great deal of opposition. In many cases they met court challenges. What they have done is to take the first step. But it's important to distinguish a necessary first step from an adequate program of testing, which is quite different.

I think the second problem, aside from the nature of the examination, is that we are about to face once again the traditional crunch: the conflict that exists at the state and local level between quantity and quality. We know what's coming. We've seen the statistics. Depending upon whether you take a more or less optimistic projection, it's quite likely that even in fields other than mathematics and science we will be experiencing, within the next five years, a substantial teacher shortage nationally.

In fields like medicine, if one experiences a shortage of doctors, you do not find states or hospitals giving anyone a substitute emergency medical license to go out and practice. And we don't do it in law or dentistry or in any other field. But our local education agencies will be faced with the usual tough choices as this shortage emerges and grows. They could do the equivalent of what most other professionals would do, and do indeed, do. That is, after the children come to school and after each teacher's class is full, they could turn to the remaining students and parents and say, "Sorry, there is a shortage of teachers and those of you who could not be accommodated this semester will be given the first opportunity to take the first grade next semester or next year."

The schools won't do that. There is a custodial function to schools, and there is no place in the country where the children will be sent home. They will be permitted to enter.

And so the local education agency is then faced with other choices. They can stand tough and say, "We will not employ anyone who is not qualified by whatever standards have been established. We will not employ, even on a temporary basis, anyone to be a teacher who does not meet these standards."

Well, and of course, that would mean that the number of teachers now available would have to divide among them the additional number of students. We would see class size going up each year or each semester in the coming years till perhaps we had classes, nationally, at a level of 40 or 43 or 44 or 45. That, too, is quite unlikely. Teachers will complain. Union contracts will undoubtedly in many cases be violated. Parents would complain that the quality of education is deteriorating because the number of children in the class is too large.

And so, of course, school boards will do, and states will do, what they have always done. They will ignore the standards which they established. They will at first make believe that they're not ignoring them, be-

cause they will claim that the people who are being employed are not really going to be there very long. They will be temporary teachers or substitute teachers or emergency teachers, and they will be about as temporary as the temporary buildings that were set up in Washington, D.C., at the end of World War II.

They will be around, and they will become members of the teacher union in the district and will constitute a large number of people in the state who will teach 1, 2, 3, 4, 5, 6, 7 years. And eventually they will constitute a political block powerful enough to go to the state legislature and get some type of legislation to get themselves the right certificate. Because, after all, it's unfair to use someone day in, and day out, exactly as though they were qualified, keep them there for all those years and then tell them that they have no right to a pension or no right to some other benefits.

So, in the midst of all these reports and all this talk about excellence and quality, we're actually about to lower standards and lower the quality, because the minute that we relax these standards that's what we do.

Of course, there is another alternative—one that I haven't mentioned—and that is that school boards, if they find that they are not able to attract the number of qualified teachers they need, could turn to the public (or states could do the same thing) and say, "We obviously are not paying enough or we're not treating our people well, or those who are now here are leaving in great numbers and we ought to do something about that." That also is not very likely unless there is something new that happens. Certainly in the past that was not the way in which it was done.

And so I want to return to this notion of a national teacher examination. I want to make it very clear that I am not talking about a national teacher examination established by the United States government. I don't think that's the right place for such an examination to evolve. There are other professional groups that essentially do have national types of examinations (or there may be some regional variations). There are examinations given to doctors and to actuaries. There is a bar exam which contains important national components. And none of those is established or created or maintained by the United States government.

I assume that a process similar to that which established those procedures and examinations could be, and indeed should be, developed in education. Now, whenever you're starting something, there will not be the great certainty that exists after something has been in place for 30 or 40 or 50 years and people can say, "Ah, that's obviously the way to do it, and it's simple." But a start should be made. There should be a convening within the next six months of a group of leaders educational organizations, of college presidents and perhaps (because they have some experience with this) of leading professionals in other fields to constitute themselves as an independent group, non-governmental—an American board of professional education. The name is not important but the notion is very clear.

It would be a group which would spend a period of time studying what is it that a teacher should know before a person becomes certified, and how do you measure it? And it would seek to have instruments established. It might be that existing testing agencies would create such instruments, which could be looked at and evaluated by this board. Over a period of time, I would hope that the board eventually would be controlled by the profession itself, even if it didn't start completely that way.

I believe that in a period of 3 to 5 years such an instrument could be created, and it would most likely include three general areas. One of them obviously is the subject matter that a teacher needs—and I hope that that would not be tested at the sixth-grade level. It is important that the teachers know more than the students they're teaching—much more. If you can't reach a student the first or second or third time, each time you have to find a different way of approaching the subject, and the only way to know a different way is to know a lot more than what you're teaching at that given moment.

But I would go a step further to say that, even at the earliest grades, the motivation of a teacher to teach a child to read could not be very great if that teacher himself or herself has not experienced the joy of reading great books; motivation in teaching the elements of arithmetic could not be very great if at some point that teacher has not experienced the power of that language. [So, subject matter knowledge is first.]

Second, something which is missing from almost all such examinations now, and which is tested in other professions, is the ability to make judgements that would justify instructional decision. There is a knowledge base in education. It's right to do certain things and it's wrong to do others, and it's even important for prospective teachers to know what is not yet known. Just as it's important for a doctor to know those diseases for which we as yet have no cure, it's important for teachers to know what is known and it's just as important for them to know what is not known. Professional examinations generally consist in testing the ability to apply certain general principles and research knowledge to specific situations. At the present time, there are no [teacher] examinations to do that.

The third aspect of an examination, before someone finally gets the ticket, ought to be an internship program. Teaching is the only profession that I know of where a person begins the first day with the same responsibility that he or she will have the last day—a profession in which practice and performance are certainly as important as intellectual knowledge, but it's just assumed that you can take someone who's been to college for four or five years and throw him into a classroom the first day to sink or swim. I know of no major corporation, I know of no law firm—and certainly not the medical profession—that introduces people that way. Any other profession which involves any complexity is quite different.

Now, of course, this idea, too, takes an investment. And it's going to be difficult to get an internship at a period of shortage, because instead of taking new individuals and giving them a full program right away, you've got to employ more new people because the new person isn't going to be teaching a full program. Or it means that an experienced person is going to have to be relieved of some teaching time in order to help some of the new people.

Unless we make that investment, we will be getting people who don't know their subject matter. We will be getting people who have no knowledge of what is known in education or how to apply it. And we will not really be giving anyone any help in terms of practical and performance matters. And in a few years we will grant them tenure and they will be with us for a long, long time.

Now, what would make the very existence of such an examination effective? How do we know that anybody's going to pay any attention to it? So what? So a bunch of educational leaders, college presidents and others sit together, figure out what it ought to be and eventually they say, "This is it. This group has invented or created the right instrument." I suggest that there are a number of things that can be done on a voluntary basis which, over a period of time, could have a substantial effect on boards of education and on states throughout the country.

I would say, first, that there ought to be just publicity. Such a board of professional education could publish, on an annual basis, a list of all those states which agree only to employ those who have passed the examination. So you would have each year a certain number of states that are in compliance and a certain number of states where the general public knows—and it will be headlined in each of those states—that this is one of the states that is hiring people who are below a standard which has been set by a group which has some national recognition.

I think, second, that there would be movements in that case in the states that did not comply and in local districts that did not comply. There would be movements to pass laws in the states, laws which would do for teaching what is already done for other professions; namely, that any school board member or school superintendent who knowingly employs anyone who has not met the standard is subject to criminal prosecution. We'd have to do it slowly or the jails would be full. (Laughter)

(I think that the mere publication of the list, by the way, would have an effect. After all, the number of Michelin stars that a restaurant has is important, and if some chefs and restaurant owners have been known to commit suicide in losing one star, we might find that some school boards could be motivated in the same way.)

I would say that, third, there could be something the teacher organizations could do. I am prepared to say that within a period of three years after the establishment of such an examination, the American Federation of Teachers would be ready to say that we would not accept into membership any person hired as a teacher who had not met this standard, and we would urge the National Education Association to establish a standard for membership in exactly the same way. (Applause)

We believe that the impact of this would be very great. There would be pressure on states to adopt a standard which is high enough. The existence of such an examination, with large numbers of people taking it, would provide an interesting barometer on an annual basis. Just as we now have SAT scores and ACT scores and LSAT scores and others, we would have a national barometer which would tell us on an annual basis the caliber of the people who are applying, and in what numbers, to the profession—a piece of information which we do not have at the present time.

Finally, I do not believe that the traditional objection that such an examination would cause all colleges and universities and schools of education to offer exactly the same lock-step curriculum is any more valid in the field of education than it is to say the existence of medical examinations or bar examinations means that all law schools and all medical schools have exactly the same curriculum. They don't. There are different ways of preparing people for those profes-

sions, and there will continue to be different ways in ours.

This, then, is our proposal. We believe very strongly that the benefits of reform will soon go down the drain in a teacher shortage and in lower standards to meet that shortage unless such an examination is created. We, for our part, are willing to do something that's very difficult for us, and that is to refuse to accept future teachers who do not meet that standard. We will work hard to make this become a reality. (Applause)

QUESTIONS AND ANSWERS

DAVID HESS. President, National Press Club: Thank you, Mr. Shanker. Now for the questions. Since a national standard of performance would be the aim of this exam, how do you keep the federal government from establishing a base line for the examination?

SHANKER. I don't see the federal government being interested. They've had a chance for 200 years. Nobody has proposed it. I don't see the federal government coming in at all. They haven't in other fields. You don't see the federal government coming in and setting a base line for doctors or lawyers or actuaries, dentists, engineers, or any other group. I would see no reason why they would do it in this field if they haven't done it in others.

HESS. Would this examination be a recurring requirement for teachers and would it lead to federal licensing of teachers?

SHANKER. Well, lawyers and doctors, even though their examinations are of a national character, are still licensed by states. And I assume the same would be true for teachers. On the question of relicensing, that is an issue which I believe teachers would have to accept the same fate as people in other professions. I don't believe that teachers ought to be singled out. Probably, developments occur more rapidly in the world of medicine than in the world of teaching English or mathematics. But if other professions are required to be periodically reexamined, then teachers would not be exempt from such reexamination. On the other hand, where other professions do not require it, I don't think that teachers ought to be singled out.

HESS. Mr. Shanker. If a person passed the examination without also going to college, could he or she be qualified to teach insofar as local or state or federal regulations might be in effect?

SHANKER. I'm ready to take the bar exam right now! (Laughter)

HESS. Explain how the teacher exam would be enforced in more detail and what would happen to locals who didn't meet the standard.

SHANKER. I think the only thing that would happen at first is that they would be damaged in their reputation. But I do think that in the not-too-distant future, we would have a movement within states to make it a legal requirement. And I believe that once it's a legal requirement, it would operate the same as the legal requirements of other professions.

HESS. What effect might the national teacher exam have on minorities who seek to pursue a teaching career? Evidence, according to the questioner here, is accumulating that minority teachers currently perform poorly on existing exams, leading to the danger of highly disproportionate representation of minorities in the schools—perhaps as few as five percent of all teachers in the 1990s.

SHANKER. I think we have the same problem in all professions and something is being done about it. There are some very excellent programs [for the disadvantaged], and I'm not talking now about programs that are extreme types of quota programs which produce numbers but ultimately give those programs a very bad reputation. But there are quality programs which find minority youngsters early enough.

One [program] that I had a meeting on yesterday was sponsored by the Macy Foundation. It's an outstanding program that reaches youngsters who are beginning high school, minority youngsters who cannot yet compete on examinations to get into high schools of special talent. These are students who've been selected because, in the judgment of teachers and supervisors, they are terrific students but their scores don't show that very well because they are overcoming some very great obstacles.

I think that there would have to be summer programs to reach poor minority youngsters. But I don't think that examinations discriminate against minorities. They discriminate against those who can't pass the examination, and that includes members of majorities. We, as a society, would not want a program which would put into place people who practice medicine or airline pilots because we feel that we have to provide a certain number of spaces on the basis of race or ethnicity. I believe the same about teaching. I also believe that, given the proper outreach program and a sensitivity to the problem and special help, we will end up with the right numbers over a period of time. In the short run, we'll have this problem. The current examinations have the problem as well.

HESS. Mr. Shanker, would the exam be only for teachers of kindergarten through the twelfth grade? How would college teaching be affected?

SHANKER. Well, colleges do research. The colleges have their own system. I think that their own systems may come under some challenge. We were just discussing here the most recent Carnegie Report, which is a very interesting one about the extent of education that's now taking place in private industry, including programs leading to degrees. Most colleges and universities have employed people and retained them not based on what they do to teach, or not on their impact on students, but on the quality of the research and the professional reputation of the individual. I think that some of the competitive institutions that are now growing in the private sector—that do emphasize what happens to the students in those programs and what they gain—may very well provide a very great challenge to our higher education institutions. Not to get away from research, but to have an emphasis that's equally great on teaching and learning, which has not been there in the past.

HESS. Would teachers in private schools as well as public schools have to take this exam?

SHANKER. They would only have to if the states compelled them to or if they voluntarily agreed to it. I think the same pressure ought to be there; that is, if state governments enforce compulsory education laws and if they say that if you don't go to a public school you may get your education in a private school, then I think the state has the obligation to maintain the same quality in systems whether they are private or public. You do not have a system in this country where someone who practices medicine in a Lutheran hospital or a Jewish hospital or Catholic hospital doesn't have to be a doctor or doesn't have to be certified by the state. They do. There's a public interest and the same public interest exists with respect to the education of children.

HESS. This questioner asks what's wrong with the current National Teachers Exams established by the Educational Testing Service?

SHANKER. Well, I would have a long speech about what's wrong with the one that's existed up to now. It is sort of a minimum competency examination that does not have very much in the way of professional knowledge base. It has some types of commonsense questions on professional matters. Part III, of course, is completely missing—the internship—but I don't want to stand here and criticize the examination. It's better than nothing, and, furthermore, the Educational Testing Service, I understand, is revamping that entire examination. And it's my understanding that there will be an effort to include materials in future examinations that deal with professional judgment and a professional knowledge base. I haven't seen yet what they're coming up with so, I'm not going to endorse it. But that's an examination that's in transition. When it's finished, that may very well be the one that this national board will say, "That's it." Or it may be that somebody else will come up with a better one.

HESS. The national board itself—would it be presidentially appointed? How would the members of that board be designated for the job?

SHANKER. I don't have any answer to that, but there's a mechanism that's taking place in California right now. There is a state commission dealing with the question of the teaching profession and it's privately funded with private foundation funds. The members of the commission were appointed by public figures, but in a private capacity. That is, the state commissioner of education appointed some and the head of the education committee of the state assembly appointed some and the state senate. These are public figures but they didn't do it as the result of any act of legislation. They did it because they are concerned and knowledgeable people. And they came up with a very outstanding group in California. I think that a process similar to that on a national basis could result in pulling together a group, a prestigious group, that would be able to do the job.

HESS. Is this proposal for a national teacher exam official AFT policy or is this something that you're just putting on the table now?

SHANKER. It didn't come up at our last convention but it has been discussed by our executive council, and there is no doubt that it is in conformity with past policies and is not merely a personal idea.

HESS. Again, to clarify an earlier question that arose—would the test apply to both practicing teachers—those who have been in the business for several years—or just to those about to enter teaching?

SHANKER. Well, my recommendation is that, in order to gain acceptance and given the fact that half the teachers in this country will be new teachers—newly hired within just a very short period of time—the way to reduce opposition to any such examination would be to make it for new entrants. There's at least one state and maybe a second where the state legislature has adopted a reform proposal which would include practicing teachers. I think if you do that, common decency requires that you do more than just administer an examination.

After all, if the local education agency or a state employed somebody five or 10 or 15, 20 years ago, and has kept him there all these years, they have dirty hands. They did the hiring. It was their standards then. I would say that anybody who'd done that has an obligation to allow the current practitioners a number of chances. It probably owes them some special help. And I would go further and say that if somebody finally can't cut the mustard, that they are probably owed a job somewhere else in state government or county government—jobs that these people can do if they can't pass the examination.

You've got to get over the transition. The easiest thing to do is to do it with new entrants, and that would be my preference. Where states decided to do more that that, I think they also have an obligation to take care of those whom they hired and have kept and have rated as satisfactory for a long period of time.

HESS. Some critics might see the exam as a way to create a new kind of economic elite and thus elevate teachers' income in much the same way that other professions have done, like doctors, lawyers. Will you comment on that?

SHANKER. I confess! (Laughter) You might also get the same quality and the same standards to go with it. (Applause)

HESS. Is it fair to establish through the examination national standards that some teachers may not be able to meet because of deficiencies in their state teacher training programs?

SHANKER. Well, one of those very good reasons for establishing such an examination is that it will undoubtedly result in an improvement and a reform of teacher education. It will show that many such programs don't stand up. It will compel teacher colleges to screen their students before they come in. It will certainly be worse than an embarrassment for some institutions if they certify that someone can be a teacher and a very large percentage of their graduates do very poorly on such an examination. What would we think of a medical school where 75 percent of the graduates year after year failed the medical examination or a law school where no one passes the bar examination? That would tell you something about that school, and I think it's about time that we had an instrument that tells us something about education schools, as well.

HESS. Mr. Shanker, what's the difference between the internship program you propose and the teaching practicums now in place in most educational curriculum?

SHANKER. Well, if you mean practice teaching in college, it's a very artificial experience. It's a short time. A person really does not have any responsibility; [he or she] comes in from the outside. It is a very artificial situation. It's better than nothing. It's the only practical experience that most teachers have before they become full-time teachers. It is not a substitute for two or three years of planning, trying thing out, observing different teachers, and developing a collegial relationship with others. It just cannot compare. It would be the equivalent of saying that instead of a doctor having an internship, we'll forget about the internship and the last year of medical school. The doctor will go to a hospital for one hour a day or two hours a day and get a little bit of practice in. That's what we're doing now. It's just very different.

HESS. If a new examination is established, what would happen to the current requirements that new teachers must take involving certain college courses to be licensed? Would those college courses become passe?

SHANKER. I think one of the things this national board would do would be to look over the knowledge base and ask the question, "What is known and what is it that we should test teachers on?" I think that it would result in many colleges giving courses that are not now generally available and which should be. And I think it might result in the elimination of some courses, at least the elimination of them as requirements. They could be available for certain people who wanted to have knowledge in that particular field, but they might very well not be viewed as part of what it is a teacher must have.

I do believe that the creation of such an exam would bring about changes in the curriculum in higher education and the professional courses.

HESS. Mr. Shanker, have you floated this idea with the secretary of education designate, William Bennett, or with the superintendent of public instruction in California, since both presumably would be major players in putting together such a national board?

SHANKER. Not yet. I hope they're watching the show. (Laughter)

HESS. What reaction do you expect to your proposal from the NEA (one), the White House (two), teachers and Congress—not necessarily in that order?

SHANKER. Well, I think Congress doesn't really have a role. I think that many Congressmen as individuals would undoubtedly favor it. I don't know why anyone would oppose it. I don't know what the reaction of the White House will be. I haven't tried it there. I hope that the NEA would support it, but in view of their general opposition to testing . . .. Or if they are finally dragged to the point where they will say that it's all right to give a test, they don't want to have any passing mark on it. But I do not believe that their official view is one that represents the views of teachers in this country. And since they are engaged in competition with us, and since they do have elections within their own organization, I believe that over a period of time, the policies of that organization will reflect the views of their members.

I believe their members would like to be professionals in the same sense that others are professionals. And they realize that they're not about to have the status, the salary, not about to have a general public which gives the confidence to teachers to make the same type of decisions that other professionals do, unless the quality of those teachers is certified by some such procedure. So I believe they'll come around. And I hope it's sooner rather than later. What was before?

HESS. The NEA, and the White House, Teachers?

SHANKER. I think teachers will like the idea. We have done a good deal of polling. There are now several polls: there's a Gallup poll, there's a nationwide Harris poll, sponsored by the Metropolitan Life Insurance Company. We have done polls in many states. There is not a single poll that has come out national or local or statewide, and there now are a substantial number of them, in which teachers do not believe that there out to be an examination for entering teachers. The idea of an examination for those who are already practicing divides teachers much more. But the overwhelming majority favor it.

I don't know that most teachers out there have sat around thinking about the implications of a national teacher exam as against one given by the state or one where the local agency determines what the cut-off point is. But I must assume that when teachers answer the question and overwhelmingly, by majorities like 80 to 85 percent, answer that they believe that beginning teachers should have to pass a test, they really want future teachers to be highly qualified; they like the public to know that they are highly qualified and to respect them. They would like to make sure that there aren't any incompetents and illiterates, because they realize that that makes their own work much harder and their reputation suffers. And so I don't see why they would oppose this, since I believe that doing it on a national basis is the only way to make it work.

I think that teachers will quickly come to see that local examinations will be played around with, as will state examinations. You know, if you get enough of a shortage, there will only be one examination. Put the feather in front of the nose. If it moves, you're hired. And teachers know that. They've seen it happen and they don't like it. So I think there will be that support.

HESS. Mr. Shanker, what percentage of the nation's teachers do you believe are now competent? It's a serious question from a journalist, so be honest.

SHANKER. I don't have any way of knowing. I think it's a very high percentage. There are some incompetents, but I think it's a very high percentage that is competent. I think that we are still living with a handful of Depression-era people. There were a large number of people who came in to teaching at the end of the 50s, many women who today would go into other professions but then felt that they were barred. Many teachers came in because of draft exemptions, many came in because they felt that there would be another Depression. That is, I think we got a lot of outstanding people for some very bad reasons. And we still have them, though they're leaving. The people who are now the high school seniors who say they want to become teachers rank near the bottom—about 15th out of 19 different occupations (of those taking pre-college aptitude tests). They score very low. Now we don't know whether those will be the ones who end up actually becoming teachers. But if the high school seniors who say they're going to become teachers, indeed, do become the teachers, then the percentages in the future will not be very high. They will be very, very low.

HESS. In your plan will the National Examination Board set the passing score, or would each state establish its own score, as is done now?

SHANKER. No, I think that's a key. If each state establishes its own score, it might as well burn up the examination. I think that it would have this national board stating that if [a person] falls below a certain point, such a person is, in our judgement, not competent to be a teacher. Otherwise, you begin these incremental changes. Well, the score now is going to be 75, while some state decides that well, it's not going to be 75, it's going to be 72. That's not much different, is it? And then, the next year it's 68. Well, that's not much different. Before you finish, you don't have a standard at all. Any cutoff point is arbitrary. And there will undoubtedly be people who fail and who get a few points below. Let them take it again. If they're that close, they can take it again, they can pass the second time or the third time. But if you don't have a standard

which is a standard, if it's moving at different times and in different places, then it's not a standard at all.

HESS. Is it true, Mr. Shanker, that in some school districts, the janitor makes more than the teacher?

SHANKER. Oh, yes, it's true—not only the janitor, but we have school districts where matrons on buses which transport handicapped children make more than the teachers. We have, in New York City, those who repair windowshades in the schools who earn $19,500 as a starting salary, whereas teachers earn $14,500 in salary. And, of course, one of the big problems that we have, especially in urban school districts across the country, is that it doesn't make any difference to them if you have to raise standards. The only thing that matters for a city government is that they maintain parity with other municipal employees.

So you could have a situation where, as is true in New York, in a recent announcement for a policeman's examination, 40,000 applicants came, whereas there are over 1,000 teachers who applied last year without meeting the minimum standards. Yet from the city government's point of view, the only important thing is that all employees get either the same percentage increase or, if there is any difference, the uniformed service should get a little higher than everybody else. You have urban policies in this country that have nothing to do with what the quality of educational professional services will be, but that treat all of these things as a local political issue rather than as a market issue or as a professional issue.

HESS. Mr. Shanker, will you frame legislation and seek a Congressional sponsor for this idea? And who in Congress seems most favorably disposed toward it?

SHANKER. I'm going to seek out some individuals who could be part of the appointing process, to appoint such a group. And not through legislation, but in their individual capacity. And I don't think that it's fair for me to say who it is I will approach on this until I've approached them.

HESS. People looking at the field of education do not see salaries at a level that would attract them into the profession. How is this going to be corrected?

SHANKER. Well, there's been some substantial movement in some places—California, or I see that in New Jersey the fight now is between the governor and the legislature as to whether it will be $18,500 or $19,500 as a starting salary. I think that the effect of the reform movement over the last year has been to improve salaries—but not enough. I also think that we ought to be looking not only at salaries, but we ought to be looking at other things that could bring people into the profession.

For example, a lot of people are college professors. That doesn't pay an awful lot of money. A lot of people like the lifestyle. There's no reason why we could not say that a person who is a teacher isn't going to get rich. They know that, Even if we raise salaries, they're still not going to get rich. But there's no reason why we couldn't say that teachers [like college professors] every seven years would be guaranteed the right to a sabbatical leave. Sabbatical leaves are very inexpensive. A teacher who's at top salary is usually replaced by a teacher who is at bottom salary, which half the amount. If the sabbatical is paid for over a seven-year period, and it doesn't go obviously to those who have left teaching during that seven years . . . that could be paid for by something like a four percent salary set-aside each year—a very small amount of money.

So, it's very attractive to go to a bright college person and say, "Look, do you want to go out there in the business world? You'll earn some more money, but it is a rat race. You'll get your four weeks vacation or maybe six if you're lucky and you'll wait until you retire till you can ever do the things that you want to do—take long trips, go back to college, do other things there." There would be people out there who would say, "I will take a job that pays a little less if every seven years I can have seven months off to do all the things that everybody else dreams of doing." So, in addition to salaries, we ought to be thinking about other incentives that are not necessarily expensive, but incentives that are questions of an improvement in lifestyle.

Third, we cannot underline too much the fact that many people don't come to teaching or don't stay because it is not a satisfying job. The question of discipline, the question of violence, the question of having to mark the papers of 150 to 200 students—it's an impossible job. And I would say, more than anything else, the way you are treated in a school by administration [determines your coming into teaching and staying].

Most teachers are treated almost the way the children are at any level of the school system. And unless teachers are treated better, you're not going to get people who "got smarts." You're not going to get people and keep people who have a sense of judgment if they are being put into what is not essentially a professional situation where they are respected and enabled to exercise judgment, where they have the time and the ability to confer with their colleagues and to have a professional life, but where they're locked into a room for their entire lives with 30 or 35 students and where they are really in an educational factory being given rules and regulations and observed as to every little thing they do by an assistant principal, chairman or principal. In our current school system you almost get the feeling that the reason that teachers are so observed and looked at and evaluated constantly is that [people] feel that anybody who would take a job at that salary can't be very good, and you better watch them closely.

So the people we're going to get under this proposal are going to have to be well paid. . . . They'll have to be well paid, but they will also have to be treated with dignity. They're not the kind of people who are just going to take orders, that's not what a professional does.

HESS. We're close to the end of the program. I would like to present you with this certificate of appreciation for coming to the club to speak today and a National Press Club windbreaker to ward off the slings and arrows of the NEA. (Laughter then applause) And the final question, sir—when will you run for public office? Isn't it time for a teacher president? (Laughter)

SHANKER. Well, I thought of that once. In 1969 I negotiated a contract with Mayor Lindsay and every place I went taxicabs wouldn't charge me a fare, newspaper vendors would give me a free copy of the Times in the morning, and it really went to my head. Then I thought of the contract I had just negotiated, and I decided against running because I didn't want to have to pay for the contract. (Laughter)

HESS. Thank you, Albert Shanker. And that concludes today's National Press Club luncheon.

AFRICAN FAMINE RELIEF BILL

Mr. LEAHY. Mr. President, A great deal has been said about the famine in Africa. So I will be brief.

Most of that continent, forgotten for decades, is suffering from the worst drought of this century. During the remainder of our lifetimes, hundreds of millions of Africans may lose their fight to reverse the collapse of their agrarian way of life.

No other country can do as much as we can and must do to prevent that from happening. During the past 6 months we have fed more starving people than many would have believed possible. But 10 million more are still in imminent danger of starving to death. Another 150 million have been affected by the drought.

In the past 8 months we have spent some $500 million for food aid for Africa. The administration has consistently argued for lower levels of aid than the Congress, but we have found that the needs are even greater than we thought.

H.R. 1239 was an excellent bill when it left the House. It is critically important that we complete action on this bill before the end of this month, if we are to prevent a gap in the delivery of food and the unnecessary death which would result.

I do hope that when this bill is taken up by the conference committee that the Senate recedes to the House position on two matters.

Most important is the level of food aid. There is some uncertainty about how much food is needed, but the U.N. Food and Agriculture Organization on February 26, 1985, estimated the unmet food needs in Africa at 2 million metric tons. The $285 million appropriation in the Senate bill is based on a lower estimate of need and is simply not enough. The United States is committed to providing 50 percent of the total emergency food aid. To do this we must return to the $480 million level contained in the House bill.

Second, as provided in the House bill, $100 million of the $480 million should be earmarked to cover one half of the cost of transportation of food within the recipient countries. The voluntary organizations and countries themselves do not have the resources to cover more than half of this cost, estimated by the World Food Program at $150 per metric ton.

Millions of people are depending on us for their survival. With the changes I have proposed we can at least feel confident that we have done our best to combat this emergency.

UNANIMOUS CONSENT REQUEST—S. 413

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of calen-

dar item No. 15, S. 413, war risk insurance, and that it be considered under the following time agreement:

Ten minutes on the bill to be equally divided between the chairman of the Committee on Commerce and the ranking minority member or their designees; that no amendments be in order; that no motions, appeals, or points of order be in order; and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The minority leader reserves the right to object.

Mr. BYRD. Mr. President, what I think I see emerging here—and this is without any disrespect toward the distinguished majority whip or any other Senator—what I think I see here is a pattern whereby a unanimous-consent agreement will be offered with respect to a given measure with the knowledge beforehand that there will be objections.

Now, this happened in the case of the African famine relief bill a few days ago. So I guess this is a game that can played by both sides.

I had indicated to the leadership on the other side that there would be objections to taking up the war risk insurance bill under an order that would exclude amendments thereto. We are on this side attempting to work out a unanimous-consent agreement dealing with the Export Administration Act which would allow that measure to be called up under a time limitation and with no amendments in order.

In the case of the war risk insurance measure, however, which is involved in the pending unanimous-consent request, I am advised that it had been indicated to Senators on this side of the aisle that that bill would be called up; that it would be a vehicle to which Members on this side of the aisle and Members on the other side of the aisle could offer amendments. With that understanding in mind, the leadership on this side of the aisle had certainly hoped to clear the extension on the Export Administration Act.

So here we are. Some had hoped, on this side of the aisle, that S. 413, the war risk insurance bill, would be an appropriate vehicle for amendments and that it would be called up at some point so that Senators could offer their amendment thereto.

So I would hope that the leadership on the other side would not press for an agreement on S. 413 at this time which would rule out all amendments. That is our problem. We need a vehicle to which we can offer the extension of the Federal Supplemental Compensation Act, and perhaps other amendments.

I say this with apologies to the distinguished majority whip, but the presentation of this consent agreement does not comport with the understanding that we think we had with the leadership on the other side of the aisle.

So if the distinguished Senator could refrain from presenting this request, it would be very much appreciated.

Mr. SIMPSON. Mr. President, I respect deeply the Senator from West Virginia. I believe there was a reference to something in the arena of "games," and that is not my intent. I serve in the capacity as assistant majority leader. The majority leader is not present in the Chamber and has instructed me to present this as a unanimous-consent agreement to which I believe there will be an objection. That will certainly come to pass.

But I can tell you that what the leadership is attempting to do is simply to present issues to the body and move on. That is what the leadership is attempting to do. And every time we attempt to move on, even with something with this import—and this is very important, as are all of the things we do here. This is ordinarily a simple unanimous-consent agreement. But we cannot move unanimous-consent agreements here because appended to them are extraordinary amendments, most of them nongermane.

So if there is going to be adventurism from this side, it certainly matches what is coming from the other side with regard to amendments to issues which are ordinarily passed here by unanimous consent. The chairman of the Finance Committee, Senator PACKWOOD, and I have since found that those of the other faith in the House of Representatives will reject any extension of Federal supplemental unemployment compensation benefits. That is what we are advised. Therefore, the chairman of the committee obviously will regroup and do something else.

But at this point, I can tell you that it is not the intention of any attempt to be obnoxious or volatile or tricky. It is a question of trying to get to unanimous consent agreements which have ordinarily been obtained in the past without going through nongermane amendments, all of them with good import, and they are serious amendments. I will tell you that is the essence of the issue.

I understand the need for a vehicle. That is the desire of the proponents of this bill, too. But I share with you at this point that it is not done to embarrass or to do anything of that nature. I present it as instructed, and I cannot withdraw the unanimous-consent request at this time.

Mr. BYRD. Mr. President, reserving the right to object, I can understand the position in which the distinguished majority whip has been placed. He is acting on behalf of the leadership on the other side, of which he is a part. He feels constrained to proceed with the unanimous-consent request because he has been asked to present it.

This is not one of those measures, however, that is ordinarily passed by unanimous consent, if I may beg to differ with the distinguished majority whip. Several Senators would hope that S. 413 would be open to amendments.

If the distinguished majority whip cannot withdraw or will not withdraw his request, which I understand he will not do, then I do object on behalf of Senators on my side of the aisle.

The PRESIDING OFFICER. An objection is heard.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The minority leader has been recognized and has the floor.

Mr. HEINZ. Mr. President, could the minority leader yield for a unanimous-consent request? It pertains to the introduction of a bill.

Mr. BYRD. Mr. President, if the Senator will allow me, I will only take 5 seconds.

Mr. President, I was forced to object a moment ago to the unanimous-consent request that had been propounded by the distinguished majority whip.

Now I shall make a unanimous-consent request, which is the same request, identically, that the distinguished acting majority leader presented and which was objected to. There will be one difference, however; namely, that in my request one amendment would be in order. That amendment would be to extend the Federal Supplemental Compensation Act.

So, Mr. President, I propound the following unanimous-consent request: I ask unanimous consent that the Senator now turn to the consideration of Calendar Order No. 15, S. 413, the war risk insurance, and that it be considered under the following time agreement: 10 minutes on the bill, to be equally divided between the chairman of the Committee on Commerce and the ranking minority member, or their designees; that one amendment be in order; namely, to extend the Federal Supplemental Compensation Act; provided further, that no motions, appeals, or points of order be in order, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, reserving the right to object, the Senator from Nebraska has patiently been waiting for the opportunity to offer an amendment which is extremely important. Before I agree to the unanimous-consent request, that proposed by the acting majority leader, or that proposed by the minority leader, I am

going to suggest the absence of a quorum.

The PRESIDING OFFICER. The minority leader has the floor. Does he yield for that purpose?

Mr. BYRD. I do not yield for that purpose.

The PRESIDING OFFICER. Is there objection to the request propounded by the minority leader?

Mr. BYRD. Mr. President, I modify my request to also include the amendment to which the distinguished Senator from Nebraska has referred.

Mr. EXON. I withdraw my reservation.

Mr. BYRD. I ask that it be added to the request.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, reserving the right to object, that, indeed, is a rather familiar proposal there. I have seen something like that earlier. I would say to you, so that we have it in perspective as to objections to a unanimous-consent request, that I have also engaged in two of those objections to an entry of a request on my side of the aisle earlier in the afternoon. So as we now go to the game of ping and pong, I want everyone to be aware that the pinging and ponging has gone on on this side of the aisle as well as on that side of the aisle. That was just to air a distinction and I think we can go forward.

Before I register my objection, let me say that the Commerce Committee has been advised, and I think this is important information and I share it with the minority leader, that the House will not take up S. 413, the war risk issue, if amended in any way by the Senate. So it is not just an amendment that I spoke of a moment ago, but it is apparently any amendment. That is the message which has come to us. I want to share that with you for whatever it may be worth. With that I would then object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, I thank all Senators.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, if I might have the attention of the minority leader and the acting majority leader for just a few moments, I will state my position on this matter very clearly.

In the first place, I recognize the need to go ahead in an expeditious fashion with the war risk insurance bill. I am always somewhat upset when a message is delivered to the United States Senate that the House of Representatives will not do this or the House of Representatives will not do that. While discretion frequently is the better part of valor, it seems to me this body ought to move ahead as best it sees fit on matters of this nature, send it over to the House of Representatives, and let them dispose of it in their fashion.

Time and time again we act or do not act in the Senate on the basis of advanced official or unofficial word from the House of Representatives, which I suspect the founders of the Constitution did not contemplate when they set up the supposedly two coequal legislative bodies of the Federal Government.

I just want to say that the act is very important. It should be passed and I intend to vote for it.

The reason that I am here today is because I have been waiting patiently, according to my definition of that term, for several weeks to offer an amendment that is extremely critical for the agriculture sector of this heartland and the banks that serve our farmers and ranchers, many of which are in extreme difficulty today.

All that I am offering is simply an amendment that passed the Senate last year, and with some minor additions, to provide for an exchange of certificates and notes of credit between a troubled bank and the FDIC.

It is not a complicated bill. It follows exactly the same procedure that we acted upon very quickly a couple of years ago when many of the Federal savings and loan institutions were in difficulty. At that time a concept arose out of the Banking Committee which would have provided simply when a savings and loan with 20 percent of their portfolio in real estate loans fell below a certain figure as to their capital, there was an exchange of notes that, in the net effect, provided additional capital for that savings and loan to continue in operation, giving it a chance to survive rather than closing it up and having the bank in the hands of the FSLIC.

The amendment that I have been waiting for a vehicle to attach to will do the same thing for banks, rural banks, that have more than 20 percent of their portfolio in agricultural loans, many of which are in extremely perilous situations today. Therefore, the amendment offered by the Senator from Nebraska is also a very timely matter.

I guess the concern that I have here is that the Senate reconvened back in the middle of the winter. We are now into spring and every time I come up with this amendment, I am given the excuse that, well, we cannot put it on that bill because it has to be clean and it has to rush right through. We have done very little in the U.S. Senate other than approve some nominations of the President, other than the African Food Relief Act that I wanted to offer this important amendment to. At that time, I was talked out of it on the grounds, "Please let this go through because the House of Representatives will object if we put anything on this; we want to run this through; we want to feed the starving people of Africa."

So I said, "Fine." Then I was told there were two other matters coming up that I would likely have an opportunity on. There was no commitment made, but I got the impression that I would be able to offer this amendment at that time. I think there was a very good chance of getting it through the U.S. Senate, even possibly being unanimous on both sides.

We ran into another difficulty in this session 2 or 3 weeks ago, when those of us who were concerned about some emergency credit that we felt was critically necessary for agriculture seized upon the only vehicle then available to use to force consideration. That was to filibuster the Presidential nomination of Ed Meese for Attorney General.

That was not anything that we particularly wanted to do and we were severely scolded for our action in the Republican-controlled press of this Nation, that worship almost everything that this President does. We were scolded severely for having the audacity to filibuster and hold up the nomination of Ed Meese for Attorney General just so we could consider an agriculture bill.

We were successful in that filibuster. Using that technique, we finally forged an agreement and agreed to drop the filibuster only after commitments were made and kept that we would have a chance to bring up farm credit bills for an up-or-down vote in the U.S. Senate.

We got that. It was passed here, was passed over in the House of Representatives, and unfortunately, vetoed by the President. But that is the system. That is the system that worked. As disappointed as I was in what the President did, if the system works, at least you have had your chance.

The facts of the matter are that unless we take such extreme positions as filibustering the nomination of the Attorney General, we have little or no opportunity to bring up on the floor of the U.S. Senate what many of us feel, as the elected representatives of our State, are extremely vital to their economic interest. Therefore, my complaint simply is that if I cannot bring this up on the war risk insurance bill, when can I bring it up? I think that Senators on both sides of the aisle know that the Senator from Nebraska is generally not hard to get along with.

I recognize that all of us have somewhat different points of views. My question would be, before I would consider lifting my objection to the continuation of the war risk insurance bill—which I am for and support—what likelihood, what commitments could I receive from both the majority

and the minority as to what bills will be coming along on which the Senator from Nebraska could have an opportunity for certain of offering my amendment for the consideration of the Senate?

Mr. SIMPSON. Mr. President, I say to my friend from Nebraska that certainly is not something we have found a great deal of in recent days with regard to legislation. That is something I wish to say as a preface and not to ignore his question.

I do not know what vehicles will be available for the Senator's amendment. I am not totally aware of what the amendment is, but I hunch that it is an amendment with regard, as he mentioned, to farm credits and new methods of granting credit and refinancing in a very critical area of America's economy.

I can only tell the Senator that because of the nature of his amendment, I cannot give that assurance, and the Senator well recalls the difficulties we had the last time the Senate took up farm credit amendments. We all remember that. We are still waiting for House action on a veto override. We have a calendar that is currently rather sparse because the committees are just beginning to process their legislation and reporting it. That is changing as the calendar builds and the committees and subcommittees do their work.

I express to the Senator only this, that the present war risk provision expired on September 30, 1984. I am speaking on this issue and not to give any comment on other avenues, vehicles, approaches, whatever. The current bill would extend it again until 1990. It is rather universally supported, and is one of the rare government programs on Earth that actually pays its own way. That is what we are trying to do, to move that from this body to the other body. They have told us they would receive it without amendment.

I say that not to cajole us along or to get us to do something we would not ordinarily do. I deeply respect this body and the clarity of our own position and independence. The minority leader will perhaps share with us tonight another paper on the history of the Senate which establishes that independence.

Mr. President, there is nothing I can add. I cannot tell the Senator when that will come to pass. I can only tell him what we are up to here with regard to war risk insurance.

Mr. EXON. I thank the acting majority leader. I only say, Mr. President, that I have entered into preliminary discussions with the Senator from Wisconsin, who is the ranking Democrat on the Committee on Banking, and the Senator from Pennsylvania, who, I believe, is standing in for the chairman as the second-ranking Member on the majority side on what they are facing with the amendment that I am offering. I am not asking them to make a firm commitment for opposition or support today. I simply state that my amendment is very close to an amendment which passed with another bill, 83 to 5, a year ago. So I do not believe this amendment is particularly controversial.

Having said that, I recognize that things that are not controversial can suddenly become controversial on the floor of the U.S. Senate. So, Mr. President, all I would say is that I do not want to unfairly hold up the war risk insurance bill, but until I have more assurances than I have been able to collect up to date, I have no other option but to maintain my objection to this bill for the reasons that I have stated.

I thank the Chair.

I thank the minority leader and I thank the acting majority leader.

Mr. SIMPSON. Mr. President, I yield to Senator HEINZ in order for him to make a request.

Mr. HEINZ. Mr. President, I have one unanimous-consent request.

We have been discussing here the War Risk Act and a number of unanimous-consent requests that have been propounded and objected to by one side or the other. It is therefore with some trepidation that I am about to introduce a bill which, having introduced, I shall then ask unanimous consent to send such bill to the desk for its immediate consideration.

I do not make that request at this point. I want everybody to understand what I am doing in advance.

Mr. President, the bill that I am going to send to the desk is a simple extension for 75 days of the Export Administration Act. That act used to be the law of the land until it expired about 18 months ago. Then we got bogged down in a very lengthy conference between the House and the Senate, but it is our hope that at some point an amended Export Administration Act can be brought before both the House and the Senate for enactment. We are not at that point today. What we are trying to do by passing a 75-day extension of the Export Administration Act is to give the House a deadline—indeed, to give us all a deadline—in which to act to bring back to both bodies a new Export Administration Act.

I should like to point out, Mr. President, that we came very close to agreement with the House on a number of very important amendments to the Export Administration Act before time ran out on us last October. I know that the Senator from Illinois, whom I see on the floor, had an amendment which was accepted by the House that I hope would be a part of any bill which exempted agricultural products and commodities from national security controls, a very valuable and important amendment.

There was another amendment—and I think the Senator from Nebraska was a cosponsor, perhaps even the author of it—that provided under foreign policy controls contract sanctity for agriculture. That would have related to section 6 of the bill, the foreign policy section. The amendment of the Senator from Illinois dealt with section 5, the national security section. Between the amendments of the two Senators we had agriculture very much protected, but I must say for the last 18 months there has been no protection for American agriculture at all similar to the legislation of the Senator from Illinois and the Senator from Nebraska. Why? Because there is no Export Administration Act at all, and unless we find a means of moving both the House and the Senate forward—and I believe this extension is the best way to do that at this time—we will continue to expose American agriculture to the one thing to which they should not be exposed, which is uncertainty over American export policies with respect to agriculture.

I have heard it in my State—I know the Senators have in theirs—what a catastrophe the grain embargo of the late seventies was. It was a disaster. We became very much looked upon as an unreliable supplier. The Japanese moved in where we were moved out. The Brazilians moved in to supply the soybean market to Japan—all kinds of really unfortunate occurrences took place. The sad fact is that Congress at this point has very little leverage, except by independent action, on this matter. I think we all stand united in that.

I know there are many Senators who would like to have amendments to anything coming through here. I would like an amendment extending the Federal supplemental benefits compensation for unemployment, but this bill is really not the answer. I think there may be a vehicle by Thursday from the appropriate committee, the Committee on Finance—I hope there will be—and that will be determined tomorrow morning at markup. It is my hope that Senators will be understanding in this, and so, Mr. President, I ask unanimous consent that it be in order to send a bill to the desk relating to export administration and ask for its immediate consideration and that it be considered under the following time agreement: namely, 10 minutes on the bill to be equally divided between the chairman of the Banking Committee and the ranking minority member or their designees; that no amendments be in order; that no motions, appeals, or points of order be in order and, further, that the agreement be in the usual form.

The PRESIDING OFFICER. Is there an objection?

Mr. EXON. I object.

The PRESIDING OFFICER. An objection is heard.

Mr. HEINZ. Well, that is it.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Has my friend from Pennsylvania concluded? I have some remarks to make. I would have enthusiastically supported my colleague from Pennsylvania; he neglected to say that fine bill also has in it the amendment by this Senator providing that no President may declare an embargo for more than 60 days without a majority vote of the House and Senate, so I would have enthusiastically supported the request, but I certainly honor the view of my colleague from Nebraska.

Mr. HEINZ. Mr. President, I appreciate the comments of my friend from Illinois. I am sorry I neglected to mention both of his amendments. They are both meritorious, and our farmers need them.

Mr. DIXON. The Senator won my heart with just one of them, I may say.

Mr. HEINZ. Any discussion was somewhat shortened by the Senator from Nebraska, who is certainly within his rights, but I hope that at some other point in time we might renew our efforts. It seems to me that we are really not helping our farmers by inaction on this measure.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

FARMERS FACING FINANCIAL DIFFICULTY

Mr. DIXON. Mr. President, during the first full meeting of the Senate Agriculture Committee, this Senator questioned the Secretary of Agriculture, John Block, about the number of farmers facing serious financial difficulty this year.

The figures presented by the administration ranged from 4 to 6.6 percent. Yet, in the hearing, the Secretary admitted that the figure may be closer to 10 percent.

Well, Mr. President, I would like to include in the RECORD a recent article which appeared in the Monday, March 11, 1985, edition of the Chicago Sun-Times. I ask unanimous consent that this article be placed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. The article quotes a Department of Agriculture report, saying that 13.7 percent of our farmers "are technically insolvent or on the verge of going broke—a 45-percent increase from earlier figures."

If you will recall, Mr. President, some weeks ago, here on the Senate floor, I estimated that 7 out of every 100 farmers across America will go broke—unless we do something to give them some breathing room. If this latest figure of 13.7 is correct, then 14 out of every 100 farmers will go broke. Mr. President, that is twice my previous estimate. This is a situation that is totally unacceptable.

The administration and the Secretary of Agriculture have spoken much about the Debt Adjustment Program. They have been reluctant to accept congressional initiatives, aimed at easing the farm crisis, in favor of an expanded version of the administration program. Now, Mr. President, the administration has assured this Senator, and many of my colleagues in both the House and Senate, that their Debt Adjustment Program would be sufficient to handle the problems our farmers face this spring.

Mr. President, I ask unanimous consent that an article, which appeared in the March 16, 1985, edition of the Washington Post be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DIXON. Mr. President, this article quotes a "U.S. official" as expressing disappointment because only 61 farmers nationwide have been aided by President Reagan's program of Federal guarantees. In fact, only $8.4 million in guarantees, out of the $650 million authorized, have been made. And, Mr. President, two farmers from my home State of Illinois—only two farmers—have received these Federal loan guarantees, for a total of $145,000. Today, even the Farmers Home Administration admitted that since October 19, 1984, 73 restructured loans have been guaranteed. This project was announced last September, and now, nearly 7 months later, we discover that only 73 farmers have been helped.

With 14 out of every 100 farmers facing bankruptcy, and with the ineffectiveness of the Administration's Debt Adjustment Program, I would like to use this opportunity to point out, once again, that we need to do something immediately to alleviate the stress facing these farmers. If we do not, the great agricultural sector of our Nation will face its worst crisis ever.

[From the Chicago Sun-Times, Mar. 11, 1985]

MORE MID-SIZE FARMS FACING BANKRUPTCY

WASHINGTON (AP)—.An unreleased Agriculture Department report says 93,000 mid-size U.S. farms, holding $47 billion in debt, are technically insolvent or on the verge of going broke—a 45 percent increase from earlier figures.

The figure, amounting to 13.7 percent of such farms that form the backbone of U.S. commercial agriculture, is considerably higher than the 4 percent rate cited last week by President Reagan when he vetoed legislation for emergency credit to farmers.

Then, Reagan said, "The truth of the matter is, in need of immediate help are less than 4 percent or around 4 percent at best of all the farmers in the United States."

Agriculture Secretary John R. Block, questioned later about the president's statement, said Reagan "misspoke" and really knows the situation is far worse.

'STRESS' FOR NEARLY 18 PERCENT

The new report by the department's Economic Research Service, circulating on Capitol Hill, reiterates data issued several months ago indicating that some 386,000 of the 2.3 million total U.S. farms, or nearly 18 percent, are likely to be under some financial stress.

But it goes beyond those numbers to paint a worsening picture for the 679,000 farms that are the mainstream of production agriculture, the so-called "family farms" grossing $50,000 to $500,000 a year.

"If the situation in early 1984 is extended to early 1985, the available data suggest that one-third of all family-size commercial farms, owing almost one-half of all farm debt, will have some degree of financial difficulty," the report says.

JANUARY, 1984, FIGURES

In January, 1984, an estimated 64,000 farms owing $30 billion in debt were insolvent or "rapidly moving toward insolvency." That represented about 11 percent of all mid-size farms.

By early this year, the number in that category had increased to 93,000 farms owing $47 billion of the nation's $214 billion total agricultural debt. Of those, 43,000 owe more than their assets are worth and will be technically insolvent this year.

"As many as 136,000 farms, owing 26 percent of the debt, will have serious financial problems but will be able to survive a few more unfavorable years," the report said.

It adds that "the number of farms with financial stress in 1985 is likely to increase at roughly the same rate as in 1984."

EXHIBIT 2

ONLY 61 FARMERS AIDED BY LOAN GUARANTEES

A U.S. official said yesterday he is disappointed that only 61 farmers nationwide have been aided by President Reagan's $650 million program of federal guarantees to help banks restructure farm loans.

A weekly Agriculture Department survey showed that only $8.4 million in guarantees have been made. Department officials acknowledged that an earlier figure of $25 million was based on an error.

The loan guarantees were disbursed this way: Alabama, 2 $146,500; Arizona, 1, $185,000; Florida, 4, $937,130; Georgia, 1, $125,000; Illinois, 2, $145,000; Iowa, 12, $1,161,170; Kansas, 4, $512,000; Minnesota, 3, $678,200; Mississippi, 6, $819,500; Missouri, 4, $456,320; Montana, 1, $133,642; Nebraska, 1, $95,190; North Dakota, 2, $180,670; South Carolina, 6, $1,084,700; Texas, 9, $735,900; Virginia, 1, $194,000; Wisconsin, 2, $800,000.

Frank Naylor, undersecretary of agriculture in charge of farm loans, said many rural banks are sending debt-strapped farmers to the Farmers Home Administration rather than take advantage of the program.

An Agriculture Department study released this week estimates that 93,000 farmers are insolvent or almost broke and 136,000 others have serious financial prob-

lems. The total 229,000 farmers are $98.2 billion in debt.

THE "REBELS" OF DIXIE COLLEGE OF ST. GEORGE, UT, WIN TOURNAMENT CHAMPIONSHIP

Mr. HATCH. Mr. President, the postseason basketball tournaments are getting a lot of play in the press these days. But as the Nation's larger colleges are getting most of the headlines, it is with pride that I praise a smaller school—Dixie College of St. George, UT. Saturday the basketball team representing just over 2,000 students won the National Junior College Athletic Association Tournament at Hutchinson, KS.

It took a hook shot in the final seconds of the game to insure victory for this fine Utah school. Averian Parrish made that shot and won the championship for the Rebels, as the team is known. Parrish won honors as the tournament's most valuable player. Dixie College Coach Neil Roberts—who won his own individual honors when he played basketball at Brigham Young University—was named coach of the tournament.

But I want to give special notice to another member of the team, Robert Maxwell, who was chosen to receive the tournament's sportsmanship award. The Dixie team, well disciplined and aggressive, also showed that a great team can play each game by the rules. Sportsmanship was a key to every game with each player.

At a time when the big schools are involved in the NCAA in Kentucky, and the NIT in New York, it is with a great deal of pride, Mr. President, for me to salute a smaller school which brought such an honor to Utah.

It is also an honor for me, Mr. President, to represent a State where each student has a chance to excel—whether in athletics or other programs—while gaining a fine education.

I take this opportunity to congratulate Dr. Alton Wade, president of Dixie College, Coach Roberts and the members of the winning team, and the entire student body.

VOLUNTARISM: HELPING WORLDWIDE THROUGH THE EFFORTS OF THE AMERICAN RED CROSS

Mr. HATCH. Mr. President, the images of small, starving children frequently seen on the news portray the desperate problems of starvation in African countries. We see these victims of famine night after night while the seeming hopelessness of their situation instills in most of us a sense of helplessness. Any single attempt to help solve this problem seems little more effective than a falling raindrop impact on the ocean.

However, two Salt Lake City groups now give us new reason for hope, and I want to share their instructive story with my colleagues. The Salt Lake Area Chapter of the American Red Cross and students from Rowland Hall-St. Marks School came together to plan more effective ways to participate in the Ethiopian rescue mission. This meeting marked the beginning of the African Famine Relief Campaign in the Salt Lake area.

Rowland Hall challenged every student in Utah to contribute 10 cents to the campaign. The response to the challenge was overwhelming. Over 200 schools in the State participated, raising $40,000. But it didn't end there.

The determined efforts of the Red Cross and Rowland Hall snowballed. Our State's Governor declared "Utah Cares for Ethiopia Week." Other clubs and organizations sprang to help and contributions continued to pour in, totaling $176,000. The International Red Cross has already effectively employed the money for relief of famine victims in Ethiopia.

Success stories like this one inspired President Reagan to declare March 1985, "American Red Cross Month." I salute the President's action and encourage my colleagues to urge their own State's citizens to follow the example of the fine students of Rowland Hall and the other schools who gave generous support to the local Red Cross.

Since 1891, long before the Congress gave the Red Cross its national charter in 1905, the American Red Cross has motivated thousands of people and organizations to involve themselves in worthy causes. These volunteers have made the Red Cross one of the most effective health and human services organizations in the world.

The Red Cross not only provides food and medical relief to Ethiopia and thirteen other American nations currently suffering from famine but it also targets relief to disaster areas all over the world. Last year the Red Cross came to the rescue of victims of more than 50,000 major tragedies.

In the Salt Lake City area alone, 5,000 Red Cross volunteers provided aid. In 1984, the Red Cross supplied 108,000 units of whole blood to Utah hospitals, gave $103,000 in direct assistance to disaster victims, helped 5,400 needy families pay utility bills, trained 6,500 people in first aid and assisted 1,085 military families. These are just some of the important projects of the Red Cross.

The Red Cross is a vital service organization which reflects the very best we as Americans have to offer. Red Cross Month 1985, is a good time for citizens and community organizations to thank Red Cross volunteers for their service and sacrifice and also a good time to inspire those of us ready and able to follow the Red Cross organization's magnificent example, perhaps even to increase its volunteer ranks with more good men and women.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate on March 21, March 22, and March 25, 1985, received messages from the President of the United States submitting sundry nominations; which were referred to the appropriate committees.

(The nominations received on March 21, March 22, and March 25, 1985, are printed at the end of the Senate proceedings.)

ANNUAL REPORT ON TRAFFIC SAFETY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 29

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 21, 1985, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

The Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966, initiated a national effort to reduce traffic deaths and injuries and require annual reports on the administration of the Acts. This is the 17th year that these reports have been prepared for your review.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards). An annual report also is required by the Energy Policy and Conservation Act of 1975, which amended the Motor Vehicle Information and Cost Savings Act and directed the Secretary of Transportation to set, adjust, and enforce motor vehicle fuel economy standards. Similar reporting requirements are contained in the Department of Energy Act of 1978 with respect to the use of advanced technology by the automobile industry. These requirements have been met in the Eighth Annual Fuel Economy Report, the highlights of which are summarized in the motor vehicle safety report.

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety, which are addressed in the volume on highway safety.

I am pleased to report that traffic fatalities have dropped for the third year in a row. The 42,584 fatalities re-

corded in 1983, while still unacceptably high and a tragedy to the Nation both in terms of lives lost and the economic consequences of the deaths, represent a 3 percent decrease from the preceding year, and a 17 percent decrease from as recently as 1980 when 51,091 people died in traffic accidents.

In addition, despite large increases in the number of drivers and vehicles, the Federal standards and programs for motor vehicle and highway safety instituted since 1966 have contributed to a significant reduction in the fatality rate per 100 million miles of travel. The fatality rate is a measure of the risk of death that a person is exposed to when travelling. The rate has decreased from 5.5 in the mid-60's to the present level of 2.57, the lowest rate ever recorded. This means that motorists can drive more miles today with less risk. If the 1966 fatality rate had been experienced in 1983, more than 91,000 persons would have lost their lives in traffic accidents.

A substantial number of deaths and injuries on our roadways can be traced in part to some human factor: the driver or passenger who was not wearing a safety belt; the drinking driver who continues to be involved in more than half of the Nation's traffic fatalities; speeding; or the habitual offenders whose privileges to drive have been revoked, but who continue to drive irresponsibly.

I am especially proud that in 1983 we had the safest Christmas holiday season since the late 1940's. The national outrage over drunk driving, combined with tougher State laws and stepped-up enforcement, apparently have caused some people to refrain from driving after they have been drinking.

We will continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries. We are placing greater emphasis on the human aspects of traffic safety, reflecting the national concern that emphasis be on those activities that have the most realistic prospect of success, and which yield the maximum safety gain per dollar invested.

I am encouraged by the significant fatality reduction this Nation has experienced over the past three years and am convinced that even more progress can be made to ensure that American motorists and pedestrians will enjoy the greatest level of personal safety possible.

RONALD REAGAN.

THE WHITE HOUSE, *March 21, 1985.*

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 30

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 22, 1985, received the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Energy and Natural Resources, the Committee on Labor and Human Resources, the Committee on Commerce, Science, and Transportation, the Committee on Appropriations, and the Committee on the Budget:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report five new deferrals of budget authority for 1985 totaling $121,544,000 and three revised deferrals now totaling $162,677,884. The deferrals affect the Departments of Energy, Health and Human Services, Interior, and Transportation.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *March 22, 1985.*

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 31

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 22, 1985, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended, I transmit herewith the Annual Report of the National Endowment for the Arts and the National Council on the Arts for the Fiscal Year 1984.

RONALD REAGAN.

THE WHITE HOUSE, *March 22, 1985.*

YOUTH EMPLOYMENT OPPORTUNITY WAGE ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 32

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 25, 1985, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I am pleased to transmit to you proposed legislation entitled the "Youth Employment Opportunity Wage Act of 1985."

One of the Nation's most serious and long-standing problems is providing adequate employment opportunities for our young people. Even in times of great economic prosperity, unemployment remains a significant problem for young people, particularly young Blacks and Hispanics. The purpose of the draft bill is to make it possible for employers to expand job opportunities for young people during a period of special need—when young people are looking for summer jobs.

The proposal would permit employers to pay young people under 20 years of age, from May 1 through September 30, a wage of no less than either 75 percent of the otherwise applicable minimum wage or $2.50 per hour, whichever is less. This bill provides protections so that adult workers or previously hired youth will not be adversely affected by the proposal. It prohibits the discharge, transfer, or demotion of any employee because of ineligibility for the youth wage and for the purpose of hiring an eligible youth and it provides penalties to assist in enforcement of this provision.

For many businesses, the existing minimum wage prices unskilled young people out of the job market. While some businesses can afford to hire unskilled youth and provide the training and experience expected to pay off in future productivity, such expectations are often unreasonable over a short summer employment span.

Studies over the past decade have repeatedly demonstrated that the minimum wage has reduced job opportunities for large numbers of our youth. This is particularly true for jobs involving considerable initial training. The restricted job opportunities for youth, especially minority youth, due to the minimum wage have contributed to the growing consensus on the value of a lower minimum wage for youth as a means of expanding their employment.

The concept of a youth employment opportunity wage has attracted a broad coalition of support. It has been endorsed by many organizations, including the National Conference of Black Mayors and organizations representing businesses that would provide jobs for these youth.

The proposal would enable employers to expand job opportunities for youth during the summer months. It would enable many young people to find jobs, earn money, and gain the experience and skills needed for future work and higher wages. The bill would

not diminish the opportunities for higher wages for those with job skills.

Because it provides for a demonstration period and an evaluation of the program, the bill should allay any doubts as to the ameliorative impact of the youth employment opportunity wage.

I urge the Congress to enact this legislation speedily.

RONALD REAGAN.

THE WHITE HOUSE, *March 25, 1985.*

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 21, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the House had passed the following bill, without amendment:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa.

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 22, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bill:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa.

Under the authority of the order of the Senate of January 3, 1985, the enrolled bill was signed on March 22, 1985, during the recess of the Senate, by the Acting President pro tempore [Mr. MURKOWSKI].

MESSAGES FROM THE HOUSE

At 2:27 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 92. Concurrent resolution to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America.

MEASURE PLACED ON THE CALENDAR

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 92. Concurrent resolution to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on March 22, 1985, she had presented to the President of the United States the following enrolled bill:

S. 689. An act to authorize appropriations for famine relief and recovery in Africa.

REPORTS OF COMMITTEES SUBMITTED DURING THE RECESS

Under the authority of the order of the Senate of March 20, 1985, the following report was submitted on March 20, 1985, during the recess of the Senate:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Con. Res. 32. An original concurrent resolution setting forth the congressional budget for the fiscal years 1986, 1987, and 1988, and revising the congressional budget for the U.S. Government for the fiscal year 1985 (with additional and minority views) (Rept. No. 99-15).

Under the authority of the order of the Senate of March 20, 1985, the following reports were submitted on March 22, 1985, during the recess of the Senate:

By Mr. McCLURE, from the Committee on Energy and Natural Resources with amendments:

S.J. Res. 77. Joint resolution to approve the Compact of Free Association (Rept. No. 99-16).

By Mr. DANFORTH, from the Committee on Commerce, Science and Transportation, without amendment:

S. Res. 107. An original resolution authorizing expenditures by the Committee on Commerce, Science, and Transportation; referred to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs:

Special Report entitled "Legislative and Oversight Activities During the 98th Congress by the Senate Committee on Veterans' Affairs" (Rept. No. 99-17).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 121: Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month."

H.J. Res. 134: Joint resolution authorizing and requesting the President to designate the week of March 10-16, 1985, as "National Employ the Older Worker Week."

H.J. Res. 160: Joint resolution designating March 22, 1985, as "National Energy Education Day."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. Res. 108: An original resolution authorizing expenditures by the Committee on the Judiciary, referred to the Committee on Rules and Administration.

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs, without amendment:

S. Res. 109: An original resolution authorizing expenditures by the Committee on Veterans' Affairs; referred to the Committee on Rules and Administration

By Mr. THURMOND, from the Committee on the Judiciary; without amendment and with a preamble:

S.J. Res. 4: Joint resolution to designate the week of March 24, 1985, through March 30, 1985, as "National Skin Cancer Prevention and Detection Week."

S.J. Res. 15: Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

S.J. Res. 17: Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

S.J. Res. 22: Joint resolution designating March 1985 as "National Mental Retardation Awareness Month."

S.J. Res. 23: Joint resolution designating 1985 as the "Year of Social Security."

S.J. Res. 28: Joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

S.J. Res. 29: Joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 31: Joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week."

S.J. Res. 35: Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 38: Joint resolution authorizing and requesting the President to designate the week of March 10 through March 16, 1985, as "National Employ the Older Worker Week."

S.J. Res. 48: Joint resolution to designate the year of 1986 as the "Year of the Teacher."

S.J. Res. 50: Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

S.J. Res. 53: Joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 56: Joint resolution to designate April 1985 as "National Child Abuse Prevention Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and without a preamble:

S.J. Res. 58: Joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week."

S.J. Res. 60: Joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

S.J. Res. 61: Joint resolution to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week."

S.J. Res. 62: Joint resolution commemorating the 25th anniversary of United States' weather satellites.

S.J. Res. 65: Joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month."

S.J. Res. 70: Joint resolution to proclaim March 20, 1985, as "National Agriculture Day."

S.J. Res. 72: Joint resolution to designate October 16, 1985, as "World Food Day."

S.J. Res. 79: Joint resolution to designate April 1985 as "Fair Housing Month."

S.J. Res. 80: Joint resolution to authorize and request the President to designate the month of May 1985 as "National Physical Fitness and Sports Month."

S. Con. Res. 9: Concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

William Lockhart Ball III, of Georgia, to be an Assistant Secretary of State.

(The above nomination was reported from the Committee on Foreign Relations with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on Labor and Human Resources:

Annelise Graebner Anderson, of California, to be a member of the National Science Board, National Science Foundation;

Karen J. Lindstedt-Siva, of California, to be a member of the National Science Board, National Science Foundation;

Simon Ramo, of California, to be a member of the National Science Board, National Science Foundation.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Alfred Clinton Moran, of Illinois, to be an Assistant Secretary of Housing and Urban Development;

By Mr. THURMOND, from the Committee on the Juidiciary:

Marianne Mele Hall, of New Jersey, to be a commissioner of the Copyright Royalty Tribunal;

Frank H. Conway, of Massachusetts, to be a member of the Foreign Claims Settlement Commission of the United States;

James R. Laffoon, of California, to be U.S. marshal for the southern district of California.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. PRYOR, Mr. ROTH, Mr. ZORINSKY, Mr. LEAHY, Mr. DIXON, Mr. KASTEN, Mr. DODD, and Mr. NICKLES):

S. 729. A bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes; to the Committee on Finance.

By Mr. DENTON:

S. 730. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to strengthen fiduciary standards so as to assure adequate controls on social investing by pension plans; to the Committee on Labor and Human Resources.

By Mr. LUGAR (by request):

S. 731. A bill to amend the Arms Control and Disarmament Act in order to increase the authorization for fiscal year 1985; to the Committee on Foreign Relations.

By Mr. LUGAR (by request):

S. 732. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations, and for other purposes; to the Committee on Foreign Relations.

By Mr. MELCHER:

S. 733. A bill to provide that Medicare and Medicaid payments for heart transplants shall not be denied solely on the basis that heart transplants are not reasonable and necessary; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. KENNEDY, and Mr. KERRY):

S. 734. A bill to impose a moratorium on offshore oil and gas leasing, certain licensing and permitting, and approval of certain plans, with respect to geographical areas located in the Pacific Ocean off the coastline of the State of California, and in the Atlantic Ocean off the State of Massachusetts; to the Committee on Energy and Natural Resources.

By Mr. WEICKER:

S. 735. A bill to amend the Internal Revenue Code of 1954 and title 31, United States Code, to increase the tax on diesel fuel and gasoline for highway use in order to reduce the Federal deficit, and the public debt through the public debt repayment trust fund; to the Committee on Finance.

By Mr. BUMPERS (for himself, Mr. PRYOR, and Mr. BOREN):

S. 736. A bill to amend the Bank Holding Company Act of 1956 to provide for the safe and sound operation of depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DIXON (for himself and Mr. SIMON):

S. 737. A bill to amend the Immigration and Nationality Act to increase the immigrant quota for colonies and dependent areas; to the Committee on the Judiciary.

By Mr. DIXON (for himself and Mr. SIMON):

S. 738. A bill to provide for an additional bankruptcy judgeship for the central district of Illinois; to the Committee on the Judiciary.

By Mr. DIXON (for himself, Mr. HEINZ, Mr. GLENN, Mr. BRADLEY, Mr. KENNEDY, Mr. KERRY, and Mr. SIMON):

S. 739. A bill to establish a national Endowment for the Homeless; to the Committee on Governmental Affairs.

By Mr. CHAFEE (for himself, Mr. STAFFORD, Mr. DURENBERGER, Mr. BENTSEN, and Mr. MITCHELL):

S. 740. A bill to extend until October 1, 1995, the authority for appropriations to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands and other essential habitat, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HEINZ (for himself and Mr. HUMPHREY):

S. 741. A bill to amend section 236 of the Trade and Tariff Act of 1984 relating to user fees for customs services at certain small airports; to the Committee on Finance.

By Mr. QUAYLE:

S. 742. A bill to improve the acquisition of weapon systems by the Department of Defense; to the Committee on Armed Services.

By Mr. SYMMS:

S. 743. A bill to amend the Internal Revenue Code of 1954 with respect to the taxation of employee awards; to the Committee on Finance.

By Mr. COCHRAN (for himself and Mr. BOREN):

S. 744. A bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MITCHELL:

S. 745. A bill to increase for a 3-year period the duty on imported sheet vinyl flooring; to the Committee on Finance.

By Mr. CHILES:

S. 746. A bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation; to the Committee on the Judiciary.

By Mr. LAUTENBERG:

S. 747. A bill to improve the administration and enforcement of the Magnuson Fishery and Conservation Management Act; to the Committee on Commerce, Science, and Transportation.

By Mr. STENNIS:

S. 748. A bill for the relief of Lt. Col. Henry F. McGraw, U.S. Army, retired; to the Committee on Armed Services.

By Mr. SPECTER (for himself, Mr. LEVIN, Mr. HEINZ, Mr. MATHIAS, Mr. MOYNIHAN, Mr. BYRD, Mr. RIEGLE, and Mr. METZENBAUM):

S. 749. A bill to extend the Federal Supplemental Compensation Act of 1982 until the end of fiscal year 1985; to the Committee on Finance.

By Mr. D'AMATO:

S. 750. A bill to redesignate the National Institute on Aging as the National Institute on Aging and Alzheimer's Disease, to require the Secretary of Health and Human Services to coordinate and support research concerning Alzheimer's disease and related disorders, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 751. A bill to provide for Medicare demonstration projects for alternative Medicare benefits for individuals with Alzheimer's disease or a related memory disorder; to the Committee on Finance.

By Mr. D'AMATO:

S. 752. A bill to establish in the Department of Health and Human Services a Home Health Care Clearinghouse to provide

elderly individuals with a single place where they can obtain complete information on available Federal home health care programs; to the Committee on Labor and Human Resources.

S. 753. A bill to promote the establishment of family support groups for families of victims of Alzheimer's disease or a related memory disorder; to the Committee on Labor and Human Resources.

By Mrs. HAWKINS:

S. 754. A bill to permit the Securities and Exchange Commission to regulate the activities of brokers and dealers with respect to direct and indirect obligations of the Federal Government and with respect to other exempted securities under the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. INOUYE:

S. 755. A bill to provide that transportation provided by an airline to parents of its employees shall be tax free; to the Committe on Finance.

By Mr. D'AMATO:

S. 756. A bill to expand the availability of long-term capital for industrial mortgages; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHAFEE:

S. 757. A bill to suspend temporarily the duty on lasamid; to the Committee on Finance.

By Mr. WALLOP (for himself and Mr. BENTSEN):

S. 758. A bill to amend the Internal Revenue Code of 1954 to repeal the capital gains tax on disposition of investments in United States real property by foreign citizens, to repeal the provisions providing for withholding of, and reporting on, such tax, and for other purposes; to the Committee Finance.

By Mr. GARN (for himself and Mr. PROXMIRE) (by request):

S. 759. A bill to strengthen and refine the provisions of the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933 and the National Housing Act, to provide for more flexible premium assessment procedures, to improve insurance of accounts provisions, to establish priorities among claimants against estates of failed institutions, to improve and clarify enforcement authority, to strengthen holding company provisions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 760. A bill to strengthen and refine the provisions of the Federal Deposit Insurance Act, to provide for more flexible assessment procedures, to improve methods for insuring deposits and for paying insured depositors, to establish priorities among claimants to the estates of failed banks, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MURKOWSKI:

S. 761. A bill to impose a surcharge duty on the imports of certain foreign countries; to the Committee on Finance.

By Mr. WILSON:

S. 762. A bill to amend sections 403 and 403(a) of title 37, United States Code, to permit the advance payments of the basic allowance for quarters and the variable housing allowance to be made to members of the uniformed services; to the Committee on Armed Services.

By Mr. DENTON:

S.J. Res. 92. Joint resolution to designate October 1985 as "National Foster Grandparents Month"; to the Committee on the Judiciary.

By Mr. METZENBAUM:

S.J. Res. 93. Joint resolution to designate the month of May 1985 as "Better Hearing and Speech Month"; to the Committee on the Judiciary.

By Mr. GORE (for himself, Mr. ANDREWS, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BURDICK, Mr. CHAFEE, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. PELL, Mr. SARBANES, Mr. STENNIS, Mr. SYMMS, Mr. THURMOND, Mr. WEICKER, and Mr. ZORINSKY):

S.J. Res. 94. Joint resolution to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week"; to the Committee on the Judiciary.

By Mr. CRANSTON:

S.J. Res. 95. Joint resolution to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself and Mr. WEICKER):

S.J. Res. 96. Joint resolution condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State; read the first time.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. THURMOND:

S. Res. 108. An original resolution authorizing expenditures by the Committee on the Judiciary; from the Committee on the Judiciary; to the Committee on Rules and Administration.

By Mr. MURKOWSKI:

S. Res. 109. An original resolution authorizing expenditures by the Committee on Veterans' Affairs; from the Committee on Veterans' Affairs; to the Committee on Rules and Administration.

By Mr. HEINZ (for himself, Mr. GORTON, Mr. EVANS, Mr. GARN, Mr. DODD, Mr. JOHNSTON, Mr. KASTEN, Mr. INOUYE, Mr. CRANSTON, Mrs. KASSEBAUM, and Mr. DANFORTH):

S. Res. 110. Resolution supporting the Export-Import Bank; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. PRYOR, Mr. ROTH, Mr. ZORINSKY, Mr. LEAHY, Mr. DIXON, Mr. KASTEN, Mr. DODD, and Mr. NICKLES):

S. 729. A bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes; to the Committee on Finance.

IMPUTED INTEREST AND THE ASSUMPTION OF LOANS

● Mr. DURENBERGER. Mr. President, today I am joined by my distinguished colleagues, Senator SYMMS, Senator PRYOR, Senator ROTH, Senator ZORINSKY, Senator LEAHY, Senator DIXON, Senator KASTEN, Senator DODD, and Senator NICKLES, in introducing a bill which I hope will create momentum in this body to correct a problem that many farmers and small businessmen and women believe is urgent.

I am referring to the draconian provisions on imputed interest included in the 1984 Deficit Reduction Act. Many will recall that we attempted to provide some permanent relief from these provisions at the very end of the last Congress. But all we could get at that time was a temporary relief measure that expires on July 1, 1985.

Thankfully, interest rates have come down significantly in recent months, and as a result seller financing is not as essential to maintain an orderly real estate market. However, we cannot be complacent and assume that the issue has been taken care of by economic events. Temporary rules cause uncertainty in the private sector and transactions are impeded or postponed because the parties do not want to run afoul of the laws we enact.

At a minimum, we owe the people who have to live under our tax laws certainty so that transactions can go forward, and an orderly market maintained.

I would be very disappointed in this body if all we did come July 1 is extend the temporary provisions. In an effort to avoid this scenario, I am proposing this simple effective solution to the imputed interest controversy.

The bill is the result of continued refinement of the concept I introduced last year in S. 3032 and earlier in this Congress as S. 251. Thorough analysis and broad discussion and comment from the people who have to work with the imputed interest rules have now resulted, I believe, in a proposal that all parties can live with.

The bill sets up clear safe harbors so that people who need to use seller financing can avoid the IRS interjecting itself and imputing interest to a transaction. On amounts of seller financing up to $4 million per transaction, the test interest rate shall be either 9 percent or 80 percent of the applicable Federal rate, whichever is lower. Meet this test and there is no imputed interest.

On amounts of seller financing in excess of $4 million per transaction the test rate shall be 80 percent of the applicable Federal rate. There is also a blending feature in this legislation. In the case of a seller who, let us suppose, is financing $10 million for 10 years, the test rate is a blend of 9 percent on the first $4 million or 80 percent of the Federal rate whichever is lower, and 80 percent of the applicable Federal rate on the balance of $6 million.

Using the applicable Federal rate published by Treasury for this month would mean that $4 million would be at 9 percent and the $6 million would be at 9.4 percent, resulting in an overall interest rate of 9.24 percent. The transaction would have to carry at least this amount of interest to avoid interest being imputed. If this safe harbor is not met, then the imputed interest rate would be a blending of 10 percent and 100 percent of the applicable Federal rate.

Loans that are assumed in connection with the transaction are not subject to the imputed interest rate test. Existing loans were, of course, originally new loans and had to meet the imputed interest rate test. There is no need to bring them under Federal scrutiny a second time. If the term and conditions of a loan being assumed are changed, then this would be "new" financing and would need to meet the test rates.

The same holds true for the underlying debt that is incorporated in a wraparound financing package. That portion of the underlying debt which was not altered would also be exempted from the imputed interest provisions.

What advantages do I claim for this bill as compared to the current temporary rules? This approach is simple and straightforward. The revenue loss is minimized when you consider the interest rates currently in effect today, and additionally, if you believe the President's budget projections of interest rates dropping down to 5 percent. The revenue loss will be even lower.

If one thinks that interest rates will rise again to 15-, 16-, 17-percent levels, which I suppose is always possible, the 80-percent test rate is needed. If interest rates get that high, seller financing becomes the only way that a seller can find a buyer for his property. The primary motivation is not tax avoidance, but simply a need for individuals to avoid a price for money which is for all but the richest too expensive.

The Treasury Department, with regulation TD 8010 has addressed the log problem that existed with AFR. The ability to elect the 6-month rate or the monthly rates pursuant to TD 8010 is essential to lessen the impact of short-term spikes in the T bill rate, and I think it's important that this election system be retained.

I want to stress why 80 percent is an important safe harbor. Its main advantage is that it provides a measure of flexibility. Recall that what we are trying to enact is a permanent solution. You know as well as I do that if interest rates did reach very high levels again, that without enacting a solution that is flexibile and allows for an orderly real estate market in any interest rate scenario, we will be back here again addressing this issue because the American public will not sit still for a government that interjects itself into transactions when the mechanism they need to sell their homes, their farms, their small businesses is seller financing. If interest rates are high and they find out that they can't use the below market seller financing, they will come back to Congress. The public outcry will be so loud that we will once again be forced to address this issue.

My thoughts about imputed interest are well documented. I supported my distinguished colleague, Senator SYMMS' repeal effort last year. I am not convinced by the Treasury Department's arguments that they need the power to interject themselves into the private bargaining between the buyer and seller. However, in order to reach some solution, I have been working to find a compromise that everyone can agree to. I don't propose that this is the perfect solution. I am open to suggestions from my colleagues, from the tax-writing committees, from the Treasury Department, and from other interested parties, in order to see this issue resolved before July 1. One example is that there has been some discussion that a different interest rate index other than the applicable Federal rate index would be more workable and a better reflection of prices people are paying to borrow money for real estate transactions. One index that has been mentioned is the "cost of funds" index, which is a weighted average of the cost of funds for FSLIC insured institutions. Cost of funds is the total interest paid or accrued on deposits, FHLBB advances and other borrowed money as a percent of the average deposits and borrowings during a reporting period. The national cost of funds rate today is 9.92 percent. Some argue that the cost of funds index is better known, more stable, and a more accurate reflection of real estate borrowing than is the "applicable Federal interest rate" [AFR]. AFR is the 6-month average of yields on Federal debt obligations with maturities similar to the terms of the seller financed loan. I would not be opposed to looking at a different index if it will help us to reach a consensus. I'll be urging the distinguished chairman of the Finance Committee, Senator PACKWOOD, to hold hearings on this issue, and at such time. this and other suggestions for improvement can be considered. I urge my colleagues to support this legislation. It is a simple effective way to deal with a complex and often controversial issue. Mr. President, I ask that a copy of the bill and fact sheet be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows.

S. 729

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IMPUTED INTEREST AND LOAN ASSUMPTION RULES MADE PERMANENT.

(a) GENERAL RULE.—Section 483 of the Internal Revenue Code of 1954 (relating to interest on certain deferred payments) is amended by striking out subsection (e) and redesignating subsection (f) as subsection (e), by redesignating subsections (g) and (h) as subsections (h) and (i) and by inserting after subsection (e) (as so redesignated) the following new subsections:

"(f) TESTING RATE AND IMPUTATION RATE DEFINED.—For purposes of this section—

"(1) TESTING RATE.—

"(A) IN GENERAL.—The term 'testing rate' means a percentage equal to the sum of—

"(i) the lesser of—

"(I) 9 percent, or

"(II) 80 percent of the applicable Federal rate, plus

"(ii) if the borrowed amount exceeds $4,000,000, the excess determined under subparagraph (B) multiplied by a fraction the numerator of which is the borrowed amount to the extent it exceeds $4,000,000, and the denominator of which is the borrowed amount.

"(B) EXCESS.—For purposes of subparagraph (A), the excess determined under this subparagraph is the excess (if any) of 80 percent of the applicable Federal rate over the percentage determined under subparagraph (A) (i).

"(2) IMPUTATION RATE.—

"(A) IN GENERAL.—The term 'imputation rate' means a percentage equal to the sum of—

"(i) the lesser of—

"(I) 10 percent, or

"(II) 100 percent of the applicable Federal rate, plus

"(ii) if the borrowed amount exceeds $4,000,000, the excess determined under subparagraph (B) mutiplied by a fraction the numerator of which is the borrowed amount to the extent it exceeds $4,000,000,000, and the denominator of which is the borrowed amount.

"(B) EXCESS.—For purposes of subparagraph (A), the excess determined under this subparagraph is the excess (if any) of 100 percent of the applicable Federal rate over the percentage determined under subparagraph (A) (i).

"(3) BORROWED AMOUNT.—For purposes of this subsection, the term 'borrowed amount' means—

"(i) the stated principal amount, or

"(ii) in the case of wraparound financing 'borrowed amount' means that portion of the debt taken back by the seller exclusive of the underlying debt unless the terms and conditions of the underlying debt are modified.

"(4) AGGREGATION RULES.—For purposes of this subsection—

"(A) all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as one sale of exchange, and

"(B) all debt instruments arising from the same transaction (or a series of related transactions) shall be treated as one debt instrument.

"(5) APPLICABLE FEDERAL RATE.—For purposes of this subsection—

"(A) IN GENERAL.—The applicable Federal rate shall be determined under section 1274(d).

"(B) DATE ON WHICH DETERMINED.—In the case of any sale or exchange, the determination of the applicable Federal rate shall be made as of the first day on which there is a binding contract in writing for the sale or exchange.

"(g) EXEMPTION FOR ASSUMPTIONS OF LOANS.—If any person—

"(1) assumes, in connection with the sale or exchange of property, any debt obligation, or

"(2) acquires any property subject to any debt obligation,

this section and section 1274 shall not apply to such debt obligation by reason of such assumption (or such acquisition) unless the terms and conditions of such debt obligations are modified in connection with the assumption (or acquisition)."

(b) REPEAL OF CERTAIN ORIGINAL ISSUES DISCOUNT RULES FOR CERTAIN PERSONAL USE LOANS.—Section 1275(b) of the Internal Revenue Code of 1954 (relating to treatment of borrower of certain loans for personal use) is hereby repealed.

(c) EXCEPTION FOR RESIDENCES.—Section 1274(c)(4)(B) of the Internal Revenue Code of 1954 (relating to exception for sales of principal residences) is amended to read as follows:

"(B) SALE OF RESIDENCES.—Any dept instrument arising from the sale or exchange of any property to be used as the residence of the obligor under the instrument.".

(d) CONFORMING AMENDMENTS.—

(1) The last sentence of section 483(b) of the Internal Revenue Code of 1954 (defining total unstated Interest) is amended by striking out all that follows "discount rate" and inserting in lieu thereof "equal to the imputation rate.".

(2) Section 483(c)(1)(B) of such Code (relating to payments to which section applies) is amended by striking out "110 percent of the applicable Federal rate determined under section 1274(d)" and inserting in lieu thereof "the testing rate".

(3) Section 1274(b)(2)(B) of such Code (relating to determination of present value) is amended to read as follows:

(B) by using the imputation rate.".

(4) Paragraph (3) of section 1274(c) of such Code (defining testing amount) is amended by striking out "110 percent of the applicable Federal rate" and inserting in lieu thereof "the testing rate".

(5) Section 1274 of such Code (relating to determination of issue price) is amended by adding at the end thereof the following new subsection:

"(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) TESTING AND IMPUTATION RATES.—The terms 'testing rate' and 'imputation rate' have the meaning given such terms by section 483(f).

"(2) LOAN ASSUMPTIONS.—For rules relating to assumptions of certain loans, see section 483(g).

"(3) CASH METHOD OF ACCOUNTING.—In the case of any sale or exchange of property in which the borrowed amount does not exceed $4,000,000—

"(i) this section shall not apply, and

(ii) interest on the obligation issued in connection with such sale or exchange shall be taken into account by both buyer and seller on the cash receipts and disbursements method of accounting, unless

(iii) both buyer and seller agree to use the accrual receipts and disbursements method of accounting.

The Secretary may by regulation prescribe rules to prevent the mismatching of interest income and interest deductions in connection with obligations on which interest is computed on the cash receipts and disbursements method of accounting under clause (ii).".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall apply to any sale or exchange on or after the earlier of—

(1) July 1, 1985, or

(2) the date of the enactment of this Act.

FACT SHEET: DURENBERGER/SYMMS PERMANENT IMPUTED INTEREST SOLUTION

INTEREST RATES

On amounts of seller financing up to $4 million per transaction, the test interest rates shall be either 9 percent or 80 percent of the Applicable Federal Rate, whichever is lower. Further, in the event that the test interest rate is not met, the imputed interest rate shall be either 10 percent or 100 percent of the Applicable Federal Rate, whichever is lower.

On amounts of seller financing in excess of $4 million per transaction, the test interest rate shall be 80 percent of the Applicable Federal Rate and the imputed interest rate shall be 100 percent of the Applicable Federal Rate.

Example: Seller financing of $10 million for 10 years. This test rate is a blend of 9 percent on the first $4 million or [80 percent of the Applicable Federal Rate (9.4 percent) whichever is lower], and 80 percent of the Applicable Federal Rate (9.4 percent), on the balance of $6 million resulting in an overall interest rate of 9.24 percent.

ASSUMPTIONS/WRAPAROUND FINANCING

The imputed interest and Original Issue Discount rules will not apply to assumptions of loans or to loans taken "subject to", regardless of when the loans originate.

In Wraparound Financing, Contract for Sale, Contract for Deed or similar all-inclusive debt instruments, the imputed interest and original issue discount rules will apply only to that portion of the debt taken back by the seller exclusive of any underlying debt.

Example: Property sale for $1 million. Buyer puts $200,000 down and gives a wrap note to the seller for $800,000 payable at 10 percent per annum, interest only. Seller must make payments on underlying loan of $400,000 which is at 9 percent annum interest only. Seller's equity in this wrap is $400,000, seller receives $80,000 per year from buyer and pays out $36,000 per year to underlying note holder. Thus seller's net cash income from this wrap is $44,000 which represents 11 percent return on the $400,000 equity. The test rate would be applied to this 11 percent interest rate in determining whether sufficient interest is stated. In this transaction the test rate now would be 9 percent and thus 11 percent would be a sufficient interest rate.

ACCOUNTING METHODS

Transactions below $4 million of seller financing shall be excluded from the original issue discount provisions. However, buyer and seller will be treated as being on a cash/cash accounting method unless they agree to account for the transaction on an accrual/accrual method.

Transactions of more than $4 million of seller financing shall be subject to the original issue discount rules.

This solution is support by the real estate industry including: National Association of Realtors, Multi Housing Counsel, National Apartment Association, American Land Development.●

● Mr. SYMMS. Mr. President, I am very pleased to be introducing the Durenberger-Symms imputed interest bill with my good colleague from Minnesota.

It is my hope that this legislation will provide a permanent clarification and solution to the imputed interest and OID [original issue discount] provisions that were originally part of the Deficit Reduction Act of 1984 and a compromise bill that was adopted last October.

These provisions have caused great controversy in the past and many individuals have attempted to reach an equitable solution that protects the interests of both the Government and the public.

The Durenberger-Symms bill can accomplish this. S. 274 will correct perceived abuses and maintain seller-financed transactions.

For many years, owners have been able to finance the sale of their property by taking back paper, or loaning part of the purchase price to the buyer of the property at terms much more affordable than those available from conventional lending sources. Thus, seller-financing has been especially valuable during high interest rate periods, and will continue to be an option under the provisions of S. 274.

INTEREST RATES

Our bill specifies that on amounts of seller financing up to $4 million per transaction, the test interest rates will be either 9 percent or 80 percent of the applicable Federal rate, whichever is lower. Also, in the event that the test interest rate is not met, the imputed interest rate shall be either 10 percent or 100 percent of the Federal rate, whichever is lower.

On amounts of seller financing in excess of $4 million per transaction, the test interest rate shall be 80 percent of the applicable Federal rate and the imputed interest rate will be 100 percent of the Federal rate.

ASSUMPTIONS AND WRAPAROUND FINANCING

Our bill also recognizes that the commonly accepted practice of assuming mortgages in the seller-financing of small businesses, investment properties, and other residential properties is a key element in the transactions occuring in the marketplace today.

In other words, Mr. President, assumptions will be subject to the law prior to the Deficit Reduction Act of 1984.

In addition, wraparound financing, contract for sale, contract for deed or similar all-inclusive debt instruments, the imputed interest and OID rules will apply only to that portion of the debt taken back by the seller exclusive of any underlying debt.

ACCOUNTING METHODS

Lastly, transactions below $4 million of seller financing will be excluded from the OID provisions. However, buyer and seller will be treated as being on a cash/cash accounting method unless they agree to account for the transaction on an accural/accural method.

Transactions of more than $4 million of seller financing will be subject to the OID rules.

I believe the Durenberger-Symms bill is a simple and equitable solution to the problems raised by the old provisions for imputed interest and OID rules. S. 274 provides an answer that our constituents can comprehend and count on for the long term.●

● Mr. PRYOR. Mr. President, I am pleased to join several of my colleagues in introducing this measure to make several changes in the area of imputed interest under the Internal Revenue Code. We simply have to adopt this, or some other similar measure, before July 1, 1985, in order to correct several problems that have arisen in regard to many transactions, especially in the area of real estate.

Mr. President, in last year's tax bill, changes were made in the area of imputed interest and original issue discount [OID]. Apparently, there was some feeling that the rules of the Tax Code under prior law weren't sufficient to prevent tax abuse in many instances. The result was that at times ordinary income was converted into capital gains, and that there was frequently a deferral of taxes from one year to the next.

Under section 483, prior to last year's changes, if a transaction did not contain a stated interest rate of 9 percent, interest was then imputed for tax purposes at 10 percent compounded semiannually. Therefore, if your debt instrument contained a 9 percent simple rate of interest you did not come within the so-called "imputed interest" rules. This was fairly simple and straightforward.

Under the so-called OID rules, Mr. President, the Tax Code required a person to include interest on an annual basis for certain debt instruments, even though the taxpayer bought the instrument at a discount. The theory was that interest accrued each year, and therefore, it should be taken into account as income. The scope of the OID rules, however, was limited to a few situations.

In the Tax Reform Act of 1984, changes were made to expand the types of transactions subject to the OID rules, and to increase the safe harbor and imputed rates under both section 483 and the OID rules. Under the act, as originally passed, the safe harbor rate was 110 percent of the applicable Federal rate—which was the comparable Treasury rate for similar securities—and the imputed rate was 120 percent of the applicable Federal rate. Further, if you fell within the OID rules, you had income currently, even though the interest on the transaction might have been deferred for legitimate business reasons.

After the bill was signed into law, Mr. President, everybody was aware that the scope of the new rules was much broader than we ever intended. Therefore, in the last days of the 98th Congress some modifications were made to the rules. Primarily, these changes exempt all transactions of $2 million or less from both the imputed interest rules and the OID rules, as changed by the Tax Reform Act of 1984. Therefore, for these transactions, the 9 percent safe harbor rate and the 10 percent imputed rate continue to apply. In the event a transaction exceeds this limitation, then there is a blend of the lower rates, and the higher rates of the new law. The $2 million exemption, however, is effective only through June 30, 1985. Therefore, it is absolutely essential that we enact some changes before the existing exemption expires. Taxpayers and businesses, whether residential or commercial, need some certainty in this area, and the longer we go without making these changes permanent, the harder it will be on everyone involved. Businesses will have trouble making investment decisions with this uncertainty hanging over them, and just as importantly, the new rules—with the higher interest rates—could jeopardize many legitimate business transactions. It's one thing to get at tax avoidance, Mr. President, but it's quite another matter to throw a net over many, many legitimate business transactions that help our economy grow and increase employment.

The bill we're introducing today will correct many of the problems that now exist. First, for transactions of $4 million or less, the safe harbor rate will be 9 percent or 80 percent of the applicable Federal rate, whichever is lower. If these test rates are not met, then for these transactions, the imputed rate will be 10 percent or 90 percent of the applicable Federal rate, whichever is lower.

Second, for amounts above $4 million, the safe harbor rate will be 80 percent of the applicable Federal rate, and the imputed rate will be 90 percent of the applicable Federal rate.

Third, there are provisions designed to clarify our intent that the new rules do not apply to assumptions or wraparound financing. And, finally, there are provisions clarifying when the original issue discount rules will apply, and when the cash basis of accounting can be used by the buyer and seller.

Additionally, Mr. President, when we begin our discussions of these important issues, I intend to raise the issue of these new interest rates, and the problem many States have due to the existence of usury laws. This is a particular problem in Arkansas under present law because in many instances, if you meet the safe harbor rate under the rules, a lender violates the State usury provision. Likewise, if you come within the State usury provision, you do not meet the safe harbor rates. This is really no choice. Even if you want to comply with the new tax changes you can't because you can't risk running afoul of the usury provision. The net result, Mr. President, is that in many States, transactions that fall into this category simply are not going forward. This is simply wrong and it must be corrected.

Mr. President, I hope we can act in the very near future to make these much-needed changes. My preference would still be to repeal the new rules in their entirety, and last year I voted to do just that. I realize, however, that we must also look for constructive changes that can be made to allow many types of transactions to go forward. This bill, with the $4 million threshold before higher imputed rates are triggered, will be a good change. Further, lowering the safe harbor and imputed rates will also be very beneficial. I strongly support the bill, and I am pleased to be a cosponsor. I hope we can pass it in the very near future, and I urge my colleagues to give it their support.●

By Mr. DENTON:

S. 730. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to strengthen fiduciary standards so as to assure adequate controls on social investing by pension plans; to the Committee on Labor and Human Resources.

RETIREE PROTECTION ACT

Mr. DENTON. Mr. President, much attention has been given recently to the abuse of pension fund assets by pension fund managers. Although the funds are protected by the Employee Retirement Income Security Act of 1974 [ERISA], it is clear that many of the standards established by ERISA to protect the retirement income of older workers are being misinterpreted or willfully ignored.

Before the enactment of ERISA, private pension plans were virtually unregulated. Trusting and loyal employees contributed to pension plans in order to secure their future during the golden years of retirement. All too often, however, the contributions were mismanaged, and retiring employees found that the pension benefits for which they had contributed hard-earned money were inexplicably unavailable.

That widespread abuse was addressed in ERISA by the establishment of fiduciary standards. The statute prescribes that fund assets are to

be managed "solely in the interest of the participants and beneficiaries," with the "exclusive purpose of providing benefits to participants and their beneficiaries," and with the "care, skill, prudence, and diligence" required of a prudent man. In addition, certain transactions involving parties with an interest in pension plans are prohibited.

The standards seem clear enough. Any investment of hard earned contributions from American workers must have as its sole goal the provision of future income to those workers. Apparently, however, that is not the case. The fiduciary standards are under attack from people who are waging a sophisticated campaign to require that managers "socially invest" pension fund contributions.

What is a social investment? The answer is provided by Owen Beiber, president of the United Auto Workers, who has said that it is desirable for the UAW to "invest in some projects which don't make money in a commercial sense, but which do produce desirable social returns on investment."

What kind of adequate retirement can be provided by investments that don't make money or, much worse, investments that lose huge amounts of money? None. Implementation of such a scheme would reduce pension income for workers who faithfully contribute to a plan in order to provide sustenance for themselves, their spouses, and their families. Charitable and social goals, no matter how noble, do not operate for the exclusive purpose of providing benefits to participants. When social goals replace the goal of maximizing benefits for the contributors, then efforts to achieve the social goals violate ERISA.

The dangers of social investing are clearly illustrated by the recent targeting of State pension funds by reform-minded legislators. Those State pension plans are not covered by ERISA's stringent protections. In January 1983, the Massachusetts Legislature passed a law requiring pension funds covering teachers and public employees to divest interest in corporations or banks that do business with the South African Government. That socially motivated investment decision inflicted huge losses, totaling more than $14 million, on the pension fund. According to Phillip D. Kett, chief manager for the fund, the massive losses were "without question the biggest losses we have ever taken."

A study conducted by the State board of administration concluded that a similar bill before the Florida Legislature would, if enacted, cost State employees an estimated $12 to $15 million in annual losses to their pension fund. An Illinois study projected a $300 million loss over the next decade should the Illinois General Assembly order its pension fund to divest itself of corporate assets tied to South Africa.

Pension fund assets amount to $600 billion and constitute the largest portion of the Nation's capital available for investment. it is no wonder that some pension management officials desire access to the "slush fund" of accumulated pension money in order to further their personal interests and values. Even pension funds covered by ERISA's clear-cut prohibitions against social investing are in danger.

It is indisputable that the trend toward social investing is growing, with some major corporations forming pension management subsidiaries with names such as "Fund for Social Responsibility."

The U.S. District Court for the Eastern District of Virginia recently awarded more than $500,000 to retirees whose pension fund contributions were squandered by the union trustees of the local health and welfare trust fund. One-third of the assets were diverted into a social investment designed to further a compulsory unionization drive. The court determined that retirees were robbed of health and welfare by the social investment policy, which lacked the purpose of providing benefits to participants.

The trustees of two southern California union pension plans were recently ordered by a Federal judge to pay a $1.5 million penalty for making below-market real estate loans for financing construction projects that employ union-only labor.

Let me make it clear that I am not suggesting a blanket indictment of all pension fund managers. It is unfortunate that the conduct of those few who are unscrupulous or who are motivated by desires other than the exclusive purpose of benefiting the plan beneficiaries requires that we implement more stringent regulations.

I believe that we must now take further steps to require personal and professional responsibility from the fiduciaries who are charged with the operation of pension plans. I am therefore introducing the Retiree Protection Act of 1985, which would strengthen existing prohibitions against social investing and make clear to anyone who might abuse the retirement money of American workers that social investments are illegal under ERISA.

Under the provisions of the bill, criminal penalties and punitive damages would be established for persons convicted of violating the fiduciary requirements specified by ERISA. Criminal penalties would be brought in line with existing Criminal Code penalties for theft and embezzlement from employee benefit plan funds, including fines up to $10,000 and/or imprisonment up to 5 years. Punitive damages could be awarded to injured parties in the suit—workers and retirees—up to the amount of money involved in the breach of fiduciary responsibility.

The Retiree Protection Act would tighten current procedures for obtaining exemptions from prohibited transactions by requiring that exempted investments maximize the rate of return. In addition, before a request for exemption could be approved, the proposal would have to be published in the Federal Register, and written notice would have to be given to all interested parties, including workers and beneficiaries participating in the plan. An opportunity for public hearing on the proposed exemption from established standards would have to be provided, and legal recourse would be afforded through any district court in the United States. In that way, participants in plans would be notified of requests for exemption and would if necessary have access to court action to protect their retirement funds.

The bill would ensure that pension funds benefit the workers who contribute. Fiduciaries with self-serving ideologies should not be allowed the opportunity to invest pension assets to further their own social purposes. Investment of the assets of retirement plans should be based upon the best possible financial decisions and should maximize benefits to the workers who provide the funds in the first place. The Federal Government must enforce the provisions of ERISA in order to protect a sound financial future for America's retired workers.

I urge my colleagues to join as cosponsors of the legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Retiree Protection Act of 1985".

PRIORITY OF MAXIMIZATION OF INVESTMENT RETURNS

SEC. 2. (a) Section 404(a)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104(a)(1) is amended—

(1) by inserting "in the maximum funding of their accrued and future benefits specifically provided under the terms of the plan" after "interest of the participants and beneficiaries"; and

(2) by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraph:

"(C) by selecting, managing, and diversifying the investments of the plan so as to—

"(i) minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so, and

"(ii) avoid the selection, for the purpose, in whole or in part, of achieving or furthering any political, ideological, or social goal, of any investment or class of investments otherwise suitable for the plan's portfolio over any other investment or class of invest-

ments so suitable if such selection would reasonably be expected to yield a financial return to the plan less than the financial return which would reasonably be expected from the selection of such other investment or class of investments;".

(b) Section 401(a) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new sentence: "A plan shall not be considered as meeting the requirements of paragraph (2) if under the trust instrument it is possible that investments of the plan may be conducted other than in the interest of the participants and beneficiaries in the maximum funding of their accrued and future benefits specifically provided under the terms of the plan or so as to allow the selection, for the purpose, in whole or in part, of achieving or furthering any political, ideological, or social goal, of any investment or class of investments otherwise suitable for the plan's portfolio over any other investment or class of investments so suitable if such selection would reasonably be expected to yield a financial return to the plan less than the financial return which would reasonably be expected from the selection of such other investment or class of investments.".

(c)(1) The amendments made by subsection (a) shall apply with respect to actions or failures to take action by fiduciaries occurring on or after the date of the enactment of this Act.

(2) The amendment made by subsection (b) shall apply with respect to plan years beginning after one year after the date of the enactment of this Act.

EXEMPTIONS FROM PROHIBITED TRANSACTIONS

SEC. 3. (a)(1) Section 408(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(a)) is amended to read as follows:

"SEC. 408. (a) The Secretary shall establish an exemption procedure for purposes of and consistent with this subsection. Pursuant to such procedure, he may grant a conditional or unconditional exemption of any fiduciary or transaction, or class of fiduciaries or transactions, from all or part of the restrictions imposed by sections 406 and 407(a). Action under this subsection may be taken only after consultation and coordination with the Secretary of the Treasury. An exemption granted under this section shall not relieve a fiduciary from any other applicable provision of this Act, and shall not by itself bar, or constitute a defense to, any civil or criminal action brought against any fiduciary under any other law of the United States. The Secretary shall grant no exemption under this subsection unless he explicitly determines, on the basis of clear and convincing evidence on the record as a whole, that such exemption is—

"(1) administratively feasible;

"(2) in the interests of the plan and of its participants and beneficiaries, and for the exclusive purpose of providing benefits to its participants and beneficiaries and defraying reasonable expenses of administering the plan;

"(3) otherwise protective of the rights of participants and beneficiaries of such plan under this Act and any other law of the United States; and

"(4) otherwise fully consistent with the duties of every fiduciary with respect to such plan under this Act and under all other laws of the United States.

At least 30 days before granting any exemption under this subsection from section 406 or 407(a), the Secretary shall publish notice in the Federal Register of the pendency of the exemption, shall require that adequate written notice be given to all interested persons, including participants and beneficiaries of such plan, and shall afford all interested persons an opportunity to present their views. The Secretary shall make no such determination under this subsection with respect to a transaction described in section 406 until he affords all interested persons an opportunity for a public hearing on such determination. Within 90 days after the date of such determination, any person aggrieved by such determination may initiate a civil action in any district court of the United States (notwithstanding section 502(e)(2)), without regard to the amount in controversy, for declaratory judgment and injunctive relief against the Secretary with respect to such exemption. Delivery of the summons and complaint in any such action to the Secretary by registered mail shall constitute adequate service of process for purposes of such action. During the pendency of any such action, or of appeal therefrom or other review thereof, the district court and any other court acquiring jurisdiction of such action shall stay implementation of the challenged exemption. Throughout the proceedings arising from the initiation of such civil action, the Secretary shall have the burden of proof regarding the sufficiency of the findings required by paragraphs (1), (2), (3), and (4). Notwithstanding section 502(g)(1), the court shall award all costs and reasonable attorney's fees to any complaining party who prevails, in whole or in part, in such civil action, but shall award no costs or attorneys' fees to the Secretary under any circumstance. Except as otherwise provided in this subsection, nothing in this subsection shall be construed to preclude any other right of action under section 502.".

(2) Section 4975(c)(2) of the Internal Revenue Code of 1954 (relating to special exemption from tax on prohibited transactions) is amended to read as follows:

"(2) Special exemption.—The Secretary shall establish an exemption procedure for purposes of and consistent with this paragraph. Pursuant to such procedure, he may grant a conditional or unconditional exemption of any disqualified person or transaction, or class of disqualified persons or transactions, from all or part of the restrictions imposed by paragraph (1) of this subsection. Action under this paragraph may be taken only after consultation and coordination with the Secretary of Labor. An exemption granted under this paragraph shall not relieve a disqualified person from any other applicable provision of this title, and shall not by itself bar, or constitute a defense to, any civil or criminal action brought against any disqualified person under any other law of the United States. The Secretary shall grant no exemption under this paragraph unless he explicitly determines, on the basis of clear and convincing evidence on the record as a whole, that such exemption is—

"(A) administratively feasible;

"(B) in the interests of the plan and of its participants and beneficiaries, and for the exclusive purpose of providing benefits to its participants and beneficiaries and defraying reasonable expenses of administering the plan;

"(C) otherwise protective of the rights of participants and beneficiaries of such plan under this title and any other law of the United States; and

"(D) otherwise fully consistent with the duties of every disqualified person with respect to such plan under this title and under every other law of the United States.

At least 30 days before granting any exemption under this paragraph from paragraph (1), the Secretary shall publish notice in the Federal Register of the pendency of the exemption, shall require that adequate written notice be given to all interested persons, including participants and beneficiaries of such plan, and shall afford all interested persons an opportunity to present their views. The Secretary shall make no such determination under this paragraph with respect to a transaction described in paragraph (1) until he affords all interested persons an opportunity for a public hearing on such determination, except that in lieu of such hearing the Secretary may accept any record made by the Secretary of Labor with respect to an application for exemption under section 408(a) of the Employee Retirement Income Security Act of 1974. Within 90 days after such determination, any person aggrieved by such determination may initiate a civil action in any district court of the United States, without regard to the amount in controversy, for declaratory judgment and injunctive relief against the Secretary with respect to such exemption. Delivery of the summons and complaint in any such action to the Secretary by registered mail shall constitute adequate service of process for purposes of such action. During the pendency of any such action, or of appeal therefrom or other review thereof, the district court and any other court acquiring jurisdiction of such action shall stay implementation of the challenged exemption. Throughout the proceedings arising from the initiation of such civil action, the Secretary shall have the burden of proof regarding the sufficiency of the findings required by subparagraphs (A), (B), (C), and (D) of this paragraph. Notwithstanding section 7430, the court shall award all costs and reasonable attorneys' fees to any complaining party who prevails, in whole or in part, in such civil action, but shall award no costs or attorneys' fees to the Secretary under any circumstances. Except as otherwise provided in this paragraph, nothing in this paragraph shall be construed to preclude any other right of action under this title.".

(b) The amendments made by this section shall apply with respect to determinations made under section 408(a) of the Employee Retirement Income Security Act of 1974 or section 4975(c)(2) of the Internal Revenue Code of 1954 on or after the date of the enactment of this Act.

PUNITIVE DAMAGES FOR BREACH OF FIDUCIARY DUTIES

SEC. 4. (a) Section 409(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1109(a)) is amended by inserting "shall be subject to punitive damages for each such breach not to exceed the amount involved in the breach," after "fiduciary,".

(b) The amendment made by subsection (a) shall apply with respect to breaches occurring on or after the date of the enactment of this Act.

CRIMINAL PENALTIES

SEC. 5. (a) Section 501 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131) is amended—

(1) by inserting "(a)" after "Sec. 501."; and

(2) by adding at the end thereof the following new subsection:

"(b) Any person who willfully violates any provision of part 4 of this subtitle, or any regulation or order issued under any such provision, shall upon conviction be fined not more than $10,000 or imprisoned not more

than 5 years, or both; except that in the case of such violation by a person not an individual, the fine imposed upon such person shall not exceed $100,000.".

(b) The amendments made by subsection (a) shall apply with respect to violations occurring on or after the date of the enactment of this Act.

By Mr. LUGAR (by request):

S. 731. A bill to amend the Arms Control and Disarmament Act in order to increase the authorization for fiscal year 1985; to the Committee on Finance.

S. 732. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations, and for other purposes; to the Committee on Finance.

AUTHORIZING FUNDS FOR THE ARMS CONTROL AND DISARMAMENT AGENCY

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference two bills, one to increase the authorization for appropriations for fiscal year 1985, and a second to extend the authorization for appropriations for the U.S. Arms Control and Disarmament Agency [ACDA] for fiscal years 1986 and 1987, and for other purposes.

This proposed legislation has been requested by ACDA and I am introducing them in order that there may be specific bills to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose these bills, as well as any suggested amendments to them, when they are considered by the Committee on Foreign Relations.

I ask unanimous consent that these bills be printed in the RECORD at this point, together with the letter from the Director of the U.S. Arms Control and Disarmament Agency to the President of the Senate dated March 19, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 49(a) (22 U.S.C. 2589(a)) is amended by striking out "(2) for the fiscal year 1985, $21,932,000;" and inserting in lieu thereof "(2) for the fiscal year 1985, $23,789,000;".

S. 732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 49(a) (22 U.S.C. 2589(a)) is amended to read as follows:

"SEC. 49(a) To carry out the purposes of this Act, there are authorized to be appropriated—

(1) for the fiscal year 1986, $25,614,000;

(2) for the fiscal year 1987, such sums as may be necessary. Amounts appropriated under this subsection are authorized to remain available until expended.".

SEC. 2. (a) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"Deputy Director of the United States Arms Control and Disarmament Agency.";

(b) Section 5315 of title 5, United States Code, is amended—

(1) by striking out: "Deputy Director of the United States Arms Control and Disarmament Agency."; and

(2) by adding at the end thereof the following: "Assistant Directors, United States Arms Control and Disarmament Agency (4).".

(c) Section 5316 of title 5, United States Code, is amended by striking out: "Assistant Directors, United States Arms Control and Disarmament Agency (4).".

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Washington, DC, March 19, 1985.

Hon. GEORGE P. BUSH,
President,
U.S. Senate

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend the Arms Control and Disarmament Act to increase the authorization for appropriations for fiscal year 1985, and a second draft bill to extend the authorization for appropriations for the U.S. Arms Control and Disarmament Agency (ACDA) for fiscal years 1986 and 1987, and for other purposes.

ACDA needs an authorization $1,867,000 larger for fiscal year 1985 than the $21,932,000 authorization enacted, for a total fiscal year 1985 authorization of $23,789,000. The increased need was occasioned by the expanded arms control negotiations which began March 12, 1985.

The Agency's current two-year authorization expires on September 30, 1985. The second draft bill would authorize appropriations of $25,614,000 for fiscal year 1986, and such sums as may be necessary for fiscal year 1987.

The funds authorized by this legislation will be devoted primarily to the conduct of, and support for, bilateral negotiations with the Soviet Union on nuclear and space arms control, and multilateral negotiations on Mutual and Balanced Force Reductions (MBFR); at the Conference on Confidence and Security Building Measures and Disarmament in Europe (CDE); at the 40-nation Conference on Disarmament, and at the United Nations in New York.

In addition, these funds will support implementation of our policy to prevent the spread of nuclear explosives to other countries; to support our obligations under the Treaty on the Non-Proliferation of Nuclear Weapons; and to enable us to fulfill other statutory arms control responsibilities.

The draft bill also proposes comparability adjustments in certain ACDA executive levels to conform them with counterparts in other agencies.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

KENNETH L. ADELMAN.●

By Mr. CRANSTON (for himself, Mr. KENNEDY, and Mr. KERRY):

S. 734. A bill to impose a moratorium on offshore oil and gas leasing, certain licensing and permitting, and approval of certain plans, with respect to geographical areas located in the Pacific Ocean off the coastline of the State of California, and in the Atlantic Ocean off the State of Massachusetts; to the Committee on Energy and Natural Resources.

MORATORIUMS ON OFFSHORE OIL AND GAS LEASING

● Mr. CRANSTON. Mr. President, today along with my two distinguished colleagues from Massachusetts, Senators KENNEDY and KERRY, I am introducing legislation to protect and preserve certain environmentally sensitive areas off the coasts of California and Massachusetts from the risks of environmental damage from Federal oil and gas leasing. My colleague from California, Senator WILSON, shares my view that the California offshore tracts included in this legislation require this protection.

Passage of the fiscal year 1985 continuing resolution (Public Law 98-473) marked the fourth consecutive year in which protection for these areas was legislatively obtained through the appropriations process. Use of riders on appropriations bills is clearly an expedient method to obtain relief for these embattled areas. The House-Senate conferees on the continuing resolution expressed their increasing impatience with the use of this method to resolve the long-standing conflict between the citizens and their elected representatives—Federal, State, and local—from these two States and the Interior Department. They encouraged constructive dialog between officials and the Department. But despite that clear encouragement, and without consultation, Interior has proceeded with its post-election plans to start licensing widespread exploratory drilling in northern California areas expressly covered by the moratorium language.

We fought hard for inclusion of the 1-year moratorium extension in the continuing resolution, not because annual moratoria are the desired way to resolve this problem, but because the last Congress did not act on the bill we introduced, which would have put this matter to rest for the balance of the century. We are now introducing that bill again.

Local, county, and State governments along with thousands of concerned citizens, have invested funds and enormous effort into fighting the seemingly endless attempts to lease these same areas year after year and in Federal lease sale after Federal lease sale. No sooner has one battle been successfully concluded when the next one begins. The indefatigable bureaucracy within the Interior Department, backed by the full resources of the Federal Government, returns for another attack on these precious coastal tracts. Against all reason, apparently nothing is more attractive for future leasing plans than tracts that have been excluded from previous lease sales.

Mr. President, the unwarranted pressure and uncertainty created by the Interior Department over areas that should not be in their OCS leasing plans must cease.

The bill we introduce today will prohibit oil and gas leasing only from fragile, sensitive coastal areas for periods up to 15 years. Whatever energy resources these undersea lands may hold—and U.S.G.S. believes such resources to be minimal—would simply stay in place.

A future generation would then—when the moratorium ends—be free to choose between energy leasing and other uses of these coastal areas.

It is important to understand what areas are included in our legislation and why they need to be protected. The long coastlines of California and Massachusetts have significantly shaped each State's history and played a vital role in the lives in its people. Tourism and fishing are major industries in both States that depend on healthy beaches and shores. These are fragile environments that can be disastrously damaged by a single major oil spill or slowly and insidiously destroyed by the toxic drilling muds and trappings that come with OCS leasing activities.

In California, the State government—with the full support of county and local officials and the people who live in these areas, as well as the millions of tourists who come to enjoy their spectacular beauty—has chosen to preserve portions of its coastal zone for purposes inconsistent with oil and gas leasing—while other areas, both off and onshore, are used for energy production. This is a sensible, balanced, rational way to allocate resources.

Congress required—in the Outer Continental Shelf Lands Act—a careful balance between the economic and environmental risks and the resource recovery benefits of offshore energy development, together with a process of accommodation and consistency between Federal activities and State interests. Attempting to lease these environmentally sensitive, low-resource areas in California and Massachusetts over vehement State and local objection serves no rational national policy objective, and flies in the teeth of the consistency policy of the OCS Lands Act.

Our bill will protect the northern California coastal area from San Luis Obispo County—north of any tract already leased—to the Oregon border.

It would preserve for continued human enjoyment all four northern geological basins, and the scenic panoramic points at the Mendocino headlands, the Point Reyes National Seashore, Bodega Bay, the Golden Gate National Seashore, the Farallon Islands, Santa Cruz beach, Monterey Bay, Big Sur and San Simeon.

I want to stress that no significant quantity of oil and gas is known to lie in these areas. But just one oil blowout, one major tanker spill, could devastate any of these spectacular scenic places and severely damage the marine life and the local industries that depend on it.

Southern California, too, has areas where oil and gas leasing does not make any sense. Our legislation covers some narrowly confined areas in the southeren California area.

The first is close to shore along the famous beaches of Orange County and San Diego.

Marine sanctuaries in the Santa Barbara Channel, previously protected from oil and gas leasing by Presidential Executive order, are also included.

One such area—the Santa Barbara ecological preserve and its accompanying buffer zone—was established during the Nixon administration by then Interior Secretary Wally Hickel, shortly after the 1969 oil blowout in the Santa Barbara Channel. This 18-mile ecological preserve extends parallel to the coast from Capenteria to Goleta seaward of the State's own 3-mile wide sanctuary. Our bill will keep free from oil development a 14-mile buffer zone extending several miles beyond the preserve.

In addition, the legislation will give statutory protection to the Channel Islands National Marine Sanctuary, a zone 6 nautical miles wide around the four northern Channel Islands and around Santa Barbara Islands to the south.

In creating the 1,000-square-mile Channel Island sanctury in 1980, President Jimmy Carter noted the area had "low hydrocarbon potential and therefore this designation will not be detrimental to our efforts to meet energy needs." The waters within the boundary are critical foraging areas for the diverse and unique marine mammal, bird, and fish populations which inhabit the islands.

The Santa Barbara Channel is the core of a major biogeographical transition zone—one of a handful in the world—where two continental ecosystems meet. Nutrients which are prolific in and around the channel provide food for close to 300 species of fish, helping produce a harvest of more than 500 million pounds of fish annually.

In addition, the channel contains 18 rare or endangered species, 6 rare plants, and 31 different marine mammals including 14 kinds of whales—an amazing diversity.

It is easy to imagine what one serious oilspill could do to this unique national treasure. The California sea otter—a threatened species which inhabits these waters—depends on its coat for survival. An encounter with oil is usually fatal for this wonderful creature.

The Department of the Interior is responsible for authorizing and carrying out the leasing of tracts on the OCS only where leasing makes both economic and environmental sense. Yet the policies of the present administration—established under Secretary Watt and never officially changed—have supported unrestrained leasing of the entire OCS. While departing Secretary Clark's administration was less confrontational, and demonstrated at least some preelection willingness to exercise restraint, that tenure is now ending. Those who value the preservation of these areas face new uncertainties. This struggle has gone on long enough.

Californians have fully demonstrated their willingness to support OCS oil and gas development in those California coastal areas where the resource potential is plentiful and the energy benefits outweigh the economic and environmental risks. I, too, have consistently supported leasing tracts on the OCS off those parts of California where substantial oil and gas can be obtained without destroying other highly valuable resources—air quality, important fishing, crabbing and tourism industries, marine wildlife, and beautiful, unspoiled beaches and coastal scenery. And I have strongly encouraged other forms of energy development.

The quantity of oil and gas at issue here is not large enough to make any significant difference in our national energy picture. But there are many sensible alternatives to OCS drilling that will do a better job of relieving our dependence on imported oil: accelerated geothermal leasing in appropriate areas, development of clean, renewable energy sources, a vigorous national program to increase energy efficiency, and research and development leading to new energy sources.

California is far ahead of the rest of the Nation in all of these areas, while continuing—as the fourth-leading oil producing State in the Union—to contribute a generous share of crude oil to our national supply.

I support the orderly development of our OCS resources. But I oppose a policy of giving multinational oil companies the option to search the public's undersea lands wherever they choose, without regard to competing values or the destruction that may take place. In each instance, we should weigh the economic and environmental costs of development. This legislation resolves for new in certain cherished areas that balance in favor of preservation, because these are areas which merit special consideration.

I urge its early adoption.●

By Mr. CHAFEE (for himself, Mr. STAFFORD, Mr. DUREN-

BERGER, Mr. BENTSEN, and Mr. MITCHELL):

S. 740. A bill to extend until October 1, 1995, the authority for appropriations to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands and other essential habitat, and for other purposes; to the Committee on Environment and Public Works.

EMERGENCY WETLANDS RESOURCES ACT

● Mr. CHAFEE. Mr. President, on May 19, 1983, I introduced S. 1329, the Emergency Wetlands Resources Act of 1983. The intent of the bill was to aid in abating the unacceptable rate of wetland losses that have been occurring nationwide in 1970's and 1980's. The House of Representatives developed legislation of similar content to strengthen our wetlands conservation capabilities and at the end of the 98th Congress passed a bill. Unfortunately, Congress adjourned before we could enact legislation. Today, I am reintroducing this bill, the Emergency Wetlands Resources Act of 1985, on behalf of myself and Senators STAFFORD, DURENBERGER, BENTSEN, and MITCHELL, to continue and complete this effort for improving our Nation's wetland conservation capabilities. This legislation provides strong practicable measures to reduce the losses which are very real and affect us in many ways.

The Emergency Wetlands Resources Act of 1985 will accelerate Federal and State acquisition of wetlands habitat, equitably distribute the costs of such acquisition by utilizing an existing source of funding—the land and water conservation fund—to supplement moneys provided by hunters and other conservationists, place a high priority on the national wetlands inventory project which maps and analyzes the status and trends of our Nation's wetlands, and will develop the information needed to decide how we can stop the destruction of these important natural areas that is currently being underwritten and encouraged with Federal tax dollars.

Mr. President, the need to conserve wetlands has never been more critical than it is today. At present, the modification and the destruction of wetland habitat is the single most important factor affecting migratory waterfowl abundance. We should not forget that wetlands are important for many reasons other than the conservation of waterfowl. They are biologically and economically important to the lives of every American. They contribute to the production of a commercial and recreational fishery harvest valued at several billion dollars annually. Equally important, they provide millions of Americans with opportunities for recreational activities such as boating and bird watching, support a major portion of the Nation's multimillion-dollar annual fur harvest, provide savings in natural flood and erosion control, and help to supply the Nation's increasing demand for safe, pure water. In all, wetlands contribute from $20 to $40 billion a year to the national economy.

For far too long, wetlands have been considered wastelands. They have been drained, or filled, and converted to other uses, often with technical and financial assistance through various governmental programs, including those for navigation, flood control, and agricultural development.

Approximately one-half of the 215 million acres of wetlands that once existed in the contiguous United States have disappeared and the continued destruction of these areas poses a serious threat to the Nation's environmental and economic well-being. A recent Department of Interior study concerning the status and trends of wetlands in the United States found that current losses total 458,000 acres, or 715 square miles, every year. Over 9 million acres, an area nearly twice the size of New Jersey, were lost in the 20-year period from the 1950's to the 1970's covered by the study.

A Federal role in the acquisition of wetland habitat has been recognized by Congress for many years. The enactment of the Migratory Bird Conservation Act in 1929 and the Migratory Bird Hunting and Conservation Stamp Act of 1934 established the foundation for our present wetland acquisition program. Other programs have also contributed. The enactment of the Wetlands Loan Act in 1961, as amended, has generated to date some $145 million in loan money for acquiring wetlands. Contributions from the land and water conservation fund have supplemented wetland acquisition efforts but only to the extent that the area acquired is for a congressionally authorized refuge or is habitat for an endangered species. Although the Federal Government obviously cannot purchase all wetlands, we should, at a minimum, accelerate the acquisition program that is well established.

If we do not enact and implement this legislation soon, we will continue to delay the acquisition of important fish and wildlife habitat areas until they either are out of our acquisition price range or converted to nonproductive wetlands. We will also continue various Federal assistance programs that detrimentally affect wetlands and cause economic losses. In short, we will not only lose very precious, limited natural resources of high social value, we will continue to waste money.

Preservation of wetlands makes good economic sense. Our coastal communities whose lifeblood is derived from multimillion-dollar finfish and shellfish economies, are dependent upon wetlands. These economies can be stable and continue to be diversified. They range from direct commercial harvest to sport fishing and related tourist-type uses. I am specifically referring to the commercial fisherman, and associated buyers, and sellers, who must have ample and productive wetlands to maintain nursery and other functions required for production. Similarly, a major segment of these communities are those local concerns which derive income from bird watchers and other outdoor enthusiasts, from sport fishing, hunting, and recreational economies that depend on the continued maintenance of wetlands: tackle, bait, and hunting supply stores, boat sales, charter and guide services, restaurants, motels, gasoline stations, and other support services. I am not referring to a few isolated communities but rather an almost continuous band of cities and towns, both large and small, that are located throughout the lengths of our coasts, the Great Lakes, northern Minnesota, and other regions.

Without ample, productive bays and estuaries in coastal areas, without bottomland hardwood wetlands, swamps, and marshes along our inflowing rivers, and without our pothole and other wetland production and wintering use habitats in our migratory waterfowl flyway States, we will be unable to maintain these economic bases. Given the fact that these economic resources are naturally renewable, requiring little more than the commonsense protection of wetlands for fishery nursery and other production needs and, similarly, waterfowl and other wetland bird habitat maintenance requirements, it makes little sense to allow the destruction of these resources to continue unabated.

Of further concern is the continuance and costly consequences of ill-planned Federal programs that are directly and indirectly destroying wetlands. Powerful mandates to reduce monetary burdens on our taxpayers have dominated 1984 and 1985, especially in regard to various agriculture and other federally funded programs. With this in mind, we must critically review and cease needless Federal programs, such as those that at best only continue to aggravate flooding problems or cause the loss of vitally important municipal and industrial water supplies.

For example, we have dredged and channelized our river systems in the South to the point that many swamps and marshes no longer receive sufficient inflows for their maintenance and we are now on the verge of eliminating the very last of our bottomland hardwoods. Certain Corps of Engineers [COE] and Department of Agriculture [USDA] drainage programs have not only directly devastated these areas but, at the same time, have encouraged conversion of lowlands for agricultural production. The result—every time these lowlands

flood as a result of continued upstream channelization and land conversion efforts that are supported by the Federal Government, the local communities and farmers have to contend with flooding losses. The original floodwater storage function once provided by these wetlands no longer exists. They have been bypassed by shortsighted or incorrectly designed Corps of Engineers and USDA channelization and levee projects. In addition, inordinate amounts of bottomland hardwoods have been converted to croplands. During wet years, wetlands that have been altered or destroyed can no longer store floodwaters. Crop damages result. During dry years when farmers do successfully get good crop production, the bottom falls out of the commodity market due to excessive surplus levels and disastrously low prices result. Thus, the Federal Government has effectively destroyed the economic bases of these wetland habitat areas. We see Farmers Home Administration mortgage foreclosures. In bottomland hardwoods areas, the people no longer have a sustained timber industry because the hardwoods have been removed and require a minimum of 60 to 70 or more years to reach harvest levels.

There are numerous examples where Federal programs to remove or alter wetlands have had serious, detrimental impacts.

At the same time, we are sitting by while the Corps of Engineers, with little or no resistance from the Environmental Protection Agency, completely dismantles our wetlands protection capability provided in section 404 of the Clean Water Act. Requests by the U.S. Fish and Wildlife Service as well as various States for project modifications are ignored. This is evidenced by the corps refusal to amend their current memorandum of agreement with the U.S. Fish and Wildlife Service to assure that practicable alternatives and adequate mitigation plans are developed for certain proposed activities. This wetlands protection program is so ineffective under the corps current administration that former Assistant Secretary for Fish and Wildlife and Parks, G. Ray Arnett, wrote in a November 7, 1984, letter to Acting Assistant Secretary of the Army Robert K. Dawson, "* * * Army's [wetlands] regulatory program is so flawed, it is no longer a usable tool to adequately protect wetlands." Mr. Arnett further requested that "* * * we [Corps and U.S. Fish and Wildlife Service] meet to discuss revisions of the existing MOA * * *." Mr. Dawson and the corps continue to ignore these requests from a parallel arm of the administration. During 1982, the corps also removed protection of important isolated pothole and related wetlands. Although they reinstated protection last October 5, 1984, because the public, our citizens, forced them to, the corps grandfathered thousands of acres of wetlands already slated for destructive activities. To this day, the corps is allowing the district engineers to unilaterally restrict the jurisdictional reach of the 404 program by refusing to recognize or acknowledge that the use of wetlands by migratory birds for breeding or any other purpose is a sufficient interstate commerce connection to trigger 404.

Again, the result—we, the Federal Government through the Corps of Engineers and the Environmental Protection Agency are sanctioning the loss of wetlands and their valuable natural resource functions by allowing wetland areas to be seriously deteriorated or completely lost even when practicable alternatives exist and proper mitigation plans can be developed. And who pays? Not the people associated with the Corps of Engineers or Federal Government, but the local communities that suffer the loss of fishery and wildlife supported economies and are forced to pay increased taxes and local bonds to fund future local, State, and, yes, Federal projects to correct previous resource destruction violations.

Mr. President, this is an important issue. I have scheduled hearings before the Subcommittee on Environmental Pollution for April 18. Having approved virtually identical legislation last year, we should be able to proceed to markup quickly and report a bill for consideration by the full Senate within a matter of weeks.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Wetlands Resources Act of 1985".

FINDINGS AND STATEMENT OF PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) wetlands play an integral role in maintaining the quality of life through material contributions to our national economy, food supply, water supply and quality, flood control, and fish, wildlife, and plant resources, and thus to the health, safety, recreation, and economic well-being of all our citizens;

(2) wetlands provide habitat essential for the breeding, spawning, nesting, migration, wintering and ultimate survival of a major portion of the Nation's migratory and resident fish and wildlife, including migratory birds, endangered species, commercially and recreationally important finfish, shellfish and other aquatic organisms, and contain many unique species and communities of wild plants;

(3) our Nation's migratory bird treaty obligations with Canada, Mexico, Japan, the Union of the Soviet Socialist Republics, and with various countries in the Western Hemisphere require Federal protection of wetlands used by migratory birds for breeding, wintering or migration and needed to achieve and to maintain optimum population levels, distributions, and patterns of migration;

(4) wetlands, and the fish, wildlife, and plants dependent thereon, provide significant recreational and commercial benefits, including—

(A) contributions to a commercial marine harvest valued at over $10,000,000,000 annually;

(B) support for a major portion of the Nation's multi-million dollar annual fur and hide harvest; and

(C) fishing, hunting, birdwatching, nature observation and other wetland-related recreational activities that generate billions of dollars annually;

(5) wetlands enhance the Nation's water quality and supply by serving as groundwater recharge areas, nutrient traps and chemical sinks;

(6) wetlands provide a natural means of flood and erosion control by retaining water during periods of high runoff, thereby protecting against loss of life and property;

(7) wetlands constitute only a small percentage of the land area of the United States, are estimated to have been reduced by half in the contiguous States since the founding of our Nation, and continue to disappear by hundreds of thousands of acres each year;

(8) certain activities of the Federal Government have inappropriately altered or assisted in the alteration of wetlands, thereby unnecessarily stimulating and accelerating the loss of these valuable resources and the environmental and economic benefits that they provide; and

(9) the existing Federal, State, and private cooperation in wetlands conservation should be strengthened in order to minimize further losses of these valuable areas and to assure their management in the public interest for this and future generations.

(b) PURPOSE.— It is the purpose of this Act to promote, in concert with other Federal and State statutes and programs, the conservation of our Nation's wetlands in order to maintain the public benefits they provide and to fulfill international obligations contained in various migratory bird treaties and conventions with Canada, Mexico, Japan, the Union of Soviet Socialist Republics, and with various countries in the Western Hemisphere by—

(1) intensifying cooperative efforts among private interests and local, State, and Federal governments for the management and conservation of wetlands; and

(2) intensifying efforts to protect the Nation's wetlands through acquisition in fee, easements or other interests and methods by local, State, and Federal governments and the private sector.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(a) "Committees" means the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Environment and Public Works of the Senate;

(b) "Secretary" means the Secretary of the Interior; and

(c) "wetland" means land transitional between terrestrial and aquatic systems where the water table is usually at or near the surface or the land is covered by shallow water. Generally, wetlands are areas inundated or saturated by surface or ground water fre-

quently enough and for long enough duration to support a prevalence of plants or animals typically adapted to life in saturated soil conditions including but not limited to such areas as coastal or inland marshes or estuaries, river-associated water-saturated areas, inland lakes, potholes, bogs, mudflats, or bottomland hardwood forests.

TITLE I—EXTENSION OF WETLANDS LOAN ACT

SEC. 101. (a) the first section of the Act entitled "An Act to promote the conservation of migratory waterfowl by the acquisition of wetlands, and for other essential waterfowl habitat, and for other purposes", approved October 4, 1961 (75 Stat. 813; 16 U.S.C. 715k-3) (referred to in this Act as the "Wetlands Loan Act"), is amended by striking out "September 30, 1986" and inserting in lieu thereof "September 30, 1996".

(b) Section 3 of the Wetlands Loan Act (75 Stat. 813; 16 U.S.C. 715k-5) is amended by striking out the first three sentences thereof.

TITLE II—REVENUES FOR MIGRATORY BIRD CONSERVATION FUND

ADMISSION FEES AT CERTAIN REFUGE UNITS

SEC. 201. (a) Notwithstanding the provisions of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897: 16 U.S.C. 4601-4 et seq.), in order to provide additional revenues for the conservation of the Nation's wetland resources, entrance or admission fees may be charged at certain units of the National Wildlife Refuge System designated by the Secretary of the Interior for such fees (referred to in this Act as "designated units").

(b) A valid migratory bird hunting and conservation stamp, as established under the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718a), as amended, or a valid Golden Eagle Passport, as established under the Land and Water Conservation Fund Act of 1965 (78 Stat. 897; 16 U.S.C. 4601-4 et seq.), shall function as a permit for entry into any designated unit. Use of a valid migratory bird hunting and conservation stamp as a permit under this subsection shall not affect the requirements of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718a), as amended, relating to the taking of migratory waterfowl.

(c)(1) Permits for a single visit to any designated unit shall be made available by the Secretary of the Interior at reasonable admission fees for persons who choose not to purchase an annual permit as provided in subsection (b) of this section. For purposes of this subsection, "single visit" means a more or less continuous stay within a designated unit by a person or group described in subsection (d) of this section. Payment of a single visit admission fee and issuance of a single visit permit shall authorize exits from and re-entries to a single designated unit for a period of from one to fifteen days. Such period shall be defined for each designated unit by the Secretary based upon a determination of the period of time reasonably and ordinarily necessary for such a single visit.

(2) Special admission permits for uses such as group activities may be issued in accordance with procedures and at fees established by the Secretary.

(3) Notwithstanding section 401 of the Act of June 15, 1935 (49 Stat. 383; 16 U.S.C. 715a), as amended, revenues from permits under this subsection, less 10 per centum to be used—

(A) to defray administrative costs incurred by the Secretary in providing for such permits; and

(B) for the purposes for which the designated units have been established;

shall be paid into the migratory bird conservation fund established under section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended.

(d) A permittee pursuant to subsection (b) or (c) of this section and any persons accompanying such permittee in a single, private, noncommercial vehicle, or, where entry to the area is by any means other than a single, private noncommercial vehicle, the permittee and any accompanying spouse, children, or parents shall be entitled to general entrance into any designated unit.

(e) The Secretary of the Interior shall establish procedures providing for the issuance of a lifetime admission permit to any citizens of, or person domiciled in, the United States, if such citizens or person applies for such permit, and is blind, or permanently disabled. Such procedures shall assure that such permit shall be issued only to persons who have been medically determined to be blind or permanently disabled for purposes of receiving benefits under Federal law as a result of said blindness or permanent disability as determined by the Secretary. Such permit shall be nontransferable and shall be issued without charge.

(f) The Secretary of the Interior shall establish procedures providing for the issuance of a lifetime admission permit to any citizen of, or person domiciled in, the United States, if such citizen or person applies for such permit, and is sixty-two years of age or older. Such permit shall be non-transferable and shall be issued without charge.

(g) No admission fee shall be charged for travel by private noncommercial vehicle over any road or highway established as part of the National Federal Aid System, as defined in section 101 of title 23, United States Code, which is commonly used by the public as a means of travel between two places which are outside the designated unit. Nor shall any fee be charged for travel by private noncommercial vehicle over any road or highway to any land in which such person has a property interest if such land is within any designated unit.

(h) Any permit authorized by this section shall be non-transferable and shall be available for purchase at any designated unit. Such permit shall not authorize any uses for which fees are charged under the Land and Water Conservation Fund Act of 1965 (78 Stat. 897; 16 U.S.C. 4601-4 et seq.).

(i) All fees established pursuant to this section shall be fair and equitable, taking into consideration the direct and indirect cost to the Government, the benefits to the recipient, the public policy or interest served, the comparable fees charged by non-Federal public agencies, the economic and administrative feasibility of fee collection and other pertinent factors. Clear notice that a fee has been established pursuant to this section shall be prominently posted at each designated unit and at appropriate locations therein and, to the extent practicable, shall be included in publications distributed at such units.

(j) Periodic reports indicating the number and location of fee collection areas, the number and location of potential fee collection areas, capacity and visitation information, the fees collected, and other pertinent data, shall be coordinated and compiled by the United States Fish and Wildlife Service and transmitted to the Committee on Merchant Marine and Fisheries of the United States House of Representatives and the Committee on Environment and Public Works of the United States Senate. Such reports, which shall be transmitted no later than March 31 annually, shall include any recommendations which the Service may have with respect to improving this aspect of the migratory bird conservation fund program.

PRICE OF MIGRATORY BIRD HUNTING AND CONSERVATION STAMP

SEC. 202. Section 2(b) of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718b), as amended, is amended by striking out "$7.50" and inserting in lieu thereof "$10.00" and by striking out "any hunting year" and inserting in lieu thereof "hunting years 1986 and 1987, $12.50 for hunting years 1988 and 1989, and $15.00 for each hunting year thereafter,".

TRANSFERS TO MIGRATORY BIRD CONSERVATION FUND

SEC. 203. Notwithstanding any other provision of law, an amount equal to the amount of all import duties collected on arms and ammunition, as specified in subpart A of part 5 of schedule 7 of the Tariff Schedules of the United States, shall, after the date of the enactment of this Act, be paid quarterly into the migratory bird conservation fund established under section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended.

SEC. 204. (a) There is established in the Treasury of the United States a fund to be known as the Wetlands Conservation Fund consisting of the amounts that are transferred to it under subsection (b).

(b) For each fiscal year beginning on October 1, 1985, and ending on the close of September 30, 1995, there shall be transferred $75,000,000 to the fund from the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-5).

(c)(1) For each fiscal year referred to in subsection (b), there is authorized to be appropriated from the Wetlands Conservation Fund $75,000,000 to carry out sections 205 and 301.

(2) Of any sum appropriated for any fiscal year under paragraph (1)—

(A) such percentage of that sum (but not more than 66⅔ per centum thereof) as is considered appropriate by the Secretary may be expended to carry out section 301; and

(B) the remainder of such sum shall be expended to carry out section 205.

SEC. 205. The Secretary is authorized to carry out Federal acquisitions that are consistent with the wetlands priority conservation plan established under section 302 of this Act: *Provided*, That for fiscal years 1986 and 1987 the Secretary shall carry out Federal wetlands acquisitions as directed in applicable appropriations Acts.

SEC. 206. Section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-9(a)(1)) is amended by striking out "except migratory waterfowl areas which are authorized to be acquired by the Migratory Bird Conservation Act of 1929, as amended (16 U.S.C. 715-715s)".

TITLE III—FINANCIAL ASSISTANCE TO STATES FOR WETLANDS CONSERVATION

SEC. 301. (a) Subsection (b) of section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended, is amended by striking out "subsection (c)" and inserting in lieu thereof "subsections (c) and (d)".

(b) Section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended, is amended by inserting at the end thereof the following new subsection:

"(d)(1) For the purposes of this subsection—

"(A) the term 'wetlands acquisition' means obtaining a property interest in wetlands or associated areas by purchase or lease if obtaining such interest contributes appreciably to the long-term preservation of said wetlands and associated populations of fish, wildlife, and plants;

"(B) the term 'wetlands conservation' means wetlands acquisition or wetlands enhancement;

"(C) the term 'wetlands enhancement' means a project (which may include but is not limited to construction, fresh water flow control, and the introduction of appropriate flora) that will (i) establish a wetland, (ii) increase the size of an existing wetland, or (iii) restore the natural quality of an existing wetland.

"(2) For the period beginnig on October 1, 1985, and ending at the close of September 30, 1995, the Secretary of the Interior is authorized to provide from the fund financial assistance not to exceed $50,000,000 annually to the States for purposes of wetlands conservation. Payments for such purposes shall be made to the States as hereinafter provided, subject to such terms and conditions as the Secretary considers appropriate and in the public interest.

"(3) For each fiscal year, sums available from the fund for wetlands conservation under this subsection shall, after deduction by the Secretary of an amount necessary (not to exceed 4 per centum of the total of amounts allocated to the States under this subsection) to defray the administrative costs incurred by the Secretary in administering this subsection shall be apportioned among the States as follows:

"(i) 50 per centum thereof shall be apportioned on the basis of the ratio, as determined by the Secretary, which each State's obligation of funds other than Federal funds, to wetlands conservation in that State bears to the total amount of funds other than Federal funds, obligated by all such States to wetlands conservation during the most recent fiscal year for which the calculation of such funds is practicable; and

"(ii) 50 centum thereof shall be apportioned on the basis of the extent to which the respective States propose to carry out wetlands acquisition and enhancement projects that are consistent with the national wetlands priority conservation plan established under section 302 of the Emergency Wetlands Resources Act of 1985.

Apportionments made under this subsection shall be adjusted equitably so that no less than one-half of 1 per centum of the total amount apportioned shall be allocated to each State that elects to avail itself of the benefits of this subsection.

"(4) A State may elect to avail itself of the benefits of this subsection by:

"(A) submitting to the Secretary a comprehensive fish and wildlife resource management plan which shall ensure the perpetuation of these resources for the economic, scientific and recreational enrichment of the people. Such plans will be prepared with opportunity for public comments and provided in a format required by the Secretary which shall be compatible with standards and formats required of States for other fish and wildlife grants administered by the Secretary, particularly the Federal Aid in Wildlife Restoration Act (16 U.S.C. 669 et seq.), Federal Aid in Sport Fish Restoration Act (16 U.S.C. 777 et seq.), and Fish and Wildlife Conservation Act of 1980 (16 U.S.C. 2901 et seq.). If the Secretary finds that such plans conform to standards established by him and approves such plans, he may finance up to 75 per centum of the cost of implementing segments of those plans meeting the purposes of this subsection from funds apportioned under this subsection; or

"(B) submitting to the Secretary full and detailed statements of any wetlands conservation project proposed for that State. If the Secretary finds, after opportunity for public comment, that such project meets with the standards set by him and approves said project, the State shall furnish the Secretary such surveys, plans, specifications, and estimates therefore as may be required. If the Secretary approves the plans, specifications, and estimates for the project, he shall so notify the State within ninety days of receiving said plans, specifications, and estimates and immediately set aside so much of the fund as represents the share of the United States payable under this subsection on account of such project, which sum so set aside shall not exceed 75 per centum of the total estimated cost thereof.

"(5) The Secretary shall approve only such comprehensive plans or projects as may be substantial in character and design and the expenditure of funds hereby authorized shall be applied only to such approved wetlands conservation plans or projects and if otherwise applied they shall be replaced by the State before it may participate in any further apportionment under this subsection. No payment of any money apportioned under this subsection shall be made on any comprehensive wetlands conservation plan or project until an agreement to participate therein shall have been submitted to and approved by the Secretary.

"(6) When the Secretary finds that any approved project or segment of an approved comprehensive plan has been completed in compliance with approved plans and specifications or an approved comprehensive plan the Secretary shall cause to be paid to the proper authority of such State the amount set aside for said project or plan. The Secretary may from time to time make payments on said project or plan as the same progresses; but these payments, including previous payments, if any, shall not be more than the United States' pro rata share of the project in conformity with said plans and specifications or said comprehensive plan.

"(7) The Secretary may enter into agreements to fund an initial portion of a project and to agree to fund the remaining costs from subsequent apportionments if and when they become available. The liability of the United States in such an agreement is contingent upon the continued availability of funds for the purposes of this subsection.

"(8) Any amount of any apportionment under paragraph (3) of this subsection that for any fiscal year remains unobligated at the close thereof shall continue to be available for obligation until the close of the succeeding fiscal year. At the close of such succeeding fiscal year, such amounts shall be available to the Secretary for one additional fiscal year for obligation, without regard to paragraph (3) of this subsection, to the States to carry out the purposes of this subsection. At the close of this additional fiscal year, any unobligated amounts shall remain in the migratory bird conservation fund established under section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended, and shall become available for expenditure under said Act.

"(9) The Secretary is authorized to make rules and regulations for carrying out the provisions of this subsection.".

SEC. 302. The Secretary, after consultation with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, the Secretary of Agriculture, and the States, shall establish, and periodically review and revise, a national wetlands priority conservation plan which shall specify, on a region-by-region or other basis deemed appropriate by the Secretary, the types of wetlands to which priority should be given with respect to wetlands acquisition and the implementation of enhancement projects. For the purposes of this section, the terms "wetlands acquisition" and "enhancement" shall have the same meaning as set forth in subsection (d) of section 4 of the Act of March 16, 1934 (48 Stat. 451; 16 U.S.C. 718d), as amended by this Act. In establishing such priorities, the Secretary shall take into account—

(1) the significance of the loss or threat of loss of the respective types of wetlands; and

(2) the contributions which the respective types of wetlands make to—

(A) wildlife, including endangered and threatened species, migratory birds, and resident species.

(B) commercial and sports fisheries, and

(C) surface and ground water quality and quantity, and flood control.

TITLE IV—WETLANDS INVENTORY AND TREND ANALYSIS

SEC. 401. (a) The Secretary, acting through the Director of the United States Fish and Wildlife Service, shall continue the National Wetlands Inventory Project and shall—

(1) produce, by September 30, 1988, National Wetlands Inventory maps for the areas that have been identified by the Service as top priorities for mapping, including the entire coastal zone of the United States, floodplains of major rivers and the Prairie Pothole Region;

(2) produce, by September 30, 1990, National Wetlands Inventory maps for those portions of the contiguous United States for which final maps have not been produced earlier;

(3) produce, as soon as practicable, National Wetlands Inventory maps for Alaska and other noncontiguous portions of the United States; and

(4) produce, by September 30, 1986, and at ten year intervals thereafter, reports to update and improve the information contained in the report dated September 1982 and entitled "Status and Trends of Wetlands and Deepwater Habitat in the Coterminous United States, 1950's to 1970's".

(b) There is authorized to be appropriated the following sums, to remain available until expended:

(1) $14,500,000 per fiscal year for the fiscal years beginning on October 1, 1985, and ending at the close of September 30, 1988, to carry out paragraph (1) of subsection (a) of this section;

(2) $6,750,000 per fiscal year for the fiscal years beginning on October 1, 1988 an ending at the close of September 30, 1995, to carry out paragraphs (2) and (3) of subsection (a) of this section; and

(3) $900,000 per fiscal year for the fiscal years beginning on October 1, 1985, and ending at the close of September 30, 1995, to

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carry out paragraph (4) of subsection (a) of this section.

REPORT TO CONGRESS

SEC. 402. (a) The Secretary shall, by September 30, 1986, prepare and submit to the Committees a report regarding wetlands losses in the United States.

(b) The report required under subsection (a) shall contain—

(1) an analysis of the causes of wetlands destruction and degradation;

(2) a compilation and analysis of Federal statutory and regulatory mechanisms, including expenditures and financial assistance, which induce wetlands destruction or degradation;

(3) a compilation and analysis of Federal expenditures resulting from wetlands destruction and degradation;

(4) an analysis of the environmental and economic impact of eliminating or restricting future Federal expenditures and financial assistance, whether direct or indirect, which have the effect of encouraging the destruction or degradation of wetlands, including but not limited to: public works expenditures; assistance programs such as price support programs, commodity loans and purchase programs and disaster assistance programs; soil conservation programs; and certain income tax provisions.

(5) an analysis of the environmental and fiscal impact of failure to restrict future Federal expenditures and financial assistance which have the effect of encouraging the destruction or degradation of wetlands, including but not limited to: assistance for normal silviculture activity (such as plowing, seeding, planting, cultivating, minor drainage, or harvesting for the production of fiber or forest products); Federal expenditures required incident to studies, evaluations, design, construction, operation, maintenance, or rehabilitation of Federal water resource development activities, including channel improvements; the commodity loans and purchases program and cotton, feed grain, wheat, and rice production stabilization programs administrated by the Department of Agriculture; Federal expenditures for the construction of publicly owned or publicly operated highways, roads, structures, or facilities that are essential links in a larger network or system; and general revenue sharing grants made under section 102 of the State and Local Fiscal Assistance Amendments of 1972 (86 Stat. 919; 31 U.S.C. 1221); and

(6) recommendations for the conservation of wetlands resources based on an evaluation and comparison of all management alternatives, and combinations thereof, such as State and local actions, Federal actions, and initiatives by private organizations and individuals.

(c) There is authorized to be appropriated $1,000,000 to carry out the provisions of this section, which sum shall be available until expended.●

● Mr. BENTSEN. Mr. President, we are today introducing the Emergency Wetlands Resources Act of 1985—legislation designed to preserve our rapidly disappearing wetland areas. It has been estimated that we are losing this valuable natural resource at a rate of 458,000 acres each year, and that almost one-half of this Nation's wetlands are gone forever. My own State of Texas has lost over 600,000 acres of its original coastal wetlands to dredge and fill activities.

Wetlands are of special importance to many Americans because of the abundance of wildlife they support. For example, 60 percent to 70 percent of the 10 to 12 million ducks produced annually in the coterminous United States breed in prairie potholes or wetland areas of the Northern United States. These waterfowl form the base of a large industry through the expenditures of 2.5 million waterfowl hunters and an even larger number of bird watchers and other outdoor recreationists.

The continuing loss of wetlands is of particular concern in Texas because of the far-reaching benefits of these areas to our State. As examples:

In 1981, the commercial fishing harvest in Texas totaled 113,108,000 pounds of fish and shellfish worth $174,787,000. The great majority of the species caught depends on coastal marshes or estuaries for at least part of their life cycles.

The 260,000 acres of coastal marshes in Texas produce up to 350,000 muskrat pelts annually.

The Southern High Plains of Texas rank second only to the Texas Gulf Coast in importance as wintering areas for waterfowl in the Central Flyway. In peak years, more than 100,000 ducks have wintered at Muleshoe National Wildlife Refuge.

Wetlands across the Nation are lost due to filling, dredging, draining, impoundment or combinations of these activities, and they are being lost at alarming rates.

The major source of Federal funding for wetlands acquisition has been the Migratory Bird Conservation Account established in the 1930's. The sale of migratory bird hunting and conservation stamps—popularly known as duck stamps—raises approximately $14.5 million per year. More than $225 million has been spent for habitat acquisition under this popular program.

In 1961 Congress passed the Wetlands Loan Act to accelerate the acquisition of wetlands. This law authorizes $200 million to be appropriated over a 10-year period as a loan against future duck stamp revenues. The authorization, which has resulted in appropriations of more than $145 million, expires at the end of fiscal year 1986. If the loan is not forgiven or extended it must be repaid beginning in fiscal year 1987 by using 75 percent of the duck stamp revenues.

During the 1950's the Department of Interior, the States, and the International Association of Fish and Wildlife Agencies jointly determined that 12.5 million acres of waterfowl habitat should be under State and Federal protection. The Federal share of this proposed acquisition was placed at 8 million acres, including 3.5 million already owned.

In 1976, 1.95 million acres of the Federal portion remained to be acquired, and the U.S. Fish and Wildlife Service targeted a 10-year period between fiscal year 1977 and fiscal year 1986 for the acquisition. In the first 7 years of the period, the Service will have acquired only about 18 percent, or 359,410 acres. Additional Federal funds must be provided if this important wetland habitat is to be preserved before it is permanently lost.

Title I of this legislation would extend the authorization of funds under the Wetlands Loan Act for 10 years, and forgive repayment.

Under title II, important provisions are included to raise the needed funds. Section 201 would provide secretarial authority to charge entrance fees at certain designated units of the National Wildlife Refuge System, and the $3.5 million to $5 million collected would be placed in the Migratory Bird Conservation Fund. In this way, birdwatchers, nature photographers and other nonhunters would also have the opportunity to support wetland conservation. Holders of duck stamps would be exempt from the entrance fee.

Section 202 would increase the price of duck stamps to $15 over a 4-year period. Hunters in Texas and across the Nation have traditionally been willing to help pay for wildlife conservation, either through the Pittman-Robertson, Dingell-Johnson, or duck stamp fees, and they have indicated a willingness to fund an increase if these funds are used for wetland acquisition and if nonhunters are asked to pay a fair share through entrance fees.

Section 203 would direct that duties on imported arms and ammunition be paid into the Migratory Bird Conservation Fund.

Section 204 would direct that $75 million be authorized each year for an emergency 10-year period, to come from the Land and Water Conservation Fund, for Federal and State wetlands acquisition.

The bill would provide financial assistance to States for wetlands acquisition by authorizing a 10-year program of matching grants. The program would make $50 million available each year for grants equal to 75 percent of project costs.

Another important provision would require that the Secretary conduct a study and prepare a report to Congress on the subject of wetland losses in the United States.

Mr. President, the swamps, bogs, wet meadows, fresh and saltwater marshes, prairie potholes and bottomland hardwoods that make up wetlands are a very valuable national resource.

They reduce flood volume and thus reduce flood damage, control local storm runoff, recharge ground water supplies, filter pollutants and sediments from our water, control erosion,

increase fisheries production and offer a variety of recreational, educational and scientific uses.

Acquisition and protection of wetlands should have the support of hunters and nonhunters alike, and I believe that all of our citizens and future generations of Americans will benefit from this legislation.●

● Mr. MITCHELL. Mr. President, I am pleased to join Senator CHAFEE today as a sponsor of the Emergency Wetlands Conservation Act of 1985. This measure will contribute substantially to the acquisition and protection of one of our Nation's important resources—wetlands.

Few Americans would disagree that wetlands are of national importance. Waterfowl and other water birds are extremely dependent on wetlands thoughout their life cyles, as are many fur-bearing animals. It is estimated that nearly two-thirds of the fish caught by American commerical fishermen are dependent on estuarine areas and their associated wetlands. These areas also buffer the effects of storms, purify water, aid in ground water recharge and provide substantial flood control.

The State of Maine benefits enormously from its wetlands. Fish and wildlife nurtured by wetlands provide recreational hunting, fishing and trapping opportunities for nearly 40,000 people in our State. These activities contribute nearly $120 million annually to Maine's economy. More than $7 million is received from fishing and hunting licenses alone.

Wetlands are also vital to the commercial fish and shellfish industry in Maine. Wetland tidal flats represent 48 percent of the intertidal habitats of Maine. Fisheries of the tidal flats rely heavily on organic material from adjacent coastal, estuarian, riverine, and salt marsh habitats. As a result, many of Maine's commercial fish species, including herring, mackerel, smelt, hake, scup, menhaden, flounder, cod, haddock, and perch are dependent upon wetlands for various stages in their life cycles. In recent years the commerical fishing harvest in Maine has totaled over 200 million pounds of fish and shellfish worth over $100 million.

The rate of destruction of wetland areas is truly alarming. Each day this Nation loses almost 1,000 acres of wetlands to dredging, filling, draining and impoundment. We are losing wetlands at a rate of 458,000 acres per year. More than 100 million acres—nearly half of the wetlands once found in the lower 48 States—are now gone. We must as a nation renew our efforts to save these precious resources.

The legislation which we are introducing today would assist the Federal Government and the States in meeting wetland acquisition goals. The bill would authorize the Secretary of the Interior to charge entrance fees at certain units of the National Wildlife Refuge System. Holders of migratory bird hunting and conservation stamps—duck stamps—would be exempt from the entrance fee. This fee, though nominal, would provide nonhunters who enjoy wildlife, such as birdwatchers and nature photographers, an opportunity to assist in acquiring wildlife habitat. The fee would raise from $3.5 to $5.0 million with which to acquire wetlands.

In addition, the bill would gradually, over 4 years, increase the price of duck stamps from $7.50 to $15. Hunters since 1934, have purchased migratory bird hunting and conservation stamps—or duck stamps. The sale of these stamps has raised more than $225 million for the acquisition of over 3 million acres of waterfowl habitat. Hunters have always been willing to pay their share for wildlife management and conservation and have indicated a willingness to pay more to increase wetland acquisition as long as others are also willing to contribute. The increase in the duck stamp would raise an additional $14.5 million annually.

The legislation would direct that duties on imported arms and ammunitions be used for wetland acquisition. This provision would raise $9.5 million annually.

The bill would authorize $75 million each year, for an emergency 10-year period, from the Land and Water Conservation Fund for Federal and State wetlands acquisition. Up to $50 million of this funding would be available for matching grants to States to fund 75 percent of the cost of State wetland projects.

Finally, the legislation would accelerate completion of the National Wetlands Inventory Program for mapping the Fish and Wildlife Service's priority wetland areas, and would require that the Secretary conduct a study and prepare a report to Congress regarding wetland losses in the United States. The study would examine the extent to which Federal subsidies encourage the destruction of wetlands and would make recommendations for the conservation of wetland resources based on an evaluation and comparison of all management alternatives.

Mr. President, I believe this measure is an important step toward halting the destruction and loss of our Nation's wetlands. I look forward to its early consideration by the Committee on Environment and Public Works and by the Senate.●

By Mr. QUAYLE:

S. 742. A bill to improve the acquisition of weapon systems by the Department of Defense; to the Committee on Armed Services.

DEFENSE PROCUREMENT IMPROVEMENT ACT

Mr. QUAYLE. Mr. President, I am introducing today the Defense Procurement Improvement Act of 1985. The basic objective of this act is to assist the DOD in better managing its procurement program. Given the scarce budget resources available for allocation to defense needs, it is critical that we work to improve our defense procurement system. As the costs of weapon systems rise—and as the portion of the defense budget devoted to procurement grows in coming years—we must leave no stone unturned in our search for ways to make the defense acquisition process more efficient.

The American taxpayers have every right to expect the Pentagon to spend their moneys prudently. Over the past year, it has been my privilege to help lead the campaign in Congress to achieve necessary defense procurement reform. As chairman of the new Defense Acquisition Policy Subcommittee, I'm determined to see to it that the Senate Armed Services Committee continues working to restore the taxpayers' confidence that their investment in our national security is being safeguarded by requiring the Pentagon to improve its management of procurement—and by insisting that defense contractors provide quality workmanship at reasonable and allowable costs.

On February 20 of this year, I identified in a statement on the Senate floor eight concerns about the defense procurement process which I think should be addressed in 1985. Over the last month, the Subcommittee on Defense Acquisition Policy has held four hearings to consider these and related subjects. The legislation that I am introducing today is intended to address the problems which I discussed last month.

I would like to briefly summarize for my colleagues the provisions of this bill. First, the bill is intended to promote competition in the procurement of major weapon systems. It does this by requiring the Secretary of Defense to establish and maintain two or more production sources for each major weapon system, unless certain limited exceptions are met.

It is often stated that there is competition in the award of contracts for major weapon systems. This is true, to a degree. There is usually an initial competition, but once the contractor is selected, that contractor more often than not has a monopoly on the system throughout production. The Competition in Contracting Act of 1984 was intended in part to address this problem. But I think that the most effective means of solving the problem is to make it the rule, not the exception, that we have at least two production sources for major weapon systems so that we have competition throughout the production of the system.

The success of a dual source procurement strategy has often been demonstrated. The Air Force believes that the continuing competition between General Electric and Pratt & Whitney for the production of the alternate fighter engine is likely to save more than $2 billion through the life of the program. The Navy believes it is saving large amounts of money by annually competing its procurement of attack submarines. In general, it appears that when there are at least two production sources, competition forces efficiency and thus lower costs.

The bill does provide three conditions for a waiver of this requirement. If the establishment and maintenance of two or more production sources would result in substantial duplication of cost to the Government which would not be recovered through savings from competition, then a single source is permissible. Similarly, if the establishment and maintenance of dual sources would result in unacceptable delay in the procurement, the requirement can be waived. Finally, if a dual or multiple source strategy is not otherwise in the national interest, the requirement can be waived.

Under this provision, the Secretary of Defense is required to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the planned acquisition strategy for each major weapon system by the time that a budget request for initial production of the system is made. If the acquisition strategy is established before the budget request for initial production is made, then the strategy should be reported to the committees with the first budget submission after the establishment of the strategy.

These new requirements would apply to any program for which initial production funds are requested in fiscal year 1987 or thereafter.

The second part of this bill deals with the need for the Department of Defense to obtain much more detailed and reliable information about what it should cost a contractor to build a system. This new requirement would apply only in the case of noncompetitive contract awards, since it is assumed that competition should create a sufficient incentive for contractors to minimize costs.

Under the bill, a should cost analysis will have to be performed for each major weapon system contract awarded noncompetitively. This type of analysis, which is discussed in section 15.810 of the Federal Acquisition Regulation, is intended to assist the Department of Defense in determining whether the manufacturing procedures of a contractor are optimized for cost. In other words, this analysis assists the Government in determining whether the price to be charged by a contractor is fair.

Since this type of analysis is often expensive and time consuming to perform, the bill permits the Secretary of Defense to establish criteria for waiving the requirement. But any waivers issued pursuant to the criteria will have to be reported to the Committees on Armed Services in the Congress before the award of any contract where the should cost analysis is required but will not have been performed. However, the Secretary is encouraged where it is cost effective to contract these analyses.

There requirements will apply to all contracts awarded in fiscal year 1987 and thereafter.

The third part of the bill is an effort to strengthen the quality of the acquisition work force. It does this by establishing certain minimum requirements in education, training, and prior experience for program managers of major weapon systems. Specifically, by mid-1987 all program managers will have attended a program management course of approximately 5 months duration at the Defense System Management College or other comparable program of similar duration and content. By mid-1989, program managers will have had 8 years of prior experience in the acquisition, maintenance, and support of weapon systems, of which at least 6 years will have been spent in assignments in the Army Materiel Command, Naval Material Command, Air Force Systems Command, or Air Force Logistics Command.

The fourth part of this bill tries to ensure that there are appropriate promotion opportunities to the rank of flag or general officer for military officers who have concentrated their careers in weapon system acquisition. Specifically, by January 1, 1990, each service will be required to ensure that 20 percent of officers promoted to the rank of brigadier general or commodore shall have met the requirements to be a program manager in effect at that time and shall have been assigned in positions dealing directly with the acquisition, maintenance, and support of weapon systems for 6 of the 10 years prior to selection for promotion.

The bill does provide for waiver mechanisms for the provisions dealing with minimum qualifications for program managers and percentage of officers promoted to the rank of brigadier general or commodore from the acquisition ranks.

The predecessor task force to the Subcommittee on Defense Acquisition Policy held a hearing on October 18, 1985, regarding quality control issues. The testimony at that hearing indicated that there was no formal training for quality assurance personnel assigned to plant representative offices of the services. The fifth part of this bill is intended to correct this obvious deficiency. Specifically, the bill requires the Secretary of each military department to develop a formal introductory training program of not less than 4 weeks in duration for all quality assurance personnel assigned to plant representative offices, and further requires the attendance of all such personnel at this program during the first 6 months of their service.

Finally, the Subcommittee on Defense Acquisition Policy held a hearing on March 19 on the subject of permissible employment of former Defense Department employees. At this hearing, the testimony indicated that the existing reporting obligations in section 2397 of title 10, United States Code, are not adequate. The bill amends the current reporting requirements, which are applicable to former Department of Defense employees, by specifying that they must give detailed information on any duties they performed while employed in the Department of Defense that related to their current employer.

The bill also imposes a new reporting requirement on defense contractors which hire persons who formerly worked on matters relating to that contractor. These reports will require information that will disclose any potential conflict of interest, improper use of Government confidential information that may arise from such employment. The reports will also disclose when the contractor first discussed employment with the Department of Defense employee.

The final provision in the bill continues a program created last year which provides for cooperative agreements to be made between the Department of Defense and State and local governments and nonprofit organizations that provide technical assistance to firms seeking to bid on defense contracts.

Two million dollars was authorized in fiscal year 1984 for this procurement technical assistance program. While these funds are yet to be expended, there has been a tremendous interest expressed by prospective and current procurement outreach efforts at the State and local level.

I am confident that this package of defense procurement reforms will be of importance in ensuring that there is more competition at the Department of Defense; that contracting officers have the cost information they need to effectively negotiate contracts; that we have well qualified program managers; that concentation of one's military career in weapon systems acquisition will offer ample opportunity for high level promotion; that quality assurance personnel in the Defense Department are trained; and that activities of former Defense Department employees who have been previously involved with weapon system acquistion while employed by the Department and who accept employment

with defense contractors are fully disclosed.

It is my belief that the Defense Procurement Improvement Act of 1985 provides practical and appropriate solutions to some of the problems in the acquisition process we have examined in our hearings over the past several months. This package of procurement reforms is by no means a cure-all, but it is further evidence of our determination that our defense acquisition system, massive and complex as it is, can and must be better managed to ensure that we are procuring the right weapons at reasonable cost.

I would welcome the support of other Senators for this legislation.

I ask unanimous consent that the text of the bill be printed at the end of my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Procurement Improvement Act of 1985".

CONGRESSIONAL FINDINGS AND POLICY

SEC. 2. The Congress finds that the process by which the Department of Defense acquires weapon systems can be improved—

(1) by promoting continuous competition throughout the period of time in which a system is acquired, when it is cost-effective to do so;

(2) by requiring the Secretary of Defense to make thorough estimates of what it should cost to manufacture a particular weapon system;

(3) by ensuring that the military and civilian personnel of the Department of Defense that have substantial responsibility of the acquisition of weapon systems are highly qualifed;

(4) by ensuring that the career path for military officers who have specialized in the acquisition of weapon systems offers sufficent opportunity for advancement and promotion;

(5) by providing mandatory training for personnel responsible for enforcing quality assurance in the manufacture of weapon systems; and

(6) by promoting full disclosure of the activities of employees of defense contractors who are former employees of the Department of Defense who were previously involved with the acquisition of weapon systems while employed by the Department of Defense.

DEFINITIONS

SEC. 3. In this Act—

(1) "Full scale engineering development" means all detail design of a system for the production of that system to begin.

(2) "major defense acquisition program" has the same meaning as provided in section 139(a)(1) of title 10, United States Code.

(3) "Acquisition strategy" means a plan for the production of a system, including such considerations as the number of units to be manufactured, number of manufacturers, the procurement schedule, the types of components to be procured directly by the Government, and other similar considerations.

(4) "Should cost analysis" means the type of analysis referred to in section 15.810 of the Federal Acquisition Regulation.

(5) "Competitive procedures" has the same meaning as provided in section 2302 of title 10, United States Code.

(6) "Program manager" means, in the case of a weapon system the individual assigned by the military department concerned to have overall responsibility for the acquisition of that weapon system.

(7) "Plant representative office" means an office of the Department of Defense established at the plant facilities of a defense contractor for the purpose of maintaining close contact with the contractor and protecting the interests of the United States under the contract with the contractor.

COMPETITION

SEC. 4. (a) Before the completion of the full scale engineering development of a major defense acquisition program, the Secretary of Defense shall prepare an acquisition strategy for such program.

(b) The acquisition strategy developed pursuant to subsection (a) shall require the establishment and maintenance of two or more production sources for the program.

(c) The Secretary may develop and implement an acquisition strategy providing for a single production source only when—

(1) the establishment and maintenance of two or more production sources for a program would result in substantial duplication of cost to the United States which is not expected to be recovered through competition;

(2) the establishment and maintenance of two or more production sources for a program would result in unacceptable delays in fulfilling the needs of the Department of Defense; or

(3) the establishment and maintenance of two or more production sources for a program is otherwise not in the national security interests of the United States.

(d) The Secretary shall submit a report to the Congress explaining the planned acquisition strategy for each major defense acquisition program not later than the time that a budget request for initial production of the system is made. An acquisition strategy that has been established for a major defense acquisition program shall be reported to the Congress with the first budget request submitted to the Congress following the establishment of such strategy.

(e) In the event that the acquisition strategy for a major defense acquisition program does not require the establishment and maintenance of two or more production sources, the Secretary shall set forth in the report provided pursuant to subsection (d) an explanation of how the program qualifies under the standards prescribed in subsection (c) to be produced with only a single production source.

(f) This section shall apply to programs for which initial production funds are requested for fiscal year 1987 and subsequent fiscal years.

COST ESTIMATES

SEC. 5. (a) The Secretary of Defense shall perform a should cost analysis for each major defense acquisition program for which a contract is to be awarded under other than competitive procedures.

(b) The Secretary of Defense may establish criteria to permit the Secretary of a military department, on a non-delegable basis, to waive the requirement of subsection (a). Any such criteria established by the Secretary of Defense shall be submitted to the Committee on Armed Services of the Senate and House of Representatives and may not take effect for a period of 60 days after the date of submission.

(c) The Secretary of Defense shall report any waiver of the requirement of subsection (a) to the Committees on Armed Services of the Senate and House of Representatives at least 30 days before the award of any contract for a major defense acquisition program with respect to which a required should cost analysis will not be performed.

(d) The preparation of the should cost analysis may be performed by employees of the Department of Defense or under contract.

(e) This section shall apply to all contracts awarded in fiscal year 1987 and subsequent fiscal years.

ACQUISITION WORK FORCE

SEC. 6. (a) The Secretary of each military department shall issue regulations establishing minimum requirements in education, training, and prior experience for program managers of major defense acquisition programs.

(b) The regulation issued pursuant to subsection (a) shall require, at a minimum, that to be assigned to duty as a program manager a person must—

(1) have attended a program management course of approximately five months duration at the Defense Systems Management College or some comparable program of similar duration and content; and

(2) have had eight years of total experience in the acquisition, support, and maintenance of weapon systems, at least six years of which was spent in assignments in the Army Materiel Command, Naval Materiel Command, Air Force Systems Control, or Air Force Logistics Command.

(c) The regulation to be issued pursuant to subsection (a) may permit the Secretary of a military department, on a non-delegable basis, to issue waivers of the minimum requirements in subsection (b) if the criteria in such regulation for waivers are satisfied.

PROMOTION OPPORTUNITIES FOR MILITARY OFFICERS WHOSE CAREERS ARE CONCENTRATED IN THE ACQUISITION, MAINTENANCE, AND SUPPORT OF WEAPON SYSTEMS

SEC. 7. (a) Of the total number of military officers selected by the Army, Navy, and Air Force in any calendar year for promotion to the rank of brigadier general or commodore, not less than 20% of such officers—

(1) shall have met the requirements set forth in section 106(b); and

(2) shall have been assigned in positions dealing directly with the acquisition, maintenance, and support of weapon systems for six of the ten years prior to selection for promotion.

(b) The Secretary of a military department may waive the requirements of subsection (a) if the Secretary notifies the Committees on Armed Services of the Senate and House of Representatives at least 30 days before the publication of a list of officers selected for promotion to brigadier general or commodore.

TRAINING FOR QUALITY ASSURANCE PERSONNEL

SEC. 8. The Secretary of each military department shall develop a formal introductory training program of not less than four weeks in duration for all quality assurance personnel assigned to plant representative offices of that military department. Attendance at such program during the first six months of an individual's service in quality assurance is mandatory.

IMPROVED REPORTING AND DISCLOSURE FOR FORMER EMPLOYEES OF THE DEPARTMENT OF DEFENSE

SEC. 9. (a) Section 2397(b)(3)(F) of title 10, United States Code, is amended by striking out the period and inserting in lieu thereof: ", including specific and detailed information on any duties such person performed relating to any contract with the defense contractor by whom such person is employed."

(b) Section 2397 of such title is further amended by inserting after subsection (c) the following new subsection (d):

"(d) A defense contractor which employs a person described in subsection (b)(1) shall file a report with the Secretary of Defense with respect to the employment of that person if that person, during the two years immediately preceding the date on which that person became employed by the contractor and while employed by the Department of Defense, performed any duties pertaining to any contract between such contractor and the Department of Defense. The information filed by the contractor shall contain the following information:

"(1) The name and address of the defense contractor reporting.

"(2) The name of the person to whom the report relates.

"(3) A specific and detailed description of the duties of the person as they pertained to that defense contractor while the person was on active duty or was employed by the Department of Defense.

"(4) A specific and detailed description of the duties of the person with the defense contractor regarding any government contract, program, activity, or matter of such defense contractor for which such person had any official responsibility while employed by the Federal government.

"(5) The date on which discussions between such person and the contractor regarding the employment of such person by the defense contractor began.".

A defense contractor shall file such a report with the Secretary of Defense with respect to any person before February 16 of the fiscal year succeeding the fiscal year in which the person is employed by the contractor.

(c) Subsections (d), (e), and (f) of section 2397 of title 10, United States Code, are hereby redesignated as subsections (e), (f), and (g) respectively.

(b) The amendments made by this section shall become effective on January 1, 1986, but shall not applly to any person in the employ of a contractor on such date so long as the person remains in the continuous employment of that contractor.

REAUTHORIZATION OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

SEC. 10. (a) There are authorized to be appropriated $3,000,000 for fiscal years 1986 and 1987 to be available for the purpose of furnishing assistance to carry out procurement technical assistance programs pursuant to cooperative agreements under Chapter 142 of title 10, United States Code.

(b) There are authorized to be appropriated for fiscal years 1986 and 1987 such additional sums as are necessary to defray the expenses of administering the provisions of Chapter 142 of title 10, United States Code during such fiscal years including the expenses related to the employment of any additional personnel necessary to administer such positions.

EFFECTIVE DATES

SEC. 11. (a) Except as provided in subsection (b), the provisions of this Act shall take effect on January 1, 1986.

(b)(1) Section 6(b)(1) shall take effect on June 30, 1987.

(2) Section 6(b)(2) shall take effect on June 30, 1989.

(3) Section 7 shall take effect on January 1, 1990.

By Mr. SYMMS:

S. 743. A bill to amend the Internal Revenue Code of 1954 with respect to the taxation of employee awards; to the Committee on Finance.

TAXATION OF EMPLOYEE AWARDS

● Mr. SYMMS. Mr. President, I am pleased today to introduce legislation to amend the Internal Revenue Code with respect to the taxation of employee awards. This bill would clarify the tax treatment of employee awards to the employee recipients.

Present law—section 274 (b)(1)(c) and (b)(3) of the Internal Revenue Code, as amended by ERTA—allows an employer to deduct up to $400, and in the case of qualified plan awards, up to $1,600, of the cost of employee achievement awards; that is, items of tangible personal property awarded by reason of an employee's length of service, productivity or safety achievement. It is clear that the intent of the sponsors of the ERTA amendments to section 274(b) of the code, raising the dollar limits for deductible employee awards, was that eligible gifts should be excluded from an employee's income. Absent such an exclusion from the income of an employee recipient, the ERTA amendments would have little, if any, practical effect.

The ERTA provision, however, did not provide for any exclusion of the value of employee awards from the recipient's gross income, and the Internal Revenue Service has taken the position that whether an employer's award to an employee constitutes taxable compensation or a gift excludable from gross income depends upon the facts and circumstances surrounding the award. The potential taxation to employees of achievement awards brings into question the viability of these award programs by making the awards far less attractive to the recipient.

The intent of adopting the ERTA amendments to section 274(b) of the code was to make employee recognition awards more available and appealing. Employee awards by their nature strengthen the relationship between a business and its employees, an objective that should not be discouraged by the tax laws. Present law discourages employers from adopting employee incentive award programs by making such programs unattractive to employee recipients.

This bill offers a simple, straightforward, nondiscriminatory solution to the problem of the taxability of employee awards. The proposal draws on the language of section 274(b)(1)(C) of the code, and would exclude from an employee-recipient's income up to $250, and, in the case of qualified plan awards, up to $1,000 of the value of all awards deductible to an employer under that section. The bill also includes reporting requirements for awards above the excludable dollar limits, to ensure that nonexcludable amounts are included in income.

The exclusion of employee awards from the income of the recipient should not be restricted to any one type of eligible property, as was proposed by the Senate last year in the Deficit Reduction Act of 1984, but, rather, should include all items deductible to the employer. Any exclusion for employee awards must reflect the intent of the ERTA amendments to section 274(b), to promote awards that strengthen the relationship between a business and its employees. Any restriction that would limit awards to a particular type of property has no foundation in the original section 274(b) nor the ERTA amendments. The fact that there is no justification for restricting an employer's ability to make a meaningful noncash award to its employees or for favoring one type of property over another, was recognized by the Committee of Conference on the Deficit Reduction Act of 1984 when it eliminated the restrictive Senate proposal.

Indeed, the absence of adequate choices could have the effect of not motivating employees whose personal tastes would not be satisfied by the restricted items offered. Where employees do not have any interest in the items being offered, they have no incentive to achieve the accomplishments which the employer wishes to reward.

Employee incentive awards should be promoted because such awards produce an important national benefit. There is little doubt that the recognition of employee achievement serves to strengthen the morale of the work force, fosters pride on the part of individual employees, and enhances employer-employee relationships.

The employee award industry believes that employee achievement awards are excludable gifts that have never constituted taxable income. Similarly, most taxpayers take the position that employee awards constitute gifts excludable from the employee's income. Because employee achievement awards have not previously been taxed, then, this proposal should not result in a revenue loss. Indeed, the bill may even raise revenue because it will tax all award items above the $250 and $1,000 limits for the first time. The bill includes reporting requirements to help ensure that all awards above the excludable dollar limits are

included in the taxable income of the employee recipient.●

By Mr. COCHRAN:

S. 744. A bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products; to the Committee on Agriculture, Nutrition, and Forestry.

PROTECTION FOR AGRICULTURAL PURCHASERS OF FARM PRODUCTS

● Mr. COCHRAN. Mr. President, today I am introducing legislation to redress a serious inequity faced by the good-faith buyers of farm products. I refer to section 9-307(1) of the Uniform Commercial Code, the so-called farm products exception that forces farm product buyers to search out all liens which may exist on all farm products they buy. However, if a lien should go undiscovered or is recorded inaccurately and the farmer defaults, the good-faith buyer can be legally forced to pay the lender.

Section 9-307(1) states:

> A buyer in the ordinary course of business, other than a person buying farm products from a person engaged in farming operations, takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence . . ."

In other words, think twice about buying farm products, unless you are willing to spend the time, money, and manpower to check out all liens that might exist in hundreds of daily transactions, or be willing to double your cost of those products through possible double payment.

This language treats agricultural producers and buyers differently than any other businessmen. The risk faced by innocent buyers of farm products exists nowhere else in U.S. commerce. In no other transaction is the buyer asked to perform the role of guarantor on a loan in which he had no input or control, while receiving no compensation for assuming such risk.

This double-jeopardy situation has hung over the heads of bonafide buyers of mortgaged grain, cotton, livestock, and poultry since the early 1950's. Risk exposure—indeed, the incidence of actual double payment—has worsened dramatically during this time of depressed farm income. What we see today is what we have feared throughout our deliberations on the crisis in farm credit—the so-called ripple effect of a stagnating farm economy as more farmers, many through no fault of their own, default on secured debts, leaving the innocent buyer to pay a second time or lose title to his purchase. It is not unreasonable to assume that for many small businesses buying farm products, a single double-payment judgment can spell the difference between surviving these uncertain economic times or, quite simply, going out of business.

The agricultural community is very rightly concerned about this grave situation for four reasons.

First, it places an undue financial burden on markets to which producers sell their production. We should be especially interested in any situation which reduces the economic vitality of our domestic agricultural markets.

Second, as the problem worsens, it adversely affects individual farmers, as well as their markets. Farmers buy products from other farmers, such as feeder cattle and pigs, breeding stock, grain and hay, and are being forced to pay twice for these products as their suppliers default on secured debts.

Third, risk exposure and actual losses from double payment are reflected in the prices paid to farmers and are passed on to other producers in terms of higher marketing fees and processing costs, and eventually are reflected in higher consumer prices for meat, milk, and eggs.

Fourth, current law forces innocent buyers of farm products to become unwilling loan guarantors, in essence assuming the credit supervision responsibilities that rightly belong with the lender who is making the profit off the loan to begin with. At the same time, farm product buyers have no control over the lender's practice, and receive no compensation in the form of interest to cover the risk exposure and jeopardy unknowingly and unwillingly assumed.

My bill extends the traditional protections of the Uniform Commercial Code to the good-faith buyers of farm products in two ways.

It would delete the "farm products exception" language in the Uniform Commercial Code, but

It provides a simple mechanism under which lenders may choose to protect their security interests through actual notice to prospective buyers that a lien exists.

The bill does not force the lenders to do anything if they feel their loan portfolios are sufficiently strong. However, if they choose to protect their interests through notification of buyers, they may set up a system which most appropriately suits their own needs and business practices. At the same time, if a seller wishes to protect himself and his credit rating, he may provide notice to the buyer that a lien exists. Under my bill, once a buyer has received notice, he would be legally obligated to follow whatever repayment instructions the lender felt necessary to protect his security interest.

My bill will also return uniformity to the Uniform Commercial Code. In the last few years, agricultural interests, increasingly burdened with double payments and the risk of greater damage, have sought relief within the various State legislatures. Before 1983, only six States had enacted legislation to specifically remedy this problem by redistributing the risk in agricultural lending over all the principal parties. Today, nearly 20 States have taken or are considering action, with no two States having taken identical action. This situation has created unwarranted confusion and still greater expense for the majority of companies doing business in several States.

Mr. President, I hope my colleagues will support this legislation.●

By Mr. MITCHELL:

S. 745. A bill to increase for a 3-year period the duty on imported sheet vinyl flooring; to the Committee on Finance.

DUTY ON IMPORTED SHEET VINYL FLOORING

● Mr. MITCHELL. Mr. President, I am today introducing legislation to restore some tariff equity to a small but still healthy American industry which would like the opportunity to export its products. The bill would temporarily raise the duty on sheet vinyl flooring to a level equal to the negotiated tariff rate of foreign producers. The purpose of this temporary increase is to encourage Europe and Canada to reduce their duties on this product, so that our companies can sell there as freely as they can sell here. At present, the duty rate on sheet vinyl floor imported into the United States is 6.1 percent, while the European Economic Community duty is 14 percent, and the Canadian duty is 13.9 percent. The U.S. tariff on sheet vinyl flooring was bargained away during a period when the tariff rate was not terribly important, because the U.S. industry enjoyed patent protection on the key technology. As those patents have expired over the last 4 years, the disparity of tariff rates began to show up in increased imports from Europe and Canada. The purpose of this bill is not to stop those imports, but to remove the barriers to our producers exporting to their markets.

The current duty rate differentials create a definite incentive for U.S. firms to jump over the tariff and locate plants in Europe and Canada at a cost of U.S. jobs. This legislation is designed to remedy that situation.

I would prefer that this bill were not necessary—that our European and Canadian trading partners would agree to reduce their tariffs to the same levels as ours. Indeed, it would be best if the duty rates on these products were reduced to zero in all countries. Until that occurs, I believe this bill should be enacted into law to encourage the European Community and Canada to reduce their duties to the U.S. tariff rate.●

By Mr. CHILES:

S. 746. A bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make

recommendations to Congress for necessary legislation; to the Committee on the Judiciary.

ASSESSMENT OF THE DESIGNER DRUG PROBLEM

● Mr. CHILES. Mr. President, as one surveys the reality of drug abuse in this country and the constant flood of illegal narcotics that threatens the very fabric of our society, there doesn't seem to be room for any more bad news. Unfortunately, there is some new bad news; a developing problem that is left unaddressed and unresolved poses immense public health and law enforcement difficulties for the future. In the parlance of California, where this problem is emerging, they are called designer drugs. One observer warns if they move to the rest of the country, designer drugs, "may well topple America's 70-year policy of drug control and spark a public health disaster of overdose deaths, poisonings, and addiction." And in all likelihood they will spread to the rest of the country.

What is a designer drug? Originally it was a drug synthetically created by chemists and designed to fit the tastes of individual clients. Now it refers to a broader phenomenon of chemists modifying controlled substances to produce analogs or chemical cousins of these substances which are not covered by the Controlled Substances Act. By adding a fluoride or an extra carbon molecule, a new drug is created which will produce the high or euphoria the user seeks but is not illegal. Eventually DEA may move to control this new substance but the enterprising chemist will probably already be marketing some new variations. The purveyor of designer drugs can stay ahead of the law indefinitely.

The United States is devoting considerable resources and manpower to the effort to contain the flow of heroin, cocaine, and marijuana. In light of the damage these narcotics inflict on our society and the crime they spawn, I think we should be doing more. However, whatever success we achieve in destroying drug crops and interdicting drug shipments will be of little consequence if the opium fields of Asia and the coca fields of Colombia are replaced by clandestine laboratories in the U.S.

At this point, designer drugs represent a small but growing factor in overall drug use. The chief of the California Division of Drug Programs projects that up to 20 percent of the State's heroin users are now taking some fentanyl analog to feed their habit. The more alarming facts are not the present statistics but the dangerous potential of these substances. These drugs can be made in small labs, with minimal materials and with readily available chemical formulas. A $500 investment in chemicals can produce a $2 million batch of synthetic heroin. In testimony before the President's Commision on Organized Crime it was estimated that a single chemist working an 8 hour day could, using the more potent fentanyl derviatives, supply the entire Nation's heroin demand on an on-going basis. Soon, if not already, organized crime will recognize that designer drugs represent an easy and immensely profitable means of supplying narcotics.

The disturbing nature of designer drugs is not simply that they are another source of illicit narcotics. Designer drugs pose additional and very troubling problems in terms of the public health consequences and our law enforcement response.

The more commonly used drugs—cocaine, marijuana, and heroin—take a terrible toll on their users in health problems and even death. Designer drugs multiply these risks and open the door to long term neurodegenerative diseases, adding an entirely new dimension to the drug abuse problems. At least with the more traditional drugs there is some understanding of what physically happens to the user. Each batch of synthetic heroin or some other analog represents a chemical game of Russian roulette for the user. The fentanyl analogs, sold as heroin, are hundreds and even thousands of times more potent than morphine. Infinitesimal amounts of the drug can cause profound reactions. Already they have resulted in the deaths of 90 persons.

Beyond the great risk of overdose is the risk of incurring severe neurological impairment. No one knows what is in each batch of designer drugs. They are not tested; there is no process to remove contaminants or unwanted compounds; and the potential is very real that a highly toxic compound will hit the streets. In California a substance known as MPTP was circulated as "new heroin." It has caused severe brain damage similar to end-stage Parkinson's disease. California health authorities estimate that as many as 500 users of this substance may develop the symptoms of Parkinson's disease. The human and medical economic costs of such an epidemic are almost incalculable. More recently, a designer drug user has been identified with the neuorological symptoms of Huntington's chorea, a debilitating and eventually fatal disease.

All the signs indicate that designer drugs will be a major part of the drug abuse problem of the future. If that proves to be the case, the public health consequences of drug use may be entering an entirely new and frightening dimension.

Are we prepared to take action to stop this looming crisis? The answer is not encouraging. Synthetic narcotic analogs can be developed and produced faster than they can be identified and controlled. Even with the emergency scheduling provisions of the Controlled Substances Act, the clandestine labs can always stay beyond the reach of the law with a slightly different compound that is not yet on the schedule of controlled drugs. DEA could end up adding thousands and thousands of new entries to the list of illegal drugs with little impact on the availability of designer drugs.

DEA and other law enforcement agencies have experienced considerable problems in identifying synthetic narcotic analogs. They are very difficult to detect in drug samples or body fluids, as detection requires the most sensitive analytical techniques. Because of their extreme potency they are cut with large amounts of lactose or sucrose so the active drug present is very small, contributing nothing to the color, odor or taste of a sample. The fentanyl analogs are now available throughout much of California and since they are potent, difficult to detect and often quite legal, they could well become the drug of choice for heroin addicts. An anonymous addict interviewed on NBC news maintained, "I think heroin will gradually phase out as more and more illegal labs start to make the designer narcotics. It's better. It's definitely better as far as the rush and the high is concerned."

The current procedure for controlling illicit drugs, even with the emergency scheduling provisions authorized by Congress in 1984, represents an essentially unworkable response in the face of any significant increase in the manufacture of designer drugs. The Federal Register will simply be required reading for the criminal chemists to keep up to date on what analog formulas are now illegal and need to be modified.

Mr. President, our experience with illegal drug law enforcement is usually a matter of too little, too late. The problem reaches new levels of crisis while we search for the resources and tools to combat it. The potential disaster posed by the designer drug phenomenon is too grave for us to delay in finding means to prevent the manufacture and distribution of these drugs. It is apparent that present statute and policy will not do the job.

The National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, chaired by the Attorney General, to coordinate and develop U.S. Government policy with respect to illegal drug law enforcement. I believe the Board must give priority attention to determining an effective strategy to control the spread of designer drugs. The Chairman is required to report to Congress on policy and planning for U.S. drug law enforcement. The initial report is due nine months after enactment. I am today introducing legislation re-

quiring the Board to provide in that report to the Congress:

A comprehensive assessment of the current and potential contribution of synthetic narcotic analogs to the illegal narcotic problem in the United States;

Identification of illegal drug law enforcement strategies to prevent the manufacture and distribution of synthetic narcotic analogs;

Recommendations for necessary legislation.

I am also requesting the Office of Technology Assessment to initiate a workshop to examine the chemical, pharmacological, and regulatory questions involved in addressing the control of designer drugs so as to provide guidance to the Congress in the formulation of future legislation.

Mr. President, I believe the Congress must move expeditiously to address this problem but we must move with deliberation and an understanding of the difficult technical and pharmacological questions that need to be resolved in order to achieve an effective law enforcement policy. By requiring the National Drug Enforcement Policy Board to promptly address this issue and report to the Congress and by initiating an examination by the Office of Technology Assessment we will be laying the foundation for development of a responsible and workable policy.

I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 746

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the use of illegal narcotics is a major health, law enforcement, and economic problem for the United States;

(2) the Congress has determined that the control of illegal narcotics and the prevention of drug abuse are national priorities;

(3) the Congress has identified "designer drugs" as new chemical analogs or variations of existing controlled substances, or other new substances, which have a psychedelic, stimulant, or depressent effect and have a high potential for abuse;

(4) these synthetic narcotic analogs are linked to numerous fatalities and incidence of severe neurodegenerative disease;

(5) significant increases in the consumption of synthetic narcotic analogs would pose an imminent hazard to the public safety;

(6) the virtually unlimited modification potential of synthetic narcotic analogs undermines effective implementation of the Controlled Substances Act;

(7) the National Narcotics Act of 1984 established the National Drug Enforcement Policy Board, designating the Attorney General as Chairman;

(8) the Board has among its responsibilities the development of United States policy with respect to illegal drug law enforcement; and

(9) the Chairman is required to report to the Congress on such policy by July of 1985.

(b) The purpose of this Act is to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

SEC. 3. The initial report of the National Drug Enforcement Policy Board as required by section 1305 of the National Narcotics Act of 1984 (Chapter XIII, title II, Public Law 98-473) shall include—

(1) a comprehensive assessment of the current and potential contribution of synthetic narcotic analogs to the illegal narcotics problem in the United States;

(2) proposals for illegal drug law enforcement strategies to prevent the manufacture and distribution of synthetic narcotic analogs; and

(3) recommendations to the Congress for necessary legislation to eliminate the manufacture and distribution of illegal synthetic narcotic analogs.●

By Mr. LAUTENBERG:

S. 747. A bill to improve the administration and enforcement of the Magnuson Fishery and Conservation Management Act; to the Committee on Commerce, Science, and Transportation.

MARINE FISHERIES IMPROVEMENT ACT OF 1985

● Mr. LAUTENBERG. Mr. President, I rise today to introduce legislation which will improve the management of commercial and recreational marine fisheries off the coast of New Jersey and the Nation. The legislation would amend and reauthorize the Magnuson Fishery Conservation and Management Act [MFCMA], which provides for U.S. management of coastal fishery resources, except tuna, in the U.S. fishery conservation zone.

Commercial and recreational marine fisheries are a vital component of the economies of all coastal States. New Jersey is no exception. They contribute approximately $1 billion a year to New Jersey's economy. Nationally, U.S. commercial fishermen landed 6.4 billion pounds of fish valued at $2.4 billion in 1983. Marine recreational fishermen took about 62 million trips in 1984 with the total expenditure, excluding travel costs for all trips being over $2.5 billion.

THE MAGNUSON FISHERY CONSERVATION AND MANAGEMENT ACT

The implementation of the MFCMA Act has had a positive impact on U.S fisheries. The act established a priority for U.S. fishermen to fish in the U.S. fishery conservation zone and for U.S. harvesters to process fish products. Prior to passage of the act, foreign fishermen took nearly 70 percent of the commercial fish harvested off U.S. coasts. This unregulated foreign fishing depleted marine fishery stocks, and harmed the economic well-being of the U.S. fishing industry and the U.S. balance of trade.

These effects have been reversed. U.S. commercial landings of fish have increased by almost 300 million pounds between 1976, the year before the act went into effect, and 1983. During this same period commercial landings of fish in New Jersey grew by approximately 10 million pounds of fish—exclusive of menhaden. The foreign fishing catch in the primary foreign fishing areas off New Jersey in 1984 was one-fourth what it was in 1978.

While implementation of the MFCMA has resulted in an increased catch for U.S. fishermen and increased product for U.S. processors, problems remain in the implementation of the act and the management of U.S marine fisheries. My bill, the Marine Fisheries Improvement Act of 1985, is intended to address some of these problems.

THE MARINE FISHERIES IMPROVEMENT ACT OF 1985

The Marine Fisheries Improvement Act of 1985 would include tuna within the 200-mile U.S. fishery conservation zone, preserving for American fishing the priority to harvest this valuable resource. Most nations already claim jurisdiction over tuna within their fishery conservation zones. At this time, a Japanese longline fishery is being conducted along the Mid-Atlantic coast well inside the U.S. fishery conservation zone. The Japanese fish for tuna without restriction because tuna is excluded from the MFCMA. The National Marine Fisheries Services data indicates that the Japanese caught over 20,000 tuna in 1984. Besides tuna, their extensive longlines catch and kill swordfish, billfish, and sharks. Although these species must be released within U.S. waters, 70 to 90 percent die from being hooked.

The exclusion of tuna under the MFCMA is illogical and inconsistent with the thrust of the act. Tuna was excluded because it is a highly migratory species. When the MFCMA was passed in 1976 it was argued that highly migratory species need international rather than coastal management because highly migratory species can be managed successfully only by agreements which cover the fish wherever they go. But other highly migratory species such as billfish, shark, and swordfish are managed successfully by the U.S. under the MFCMA. Thus, the argument that tuna need exclusive international management does not stand up to scrutiny.

Moreover, the exclusion of tuna is inconsistent with the goals of the act to provide U.S. managment of U.S. fishery resources, and for development of the U.S. fishing industry. Foreign fishing for tuna off U.S. coasts interferes with domestic fishing efforts in two ways. The existing Japanese longline fishery for tuna deprives U.S. fishermen of opportunities in the tuna fishery. In addition, foreigners fishing for tuna incidentally catch swordfish,

shark, and billfish. The unregulated incidental catch of these species interferes with their management under fishery management plans. The inclusion of tuna under the MFCMA will help achieve the act's goals for proper management of U.S. fishery resources and for development of the U.S. fishing industry.

In sum, Mr. President, it is time to bring tuna under the jurisdiction of the MFCMA.

My bill would also make a number of other improvements in the MFCMA. The bill would:

Close loopholes in the full observer coverage program for foreign vessels;

Expand the authority of fishery management councils to deal with the problem of overcapitalized fisheries by allowing the councils to establish vessel dislocation programs which will provide incentives for vessels to leave overcapitalized fisheries;

Require that fishery management councils consider the impact on vessel safety of their actions so that the use of time-of-day restrictions on when fishermen can fish, which create incentives to overload boats and can result in loss of life and property, will be minimized if not eliminated;

Tighten the requirements for membership on fishery management councils so that council members will be both knowledgeable and experienced on fisheries matters and that fishermen will be on all councils;

Allow the fishery management council staff access to confidential data and require that council meetings be closed during those portions of meetings where confidential statistics will be discussed;

Expand the role of the fishery management councils in protecting fishery habitat from harm; and

Prohibit the Secretary of Commerce from taking actions which discourage fishermen from exercising their right to a hearing to contest enforcement actions.

IMPORTANCE OF MARINE FISHERIES TO NEW JERSEY

Mr. President, over 86 million pounds of marine fish, valued at almost $54 million, were landed in New Jersey in 1983. About 10 percent or more of the Nation's commercial catch of 12 species of fish were landed in New Jersey. Of particular significance to New Jersey's commercial fishermen are Atlantic mackerel, porgy, fluke, flounder, tilefish, swordfish and tuna, whiting, American lobster, clams, oysters, and sea scallops. New Jersey fishermen catch over one-third of the Nation's tilefish and surf clams and over one-half of the Nation's ocean quah clam. Thirty-one fish processing plants in New Jersey processed $64 million worth of fish in 1983.

Recreational fisheries also are important to the New Jersey economy and well-being of its citizens. The National Marine Fisheries Service estimated that for 1980, marine recreational fishermen in New Jersey caught over 60 million fish, ranking third among the States. Approximately 3 million marine recreational fishermen fished off New Jersey, taking over 9 million fishing trips. New Jersey ranked third among the States in both number of marine recreational fishing trips and number of marine recreational fishermen. Approximately one-third of these recreational fishermen come from out of State. The New Jersey Department of Labor and Industry has estimated that recreational fishing in New Jersey represents about $300 to $400 million of the State's tourism industry.

Sport fishing for tuna, marlin, and swordfish, the so-called big game fishes, is particularly important off New Jersey. The New Jersey Department of Environmental Protection estimated that in 1983, over 800 boats made over 55,000 trips off New Jersey and caught almost 24,000 of these fish.

Mr. President, the Marine Fisheries Improvement Act of 1985 enjoys strong support in New Jersey and among business, recreational and environmental groups. These organizations include Mid-Atlantic Fishery Management Council, the New Jersey Department of Environmental Protection, the American Tuna Action Committee, the National Coalition for Marine Conservation, the National Wildlife Federation and its New Jersey affiliate, the New Jersey State Federation of Sportsmen's Clubs, the Commercial Fisheries Committee of the New Jersey Farm Bureau, the Clean Ocean Action Coalition, a coalition of more than 40 conservation, fishing, boating, diving, business, and community groups, and the American Littoral Society. These letters demonstrate strong support within the fishing community for these amendments to the MFCMA. Mr. President, I look forward to working with members of the Senate Committee on Commerce, Science, and Transportation toward the end of including this legislation in the committee's bill to reauthorize the MFCMA.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point, along with a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marine Fisheries Improvement Act of 1985".

FINDINGS AND PURPOSES

SEC. 2. Section 2 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801) is amended—

(1) in subsection (a) by inserting at the end thereof the following:

"(8) Effective management of fishery resources requires effective action to conserve, restore, maintain, and enhance fishery habitat.";

(2) in subsection (b)(1)(A) by striking out ", except highly migratory species";

(3) in subsection (b)(5) by striking out "and" after the semicolon;

(4) in subsection (b)(6) by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(5) by adding at the end of subsection (b) the following:

"(7) to foster the planning of actions necessary to ensure that fishery habitats are conserved, restored, maintained, and enhanced so that the other purposes of this Act can be attained.".

DEFINITIONS

SEC. 3. Section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802) is amended—

(1) in paragraph (6) by inserting after "mammals," the following: "and" and by striking out ", and highly migratory species";

(2) by redesignating paragraphs (16), (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), and (27) as paragraphs (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), and (28), respectively; and

(3) by inserting after paragraph (15) the following:

"(16) The term 'managed species' means any species managed pursuant to a preliminary management plan or a fishery management plan.".

HIGHLY MIGRATORY SPECIES

SEC. 4. Section 103 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1813) is repealed.

FULL OBSERVER COVERAGE PROGRAM

SEC. 5. (a) Section 201(i) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(i)) is amended—

(1) by amending paragraph (2)(B) to read as follows:

"(B) with respect to any foreign fishing vessel while it is engaged in fishing within the fishery conservation zone, the time during which the vessel engages in such fishing will be of such short duration that the placing of a United States observer aboard the vessel would be impracticable; or"; and

(2) inserting at the end thereof the following:

"(7) Any owner and operator of a foreign fishing vessel intending to fish within the fishery conservation zone shall submit to the Secretary a schedule of fishing for each three-month period beginning January, April, July, and October, of each year at least 30 days prior to the beginning of each period. The schedule shall contain the name of each foreign fishing vessel intending to fish within the fishery conservation zone, the expected date of arrival of each vessel, the expected date of departure, and any other information the Secretary may require.

"(8)(A) The Secretary shall be notified immediately of any substitution of vessels or any cancellation of plans to fish in the fishery conservation zone for foreign fishing vessels listed in the schedule submitted pursuant to paragraph (2).

"(B) The Secretary shall be notified immediately if an arrival date of a foreign fishing vessel will vary more than five days from the date listed in the schedule submitted pursuant to paragraph (7) and shall also

be notified at least 10 days in advance of the rescheduled date of arrival. If the notice required by this paragraph is not given, the foreign fishing vessel shall not engage in fishing until an observer is available and placed aboard the vessel.".

(b) Paragraph (6) of section 204(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1824(b)(6)) is amended by adding at the end thereof the following new subparagraph:

"(C) The Secretary shall not approve any permit for a vessel on which the facilities of the vessel for quartering of a United States observer, or the carrying out of observer functions are so inadequate or unsafe that the health or safety of an observer would be jeopardized.".

NATIONAL STANDARDS

SEC. 6. Section 301(a)(6) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1851(a)(6)) is amended by striking out the period at the end thereof and inserting in lieu thereof "and shall take into account the impact of vessel safety.".

REGIONAL FISHERY MANAGEMENT COUNCILS

SEC. 7. Section 302(b)(2)(A) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(b)(2)(A)) is amended by—

(1) striking out "knowledgeable or experienced" and inserting in lieu thereof "knowledgeable and experienced"; and

(2) inserting at the end thereof the following: "Each Council shall have a representative number of commercial and recreational fishermen including at least one practicing commercial fisherman.".

CONTENTS OF FISHERY MANAGEMENT PLANS

SEC. 8. (a) Section 303 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1853) is amended—

(1) in subsection (a)(5), by inserting after "Secretary" the following: "and the Executive Director of the Council"; and

(2) in subsection (d) by inserting after "submitted to the Secretary" the following: "and the Executive Director of the Council".

(b) Section 302(i)(3)(A)(i) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852(i)(3)(A)(i)) is amended by inserting after "national security classification" the following: "or is a confidential statistic as determined under section 303(d)".

HABITAT CONSERVATION

SEC. 9. (a) Section 303 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1853) is amended by inserting at the end thereof the following new subsection:

"(f)(1) Any fishery management plan which is prepared by any Council, or by the Secretary, with respect to any fishery, shall, to the extent practicable, assess and specify for the stock or fishery and its food base—

"(A) life requirements and size and distribution for the purpose of identification and specific delineation, where possible, of habitat necessary for production;

"(B) on going or potential actions that may adversely affect habitat identified in clause (A); and

"(C) measures or actions to conserve, restore, maintain, or enhance habitat necessary for fishery production, including establishment of priorities for implementing conservation activities.

"(2) Existing plans for managed species shall be amended to comply with the requirements of subsection (f)(1) within a reasonable period of time.

"(3) The Secretary may not disapprove a management plan which contains incomplete information on a habitat due to data unavailability or uncertainty of analysis.

"(4) The Secretary shall provide the Council with the data necessary to prepare the fishery management plan and shall, to the extent possible, be responsive to the Council's needs for further data collection or analysis to address habitat needs for fisheries.

"(5) The Council need not include the information required by subsection (f)(1) in a fishery management plan for any fishery if it determines and the Secretary concurs, that habitat conservation, restoration, maintenance, and enhancement is not a significant factor in achieving the purpose of the Act for that fishery.

"(6) Any recommendation made by the Council to the Secretary and other Federal officials to conserve, restore, maintain, or enhance habitat necessary for the production of any fishery shall be responded to by those individuals within sixty days after receipt thereof. Any recommendations which are not followed or adopted shall be referred to the Council with a detailed explanation of the reasons why those recommendations were not followed or adopted. The Secretary and other Federal officials shall give full consideration to any measures recommended in a plan for a managed species and to any recommendations by any Council relating to conservation, restoration, maintenance, or enhancement of the habitat of any managed species when the Federal officials fund, authorize, or construct any activity which may affect the habitat of a managed species.".

(b) Section 304 of the Magnuson Fishery Conservation and (16 U.S.C. 1854) is amended by inserting at the end thereof the following:

"(g) The Secretary shall establish and implement a formal regional habitat planning and coordination process. The process shall be used to—

"(1) identify the fishery resources of importance and the major habitat threats to these resources;

"(2) enumerate the identified habitat issues in order of priority;

"(3) develop strategies to address these issues; and

"(4) oversee the integration of habitat consideration throughout the programs of the National Oceanic and Atmospheric Administration.

In this process, the Secretary shall consult with the Councils, States, and others, as appropriate. From time to time but not less than every three years, the Secretary shall publish the result of the regional processes.".

DISLOCATION COMPENSATION PROGRAM

SEC. 10. (a) Section 303(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1853(b)) is amended by—

(1) redesignating clauses (7) and (8) as clauses (8) and (9), respectively; and

(2) inserting after paragraph (6) the following:

"(7) if a limited access system is established under paragraph (6), establish a dislocation compensation program subject to subsection (g);".

(b) Section 303 is further amended by adding at the end thereof the following new subsection:

"(g)(1) For purposes of this subsection, the term 'dislocation compensation program' means a plan, whether administrated by the Secretary or by the States represented on the Council that established the plan, for compensating, in whole or part, fishing vessels owners for the loss or reduction of livelihood that results from the implementation of a limited access system under subsection (b)(6). Such compensation may include purchase of the vessels of such owners, financial assistance to modify vessels for use in other fisheries, or cash benefits. A dislocation compensation program may be funded, in whole or part, through fees levied under subsection (b)(1).

"(2) All fees collected under a dislocation compensation program shall be deposited into the Fisheries Dislocation Compensation fund established under paragraph (3).

"(3)(A) There is established in the Treasury of the United States a revolving fund known as the Fisheries Dislocation Compensation fund (hereinafter in this paragraph referred to as the 'Fund'). Each dislocation compensation program established under subsection (b)(7) shall have a separate account in the Fund and the fees collected under the program that are deposited into the Fund shall be credited to that account.

"(B) The Secretary shall withdraw funds credited to any account at such times and in such amounts as may be necessary for the administration of the dislocation compensation program concerned.".

(c) Section 304 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1854) is amended by striking out the period at the end of subsection (d) and inserting in lieu thereof the following: "; except that if fees are also used to fund, in whole or in part, a dislocation compensation program under section 303(b)(7), the level of fees shall not exceed the administrative costs incurred in issuing the permits and the costs of funding that program to the extent that the funding is intended to be covered by the fees.".

CIVIL PENALTIES

SEC. 11. Section 308(a) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1858(a)) is amended by adding at the end thereof the following: "The Secretary shall not assess a final civil penalty greater than the penalty first assessed by written notice unless—

"(1) significant information concerning the alleged violation or alleged violators not available to the Secretary at the time of the original assessment becomes available; or

"(2) significant circumstances arise subsequent to the original assessment which appropriately may affect the penalty assessment.".

AUTHORIZATION OF APPROPRIATION

SEC. 12. Section 406 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1882) is amended by adding at the end thereof the following new paragraph:

"(12) $69,000,000 (of which not to exceed $7,500,000 is for the operation of the Councils) for each of the fiscal years 1986, 1987, 1988, 1989, and 1990.".

SECTION-BY-SECTION ANALYSIS

Section 1 provides that this bill is called the Marine Fisheries Improvement Act 1985.

Section 2 includes among the Act's findings a finding that effective fishery management requires appropriate action to conserve, restore, maintain and enhance fishery habitats. The section also includes within the Act's statement of purpose the statement that the MFCMA is intended to foster the planning to conserve, restore, maintain

and enhance fishery habitats so that the other purposes of the Act can be attained. These provisions make clear that fishery habitat management is an important and necessary component of fishery management.

This section also deletes the reference excluding "highly migratory species" from management under the MFCMA from subsection (b)(1) of the Act. (See Discussion in Section 4).

Section 3 defines the term "managed species" as a species subject to a preliminary management plan or a fishery management plan. This section also deletes the phrase "highly migratory species" from the exclusion from the definition of "fish" so that the term "fish" would include "highly migratory species." (See Discussion in Section 4).

Section 4 includes tuna in the 200 mile limit. It deletes section 103 of the MFCMA which provides that the exclusive management authority of the U.S. does not include "highly migratory species." By deleting this section the exclusive fishery management authority of the U.S. would apply to tuna and tuna would be managed under the MFCMA as any other fish species.

Section 5 would close two loopholes in the full observer coverage program. Under this program, the Secretary of Commerce is required to station an observer aboard each foreign fishing vessel while the vessel is engaged in fishing in the Fishery Conservation Zone with certain limited exceptions.

First, the MFCMA allows the National Marine Fisheries Service to waive the observer requirement for vessels when quarters for observers are so inadequate or unsafe that the health and safety of an observer would be jeopardized. Foreigners are taking advantage of this exclusion by sending vessels without adequate or safe room for observers to fish in U.S. waters. Vessels with such quarters should be prohibited from fishing in the U.S. Fishery Conservation Zone. The bill will make clear that foreign vessels cannot receive a fishing permit unless the vessel has adequate room with safe conditions for an observer.

Second, some foreigners have avoided taking an observer by failing to promptly and accurately inform the National Marine Fisheries Service of the number of foreign vessels which will be fishing in the U.S. Fishery Conservation Zone. The Service then does not always have the appropriate number of observers available for foreign vessels. The bill would require foreigners wishing to fish in the U.S. Fishery Conservation Zone to submit and continually update the plans of their vessels which will fish in U.S. waters. Foreigners not complying with this requirement could not engage in fishing until an observer is available. This would permit the National Marine Fisheries Service to plan to have the appropriate number of observers available.

These actions are necessaary to ensure proper enforcement of the provisions of the MFCMA. The National Marine Fisheries Service has reported an increase in the number of serious violations of regulations implementing the Act. This increase represents a threat to effective fishery management of U.S. fishery resources and must be ended. A full foreign observer program is a necessary incident to effective enforcement.

Section 6 would require fishery management councils to consider the impact of their plans on the safety of vessels. The section would amend the national standards for fishery conservation and management established in section 301 of the MFCMA. Fishery management plans and regulations issued to implement the plans must be consistent with the national standards. Some plans may inadvertently encourage fishermen to take actions which are dangerous and can result in a loss of life and property. It has been suggested that time-of-day restrictions, for example, encourage fishermen to overload boats to maximize their productivity. This loss of life and property has in part resulted in a substantial increase in insurance rates for fishing vessels and in some insurance companies pulling out of the fishing vessel insurance market because of substantial losses.

Section 7 requires that each council have a representative number of commercial fishermen and recreational fishermen on each council, but at least one member of each regional fishery management council must be a practicing commercial fisherman. It also requires that all appointed council members be both knowledgeable and experience with regards to conservation and management of fishery resources. The Act currently requires only that members of the Council be knowledgeable or experienced concerning fisheries management in the Council's geographic area. The requirement that council members be both knowledgeable and experienced is not intended to restrict council members to fishermen. Councils need qualified people including fishermen, consumers and businessmen of all professions to give the councils a proper and objective balance.

Section 8 amends the provisions of the MFCMA concerning confidentiality of statistics. Under existing law, the National Marine Fisheries Service can require that it be supplied with confidential fishing statistics. The fishery management councils do not have automatic access to this information. This lack of access affects the Council's ability to prepare fishery management plans and to comply with the requirements of other laws such as the Regulatory Flexibility Act and Executive Orders 12291 and 12498. This bill would amend Section 303(a)(5) and (d) of the MFCMA to provide that the council's Executive Director have access to confidential fishery data. The Executive Director would be required to comply with the National Marine Fishery Service's confidentiality of statistics regulation. Section 302(i) would be amended to require that Council, scientific and statistical committee and advisory panel meetings be closed during those portions of meeting where confidential statistics will be discussed.

Section 9 of the bill would require Councils to play a role in fishery habitat management issues. Fishery productivity is directly affected by habitat quantity and quality. Effective fishery management requires effective habitat maintenance and management. The MFCMA, however, is virtually silent on the roles of the National Marine Fisheries Service and the fishery management councils in addressing habitat requirements of U.S. fisheries.

The bill would rectify this deficiency in the following ways. Councils would be required to include specific habitat information in management plans. This information would include actions that may adversely affect fishery habitat and measures to conserve fishery habitat. Existing plans must be amended to comply with this requirement in a reasonable time.

Habitat information need not be included in plans where the Council determines and the National Marine Fisheries Service concurs that habitat conservation is not a significant factor in achieving the purposes of the Act for that fishery.

The National Marine Fisheries Service would be required to provide the Council with all available data necessary to prepare the habitat portion of the fishery management plan and be responsive to Council's request for further fisheries habitat data collection and analysis. Councils would not be responsible for developing any data for the fisheries portion of the plan. Plans cannot be disapproved because of incomplete information on the habitat. Thus, the habitat requirements of this bill will not delay implementation of fishery management plans.

Federal agencies would be given a number of responsibilities. First, agencies would be required to respond to any recommendations made by a council concerning fishery habitat within 60 days and if the agency fails to adopt the recommendation, the agency must provide the Council with a detailed explanation of reasons why the recommendations were not adopted.

Federal agencies also would be required to give full consideration to any measures recommended in a plan and to Council recommendations relating to fisheries habitat for activities those agencies fund, authorize or construct. These provisions will help ensure that the expertise of the Councils in fishery habitat issues is brought to bear in federal agency decision making. These provisions, should not, however, be interpreted to require the Councils to comment on every federal permit, license, grant and construction activity. Councils have limited funding and staff Councils only should address generic problems (problems resulting in significant cumulative impacts) and those few, large-scale, individual projects which have the potential for significant impact on fisheries habitat.

To assist the Councils and federal agencies in their habitat responsibilities, the National Marine Fisheries Service must establish and implement a formal regional habitat planning and coordination process. The process shall be designated to identify important regional fishery resources, and threats to the habitat of those resources and to develop strategies to address these issues. The service must consult with Councils, states and others in the process and must publish the result of the process not less than every three years.

Section 10 addresses the problem of overcapitalization in a number of fisheries. The councils already have the authority to adopt limited access programs to deal with overcapitalized fisheries under Section 301(a) and 303(b) of the MFCMA. Under a limited access system now operating in the Mid-Atlantic surf clam fishery, there is a moratorium on the entry of additional vessels into the fishery.

This bill would provide for an expanded use of limited access systems in overcapitalized fisheries by allowing Councils which choose to establish a limited access system to create a dislocation compensation program. Such a program would compensate fishing vessel owners for the loss or reduction in livelihood resulting from a limited access system and could include vessel buyback, vessel conversion or other programs to facilitate and ease fleet reductions. The program would be funded through fees paid by fishermen in the particular fishery with the limited access system. The fees would be deposited in a Fisheries Dislocation Compensation fund which is a revolving fund established in the U.S. Treasury. Each program would have a separate account in the Fund.

The Secretary of Commerce would withdraw funds credited to any account as necessary for the administration of relevant dislocation compensation program. The restriction on fees being limited to administrative fees would be relaxed to allow fees to be charged at the level needed for the cost of funding of vessel dislocation program.

Section 11 would amend Section 308(c) of the MFCMA which deals with the assessment of civil penalties. Under its existing procedures implementing this section, the National Oceanic and Atmospheric Administration (NOAA) assesses a civil penalty for alleged violations of the Act and informs fishermen they have the right to a hearing to contest the determination of the violation and the size of the violation. This right is being chilled by the actions of the NOAA Administrative Law Judge who has issued a higher fine than initially assessed in some cases where the fishermen contest assessment of the penalty. These actions are offensive to common notions of fair play. Citizens should not be penalized for exercising their rights.

A strong enforcement policy is needed to properly manage fisheries and to protect the interest of all fishermen. If the initial assessment of penalties by NOAA is too low to have adequate deterrent effect, NOAA should reevaluate its civil penalty schedule. It should be up to NOAA, however, and not the Judge to establish civil penalty policy. The amendment would limit the ability of NOAA's Administrative Law Judge to increase the civil penalty assessment to those circumstances in which significant information concerning the alleged violator is not available to NOAA at the time of the assessment becomes available or significantly circumstances which may affect the penalty assessment arises subsequent to the assessment.

Section 12 proposes a 3 year reauthorization. Funding levels would remain at the current $69 million level, of which up to $7.5 million is earmarked for the operations of the regional councils.●

By Mr. D'AMATO:

S. 750. A bill to redesignate the National Institute on Aging as the National Institute on Aging and Alzheimer's Disease, to require the Secretary of Health and Human Services to coordinate and support research concerning Alzheimer's disease and related disorders, and for other purposes; to the Committee on Labor and Human Resources.

S. 751. A bill to provide for the medicare demonstration project for alternative medicare benefits for individuals with Alzheimer's disease or a related memory disorder; to the Committee on Finance.

S. 752. A bill to establish in the Department of Health and Human Services a Home Health Care Clearinghouse to provide elderly individuals with a single place where they can obtain complete information on available Federal home health care services; to the Committee on Labor and Human Resources.

S. 753. A bill to promote the establishment of family support groups for families of victims of Alzheimer's disease or a related memory disorder; to the Committee on Labor and Human Resources.

LEGISLATION RELATING TO THE ELDERLY

● Mr. D'AMATO. Mr. President, I rise today to introduce four bills designed to alleviate one of the major problems of our senior citizens, Alzheimer's disease, and disorders similar in nature to it.

In 1983, there were 27.4 million older Americans, constituting 11.7 percent of our population. The over 65 age group is growing considerably faster than the under 65 age group and is expected to continue to do so for many years to come. In New York State, 2.2 million of my 17.7 million constituents are over 65. The changing demographics of the United States has brought the problem of Alzheimer's disease to the forefront. As a nation, we must be more concerned now than ever about those diseases that primarily affect our elderly.

Alzheimer's disease is the most frequent cause of institutionalized care in the United States today. Up to 50 percent of those in nursing homes suffer from Alzheimer's disease or a similar disorder. Alzheimer's is a leading cause of death among our elderly. The legislation I have introduced today addresses some of the serious problems associated with the affliction of Alzheimer's disease.

The first of my four bills will better direct Government-sponsored research into this tragic disease. The Alzheimer's Disease Research Coordination Act of 1985 will improve our utilization of research funds by directing the National Institute on Aging [NIA] to coordinate research, not only within the National Institutes on Health [NIH] and the Department of Health and Human Services, but also the many other scientific disciplines outside of the usual research efforts on this disease. To further underscore the role the NIA is to play in conquering Alzheimer's, I have also proposed to change the name of this Institute to the National Institute on Aging and Alzheimer's Disease. My legislation also recommends that NIA earmark a portion of the budget of the Alzheimer's Disease Research Centers for multidisciplinary research and for NIA to devote more effort on health services research.

I strongly support increases in Federal funding for Alzheimer's disease research. The encouraging medical developments since 1976 have made me optimistic for success in the long run. The disease's complexities are still overwhelming, however. The Alzheimer's Disease Research Centers were created last year to concentrate on Alzheimer's disease research efforts. My bill will direct other types of research, associated with but not directly involved with Alzheimer's, to be included in the centers' studies.

As complicated as is this disease, so too is the treatment for those who must live with this degenerative disorder. I believe strongly that the currently available health care methods for our Alzheimer's sufferers is insufficient. These patients have special needs that are unlike those facing sufferers with other illnesses. Thus, a certain amount of our research efforts must be directed to ameliorate this growing health care problem.

It is important to assist both those afflicted with this debilitating disease and their families. The three other bills in my package address the monumental problem of caring for Alzheimer's sufferers.

Currently, Medicare does not reimburse for Alzheimer's disease care. Medicare is primarily an acute care provider, while Alzheimer's is a long-term care disease. This lack of health insurance coverage has placed tremendous burdens on the families of victims. Unlike other long-term illnesses, the Alzheimer's patient requires constant attention. The financial burden of Alzheimer's disease is estimated to be over $25 billion annually. My second bill will set up at least 10 demonstration projects for alternative Medicare benefits for individuals with Alzheimer's disease or a related memory disorder. The demonstration projects will be set up in a manner that is analogous to the manner in which benefits for hospice care are made available under Medicare. As this disease becomes more prominent in our elderly, it is important that the primary health insurer for the elderly is available to assist the Alzheimer's sufferer.

Although Medicare does not reimburse for related costs for Alzheimer's disease, it does allow for some home health care reimbursement, which is the primary residence of most early Alzheimer's patients. As our Nation grays, the importance of home health care increases dramatically while the emphasis on acute health care decreases. The steady growth of our elderly population and the rising cost of institutionalized medical care have resulted in the growing popularity and necessity of community-based care and home health care. Home care is a cost-effective and humane alternative to institutionalized care. Medicare, an acute care provider, is primarily a hospital-based payer. In New York, for example, home health care relies a great deal on Medicaid, accounting for 80 percent of all Medicaid funds spent on home care.

While Federal programs exist which provide home health care, many are useless because too many needy senior citizens are unaware of them. Better access to information on home care services available is the purpose of my third bill. It would establish within

the Department of Health and Human Services a Home Health Clearinghouse to provide elderly persons with a single place where they can obtain complete information on the Federal home health programs available to them. This bill will set up a centralized computer system and allow for easy dissemination of home health care information.

The last bill in my package helps promote the establishment of family support groups for victims of Alzheimer's disease or a related memory disorder. Although I am pleased that the Government has begun to be responsive to the overwhelming needs of Alzheimer's sufferers, their families are still the primary, and in most cases the only, providers for the Alzheimer's victim. Because of this, it is important that we offer any assistance we can to establish these family support groups. The Alzheimer's Disease and Related Disorders Association [ADRDA] has been successful in making this Nation aware of the tragedy of Alzheimer's disease. Although they and similar groups are growing quickly, it is important that such growth be coordinated and important information centralized. My legislation would provide for the establishment of a national network to coordinate the family support groups, thus making it easier for them to flourish and provide the much needed emotional and physical support.

Mr. President, these bills address the major problems that Alzheimer's disease inflicts upon our elderly and their families. I urge my colleagues to join me in cosponsoring all of these bills. I ask for quick action on this legislative package on behalf of the millions of current Alzheimer's disease sufferers, as well as future sufferers and their families.

Mr. President, I also ask that the complete text of all four of these bills be printed in the RECORD at the conclusion of my remarks.

Thank you, Mr. President.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alzheimer's Disease Research Coordination Act of 1985".

SEC. 2. (a) The National Institute on Aging is redesignated as the National Institute on Aging and Alzheimer's Disease. Any reference to the National Institute on Aging in any other law or in any rule, regulation, order, certificate, directive, instruction, or other official paper in force on the date of enactment of this Act shall be deemed to refer and apply to the National Institute on Aging and Alzheimer's Disease.

(b)(1) Section 461 of the Public Health Service Act is amended by inserting "an Alzheimer's Disease" after "on Aging".

(2) The heading for such section is amended by inserting "AND ALZHEIMER'S DISEASE" after "ON AGING".

(3) The heading for Part H of title IV of such Act is amended by inserting "and Alzheimer's Disease" after "on Aging".

SEC. 3. Part H of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"ALZHEIMER'S DISEASE RESEARCH

"SEC. 465. (a) The Secretary, through the Institute, shall—

"(1) coordinate research concerning Alzheimer's disease and related disorders conducted or supported by the National Institutes of Health and other agencies in the Department of Health and Human Services; and

"(2) support, and encourage other Institutes of the National Institutes of Health and other agencies of the Department to support—

"(A) basic and clinical biomedical research and health services research concerning Alzheimer's disease and related disorders, including research in neuroscience, neuropathology, genetics, molecular genetics, biochemistry, epidemiology, pharmocology, psychology, psychiatry, and any other scientific discipline the Secretary considers pertinent to the study of Alzheimer's disease and related disorders; and

"(B) research concerning methods to provide acute and long-term care to individuals with Alzheimer's disease and related disorders.

"(b) The Secretary, through the Institute, shall in each fiscal year insure that each specialized research center for Alzheimer's disease supported by the Department of Health and Human Services expends a portion of the Federal assistance provided to such center for such fiscal year for the conduct of multidisciplinary research concerning the cause, detection, prevention, control, and treatment of Alzheimer's disease and related disorders.

"(c) Within one year after the date of enactment of this section, and annually thereafter, the Secretary, after consultation with the Institute, shall prepare and transmit to the Congress a report describing the status of research concerning Alzheimer's disease and related disorders conducted or supported by the Department of Health and Human Services. Such report shall include—

"(1) a comprehensive plan for the conduct or support of research concerning Alzheimer's disease and related disorders, with particular emphasis on the conduct or support of multidisciplinary research; and

"(2) a description of research activities concerning Alzheimer's disease and related disorders conducted or supported by the Institute, other Institutes of the National Institutes of Health, and other agencies of the Department, including activities conducted by specialized centers for Alzheimer's disease supported by the Department.".

S. 751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary"), in consultation with the National Institutes on Health, National Institute on Aging, and the Administration on Aging, shall conduct at least 10 demonstration projects to determine the feasibility of providing for alternative benefits, other than those otherwise available under title XVIII of the Social Security Act, for individuals, otherwise entitled to benefits under parts A and B of that title, who are diagnosed as suffering from Alzheimer's disease or a related memory disorder. Such demonstration projects shall be conducted through grants to, or contracts or cooperative agreements with, public or private nonprofit agencies, institutions, or other organizations.

(b)(1) In conducting such demonstration projects, the Secretary shall consider—

(A) alternative benefits encompassing a range of outpatient services (which may include services assisting family members in providing assistance in daily activities for such individuals) that are particularly appropriate to individuals suffering from such a progressive, chronic illness, and

(B) providing alternative benefits in a manner that is analogous to the manner in which benefits for hospice care are made available under part A of title XVIII of the Social Security Act.

(2) Each demonstration project under this section shall be designed in a manner so as to provide that the payment for health care benefits under the project does not exceed, on an average actuarial basis, the adjusted average per capita cost (described in section 1876(a)(4) of the Social Security Act) with respect to such individuals. The limitation of the previous sentence shall not apply to administrative and related costs associated with the operation and evaluation of any such project.

(c)(1) Grants, payments under contracts, and other expenditures made for demonstration projects under this section shall be made in appropriate part from the Federal Hospital Insurance Trust Fund (established by section 1817 of the Social Security Act) and the Federal Supplementary Medical Insurance Trust Fund (established by section 1841 of such Act). With respect to any such grant, payment, or other expenditure, the amount to be paid from each of such trust funds shall be determined by the Secretary, giving due regard to the purposes of the project involved.

(2) Grants and payments under contracts and cooperative agreements may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section.

S. 752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Home Health Care Clearinghouse Act of 1985".

SEC. 2. There is established in the Department of Health and Human Services a Home Health Care Clearinghouse (hereinafter referred to as the "Clearinghouse") to gather and disseminate information concerning the various public and private agencies providing home health care and related services to elderly individuals.

SEC. 3. (a) In carrying out this Act, the Clearinghouse shall establish and maintain a system which uses computers (1) to gather information from local offices of the Social Security Administration and other public and private agencies which provide home health care services for elderly individuals, and (2) to facilitate a determination of the home health care services available through such agencies for elderly individuals.

(b) In the implementation of this Act, Secretary of Health and Human Services—

(1) shall take action to insure that the system described in subsection (a) will fully utilize the existing computer systems within the Department of Health and Human Services (appropriately modified and improved for this purpose) to the maximum extent possible without impairing their other functions; and

(2) shall take into account the existing Clearinghouse function of the regional offices on aging in the Department and the informational systems of the Social Security Administration and may (if the Secretary finds that it would be administratively desirable and appropriate) locate the Clearinghouse in such regional offices or such Administration.

SEC. 4. The Clearinghouse shall publish and keep current a publication (in readily understandable form) which describes the home health care services available to elderly individuals under the Social Security Act, the Older Americans Act of 1965, and other Federal laws, the eligibility criteria for such services, and the offices through which such services may be obtained.

SEC. 5. Not later than one year after the date of enactment of this Act, the Clearinghouse, through the Secretary of Health and Human Services, shall report to the Congress the costs incurred in establishing the system described in section 3(a) and the expected costs of expanding and operating such system.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to establish, operate, and maintain the Clearinghouse.

S. 753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services (hereinafter referred to as the "Secretary") through the National Institute of Mental Health, the National Institutes of Health, the National Institute on Aging, and the Administration on Aging, shall promote the establishment of family support groups in university medical centers and in other appropriate health care facilities receiving Federal funds from the Secretary. Such family support groups shall provide educational, emotional, and practical support to assist individuals with Alzheimer's disease or a related memory disorder and family members of such individuals.

(b) The Secretary shall provide for the establishment of a national network to coordinate the family support groups described in subsection (a).

(c) The Secretary shall report to Congress, not later than one year after the date of enactment of this Act, on the family support groups and the network of such groups established pursuant to this section.●

By Mrs. HAWKINS:

S. 754. A bill to permit the Securities and Exchange Commission to regulate the activities of brokers and dealers with respect to direct and indirect obligations of the Federal Government and with respect to other exempted securities under the Securities Exchange Act of 1934; to the Committee on Banking, Housing, and Urban Affairs.

SECURITIES EXCHANGE ACT AMENDMENTS

● Mrs. HAWKINS. Mr. President, today I am introducing legislation that will bring brokers of Government securities under Federal regulatory jurisdiction. The recent failure of ESM Government Securities Inc. clearly illustrates the need for Federal legislation to protect investors.

Currently, Federal controls on Government securities dealers are nonexistent and while States license them, including my State of Florida, they are often not closely monitored. However, the failure of ESM and the subsequent problems it caused for investors throughout my State as well as the publicized problems in Ohio clearly indicate that this is an interstate problem and that Federal legislation is necessary.

The Securities and Exchange Commission is empowered to regulate and protect the integrity of securities transactions and investigate fraud, but they have no authority over the vast Government securities market. When asked in a recent hearing before a House subcommittee if more statutory power for the SEC would have prevented the ESM failure, Chairman of the SEC, John Shad, said that he believed SEC's surveillance probably would have ventilated this situation.

This "situation" is probably the largest Government securities collapse in our history and involved more than two dozen cities and financial institutions and as much as $300 million. The demise of Home State Savings Bank in Ohio lead to a statewide fear that a private insurance fund had been wiped out which lead to the temporary closing of 69 other savings and loans insured by the same fund.

In addition to these crises, financial institutions in my own State as well as two cities in Florida suffered from the loophole in our Federal securities laws that enabled ESM to escape Federal regulation.

The bill that I am introducing today provides the Securities and Exchange Commission with the broader statutory authority they need to prevent similar problems in the future. Last week Congressman CLAY SHAW introduced this bill in the House. I urge each of my colleagues to act now to protect small investors by supporting this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15(c)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 780(c)(3) is amended by striking out "an exempted security or".●

By Mr. INOUYE:

S. 755. A bill to provide that transportation provided by an airline to parents of its employees shall be tax free; to the Committee on Finance.

TRAVEL BENEFITS TO PARENTS OF AIRLINE EMPLOYEES

● Mr. INOUYE. Mr. President, I am introducing legislation today to provide tax free travel benefits to the parents of airline employees. This benefit, which was included in legislation I introduced in the last Congress, was withheld from airline employees in the Tax Reform Act of 1984.

As we well know, airline employees have made considerable sacrifices over the past several years to help the airlines through troubled financial times. These employees should not be deprived of one of the few benefits that have retained; the travel benefits that they and their families have come to depend upon. Yet under the tax treatment of travel benefits established in the Tax Reform Act, parents' benefits would be taxed at a rate equal to 50 percent of the full coach fare for the flight on which they are used. This would render the benefit virtually useless as the full coach fare is far greater than available fares. For example, Pan American Airlines listed full fare from Washington, DC to Los Angeles is over $900, while currently seats are available on these flights for less than $200.

It is important to note these privileges can only be used for seats that are open at the time of the flight's departure. If the flight is full the employees and their families do not fly. Thus, the airlines are losing no revenue by providing these travel benefits to their employees. It is also important to note that the taxation of parents' benefits would produce only minimal gains in tax revenues, as these parents will most likely not fly or fly on less expensive supersaver fares rather than be taxed at the outrageous rate established in the Tax Reform Act. The gains in tax revenues that would be realized would not make a dent in our massive Federal deficit.

In closing, I urge my colleagues to support this measure which would restore the travel benefits that airline employees have come to depend upon and indeed have made career decisions based upon. I ask unanimous consent that the text of the bill be placed in the RECORD in its entirety.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 755

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX-FREE TREATMENT RESTORED FOR TRANSPORTATION PROVIDED BY AN AIRLINE TO PARENTS OF ITS EMPLOYES.

(a) IN GENERAL.—Subsection (f) of section 132 of the Internal Revenue Code of 1954 (relating to exclusion of certain fringe bene-

fits) is amended by adding at the end thereof the following new paragraph:

"(3) PARENTS OF AIRLINE EMPLOYEES.—

"(A) IN GENERAL.—In the case of an employee providing service to an employer in connection with the employer's business of providing air passenger transportation service, any use by a parent of the employee shall be treated as use by the employee.

"(B) SUBPARAGRAPH (A) DOES NOT APPLY TO RECIPROCAL AGREEMENTS.—For purposes of subparagraph (A), subsection (g)(2) (relating to reciprocal agreements) shall not apply.

"(C) PARENT DEFINED.—For purposes of this paragraph, the term 'parent' means the father, mother, stepfather, and stepmother of the employee, and any individual who is the parent of the employee by virtue of the legal adoption of the employee by such individual."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the amendment made by section 531(a) of the Tax Reform Act of 1984.●

By Mr. D'AMATO:

S. 756. A bill to expand the availability of long-term capital for industrial mortgages; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL INDUSTRIAL MORTGAGE ASSOCIATION ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce the Federal Industrial Mortgage Association [FIMA] Act, legislation which would create a secondary market for small and medium-sized loans to finance new plant and equipment. Identical legislation is being introduced today in the House by my good friend from New York, Congressman LAFALCE.

The largest problem facing small firms today is obtaining the necessary financing for expansion and the replacement of outmoded equipment. These companies require long-term loans at fixed interest rates. Traditionally, however, bank loans are only available at floating rates and generally mature within 5 years. Such loans confront small businesses with two specific problems: First, that rates may rise and increase financing costs, and second, a refinancing risk after the initial term of the bank loan expires.

It is extremely important that a business be able to match the useful life of an asset, such as equipment, with reasonably priced financing. If, for instance, equipment with a 10-year life is financed with a 5-year loan, then a risk exists that financing may not be available or that extraordinary interest rates will be charged for the second half of the equipment's useful life.

While this problem is a real one and exists for most small- or medium-sized businesses, the largest companies do not have the same financing difficulties. Large corporations can access the public debt and equity markets, utilize private placements, or obtain favorable terms on bank loans.

Mr. President, a lack of reasonable financing for smaller firms represents a great handicap for our economy. Study after study has shown that in the aggregate, small businesses employ the greatest numbers of people and are the greatest innovators in the economy. Yet, it is these firms that have the most difficulty obtaining financing.

The legislation I am introducing today will help solve the financing plight of small- and medium-sized businesses. This bill will establish an autonomous Federal agency that will create a secondary market for loans to small- and medium-sized businesses—defined as a firm with $50 million of revenues or less—used to finance plant or equipment. FIMA will pool groups of these loans into a single debt instrument to be sold in the private credit markets. FIMA will operate in a way very similar to Fannie Mae, Ginnie Mae, and Freddie Mac.

FIMA will insure principal and interest on the pooled instruments up to 80 percent. The remaining 20 percent will be a risk of the bank originating the loan. In this way, banks still will have a significant incentive to make prudent loans. FIMA will be capitalized with $100 million of Federal funds. The agency will terminate 7 years after inception and all profits earned will be returned to the Treasury to repay the $100 million capitalization.

The legislation has a sunset date because I believe the Federal Government should only be involved to facilitate the creation of a secondary market for small- and medium-sized loans. Once the secondary market is mature, then the private sector should be capable of maintaining that market.

Mr. President, I am certain that all Members of this Chamber know that help must be offered to growing small- and medium-sized businesses. In the past, Federal help has focused on various grant, loan, and guarantee programs. I believe the private sector can, and should, be harnessed to assist small- and medium-sized companies obtain reasonably priced financing. However, a strictly laissez-faire attitude toward the problem is irresponsible. The Federal Government must stimulate the secondary market for small- and medium-sized business loans. The legislation I am introducing today will accomplish this end and will ultimately cost the Federal Government no money.

Mr. President, I ask unanimous consent that my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Industrial Mortgage Association Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) secondary mortgage markets have successfully increased the availability and affordability of long-term residential mortgages;

(2) many smaller, innovative businesses could grow more rapidly, create more jobs, and increase United States competitiveness in world markets if additional long-term capital were available to finance purchases of new plant and equipment;

(3) institutional investors are a major source of long-term capital for the United States economy but such investors are not well equipped to make large numbers of direct loans to individual business firms;

(4) commercial banks specialize in short-term business lending and have the facilities and specialized expertise to evaluate loan applications and to originate and service the large number of relatively small loans required by smaller innovative businesses; and

(5) a secondary market for industrial mortgages would link the loan production ability of commercial lenders with the long-term investment horizons of pension funds and insurance companies, thereby increasing the efficiency of United States capital markets and the amount of long-term capital that is available to finance purchases of plant and equipment by smaller innovative businesses.

(b) It is the purpose of this Act—

(1) to improve the distribution of investment capital available for industrial mortgage financing by allowing entrepreneurs and small businesses to obtain long-term financing from institutional investors; and

(2) to establish a corporation chartered by the Federal Government to purchase and insure industrial mortgages and to sell pools of such industrial mortgages to institutional investors.

ESTABLISHMENT OF THE ASSOCIATION

SEC. 3. (a)(1) There is hereby created a body corporate to be known as the Federal Industrial Mortgage Association (hereinafter in this Act referred to as the "Association").

(2) The Association shall have succession until dissolved by an Act of Congress.

(b)(1) The Association shall maintain its principal office in the District of Columbia or the metropolitan area thereof and shall be deemed, for purposes of venue and jurisdiction in civil actions, to be a resident and citizen thereof.

(2) The Association may establish offices in such other place or places as it may deem necessary or appropriate for the conduct of its business.

BOARD OF DIRECTORS

SEC. 4. (a) The powers of the Association shall be vested in the Board of Directors (hereinafter in this Act referred to as the "Board"). The Board shall be composed of 5 members as follows:

(1) The Secretary of the Treasury.

(2) The Secretary of Commerce.

(3) Three other members appointed by the President, by and with the advice and consent of the Senate, from among individuals who have substantial experience and expertise in the fields of business investment, industrial development, or public or private finance.

(b)(1) The Board may appoint such personnel as the Board considers appropriate.

(2) The staff of the Association shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(3) The Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay for GS-16 of the General Schedule.

(c)(1) Each member of the Board who is not otherwise in the service of the Government of the United States—

(A) shall receive a sum equivalent to the compensation paid at level II of the Executive Schedule, pursuant to section 5315 of title 5, United States Code, prorated on a daily basis for each day spent in the work of the Association; and

(B) shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from such member's usual place of residence, in accordance with section 5703 of such title.

(2) Each member of the Board who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Association shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from such member's usual place of residence, in accordance with subchapter 1 of chapter 53 of title 5, United States Code.

GENERAL POWERS OF THE ASSOCIATION

SEC. 5. (a) The Association shall have power—

(1) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(2) to sue and be sued and to complain and defend (in its corporate name and through its own counsel) in any State, Federal, or other court;

(3) to conduct its business without regard to any qualification or similar statute in any State, the District of Columbia, or any other place subject to the jurisdiction of the United States;

(4) subject to such limitations as may be provided expressly in this Act, to adopt, amend, repeal, and enforce such bylaws, rules, and regulations as may be necessary or appropriate to carry out the provisions of this Act;

(5) to receive capital contributions, to issue capital securities and to incur liabilities as provided in this Act;

(6) to enter into and perform contractors, agreements, and commitments;

(7) with the approval of the agency concerned, to make use of services, facilities, and property of any agency, department, board, commission, or independent establishment of the executive branch in carrying out the provisions of this Act and to pay for such use, such payments to be credited to the applicable appropriation that incurred the expenses;

(8) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

(9) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(10) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Association;

(11) to prescribe and impose fees and charges for services by the Association;

(12) to settle, adjust, and compromise, and with or without consideration or benefit to the Association, to release or waive in whole or in part, in advance or otherwise, any claim, demand or right of, by, or against the Association;

(13) to determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid; and

(14) to do all other things that are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

(b) The Association, including its franchise, capital, reserves, surplus, mortgages, or other security holdings, and income, shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the Association shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

(c) The Association may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Board, the head of such department or agency shall furnish such information to the Association.

(d)(1) The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Association, for its own account or as fiduciary, and such banks shall be reimbursed for such services in such manner as may be agreed upon.

(2) The Association may itself act in such capacities—

(A) for its own account or as fiduciary; and

(B) for the account of others.

CAPITALIZATION

SEC. 6. The Association shall have capital stock of $100,000,000 subscribed by the Secretary of the Treasury from funds appropriated for such purpose.

SECONDARY MARKET OPERATIONS

SEC. 7. (a) The Association is authorized to purchase, and to make commitments to purchase, industrial mortgages from any qualified financial institution.

(b)(1) The Association may hold and deal with, and sell or otherwise dispose of, any such industrial mortgage or interest in an industrial mortgage.

(2) The servicing of any such industrial mortgage may be performed by the seller of the industrial mortgage or by a financial institution qualified as a seller.

(c) The Association shall not purchase or make any commitment to purchase an industrial mortgage unless—

(1) the industrial mortgage is used to finance the purchase of facilities and equipment which shall be used for productive activities conducted in the United States;

(2) the borrower is a qualifying business;

(3) the term of the industrial mortgage does not exceed either—

(A) the useful economic life of the facilities and equipment involved; or

(B) ten years in the case of equipment or 20 years in the case of facilities;

(4) the principal amount of the industrial mortgage will be fully amortized over the life of the industrial mortgage;

(5) the outstanding principal balance at the time of purchase by the Association is less than 80 percent of the value of the assets securing the industrial mortgage; and

(6) the industrial mortgage was originated less than one year before the date on which it is purchased by the Association.

(d)(1) The Association shall have the authority to establish priorities for the types of industrial mortgages which it will purchase.

(2) The Association shall establish standards—

(A) regarding the maximum principal amount of any industrial mortgage which the Association will purchase;

(B) requiring the seller of an industrial mortgage to retain a participation of not less than 20 percent of the industrial mortgage for the life of the industrial mortgage; and

(C) requiring that, for such period and under such circumstances as the Association may specify, the seller of an industrial mortgager shall, in the event that such industrial mortgage is in default—

(i) repurchase such industrial mortgage; or

(ii) exchange such industrial mortgage for one or more industrial mortgages which are not in default.

(e) The Association shall establish minimum standards for the financial institutions from which it will purchase industrial mortgages. Such minimum standards shall require—

(1) a minimum level of net worth;

(2) adequate supervisory mechanisms;

(3) a warranty compensation mechanism;

(4) prior approval of facilities;

(5) an adequate level of financial expertise;

(6) limitations regarding the amount of industrial mortgages with respect to any single borrower; and

(7) such other requirements as the Association determines to be necessary in order to carry out the provisions of this Act in accordance with sound business practices.

(f) The Association may establish requirements, and impose charges or fees, which may be regarded as elements of pricing, for different classes of sellers or services, and, for such purposes, the Association is authorized to classify sellers or services according to type, size, location, assets, or on such other basis as the Association considers necessary or appropriate to carry out the provisions of this Act.

(g)(1) To provide a greater degree of liquidity to the industrial mortgage investment market and an additional means of financing the Association's operations under this section, the Association is authorized to set aside industrial mortgages held by the Association under this section, and, in consultation with the Secretary of the Treasury, to issue and sell securities based upon the industrial mortgages so set aside.

(2)(A) Securities issued under this subsection shall have such maturities and bear such rates of interest as may be determined by the Association with the approval of the Secretary of the Treasury.

(B) Such maturities shall not exceed twenty years.

(3) The Association shall issue or purchase from private sources commitments to insure the timely payment of principal and interest to purchasers of the securities backed by industrial mortgages previously set aside.

(4) Securities issued by the Association shall not be deemed to be—

(A) a security exempted by section 3 of the Securities Act of 1933; or

(B) an exempted security as such term is defined in section 3 of the Securities Exchange Act of 1934.

(5) Industrial mortgages set aside pursuant to this subsection shall at all times be adequate to enable the Association to make timely principal and interest payments on the securities issued and sold pursuant to this subsection.

(6) The Association shall insert appropriate language in all of the Association's obligations issued under this subsection clearly indicating that such obligations, together with the interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the Association.

(7) The Association is authorized to purchase in the open market at any time and at any price any of the Association's obligations outstanding under this subsection.

MISCELLANEOUS PROVISIONS

SEC. 8. (a) Funds held by the Association in excess of current needs may be invested by the Association only in securities or other obligations issued or guaranteed as to principal and interest by the United States or in deposits which are insured by the United States.

(b)(1) The Comptroller General of the United States is authorized to examine the books and records of the Association and shall conduct an annual audit of the operations of the Association.

(2) A report on each such audit, together with such recommendations may be appropriate, shall be transmitted to the Congress.

TERMINATION OF THE ASSOCIATION

SEC. 9. (a) The Association shall continue in existence until 10 years after the effective date of this Act but shall make no commitment to purchase and shall purchase no new industrial mortgages later than 7 years after the effective date of this Act.

(b) After the termination of the Association—

(1) any obligation of the Association shall be administered by the Secretary of the Treasury; and

(2) all funds of the Association shall be deposited in the general fund of the Treasury.

DEFINITIONS

SEC. 10. For purposes of this Act—

(1) the term "Association" means the Federal Industrial Mortgage Association established under section 3;

(2) the term "Board" means the Board of Directors of the Association;

(3) the term "qualifying business" means any individual, partnership, corporation, trust, or joint venture which has less than $50,000,000 in sales and whose principal activities do not consist of—

(A) dealing in commodities, securities, or real estate,

(B) retailing, banking, insurance, money, lending, debt factoring, hire-purchase financing, or other financial or personal services,

(C) leasing (including letting ships on charter or other assets on hire) or receiving royalties or license fees, or

(D) providing any professional services, including legal, accounting, or medical services;

(4) the term "financial institution" means any bank, business and industrial development company, savings and loan institution, commercial finance company, trust company, or credit union, or any other commercial bank or lending institution regulated by State or Federal authorities; and

(5) the term "industrial mortgage" means any extension of credit which—

(A) is secured by—

(i) a first lien on real property; or

(ii) an unsubordinated lien on any other type of property or equipment; and

(B) is used to finance the rehabilitation, renovation, modernization, refurbishing, or improvement of facilities or equipment used for productive business activities conducted in the United States.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated for fiscal year 1986, $100,000,000 to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 12. This Act shall take effect on October 1, 1986.●

By Mr. CHAFEE.

S. 757. A bill to suspend temporarily the duty on lasamid; to the Committee on Finance.

TO SUSPEND TEMPORARILY THE DUTY ON LASAMID

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that would suspend temporarily the duty on lasamid.

Lasamid is a chemical that is used in the manufacture of furosemide, a drug that is a widely-used potent diuretic, primarily prescribed in the treatment of patients who have suffered from congestive heart failures.

Furosemide is currently sold in the United States by Hoechst-Roussel Pharmaceuticals Inc. [H-RPI] and by several other generic drug companies. However, the only company which manufactures furosemide in the United States is H-RPI's parent, American Hoechst Corp. All other furosemide sold in the United States is imported.

American Hoechst produces furosemide in my state of Rhode Island by a process which involves the intensive treatment of the precursor chemical lasamid. There are no known American producers of lasamid, and its only use is as a precursor to the production of furosemide.

Since there are no domestic producers of lasamid no domestic interests would be adversely affected by this bill. By eliminating the duty on lasamid, this U.S. producer will become more competitive with foreign producers; thereby benefiting the American workers who manufacture this product. It will also contribute to keeping down medical costs, by reducing the costs to produce a major drug relied upon by many Americans.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numerical sequence the following new item:

"907.81	2,4 Dichloro-5-sufamcyl benzoic acid (provided for in item 406.56).	Free	No Change	On or before 12/31/88".

Sec. 2. The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the day that is 15 days after the date of enactment of this Act.●

By Mr. WALLOP (for himself and Mr. BENTSEN):

S. 758. A bill to amend the Internal Revenue Code of 1954 to repeal the capital gains tax on disposition of investments in United States real property by foreign citizens, to repeal the provisions providing for withholding of, and reporting on, such tax, and for other purposes; to the Committee on Finance.

REPEAL OF FIRPTA

● Mr. WALLOP. Mr. President, today I am pleased to join such leaders as Senators BENTSEN, GOLDWATER, and SYMMS in the call to repeal the Foreign Investment in Real Property Tax Act, or FIRPTA.

In 1979, I introduced the legislation which became FIRPTA. Since the bill's enactment in 1980 the effort to develop effective regulations has proven to be a very complicated and frustrating process. In a style which is becoming increasingly popular with the Treasury, the final version of the regulations is so broad in scope that I am unable to recognize my own child. FIRPTA has grown into a gorilla which terrorizes foreign investors, treaties, and the free market, to the detriment of all but the tax technicians.

In introducing FIRPTA I highlighted the tax advantage a foreign investor had over an American taxpayer when it came to profiting from the purchase of American farmlands. At the time of enactment, supporters were genuinely concerned about the impact that the tax advantage would have on the prices of farmland. My intent in introducing FIRPTA legislation was to equalize the tax treatment afforded investments in farmland and remove the opportunity the unequal tax treatment may have created for foreign investors to speculate in U.S. agricultural lands. My intent was to go no further than that. However, the manner in which the act was implemented goes far beyond my goal.

The scope of FIRPTA now reaches all U.S. real property which, according to regulations, includes stock in corporations holding real property, and par-

tial interests in land, such as mineral interests. Treasury, to enforce FIRPTA, requires complex reporting and now exacts its toll at the source payment without regard to the amount of gain, or any treaties, or conventions to the contrary. We are in a position that contradicts our treaty agreements, discourages foreign investment and unduly burdens our economy and society as a result.

Aside from the fact that the reach of FIRPTA goes far beyond its original intent and the scope of reasonableness, it has become clear that the American farm does not need the protection; nor is the protection merited when judged against its impacts on foreign trade and investment in America. The feared overwhelming foreign investment in agricultural lands, it turns out, was an illusion. Indeed, the Department of Agriculture estimated at the end of 1983, that foreigners owned less than 1.1 percent of the privately owned agricultural lands in the United States. In addition, GAO studies determined that foreign demand for U.S. real property investment is not sensitive to tax considerations. As it was designed to do, FIRPTA continues to discourage foreign investment. It was a damper on, but did not prevent the appreciation caused by agland speculation. It continues to add to the unnatural depression of the value of agricultural lands.

FIRPTA, I am sorry to report, is another example of a betrayal of the free market in an effort to aid the farmers and ranchers of America, which thanks in part to the overzealous efforts of the Treasury Department, resulted in burdens not anticipated by its framers and supporters. There is no justification for its continued existence.

I ask that the Senate acknowledge that FIRPTA is an outdated statute, which frustrates the free market and threatens all forms of foreign investment in America. I ask my colleagues to join in its repeal and pledge to use my best efforts to achieve relief from this now unworthy legislation.●

● Mr. BENTSEN. Mr. President, I am pleased to join with my friend from Wyoming in introducing legislation to repeal the Foreign Investment in Real Property Tax Act of 1980, better known as FIRPTA. I know that the Senator from Arizona, Mr. GOLDWATER, also supports this bill and has introduced a repeal bill of his own.

FIRPTA had its origins in the late 1970's, when prices of farmland and other types of real property in the United States were rising rapidly every year. There was a fear in farm States at the time that foreign investors were taking over too much U.S. farmland and thereby contributing to the price increases. It was felt that the foreign money was crowding out beginning farmers who needed to acquire land for farming purposes as opposed to investment purposes. Because of these concerns, FIRPTA was enacted to limit the flow of foreign investment into U.S. real estate.

The technical effect of FIRPTA is to impose the U.S. capital gains tax in a variety of real estate-related transactions where the tax would not apply under the ordinary U.S. tax rules that apply to foreign investors. First, FIRPTA taxes foreign investors on the sale of every "U.S. real property interest," even if the interest is not used in connection with a business; the ordinary U.S. tax rules do not tax a foreign investor on sales of nonbusiness property. Second, at the insistence of the Treasury Department, the term "U.S. real property interest" was defined broadly to include not just farmland, but all real property, including buildings and subsurface deposits. Third, FIRPTA taxes sales of stock in a nonpublicly traded U.S. corporation consist of U.S. real property interests. For example, a manufacturing company whose plant comprises more than half the value of its assets would fall under this rule. Moreover, this rule applies even to publicly traded corporations if the foreign investor owns more than 5 percent of the corporation's stock. Again, the ordinary U.S. tax rules do not tax foreign investors on sales of stock in a U.S. corporation.

Mr. President, FIRPTA was a mistake. We should be encouraging foreign investments in the United States, not discouraging them. Last year the Congress took a significant step in that direction by repealing the 30 percent tax on portfolio interest paid to foreign investors by U.S. companies and by the Treasury Department. We should be consistent now and repeal FIRPTA. In fact, we should especially want to encourage foreign investors to invest in U.S. real estate; real estate investments are usually less liquid than other types of investments and therefore are more likely to be long-term. Real estate investors have a genuine stake in our country's long-term health.

FIRPTA was especially a mistake from the point of view of the U.S. farmer. Prices of farmland have been declining since 1981, from an average of $795 per acre to an average of $739 per acre in 1984. These declines have been especially harsh in heavily agricultural areas such as west Texas or the Corn Belt, with land prices dropping by 40 percent or more in some areas.

We all know what this means. It means that farmers have less collateral for loans and can't qualify for the credit they need to continue farming. And it means that farm banks find themselves with portfolios of uncollectible loans. Foreign investment in farmland could help solve these problems by shoring up prices.

I have seen no evidence that a massive inflow of foreign money was to blame for the increases in prices of farmland in the late 1970's. The fact of the matter is that the U.S. economy was experiencing double-digit inflation at the time, and speculation was widespread in all types of real estate, not just farmland. Statistics released by the Department of Agriculture show that as of 1982, only about 1 percent of U.S. agricultural land was owned by foreign investors.

Just as there is no evidence of massive foreign takeovers of U.S. farmland by foreigners before FIRPTA, there is no reason to think that the repeal of FIRPTA would now unleash a flood of foreign investment into farmland. But repeal of FIRPTA would remove what is now a serious impediment to legitimate and beneficial foreign investment. That would be good for the farmers, good for farm communities, good for the banking system, and good for the country.

There was a hearing on FIRPTA in the Finance Committee last year. The hearing record shows clearly that FIRPTA has achieved its intended purpose of discouraging investment in the United States. One of the witnesses was Govert van Tets, a Senator in the Dutch Parliament. Testifying on behalf of a federation of European pension plans, he said that:

> [T]he whole FIRPTA statute has, without any doubt, seriously dampened our investment interest in U.S. commercial real estate, oil and gas exploration, and high technology, and will continue to defer such investment unless this law is repealed or very substantially modified to reignite our interest.

A second witness, Lord Mark Fitzalan Howard, testifying on behalf of an association of British investment companies, echoed Mr. van Tets' opinion. Another witness, Donald W. Knight of an Atlanta law firm, said that in tax seminars FIRPTA was referred to early on as the "Hot Money Encouragement Act of 1980, because of its inclination to cause foreign investors to choose other types of investments in the United States, such as portfolio investments, over the more permanent type of investment of real estate."

It is also important to note that as of the beginning of this year, FIRPTA unilaterally overrode U.S. treaty obligations. When FIRPTA was enacted, a 5-year period was provided for renegotiation of conflicting treaties. But only the Canadian treaty has been renegotiated. And anyone who is familiar with the arduous process of negotiating and ratifying a tax treaty knows that the process of renegotiating all the other treaties will probably not be finished for decades. It is troubling that the United States would make light of our treaty obligations, especially when FIRPTA's imposition of a tax on capital gains realized by a foreign investor in the sale of stock is, in

the words of a 1977 Treasury Department report leading to FIRPTA, a "departure from international norms."

Mr. President, I recognize that a part of the FIRPTA problem was solved last year when FIRPTA's onerous reporting rules were replaced with withholding rules. Everyone agrees that the new rules are a big improvement. But FIRPTA still applies in the same broad fashion that it has applied since enactment, and it will continue to send the same discouraging signals to foreign investors. I recommend to the Senate that we discard it, and I will actively work to bring about that result.●

By Mr. GARN (for himself and Mr. PROXMIRE) (by request):

S. 759. A bill to strengthen and refine the provisions of the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933 and the National Housing Act, to provide for more flexible premium assessment procedures, to improve insurance of accounts provisions, to establish priorities among claimants against the estates of failed institutions, to improve and clarify enforcement authority, to strengthen holding company provisions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 760. A bill to strengthen and refine provisions of the Federal Deposit Insurance Act, to provide for more flexible assessment procedures, to improve methods for insuring deposits and for paying insured depositors, to establish priorities among claimants to the estates of failed banks, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

LEGISLATIVE PROPOSALS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION AND THE FEDERAL HOME LOAN BANK BOARD

● Mr. GARN. Mr. President, today Senator PROXMIRE and I are introducing, by request, two legislative proposals prepared separately by the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board.

In the Garn-St Germain Act of 1982 the FDIC, the FSLIC, and the NCUA were each required to conduct a study of the deposit insurance system—its impact on the structure and operations of depository institutions, the possibility of increased or undue risk to the funds, and the feasibility of risk based insurance premiums.

In the 98th Congress, we passed legislation which provided for a recapitalization of the National Credit Union Share Insurance Fund. Today that recapitalization is virtually completed—as a result the Share Insurance Fund has been increased by fourfold.

Last year, I introduced by request two separate bills proposed by the FDIC and FHLBB respectively. Over the last year both agencies have testified about the need for changes in the deposit insurance system and for upgrading existing supervisory and enforcement tools. The issues raised by the proposals generated additional studies within the administration, the effected agencies, and the financial community as a whole.

S. 759 and S. 760 represent the current recommendations of each agency for changes to its insurance system and supervisory authority. I encourage all of my colleagues to review these proposals.

I request unanimous consent that the FDIC and FSLIC bills, their respective letters of transmittal from Chairman Isaac and Chairman Gray, together with the summaries of each bill be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 759

Be it enacted by the Senate and House of Representatives of the United States of America assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Insured Institutions Improvements Act of 1985".

TITLE I—INSURANCE OF ACCOUNTS

SEC. 101. This title may be cited as the "Savings Insurance Protection Act of 1985".

DEFINITIONS

SEC. 102. Section 401 of the National Housing Act (12 U.S.C. 1724) is amended—

(1) by amending subsection (a) to read as follows:

"(a) The term "insured institution" means an institution having classes of accounts which are insured under this subchapter.";

(2) by amending subsection (c) to read as follows:

"(c)(1) Subject to the provisions of paragraph (2) of this subsection, the term "insured account" means a share, certificate, or deposit account of a type approved by the Federal Savings and Loan Insurance Corporation which is held by an insured member in an insured institution and which is insured under the provisions of this title.

"(2) In furtherance of the purpose of this Act, the Federal Savings and Loan Insurance Corporation shall have authority and to determine whether accounts in any such class constitute insured accounts."; and

(3) by adding a new subsection (e) at the end thereof as follows:

"(e) The term "State" includes the District of Columbia, any territory of the United States, the Virgin Islands, and the Commonwealth of Puerto Rico.".

PRIMARY AND SECONDARY RESERVES

SEC. 103. Section 404(b) of the National Housing Act (12 U.S.C. 1727(b)) is amended by striking the words "except that under regulations prescribed by the Corporation such premium may be paid semiannually" in the second sentence of paragraph (1) thereof and inserting in lieu thereof: "or on such other periodic basis as the Board may establish by regulation".

SEC. 104. Section 404(c) of the National Housing Act (12 U.S.C. 1727(c)) is amended to read as follows:

"(c) The Corporation is further authorized to assess against each insured institution additional premiums for insurance as follows:

"(1) against all insured institutions, in an amount that does not exceed in any one year against any such institution so assessed, one-eighth of one per centum of the total amount of the accounts of its insured members, but only until the amount of such premiums equals the amount of all losses and expenses of the Corporation; and

"(2) notwithstanding any other provision of this subsection, against insured institutions whose asset investments, including the percentage of assets invested in any activity, exceed the authority granted to federal associations under the Home Owners' Loan Act of 1933, as amended, and regulations promulgated pursuant thereto. In assessing additional premiums pursuant to this subsection (c)(2) the Corporation shall take into account the insured institutions' level of net worth as compared to its outstanding liabilities".

TITLE II—ENFORCEMENT

SEC. 201. This title may be cited as the "Savings Institutions Supervisory Act of 1985".

CEASE AND DESIST PROCEEDINGS

SEC. 202. Section 407(e)(1) of the National Housing Act (12 U.S.C. 1730(e)(1)) is amended—

(1) by amending the first two sentences thereof to read as follows:

"(1) If the Corporation is of the opinion that an insured institution or institution-related party is engaged or has engaged, or the Corporation determines that it has reasonable cause to believe that an insured institution or institution related party is about to engage, in an unsafe or unsound practice in conducting the business of such insured institution or if the Corporation has reasonable cause to believe that an insured institution or institution-related party is violating or has violated, or is about to violate, a law, rule, regulation, or any written agreement entered into with the Corporation, including any agreement entered into under section 1726 of this title, the Corporation may issue and serve upon such insured institution or institution-related party, a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices, and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the insured institution or institution-related party.";

(2) by amending the fifth and sixth sentences thereof to read as follows:

"In the event of such consent, or if based upon the record made at any such hearing the Corporation shall find that any violation or unsafe or unsound practice specified in the notice of charges has been established, the Corporation may issue and serve upon the insured institution or institution-related party an order to cease and desist from any such violation or practice. Such order may require the insured institution or institution-related party to cease and desist from the same, and further to take affirmative action to correct the conditions resulting from any such violation or practice."; and

(3) by adding at the end thereof the following:

"Such affirmative action may include, without limitation, restitution, rescission, the disposal of loans or assets, guarantees against loss, and/or other action as the Corporation deems to be appropriate in the circumstances.".

SEC. 203. Section 5(d)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(A)) is amended.

(1) by amending the first two sentences thereof to read as follows:

"(A) If the Board is of the opinion that an association or association-related party is engaged or has engaged, or the Board determines that it has reasonable cause to believe that an association or association-related party is about to engage, in an unsafe or unsound practice in conducting the business of such association, or that an association or association-related party is violating or has violated, or the Board has reasonable cause to believe that an association or association-related party is about to violate, a law, rule, regulation, or any written agreement entered into with the Board, the Board may issue and serve upon such association or association-related party, a notice of charges in respect thereof. The notice shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices and shall fix a time and place at which a hearing will be held to determine whether an order to cease and desist therefrom should issue against the association or association related party.";

(2) by amending the fifth and sixth sentences thereof to read as follows:

"In the event of such consent, or if based upon the record made at any such hearing the Board shall find that any violation or unsafe or unsound practice specified in the notice of changes has been established, the Board may issue and serve upon the association or association-related party an order to cease and desist from any such violation or practice. Such order may require the association or association-related party to cease and desist from the same, and further to take affirmative action to correct the conditions resulting from any such violation or practice."; and

(3) by adding at the end thereof the following:

"Such affirmative action may include, without limitation, restitution, rescission, the disposal of loans or assets, guarantees against loss, and/or such other action as the Board deems to be appropriate in the circumstances.".

SEC. 204. Section 407(e)(3) of the National Housing Act (12 U.S.C. 1730(e)(3)) is amended to read as follows:

"(3) This subsection and subsection (f), (g), (h), (j), (m), (n), (o), (p), (q), and (r) of this section shall apply also to any savings and loan holding company, and to any subsidiary (other than an insured institution) of a savings and loan holding company, as those terms are defined in section 1730a of this title, and to any service corporation or any subsidiary of a service corporation, whether wholly or partly owned, of an insured institution, in the same manner as they apply to an insured institution.".

SEC. 205. Section 5(d)(2)(C) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(C)) is amended to read as follows:

"(C) This paragraph and paragraphs (3), (4), (5), (7), (8), (9), (10), (12)(A) and (B), (13), and (14) of this subsection shall apply to any savings and loan holding company, and to any subsidiary (other than an association) of a savings and loan holding company, as those terms are defined in section 1730a of this title, and to any service corporation or any subsidiary a service corporation, whether wholly or partly owned, of an association in the same manner as they apply to an association.".

TEMPORARY CEASE AND DESIST ORDERS

SEC. 206. Section 407(f) of the National Housing Act (12 U.S.C. 1730(f)) is amended—

(1) by amending paragraphs 407(f) (1) and (2) to read as follows:

"(f)(1) Whenever the Corporation shall determine that the violation or threatened violation or that the unsafe or unsound practice or practices or threatened unsafe or unsound practice or practices specified in the notice of charges served upon an insured institution or institution-related party pursuant to paragraph (1) of subsection (e) of this section, or the continuation thereof, is likely to cause insolvency or dissipation of assets or earnings of the insured institution concerned or likely to weaken the condition of the insured institution concerned or otherwise seriously prejudice the interests of insured account holders or stockholders prior to the completion of proceedings conducted pursuant to paragraph (1) of subsection (e) of this section, the Corporation may issue a temporary order requiring the insured institution or institution-related party to cease and desist from any such violation or practice and to take such affirmative action as the Corporation deems appropriate to prevent such insolvency, dissipation, condition, or prejudice pending completion of such proceedings. Such order shall become effective upon service upon the concerned insured institution or institution-related party, and unless set aside limited, or suspended by a court in proceedings authorized by paragraph (3) of this subsection, shall remain effective and enforceable pending completion of the administrative proceeding initiated pursuant to such notice and until such time as the Corporation shall dismiss the charges specified in such notice or if a cease-and-desist order is issued against the insured institution or institution-related party, until the effective date of any such order.

"(2) Whenever a notice of charges shall specify that an insured institution's books and records are so incomplete or inaccurate that the Corporation is unable with reasonable effect to determine the financial condition of that institution, the Corporation may issue a temporary order requiring the cessation of any institution activities as the Corporation shall deem appropriate until the completion of the proceedings conducted pursuant to paragraph (1) of subsection (e) of this section. Such order shall become effective upon service, and unless set aside, limited, or suspended by a court in proceedings authorized by paragraph (3) of this subsection, shall remain effective and enforceable pending completion of the administrative proceeding initiated pursuant to such notice or until, in the opinion of the Corporation, the institution's books and records are accurate and capable of reflecting the financial condition of the institution, which the Corporation may determine by examination or otherwise.

"(3) Within ten days after an insured institution or institution-related party has been served with a temporary cease-and-desist order, the party served may apply to the United States district court for the judicial district in which the principal office of the concerned institution is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon said party under paragraph (1) of subsection (e) of this section, and such court shall have jurisdiction to issue said injunction."; and

(2) by redesignating subsection (3) as subsection (4).

SEC. 207. Section 5(d)(3) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(3)) is amended—

(1) by amending subparagraphs 5(d)(3) (A) and (B) to read as follows:

"(3)(A) Whenever the Board shall determine that the violation or threatened violation or that the unsafe or unsound practice or practices or threatened unsafe or unsound practice or practices specified in the notice of charges served upon an association or any association-related party pursuant to paragraph (2)(A) of this subsection, or the continuation thereof, is likely to cause insolvency or dissipation of assets or earnings of the association concerned or is likely to weaken the condition of the association or otherwise seriously prejudice the interests of its savings account holders or stockholders prior to the completion of proceedings conducted pursuant to paragraph (2)(A) of this subsection, the Board may issue a temporary order requiring the association or association-related party to cease and desist from any such violation or practice and to take such affirmative action as the Board deems appropriate to prevent such insolvency, dissipation, condition, or prejudice pending completion of such proceedings. Such order shall become effective upon service upon the association or association-related party, and unless set aside, limited, or suspended by a court in proceedings authorized by subparagraph (C) of this paragraph, shall remain effective and enforceable pending completion of the administrative proceedings initiated pursuant to such notice and until such time as the Board shall dismiss the charges specified in such notice, or if a cease-and-desist order is issued against the association or association-related party, until the effective date of any such order.

"(B) Whenever a notice of charges shall specify that an association's books and records are so incomplete or inaccurate that the Board is unable with reasonable effort to determine the financial condition of that association, the Board may issue a temporary order requiring the cessation of any association activities as the Board shall deem appropriate until the completion of the proceedings conducted pursuant to paragraph (2)(A) of this subsection. Such order shall become effective upon service and unless set aside, limited, or suspended by a court in proceedings authorized by paragraph (C) of this subsection, shall remain effective and enforceable pending completion of the administrative proceeding initiated pursuant to such notice or until, in the opinion of the Board, the association's books and records are accurate and capable of reflecting the financial condition of the association, which the Corporation may determine by examination or otherwise.

"(C) Within ten days after an association or association-related party has been served with a temporary cease and desist order, the party served may apply to the United States district court for the judicial district in which the principal office of the concerned association is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon said party under paragraph

(2)(A) of this subsection, and such court shall have jurisdiction to issue said injunction."; and

(2) by redesignating subsection 5(d)(3)(C) as subsection 5(d)(3)(D).

SUSPENSION, REMOVAL OR PROHIBITION OF INSTITUTION-RELATED PARTIES

SEC. 208. Section 407(g) of the National Housing Act (12 U.S.C. 1730(g)) is amended to read as follows:

"(g)(1) Whenever the Corporation shall be of the opinion that—

"(A) any institution-related party has committed any violation of law, rule, regulation or a cease and desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with an insured institution, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary or professional duty; and

"(B) an insured institution has suffered or will probably suffer financial loss or other damage or the interests of its insured account holders or stockholders have been or could be prejudiced by reason of such violation or practice or breach, or the institution-related party has received financial gain by reason of such violation or practice or breach; and

"(C) such violation or practice or breach is one involving personal dishonesty on the part of such institution-related party, or one that demonstrates a willful or continuing disregard for the safety or soundness of the insured institution,

"the Corporation may serve upon such institution-related party a written notice of its intention to remove such party from his office or his position and/or to prohibit his further participation in any manner in the conduct of the affairs of such insured institution. For institution-related parties who are not holding an official office or who are no longer participating in the affairs of such insured institution at the time of service of the notice, the notice shall state the Corporation's intention to prohibit such person's further participation in any manner in the conduct of the affairs of the insured institution.

"(2) Whenever the Corporation shall determine that any institution-related party has evidenced either personal dishonesty or a willful or continuing disregard for the safety or soundness of another insured institution or other business enterprise by conduct or practice with respect to such other insured institution or business enterprise that resulted in financial loss or other damage to such other insured institution or business enterprise or that resulted in financial gain to such institution-related party, and, in addition, where such party has evidenced his unfitness to continue as an institution-related party, the Corporation may serve upon such institution-related party a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the affairs of his institution.

"(3) Whenever, in the opinion of the Corporation, any institution-related party has committed a violation of the Depository Institutions Management Interlocks Act (12 U.S.C. 3201 et seq.), the Corporation may serve upon such party a written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the institution.

"(4) A notice of intention to remove shall contain a statement of the facts constituting grounds therefor, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the Corporation at the request of (A) such party and for good cause shown, or (B) the Attorney General of the United States. Unless such institution-related party shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal and/or prohibition. In the event of such consent, or if upon the record made at any such hearing the Corporation shall find that any of the grounds specified in such notice has been established, the Corporation may issue such orders of suspension or removal from office, and/or prohibition from participation in the conduct of the affairs of the institution, as it may deem appropriate. Any such order shall become effective at the expiration of thirty days after service upon such institution and the institution-related party (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Corporation or a reviewing court.

"(5) In respect to any institution-related party referred to in paragraph (1), (2) or (3) of this subsection, the Corporation may, if it deems it necessary for the protection of the institution or of the interests of its insured members or of the Corporation, by written notice to such effect served upon such institution-related party, suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the institution. Such suspension and/or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by paragraph (6) of this subsection, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under paragraph (1), (2) or (3) of this subsection and until such time as the Corporation shall dismiss the charges specified in such notice, or, if an order of removal and/or prohibition is issued against the institution-related party, until the effective date of any such order. Copies of any such notice shall also be served upon the institution from which the suspension and/or prohibition is to be effective.

"(6) Within ten days after any institution-related party has been suspended from office and/or prohibited from participation in the conduct of the affairs of an insured institution under paragraph (4) of this subsection, such party may apply to the United States district court for the judicial district in which the principal office of the institution is located, or the United States District Court for the District of Columbia, for a stay of such suspension and/or prohibition pending the completion of the administrative proceedings pursuant to the notice served upon such institution related party under paragraph (1), (2) or (3) of this subsection, and such court shall have jurisdiction to stay such suspension and/or prohibition.".

SEC. 209. Section 5(d)(4) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(4)) is amended to read as follows:

"(4)(A) Whenever the Board shall be of the opinion that—

"(i) any association-related party has committed any violation of law, rule, regulation or a cease and desist order which has become final, or has engaged or participated in any unsafe or unsound practice in connection with an insured institution, or has committed or engaged in any act, omission, or practice which constitutes a breach of his fiduciary or professional duty; and

"(ii) an association has suffered or will probably suffer financial loss or other damage or the interests of its savings account holders or stockholders have been or could be prejudiced by reason of such violation or practice or breach, or the association-related party has received financial gain by reason of such violation or practice or breach; and

"(iii) such violation or practice or breach is one involving personal dishonesty on the part of such association-related party, or one that demonstrates a willful or continuing disregard for the safety and soundness of the association,

"the Board may serve upon such association-related party a written notice of its intention to remove such party from his office or his position and/or to prohibit his further participation in any manner in the conduct of the affairs of such insured institution. For association-related parties who are not holding an official office or who are no longer participating in the affairs of such association at the time of service of the notice, the notice shall state the Board's intention to prohibit such person's further participation in any manner in the conduct of the affairs of the insured institution.

"(B) Whenever the Board shall determine that any association-related party has evidenced either personal dishonesty or a willful or continuing disregard for the safety and soundness of another association or other business enterprise by conduct or practice with respect to such other association or business enterprise that resulted in financial loss or other damage to such other association or business enterprise or that resulted in financial gain to such association-related party, and, in addition, where such party has evidenced his unfitness to continue as an association-related party, the Board may serve upon such association-related party, a written notice of its intention to remove him from office and/or to prohibit his further participation in any manner in the affairs of his association.

"(C) Whenever, in the opinion of the Board, any association-related party has committed a violation of the Depository Institutions Management Interlocks Act (12 U.S.C. 3201 et seq.), the Board may serve upon such association-related party written notice of its intention to remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the association.

"(D) A notice of intention to remove and/or prohibit an association-related party shall contain a statement of the facts constituting grounds therefore, and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after the date of service of such notice, unless an earlier or a later date is set by the Board at the request of (i) such association-related party and for good cause shown, or (ii) the Attorney General of the United States. Unless such party shall appear at the hearing in person or by a duly authorized representative, he shall be deemed to have consented to the issuance of an order of such removal and/or prohibition. In the event of such consent, or if

upon the record made at any such hearing the Board shall find that any of the grounds specified in such notice has been established, the Board may issue such orders of suspension or removal from office, and/or prohibition from participation in the conduct of the affairs of the institution, as it may deem appropriate. Any such order shall become effective at the expiration of thirty days after service upon such institution and the association-related party (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Board or a reviewing court.

"(E) In respect to any association-related party, or any other person referred to in subparagraph (A), (B) or (C) of this paragraph, the Board may, if it deems it necessary for the protection of the association or the interests of its savings account holders, by written notice to such effect served upon such party, suspend him from office and/or prohibit him from further participation in any manner in the conduct of the affairs of the association. Such suspension and/or prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subparagraph (F) of this paragraph, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under subparagraph (A), (B) or (C) of this paragraph and until such time as the Board shall dismiss the charges specified in such notice, or, if an order of removal and/or prohibition is issued against the association-related party, until the effective date of any such order. Copies of any such notice shall also be served upon the association from which the suspension and/or prohibition is to be effective.

"(F) Within ten days after any association-related party has been suspended from office and/or prohibited from participation in the conduct of the affairs of an association under subparagraph (D) of this paragraph, such party may apply to the United States district court for the judicial district in which the principal office of the institution is located, or the United States District Court for the District of Columbia, for a stay of such suspension and/or prohibition pending the completion of the administrative proceedings pursuant to the notice served upon such association-related party under subparagraph (A), (B) or (C) of this subsection, and such court shall have jurisdiction to stay such suspension and/or prohibition.".

SUSPENSIONS AND REMOVALS BASED ON INDICTMENTS OR CONVICTIONS

SEC. 210. Section 407(h) of the National Housing Act (12 U.S.C. 1730(h)) is amended to read as follows:

"(h)(1) Whenever any institution-related party is charged in any information or indictment, or any complaint authorized by a United States attorney, with the commission of or participation in a crime involving dishonesty or a breach of trust, which is punishable by imprisonment for a term exceeding one year under State or Federal law, the Corporation may, if continued service or participation by the individual may pose a threat to the interests of an insured institution's accountholders, or may threaten to impair public confidence in the insured institution, by written notice served upon such institution-related party, suspend him from office or prohibit him from further participation in any manner in the conduct of the affairs of the insured institution. A copy of such notice also shall be served upon the insured institution to which such indivisual is or was related. Such suspension or prohibition shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the Corporation. In the event that a judgment of conviction with respect to the charge is entered against such institution-related party and at such time as such judgment is not subject to further appellate review, the Corporation may, if continued service or participation by the individual may pose a threat to the interests of the insured institution's accountholders, or may threaten to impair public confidence in the insured institution, issue and serve upon such institution-related party an order removing him from office and/or prohibiting him from participation in any manner in the conduct of the affairs of the insured institution to which he is or was related, except with the consent of the Corporation. A copy of such order also shall be served upon the insured institution, whereupon such individual shall cease to be an institution-related party of such institution. A finding of not guilty or other disposition of the charge shall not preclude the Corporation from thereafter instituting proceedings to remove and/or prohibit such institution-related party pursuant to paragraph (1), (2), (3) or (4) of subsection (g) of this section. Any notice of suspension or order of removal issued under this paragraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (2) of this subsection, unless terminated by the Corporation.

"(2) Within thirty days from service of any notice of suspension or order of removal and/or prohibition issued pursuant to paragraph (1) of this subsection, the institution-related party concerned may request in writing an opportunity to appear before the Corporation to show that the continued service to or participation in the conduct of the affairs of the institution by such individual does not, or is not likely to, pose a threat to the interests of the institution's depositors or threaten to impair public confidence in the institution. Upon receipt of any such request, the Corporation shall fix a time (not more than thirty days after receipt of such request, unless extended at the request of the institution-related party) and place at which the party may appear, personally or through counsel, before one or more members of the Corporation or designated employees of the Corporation to submit written materials (or, at the discretion of the agency, oral testimony) and oral argument. Within sixty days of such hearing, the Corporation shall notify the institution-related party whether the suspension or prohibition from participation in any manner in the conduct of the affairs of the institution will be continued, terminated or otherwise modified, or whether the order removing and/or prohibiting such party will be rescinded or otherwise modified. Such notification shall contain a statement of the basis for the Corporation's decision, if adverse to the institution-related party.".

SEC. 211. Section 5(d)(5) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(5)) is amended to read as follows:

"(5)(A) Whenever any association-related party is charged in any information or indictment, or any complaint authorized by a United States attorney, with the commission of or participation in a crime involving dishonesty or a breach of trust, which is punishable by imprisonment for a term exceeding one year under State or Federal law, the Board may, if continued service or participation by the individual may pose a threat to the interests of the association's depositors or may threaten to impair public confidence in the association, by written notice served upon such party, suspend him from office or prohibit him from further participation in any manner in the conduct of the affairs of the association. A copy of such notice also shall be served upon the association. Such suspension or prohibition shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the Board. In the event that a judgment of conviction with respect to such crime is entered against such association-related party and at such time as such judgment is not subject to further appellate review, the Board may, if continued service or participation by the individual may pose a threat to the interests of the association's depositors or may threaten to impair public confidence in the association, issue and serve upon such association-related party an order removing him from office and/or prohibiting him from further participation in any manner in the conduct of the affairs of the association except with the consent of the Board. A copy of such order shall also be served upon such association, whereupon such individual shall cease to be an association-related party. A finding of not guilty or other disposition of the charge shall not preclude the Board from thereafter instituting proceedings to remove and/or prohibit such institution-related party, pursuant to subparagraph (A), (B), (C), (D) of paragraph (4). Any notice of suspension or order of removal issued under this subparagraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (C) hereof unless terminated by the Board.

"(B) If at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of an association less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors. In the event all of the directors of an association are suspended pursuant to this section, the Board shall appoint persons to serve temporarily as directors in their place and stead pending the termination of such suspension, or until such time as those who have been suspended cease to be directors of the association and their respective successors take office.

"(C) Within thirty days from service of any notice of suspension or order of removal and/or prohibition issued pursuant to subparagraph (A), the association-related party concerned may request in writing an opportunity to appear before the Board to show that the continued service to or participation in the conduct of the affairs of the association by such individual does not, or is not likely to, pose a threat to the interests of the association's depositors or threaten to impair public confidence in the association. Upon receipt of any such request, the Board shall fix a time (not more than thirty days after receipt of such request, unless extended at the request of the association-related party) and place at which the party may appear, personally or through counsel, before one or more members of the Board

or designated employees of the Board to submit written materials (or, at the discretion of the agency, oral testimony) and oral argument. Within sixty days of such hearing, the Board shall notify the association-related party whether the suspension or prohibition from participation in any manner in the conduct of the affairs of the association will be continued, terminated or otherwise modified, or whether the order removing and/or prohibiting such party will be rescinded or otherwise modified. Such notification shall contain a statement of the basis for the Board's decision, if adverse to the association-related party. The Board is authorized to prescribe such rules as may be necessary to effectuate the purposes of this subsection.".

ANCILLARY PROVISIONS: SUBPOENA POWER

SEC. 212. Section 407(m)(2) of the National Housing Act (12 U.S.C. 1730(m)(2)) is amended to read as follows:

"(2) In connection with examinations of insured institutions and affiliates thereof, the Corporation, or its designated representatives, shall have power to administer oaths and affirmations and to examine and to take and preserve testimony under oath as to any matter concerning the affairs, assets, or ownership of any such institution or affiliate thereof, or of any entity that was an insured institution or affiliate thereof at the time of the transaction or conduct being examined, and to issue subpoenas and subpoenas duces tecum. The Corporation is authorized to enforce such subpoenas by applying to the United States district court for the judicial district, or the United States court in any territory, in which the principal office of the institution or affiliate thereof is located, or in which the witness resides or carries on business, or in the District of Columbia. Such courts shall have jurisdiction and power to order and require compliance with any such subpoena, and any failure to obey such an order of the court may be punished by such court as contempt thereof. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, in obedience to the subpoena of the Corporation, shall be guilty of the misdemeanor and, upon conviction, shall be subject to a fine of not more than $1000 or to imprisonment for a term of not more than one year, or both.".

PENALTIES

SEC. 213. Section 407(p) of the National Housing Act (12 U.S.C. 1730(p)) is amended to read as follows:

"(p)(1) Any person against whom there is outstanding and effective any notice or order (which is an order that has become final) served upon such person under subsections (g) or (h) of this section or under sections 1464(d) (4) or (5) of this title, or under section 1818(e) of this title, and who

"(A) participates in any manner in the conduct of the affairs of the institution from which he has been suspended, removed and/or prohibited, or directly or indirectly solicits or procures, or transfers or attempts to transfer, or votes or attempts to vote any proxies, consents, or authorizations in respect to any voting rights in such institution, or

"(B) without the prior written approach of the Corporation, votes for a director, or serves or acts as a director, officer, employee, or agent or otherwise participates in any manner in the conduct of the affairs of any institution the accounts of which are insured by the Corporation, or without the written prior approval of the appropriate federal regulatory authority, engages in said conduct with respect to any other depository institution the accounts of which are insured by the Federal Deposit Insurance Corporation any other agency of the federal government.

"shall be guilty of a misdemeanor, and upon conviction, be fined not more than $5,000 or imprisoned for not more than one year, or both.

"(2) Except with the prior written consent of the Corporation, no person shall serve as an institution-related party who has been convicted of a criminal offense involving dishonesty or breach of trust. For each knowing violation of this prohibition, the institution involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Corporation may recover by suit or otherwise for its own use.".

SEC. 214. Section 5(d)(12) of the Home Owner's Loan Act (12 U.S.C. 1464(d)(12)) is amended to read as follows:

"(12)(A) Any person against whom there is outstanding and effective any notice or order (which is an order that has become final) served upon such person under subsections (4) or (5) of this section or under section 1730(g) or (h) of this title or under section 1818(e) of this title and who

"(i) participates in any manner in the conduct of the affairs of the association from which he has been suspended removed and/or prohibited, or directly or indirectly solicits or procures, or transfers or attempts to transfer or votes or attempts to vote any proxies, consents, or authorizations in respect to any voting rights in such association, or

"(ii) without the prior written approval of the Board votes for a director, or serves or acts as a director, officer, employee, or agent or otherwise participates in any manner in the conduct of the affairs of any depository institution the accounts of which are insured by the Corporation, or without the prior written approval of the appropriate federal regulatory authority, engages in such conduct with respect to any other depository institution the accounts of which are insured by the Federal Deposit Insurance Corporation or any other agency of the federal government.

shall be guilty of a misdemeanor, and upon conviction, be fined not more than $5,000 or imprisoned for not more than one year, or both.

"(B) Except with the prior written consent of the Corporation, no person shall serve as an association-related party who has been convicted of a criminal offense involving dishonesty or breach of trust. For each knowing violation of this prohibition, the institution involved shall be subject to a penalty of not more than $100 for each day this prohibition is violated, which the Board may recover by suit or otherwise for its own use.".

DEFINITIONS

SEC. 215. Section 407(r) of the National Housing Act (12 U.S.C. 1730(r)) is amended—

(1) by adding at the end of paragraph (r)(1) thereof the following:

"(E) The term "unsafe or unsound practice" includes any action or omission, which is, in the opinion of the Corporation, contrary to generally accepted standards of prudent operation, whether relating to the institution's internal management or to any external matter, the possible consequence of which, if continued, may be abnormal risk or loss or damage to an insured institution or any subsidiary thereof, to its stockholders or account holders, or to the Corporation; and

"(F) The term "institution-related party" means any director, officer, employee, agent, or other person participating in the conduct of the affairs of an insured institution, or of any service corporation or any subsidiary of a service corporation of an insured institution, whether wholly or partly owned, or of any savings and loan holding company or any subsidiary of a savings and loan holding company or those terms are defined in section 1730a of this title, and any person who, with respect to a particular insured institution has filed or who is required to file a change in control notice with the Corporation pursuant to subsection (q) of this section. The status of any person as an "institution-related party" shall not be affected by the resignation, termination of employment, or other separation of such person from an insured institution."; and

(2) by adding at the end thereof the following:

"(5) As used in subsections (e), (f), (g), and (h) of this section, the term "insured institution" means any institution the deposits of which are insured by the Corporation, any institution that retains deposits insured by the Corporation notwithstanding the termination of its status as an insured institution pursuant to this section, and a Federal savings bank the deposits of which are insured by the Federal Deposit Insurance Corporation.".

SEC. 216. Section 5(d)(13) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(13)) is amended—

(1) by adding at the end of subparagraph (A) thereof the following:

"(5) The term 'unsafe or unsound practice' includes any action or omission, which is, in the opinion of the Board, contrary to generally accepted standards of prudent operation, whether relating to the association's internal management or to any external matter, the possible consequence of which, if continued, may be abnormal risk or loss or damage to an association or any subsidiary thereof, to its stockholders or account holders, or to the Federal Savings and Loan Insurance Corporation.

"(6) The term 'association-related party' means any director, officer, employee, agent, or other person participating in the conduct of the affairs of an association, or of any service corporation or any subsidiary of a service corporation of an association, or of any savings and loan holding company as those terms are defined in section 1730a of this title, and any person who, with respect to a particular association, has filed or who is required to file a change in control notice with the Federal Savings and Loan Insurance Corporation pursuant to subsection (q) of section 1730 of this title. The status of any person as an 'association-related party' shall not be affected by the resignation, termination of employment, or other separation of such person from an association."; and

(2) by adding at the end thereof the following:

"(C) As used in subsections (d) (2), (3), (4) and (5) of this section, the term 'association' includes any former association that retains deposits insured by the Federal Savings and Loan Insurance Corporation notwithstanding the termination of its status as an insti-

tution insured by such corporation, any Federal savings bank the deposits of which are insured by the Federal Deposit Insurance Corporation, and any former federal savings bank that retains deposits insured by the Federal Deposit Insurance Corporation notwithstanding the termination of its status as an insured bank.".

SEC. 217. Section 407 of the National Housing Act (12 U.S.C. 1730), as amended by this Act, is amended by adding at the end thereof a new subsection (s) as follows:

"(s) The Corporation shall have the power and authority to apply for injunctive relief in the appropriate United States district court whenever it determines that the enforcement provisions of this section are insufficient to resolve adequately unsafe or unsound practices or violations or threatened violations of any of the provisions of this title or of any regulations promulgated thereunder that are applicable to insured institutions or institution-related parties.".

SEC. 218. Section 5(d) of the Home Owners' Loan Act (12 U.S.C. 1464(d)), as amended by this Act, is amended by adding at the end thereof a new paragraph (16) as follows:

"(16) The Board shall have the power and authority to apply for injunctive relief in the appropriate United States district court whenever it determines that the enforcement provisions of this section are insufficient to resolve adequately unsafe or unsound practices or violations or threatened violations of any of the provisions of this title or of any regulations promulgated thereunder that are applicable to associations or association-related parties.".

TITLE III—PAYMENT OF INSURANCE

SEC. 301. This title may be cited as the "Insurance Amendments of 1985".

SEC. 302. Section 405(b) of the National Housing Act (12 U.S.C. 1728(b)) is amended by striking out "which is surrendered and transferred to the Corporation" from the first sentence thereof, and by adding at the end thereof the following: "Notwithstanding any other provision of law, the Corporation, upon payment of insurance as provided in this subsection (b), shall be subrogated to all rights of the insured member to the extent of such payment.".

SEC. 303. Section 405 of the National Housing Act (12 U.S.C. 1728), as amended by section 302 of this Act, is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of law, the Corporation may withhold payment of such portion of the insured deposit of any depositor in an institution in default as may be required to provide for the payment of any liability, which is due and unpaid and is determined on the date of default, (i) of such depositor as a stockholder of the institution, or (ii) of such depositor to the institution or its receiver, pending the determination and payment of such liability by such depositor or any other person liable therefor: *Provided*, That such liability does not include the liability of a borrower under a note or other obligation not in default on the date of default of the institution.".

SEC. 304. Section 406(b) of the National Housing Act (12 U.S.C. 1729(b)) is amended:

(1) by striking out the last sentence of paragraph (2) and inserting in lieu thereof the following: "Notwithstanding any other provision of law, such payment of insurance by the Corporation shall subrogate the Corporation with respect to such insured account to the extent of such payment, but shall not affect any right which an insured member may have with respect to the uninsured portion of the member's account, if any, or any right which such insured member may have to participate in the distribution of the net proceeds remaining from the disposition of the assets of such association."; and

(2) by amending paragraph (3) thereof as follows:

"(3) As used in this section, the term "Federal association" means a Federal savings and loan association or a Federal savings bank, the accounts of which are insured by the Corporation.".

TITLE IV—RECEIVERSHIP POWERS, AUTOMATIC STAY, AND PRIORITIES

SEC. 401. This title may be cited as the "Receivership Improvement Act of 1985".

SEC. 402. Section 406(d) of the National Housing Act (12 U.S.C. 1729(d)) is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, in implementing the first sentence of this subsection (d), the Corporation as conservator, receiver or legal custodian shall not be required to furnish bond for any purpose and may employ such officers, agents, attorneys, and employees as deemed necessary or appropriate by the conservator, receiver, or legal custodian, and such persons shall be employees of the conservator, receiver, or legal custodian and not of the United States, and all fees, compensation, and expenses of liquidation and administration thereof shall be fixed by the Corporation and may be paid by the Corporation out of assets coming into its possession as conservator, receiver, or legal custodian.".

SEC. 403. Section 406 of the National Housing Act (12 U.S.C. 1729), as amended by Section 304 of this Act, is further amended by adding at the end thereof the following new subsections:

"(g) No agreement, which tends to diminish or defeat the right, title, or interest of the Corporation as conservator, receiver or other legal custodian of an insured institution in any asset acquired in its capacity as such conservator, receiver or legal custodian, or acquired by the Corporation under subsection (f) of this section, shall be valid against the Corporation unless such agreement (1) shall be in writing, (2) shall have been executed by the institution and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the institution, (3) shall have been approved as to the transaction or type of transaction by the board of directors of the insured institution or its loan committee, and (4) shall have been, continuously, from the time of its execution, an official record of the insured institution.

"(h) Any property, wherever located, in which an insured institution, as of the appointment of receiver, has a legal or equitable interest, is property of the receivership estate, and any other party to which the receiver transfers such property shall receive such title as the receiver itself possesses.

"(i)(1) The appointment of a receiver by the Board for an insured institution pursuant to section 5(d)(6)(A) of the Home Owners' Loan Act of 1933 or section 406 of the National Housing Act operates as a stay, applicable to all entities, or:

"(A) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the receiver or insured institution, other than the filing and prosecution of a claim with the receiver and any appeal therefrom to the Board, that was or could have been commenced before the commencement of the receivership or that seeks to recover a claim against the insured institution that arose before the commencement of the receivership;

"(B) the enforcement, against the receiver or insured institution or any property of the receivership estate of a judgment obtained before the commencement of the receivership;

"(C) any act to obtain possession of property of the receivership estate or from the receivership estate;

"(D) any act to create, perfect, or enforce any lien against property of the estate or to exercise control over property of the estate;

"(E) any act to create, perfect, or enforce against property of the receivership estate any lien to the extent that such lien secures a claim that arose before the commencement of the receivership;

"(F) any act to collect, assess, or recover a claim against the receiver or insured institution that arose before the commencement of the receivership;

"(G) the setoff of any debt owing to the insured institution that arose before the commencement of the receivership against any claim against the receiver or insured institution; and

"(H) the commencement or continuation of a proceeding before the United States Tax Court concerning the insured institution.

"(2) The appointment of the Corporation as receiver does not operate as a stay of—

"(A) the commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;

"(B) the enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;

"(C) a setoff that consitutes the setoff of a claim against the insured institution for a "margin payment" as defined in 11 U.S.C. 741(5) or "settlement payment" as defined in 11 U.S.C. 741(8), arising out of a "securities contract", as defined in 11 U.S.C. 741(7);

"(D) the exercise of a contractual right by a "repo participant", as defined in 11 U.S.C. 101, (i) to cause the liquidation of a repurchase agreement or (ii) to set off any mutual debt and claim under or in connection with a repurchase agreement that consitutes a setoff of a claim against the insured institution for a margin payment or settlement payment as defined in subparagraph (C) above: *Provided*, That any liquidation of a repurchase agreement shall be accomplished in a commercially reasonable manner and any excess received by a repo participant over the stated repurchase price, including interest, if any, and reasonable cost of liquidation, shall be paid to the receiver;

"(E) the commencement of any action by the Secretary of the Department of Housing and Urban Development to foreclose a mortgage or deed of trust in any case in which the mortgage or deed of trust held by said Secretary is insured or was formerly insured under the National Housing Act and covers property, or combinations of property, consisting of five or more living units;

"(F) the issuance to the insured institution by a governmental unit of a notice of tax deficiency.

"(G) an act by a lessor to the insured institution under a lease of nonresidential real property that has terminated by the expira-

tion of the term of the lease before the appointment of the receiver or during the receivership; or

"(H) the presentment of a negotiable instrument and the giving of notice of and protesting dishonor of such an instrument.

"(3) Except as provided in subparagraphs (4) and (5) of this subsection the stay of an act against property of the estate under paragraph (1) of this section continues until such property is no longer property of the estate and the stay of other act continues until the termination of the receivership.

"(4) On request of a party in interest the Board shall grant relief from the stay provided under paragraph (1) of the subsection, such as by terminating, annulling, modifying, or conditioning such stay—

"(A) for cause, including the lack of adequate protection of an interest in property of such party in interest, or

"(B) with respect to a stay of an act against property if—

"(i) the insured institution does not have an equity interest in such property; and

"(ii) such property is not necessary to an effective reorganization.

"(5) Thirty days after a request under subparagraph (4) of this subsection for relief from the stay of any act against property of the estate under paragraph (1) of this subsection, such stay is terminated with respect to the party in interest, making such request, unless the Board orders such stay be continued in effect pending, or as a result of a final determination under subparagraph (4) of this subsection. The Board shall grant such relief from any stay provided under this subsection (h) as is necessary to prevent irreparable damage to the interest of an entity in property, if such interest will suffer such damage before there is a final determination under subparagraphs (4) of this subsection.

"(6) Notwithstanding any other provision of this subsection, the appointment of a receiver by the Board for an insured institution pursuant to section 5(d)(6)(A) of the Home Owners' Loan Act of 1933 or section 406 of the National Housing Act does not operate as a stay of any act by a Federal Home Loan Bank for its assignee to enforce a security interest in favor of a Federal Home Loan Bank or its assignee against the property if an insured institution or any affiliate thereof, which lien secures an obligation of the institution to the Federal Home Loan Bank if:

"(A) said lien has been obtained in compliance with regulations promulgated by the Board or the Corporation with respect to the collateralization of Bank advances; and

"(B) said security interest constitutes a valid security interest under the laws of the state in which the principal office of the insured institution is located.

"(7) Notwithstanding any other provision herein, or any other provision of law, state or Federal, or the constitution of any state, no security interest of a Federal Home Loan Bank or its assignee in property of an insured institution or any affiliate thereof shall be enjoined from enforcement, avoided, subordinated, or otherwise impaired because it was perfected subsequent to the making of the advance that it secures, because it was not perfected, or because of the exercise or performance by the Bank or any officer or employee thereof of a function of the Board or the Corporation, including any supervisory or regulatory function, authorized or assigned by the Board or the Corporation; such security interest of a Federal Home Loan Bank or its assignee shall be deemed a valid, enforceable, perfected secured claim having priority with respect to such property over all claims other than a claim secured by a valid security interest in such property that was perfected prior to such time if any, as the security interest of the Federal Home Loan Bank was perfected; and in the event that such prior perfected security interest exists, the security interest of the Federal Home Loan Bank or its assignee shall be subordinate only to that of such lien creditor in the specific property that is the subject of dispute.

"(8) Any disposition by a Federal Home Loan Bank or its assignee of collateral securing an advance shall be effected in a commercially reasonable manner.

"(j) When adequate protection is required under subsection (i) of an interest of an entity in property, such adequate protection may be provided by—

"(1) the receiver's agreement to make periodic cash payments to such entity, to the extent that the stay under subsection (j) results in a decrease in the value of such entity's interest in such property;

"(2) the receiver's providing to such entity an additional or replacement lien to the extent that such results in a decrease in the value of such entity's interest in such property; or

"(3) the receiver's granting such other relief, as an administrative expense, as will result in the realization by such entity of the equivalent of such entity's interest in such property.".

"(k)(1) A receiver appointed by the Board for an insured institution pursuant to section 5(d)(6)(A) of the Home Owners' Loan Act of 1933 or section 406 of the National Housing Act shall have the rights and powers of, or may avoid any transfer of property of the insured institution or any obligation incurred by the insured institution that is voidable by

"(A) a creditor that extends credit to the insured institution immediately prior to the appointment of the receiver, and that obtains, at such time and with respect to such credit, a judicial lien on all property on which a creditor on a simple contract could have obtained such a judicial lien, whether or not such a creditor or lien exists;

"(B) a creditor that extends credit to the insured institution, immediately prior to the appointment of the receiver and obtains, at such time and with respect to such credit, an execution against the insured institution that is returned unsatisfied at such time, whether or not such a creditor exists;

"(C) a bona fide purchaser of real property other than fixtures from the insured institution, against whom applicable law permits such transfer to be perfected, that obtains the status of a bona fide purchaser and has perfected such transfer immediately prior to the appointment of the receiver, whether or not such a purchaser exists; or

"(D) an equity receiver.

"(2) The receiver may avoid any transfer of an interest of the insured institution in property or any obligation incurred by the insured institution that is voidable under applicable law by a creditor holding an unsecured claim that is allowable by the receiver.

"(3) The receiver may avoid the fixing of a statutory lien on property of insured institutions to the extent that such lien—

"(A) first becomes effective against the insured institution:

"(i) when an insolvency proceeding other than under this title concerning the insured institution is commenced;

"(ii) when a custodian, conservator, or receiver is appointed or authorized to take or takes possession of the insured institution;

"(iii) when the insured institution becomes insolvent;

"(iv) when the insured institution's financial condition fails to meet a specified standard; or

"(v) at the time of an execution against property of the insured institution levied at the instance of an entity other than the holder of such statutory lien;

"(B) is not perfected or enforceable against a bona fide purchaser that purchases such property immediately prior to the appointment of the receiver, whether or not such a purchaser exists;

"(C) is for rent; or

"(D) is a lien of distress for rent.

"(4) The receiver may avoid any transfer of an interest of the insured institution in property or any obligation incurred by the insured institution that was made or incurred, voluntarily or involuntarily, with actual intent to hinder, delay, or defraud any entity to which the insured institution was or became, on or after the date that such transfer was made or such obligation was incurred, indebted.

"(l) Notwithstanding any other provision of law, State or Federal, or the constitution of any State, in connection with the liquidation of insured institutions in default, the Corporation as receiver shall make provision for payment of unsecured claims against the estate of the institution in default proved to the satisfaction of the receiver or the Board in the following order:

"(1) Administrative expenses of the receiver, including the costs, expenses, and debts of the Receiver;

"(2) Administrative expenses of the insured institution: *Provided*, That such expenses were incurred within thirty (30) days prior to the receiver's taking possession, and that such expenses shall be limited to reasonable expenses incurred for services actually provided by accountants, attorneys, appraisers, or examiners that, in the opinion of the receiver, are of benefit to the receivership estate, and shall not include wages or salaries of employees of the Association;

"(3) Claims for wages and salaries, including vacation, sick leave pay, and contributions to employee benefit plans earned by an employee of the insured institution within thirty (30) days prior to the appointment of the receiver up to a maximum of two thousand dollars ($2,000) per person;

"(4) Claims of governmental units for unpaid taxes; but no other claim of a governmental unit shall have a priority higher than that of the fifth category below;

"(5) Claims for withdrawable accounts, including those of the Corporation as subrogee or transferee, and all other claims, whether liquidated or unliquidated, which have accrued and become unconditionally fixed on or before the date of default, except as provided below in the succeeding paragraphs of this subsection;

"(6) Claims other than those that have accrued and become unconditionally fixed on or before the date of default, including claims for interest after the date of default on claims of the fifth category; and any claim based on an agreement for accelerated, stipulated, or liquidated damages, which claim did not accrue prior to the date of the default, shall be considered as not having accrued and become unconditionally fixed on or before the date of default;

"(7) Claims that have been subordinated in whole or in part to general creditor

claims, which shall be given the priority specified in the written instruments that evidence such claims;

"(8) Claims by holders of nonwithdrawable accounts, including stock, which shall have priority within this eighth category in accordance with the terms of the written instruments that evidence such claims.

"(m) Interest after the date of default on claims of the fifth category of subsection (1) shall be at a rate or rates adjusted monthly to reflect the average rate for U.S. Treasury bills with maturities of not more than ninety-one (91) days during the preceding three (3) months.

"(n) All unsecured claims of any category of priority described in (1)(1) through (1)(8) above shall be paid in full, or provision made for such payment, before any claims of lesser priority are paid; if there are insufficient funds to pay any class of claims of one priority in full, distribution to claimants in such class shall be made pro rata; and notwithstanding anything to the contrary herein, the receiver may at any time, and from time to time, prior to the payment in full of all claims of a class having higher priority, make such ratable distributions to claimants in priority classes (1)(1), (2), (3), (4), and (5) as the receiver believes are reasonably necessary to conduct the receivership: *Provided,* That the receiver determines that adequate funds exist or will be recovered during the receivership to pay in full all claims of any higher priority.

SEC. 404. Section 5(d)(6)(D) of the Home Owners' Loan Act (12 U.S.C. 1464 (d)(6)(D)) is amended by striking the second and third sentences and inserting in lieu thereof the following:

"The Board shall appoint, except as hereafter provided, only the Federal Savings and Loan Insurance Corporation as conservator or receiver for an association, and said Corporation shall have power to buy at its own sale as conservator or receiver, subject to approval by the Board. The Board may, without any requirement of notice, hearing, or other action, replace a conservator with a receiver, but any such replacement shall not affect any right which the association may have to obtain judicial review of the original appointment, except that any removal under this paragraph shall be removal of the conservator or receiver in office at the time of such removal.

TITLE V—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 501. This title may be cited as the "Federal Savings and Loan Insurance Corporation Improvements Act of 1985".

Sec. 502. Section 9101 of title 31, United States Code, is amended—

(1) in paragraph (2) by redesignating subparagraphs (G) through (J) as (H) through (K), respectively, and by adding a new subparagraph as follows: "(G) the Federal Savings and Loan Insurance Corporation."; and

(2) in paragraph (3) by striking out subparagraph (E) and by redesignating subparagraphs (F) through (M) as (E) through (L), respectively.

SEC. 503. Section 402(c) of the National Housing Act (12 U.S.C. 1725(c)) is amended—

(1) by striking out the period at the end of the fourth sentence of paragraph (5) thereof and by inserting in lieu thereof the following: ", as now in effect or hereafter enacted, including without limitation any restriction , statutory or otherwise, relating to personnel, personnel employment levels, or apportionment of expenses."; and

(2) by adding a new paragraph (6) at the end thereof as follows:

"(6) To issue such rules, regulations and orders as it deems necessary or appropriate to define the terms used in this Act which for purposes of this paragraph, includes, without limitation, the provisions of sections 407(g) and 408; to enable it to administer and carry out the purposes of this Act, including, but not limited to the regulation of risk-taking by insured institutions; and to require compliance therewith and prevent evasions thereof.".

SEC. 504. Section 406 of the National Housing Act (12 U.S.C. 1729) as amended by this Act, is amended by adding at the end thereof the following new subsection:

"(p) Expenditures of the Corporation to carry out the purposes of this Act shall not be or be deemed to be from or of appropriations, appropriated amounts, appropriated funds, or funds for purposes of title 31, United States Code, or any other provision of law.".

SEC. 505. Section 404 of the National Housing Act (12 U.S.C. 1727), as amended by this Act, is further amended by adding at the end thereof the following new subsection:

"(j) Except as provided in this section, no funds of any insured institution paid to or on deposit with the Corporation shall be subject to attachment, garnishment, or other legal process by creditors of any insured institution.".

SEC. 506. Section 407(k)(1) of the National Housing Act (12 U.S.C. 1730(k)(1)) is amended by inserting immediately after the words "state-chartered institution" in the first sentence thereof the phrase "pursuant to an appointment by State authorities".

TITLE VI—HOLDING COMPANIES

SEC. 601. This title may be cited as the "Holding Company Amendments of 1985".

SEC. 602. Section 408(c) of the National Housing Act (12 U.S.C. 1730a(c)) is amended:

(1) by inserting "(1)" immediately after the initial "(c)";

(2) by redesignating paragraphs (1) and (2) as (A) and (B) respectively; and

(3) by adding the following new paragraph at the end thereof:

"(2) Notwithstanding any other provision of law, no savings and loan holding company, or insured institution, directly or indirectly, or through one or more subsidiaries or one or more transactions, shall be engaged in the activities of an underwriter or of a market-maker in (i) equity securities, or (ii) debt securities other than those secured by interests in real estate or that are eligible to be underwritten by national banks.".

PROHIBITED TRANSACTIONS

SEC. 603. Section 408(d) of the National Housing Act (12 U.S.C. 1730a(d)) is amended by inserting in the first sentence thereof after "insured institution" the following: "or subsidiary thereof," and by inserting in subparagraph (1) thereof after "as authorized by law" the following: "in the case of investments by the insured institution, or other than the parent insured institution, in the case of investment by its subsidiary".

SEC. 604. Sections 408(d)(4) and (5) of the National Housing Act (12 U.S.C. 1703a (d)(4) and (5)) are amended to read as follows:

"(4) make any loan, discount, extension of credit to (A) any affiliate, other than an insured institution's service corporation subsidiary or a joint venture in which an insured institution's service corporation subsidiary is a general partner, provided that the other partners and other parties with an interest in the joint venture are not affiliates of the insured institution, except in a transaction authorized by subparagraph (A) of paragraph (6) of this subsection, or (B) any third party on the security of any property acquired from any affiliate, or with knowledge that the proceeds of any such loan, discount, or extension of credit, or any part thereof, are to be paid over to or utilized for the benefit of any affiliate: *Provided, however,* that a subsidiary insured institution, or subsidiary thereof, may make a loan, discount, or extension of credit to a third party on the security of property acquired from its service corporation, provided that no other affiliate has a direct or indirect interest in that service corporation other than through the subsidiary insured institution.

"(5) guarantee the repayment of or maintain any compensating balances for any loan or extension of credit granted to any affiliate (other than a wholly-owned service corporation) by any third party.".

SEC. 605. Section 408(e)(3) of the National Housing Act (12 U.S.C. 1730a(e)(3)) is amended—

(1) by striking out "or" in subparagraph (A); and

(2) by striking out the period in subparagraph (B) and inserting in lieu thereof a semicolon;

(3) by adding at the end thereof the following new subparagraphs:

"(C) result in a savings and loan holding company which is itself an ininsured institution, or which directly or indirectly has control of an uninsured institution; however, the Corporation may in its sole discretion, permit operation as, or control of, an uninsured institution to be acquired and/or retrained for up to one year after control has been acquired of the insured institution or uninsured institution, whichever is later, if the Corporation specifically determines that such an extension would not represent an undue risk to the Corporation's insurance fund, or for a longer period if the Corporation specifically determines that such an extension beyond one year, including in perpetuity assists the Corporation in preserving the Corporation's insurance fund or that such as extension would not represent an undue risk to such fund; or

"(D) result in the acquisition directly or indirectly, or through one or more transactions, of an insured institution by any company engaged in the activities of an underwriter of or market-maker in equity or debt securities, as defined by the Corporation, other than those representing interests in real estate or that are eligible to be underwritten by national banks.".

SEC. 606. Section 408(h) of the National Housing Act (12 U.S.C. 1730a(h)) is amended—

(1) by deleting paragraph (1) thereof; and

(2) by redesignating paragraphs (2) through (6) as (1) through (5) respectively.

SEC. 607. Section 408(h)(3) of the National Housing Act (12 U.S.C. 1730a(h)(4)), as amended and redesignated, is amended by striking out all that follows "to enforce compliance with this section or any rule, regulation or order thereunder," and inserting in lieu thereof the following: "and for such other relief as may be appropriate, including but not limited to the divestiture of any acquisition made in violation of this section, rescission of transactions effected in violation of this section, or restitution to persons suffering damage as a result of violations of this section. Upon proper showing, an injunction, decree, restraining order, order of divestiture, rescission, restitution or

other appropriate order shall be granted. No bond shall be required of the Corporation.".

SEC. 608. Section 408(m)(l)(B)(i) of the National Housing Act (12 U.S.C. 1730a(m)(l)(B)(i)) is amended to read as follows:

"(B)(i) Before making a determination to take any action under subparagraph (A) with respect to the merger or acquisition of a state chartered institution, the Corporation shall consult the State supervisor having principal jurisdiction of such acquired institution.".

TITLE VII—QUALIFIED THRIFT LENDERS

SEC. 701. This title may be cited as the "Qualified Thrift Lender Act of 1985".

INSURANCE ELIGIBILITY

SEC. 702. Section 403(a) of the National Housing Act (12 U.S.C. 1726(a)) is amended—

(1) by inserting in paragraph (2) after "accounts of the following: "any institution which is a qualified thrift lender, as defined in paragraph (3) of this subsection, including"; and

(2) by adding at the end thereof the following:

"(3)(A) Except as provided in subparagraph (B) of this paragraph, a qualified thrift lender is an institution that, determined by the Corporation, has an aggregate of not less than 60 percent of its assets (including investments made by any subsidiary of such an institution) invested in:

"(i) cash,

"(ii) obligations of the United States or of a State political subdivison thereof, and stock or obligations of corporation which is an instrumentality of the United States or of a State or political subdivision thereof,

"(iii) liquid assets of the type required to be maintained pursuant to regulations issued by the Federal Home Loan Bank Board under section 5A of the Federal Home Loan Bank Act,

"(iv) certificates of deposit in, or obligations of corporation organized under a state law which specifically authorizes such corporation to insure the deposits or shall accounts of member associations,

"(v) loans secured by a deposit or share of a member,

"(vi) loans, equity positions, or securities related domestic residential real property, manufactured housing, real property used primarily for church purposes, including loans to facilitate the construction, improvement or equipping of domestic residential real property, manufacturing housing, multi-family dwellings, property used primarily for church purposes, and shelter-providing facilities as set forth in subdivision (viii) hereof,

"(vii) loans secured by an interest in real property located within an urban renewal area to be developed for predominantly residential use under an urban renewal plan approved by the Secretary of Housing and Urban Development under part A or part B of title I of the Housing Act of 1949, as amended, or located within any area covered by a program eligible for assistance under section 103 of the Demonstration Cities and Metropolitan Development Act of 1966, as amended, and loans made for the improvement of any such real property,

"(viii) loans secured by an interest in educational, health, or welfare institutions or facilities, including shelter-providing facilities for students, residents, and persons under care, employees, or members of the staff of such institutions or facilities.

"(ix) loans made for the payment of expenses of college or university education or vocational training.

"(x) property acquired through the liquidation of defaulted loans described in clauses (vi), (vii), or (viii),

"(xi) property used by an institution in the conduct of its business: *Provided*, That such institution does not thereafter fall below such percentage on an average basis in three out of every four quarters in three out of every five years; *"Provided further*, That the 60% requirement shall be reduced for any averaging period by the amount of loans relating to domestic residential real property or manufactured housing, originated and sold during such period by such institution or any subsidiary thereof, by such a percentge as the Corporation may determine appropriate.

"(B) For a twenty year period following the date of enactment of this paragraph, "qualified thrift lender" shall also include an institution chartered as a mutual savings bank under state law, provided that the Corporation determines that—

"(i) the institution has an aggregate of not less than 50 percent of its assets (including investments made by any subsidiary of such an institution) invested in assets of the type set forth in subparagraph (A) of this paragraph, and

"(ii) the institution does not decrease the percentage of its assets invested in accordance with subparagraph (A) of this paragraph below the percentage it held on the date of enactment of this paragraph, and increaes such percentage of its assets invested in accordance with said subparagraph (A) by an amount at least equal to the following percentages of the difference between 60 per centum and the percentage of its assets invested in accordance with said subparagraph (A) on the date of enactment of this paragraph within the following time periods from the date of enactment of this paragraph:

"(I) within five years, 25 per centum;

"(II) within ten years, 50 per centum;

"(III) within fifteen years, 75 per centum."

"(C) Any institution that fails to maintain its status as a qualified thrift lender, as determined by the Corporation, may not thereafter be a qualified thrift lender for a period of five years.

"(D) The Corporation may conduct examinations, to carry out the provisions of this paragraph: *Provided*, That with respect to a federal stock savings bank insured by the Federal Deposit Insurance Corporation, the Corporation shall rely to the maximum extent possible on examinations conducted by that agency.".

ELIGIBILITY FOR ADVANCES

SEC. 703. Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended by adding at the end thereof the following new subsection:

"(e) Except as the Board may prescribe, no member, the deposits of which are insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation, shall be eligible for advances unless such member is a qualified thrift lender as defined in section 403(a)(3) of the National Housing Act.".

INVESTMENT AUTHORITY

SEC. 704. Section 5(c)(4)(B) of the Home Owner's Loan Act of 1933 (12 U.S.C. 1464(c)(4)(B)) is amended by striking the remainder of the sentence after "except that" and inserting in lieu thereof the following: "the limitation contained herein shall be five per centum of the assets of an association which is a qualified thrift lender as defined in section 403(a)(3) of the National Housing Act.".

BRANCHING

SEC. 705. Section 5(r)(1) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(r)(1)) is amended—

(1) by striking out in the first sentence "domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code 1954 or meets the asset composition test imposed by subparagraph (c) of that section on institutions seeking so to qualify." and inserting in lieu thereof the following: "qualified thrift lender as defined in section 403(a)(3) of the National Housing Act."; and

(2) by striking out in the second sentence "domestic building and loan association under said section 7701(a)(19)." and inserting in lieu thereof the following: "qualified thrift lender as defined in said section 403(a)(3).".

EMERGENCY THRIFT ACQUISITIONS

SEC. 706. Section 408(m)(5)(C)(i) of the National Housing Act (12 U.S.C. 1730a(m)(5)(C)(i)) is amended by striking out "domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1954 or does not meet the asset composition test imposed by subparagraph (c) of that section on institutions seeking so to qualify," and inserting in lieu thereof the following: "qualified thrift lender as defined in section 403(a)(3) of this Act,".

UNITARY ACTIVITIES

SEC. 707. Section 408(n) of the National Housing Act (12 U.S.C. 1730a(n)) is amended by striking out "domestic building and loan association under section 7701(a)(19) of the Internal Revenue Code of 1954," and inserting in lieu thereof the following: "qualified thrift lender as defined in section 403(a)(3) of this Act,".

TITLE VIII—MISCELLANEOUS

FEDERAL HOME LOAN BANK BOARD; CREATION, ETC.

SEC. 801. Section 17 of the Federal Home Loan Bank Act (12 U.S.C. 1437) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, in accordance with board regulations to prevent conflicts of interest, the board may accept payment and reimbursement, in cash or in kind, from Federal or non-Federal agencies, organizations (including industry trade groups), and individuals for travel, subsistence, and other necessary expenses incurred by board members and employees in attending meetings and conferences concerning the functions or activities of the board. Any payment or reimbursement accepted shall be deposited in the Treasury of the United States, and from time to time may be withdrawn therefrom to defray such expenses. The amount of travel, subsistence, and other necessary expenses for members and employees paid or reimbursed under this subsection may exceed per diem amounts established in official travel regulations, but the board may limit such amounts. For the purposes of this subsection, "board" shall include the Federal Savings and Loan Insurance Corporation: Provided, That payments or reimbursements received by such Corporation shall be deposited pursuant to chapter 91 of title 31.".

DEMAND ACCOUNTS

SEC. 802. Section 5(b)(1) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(b)(1)) is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) an association may raise capital in the form of such deposits, shares, or other accounts (all of which are referred to in this section as accounts) as are authorized by its charter certificates, or other evidence of accounts as are so authorized."; and

(2) by striking out the first and second sentences of subparagraph (B).

SEC. 803. Section 1832(a)(1) of Title 12, United States Code, is amended to read as follows:

"(1) Notwithstanding any other provision of law, a depository institution is authorized to permit the owner of a deposit or account on which interest or dividends are paid to make withdrawals by negotiable or transferable instruments for the purpose of making transfers to third parties.".

SEC. 804. Section 19 of the Federal Home Loan Bank Act (12 U.S.C. 1439) is amended by adding at the end thereof the following: "Notwithstanding any other provision of law, former employers of participants in the Board's professional accounting fellows programs may pay such participants their actual expenses for relocation to Washington, District of Columbia, to facilitate their participation in such programs, and program participants may accept such payments.".

SEC. 805. The Garn-St Germain Depository Institutions Act of 1982, Pub. L. No. 97-320, is amended as follows:

(1) in section 141 by striking "three" and inserting in lieu thereof "six"; and

(2) in section 206 by striking "three" and inserting in lieu thereof "six".

SEC. 806. The National Housing Act and the Federal Deposit Insurance Act are amended as follows:

(1) section 403 of the National Housing Act (12 U.S.C. 1726), as amended by this Act, is further amended by adding at the end thereof the following new subsection:

"(c) If, upon application, and pursuant to a plan of conversion to an institution of a type eligible to be an insured institution, the Corporation, in its discretion, determines to grant insurance of accounts to a savings bank that is an insured bank (as the term 'insured bank' is defined in section 3(h) of the Federal Deposit Insurance Act), such insurance shall become effective at such time as the Corporation stipulates, at which time such institution automatically shall lose its status as such an insured bank. No change of deposit insurance agencies from the Federal Deposit Insurance Corporation to the Corporation shall be treated, for the purposes of section 18(i) of the Federal Deposit Insurance Act, as involving a conversion to a noninsured bank or institution, except that the Corporation shall provide the Federal Deposit Insurance Corporation with notification of any application that, if granted, would involve such a change of deposit insurance agencies, shall consult with the Federal Deposit Insurance Corporation before disposing of the application, and shall provide the Federal Deposit Insurance Corporation with notification of the determination with respect to such application."; and

(2) section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended:

(A) by amending paragraph (c)(12) thereof to read as follows:

"(12) The provisions of this subsection shall not apply to any transaction where the acquiring, assuming or resulting institution is an insured Federal savings bank or an institution insured by the Federal Savings and Loan Insurance Corporation, except that any insured bank involved in the transaction shall notify the Corporation in writing at least 30 days prior to consummation of the transaction and, if any approval by the Federal Home Loan Bank Board or the Federal Savings and Loan Insurance Corporation is required in connection therewith, such approving authority shall provide the Corporation with notification of the application for approval, shall consult with the Corporation before disposing of the application, and shall provide notification to the Corporation of the determination with respect to said application."; and

(B) by adding at the end of subsection (i) thereof the following new paragraph:

"(5) Nothing in this subsection shall apply to a conversion of an insured bank to an insured institution pursuant to section 403(a) of the National Housing Act (12 U.S.C. 1726(a))."

SEC. 807. The first sentence of section 7(d) of the Federal Home Loan Bank Act (12 U.S.C. 1427(d)) is amended by inserting before the period at the end thereof the following: *Provided*, That the Board is authorized to increase or decrease the terms of directors of each bank to provide for staggered terms for such directors".

SEC. 808. Section 407(q)(8)(B) of the National Housing Act (12 U.S.C. 1730(q)(8)(B) is amended to read as follows: "(B) "control" means the power, directly or indirectly (i) to influence or direct the management or policies of an insured institution, as such terms may be further defined by regulations of the Corporation, or (ii) to vote 25 percent or more of any class of voting securities of an insured institution.".

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1. This section states the title of the Act as the "Insured Institutions Improvements Act of 1985."

TITLE I—INSURANCE OF ACCOUNTS

Section 101. Section 101 of the bill provides that Title I may be cited as the "Savings Insurance Protection Act of 1985."

Section 102. Section 102 of the bill amends subsections (a) and (c) of section 401 of the National Housing Act (12 U.S.C. 1742) to enable the Federal Home Loan Bank Board, as operating head of the Federal Savings and Loan Insurance Corporation, to establish by rule classes of accounts and to determine whether accounts in any such class constitute insured accounts. The purpose of the amendment is to clarify the authority of the Board to balance through rulemaking its statutory mandates to insure the accounts of institutions eligible for insurance and to safeguard the integrity of the Insurance Fund. In particular, the amendment clarifies the statutory authority for the Board's brokered funds rule, which limits the availability of pass-through insurance for funds deposited by deposit brokers, and would better enable the Board to prevent the evasion of that rule. The amendment specifically provides that the authority and discretion of the Board are to be exercised in furtherance of the purposes of Title IV of the National Housing Act. This section also makes a conforming change to the definition of "state" to harmonize various provisions of the National Housing Act. The Corporation's insurance powers extend to U.S. territories, the District of Columbia and Puerto Rico, but the National Housing Act does not consistently refer to all these jurisdictions.

Section 103. Section 103 permits the FSLIC to assess insurance premiums on a periodic basis, as determined by the FSLIC.

Section 104. Section 104 authorizes the FSLIC to assess an additional premium against institutions which engage in activities not authorized for federal associations or which exceed percentage of asset limitations applicable to federal associations on authorized activities.

TITLE II—ENFORCEMENT

Section 201. Section 201 provides that this title may be cited as the "Savings Institutions Supervisory Act of 1985."

Section 201. This section restates the Corporation's cease-and-desist authority contained in section 407(e) of the National Housing Act, as it relates to insured institutions and individuals, but replaces the former reference to "director, officer, employee, agent, or other person participating in the conduct of the affairs" of an insured institution with the phrase "institution-related party" as defined in section 215(a). Section 202(c) clarifies the meaning of the phrase "affirmative action to correct the conditions resulting from" a violation or unsafe or unsound practice as used in that section, to include restitution, rescission, the disposal of loans or assets, guarantees against loss and such other action as the Corporation may deem appropriate in the circumstances. The references throughout the section to unsafe or unsound practices are unchanged, although a definition of unsafe or unsound practice is now included in section 215(a).

Section 203. This section makes the same changes to section 5(d)(2) of the Home Owners' Loan Act, which is applicable to federal savings and loan associations, as does section 202 for institutions insured by the Corporation. The corresponding term "association-related party," is defined at section 216(a).

Sections 204 and 205. These sections broaden the reach of the Corporation's and the Board's cease-and-desist authority to second-tier and partly owned service corporations of insured institutions.

Section 206. The first paragraph of section 206(a) restates the Corporation's existing authority to issue temporary cease-and-desist orders in cases of statutory or regulatory violations or unsafe or unsound practices. The existing requirement that the Corporation determine that a violation or unsound practice is likely to cause insolvency, substantial dissipation of assets or earnings or a serious weakening of the condition of an institution has been changed to remove the modifiers "substantial" and "serious" in such emergency cases where temporary orders are required. The second paragraph is new authority to issue a temporary order to halt an institution's business activities whenever the Corporation is unable to determine the financial condition of such institution because of the disarray or lack of books and records. In both types of cases, the institution or institution-related party served with a temporary order has ten days to challenge the temporary order in U.S. district court.

Section 207. This section makes the same amendments to the Board's authority to issue temporary cease-and-desist orders against federal associations and association

related parties as does section 206 for insured institutions.

Section 208. This paragraph clarifies the existing grounds for removal of institution officials by reorganizing section 407(g) of the National Housing Act into more organized subparagraphs. Because of the new definition of institution-related party (*see* section 215(a)) more individuals now are subject to the Corporation's authority in this area. Because certain of those individuals such as attorneys, accountants and appraisers will not be officers or directors of insured institutions, the reference to "breach of fiduciary duties" in subsection (g)(1) is not appropriate for such individuals, so a corresponding reference to breach of "professional" duties has been added. Subsection (2) of section 407(g), which contains the grounds necessary to initiate removal or prohibition action against persons at one institution for their misconduct while serving at another institution or business enterprise, has been simplified and the grounds made uniform with those set forth in subsection (g)(1). Clarifying language also has been added to recognize the fact that current officers and directors are "removed and prohibited," while persons not holding an office—either because they participate in the institution's affairs in some other manner or because they have left their former positions—are only "prohibited." This language, along with the new definition of institution-related party at section 215(a), clarifies and Corporation's continuing jurisdiction over officers and directors who resign.

Section 209. This section makes the same amendments to the Home Owners' Loan Act as does section 208 to the National Housing Act.

Sections 210 and 211. These sections insert the references to "institution-related party" and "association-related party," respectively, in section 407(h) of the National Housing Act and section 5(d)(5) of the Home Owners' Loan Act, which permit suspensions when officials are indicted for felonies involving dishonesty or breach of trust, and removals when they are convicted of such felonies. Otherwise, there are no substantive changes to these provisions.

Section 212. This section amends the Corporation's statutory subpoena power at section 407(m)(2) of the National Housing Act to clarify that it includes inquiries into the affairs, assets, and/or ownership of insured institutions, including inquiries after an institution has ceased to be insured by the Corporation (such as following receivership) so long as the institution was insured by the Corporation at the time of the transactions or conduct being examined. The section also adds new penalties for failure to comply with subpoenas issued by the Corporation or its designated representatives.

Section 213. Section 213 expands the provisions of section 407(p) of the National Housing Act to reach the broader category of "institution-related parties" as defined in section 215. Individuals who have been removed from office and/or prohibited from further participation in any federally insured savings and loan institution or bank may not participate in any manner in the conduct of the affairs of the institution from which they have been removed and/or prohibited; and, without the approval of the appropriate federal supervisory agency, such persons may not serve as directors, officers, employees or agents or otherwise participate in the affairs of any federally insured depository institution. Previously, individuals removed from one FSLIC-insured institution were banned from serving as officers or directors at another FSLIC-institution without prior FSLIC approval. However, such individuals were free to move to FDIC-insured banks, and individuals removed by one of the federal banking agencies could move to FSLIC-insured institutions without restriction. Section 213 requires the prior approval of the appropriate federal supervisory agency before any such individual may be hired by or otherwise participate in the affairs of any federally insured depository institution.

Section 214. This section makes the same amendments to the Home Owners' Loan Act as does section 213 to the National Housing Act.

Sections 215 and 216. These sections add clarifying definitions of "unsafe or unsound practice," "institution-related party" and "association-related party." Included in the latter definition are directors, officers, employees, agents, and other persons participating in the conduct of the affairs of institutions, service corporations, holding companies, and holding company subsidiaries, and individuals who have filed or who are required to file change in control notices with the Corporation.

Sections 217 and 218. Section 217 adds to the National Housing Act, and section 218 adds to the Home Owners' Loan Act, a grant of authority for the Corporation and the Board, respectively, to apply to U.S. district courts for injunctive relief to halt violations of those acts or regulations promulgated thereunder whenever administrative remedies are unable to adequately resolve such violations or unsafe or unsound practices.

TITLE III—PAYMENT OF INSURANCE

Section 301. Section 301 provides that this title may be cited as the "Insurance Amendments of 1985."

Section 302. Section 302 eliminates the requirement, unnecessary in light of subsequent amendments described herein, that an account be surrendered and transferred to the Corporation before payment of insurance on such account, and also provides that the Corporation shall, where it pays insurance of accounts of a defaulted institution, be subrogated to the claims of insured members by operation of law when and to the extent that such insurance payment has been made.

Section 303. Section 303 provides that the Corporation may withhold payment of insurance to insured members to the extent of liability of a member, but not including any liability of a borrower not in default.

Section 304. Section 304 makes conforming amendments to ensure consistency between the subrogation provisions of section 405(b), as amended by section 302, and section 406 of the National Housing Act. This section also harmonizes section 406 of the National Housing Act with Section 5 of the Home Owners' Loan Act requiring that the FDIC be appointed receiver for an FDIC-insured savings bank.

TITLE IV—RECEIVERSHIP POWERS

Section 401. Section 401 provides that this title may be cited as the "Receivership Improvement Act of 1985."

Section 402. Section 402 provides that the Corporation, in connection with its activities as receiver, shall not be required to furnish any bond, shall have authority to employ persons as it deems appropriate to conduct the business of the receivership, and that all expenses relating to such receivership activities may be paid out of the receivership funds.

Section 403. Section 403 strengthens the Corporation's position as receiver by rendering ineffective many "side deals" entered into improperly by officers, directors, employees, agents, persons participating in the conduct of the institution and persons filing a change of control notice without the approval of the board of directors of such institutions. It also provides that any property in which an insured institution in receivership asserts a legal or equitable interests shall be property of the receivership estate. This section further provides for an automatic stay on all claims against the receivership estate analogous to that provided under the Bankruptcy Code, including provisions for adequate protection of such claimants, and excludes the security interests of Federal Home Loan Banks from the automatic stay or from any equitable subordination that might arise from Bank activities as agent of the Board or the Corporation. This section also clarifies the receiver's rights to assume the position of a lien creditor, bona fide purchaser or equity receiver against transferees of property of an institution in default and specifies, as a matter of pre-emptive federal law, priorities of unsecured claims against the receivership estate.

Section 404. This section clarifies the authority of the FSLIC to accept an appointment as a conservator of a federal association.

TITLE V—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Section 501. Section 501 provides that this title may be cited as the "Federal Savings and Loan Insurance Corporation Improvements Act of 1985."

Section 502. Section 502 provides that the Corporation shall be treated as a "mixed-ownership Government corporation" under section 9101 of title 31 of the United States Code.

Section 503. Section 503 clarifies the Corporation's status as exempt from restrictions, statutory or otherwise, concerning personnel or apportionment of expenses; and clarifies and affirms the Corporation's general rulemaking authority with respect to implementation of the National Housing Act, including but not limited to the authority to define terms used in that Act and to regulate risk-taking activities by insured institutions. This authority applies to the savings and loan holding company and the mutual to stock conversion provisions of the National Housing Act.

Section 504. Section 504 provides that expenditures by the Corporation to carry out the purposes of the National Housing Act shall not be deemed to be appropriations under title 31 of the United States Code.

Section 505. This section clarifies that funds deposited with the FSLIC are available only for use by the FSLIC in carrying out its statutory purposes.

Section 506. This section provides that a federal forum is available to the FSLIC when the Bank Board appoints it as receiver of a state-chartered association and that a state forum is appropriate when a state authority so designates.

TITLE VI—HOLDING COMPANIES

Holding Company Activities

Section 601. Section 601 provides that this title may be cited as the "Holding Company Amendments of 1985."

Section 602. This section prohibits savings and loan holding companies, and insured institutions regardless of whether or not they are controlled by a holding company, from

directly or indirectly engaging in the activities of an underwriter or market-maker in (i) equity securities or (ii) debt securities other than those secured by interests in real estate or that are eligible to be underwritten by national banks.

Prohibited Transactions

Section 603. This section extends the current prohibitions on transactions between insured institutions and their parent savings and loan holding company and affiliates to transactions between subsidiaries of insured institutions and their parent savings and loan holding company and affiliates. The exception for investment by the insured institution in stocks, bonds, notes and other obligations of its service corporation has been extended to except investment by subsidiaries of the insured institution in the stock, bonds, notes and other obligations of its parent insured institution.

Section 604. Section 604 clarifies the intent of the current service corporation exception allowing the insured institution to make a loan to a third party secured by real estate acquired from the institution's wholly-owned service corporation by replacing the wholly-owned requirement with a requirement that no affiliate other than the insured institution and/or its subsidiaries have a direct or indirect controlling interest in that service corporation. Consistent with the overall expansion of the prohibitions in section 603 to include transactions between subsidiaries of insured institutions, this exception has been extended to subsidiaries of insured institutions. The requirement that the Corporation's prior approval must be obtained for such service corporation transactions has been deleted. The service corporation exception has also been restricted to service corporations which are not themselves insured institutions. In addition, the current provision that prohibits an insured institution, or, as added in section 602, subsidiary thereof, from guaranteeing the repayment of or maintaining compensating balances for any loan granted to any affiliate by any third party has been amended to except transactions involving a loan to a wholly-owned service corporation of the insured institution or its subsidiary.

Acquisitions

Section 605. This section prohibits the FSLIC from approving a transaction which would result in a savings and loan holding company that is itself an uninsured institution or that has control of an uninsured institution, unless authorized by the FSLIC for up to one year after control has been acquired of the insured or uninsured institution, whichever is later, if the FSLIC determines that it would not represent an undue risk to the FSLIC's insurance fund or for a longer period, including perpetually, if the FSLIC determines that it would assist in preserving its insurance fund. This section also prohibits the FSLIC from approving an acquisition of an insured institution by a company engaged in the activities of an underwriter or market maker in (i) equity securities or (ii) debt securities other than those secured by interests in real estate or that are eligible to be underwritten by national banks.

Section 606. This section makes conforming changes to the FSLIC's rulemaking authority with respect to the savings and loan holding comapny provisions of the National Housing Act which is subsumed by the broad grant of authority contained in section 503 of the bill.

Section 607. Section 607 adds to the FSLIC's administrative enforcement authority the power to require rescission of transactions in violation of the National Housing Act, and to require restitution to persons suffering damages as a result of such violations.

Section 608. This section amends the emergency acquisition authority provided in section 123 of the Garn-St Germain Depository Institutions Act of 1982. Pub. L. 97-320, 96 Stat. 1469, to clarify that acquisitions of federal institutions are not subject to prior consultation with the state banking authorities. This provision confirms the legislative history of this section (S. Rep. No. 97-536, 97th Cong., 2d Sess. 7 (1982)) and will prevent future court interpretations to the contrary. *See Hartigan v. FHLBB,* 746 F.2d 1300 (7th Cir. 1984).

TITLE VII—QUALIFIED THRIFT LENDERS

Section 701. Section 701 provides that this title may be cited as the "Qualified Thrift Lender Act of 1985."

Section 702. This section conditions eligibility for FSLIC insurance by non-federal associations and FDIC-insured federal savings banks upon meeting the definition of a "qualified thrift lender." The definition is designed to insure a significant continuing emphasis on housing and housing-related activities, "qualified thrift lender" is required to maintain at least 60 percent of assets in specific housing and housing-related investments and certain liquid assets. An institution which fails to maintain "qualified thrift lender" status is ineligible to reattain such status for a period of five years.

The list of qualifying assets is sufficiently diverse to allow flexibility on the part of institution management to develop its own housing focus. The assests listed as qualifying include all loans, equity positions or securities related to domestic residential real estate or manufactured housing (including all investment in mortage-related securities, both of the asset participation and pay-through bond type), all assets now incorporated in section 7701(a)(19)(C) of the Internal Revenue Code, as well as all investments related to shelter-providing facilities such as hospitals, nursing homes and student dormitories, all investments in items that qualify as short-term liquid assets pursuant to section 5A of the Federal Home Loan Bank Act, and qualifying assets held by a thrift's subsidiary. In addition, in order to recognize the contribution of thrifts participation in the secondary market, this section permits the Board to reduce the 60 percent averaging requirement for any relevant period by a percentage of loan related to residential real estate and manufactured housing originated and sold by the thrift or its subsidiary during that period.

To provide sufficient time for state chartered mutual savings banks to conform with the new "qualified thrift lender" test, the bill allows for a gradual restructuring of their asset portfolios over a twenty year period. Additonally, the bill requires that, with respect to federal stock savings banks insured by the FDIC, the FSLIC must rely, to the maximum extent possible, upon examinations conducted by the FDIC.

Section 703. This section limits the eligibility for Federal Home Loan Bank advances by members with deposits insured by the FSLIC or FDIC to "qualified thrift lenders" as defined in the National Housing Act, except as the Board prescribes by rule or regulation.

Section 704. This section increases the service corporation investment authority of federal associations with a demonstrated emphasis on housing finance by increasing the authorized level of investment therein from three to five percent of assets for federal "qualified thrift lenders." This section also deletes the current proviso requiring that associations devote half of the investment under this authority which exceeds one percent for community development purposes.

Section 705. This section substitutes the "qualified thrift lender" test for the current "domestic building and loan association" test contained in section 7701(a)(10)(C) the Internal Revenue Code with regard to limits on out-of-state branching by federal associations.

Section 706. This section requires that a bank or bank holding company making an out-of-state acquisition of an insured institution under authority of section 408(m) of the National Housing Act must conform to the branching limitations applicable to banks in the State in which the acquired insured institution is located if the thrift is not a "qualified thrift lender" as defined in section 403 of the National Housing Act, as amended by section 702 of this bill. Under current law, this limitation is linked to qualifying status as a "domestic building and loan association" under section 7701(a)(1)(C) of the Internal Revenue Code.

Section 707. This section likewise substitutes the "qualified thrift lender" test for the "domestic building and loan association" test with regard to limits on the activities of unitary savings and loan holding companies. Under the present law, the activities of a unitary savings and loan holding company with a non-qualifying insured institution subsidiary are limited to the same extent as those of multiple savings and loan holding.

TITLE VIII—ACCEPTANCE OF TRAVEL SUPPORT; DEMAND DEPOSITS

Section 801. Section 801 of the bill amends section 17 of the Federal Home Loan Bank Act (12 U.S.C. 1437) to grant to the Board, subject to Board rules to prevent conflicts of interest, the authority to accept from federal and nonfederal sponsors payment or reimbursement for travel, subsistence, and other necessary expenses incurred by Board members and staff in attending meetings and conferences concerning the functions or activities of the Board. This amendment makes applicable to the Board and the FSLIC travel and subsistence expense provisions substantially similar to those applicable to the Securities and Exchange Commission under section 4(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(c)).

Section 802. This section would revise section 5(b)(1) of the Home Owners' Loan Act to permit federal associations to accept demand deposits without limitation. At present, federal associations may accept demand deposits only from persons or organizations that have established a business relationship with the association, except that such accounts can also be accepted from a corporate, commercial, business or agricultural entity for the sole purpose of effectuating payments thereto by a non-business customer.

Section 803. This amendment deletes the requirement that negotiable order of withdrawal ("NOW") accounts be issued only to individuals or to non-business type organizations.

Section 804. This section would exempt the Board's professional accounting fellows from the prohibition against payment of a government employee's moving expenses by

a former employer. 18 U.S.C. 209. This exemption is substantially the same as that provided for White House fellows and Securities and Exchange Commission fellows.

Section 805. This section extends for three years the sunset date for the emergency provisions of title I and the net worth certificate provisions of title II of the Garn-St Germain Depository Institutions Act of 1982.

Section 806. This section clarifies the manner in which institutions may transfer insurance coverage between the FSLIC and FDIC insurance funds.

Section 807. This section permits the staggering of terms for Federal Home Loan Bank directors from the same state.

Section 808. Section 808 of the bill amends the change in control provisions of the National Housing Act to clarify the Corporation's right to define what is actual control of an insured institution. The Corporation and the banking agencies each have devised regulatory presumptions of control for individuals purchasing less than 25 percent of an institution's stock but who demonstrate that they exert a controling influence over an institution. The amendment would clarify that such presumptions are an integral part of the statutory definition and would avoid frivolous suits by persons challenging the regulatory definitions of the agencies.

S. 760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

SECTION 1. This Act may be cited as the "Federal Deposit Insurance Improvements Act of 1985."

SEC. 2. Section 1 of the Federal Deposit Insurance Act (12 U.S.C. § 1811) is amended by striking out the word "hereby".

SEC. 3. Section 3 of the Federal Deposit Insurance Act (12 U.S.C. § 1813) is amended to read as follows:

"(a)(1) The term 'bank' means any bank, banking association, trust company, savings bank, foreign bank, industrial bank, or other banking institution which is engaged in the business of receiving deposits other than trust funds.

"(a)(2) The term 'saving bank' means a bank which transacts its ordinary banking business strictly as a savings bank under State laws imposing special requirements on such banks governing the manner of investing their funds and of conducting their business: Provided, That the term 'savings bank' shall include a Federal savings bank.

"(a)(3) The term 'industrial bank' means a corporation chartered by a State as an industrial bank, or a corporation which the Board of Directors finds to be operating substantially in the same manner as an industrial bank.

"(b)(1) The term 'State' means any state of the United States, the District fo Columbia, any Territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Virgin Islands, and the term 'United States' (when used to specify geographic limits) includes every state of the United States, the District of Columbia, any Territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"(b)(2) The term 'State bank' means any bank that is incorporated or organized under the laws of any State, and any bank (other than a national bank) which is operating under the Code of Law for the District of Columbia.

"(b)(3) The term 'District bank' means any State bank operating under the Code of Law for the District of Columbia.

"(b)(4) The term 'domestic branch' includes any office, agency, or additional place of business of a bank (other than the bank's primary office), which office, agency or additional place of business is located in the United States, and at which office, agency, or additional place of business deposits are received or paid or money is lent.

"(c)(1) The term 'foreign bank' means any bank other than a bank chartered by a State or by the United States: *Provided,* That as used in this subsection (c), the term 'foreign bank' shall also include any company organized under the laws of a foreign country, which company is engaged in the business of banking, or any subsidiary or affiliate thereof that is organized under the laws of a foreign country; and *Provided further,* That as used in this subsection (c), the term 'business of banking' shall include without limitation the activities of a foreign commercial bank, the activities of a foreign merchant bank, and any other activities that may be usual in connection with the business of banking in the country where the company is organized or operating; and *Provided further,* That as used in this subsection (c), the term 'foreign country' shall refer to any country other than the United States, and shall not refer to Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Virgin Islands.

"(c)(2) The term 'foreign branch' means any office or place of business of a bank, which office or additional place of business is located outside the United States, at which financial operations are conducted by the bank.

"(c)(3) The term 'Federal branch' means a branch of a foreign bank, which branch is established and operating pursuant to section 4 of the International Banking Act of 1978.

"(d)(1) The term 'State member bank' means any State bank which is a member of the Federal Reserve System, and the term 'State nonmember bank' means any State bank which is not a member of the Federal Reserve System.

"(d)(2) The term 'national member bank' means any national bank which is a member of the Federal Reserve System, and the term 'national nonmember bank' means any national bank which is not a member of the Federal Reserve System.

"(e)(1) The term 'insured bank' means any bank (including a foreign bank having an insured branch) the deposits of which are insured in accordance with the provisions of this Act. For the purposes of subsections (b) through (n) of section 8 of this Act, the term 'insured bank' shall be deemed to include any uninsured branch or agency of a foreign bank or any commercial lending company owned or controlled by a foreign bank.

"(e)(2) The term 'insured branch' means a branch of a foreign bank any deposits in which branch are insured in accordance with the provisions of this Act.

"(e)(3) The term 'insured Federal savings bank' means a Federal savings bank chartered pursuant to section 5(o) of the Home Owners' Loan Act of 1933 and insured by the Corporation.

"(f) The term 'new bank' means a new national banking association organized by the Corporation to assume the insured deposits (together with such assets and other liabilities as the Corporation may select) of an insured bank closed on account of inability to meet the demands of its depositors, and otherwise to perform temporarily the functions prescribed in this Act.

"(g) The term 'deposit' means—

(g)(1) the unpaid balance of money or its equivalent received or held by a bank in the usual course of business and for which it has given or is obligated to give credit, either conditionally or unconditionally, to a commercial, checking, savings, time, or thrift account, or which is evidenced by its certificate of deposit, thrift certificate, investment certificate, certificate of indebtedness, or other similar name, or a check or draft drawn against a deposit account and certified by the bank, or a traveler's check on which the bank is primarily liable: *Provided,* That, without limiting the generality of the term 'money or its equivalent', any such account or instrument must be regarded as evidencing the receipt of the equivalent of money when crediting or issued in exchange for checks or drafts or for a promissory note upon which the person obtaining any such credit or instrument is immediately, upon delivery, primarily or secondarily liable, or for a charge against a deposit account, or in settlement of checks, drafts, or other instruments forwarded to such bank for collection,

(g)(2) trust funds received or held by such bank, whether held in the trust department or held or deposited in any other department of such bank,

(g)(3) money received or held by a bank, or the credit given for money or its equivalent received or held by a bank, in the usual course of business for a special or specific purpose, regardless of the legal relationship thereby established, including without being limited to, escrow funds, funds held as security for an obligation due to the bank or others (including funds held as dealers reserves) or for securities loaned by the bank, funds deposited by a debtor to meet maturing obligations, funds deposited as advance payment on subscriptions to United States Government securities, funds held for distribution or purchase of securities, funds held to meet its acceptances or letters of credit, and withheld taxes: *Provided,* That there shall not be included funds which are received by the bank for immediate application to the reduction of indebtedness to the receiving bank, or under condition that the receipt thereof immediately reduces or extinguishes such indebtedness,

(g)(4) outstanding draft (including advice or authorization to charge bank's balance in another bank), cashier's check, money order, or other officer's check issued in the usual course of business for any purpose, including without being limited to those issued in payment for services, dividends, or purchases, and

(g)(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage, except that the following shall not be a deposit for any of the purposes of this Act or be included as part of total deposits or of an insured deposit:

(g)(5)(A) any obligation of a bank which is payable only at an office of such bank located outside the United States; and

(g)(5)(B) any international banking facility deposit, including an international banking facility time deposit, as such term is from time to time defined by the Board of Governors of the Federal Reserve System in

regulation D or any successor regulation issued by the Board of Governors of the Federal Reserve System.

"(h) The term 'trust funds' means funds held by an insured bank in a fiduciary capacity and includes, without being limited to, funds held as trustee, executor, administrator, guardian, or agent.

"(i)(1) Subject to the provisions of paragraph (2) of this subsection, the term 'insured deposit' means the net amount due to any depositor (other than a depositor referred to in the third sentence of this subsection) for deposits in an insured bank (after deducting offsets) up to the maximum limits of insurance established by this Act: *Provided*, That deposits (excluding trust funds) owed by a depository institution the deposits or shares of which are insured either by the Federal Savings and Loan Insurance Corporation or by the National Credit Union Administration Board or by the Corporation or by any agency or instrumentality of a State or pursuant to any program of insurance sponsored by a State, and trust funds whose beneficial interest is owned by a depository institution the deposits or shares of which are insured either by the Federal Savings and Loan Insurance Corporation or by the National Credit Union Administration Board or by the Corporation or by any agency or instrumentality of a State or pursuant to any program of insurance sponsored by a State, shall not be eligible for insurance by the Corporation; and *Provided further*, That deposits owned or placed by an agency or instrumentality of the United States shall not be eligible for insurance by the Corporation. Such net amount shall be determined according to such regulations as the Board of Directors may prescribe, and in determining the amount due to any depositor there shall be added together all deposits in the bank maintained in the same capacity and the same right for his benefit either in his own name or in the names of others except trust funds which shall be insured as provided in subsection (i) of section 7. Each officer, employee, or agent of any State, of any county, of any municipality, or of any political subdivision thereof, herein called 'public unit', having official custody of public funds and lawfully depositing the same in an insured bank shall, for the purposes of determining the amount of the insured deposits, be deemed a depositor in such custodial capacity separate and distinct from any other officer, employee, or agent of the same or any public unit having official custody of public funds and lawfully depositing the same in the same insured bank in custodial capacity. For the purpose of clarifying and defining the insurance coverage under this subsection and subsection (i) of section 7, the Corporation is authorized to define, with such classifications and exceptions as it may prescribe, terms used in those subsections, in subsection (h) of section 3, and in subsections (a) and (i) of section 11 and the extent of the insurance coverage resulting therefrom.

"(i)(2) In the case of any deposit in a branch of a foreign bank, the term 'insured deposit' means an insured deposit as defined in paragraph (1) of this subsection which—

(i)(2)(A) is payable in the United States to—

(i)(2)(A)(i) an individual who is a citizen or resident of the United States,

(i)(2)(A)(ii) a partnership, corporation, trust, or other legally cognizable entity created under the laws of the United States or any State and having its principal place of business within the United States, or

(i)(2)(A)(iii) an individual, partnership, corporation, trust, or other legally cognizable entity which is determined by the Board of Directors in accordance with its regulations to have such business or financial relationships in the United States as to make the insurance of such deposit consistent with the purposes of this Act; and

(i)(2)(B) meets any other criteria prescribed by the Board of Directors by regulation as necessary or appropriate in its judgment to carry out the purposes of this Act or to facilitate the administration thereof.

"(j) The term 'transferred deposit' means a deposit in a new bank or other insured bank made available to a depositor by the Corporation as payment of the insured deposit of such depositor in a closed bank, and assumed by such new bank or other insured bank.

"(k) The term 'receiver' includes a receiver, liquidating agent, conservator, commission, person, or other agency charged by law with the duty of winding up the affairs of a bank or of a branch of a foreign bank.

"(l) The term 'Board of Directors' means the Board of Directors of the Corporation.

"(m) The term 'appropriate Federal banking agency' shall mean—

(m)(1) the Comptroller of the Currency in the case of a national banking association, a District bank, or a Federal branch or agency of a foreign bank;

(m)(2) the Board of Governors of the Federal Reserve System—

(m)(2)(A) in the case of a State member insured bank (except a District bank),

(m)(2)(B) in the case of any branch or agency of a foreign bank with respect to any provision of the Federal Reserve Act which is made applicable under the International Banking Act of 1978,

(m)(2)(C) in the case of any foreign bank which does not operate an insured branch,

(m)(2)(D) in the case of any agency or commercial lending company other than a Federal agency, and

(m)(2)(E) in the case of supervisory or regulatory proceedings arising from the authority given to the Board of Governors under section 7(c)(1) of the International Banking Act of 1978, including such proceedings under the Financial Institutions Supervisory Act,

(m)(3) the Federal Deposit Insurance Corporation in the case of a State nonmember insured bank (except a District bank) or a foreign bank having an insured branch; and

(m)(4) the Federal Home Loan Bank Board in the case of an insured Federal savings bank.

Under the rule set forth in this subsection, more than one agency may be an appropriate Federal banking agency with respect to any given institution."

SEC. 4. Section 4 of the Federal Deposit Insurance Act (12 U.S.C. § 1814 is amended—

(1) By redesignating subsection (b) thereof as paragraph (1) of subsection (b) thereof.

(2) By omitting "as herein defined" wherever it appears in the first sentence of redesignated paragraph (1) of subsection (b) thereof.

(3) By replacing the period at the end of the first sentence of redesignated paragraph (1) of subsection (b) thereof with a comma, and by inserting immediately thereafter "unless the Corporation declines to insure the bank as provided in paragraph (2) of this subsection (b)."

(4) By adding a new paragraph (2) to subsection (b) thereof reading as follows:

"(b)(2) In any case in which paragraph (1) of this subsection (b) requires that a certificate be issued to the Corporation, the Comptroller of the Currency or the Board of Governors of the Federal Reserve System, as the case may be, shall, upon receiving the bank's application, furnish a copy of the application to the Corporation for review, and upon approving the application, shall so notify the Corporation. The Corporation may, within 30 days of receiving such notification, decline to insure the bank: *Provided*, That in determining whether to decline to provide such insurance, the Corporation may only base its determination on the financial and managerial resources of the bank and its organizers; and *Provided further*, That the Corporation may at any time prior to the expiration of the 30-day interval waive its right to decline to insure the bank. If the Corporation decides to decline to insure the bank the Corporation shall so notify the Comptroller of the Currency or the Board of Governors of the Federal Reserve System, as the case may be, within five business days."

(5) By amending subsection (c) thereof to read as follows:

"(c) Every Federal savings bank which is engaged in the business of receiving deposits other than trust funds shall be an insured bank from the time it is authorized to commence business until such time as its accounts are insured by the Federal Savings and Loan Insurance Corporation."

SEC. 5. Section 5 of the Federal Deposit Insurance Act (12 U.S.C. § 1815) is amended by striking out "as herein defined" in the first sentence of subsection (a) thereof.

SEC. 6. Section 7 of the Federal Deposit Insurance Act (12 U.S.C. § 1817) is amended—

(1) By striking out "any State of" immediately after "located in," and by striking out "the District of Columbia, any Territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Virgin Islands," immediately after "the United States,", in the first sentence of paragraph (4) of subsection (a) thereof.

(2) By replacing "subsection (l)" with "subsection (g)" immediately before "of section 3 of this Act" in the first sentence of paragraph (4) of subsection (a) thereof.

(3) By striking out "the District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Virgin Islands," from paragraph (5) of subsection (b) thereof.

(4) By amending paragraph (6) of subsection (b) thereof to read as follows:

"(b)(6)(A) The assessment base deductions shall be the amounts of cash items in the bank's possession, drawn on itself, which have not been charged against deposit liabilities at the close of business on the date as of which the report of condition is made, either in their actual amount as shown on the books of the bank, or, if not so shown, in an amount determined by means of an experience factor pursuant to regulations prescribed by the Board of Directors.

"(b)(6)(B) Each insured bank, as a condition to the right to make any such deduction in determining its assessment base, shall maintain such records as will readily permit verification of the correctness of its assessment base. No insured bank shall be required to retain such records for such purpose for a period in excess of five years from the date of the filing of any certified statement, except that when there is a dispute between the insured bank and the Corpora-

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tion over the amount of any assessment the bank shall retain such records until final determination of the issue."

(5) By replacing "deposits;" with "deposits; and" in subparagraph (A) of paragraph (7) of subsection (b) thereof.

(6) By replacing "deposits; and" with "deposits." in subparagraph (B) of paragraph (7) of subsection (b) thereof, and by striking out the remainder of that paragraph (7).

(7) By amending the first sentence of paragraph (1) of subsection (d) thereof to read as follows: "As of December 31, 1986, and as of December 31 of each calendar year thereafter, the Corporation shall transfer 40 per centum of its net assessment income to its capital account and the balance of the net assessment income shall be credited, in such proportions and according to such procedures as the Corporation may by regulation prescribe, to the insured banks based upon the assessments of each bank becoming due during said calendar year: *Provided*, That the Corporation shall set the assessment credit for any such insured bank on the basis of the risks (including but not limited to the risk presented by the bank's capital level, the risk presented by the bank's quality of assets, and the risk presented by the bank's exposure to changes in interest rates) that the bank may present to the Permanent Insurance Fund."

(8) By replacing the first colon in the final sentence of subsection (g) thereof with a period, and by striking out the remainder of the subsection.

(9) By inserting "that are eligible for insurance by the Corporation" after "trust funds" the second time it appears in subsection (i) thereof.

(10) By placing a comma after "fiduciary capacity", and after "fiduciary bank" the first time it appears, in subsection (i) thereof.

(11) By replacing "monoplize" with "monopolize" in subparagraph (A) of paragraph (7) of subsection (j) thereof.

SEC. 7. Section 8 of the Federal Deposit Insurance Act (12 U.S.C. § 1818) is amended—

(1) By striking out the second, third and fourth sentences of subsection (a) thereof, and replacing them with the following: "Whenever the Board of Directors shall find that an insured bank or its directors or trustees have engaged or are engaging in unsafe or unsound practices in conducting the business of such bank, or is in an unsafe or unsound condition to continue operations as an insured bank, or violated an applicable law, rule, regulation or order, or any condition imposed in writing by the Corporation in connection with the granting of any application or other request by the bank, or any written agreement entered into with the Corporation, the Board of Directors shall give to the bank not less than thirty days' written notice of intention to terminate the status of the bank as an insured bank, and shall fix a time and place for a hearing before the Board of Directors or before a person designated by it to conduct such hearing, at which evidence may be produced, and upon such evidence the Board of Directors shall make written findings which shall be conclusive. If the Board of Directors shall find that any unsafe or unsound practice or condition or violation specified in such statement has been established, the Board of Directors may order that the insured status of the bank be terminated on a date subsequent to such finding and to the expiration of the time specified in such notice of intention."

(2) By adding the following sentence at the end of paragraph (1) of subsection (b) thereof: "Such order may censure or place limitations on the activities or functions of the bank or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such bank, or may suspend or bar for a period not exceeding twenty-four months any such person from participating, without the prior written approval of the appropriate Federal banking agency, in the conduct of the affairs of the bank or of any other insured bank."

(3) By adding the following sentence immediately after the first sentence of paragraph (1) of subsection (c) thereof: "Such order may place limitations on the activities or functions of the bank or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such bank, or may bar any such person from participating, without the prior written approval of the appropriate Federal banking agency, in the conduct of the affairs of the bank or of any other insured bank pending completion of such proceedings."

(4) By replacing "injuction" with "injunction" in paragraph (2) of subsection (c) thereof.

(5) By replacing "office" the first time it appears in paragraph (1) of subsection (e) thereof with "officer".

(6) By adding the following phrase immediately before the period ending paragraph (1) of subsection (e) thereof: "and to prohibit his further participation in any manner in the conduct of the affairs of any insured bank without the prior written approval of the appropriate Federal banking agency".

(7) By replacing "remove him from office or to prohibit his further participation in any manner in the conduct of the affairs of the bank" with "remove him from office and/or to prohibit his further participation in any manner in the conduct of the affairs of any insured bank without the prior written approval of the appropriate Federal banking agency" in paragraph (2) of subsection (e) thereof.

(8) By replacing "if an order of removal or prohibition is issued" with "if an order of removal and/or prohibition from participation in the affairs of any insured bank is issued" in the second sentence of paragraph (4) of subsection (e) thereof.

(9) By replacing "or" with "and/or" the second time it appears in the first sentence of paragraph (5) of subsection (e) thereof.

(10) By replacing "an insured bank" with "any insured bank" in the first sentence of paragraph (5) of subsection (e) thereof.

(11) By replacing "or" with "and/or" the final time it appears in the third sentence of paragraph (5) of subsection (e) thereof.

(12) By replacing "or" with "and/or" the final time it appears in the fourth sentence of paragraph (5) of subsection (e) thereof.

(13) By redesignating paragraph (6) of subsection (e) thereof as paragraph (7), and by adding a new paragraph (6) reading as follows:

"(e)(6) The appropriate Federal banking agency shall have jurisdiction and authority to proceed under this subsection (e) against any person who is acting as an officer or director of an insured bank, or who is participating in the affairs of an insured bank, on the date the Corporation initiates a proceeding pursuant to this subsection (e) regarding the person or bank, and shall also have jurisdiction and authority to proceed under this subsection (e) against any person who has acted as an officer or director of the insured bank, or who has participated in the affairs of the insured bank, within one year prior to the date on which the agency has instituted proceedings against such person or bank pursuant to this subsection (e)."

(14) By amending subsection (j) thereof to read as follows:

"(j) Any director or officer, or former director or officer of an insured bank, or any other person, against whom there is outstanding and effective any notice or [illegible] (which is an order which has become f[illegible]) served upon such director, officer, or other person under subsections (e)(4), (e)(5), or (g) of this section, and who—

(j)(1) participates in any manner in the conduct of the affairs of the bank involved, or directly or indirectly solicits or procures, or transfers or attempts to transfer, or votes or attempts to vote, any proxies, consents, or authorizations in respect of any voting rights in such bank, or

(j)(2) without the prior written approval of the appropriate Federal banking agency, votes for a director, serves or acts as a director, officer, or employee of any bank, shall upon conviction be fined not more than $5,000 or imprisoned for not more than one year, or both."

(15) By amending subsection (k) thereof to read as follows:

"(k) As used in this section—

(k)(1) the terms 'cease-and-desist order which has become final' and 'order which has become final' mean a cease-and-desist order, or an order issued by the appropriate Federal banking agency with the consent of the bank or the director or officer or other person concerned, or with respect to which no petition for review of the action of the agency has been filed and perfected in a court of appeals as specified in paragraph (2) of subsection (h), or with respect to which the action of the court in which said petition is so filed is not subject to further review by the supreme Court of the United States in proceedings provided for in said paragraph, or an order issued under paragraph (1) or (3) of subsection (g) of this section;

(k)(2) the term 'violation' includes without limitation any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation; and

(k)(3) the term 'appropriate Federal banking agency' shall not only have the meaning provided in subsection (m) of section (3) of this Act, but shall also include the Corporation in the case of any insured bank or any insured branch of a foreign bank."

(16) By striking out the last sentence of subsection (m) thereof, and by redesignating subsection (m) thereof as paragraph (1) of subsection (m) thereof.

(17) By adding a new paragraph (2) to subsection (m) thereof as follows:

"(m)(2) In connection with any proceeding by the Corporation under subsection (b), (c)(1), or (e) of this section involving a national bank, a District bank, an insured Federal branch, a State member bank, or an insured Federal savings bank or any director or officer or other person participating in the conduct of such institution's affairs, the Corporation shall provide the Comptroller of the Currency, the Board of Governors of the Federal Reserve System or the Federal Home Loan Bank Board, as the appropriate Federal banking agency for such institution, with notice of the Corporation's intent to institute such a proceeding and the grounds therefor. Unless within such time as the

Corporation deems appropriate in the light of the circumstances of the case (which time must be specified in the notice prescribed in the preceding sentence) satisfactory corrective action is effectuated by action of the appropriate Federal banking agency, the Corporation may proceed as provided in this section."

(18) By adding a new paragraph (3) to subsection (m) thereof as follows:

"(m)(3) No bank or other party who is the subject of any notice or order issued by an agency under this section shall have standing to raise the requirements of this subsection as grounds for attacking the validity of any such notice or order."

(19) By capitalizing the word "board" and the word "directors" wherever they appear in the second sentence of subsection (o) thereof.

(20) By amending subsection (q) thereof to read as follows:

"(q) Whenever the liabilities of an insured bank or of a financial institution the deposits of which are insured by the Federal Savings and Loan Insurance Corporation shall have been assumed by another insured bank or banks, whether by way of merger, consolidation, or other statutory assumption, or pursuant to contract:

"(q)(1) the insured status of the bank or other financial institution whose liabilities are so assumed shall terminate on the date of receipt by the Corporation of satisfactory evidence of such assumption; and

"(q)(2) the separate insurance of all deposits so assumed shall terminate at the end of six months from the date such assumption takes effect or, in the case of any time deposit, the earliest maturity date after the six-month period.

"Where the deposits of an insured bank are assumed by a newly insured bank, the bank whose deposits are assumed shall not be required to pay any assessment upon the deposits which have been so assumed after the semiannual period in which the assumption takes effect."

(21) By replacing "therof" with "thereof" in paragraph (2) of subsection (r) therof.

SEC. 8. Section 9 of the Federal Deposit Insurance Act (12 U.S.C. § 1819) is amended by adding the following new provision at the end thereof:

"Eleventh. To define any terms used in this Act which are not specifically defined by this Act, and to interpret the definitions of any terms that are so specifically defined."

SEC. 9. Section 10 of the Federal Deposit Insurance Act (12 U.S.C. § 1820) is amended as follows:

(1) By redesignating subsection (b) thereof as paragraph (1) of subsection (b) thereof, and by adding a new paragraph (2) of subsection (b) thereof as follows:

"(b)(2) The Board of Directors of the Corporation shall have authority and discretion to set reasonable fees for examining or investigating insured banks and affiliates thereof, which fees shall be reasonably related to the costs incurred by the Corporation in conducting such examinations or investigations: *Provided,* That the Corporation shall not impose a fee for an examination of a bank which, in the opinion of the Corporation, is in full compliance with the Corporation's standards for safety and soundness and with State and federal law; and *Provided further,* That no bank shall pay, during any calendar year beginning on January 1 and ending on December 31, examination and investigation fees exceeding an amount equal to the Bank's gross annual assessment for the prior year."

(2) By replacing the phrase "appropriate Federal banking agency" in subsection (c) thereof with the phrase "Federal banking agency conducting the examination or investigation".

(3) By amending subsection (d) thereof to read as follows:

"(d) As used in this section—

(d)(1) The term 'affiliate' means—

(d)(1)(A) any company that controls the bank and any other company that is controlled by the company that controls the bank;

(d)(1)(B) any subsidiary of the bank;

(d)(1)(C) any company—

(d)(1)(C)(i) that is controlled directly or indirectly, by a trust or otherwise, by or for the benefit of shareholders who beneficially or otherwise control, directly or indirectly, by trust or otherwise, the bank or any company that controls the bank; or

(d)(1)(C)(ii) a majority of whose directors or trustees constitute a majority of the persons holding any such office with the bank or with any company that controls the bank;

(d)(1)(D)(i) any company, including a real estate investment trust, that is sponsored and advised on a contractual basis by the bank or any subsidiary or other affiliate of the bank; or

(d)(1)(D)(ii) any investment company with respect to which the bank or any subsidiary or other affiliate thereof is an investment advisor as defined in section 2(a)(20) of the Investment Company Act of 1940;

(d)(1)(E) any company determined to be an affiliate of the bank within the meaning of section 23A of the Federal Reserve Act; or

(d)(1)(F) any company that the Corporation determines by regulation or order to have a relationship with the bank or any subsidiary or affiliate of the bank, such that transactions by the bank or its subsidiary with that company may be affected by the relationship to the detriment of the bank or its subsidiary.

(d)(2) A company or shareholder shall be deemed to have control over another company if—

(d)(2)(A) such company or shareholder, directly or indirectly, or acting through one or more other persons owns, controls, or has power to vote 25 per centum or more of any class of voting securities of the other company;

(d)(2)(B) such company or shareholder controls in any manner the election of a majority of the directors or trustees of the other company;

(d)(2)(C) the company or shareholders has been determined to exercise a controlling influence over the management or policies of the other company under section 23A of the Federal Reserve Act; or

(d)(2)(D) the Corporation has reason to believe that such company or shareholder, directly or indirectly, exercises a controlling influence over the management or policies of the other company.

(d)(3) The term 'bank' means an insured bank or any applicant for deposit insurance.

"(d)(4) The term 'company' means a corporation, partnership, business trust, association, or similar organization.

"(d)(5) The term 'subsidiary' with respect to a specified company means a company that is controlled by such specific company."

SEC. 10. Section 11 of the Federal Deposit Insurance Act (12 U.S.C. § 1821) is amended as follows:

(1) By amending paragraph (1) of subsection (a) thereof to read as follows:

"(a)(1) The assets of the Permanent Insurance Fund shall be held by the Corporation for the uses and purposes of the Corporation. On and after August 23, 1935, the Corporation shall insure the deposits of all insured banks as provided in this Act. Except as provided in paragraph 2, the maximum amount of the insured deposit of any depositor shall be $100,000."

(2) By striking out sub-subparagraph (i) of subparagraph (A) of paragraph (2) of subsection (a) thereof, and by redesignating sub-subparagraphs (ii), (iii), (iv), and (v) thereof as sub-subparagraphs (i), (ii), (iii), and (iv) respectively.

(3) By deleting "of the United States" in redesignated sub-subparagraph (i) of subparagraph (A) of paragraph (2) of subsection (a) thereof.

(4) By redesignating the first subsection (b) thereof as subparagraph (B) of paragraph (2) of subsection (a), and by striking out "time and savings" in the first sentence of redesignated subparagraph (B) of paragraph (2) of subsection (a) thereof.

(5) By amending the first sentence of subsection (e) thereof to read as follows: "Notwithstanding any other provision of law, State or Federal, or the constitution of any State, whenever any insured State bank (except a District bank) or any insured branch (other than a Federal branch) of a foreign bank shall have been closed by action of its board of directors or by the authority having supervision of such bank, as the case may be, on account of inability to meet the demands of its depositors, the Corporation shall serve and act as receiver thereof."

(6) By redesignating subsection (f) thereof as paragraph (1) of subsection (f) thereof, and by adding a new paragraph (2) to subsection (f) thereof as follows:

"(f)(2) Notwithstanding any other provision of law, State or Federal, or the constitution of any State, whenever an insured bank or insured branch of a foreign bank shall have been closed on account of inability to meet the demands of its depositors, the Corporation as receiver shall make provision for the following order of payment on all unsecured claims against the estate of the closed bank or branch proved to the satisfaction of the Corporation as receiver or adjudicated in a court of competent jurisdiction:

Preference 1. Claims for administrative expenses of the receivership.

Preference 2. All claims for deposit and all other claims, whether liquidated or unliquidated, which have accrued and become unconditionally fixed on or before the date the bank or branch is closed, except as provided in Preferences 3 through 6.

Preference 3. All claims other than those which have accrued and become unconditionally fixed on or before the date the bank or branch is closed, except as provided in Preferences 4 through 6. Any claim (apart from a claim identified in Preference 4 or Preference 5 or Preference 6) based on an agreement for accelerated, stipulated or liquidated damages which claim accrues upon the closing of the bank or branch shall be considered as not having accrued and become unconditionally fixed on or before the date the bank or branch has closed.

Preference 4. Claims for subordinated debt issued to the Corporation. If such a claim is perfected, claims for subordinated debt issued and outstanding on the effective date of the Federal Deposit Insurance Improvements Act of 1985 shall also qualify for this Preference 4.

Preference 5. Claims for subordinated debt other than claims that qualify for Preference 4.

Preference 6. Claims by shareholders based on stock ownership.

The Corporation as receiver shall distribute the assets of the estate of the failed bank or branch to the claimants within each payment category on a pro rata basis: *Provided*, That claims falling within Preference 4, claims falling within Preference 5, and claims falling within Preference 6 shall be paid in accordance with the claims' contractual orders of priority.

(7) By amending subsection (g) thereof to read as follows:

"(g) In the case of any closed insured bank or of any closed insured branch of a foreign bank, the Corporation, upon the payment to any depositor as provided in subsection (f) of this section, shall be subrogated to all rights of the depositor against the closed bank or closed insured branch of a foreign bank to the extent of such payment. Such subrogation shall include the right on the part of the Corporation to receive the same dividends from the proceeds of the assets of such closed bank or closed insured branch of a foreign bank and recoveries on account of stockholders' liability as would have been payable to the depositor on a claim for the insured deposit, but such depositor shall retain his claim for any uninsured portion of his deposit: *Provided*, That, with respect to any bank which closes after May 25, 1938, the Corporation shall waive, in favor only of any person against whom stockholders' individual liability may be asserted, any claim on account of such liability in excess of the liability, if any, to the bank or its creditors, for the amount unpaid upon his stock in such bank; but any such waiver shall be effected in such manner and on such terms and conditions as will not increase recoveries or dividends on account of claims to which the Corporation is not subrogated: *Provided further*, That except as provided in subsection (f) of this section the rights of depositors and other creditors of any State bank shall be determined in accordance with the applicable provisions of State law."

(8) By adding "(together with such assets and other liabilities as the Corporation may select)" after "insured deposits in subsection (h) thereof.

(9) By amending subsection (i) thereof to read as follows:

"(i) The articles of association and the organization certificate of the new bank shall be executed by representatives designated by the Corporation. No capital stock need be paid in by the Corporation. The new bank shall not have a board of directors, but shall be managed by an executive officer appointed by the Board of Directors of the Corporation who shall be subject to its directions. In all other respects the new bank shall be organized in accordance with the then existing provisions of law relating to the organization of national banking associations. The new bank, without application to or approval by the Corporation, shall be an insured bank and shall maintain on deposit with the Federal Reserve bank of its district reserves in the amount required by law for member banks, but it shall not be required to subscribe for stock of the Federal Reserve bank. The new bank shall have such powers of a national bank as the Corporation may designate: *Provided*, That so long as an executive officer appointed by the Corporation's Board of Directors has authority to manage the new bank, the new bank shall not be subject to any limitations imposed by law that restrict the activities of a national bank by measuring the amount of investment that the bank may devote to such activities by the amount of the bank's capitalization. Notwithstanding any other provision of law the new bank, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority."

(10) By inserting "at least" immediately before "equal" in the first sentence of subsection (j) thereof.

(11) By amending the second sentence of subsection (k) thereof to read as follows: "If the new bank has assumed the insured deposits of a closed bank with total assets of $500,000,000 or more (as determined from the closed bank's most recent report of condition), the new bank is eligible to be acquired by or to merge with an insured depository institution located in the State where the closed bank was chartered but established by an out-of-State bank or holding company, in accordance with the procedures established by subsection (f) of section 13 of this Act."

(12) By inserting a new sentence after the first sentence of subsection (l) thereof, reading as follows: "If the new bank has assumed the insured deposits of a closed bank with total assets of $500,000,000 or more (as determined from the closed bank's most recent report of condition), the business of the new bank may be transferred to an insured depository institution located in the State where the closed bank was chartered but established by an out-of-State bank or holding company, in accordance with the procedures established by subsection (f) of section 13 of this Act."

(13) By replacing the phrase "two years" in subsection (*l*) thereof with "five years".

SEC. 11. Section 12 of the Federal Deposit Insurance Act (12 U.S.C. § 1822) is amended as follows:

(1) By amending subsection (a) thereof to read as follows:

"(a) Notwithstanding any other provision of law, State or Federal, or the constitution of any State, the Corporation as receiver of a closed insured bank or closed insured branch of a foreign bank shall not be required to furnish bond and shall have the right to appoint an agent or agents to assist it in its duties as such receiver, and all fees, compensation, and expenses of liquidation and administration thereof shall be fixed by the Corporation, and may be paid by it out of funds coming into its possession as such receiver."

(2) By inserting ", *Provided:* That the Corporation shall have authority and discretion to waive at any time prior to the expiration of such eighteen months' period its right to receive any such refunded deposits" immediately prior to the final period of subsection (e) thereof.

SEC. 12. Section 13 of the Federal Deposit Insurance Act (12 U.S.C. § 1823) is amended—

(1) By striking out ", with the approval of the Secretary of the Treasury," before "with a Federal Reserve bank" in the first sentence of subsection (b) thereof.

(2) By replacing the first colon in the first sentence of subsection (b) thereof with a period, and deleting the remainder of the first sentence.

(3) By striking out the first sentence of subparagraph (B) of paragraph (4) of subsection (c) thereof, and by replacing the phrase "the preceding sentence" with "this subsection" in the second sentence thereof.

(4) By amending paragraph (5) of subsection (c) thereof to read as follows:

"(c)(5) During any period in which an assistance agreement is outstanding pursuant to which an insured bank has received assistance pursuant to paragraph (1) of this subsection (c), such insured bank shall not be liable for any state or local tax which is determined on the basis of the deposits held by such insured bank or the interest or dividends paid on such deposits."

(5) By adding new paragraphs (9) and (10) at the end of subsection (c) thereof reading as follows:

"(c)(9) The provisions of the constitution of any State or any federal or State civil or criminal law, express or implied, limiting the authority of an insured bank to continue operations, including the receipt of deposits and the payment or crediting of interest or dividends to depositors, because of the level of such insured bank's capital, net worth, surplus fund, or guarantee fund, shall not apply to any insured bank which has received assistance to increase its capital or net worth from the Corporation pursuant to paragraph 1 of this subsection (c) and the bank's net worth, including the Corporation's assistance, is greater than one half of one percent of assets.

"(c)(10) Notwithstanding any other provision of law, State or federal, or the constitution of any State, assistance from the Corporation received by an insured bank pursuant to paragraph 1 of this subsection (c) shall be deemed to be capital or net worth for statutory and regulatory purposes if so designated by the Corporation at the time such assistance is given."

(6) By replacing "Receivers or liquidators of insured banks closed on account of inability to meet the demands of their depositors" in the first sentence of subsection (d) thereof with "The Corporation, in its capacity as receiver,".

(7) By striking out the third sentence of subsection (d) thereof.

(8) By striking out "in any case in which the Corporation is acting as receiver of a closed insured bank," in the final sentence of subsection (d) thereof.

(9) By amending subsection (e) thereof to read as follows:

"(e)(1) No agreement which tends to diminish or defeat the right, title or interest of the Corporation in any asset acquired by it under this section, either as security for a loan or by purchase, shall be valid against the Corporation unless such agreement—

(e)(1)(A) shall be in writing,

(e)(1)(B) shall have been executed by the bank and the person or persons claiming an adverse interest thereunder, including the obligor, contemporaneously with the acquisition of the asset by the bank,

(e)(1)(C) shall have been approved by the board of directors of the bank or its loan committee, which approval shall be reflected in the minutes of said board or committee, and

(e)(1)(D) shall have been, continuously, from the time of its execution, an official record of the bank."

"(e)(2) No representation or warranty made to a borrower by a bank in connection with the investment of the proceeds of a loan to that borrower from that bank which tends to diminish or defeat the right, title or interest of the Corporation in any asset acquired by it under this section, either as security for a loan or by purchase, shall be

valid against the Corporation unless such representation or warranty—

(e)(2)(A) shall be in writing,

(e)(2)(B) shall have been executed by the bank contemporaneously with the bank's execution of the loan,

(e)(2)(C) shall have been approved by the board of directors of the bank or its loan committee prior to or contemporaneously with the bank's execution of the loan, which approval shall be reflected in the minutes of said board or committee, and

(e)(2)(D) shall have been, continuously, from the time of its execution, an official record of the bank."

(10) By amending clause (i) of subparagraph (A) of paragraph (3) of subsection (f) thereof to read as follows:

"(f)(3)(A)(i) Whenever the Corporation has determined, in its discretion, that an insured bank with total assets of $500,000,000 or more (as determined from its most recent report of condition) either (1) is in danger of closing or (2) has received assistance pursuant to subsection (c)(1) and such assistance remains outstanding, the insured bank may merge with or its assets may be purchased by and its liabilities assumed by another institution, including an insured depository institution located in the State where the insured bank is chartered but established by an out-of-State bank or holding company."

(11) By replacing "trustees" with "directors" in subparagraph (B) of paragraph (3) of subsection (f) thereof.

(12) By redesignating subparagraph (i) of paragraph (4) of subsection (f) thereof as subparagraph (A) thereof, and by amending that subparagraph to read as follows:

"(f)(4)(A) Notwithstanding section 3(d) of the Bank Holding Company Act of 1956, section 408(a)(3)(B) of the National Housing Act, or any other provision of law, State or Federal, or the constitution of any State, an institution that merges with or acquires an insured bank under paragraph (2) or (3) is authorized to be and shall be operated as a subsidiary of an out-of-State depository institution or holding company, except that an out-of-State depository institution may operate the resulting institution as a subsidiary only if such ownership is otherwise specifically authorized."

(13) By redesignating subparagraphs (ii) and (iii) of paragraph (4) of subsection (f) thereof as subparagraphs (B) and (C) thereof respectively.

(14) By deleting the word "closed" the second time it appears, and by replacing "mutual savings bank" with "savings bank organized in mutual form", in subparagraph (A) of paragraph (6) of subsection (f) thereof.

(15) By amending paragraph (8) of subsection (f) thereof to read as follows:

"(f)(8) As used in this subsection, the term 'insured depository institution' means an insured bank or an association or savings bank insured by the Federal Savings and Loan Insurance Corporation."

(16) By striking out the provisions of subsection (g) thereof.

(17) By replacing "a qualified" with "an" in paragraph (9) of subsection (i) thereof.

SEC. 13. Section 18 of the Federal Deposit Insurance Act (12 U.S.C. § 1828) is amended—

(1) By amending paragraph (4) of subsection (c) thereof to read as follows:

"(c)(4) In the interests of uniform standards, before acting on any application for approval of a merger transaction, the responsible agency, unless it finds that it must act immediately in order to prevent the probable failure of one of the banks involved, shall request a report on the competitive factors involved from the Attorney General. The report shall be furnished within thirty calendar days of the date on which it is requested, or within ten calendar days of such date if the requesting agency advises the Attorney General that an emergency exists requiring expeditious action."

(2) By amending paragraph (6) of subsection (c) thereof to read as follows:

"(c)(6) The responsible agency shall immediately notify the Attorney General of any approval by it pursuant to this subsection of a proposed merger transaction. If the agency has found that it must act immediately to prevent the probable failure of one of the banks involved and the report on the competitive factors has been dispensed with, the transaction may be consummated immediately upon approval by the agency. If the agency has advised the Attorney General of the existence of an emergency requiring expeditious actions and has requested a report on the competitive factors within ten days, the transaction may not be consummated before the fifth calendar day after the date of approval by the agency. In all other cases, the transaction may not be consummated before the thirtieth calendar day after the date of approval by the agency."

(3) By striking out the provisions of paragraph (10) of subsection (c) thereof.

(4) By amending paragraph (1) of subsection (d) thereof to read as follows:

"(d)(1) Whenever a State nonmember insured bank (except a District bank) shall establish and operate any new domestic branch, and whenever a State nonmember insured bank (except a District bank) shall move its main office or any domestic branch, the bank shall file a notice thereof with the Corporation within ten days of the date on which the bank establishes and begins to operate the office or branch at the new location. The notice shall be in such form as the Corporation may prescribe."

(5) By replacing "mutual savings banks" with "savings banks organized in mutual form" in the second sentence of paragraph (1) of subsection (g) thereof.

(6) By striking out the ninth sentence and the eleventh sentence of paragraph (1) of subsection (g) thereof.

(7) By replacing "foreign bank, as defined in section 1(b)(7) of the International Banking Act of 1978 (12 U.S.C. 3101(7))," in the last sentence of paragraph (2) of subsection (j) thereof with "foreign bank".

(8) By striking out subparagraph (F) of paragraph (3) of subsection (j) thereof, and by redesignating subparagraph (G) of the said paragraph (3) as subparagraph (F) thereof.

(9) By adding a new paragraph (5) at the end of subsection (j) as follows:

"(j)(5)(A) The Corporation may issue regulations and orders, including definitions consistent with this subsection, as may be necessary to administer and carry out the purposes of this subsection and to prevent evasions thereof.

"(j)(5)(B) The Corporation may, at its discretion, by regulation or order exempt transactions or relationships from the requirements of paragraph (1) if it finds such exemptions to be in the public interest and consistent with the purposes of that paragraph."

SEC. 14. Section 22 of the Federal Deposit Insurance Act (12 U.S.C. § 1830) is repealed.

SEC. 15. Section 25 of the Federal Deposit Insurance Act (12 U.S.C. § 1831b) is amended—

(1) By striking out "mutual savings" in section (a) thereof and replacing it with "savings bank organized in mutual form which is not an insured bank,".

(2) By striking out "mutual savings and" the first time it appears in section (b) thereof and replacing it with "savings banks organized in mutual form which are not insured banks and".

(3) By striking out "mutual savings and" the second time it appears in section (b) thereof and replacing it with "savings banks organized in mutual form and such".

(4) By striking out "mutual savings and" the third time it appears in section (b) thereof and replacing it with "savings banks organized in mutual form and such".

SEC. 16. Section 26 of the Federal Deposit Insurance Act (12 U.S.C. § 1831c) is amended by striking out "mutual savings bank;; in section (a) thereof and replacing it with "savings bank organized in mutual form".

SEC. 17. Section 27 of the Federal Deposit Insurance Act (12 U.S.C. § 1831d) is amended by striking out "and insured mutual savings banks" in section (a) thereof.

SEC. 18. Section 141 of the Garn-St Germain Depository Institutions Act of 1982, 96 Stat. 1488, Pub. L. 97-320, is amended by deleting the provisions of paragraphs (1), (2), (3) and (4) of subsection (a) thereof.

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, DC, March 20, 1985.

HON. JAKE GARN,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Last year you introduced at our request the Federal Deposit Insurance Improvements Act of 1984, S. 2699. We are enclosing a revised version of the Bill which differs only slightly from last year's Bill. A full explanation of the Bill's provisions is found in the attached section-by-section analysis.

Highlights of this year's Bill, including differences from the 1984 version, are as follows:

(1) The new Bill eliminates letters of credit from the definition of "deposit." Funds that a bank holds to meet letters of credit are still included as "deposits." As a result, standby letters of credit have a lower priority than deposits.

(2) Section 7 of the new Bill provides that the agency may take action under Section 8(e) against a bank official, or against a person participating in the affairs of a bank, up to one year after the official or person has severed his/her connection with the bank. This will prevent wrongdoers from attempting to escape removal and a ban from activity in other insured banks by resigning immediately before an administrative action is initiated.

(3) Section 9 of the previous Bill set forth a uniform set of priorities preempting state laws regarding the distribution of assets from the estate of a closed bank. Receiverships are currently complicated by a variety of state laws establishing priorities for payments of claims. The new Bill retains these federal priorities, but with one revision: it gives the FDIC's subordinated debt a preference over subordinated debt issued to other investors (but only over any such debt that is issued after the passage of the new Bill). Currently, if the FDIC wishes to place subordinated debt in a bank as part of a rescue

effort, and seeks a preference over outstanding subordinated debt, the FDIC must gain the approval of the note-holders of the outstanding debt. This procedure can be cumbersome, costly, and time-consuming. The new Bill makes it easier for the FDIC to acquire subordinated debt of troubled institutions where appropriate without so much difficulty. In order to avoid impairing the rights of present note-holders, however, the FDIC's preference is prospective only.

(4) Section 11 of the new Bill enables the FDIC to acquire the voting or common stock of an insured bank in connection with an emergency assistance plan. This new power makes it easier to structure a transaction involving the rescue of a larger bank. If the FDIC can purchase stock in the troubled bank, the FDIC can in effect achieve the same results as far as shareholders are concerned as the FDIC would have achieved by allowing the bank to close—but without the adverse consequences of a bank failure.

(5) Section 11 of the new Bill relaxes the restrictions on emergency open-bank mergers. Under current law, the FDIC may arrange interstate mergers for banks with assets of $500 million or more ("eligible banks")—but only if the bank is a mutual savings bank, and then only if the bank is in danger of closing.[1] The new Bill enables the FDIC to arrange such mergers for all eligible open banks, not just for eligible open mutual savings banks. It also enables the FDIC to arrange such a merger for an eligible open bank if the bank is the subject of an outstanding assistance program, even if the bank is no longer in danger of failing. These provisions will make the emergency-merger powers more flexible and useful in dealing with troubled banks.

(6) Section 11 of the new Bill makes it clear that an insured savings-and-loan association, or a holding company that owns an insured savings-and-loan association, is eligible to acquire the assets of an out-of-state bank that is the subject of an emergency assistance program. The language of the current law is somewhat murky on this point. The change clarifies the law and eliminates ambiguities that could impair the agencies's power to respond quickly to emergency situations.

(7) Section 11 also makes the FDIC's emergency interstate acquisition authority—which is due to expire this year—permanent. Three years ago, when this authority was first being considered, there were great fears it would be abused to accelerate interstate banking. We believe experience has demonstrated that the FDIC has used the authority responsibly and that events these last three years demonstrate that the authority should be made permanent.

(8) Sections 11 also adds a new provision clarifying the tax exemption provisons in the New Worth Certificate Act. The FDI Act now provides that, so long as a qualified institution has net worth certificates outstanding, the bank shall not be liable for any State or local taxes that are determined on the basis of the bank's deposits (or on the basis of the interest paid on the deposits). This subsection refers only to "qualified institutions." The new version clarifies what we believe was the Congressional intent that this protection extend to any institution that holds net worth certificates, even if the institution no longer is "qualified" to further receive certificates.

[1] The FDIC may arrange such a merger for any kind of eligible bank that is closed.

(9) Under current law, whenever the Comptroller of the Currency charters a national bank and whenever a noninsured bank (whether national or state-chartered) becomes a member of the Federal Reserve System, the bank automatically becomes an insured bank. The new Bill retains this arrangement as the general rule, but gives the FDIC the right to decline to insure such banks in special cases. The FDIC must base its decision only on the managerial and financial resources of the bank or its organizers. In addition, the new Bill requires the FDIC to take action within 30 days; otherwise the bank is insured. This modification conforms the new Bill to the recommendations of the Vice President's Task Group on Regulation of Financial Services.

(10) The new Bill retains the existing rules governing banks that employ people who have been convicted of crimes involving dishonesty or breach of trust. Present rules require the FDIC's approval prior to the employment of such persons. The 1984 version of the Improvements Act proposed a more relaxed set of rules for employees who did not serve as the president, the chief executive officer, or the chairman of the board of an insured bank. Upon reflection, the FDIC considers that the existing rules are more appropriate, given current circumstances in the banking industry.

Today's submission represents the third version of deposit insurance reform legislation which we have requested the Congress to consider over the past three years. The changes from the earliest version have been dictated by developments in the marketplace. New technologies, changed methods of doing business, court decisions and increased competition from nonregulated financial intermediaries challenge us to maintain safety and soundness in insured banks and stability in our banking system. It is no secret that troubled banks have increased threefold in number from the record highs of the early 1970s. If the FDIC is to carry out its responsibility it is essential we be able to respond promptly and with flexibility to the problems currently being encountered. The proposals we offer will enable us to do so.

Recently a working group of the Cabinet Council on Economic Affairs submitted a report recommending changes in the federal deposit insurance systems. The changes proposed in this legislation are consistent with these recommendations.

We would greatly appreciate your introduction of and support for this legislation.

Sincerely,

WILLIAM M. ISAAC,
Chairman.

Attachment.

FEDERAL DEPOSIT INSURANCE IMPROVEMENTS ACT OF 1985—SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1 of the bill provides that the bill may be called the "Federal Deposit Insurance Improvements Act of 1985".

SECTION 2

Section 2 of the Improvements Act amends Section 1 of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. § 1811, by striking out the word "hereby." The change simplifies the language of the FDI Act without altering its substance.

SECTION 3

Section 3 of the Improvements Act revises Section 3 of the FDI Act, 12 U.S.C. § 1813, by redrafting and reorganizing the definitions provided therein. For the most part, the new set of definitions is the same as the old one.

Section 3 of the Improvements Act amends Section 3 of the FDI Act by altering the definition of "foreign bank." The FDI Act currently incorporates by reference the definition provided in Section 1(b) of the International Banking Act. See 12 U.S.C. § 3101(b)(7). The International Banking Act's definition is not appropriate for the purposes of the FDI Act: it places companies organized under the laws of the territories of the United States, of Puerto Rico, of Guam, of American Samoa, and of the Virgin Islands on the same footing as companies organized under the laws of "foreign countries."

The new definition prevents any overlap between foreign banks on one hand and domestic banks and other domestic companies on the other. At the same time, the new definition retains the flexibility provided by the International Banking Act: that is, it embraces foreign organizations that may be regarded as "banking institutions" in their countries or origin even though they would not ordinarily be regarded as "banks" under domestic standards.

Section 3 of the Improvements Act excludes letters of credit from the scope of the term "deposits." But the term "deposits" still includes any funds that the failed bank has received to cover the bank's obligation under a letter of credit.

Section 3 of the Improvements Act provides that deposits owed to depository institutions insured by the FDIC, by the FSLIC, by the NCUAB, or by any State program are not insurable. Trust funds for which a depository institution serves as trustee remain unsurable—unless, of course, the beneficiary of the trust is an insured depository institution. The FDI Act defines "trust funds" to include funds "held as trustee, executor, administrator, guardian, or agent."

Section 3 of the Improvements Act further provides that deposits owned or placed by an agency or instrumentality of the United States are not insurable.

Section 3 of the Improvements Act also amends the language of Section 3 of the FDI Act in minor ways. Some changes simplify language without altering the substance of the law. Other changes do alter the substance of the law, but only to conform Section 3 with changes made elsewhere in the Improvements Act. For example, the definition of "new bank" is amended to reflect the additional powers "new banks" enjoy under the Improvements Act.

SECTION 4

Section 3 of the Improvements Act amends the section 4 of the FDI Act, 12 U.S.C. § 1814, by giving the Corporation authority to decline to insure a national bank or a state bank that becomes a member of the Federal Reserve System if, in the Corporation's sole discretion but only on the basis of the financial and managerial resources of the bank and its organizers, the FDIC concludes that the bank is not qualified for insurance. The Comptroller of the Currency or the Federal Reserve Board, as the case may be, must provide the FDIC a copy of the bank's application when filed, and must notify the FDIC within five business days after the application is granted. The FDIC must decide whether to decline insurance within 30 days, and must notify the Comptroller of the Currency or the Federal Reserve Board of any decision to decline insurance within five business days of making that decision. The FDIC is given the

power to waive its right to decline to insure a national or state member bank in a given case.

Section 4 of the Improvements Act also amends Section 4 of the FDI Act by striking out the phrase "as herein defined"wherever it appears, and by striking out the reference to the authority under which Federal savings banks are chartered. The definition provided for "Federal savings bank" already contains the reference. These changes simplify the language of Section 4 of the FDI Act without altering its substance.

SECTION 5

Section 5 of the Improvements Act amends the language of Section 5 of the FDI Act, 12 U.S.C. § 1815, by striking out the phrase "as herein defined" wherever it appears. This change simplifies the language of Section 5 of the FDI Act without altering its substance.

SECTION 6

Section 6 of the Improvements Act amends Section 7(b) of the FDI Act, 12 U.S.C. § 1817(b)(6), by altering the way assessments are calculated by excluding the adjustments for "float." See 12 U.S.C. § 1817(b)(6).

Section 6 of the Improvements Act also amends Section 7(d) of the FDI Act by giving the FDIC flexibility in setting the assessment credits to be returned to insured banks. The FDIC must continue to rebate 60% of its net assessment income to the banks. But the FDIC may rebate the overall amount "in such proportions and according to such procedures as the Corporation may by regulation prescribe." The FDIC must set the assessment credit on the basis of the risks that the bank presents to the Permanent Insurance Fund. These risks include, but are not limited to, the risks attributable to the bank's capital level, its quality of assets, and its exposure to changes in interest rates. See 12 U.S.C. § 1817(d)(1).

Section 6 amends Section 7(i) of the FDI Act to conform the provisions regarding the insurance provided to trust funds to the changes made in the definition of "insured deposit." See 12 U.S.C. § 1817(i).

Section 6 of the Improvements Act amends Section 7 of the FDI Act in other minor ways. The changes simplify its language without altering its substance.

SECTION 7

Section 7 of the Improvements Act amends Section 8(a) of the FDI Act, 12 U.S.C. § 1818(a), by eliminating the present requirement that the chartering authority and the insured bank be given up to 120 days to correct violations of law or to end unsafe or unsound practices. The Improvements Act expedites the administrative process for the removal of insurance from unsound institutions and enhances the FDIC's enforcement authority. It is estimated that this change will reduce the period required for reaching the final determination of any removal of insurance by six months.

Section 7 of the Improvements Act amends Section 8(b) of the FDI Act by enabling the appropriate Federal banking agency for any given bank to issue cease-and-desist orders specifically directed at the activities of any director, officer, employee, or agent of an insured bank, or at the activities of any other person participating in the conduct of the affairs of such bank. The Improvements Act also empowers the appropriate Federal banking agency to censure or place limitations on the activities or functions of any such person, or suspend or bar him or her from participating in the affairs of that bank, or of any other insured bank, for up to twenty-four months. This change permits a less onerous means of temporarily removing people whose activities do not rise to the level contemplated for total removal pursuant to Section 8(e) of the FDI Act. See 12 U.S.C. § 1818(b)(1).

Section 7 of the Improvements Act amends Section 8(c) of the FDI Act by authorizing the banking agencies to issue temporary orders that place limitations on the activities or functions of a bank, its directors, officers, employees, or agents, and on the activities or functions of any other person participating in the conduct of the affairs of the bank pending the completion of the proceedings. The Improvements Act also empowers the appropriate Federal banking agency to suspend or bar any such person from participating in the affairs of that bank, or of any other insured bank, pending the completion of the proceedings. See 12 U.S.C. § 1818(c)(1).

Section 7 of the Improvements Act clarifies the banking agencies' existing authority by amending Section 8(e) of the FDI Act to provide that, when a Federal banking agency has removed a person from office at one insured bank, the agency may prohibit that person from participating in the affairs of any insured bank without the agency's prior written approval. See 12 U.S.C. § 1818(e)(1), (2) & (4). The Improvements Act further clarifies existing authority in that it declares that agencies have jurisdiction and authority to proceed under Section 8(e) of the FDI Act against bank officials who have left office within one year prior to the date on which the agency has instituted the proceedings against them or the bank. See 12 U.S.C. § 1818(e)(6).

Section 7 of the Improvements Act amends Section 8(k) of the FDI Act by providing that, as used throughout Section 8 of the FDI Act, the term "appropriate Federal banking agency" not only has its usual meaning, but also includes the FDIC in the case of insured banks and of insured branches of foreign banks. The change gives the FDIC enforcement powers over national and state-member banks. See 12 U.S.C. § 1818(k).

Section 7 of the Improvements Act amends Section 8(m) of the FDI Act. Section 8(m) currently provides that the FDIC may not take action against a State nonmember bank without first giving notice to the bank's State regulator. If the State regulator does not correct the conditions giving rise to the FDIC's concerns, the FDIC may proceed with its action. The amendment would require the FDIC to provide the same sort of advance notice to the Comptroller of the Currency, to the Federal Reserve Board, or to the Federal Home Loan Bank Board (as may be appropriate) when the FDIC wishes to take action against a national banks, a State member bank, a District bank, an insured Federal branch, or an insured Federal savings bank or any director or officer or other person participating in the conduct of such institution's affairs. The effect would be to establish uniformity in the statutory relationship between the FDIC and the supervisory authorities of banks against whom the FDIC intends to bring enforcement actions.

Section 7 of the Improvements Act amends Section 8(q) of the FDI Act. Section 8(q) provides that, if someone has insured deposits in two insured banks, and one of the banks acquires the other's deposits, the combined funds will remain fully insured for a specified period. Section 8(q) speaks only of cases where both institutions are insured banks, however. The Improvements Act extends the provisions of § 8(q) to cases in which an insured bank acquires the deposits of a financial institution insured by the FSLIC. See 12 U.S.C. § 1818(q).

Section 7 of the Improvements Act corrects typographical errors in Section 8 of the FDI Act. The Improvements Act also simplifies the language of Section 8 of the FDI Act without altering the substance of the law.

SECTION 8

Section 8 makes it clear that the Corporation has the power to define any terms used in the FDI Act that are not specifically defined by the FDI Act, and also to interpret any definitions that are specified in the FDI Act.

SECTION 9

Section 9 of the Improvements Act amends Section 10(b) of the FDI Act, 12 U.S.C. § 1820(b), by enabling the FDIC to charge fees for examinations and investigations of banks. The fees are required to be reasonably related to the costs that the FDIC incurs in conducting the examinations. The Improvements Act provides, however, that the FDIC may not impose fees for regular examinations of banks that are in full compliance with the FDIC's standards for safety-and-soundness and with federal and State law. The Improvements Act further provides that the annual fees any bank may incur for investigations and examinations may not exceed an amount equal to the bank's gross annual assessment for the prior year.

Section 9 of the Improvements Act amends Section 10(c) of the FDI Act by specifying that any agency conducting an examination or investigation of an insured bank is authorized to administer oaths and affirmations, to examine and take and preserve testimony under oath, and to exercise the other powers listed in Section 8(n) of the FDI Act. See 12 U.S.C. § 1820(c).

Section 9 of the Improvements Act amends Section 10(d) of the FDI Act by altering the definition of "affiliate." The new definition substantially follows the language of Section 23A of the Federal Reserve Act, 12 U.S.C. § 371c, but modifies that language to embrace nonbank subsidiaries of a bank. The new definition also gives the FDIC authority to define "affiliate" in connection with FDIC examinations. See 12 U.S.C. § 1820(d).

SECTION 10

Section 10 of the Improvements Act amends Section 11(a) of the FDI Act, 12 U.S.C. § 1821(a), by providing that the insurance limits established by the Act apply only to those deposits that remain eligible for Federal deposit insurance. The special provisions relating to insurance of deposits held by federal (but not State) custodians of public funds are deleted. See 12 U.S.C. § 1811(a).

Section 10 of the Improvements Act amends Section 11(e) of the FDI Act by providing that, as a matter of pre-emptive Federal law, the FDIC shall serve as receiver for all state-chartered insured banks (except District banks) and all insured branches of foreign banks (except Federal branches of foreign banks). See 12 U.S.C. § 1821(e). Current law already provides that the FDIC shall serve as receiver for District Banks and for Federal branches of foreign banks. See 12 U.S.C. § 1821(c).

Section 10 of the Improvements Act amends Section 11(f) of the FDI Act by establishing, as a matter of pre-emptive Federal law, the following set of priorities for payment of claims against the estate of a failed bank:

Preference #1: Claims for administrative expenses of the receivership.

Preference #2: All claims for deposit and all other claims, whether liquidated or unliquidated, which have accrued and become unconditionally fixed on or before the date the bank or branch is closed, except as provided in Preferences 3 through 6.

Preference #3: All claims other than those which have accrued and become unconditionally fixed on or before the date the bank or branch is closed, except as provided in Preferences 4 through 6. Any claim (apart from a claim identified in Preference 4 or Preference 6) other than a claim based on an agreement for accelerated, stipulated or liquidated damages, which claim accrues upon the closing of the bank or branch shall be considered as not having accrued and become unconditionally fixed on or before the date the bank or branch has closed.

Preference #4: Claims for subordinated debt issued to the Corporation. If such a claim is perfected, claims for subordinated debt issued and outstanding on the effective date of the Federal Deposit Insurance Improvements Act of 1985 shall also qualify for this Preference #4.

Preference #5: Claims for subordinated debt other than claims that qualify for Preference #4.

Preference #6: claims by shareholders based on stock ownership.

The Improvements Act further provides that, as a matter of Federal law, the FDIC must distribute the assests among the claimants within each of these categories on a *pro rata* basis. For claims falling within categories four through six, however, the Improvements Act acknowledges priorities based on contractual provisions (*e.g.*, giving holders of preferred stock a priority over holders of common stock). See 12 U.S.C. § 1821(f).

Section 10 of the Improvements Act amends Section 11(g) of the FDI Act by subrogating, as a matter of Federal law, the FDIC to the rights of any depositor to whom it has made payment as provided in Section 11(f) of the FDI Act. The subrogation applies to all cases involving a closed insured bank or closed insured branch of a foreign bank. See 12 U.S.C. § 1821(g).

Section 10 of the Improvements Act further amends Section 11(g) of the FDI Act by providing that the rights of depositors shall be determined in accordance with State law, except to the extent that State law conflicts with the priorities—including the requirement of *pro rata* distribution within a priority—established by Section 11(f) of the FDI Act. *Id.*

Section 10 of the Improvements Act amends Section 11(i) of the FDI Act by relaxing the restrictions on Deposit Insurance National Banks (DINBs). The Improvements Act confers on DINBs the powers normally enjoyed by national banks. In particular, the Improvements Act eliminates the rule that DINBs may only accept new deposits when the deposits are demand deposits (and even then only in an amount up to $100,000 per depositor). The Improvements Act also eliminates the rule that DINBs may only invest in government obligations or in government-guaranteed obligations. In recognition of the fact that DINBs do not always have capital, however, the Improvements Act frees DINBs from investment restrictions based on bank capital. See 12 U.S.C. § 1821(i); see generally 12 U.S.C. § 1821(h)–(*l*).

Section 10 of the Improvements Act further amends Section 11 (k) and (l) of the FDI Act by providing that, when a DINB has been formed to take over the business of a failed bank, and the failed bank's assets and liabilities could have been assumed by a bank owned by an out-of-state holding company under Section 13(f) of the FDI Act, 12 U.S.C. § 1823(f), the DINB's assets and liabilities may likewise be assumed by a bank owned by an out-of-state holding company (or, alternatively, the DINB may be merged into such a bank). See 12 U.S.C. § 1821 (k) and (l).

Section 10 of the Improvements Act further amends Section 11(k) of the FDI Act by omitting the requirement that the FDIC offer the stock of a DINB first to the owners of the failed bank whose deposits the DINB had assumed. See 12 U.S.C. § 1821(k).

Section 10 of the Improvements Act further amends Section 11(*l*) of the FDI Act by giving the FDIC five years (rather than two) to dispose of DINB stock.

Section 10 of the Improvements Act simplifies the language of Section 11 of the FDI Act in minor ways. The changes do not affect the substance of the law.

SECTION 11

Section 11 of the Improvements Act amends Section 12(a) of the FDI Act, 12 U.S.C. § 1822, by standardizing the FDIC's powers as receiver in the matter of the use of agents and the posting of bond. See 12 U.S.C. § 1822(a).

Section 11 of the Improvements Act also amends Section 12(e) of the FDI Act by empowering the FDIC to waive its right to recapture deposits transferred to an insured bank as part of an arrangement for liquidating the affairs of a failed bank, which deposits have been left unclaimed for 18 months. The change enables the FDIC to make liquidation arrangements more comprehensive and to minimize the costs of such arrangements. It also reduces the reporting burdens on banks holding such transferred deposits. See 12 U.S.C. § 1822(e).

SECTION 12

Section 12 of the Improvements Act amends Section 13 of the FDI Act by giving the FDIC more flexibility in using bank accounts. See 12 U.S.C. § 1823(b).

Section 12 of the Improvements Act amends Section 13 of the FDI Act by enabling the FDIC to acquire the voting or common stock of an insured bank in connection with an emergency assistance plan.

Section 12 of the Improvements Act provides that, so long as an assistance agreement is outstanding pursuant to section 13(c)(1), the bank shall not be liable for any State or local taxes that are determined on the basis of the bank's deposits (or on the basis of the interest paid on the deposits). Nor will the bank be constrained by State or federal laws that limit the bank's power to continue operations, at least not where the limits are based on the level of the bank's capital, net worth, surplus fund, or guarantee fund. FDIC assistance is deemed to be capital or net worth for all statutory and regulatory purposes (both State and federal) if the FDIC designates it as such. See 12 U.S.C. § 1823(c)(5), (9), & (10).

Section 12 of the Improvements Act provides that, if a bank makes a representation or warranty regarding the investment of the proceeds of a loan from that bank, or in connection with a sale-and-leaseback arrangement in which the bank is a party, and the bank then fails, the representation or warranty is not valid against the Corporation unless the representation or warranty (i) is in writing, (ii) was executed by the bank contemporaneously with the bank's execution of the loan or sale-and-leaseback arrangement, (iii) was approved by the board of directors of the bank prior to or contemporaneously with the execution of the loan or sale-and-leaseback arrangement, which approval is reflected in the minutes of said board of directors, and (iv) has been continuously, from the time of its execution, an official record of the bank. See 12 U.S.C. § 1823(e)(2).

The FDI Act now gives the FDIC authority to arrange interstate mergers for banks with assets of $500 million or more ("eligible banks")—but only under limited conditions. The FDIC may arrange such a merger for any kind of eligible bank that is closed. The FDIC may also arrange a merger of this kind for an eligible bank that is open, but only if the bank is a mutual savings bank, and then only if the bank is in danger of closing. Section 12 of the Improvements Act relaxes the restrictions on open-bank mergers in two ways. It enables the FDIC to arrange mergers of this kind for all eligible open banks, not just for eligible open mutual savings banks. It also enables the FDIC to arrange such a merger for an eligible open bank if the bank is the subject of an outstanding assistance program, even if the bank is no longer in danger of failing. See 12 U.S.C. § 1823(f).

Section 12 of the Improvements Act makes it clear that an insured savings-and-loan association, or a holding company that owns an insured savings-and-loan association, is eligible to acquire the assets of an out-of-state bank that is the subject of an emergency assistance program. See 12 U.S.C. § 1823(f).

Section 12 of the Improvements Act clarifies paragraph (i)(9) of section 13 of the FDI Act. Since its enactment, that paragraph has been a source of confusion to banks as well as to state and local taxing authorities. Congressional intent was to exempt institutions participating in the Net Worth Certificate Assistance Program from state and local franchise taxes while any net worth certificates were outstanding. Accordingly, paragraph (i)(9) would be amended to eliminate any confusion and to reflect the intent of Congress accurately.

Section 2 of the Improvements Act simplifies the language of Section 13 of the FDI Act without altering the substance of the law.

SECTION 13

Section 13 of the Improvements Act amends Section 18(c) of the FDI Act, 12 U.S.C. § 1828(c), by striking out the requirement that banking agencies must seek advisory opinions from their sister agencies when evaluating bank mergers. The Improvements Act provides that the banking agencies need only seek the opinion of the Attorney General.

The FDI Act now provides that, if a bank wishes to establish a new domestic branch, or to move an existing domestic branch (including its main office), the FDIC must approve the action in advance. Section 12 of the Improvements Act relaxes this restriction. It provides that an insured nonmember bank need only notify the FDIC within ten days of the date on which the bank estab-

lishes and begins to operate a domestic branch (including its main office) at a new location. The rules regarding foreign branches remain unchanged. See 12 U.S.C. § 1828(d)(1).

Section 12 of the Improvements Act amends Section 18(j) by authorizing the FDIC to define terms used in Section 18(j) and to issue regulations and orders needed to carry out the purposes of Section 18(j). See 12 U.S.C. § 1828(j)(5).

Section 13 of the Improvements Act simplifies the language of Section 18 of the FDI Act without altering its substance.

SECTION 14

Section 14 of the Improvements Act repeals Section 22 of the FDI Act, 12 U.S.C. § 1830. Section 22 of the FDI Act declares that the FDI Act is not intended to discriminate against State nonmember banks. The provision has proven to have little meaning.

SECTIONS 15, 16, AND 17

Sections 15, 16 and 17 of the Improvements Act respectively amend Section 25, 26, and 27 of the FDI Act, 12 U.S.C. §§ 1831b, 1831c, & 1831d. The changes simplify the language of the FDI Act without altering the substance of the law.

SECTION 18

Section 18 of the Improvements Act repeals certain provisions of Section 141 of the Garn-St Germain Depository Institutions Act of 1982, 96 Stat. 1488, Pub. L. 97-320. The provisions would have cut off the FDIC's power to arrange emergency interstate mergers after October 15, 1985. The changes make the FDIC's power to arrange such mergers permanent.

FEDERAL HOME LOAN BANK BOARD,
Washington, DC, March 14, 1985.

Hon. JAKE GARN,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am attaching a series of proposals which the Federal Home Loan Bank Board has developed for the Committee to consider in its pursuit of possible legislation regarding the financial structure and thrift institutions in particular.

On behalf of the Board, I am respectfully requesting that you introduce this package.

This represents our best thinking at this time regarding what we consider to be subjects which ought to be dealt with in any legislation. We look forward to working very closely with the Committee in its efforts to construct appropriate legislation.

We thank you for the opportunity to offer this package in the hope that it will assist the Committee in its deliberations.

Sincerely,

EDWIN J. GRAY.●

By Mr. MURKOWSKI:

S. 761. A bill to impose a surcharge duty on the imports of certain foreign countries; to the Committee on Finance.

IMPORT SURCHARGES

Mr. MURKOWSKI. Mr. President, today I am introducing a bill that will impose a temporary import surcharge on the products of those nations that can be singled out as the primary contributors to the U.S. trade deficit.

Last year the U.S. overall merchandise trade deficit reached an all time high of $107.4 billion. One country in particular represented almost one-third of that deficit—Japan.

In late 1981 a sincere bilateral effort to open the Japanese market to U.S. goods, services, and investments was initiated. Five Japanese market-opening trade packages were announced as a result of that effort. Throughout this same period the U.S. bilateral trade deficit with Japan actually grew worse, not better.

The bill I am introducing will address our balance-of-payments problem by levying an import surcharge only on those countries that consistently maintain current account surpluses with the United States. If current trade trends persist, the first country to fall in that catagory and be subject to a surcharge could be Japan.

The legislation singles out these countries by examining their current account balances with the United States. If a country has had a current account surplus in excess of $16 billion with the United States for the last 3 years, then a 20 percent surcharge will go into effect for a period of 1 year. If a country has had a surplus in excess of $24 billion for 3 years, then the surcharge will be raised to 35 percent.

The appeal of this approach is twofold. First, it is nondiscriminatory and thus, much more likely to withstand charges that it might run afoul of our GATT obligations. And second, it gives nations like Japan a chance to really open their markets.

It does this by stipulating that a country must have a 3-year history of current account surpluses above a certain level before the surcharge is imposed. Japan, to date, has only a 2-year history above the proscribed levels. Concerted efforts on their part to keep this year's trade flows closer to parity would postpone implementation of a surcharge.

Let me explain, using Japan as an example, how a surcharge might be triggered. In 1983 Japan's current account surplus with the United States was $18.8 billion. In 1984 it was $35.2 billion. If their current account surplus winds up being greater than $16 billion in 1985, then a 3-year history of a surplus greater than $16 billion will have been established and a surcharge will be levied for a period of 1 year sometime early in 1986.

However, if Japan opens up its markets to U.S. goods, cuts back on its exports to the United States, or does a little of both, then there is a realistic chance that by year's end their current account surplus with the United States could be below $16 billion. Obviously, with a $35 billion current account surplus with the United States in 1984, it will take a sincere and concerted effort on the part of the Japanese to open their markets if they want to avoid the imposition of a surcharge.

While a surcharge is obviously a last resort means of bringing parity to trade balances, it has been used before by other countries. Denmark imposed a surcharge on imports from October 1971 through March 1973. France had a surcharge from 1955 through 1958, Canada from 1962 through 1963, and Spain during the years 1958-59. Uruguay had a surcharge from May 1972 through June 1984. The United Kingdom, Italy, and New Zealand have imposed import deposits—which require importers to deposit local currency with a bank based on a fixed percentage of the value of the import—in response to balance of payments problems. And the United States, under President Nixon, imposed a 10-percent surcharge from August 1971 through December 1971 as a means of defending the dollar.

Clearly there is ample GATT precedent for using temporary import surcharges for balance of payment problems. While my measure is nondiscriminatory in the sense that it could theoretically apply to all nations. It should, however, be more defensible than an outright surcharge levied specifically on one particular nation.

When the United States imposed the 10 percent surcharge in August 1971, the U.S. overall current account deficit was $3.8 billion. In that same year, the United States experienced its first trade deficit since 1893—a paltry $2.2 billion. While times are different and we now live under a system of floating and pegged exchange rates, last year's U.S. current account deficit of $101.6 billion and overall U.S. merchandise trade deficit of $107.4 billion are too far out of line. The time has come for the United States to send a message to those nations that contribute more than their fair share to our balance-of-payments problem.

The message we send must be sincere and must represent a realistic proposal. Our trading partners are all too familiar with how Congress works. They know when we mean business and when we are making empty threats or just blowing off steam. The bill I am introducing today is not just my way of venting frustration over a problem that won't go away. It is a bill that I believe will address the root of our balance of payments problem.

The provisions of the bill expire at the end of 5 years. Hopefully there will never be an opportunity to actually levy a surcharge during this period, or in other words, Japan will have finally taken meaningful steps to open its markets.

I hope you will join me in this legislation. I believe it is a constructive approach to a problem that we have let fester for too long.

Mr. President, I ask unanimous consent that a copy of the bill be placed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to any other duty, there is hereby imposed a surcharge duty on the entry of any product of a foreign country during the 1-year period beginning on April 1 of any calendar year if the United States had a deficit in the balance on the current account of the United States in trade with such foreign country that exceeded $16,000,000,000 for each of the 3 calendar years preceding such calendar year.

(b) The rate of the duty imposed by subsection (a) on the products of any foreign country shall be—

(1) 35 percent ad valorem if the amount of the deficit described in subsection (a) with respect to trade with such foreign country exceeded $24,000,000,000 for each of the 3 preceding calendar years referred to in subsection (a), and

(2) 20 percent if paragraph (1) does not apply.

(c) The President may exempt by proclamation any product of any foreign country from the duty imposed by subsection (a) if such product would be eligible for exemption under the provisions of section 122(e) of the Trade Act of 1974 (19 U.S.C. 2132(e)).

(d) For purposes of this Act—

(1)(A) The term "balance on the current account of the United States" means the statistical data published by the Secretary of Commerce as the balance on the current account of the United States that is determined on the basis of cost-insurance-freight value of imports.

(B) The Secretary of Commerce shall determine and publish the balance on the current account of the United States with respect to trade with each foreign country.

(2) The term "product of a foreign country" means any growth, produce, product, or manufacture of such foreign country.

(3) The term "entry" means the entry, or withdrawal from warehouse, for consumption in the customs territory of the United States.

(e) No duty shall be imposed under subsection (a) with respect to any article that is entered—

(1) before the date that is 30 days after the date of enactment of this act, or

(2) after the date that is 5 years after the date of enactment of this Act.

By Mr. WILSON:

S. 762. A bill to amend sections 403 and 403a of title 37, United States Code, to permit the advance payment of the basic allowance for quarters and the variable housing allowance to be made to members of the uniformed services; to the Committee on Armed Services.

MILITARY HOUSING DEPOSIT ASSISTANCE ACT

● Mr. WILSON. Mr. President, I am today introducing legislation which would assist our military families in meeting the costs associated with obtaining housing in the private sector, and particularly the costs associated with rent and security deposits which can often far exceed a service member's total monthly pay. In high-cost housing areas, service members have been required to pay several month's rental deposit plus security, cleaning, and utility deposits. Oftentimes, these same military families have just completed a permanent change of station and incurred the costs associated with the relocation.

For several years we have had a program for dealing with this hardship visited upon military families assigned to overseas posts. Current law contains authority for advance payment of overseas housing allowances. This authority is implemented in the joint travel regulations and permits members overseas to receive sufficient advance funds to meet these deposit requirements. Repayment is generally within 1 year but may extend to tour length of the service member to accommodate individual circumstances.

Unfortunately, no such aid is currently available for those families with duty stations in the United States, although given the current cost of housing, the hardship can be just as severe as for those posted overseas. The legislation I am introducing would establish, at no additional cost to the Government, a program to permit the advance payment of basic allowance for quarters and variable housing allowance so that service members stationed in the United States would have the necessary funds to defray housing related deposit costs and have the benefit of a program that is now available only to those stationed overseas.

Mr. President, I ask unanimous consent that a copy of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 403 of title 37, United States Code, is amended by adding at the end thereof the following new sentence: "The allowance authorized under this section may be paid in advance.".

(b) Section 403a of such title is amended by adding at the end thereof the following new sentence: "The allowance authorized under this section may be paid in advance.".●

By Mr. DENTON:

S.J. Res. 92. Joint resolution to designate October 1985 as "National Foster Grandparents Month"; to the Committee on the Judiciary.

NATIONAL FOSTER GRANDPARENTS MONTH

Mr. DENTON. Mr. President, today I introduced Senate Joint Resolution 92, a resolution declaring the month of October 1985, as National Foster Grandparent Month.

This year the Foster Grandparent Program, which is part of ACTION, the national volunteer agency, celebrates its 20th anniversary. When it was first established in 1965 there were 33 projects in 27 States that involved 782 Foster Grandparent volunteers; today, approximately 19,000 Foster Grandparents are serving some 65,000 children in 245 projects jointly funded by Federal and private sectors and 8 totally nonfederally funded projects in the 50 States, the Commonwealth of Puerto Rico, the Virgin Islands, and the District of Columbia.

This program recruits Foster Grandparent volunteers, usually low income people age 60 or over. The volunteers are given 40 hours of preservice training and orientation and, thereafter, are supervised by child-care teams in the agencies in which they serve 20 hours each week.

The volunteers provide unique, personal guidance and care to tens of thousands of physically, emotionally, and mentally handicapped children and children who are abused, neglected, in the juvenile justice system or in need of other special help.

The program brings benefits to all who participate and to the Nation. The volunteers benefit from improved health, increased independence, decreased isolation, and lessened financial burdens; the children served make great gains in the physical, social, and psychological development—for many, the love of a Foster Grandparent is the first personal warmth and concern they have ever known.

The Foster Grandparent Program is one of the most meaningful social service programs ever developed, providing volunteers with opportunities to participate creatively in community service, and their activities continue to improve our society's attitude concerning retired persons' expertise to help solve social problems. The Foster Grandparent volunteers represent a tremendous return on tax dollars and a great value to the American people. I urge my colleagues to cosponsor and support this resolution to proclaim October 1985, as National Foster Grandparent Month.

Mr. President, I ask unanimous consent that a copy of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 92

Whereas the Foster Grandparent Program celebrates its 20th anniversary in 1985;

Whereas the Foster Grandparent Program, administered by the national volunteer agency known as the ACTION Agency, was the first Federal program to provide older individuals with opportunities for retirement to service as an alternative to retirement from activity;

Whereas older individuals participating in the Foster Grandparent Program have provided unique, personal guidance and care to tens of thousands of physically, emotionally, and mentally handicapped children and children who are abused, neglected, in the juvenile justice system, or in need of other special help;

Whereas in its first year of operation the Foster Grandparent Program established 33 projects in 27 States and involved 782 Foster Grandparent volunteers;

Whereas today approximately 19,000 Foster Grandparents are serving some 65,000 children in 245 projects in the 50 States, the Commonwealth of Puerto Rico, the Virgin Islands, and the District of Columbia;

Whereas the growth of the Foster Grandparent Program reflects increasing public and institutional awareness of the enormous benefit that such Program brings to all who participate in it and to the Nation: the volunteers benefit from improved health, increased independence, decreased isolation, and lessened financial burdens; and the children who are served make great gains in their physical, social, and psychological development, and the love of a Foster Grandparent is for many children the first personal warmth and concern they have known;

Whereas the service of Foster Grandparent volunteers represents a tremendous return on tax dollars and a great value to the American people;

Whereas the Foster Grandparent Program is one of the most meaningful social service programs ever developed, providing older individuals with opportunities to participate crucially and creatively in community service; and

Whereas the activities of Foster Grandparent volunteers continue to improve the public attitude concerning older individuals and to demonstrate the importance of using the expertise of retired persons to help solve social problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1985 is designated as "National Foster Grandparent Month", and the President is authorized and requested to issue a proclamation calling upon all government agencies, interested organizations, community groups, and the people of the United States to celebrate the 20th anniversary of the Foster Grandparent Program by observing such month with appropriate ceremonies and activities.

By Mr. METZENBAUM:

S.J. Res. 93. Joint resolution to designate the month of May 1985 as "Better Hearing and Speech Month"; to the Committee on the Judiciary.

BETTER HEARING AND SPEECH MONTH

● Mr. METZENBAUM. Mr. President, today I am introducing a resolution to designate May 1985 as "Better Hearing and Speech Month."

Better Hearing and Speech Month is intended to promote awareness of the needs of the communicatively handicapped and acknowledge their many achievements.

By proclaiming May 1985 as Better Hearing and Speech Month, we are focusing on the largest single group of handicapped people in our Nation. Because of great strides in technology as well as the determination, intelligence and skills of the communicatively handicapped, they will no longer have to take a back seat in the job market, in education or in any other aspect of life. Through their own efforts and the help of modern technology, the communicatively handicapped have overcome their disability and have made significant contributions in virtually every occupational category and profession. Thomas Edison, Beethoven, and Florence Henderson are only a few examples of communicatively handicapped persons with superb accomplishments.

Children and senior citizens are the groups most affected by hearing and speech impairments. Sadly, the majority of their families are ignorant of the fact that these problems can be overcome, and that they may go on to lead normal lives.

Great strides are being made with the recent invention of the new electronic ear implant, closed captioned television, hearing aids and surgery. But even with the technological progress we have made, we still have a long way to go.

Better Hearing and Speech Month will help this progress continue. Throughout the country, plans are underway to call attention to the accomplishments of the communicatively handicapped as well as to the need to eliminate any obstacles that would limit their full participation in society.●

By Mr. GORE (for himself, Mr. ANDREWS, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BURDICK, Mr. CHAFEE, Mr. CRANSTON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. PELL, Mr. SARBANES, Mr. STENNIS, Mr. SYMMS, Mr. THURMOND, Mr. WEICKER, and Mr. ZORINSKY):

S.J. Res. 94. Joint resolution to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week"; to the Committee on the Judiciary.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

● Mr. GORE. Mr. President, I am pleased to introduce today legislation to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week." Similar legislation has already been introduced in the House of Representatives by my good friend Congressman CLAUDE PEPPER.

Digestive diseases impose a heavy burden on our Nation in terms of pain and suffering, disability, family upheaval, health care costs, and economic losses. Digestive diseases include more than 40 acute and chronic conditions affecting the mouth, throat, esophagus, liver, gallbladder, stomach, pancreas, and the large and small intestines. Experts believe over half of our population is affected by digestive diseases. Each year, 20 million Americans are reported to suffer from chronic digestive disorders, 14 million experience acute episodes, and as many as 100 million of our citizens have intermittent digestive problems.

As these numbers indicate, most of us are familiar with the temporary discomfort caused by digestive problems. Many digestive diseases, however, can be life-threatening. In a 1983 report by the Department of Health and Human Services, the National Center for Health Statistics estimated that digestive diseases are the cause of almost 200,000 deaths each year. A little more than half of these deaths were due to cancers of the digestive system, which account for 30 percent of all cancers. One digestive system cancer, colorectal cancer, is second only to lung cancer in total incidence and mortality.

The cost of these diseases do not stop with the loss of a human life. Acute and chronic forms of digestive diseases are responsible for 10 percent of the economic burden of illness in this country. A figure that includes lost productivity, disability payments, and medical costs. Medical costs alone currently are more than $17 billion per year, with a total annual cost estimated to be over $50 billion.

More Americans are hospitalized for digestive disorders than for any other group of diseases. Each day, 200,000 people are absent from work because of digestive problems.

These are also a group of diseases, like many others, that with the proper precautions can be prevented. Dietary changes have resulted in a dramatic reduction in stomach cancer and holds equal promise for the prevention of colorectal cancers. A reduction in tobacco use will prevent many cancers of the mouth, throat, and esophagus. Stress reduction programs can prevent ulcers. Early detection and treatment can dramatically reduce the negative impact of these illnesses on our society.

Yet, in its 1983 report, the National Digestive Diseases Advisory Board concluded, "A critical need remains for public and patient education in digestive diseases." They went on to say, "the digestive diseases are an unrecognized national problem of immense proportions, a problem that not only affects this country today but will affect our society in future years."

Mr. President, the experts agree, heightened public awareness of digestive disorders is an important aspect of solving this problem. It is for these reasons that I have introduced this joint resolution and I believe its passage is so important. I urge my colleagues to join me in supporting this measure.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD as follows:

S.J. RES. 94

Whereas digestive diseases represent one of the most serious health problems of the Nation in terms of human discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas digestive diseases rank among other forms of illness as the third largest burden on the economy of the Nation;

Whereas 20,000,000 Americans suffer from chronic digestive diseases and disorders, and more than 14,000,000 cases of acute digestive diseases are treated in the Nation each year;

Whereas digestive diseases account for one-third of all malignant growths and for some of the most common acute infections;

Whereas more Americans are hospitalized with digestive diseases than with any other form of illness;

Whereas digestive diseases account for 25 percent of all surgical operations and comprise one of the most common causes of disability in the working force;

Whereas digestive diseases represent more than $17,000,000,000 annually in direct health care costs and represent a total economic burden of almost $50,000,000,000 annually;

Whereas more than 200 deaths annually are caused by each of at least 100 different diseases and disorders of the gastrointestinal tract;

Whereas the people of the Nation should be concerned with research into the causes, cures, prevention, and clinical treatment of digestive diseases and related nutrition problems and should recognize prevention and treatment of digestive diseases as a major health priority;

Whereas national lay and professional digestive diseases organizations individually and through the Coalition of Digestive Diseases Organizations and the Federal of Digestive Diseases Societies, are committed to promoting awareness and understanding, among members of the general public and the health care community, of digestive tract disorders;

Whereas the National Digestive Diseases Advisory Board, and the National Institute of Health through its National Digestive Diseases Education and Information Clearinghouse, are committed to encourage and coordinate these educational efforts;

Whereas the National Digestive Diseases Education Program is a coordinated effort to educate the public and the health care community as to the seriousness of digestive diseases and to provide information on treatment, prevention, and control; and

Whereas the 2nd anniversary of the National Digestive Diseases Education Program occurs during the week beginning May 12, 1985; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 12, 1985, hereby is designated "National Digestive Diseases Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon all public officials and the people of the United States to observe such week with appropriate programs and activities.●

By Mr. CRANSTON:

S.J. Res. 95. Joint resolution to establish a national policy for the taking of predatory or scavenging mammals or birds on public lands, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL POLICY ON PREDATORS

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a joint resolution to establish a national policy for the taking of scavenging mammals and birds on public lands, and for other purposes.

The joint resolution I introduce today—as in previous Congresses—addresses three critical issues in national wildlife management, especially management policies as they relate to predators and prey.

One is the need to establish, within the broad parameters of wildlife management policies, a clear understanding and recognition of the interdependency of predator and prey; a second is the need to establish a national policy for the taking of predators or scavengers—mammals or birds—on public lands, a policy that reflects a thorough understanding of these interdependent relationships; and a third is the need to set forth a series of clear, statutory procedures for the taking of predators on public lands.

These procedures must be responsive to the right of all Americans to know how wildlife management policies relevant to predators are being carried out on lands that are owned by the public and managed in the national interest.

Predators and scavengers in the environment are indispensable. Every ecosystem has predatory forms of life. Few animal species, except larger predators themselves, are completely free from predation.

We are beginning, through studies in ecology and evolutionary biology, to understand just how important predators are in the ecosystem. We are learning to see predators not just as obstacles to the flourishing of life, but as vital components in the chain of life that includes man. In fact, in this chain, predators have a niche every bit as important to the survival of the Earth's species as any other part of that chain.

Just as the introduction of exotic species can adversely affect the balance of an ecosystem, so can the removal of predators. Predators are known to be vital to keeping plant-eating animal populations from overgrazing and consequently disrupting the food chain within an ecosystem. Without predators, prey populations tend to expand beyond the ability of an ecosystem to sustain that population. Predator populations themselves are kept in check by a system of natural controls, including the size of the prey population.

Predators, too, are powerful evolutionary forces on their prey. In fact, as naturalist Stephen Jay Gould points out, natural history to a large extent is a tale of different adaptations to avoid predation.

It's not unusual, for example, to see a squirrel dart almost purposefully in front of a car, often with fatal results for the animal. In its moment of panic, the squirrel holds its bushy tail over its back and zigzags wildly on the road. Actually, the animal is responding the same way it does when fleeing a predator, and while the technique is faulty for escaping cars, a pursuing hawk is likely to either miss the squirrel entirely or grasp only the tail instead of the animal.

The morning dove is one of the commonest bird species in North America. The dove also knows the value of dodging when attempting an escape, and doves play tricks with their tails, too. The morning dove is quite drab in coloration, except that each tail feather is tipped in white. As the bird flees, its outspread tail presents a vibrant semicircle of white spots—a target, in effect, to catch a predator's eye. But to grasp a dove's tail is to receive a loose bunch of feathers instead of a struggling dove.

But escape is not the only way species deal with predation. Another ploy is the phenomenon of predator satiation, where a species will flourish with such speed and in such numbers that the predators' ability to deplete an entire species is simply overwhelmed. Such species expansions occur in relatively short bursts, and then subside, and the theme of nature—balance—reigns once more.

The point is, if predators were suddenly taken from the environment, one very powerful factor would be removed from the ecological balance which nurtures animal and plant life on Earth. Animal species became adapted to survival through all kinds of environmental factors, including natural populations of predators which themselves are continually refining their own adaptations through this same process of evolution. This system accounts for what we see and revere as life on Earth. It is a system that is remarkably effective, and with which we tamper at our peril.

This is not to say that individual predators cannot be removed from the environment. They can be, and sometimes they must be. But the wholesale slaughter of predator species carries with it the long-range threat of impeding the survival by adaptation of significant animal species. By implication, we impede human progress. Animal species, of which man is one, are interdependent.

Wildlife managers often attempt to duplicate the quantitative impact of predation through establishing hunting seasons geared to remove the harvestable surplus of an animal population. However, wildlife managers cannot duplicate the quantitative

impact of predation in any practical sense. For example, a tiger may attempt 30 kills before finally succeeding. Likewise, a falcon may pursue two dozen quarry before making a kill. Each unsuccessful attempt means the adaptations of the prey were sufficient to keep it alive. Each successful kill represents a prey individual that was carrying some fatal disadvantage—physical incapability, age, injury, disease, or some unknown quality which might be generalized as bad luck. Thus, predators exert consistent pressures on the prey that are beneficial to the health of the prey population. Wildlife professionals are increasingly sensitive to the indispensable presence of natural predator populations.

Mythology about predators still persists. Some people still swear that wolves, cougars, or other predators are capable of obliterating, for example, the deer population in a given region or State. Such assertions are simply not supported by the facts. Predator-prey systems have persisted throughout the millenia, and both predators and prey species have evolved mechanisms which tend to keep the whole system operating as long as favorable environmental conditions persist.

Fluctuations in prey populations can actually be reduced by the presence of predators. As a case in point, the moose population on Isle Royale National Park, an island ecosystem in Lake Superior, persisted, unevenly, for many years in the absence of wolves. The population was observed to rise steeply for a time and then crash abruptly when available browse was exhausted. This cycle was observed at least twice in the early 20th century. Wolves eventually colonized the island by crossing the winter ice. What researchers later observed was that both predator and prey populations steadied themselves through their interactions: The moose population neither rose as high nor fell as low in the presence of the wolves, and the wolf population itself held relatively steady year after year.

For the wolf, pack structure is the key to balance between predator and environment. If prey species decline, the wolf pack feels the stress of limited food supplies. Stress is reflected in increased friction between pack members. Eventually, some pack members may be ejected from the pack to face uncertain survival odds on their own.

Even in the best of conditions, the social order of the pack permits only the dominant male and dominant female to mate; each pack produces only one litter of pups in a season. In times of stress, however, the pups are the first to die, thus maximizing the chances for survival of the adult pack unit upon which the wolves depend so heavily. The pack structure is best interpreted as an adaptation which enables the wolf to take prey larger and stronger than a single wolf, which maximizes the survivability of each pack member, and which keeps the wolf from outeating the available prey.

Many other predators and scavengers show adaptations as sophisticated as those of the wolf. There are predators capable of exploiting almost every form of life. Ospreys dive after fish; black-footed ferrets—now critically endangered—prey on burrowing prairie dogs beneath the earth; the pine martin races after squirrels in the trees. In every case, the predator is an important component of the ecosystem, and every effort should be made to understand and protect this natural order.

The policies of the Federal Government regarding predators must be viewed in this context.

The Federal Government is charged with stewardship over our 450-million-acre public domain heritage. The land is held in trust for all Americans, and is properly administered under multiple-use guidelines.

The traditional framework for wildlife management involving resident species, or most wildlife other than migratory birds, involves State fish and wildlife agencies operating under cooperative agreements with the Bureau of Land Management. Eagles and other raptors, wild horses and burros, and marine mammals are administered under Federal law or both State and Federal land.

The State-Federal cooperative agreements have created an acceptable and proper basis for wildlife management activities. The States have done a good job of organizing their wildlife departments and administering wildlife restoration projects, hunting seasons, and research programs.

Where public lands are involved, the Federal Government has the responsibility to respect and uphold the public interest. Public land managers and wildlife managers operating on public land must not lose sight of this fundamental tenet. Further, decisions involving major public land programs must be evaluated in light of the impact on public values. Such an evaluation must involve both the Federal Government and the public.

The joint resolution I introduce today provides an adequate system for review and decision on national predator policies and action. I believe it will provide a comprehensive examination of Federal policy with regard to predators, and that such an examination will help us avoid costly, nonproductive management mistakes—mistakes that derive substantially from a continuing failure to comprehend the essential relationship between predator and prey.

Mr. President, I ask unanimous consent that the text of my joint resolution and a section-by-section analysis be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 95

Whereas article IV, section 3, clause 2 of the Constitution vests authority in the Federal Government to "make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States," and

Whereas predators and scavengers are indispensable to the health and stability of natural ecosystems and to prey species in particular, and

Whereas the extermination of predators has resulted in dramatic instability of prey populations and attendant habitat deterioration, and

Whereas there is no evidence that nonhuman predation alone is a cause of extinction of prey, and

Whereas organisms tend to be closely adapted to their environment by evolution, whereby their survival ability is greatest, and

Whereas evolution occurs in response to changing environmental parameters, including the living and nonliving components of the ecosystem, and

Whereas a thorough understanding of the interdependent relationship between predator and prey is essential to sound wildlife and land use planning at all levels of government, and furthermore,

Whereas the Convention on International Trade in Endangered Species of Wild Fauna and Flora, as ratified by the United States Senate, stipulates that native species of wildlife should be maintained throughout their range at a level consistent with their role in the ecosystems in which they occur: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That all taking of predators or scavengers naturally occurring on public lands for all or part of their life cycles is hereby prohibited unless such taking is approved according to the requirements of sections 3 or 4 of this joint resolution.

SEC. 2. For the purposes of this Act, the following definitions apply:

"Predators" include individuals of any species of bird or mammal that regularly capture or consume other vertebrate species.

"Wildlife" includes all species of the animal kingdom (persisting for all or part of their life cycles on ecosystems of the United States, its coastal waters, or adjacent islands) which are covered by the provisions of this Act.

"Public lands" means any lands belonging to the United States of America on which regulations regarding taking of wildlife covered by this Act are or may become less restrictive than those herein provided.

"Species" includes any subspecies of wildlife covered by this Act and any other group of wildlife covered by this Act of the same species or smaller taxa in common spacial arrangement that interbreed when mature.

"Person" means an individual, corporation, partnership, trust, association, or any other private entity, or any officer, employee, agent, department or instrumentality of the Federal Government, of any State or political subdivision thereof, or of any foreign government.

"Take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or attempt to engage in any such conduct, for any purpose, any wolf, predator, or other form of wildlife covered by this Act, excluding taking for subsistence purposes.

"Scavengers" include individuals of any species of bird or mammal that naturally feed upon the remains of dead vertebrate species.

An "ecosystem" is the basic ecological unit including the living organisms, the nonliving environment, and the interactions between individual organisms, between species, and between organisms and the environment.

A "secretary" is the head of a Federal agency having land management responsibilities, including the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Defense, the head of the Tennessee Valley Authority, and others.

SEC. 3. Proposed actions by any person involving the taking of predators or scavengers naturally occurring on public lands of the United States may be carried out (unless prohibited by other statute or regulation) even though the taking can be reasonably expected to have significant impacts on the specific wildlife covered by this Act, other species of wildlife covered by this Act, or the ecosystems of which the wildlife is a part, if proposals for such actions—

(a) are submitted to the Secretary having primary jurisdiction over the public land on which the taking will occur at least one hundred and twenty days prior to the date such taking is to commence; and

(b) are described by notice in the Federal Register, allowing at least sixty days for public comment; and

(c) will, if carried out, maintain that species at a level consistent with its role in the ecosystem in which taking is to occur, protecting and maintaining the indispensable relationship between predator and prey species and the ecosystem, and be in overall public interest; and

(d) are approved in writing by the Secretary after consideration of public comment and consultation with the President's Council on Environmental Quality and with the Director of the United States Fish and Wildlife Service before any taking is carried out.

SEC. 4. The Secretary shall enforce the provisions of this Act and shall, in consultation with the President's Council on Environmental Quality, promulgate such regulations as he deems necessary and appropriate to carry out the provisions, including enforcement, of this Act: *Provided*, That all mammals or birds shot or captured contrary to the provisions of this section, or of any regulation issued hereunder, and all guns, aircraft, and other equipment used to aid in the shooting, attempting to shoot, capturing, or harassing of any mammal or bird in violation of this section or of any regulation issued hereunder shall be subject to forfeiture to the United States: *And provided further*, That the Secretary or head of any Federal agency who has issued a lease, license, permit, or other agreement to any person who is convicted of a violation of this Act or of any regulation issued hereunder may immediately cancel each such lease, license, permit, or other agreement. The United States shall not be liable for the payment of any compensation, reimbursement, or damages in connection with the cancellation of any lease, license, permit, or other agreement pursuant to this section.

SEC. 5. Nothing herein shall be construed in any way to amend or otherwise alter the requirements of the National Environmental Policy Act of 1969, the Marine Mammal Protection Act of 1972, or the Endangered Species Act of 1973, as amended.

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SECTION-BY-SECTION ANALYSIS

Section 1. Preamble.

Section 1 of the bill states the intent of the resolution is to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands; set forth findings; and prohibits the taking of predators or scavengers unless pursuant to specified requirements.

Section 2. Definitions.

Section 2 of the bill defines the terms used in the Act, including Predators, Scavengers, and Take.

Section 3. Requirements for permissible takings.

Section 3 of the bill sets forth procedures under which the taking of predators or scavengers may be carried out.

Section 4. Enforcement and regulation.

Section 4 calls upon the Secretary of the appropriate Department to promulgate regulations and enforce requirements. Sets forth penalties for violations of the Act.

Section 5. Relation of the Act to existing law.

Section 5 of the Act is specified not to amend or alter the National Environmental Policy Act of 1969, the Marine Mammel Protection Act of 1972, or the Endangered Species Act of 1973, as amended.

Section 6. Authorization.

Section 6 provides such sums as may be necessary to carry out the provisions of the Act.

ADDITIONAL COSPONSORS

S. 7

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 7, a bill to amend title XIX of the Social Security Act to provide medicaid coverage for certain low-income pregnant women.

S. 58

At the request of Mr. DANFORTH, the names of the Senator from California [Mr. WILSON], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 120

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 120, a bill to amend the Tax Reform Act of 1984 to provide a transitional rule for the tax treatment of certain air travel benefits provided to employees of airlines.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of social security benefits.

S. 277

At the request of Mr. ANDREWS, the names of the Senator from Maryland [Mr. SARBANES] and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of S. 277, a bill to reauthorize the Indian Health Care Improvement Act, and for other purposes.

S. 367

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 367

At the request of Mr. HART, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 367, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 402

At the request of Mr. PRESSLER, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 408

At the request of Mr. WEICKER, the names of the Senator from Arizona [Mr. GOLDWATER], the Senator from Hawaii [Mr. INOUYE], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 450

At the request of Mr. BINGAMAN, the names of the Senator from Illinois [Mr. DIXON] and the Senator from

Tennessee [Mr. GORE] were added as cosponsors of S. 450, a bill to establish a commission to study and make recommendations concerning the international trade and export policies and practices of the United States.

S. 467

At the request of Mr. ROTH, the names of the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. GARN], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 467, a bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases.

S. 491

At the request of Mr. QUAYLE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 491, a bill to improve debt-collection activities and default recoveries and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes.

S. 524

At the request of Mr. ARMSTRONG, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Nebraska [Mr. EXON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Montana [Mr. MELCHER], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 536

At the request of Mr. HART, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 536, a bill to establish a select commission to examine the issues associated with national service.

S. 554

At the request of Mr. ROTH, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 554, a bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes.

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 572

At the request of Mr. D'AMATO, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 572, a bill to amend title 18, United States Code, to create an offense prohibiting the laundering of money in the furtherance of criminal activities.

S. 614

At the request of Mr. BUMPERS, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 614, a bill to amend section 3505 of title 44, United States Code, to further reduce the Federal paperwork burden on small businesses.

S. 636

At the request of Mr. DOLE, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 636, a bill to provide for the minting of gold coins.

S. 639

At the request of Mr. WALLOP, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Delaware [Mr. ROTH], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of S. 639, a bill to amend the Internal Revenue Code of 1954 to clarify the tax treatment and recordkeeping requirements with respect to automobiles, and for other purposes.

S. 657

At the request of Mr. THURMOND, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 664

At the request of Mr. NICKLES, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Indiana [Mr. LUGAR], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 664, a bill to facilitate the competitiveness of exports of U.S. agricultural commodities.

S. 680

At the request of Mr. THURMOND, the names of the Senator from Tennessee [Mr. GORE], the Senator from Illinois [Mr. DIXON], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 680, a bill to achieve the objectives of the multifiber arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

S. 692

At the request of Mr. STEVENS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 692, a bill for the relief of Susan M. Agoaoili.

S. 699

At the request of Mr. BYRD, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 699, a bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs.

S. 713

At the request of Mr. WILSON, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 713, a bill to prohibit the interstate sale and transportation of drug paraphernalia.

SENATE JOINT RESOLUTION 32

At the request of Mr. PRESSLER, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 32, a joint resolution to authorize and request the President to designate September 15, 1985, as "Ethnic American Day."

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 40

At the request of Mr. LUGAR, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Joint Resolution 40, a joint resolution to designate the month of October 1985 as "National Down's Syndrome Month."

SENATE JOINT RESOLUTION 47

At the request of Mr. CRANSTON, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. LEVIN], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 47, a joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

SENATE JOINT RESOLUTION 50

At the request of Mr. RIEGLE, the names of the Senator from Pennsylvania [Mr. HEINZ], the Senator from Maryland [Mr. MATHIAS], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 50, a joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week", and to designate April 7, 1985, as "World Health Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. STENNIS], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 57

At the request of Mr. CHILES, the name of the Senator from California [Mr. CRANSTON], was added as a cosponsor of Senate Joint Resolution 57, a joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week."

SENATE JOINT RESOLUTION 58

At the request of Mr. CHILES, the name of the Senator from Arizona [Mr. DECONCINI], was added as a cosponsor of Senate Joint Resolution 58, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week."

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the names of the Senator from Tennesee [Mr. GORE], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 60, a joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE JOINT RESOLUTION 62

At the request of Mr. GORTON, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of Senate Joint Resolution 62, a joint resolution commemorating the Twenty-Fifth Anniversary of United States' Weather Satellites.

SENATE JOINT RESOLUTION 64

At the request of Mr. RIEGLE, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 64, a joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 66

At the request of Mr. D'AMATO, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Illinois [Mr. DIXON], the Senator from North Carolina [Mr. EAST], the Senator from Nevada [Mr. LAXALT], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 66, a joint resolution designating June 14, 1985, as "Baltic Freedom Day."

SENATE JOINT RESOLUTION 67

At the request of Mr. QUAYLE, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 67, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 72

At the request of Mr. DANFORTH, the names of the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate October 16, 1984, as "World Food Day."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. WILSON, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 86, a joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week."

SENATE JOINT RESOLUTION 90

At the request of Mr. NUNN, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Kansas [Mr. DOLE], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Indiana [Mr. LUGAR], the Senator from Ohio [Mr. METZENBAUM], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Illinois, [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 90, a joint resolution commemorating the 75th Anniversary of the Boy Scouts of America.

SENATE JOINT RESOLUTION 91

At the request of Mr. HUMPHREY, the names of the Senator from Virginia [Mr. WARNER], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. QUAYLE], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 91, a joint resolution to designate March 21, 1985, as "Afghanistan Day."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the names of the Senator from Utah [Mr. GARN] and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Concurrent Resolution 22, a concurrent resolution to express the sense of the Congress that sufficient appropriations should be made available for the Job Corps program in order to maintain it as a viable Federal effort to assist economically disadvantaged youths in obtaining and holding employment and contributing to society.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. CRANSTON, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of the Congress that May 18, 1985, should be commemorated as the 20th anniversary of the establishment of the Head Start Program and reaffirming congressional support for the Head Start Program.

SENATE RESOLUTION 50

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Resolution 50, a resolution reaffirming the Senate's commitment to the Job Corps Program.

SENATE RESOLUTION 106

At the request of Mr. GOLDWATER, the names of the Senator from Delaware [Mr. ROTH], the Senator from Hawaii [Mr. INOUYE], the Senator from Virginia [Mr. WARNER], the Senator from Utah [Mr. GARN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 106, a resolution to commend Lieutenant General Lincoln D. Faurer for exceptionally distinguished service to the United States of America.

SENATE RESOLUTION 108—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. THURMOND, from the Committee on the Judiciary, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 108

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent funds of the

Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $4,821,213, of which amount (1) not to exceed $36,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 109—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. MURKOWSKI, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 109

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rules XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,022,882.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 110—SUPPORTING THE EXPORT-IMPORT BANK

Mr. HEINZ (for himself, Mr. GORTON, Mr. EVANS, Mr. GARN, Mr. DODD, Mr. JOHNSTON, Mr. KASTEN, Mr. INOUYE, Mr. CRANSTON, Mrs. KASSEBAUM, and Mr. DANFORTH) submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 110

Whereas the Export-Import Bank of the United States is required by law to provide competitive financing for the goods and services of United States exporters facing competition by foreign exporters who are backed by foreign-government supported export credits;

Whereas the direct loan program of the Export-Import Bank has been the principal means whereby the Bank has been able to counter successfully these foreign export credit offers;

Whereas American exporters today continue to face foreign competition in officially supported export credits and will continue to face such competition for the remainder of the fiscal year and into the foreseeable future;

Whereas such competition requires American exporters to obtain preliminary commitments from the Export-Import Bank for export financing that may not be concluded or disbursed until fical year 1986; and

Whereas the Congress has not directed or authorized the Bank to change its programs since the passage of titles VI of the Public Law 98-181, wherein the Congress directed the Bank to "support United States exports at rates and on terms and conditions which are fully competitive with the exports of other countries"; Now, therefore, be it

Resolved, That it is the sense of the Senate that the Export-Import Bank of the United States shall continue to provide preliminary and advance commitments for loans which may require approval on or after October 1, 1985, in keeping with the Bank's mandate, unless and until the Congress of the United States changes that policy or directs the Bank to alter its programs.

Mr. HEINZ. Mr. President, the Export-Import Bank has been mandated by Congress to provide export loans for the products of U.S. companies facing foreign-government supported export credit competition. These direct loans, according to the law, are to be offered by the Bank so as to be fully competitive with foreign export credit offers.

Mr. President, the Office of Management and Budget has recently proposed that this program of the Bank be eliminated entirely. That proposal is before the Congress at this time, and if it becomes law it will have done so by going through all the steps involved in the legislative process. Until that occurs, however, the law giving rise to the current direct loan program remains in effect. As I stated, the law requires not only the existence of such a program but that its terms be fully competitive with foreign official export credits.

Mr. President, the Constitution provides that the Congress make the laws of the land. An agency of Government that is directed to specific action by those laws is not exempt from compliance because of any proposal to change those laws unless and until Congress makes that change and it is signed by the President. The OMB proposal to eliminate the direct credit program is, to say the least, controversial. It may or may not be adopted. It may be amended. Whatever happens, it would be inappropriate in the extreme for the Bank to begin conducting its affairs today on the assumption that the proposal has been adopted, or that its mere submission to Congress has changed or will change the express mandate of the Congress regarding the Bank's programs.

The resolution that I am introducing today merely underlines that fact. The Bank's direct loan program is in existence. Its preliminary commitment responsibility under that program remains an essential element of the competitiveness of the program, which competitiveness is an unmistakable requirement of the law.

This resolution reaffirms the important principle that congressional intent remains in force until Congress itself changes it, that Eximbank cannot excuse itself from its responsibilities until Congress excuses it.

AMENDMENTS SUBMITTED

DEVELOPMENT AND SECURITY ASSISTANCE AUTHORIZATION

KENNEDY-WEICKER AMENDMENT NO. 20

(Ordered referred to the Committee on Foreign Relations.)

Mr. KENNEDY (for himself and Mr. WEICKER) submitted an amendment intended to be proposed by him to the bill (S. 660) to amend the Foreign Assistance Act of 1961, the Arms Export Control Act and the Agricultural Trade Development and Assistance Act of 1954, to authorize development and security assistance programs for fiscal year 1986, and for other purposes; as follows:

At the appropriate place in the bill, add the following new section:

A. POLICY DECLARATIONS.

The Congress makes the following declarations:

(1) It is the policy of the United States to encourage all nations to adopt political, economic, and social policies which guarantee broad human rights, civil liberties, and individual economic opportunities.

(2) It is the policy of the United States to condemn and seek the eradication of the policy of apartheid in South Africa, a doctrine of racial separation under which rights and obligations of individuals are defined according to their racial or ethnic origin.

B. PROHIBITION ON LOANS TO THE SOUTH AFRICAN GOVERNMENT.

(1) IN GENERAL.—No United States person may make any loan or other extension of credit, directly or through a foreign affiliate of that United States person, to the Government of South Africa or to any corporation, partnership, or other organization which is owned or controlled by the Government of South Africa, as determined under regulations which the President shall issue.

(2) EXCEPTION FOR NONDISCRIMINATORY FACILITIES.—The prohibition contained in subsection (1) shall not apply to a loan or extension of credit for any educational, housing, or health facility which—

(a) is available to all persons on a totally nondiscriminatory basis, and

(b) is located in a geographic area accessible to all population groups without any legal or administrative restriction.

(3) EXCEPTION FOR PRIOR AGREEMENTS.—The prohibition contained in subsection (1) shall not apply to any loan or extension of credit for which an agreement is entered into before the date of the enactment of this section.

(4) ISSUANCE OF REGULATIONS.—The President shall issue the regulations referred to in subsection (1) not later than ninety days after the date of the enactment of this section.

C. REGULATORY AUTHORITY.

The President shall issue such regulations, licenses, and orders as are necessary to carry out this section.

D. ENFORCEMENT AND PENALTIES.

(1) AUTHORITY OF THE PRESIDENT.—The President shall take the necessary steps to ensure compliance with the provisions of this Section and any regulations, licenses, and orders issued to carry out this section, including establishing mechanisms to monitor compliance with this section and such regulations, licenses, and orders. In ensuring such compliance, the President may conduct investigations, hold hearings, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation.

(2) PENALTIES.—

(a) FOR PERSONS OTHER THAN INDIVIDUALS.—Any person, other than an individual, that violates the provisions of this section or any regulation, license, or order issued to carry out this section shall be fined not more than $1,000,000.

(b) FOR INDIVIDUALS.—

(1) IN GENERAL.—Any individual who violates the provisions of this section or any regulation, license, or order issued to carry out this section shall be fined not more than $50,000 or imprisoned not more than five years, or both.

(3) ADDITIONAL PENALTIES FOR CERTAIN INDIVIDUALS.—

(a) IN GENERAL.—Whenever a person commits a violation under subsection (2)—

(1) any officer, director, or employee of such person, or any natural person in control of such person who knowingly and willfully ordered, authorized, acquiesced in, or carried out the act or practice constituting the violation, and

(2) any agent of such person who knowingly and willfuly carried out such act or practice, shall be fined not more than $10,000, or imprisoned not more than five years, or both.

(b) RESTRICTION ON PAYMENT OF FINES.—A fine imposed under paragraph (a) on an individual for an act or practice constituting a violation may not be paid, directly or indirectly, by the person committing the violation itself.

E. TERMINATION OF PROVISIONS OF SECTION.

(1) DETERMINATION OF ABOLITION OF APARTHEID.—If the President determines that the system of apartheid in South Africa has been abolished, the President may submit that determination, and the basis for the determination, to the Congress.

(2) JOINT RESOLUTION APPROVING DETERMINATION.—Upon the enactment of a joint resolution approving a determination of the President submitted to the Congress under subsection (1), the provisions of this section, and all regulations, licenses, and orders issued to carry out this section, shall terminate.

(3) DEFINITION.—For purposes of subsection (1), the "abolition of apartheid" shall include—

(a) the repeal of all laws and regulations that discriminate on the basis of race; and

(b) the establishment of a body of laws that assures the full national participation of all the people of South Africa in the social, political, and economic life in that country.

F. DEFINITIONS.

For purposes of this section—

(1) UNITED STATES PERSON.—The term "United States person" means any United States resident or national and any domestic concern (including any permanent domestic establishment of any foreign concern), and such term includes a bank organized under the laws of the United States:

(2) SOUTH AFRICA.—The term "South Africa" includes—

(a) The Republic of South Africa,

(b) any territory under the administration, legal or illegal, of South Africa, and

(c) the "bantustans" or "homelands", to which South African blacks are assigned on the basis of ethnic origin, including the Transkei, Bophuthatswana, Ciskei, and Venda.

(3) FOREIGN AFFILIATE.—A "foreign affiliate" of a United States person is a business enterprise located in a foreign country, including a branch, which is controlled by that United States person.

(4) CONTROL.—A United States person shall be presumed to control a business enterprise if—

(a) the United States person beneficially owns or controls (whether directly or indirectly) more than 50 per centum of the outstanding voting securities of the business enterprise;

(b) the United States person beneficially owns or controls (whether directly or indirectly) 25 per centum or more of the voting securities of the business enterprise, if no other person owns or controls (whether directly or indirectly) an equal or larger percentage;

(c) the business enterprise is operated by the United States person pursuant to the provisions of an exclusive management contract;

(d) a majority of the members of the board of directors of the business enterprise are also members of the comparable governing body of the United States person;

(e) the United States person has authority to appoint a majority of the members of the board of directors of the business enterprise; or

(f) the United States person has authority to appoint the chief operating officer of the business enterprise.

(5) LOAN.—The term "loan" includes an extension of credit as defined in section 201(h) of the Credit Control Act (12 U.S.C. 1901(h)).

(6) BANK.—The term "bank" means—

(a) any depository institution as defined in section 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)),

(b) any corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611 et seq.),

(c) any corporation having an agreement or undertaking with the Federal Reserve Board under section 25 of the Federal Reserve Act (12 U.S.C. 601 et seq.), and

(d) any bank holding company as defined in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)).

(7) BUSINESS ENTERPRISE.—The term "business enterprise" means any organization, association, branch, or venture which exists for profitmaking purposes or to otherwise secure economic advantage.

(8) BRANCH.—The term "branch" means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.

G. APPLICABILITY TO EVASIONS OF ACT.

This section and the regulations issued to carry out this section shall apply to any person who undertakes or causes to be undertaken any transactions or activity with the intent to evade this section or such regulations.

H. CONSTRUCTION OF SECTION.

Nothing in this section shall be construed as constituting any recognition by the United States of the homelands referred to in subsection F(2)(c) of this section.

Mr. KENNEDY. Mr. President, last Thursday, March 21, 1985, the South African police fired into an unarmed crowd of black people, killing at least 19 individuals and wounding scores more. It is both ironic and tragic that this massacre occurred on the 25th anniversary of the Sharpeville Massacre.

In response to this most recent violence in South Africa, Senator WEICKER and I have written a letter to the chairman of the Senate Foreign Relations Committee, Senator LUGAR, and to the ranking member of the committee, Senator PELL, asking the committee to consider an amendment to this year's Foreign Assistance Authorization Act. The amendment that we are proposing would, if enacted, prohibit all new bank loans to the Government of South Africa and to government entities. We have urged the members of the committee to take up this amendment today or tomorrow as they mark up this legislation.

We believe that U.S. persons should not be permitted to extend credit to the South African Government or to any South African Government entities. We believe that the United States should not finance a government that massacres its own citizens.

Twenty-six American banks have already adopted a policy prohibiting bank loans to the South African public sector. Among those banks are: Bank of America, Chemical Bank, Bankers Trust, First National Bank of

Boston, First National Bank of Atlanta, and, late last year, Citibank. I read in this morning's Boston Globe that the Bank of Boston has now joined these other banks, announcing yesterday that it would stop making loans to private firms and to banks in that country.

In 1984, loans outstanding to the South African public sector by all U.S. banks totaled $374 million. This represents a decline in U.S. bank financing of the South African sector by more than 50 percent. It is now time to end U.S. financing of the apartheid regime altogether.

Mr. President, I urge the Senate Foreign Relations Committee to move swiftly and decisively on this issue. It will send an important signal to the Government of South Africa and to all the people of South Africa that the United States opposes apartheid and will no longer sit by passively while the South African regime continues its racist policies.

I ask unanimous consent that the text of our letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 22, 1985.

Hon. RICHARD LUGAR,
Hon. CLAIBORNE PELL,
Senate Foreign Relations Committee,
U.S. Senate, Washington, DC.

DEAR DICK AND CLAIBORNE: We believe that it is important that there be a swift response from the United States to the violence that took the lives of so many black people in South Africa yesterday. For that reason, we are writing to request that the Senate Foreign Relations Committee agree to consider, as an amendment to the Foreign Assistance Authorization Act for fiscal year 1986, one part of the legislation that we introduced earlier this month in the Anti-Apartheid Act of 1985.

We are enclosing a proposed amendment that would, if enacted, prohibit new bank loans by United States persons to the government of South Africa or any of its entities. We will be introducing this amendment on the floor of the Senate as soon as we go into session next week. It is our understanding that your committee will be marking up the Foreign Assistance Authorization Act for fiscal year 1986 on Tuesday and Wednesday of next week. We would be grateful if the Committee would agree to consider this amendment to that legislation at that time.

Sincerely

LOWELL P. WEICKER, Jr.
EDWARD M. KENNEDY,
CARL LEVIN,
ALAN CRANSTON,
JOHN KERRY.

NOTICES OF HEARINGS

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. COHEN. Mr. President, I wish to announce that the Senate Oversight of Government Management Subcommittee will hold a hearing on Oversight of the Office of Government Ethics on Tuesday, April 2, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. WEICKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 26, in order to receive testimony concerning the Department of Justice authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. WEICKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate, on Tuesday, March 26, 1985, in closed session, to conduct a hearing on the fiscal year 1986, intelligence budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WEICKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 26, 1985, to mark up the fiscal year 1986 foreign assistance budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS

Mr. WEICKER. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Tuesday, March 26, 1985, to conduct a hearing on foreign assistance in Latin America and the Caribbean.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 26, to consider and take action on pending committee business including nominations and commemorative resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MISSING CHILDREN

● Mrs. HAWKINS. Mr. President, as you know, the sad and haunting crisis of missing children is important to me.

I am, therefore, pleased to observe that assistance is now forthcoming from other quarters. I am particularly gratified to see private sector and media involvement on this matter.

A missing children's public service campaign is being launched in the Washington, DC metropolitan area. Metromedia (WTTG/Channel 5, in Washington, DC), Mobil Oil Corp., and the Acacia Group will join together in 1 year-long effort to help locate missing children and increase public awareness of the scope of the problem.

Three 1-hour specials, daily missing children reports and hundreds of informational messages will be brought to the attention of the area's TV viewers. Photos of missing children will be posted in Mobil service stations, schools, and libraries. The daily missing children's reports will highlight local and national cases with viewers being urged to call the toll free number at the National Center for Missing and Exploited Children with information on any of these children. Infomercials broadcast 50 times per month will consist of helpful tips and guidelines on how to prevent child abduction, what to do if a child is missing and where to seek help.

Children are our greatest natural resource. Because they have no vote and no lobby, they have gone unrepresented in the past. I am happy to see the tide is turning. Through the commitment and involvement of stations like WTTG and corporations like Mobil and Acacia, we are making great progress. Only through such cooperation and participation can the American public be made aware of the tragic situation that exists. With teamwork we can succeed in making our children safe.

I ask that a press release issued by channel 5, WTTG, and Mobile Oil Corp., be printed in the RECORD.

The press release follows:

"SECRET CRIES" SPECIAL ON WTTG, TUESDAY, MARCH 26, AT 9 P.M.

WASHINGTON, DC, March 4, 1985.—WTTG, Channel 5, will begin its yearlong commitment to Missing Children with the first of three, prime-time locally produced specials, "Secret Cries," Tuesday, March 26 from 9 to 10 p.m.

"Secret Cries" focuses on the personal lives of families caught up in the tragedy of stranger abductions, parental kidnapping, and runaways. The information shared in this powerful one-hour special could help prevent future tragedies.

This program will reveal what dangers exist for kids who runaway from home, why they run, and how they are sometimes lured into a seemingly harmless but often fatal trap.

"Secret Cries" will answer the most asked question. "Who are these people that molest our children?" They are called pedophiles.

Parents will learn how to spot a pedophile and measures to take to prevent their child from becoming a target. "Secret Cries" will include a segment with a formerly convicted pedophile who is currently under rehabilitation.

Channel 5 reporter, Jackie Stone, who began airing a weekly series on kidnapped, missing and runaway children in 1984, will share what she has experienced both as a journalist and as a parent during her extensive involvement with missing children.

As a supporter and the original sponsor of the Missing Childrens Act of 1982, Florida State Senator Paula Hawkins will talk about what has been done and what can and needs to be done to protect the nation's missing and exploited children. "There is nothing more important to our country than our greatest national resource, our children," said Hawkins. "With teamwork we can succeed in making our children safe."

One of the nation's best-known experts on the subject, Jay Howell, Director of the National Center for Missing and Exploited Children will discuss the many uses of the Center in assisting families, citizen groups, law enforcement agencies, and governmental institutions in locating and protecting our children. The Center is a national clearinghouse of information on effective state and federal legislation to protect children. Most importantly the Center provides a toll-free number for the use of individuals who believe they have information which could lead to the location and recovery of a missing child. The number is 1-800-843-5678, and in D.C. 634-9836.

Channel 5 producers and reporters have spent the past several months with parents, children, abductors and experts assembling a full hour that will enlighten, educate and at times even startle most viewers.

MOBIL TO SPONSOR MISSING CHILDREN CAMPAIGN

FAIRFAX, VA.—Mobil Oil Corporation announced it would cosponsor a year-long effort in the Washington, D.C., area to help locate missing children and increase public awareness of the scope of the problem.

Mobil will work with WTTG/Channel 5 and the Acacia Group to bring three one-hour specials, daily missing children reports and hundreds of informational messages to the attention of area TV viewers. Photos of missing children will be posted in Mobil stations, schools, and libraries, and some Mobil dealers are appearing in TV spots on various aspects of the campaign.

The campaign will begin Tuesday, March 26, with the airing of "Secret Cries," a special on the overall problem and the need for the entire community to become involved. Subsequent specials and messages will offer advice to both parents and children on how to deal with strangers and how to keep children safe.

"Over one and a half million children disappear every year," said Joe B. Hinton, Mobil's vice president for U.S. Marketing. "This is a national tragedy. It's time for all of us to recognize the problem and work together to solve it. Not only are children a vulnerable group that deserves our protection, they are our nation's future."●

NATIONAL HOMELESS AWARENESS DAY

● Mr. GORTON. Mr. President, March 21 was designated "National Homeless Awareness Day" by the National Coalition for the Homeless. The problem of homeless Americans remains an urgent crisis. The numbers continue to grow, their suffering continues to intensify, and the demand for services to the homeless shows no signs of decreasing.

In the city of Tacoma in my home State of Washington, homeless individuals are surviving on food salvaged from supermarket dumpsters and are sleeping the night in appliance cartons and make-shift huts made of cardboard boxes. Homeless families, many headed by single women, are joining the mentally ill, the unemployed, and older men with alcohol problems at the doors of missions and emergency shelters. A family of 10 Indochinese refugees was found living in a car in the parking lot of a Tacoma hospital. Although we are enjoying a nationwide economic recovery of unprecedented strength, it has yet to reach these people.

The cities in the State of Washington are striving to meet the need through increased shelter services and proposals to rehabilitate hotels as halfway houses for the mentally ill. The Washington State Legislature is considering funding for basic survival services.

We in the Federal Government must continue and strengthen our support for the many first-rate programs operated by local governments and private charitable organizations. Last month, I introduced comprehensive legislation to provide Federal assistance to the homeless. This bill, the "Homeless Housing Assistance Act," S. 394, jointly sponsored by Senator MOYNIHAN, would establish three separate programs, to provide emergency food and shelter, to assist in the renovation or conversion of buildings to use as emergency shelter, and to support transitional housing, the missing link in assisting homeless people in the transition to independent living. This bill would retain the existing emergency food and shelter program working through a national network of private voluntary organizations, although shifting its agency administration from the Federal Emergency Management Agency to the Department of Housing and Urban Development.

By authorizing these programs on a 3-year basis and providing for transition of administrative responsibilities to HUD, which has expertise in public housing, this bill will make more creative uses of Federal funding and permit long-range planning to provide more effectively for the needs of the homeless.

I ask my colleagues to join with me in making the Congress and the Nation aware of the plight of these most unfortunate members of our community. Let us resolve that Congress will address the needs of the homeless now.●

S. 595—A BILL TO PROVIDE RELIEF FOR CERTAIN DESERT ENTRYMEN IN IDAHO

● Mr. McCLURE. Mr. President, on March 6, 1985 I introduced S. 595, a bill to provide relief for certain desert entrymen in Idaho. At that time I did not ask to have it read into the RECORD.

Mr. President, at this time I ask that S. 595 be printed in the RECORD.

The bill follows:

S. 595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that—

(1) certain developed and productive desert land entries in Idaho, identified in section 2 of this Act, made pursuant to the Act entitled "An Act to provide for the sale of desert lands in certain States and Territories", approved March 3, 1877 (43 U.S.C. 321, et seq.), commonly known and hereinafter referred to as the "Desert Land Act", have been cancelled by the Secretary of the Interior pursuant to holding limitation regulations promulgated pursuant to section 7 of the Act (43 U.S.C. 329);

(2) such regulations were retroactively applied to such desert land entries several years after the entries were allowed and more than two years after final development, proof and final payment for such entries were made, without giving the entrymen any opportunity to comply with the new interpretation of such regulations;

(3) cancellation of such desert land entries was harsh and unfair, and resulted in forfeiture to the Government of the developed entries and the monies paid for the land;

(4) such entrymen have fulfilled the requirements of the Desert Land Act in all respects other than such holding limitation regulations; and

(5) such entrymen, or their heirs or deivsees, should have the entries reinstated and qualify for issuance of patents to carry out the objectives of the Desert Land Act.

SEC. 2. The names of the entrymen, and the serial numbers of the desert land entries generally known as the "Sailor Creek Project", to which this Act applies, are as follows:

Entryman	Bureau of Land Management Serial Number
G. Patrick Morris	Idaho 013820
John E. Roth	Idaho 013905
Elise L. Neeley	Idaho 013906
Lyle D. Roth	Idaho 013907
Vera M. Noble (Now Baltzor)	Idaho 014126
Charlene S. Baltzor	Idaho 014128
George R. Baltzor	Idaho 014129
John E. Morris (deceased)	Idaho 014130
Juanita M. Morris	Idaho 014249
Nellie Mae Morris (deceased)	Idaho 014250
Milo Axelsen	Idaho 014251
Peggy Axelsen	Idaho 014252

SEC. 3. (a) The desert land entries identified in section 2 of this Act are hereby reinstated. The entrymen, or the heirs or devisees of any deceased entryman, may—

(1) rescind any agreement which is prohibited by the Secretary of the Interior pursuant to regulations under section 7 of the Act (43 U.S.C. 329) within six months after the date of enactment of this Act; and

(2) resubmit final proof of reclamation and cultivation of the land in accordance with the provisions of section 7 of the Act (43 U.S.C. 329) before December 31, 1988.

(b) The Secretary of the Interior shall issue patents to the entryman named in section 2, or their heirs or devisees upon compliance with the provisions of subsection (a) and the submission of satisfactory final proof.

SEC. 4. Notwithstanding any other provision of law, the property right prior to issuance of a patent to the land of any entryman identified in section 2 of this Act, or the heirs or devisees of any such entryman whose entry is reinstated in accordance with section 3 of this Act, shall be a personal right, inheritable but not assignable. Any such entry may be mortgaged in the manner permitted by regulations promulgated by the Secretary of the Interior for the purpose of securing repayment of monies borrowed for development of the entry or for farm operating or crop production expenses.●

JACKSONVILLE'S UNIVERSITY HOSPITAL TO AID KOREAN CHILDREN

● Mrs. HAWKINS. Mr. President, I rise today to call the attention of my colleagues to the generous actions of several citizens of my home State of Florida. After the inspiring example that President and Mrs. Reagan set last year upon their return from Korea with two small children in need of corrective heart surgery, the administration and staff of Jacksonville's University Hospital has decided to donate their time and any resources necessary to make this surgery available to other Korean children who require it.

I would also like to specifically praise the efforts of Mr. Hugh Jones of Jacksonville, a long-time friend and ally of the people of Korea, who originally approached the hospital requesting the donation of a sufficient amount of the hospital's resources for five such operations. As a memorial to the son of one of his company's officers who died at the age of 18 due to congestive heart disease, Mr. Jones contacted the hospital, which readily agreed to donate the facilities. Doctors and nurses who will be participating in the operations have volunteered their time, while a foundation of Rotary International has donated the necessary expenses for the children's transportation. All reserve our heartfelt congratulations and thanks.

Since there are over 1,000 Korean children in need of this corrective heart surgery, a surgical process that is not yet available in Korea, University Hospital and its staff cannot fight this problem alone. It is our hope that other hospitals, in Florida and across the country, take up the cause as their own. Throughout the history of our great Nation, it has been this spirit of voluntarism that has marked our dedication to our fellow men. I say there is no reason that this spirit must stop at the borders of the United States. Let us reach across the ocean to help these children in need.●

A NEW DIMENSION TO ABORTION

● Mr. HUMPHREY. Mr. President, modern sonogram technology has indeed added a new and disturbing dimension to the abortion controversy. Dr. Bernard Nathanson's film "The Silent Scream" has allowed us all to view, through ultrasound imaging, the deliberate dismemberment of a child in the womb. We can even measure the accelerated heartbeat of the child during the dismemberment procedure. Subsequently, we have heard arguments aimed at discrediting this evidence. Therefore, I ask that the interview with Dr. Bernard Nathanson which appeared in the March 21, 1985, USA Today be printed in the RECORD. The article follows.

INQUIRY TOPIC: THE SILENT SCREAM

(Dr. Bernard Nathanson, 58, a former abortionist turned antiabortion crusader, is narrator of the controversial film The Silent Scream, which shows the abortion of a 12-week-old fetus. He practices obstetrics and gynecology in New York. He was interviewed by USA TODAY's Kristin Clark.)

ABORTION'S PAIN IS FELT BY CHILD IN THE WOMB

USA TODAY. You say that your film, The Silent Scream, shows what happens inside the womb during an abortion. What does an abortion look like from "the victim's vantage point," as you put it?

NATHANSON. First, the victim sees a number of terrifying instruments being poked into the uterus. The child scoots away from the instruments, its heart rate speeds up, and the child thrashes around. Then, the amniotic sac is ruptured and the amniotic fluid is drained away.

USA TODAY. Then?

NATHANSON. And then the suction instrument can—and does—come in direct contact with the child. It clamps on the child and begins to tear apart the extremities of the body. That's what an abortion looks like from the victim's vantage point.

USA TODAY. Does the fetus feel pain at that point?

NATHANSON. There is a reasonable probability that it feels pain. Many people take issue with that. They say the fetus can't feel pain, that all it's feeling is a reflex. But that's what pain is—a reflex. Although the unborn child is incapable of writing on the wall of the uterus, "Help me; I'm in pain," the reactions of the child strongly indicate that this child is experiencing pain.

USA TODAY. How can you be sure that the fetus is reacting to pain? Couldn't the fetal movement you describe be reflexive?

NATHANSON. If you inflict pain on a rabbit, you know the animal is experiencing pain, even though it cannot make a sound. It responds with the appropriate reflexes; its heart rate speeds up; it tries to escape—just like the child does in the womb during the abortion. We have to infer from its reaction exactly what is happening to it—that it is experiencing pain. The same applies to the human unborn.

USA TODAY. As a former director of one of the largest abortion clinics in the world, you are responsible for almost 75,000 abortions. How do you feel about that?

NATHANSON. I regret them deeply. In those days, I was acting out of conviction, but out of ignorance as well. I have deep regret for that, but I don't carry an insupportable burden of guilt.

USA TODAY. During the time you were performing abortions, what experience do you remember most?

NATHANSON. One image that still has a lasting impression on me is the number of recidivists I saw come into the abortion clinic—the number of repeaters who came in over and over again.

USA TODAY. You've drastically changed your position on abortion, first supporting abortion, now opposing it. What made you change?

NATHANSON. There was no sudden epiphany—no dazzling revelation. It was the accumulation of data over a period of years and the explosion of medical technology. With the development and refinement of the electronic fetal heart monitoring system, ultrasound, and fetal biochemistry, it finally began to dawn on me that this was another *person*—another human being.

USA TODAY. The word "viability is often used in discussions about abortion. When is a fetus "viable"?

NATHANSON. Everybody is viable—including every unborn child at any stage of pregnancy. They're all viable.

USA TODAY. Even at the moment of conception?

NATHANSON. Even at the moment of conception. Every human being, born or unborn, is viable. Viability depends on today's state of technology. What was not viable during my years as a medical student is viable today. Five years ago, William Schroeder—the artificial heart recipient—would not have been viable. Today, he's perfectly viable.

USA TODAY. Twelve years ago, the Supreme Court ruled abortion legal. Do you think it will ever be illegal?

NATHANSON. Yes. With the appointment of two or three new Supreme Court justices by President Reagan, the infamous *Roe* vs. *Wade* decision will be reversed.

USA TODAY. How do you respond to the argument that making abortion illegal will lead to more back-alley, do-it-yourself abortions?

NATHANSON. What will happen is that women who are absolutely insistent on abortion will buy some pill or suppository on the black market—that kind of pill is available today—take it home, and have an abortion in the bathroom. There will be no abortionists involved, no perforations of the uterus, no infections, or anything else. The old bloodied coat hanger is an anachronism—it's dead. It's no longer an effective symbol.

USA TODAY. So you think that women can understand this issue more clearly by putting themselves in the victim's place?

NATHANSON. Of course! When we talk about nuclear war, for example, all of us picture in our minds the scarred, vaporized people in Nagasaki and Hiroshima. That's what we see when we think of nuclear war—the huge mushroom cloud, the terror and unspeakable slaughter which followed. The same holds true for the Vietnam War. We could not put an end to that war until we began to see the victims on our living room television screen every night. It was only then that the anti-war movement really climaxed and public opinion rose up to stop that war.●

LINE-ITEM VETO

● Mr. HATFIELD. Mr. President, on March 8, 1985, the Wall Street Journal ran another editorial endorsing the proposed line-item veto and inviting the opponents of that proposal to defend the status quo. I found the editorial's arguments in favor of the item veto particularly misleading, and responded to the invitation with a letter to the editor on March 11. Unfortunately, my letter to the editor has not been printed. Since we are likely to face a decision on this important policy issue at some point in this session of the Congress, I want to share the letter with my colleagues.

Mr. President, I ask that the March 8 Wall Street Journal editorial entitled "Mr. Reagan's Item Veto" and my letter in response to that editorial be printed in the RECORD at this point.

The material follows:

[From the Wall Street Journal, Mar. 8, 1985]

MR. REAGAN'S ITEM VETO

Here is how a presidential line-item veto works:

On Tuesday, congressional Democrats sent the White House a farm bailout bill that they said would increase outlays by $429 million over the next few years. The White House said Tuesday the bill would increase federal spending by $1 billion to $2 billion. By Wednesday afternoon, the spending bill's actual cost to the nation's taxpayers was quite clear. It would be $0.00.

The bill is dead, killed by what may be fairly regarded as a line-item veto.

We and others, notably Sen. Mack Mattingly of Georgia, have been arguing recently that investing line-item veto authority in the presidency would be the most productive, efficient and feasible way to restore rationality to the federal spending process. Sen. Mattingly now has a bill, with nearly 50 bipartisan co-sponsors, that would give the item veto a two-year trial. It is not often that a public-policy proposal receives such a clean chance to demonstrate its attributes and probable effects, but the Reagan farm veto did just that.

Though attached to an African aid bill, the farm bailout was for practical purposes a single, clearly targeted appropriation. That is what Mr. Reagan vetoed, nothing more and nothing less. Now compare this veto with the one Mr. Reagan would have been required to cast last year against the appropriation bill for "agriculture, rural development and related agencies."

There were well over 100 individual spending categories in that bill, ranging from all the various farm credit programs, food stamps and related welfare spending, on through the Food and Drug Administration. It added up to a single, $30-billion lump of federal spending. As with the other 12 multibillion-dollar appropriation bills, a president is required either to veto the whole thing or let it pass. The expansion and complexity of the federal role has made the current veto power indiscriminate and obsolete. The item veto would be precise, discriminate and effective.

The president and Congress are now spending $900 billion annually on hundreds upon hundreds of programs that few Americans know exist or rarely see. When the budget dust clears, the average voter today is very hard put to make an informed judgment about who exactly decided to spend money on what. With an item veto, the president could both take the heat for spending cuts and sharpen public debate over individual spending decisions.

Such a need was made abundantly clear this week by the activities of the Senate Budget Committee. On Tuesday the committee voted a huge cut in defense spending. And the next day they resumed fattening the domestic accounts and trading pork. Farm spending went up $6 billion. The president's plan to end a brain-dead program like rural electrification was reversed. Fritz Hollings, the great defense cutter and heretofore unknown train buff, stoutly defended the committee's decision to continue Amtrak subsidies. More aid for urban development and mass transit was whooped through. By noon yesterday, Louisiana's Sen. Bennett Johnston was mocking "this mating dance of spending cuts" and asserting the inevitablity of a tax increase. This is the status quo, and we invite opponents of the item veto to come forth and defend it.

These opponents say Capitol Hill will simply cast special-interest votes and let the president clean up the mess, encouraging political irresponsibility. But in Tuesday's House vote on the farm bailout, 65 members of the House switched their votes to oppose the bill, suggesting it's more likely that presidential leadership will tip many fence-sitters toward responsibility. Similarly, we suspect that if the item veto existed, the budget committee wouldn't be wasting its time bogged down in sludge like Amtrak.

The item veto won't make the acrimony of budget politics disappear, but it will make it more productive by forcing tough and serious political decisions. Both the president and Congress would have to work more closely to cuts deals over their priorities. In a sense, the person who holds the key to all this is Senate Majority Leader Bob Dole.

The more intense politics of the item veto would put a special burden on the congressional leadership. But we suspect Mr. Dole is precisely the person who holds the political skills needed to make the item veto work in a way that gives all players a chance to benefit. The scheduling of a debate and vote on the Mattingly bill is in Mr. Dole's hands. After a week that witnessed both a successful presidential item veto and the breakdown of the budget committee, it is clear that the Mattingly bill deserves the Senate's highest priority.

COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 11, 1985.

Letters to the Editor,
The Wall Street Journal,
New York, NY.

DEAR EDITOR: Your editorial on the line-item veto on Friday, March 8, 1985, invites opponents of the proposition "to come forth and defend" the status quo. I accept that invitation.

You suggest in your editorial that President Reagan's farm bill veto demonstrates the "attributes and probable effects" of Senator Mattingly's proposed item veto. It does no such thing.

First, the President's farm bill veto was exercised under the current veto power which you call "indiscriminate and obsolete," that is, the Constitutional power which allows the President to accept or reject a measure in its entirety. The President vetoed H.R. 1096 because of his objections to its farm credit provisions. In doing this, he also struck down the bill's provisions authorizing relief for victims of famine in Africa.

Second, you claim that the President vetoed a "single, clearly targeted appropriation." That is simply wrong. H.R. 1096 was not an appropriation bill. The farm credit provisions in that measure opposed by the President would have resulted in over $7 billion in direct spending in the current fiscal year. It is an example of spending that is not subject to the appropriations process and, as such, would have been outside the reach of Senator Mattingly's proposed item veto if it had been in place.

The item veto would not be the "precise, discriminate and effective" tool you claim it would be.

As proposed by Senator Mattingly, line-item veto authority would apply only to individual items in appropriation bills. It could not be exercised on entitlement or revenue measures. The programs funded in each of the thirteen regular appropriation bills don't represent the $900 billion you say is spent annually. Less than one-half of this spending is subject to appropriations. Therefore, less than one-half of the federal budget would be subject to a line-item veto, and a good portion of that would be for defense. I highly doubt that the present Administration, even though committed to spending restraint, would exercise this grant of power much on defense or foreign aid items. What would remain then is less than 15 percent of federal spending, the non-defense domestic discretionary appropriation items. The ability to veto these items could not render meaningful federal budget control. Indeed, they could all be eliminated entirely and the deficit would still exceed $100 billion in fiscal year 1986.

In addition, it is often argued that the case for a line-item veto is obvious based on the fact that the Governors of 43 states have used this authority effectively. Have they? It is curious to me that the February 1985 Annual Report of the President's Council of Economic Advisors points out the following: "Approval of a line-item veto may not have a substantial effect on total Federal expenditure. The experience of the States indicates that per capita spending is somewhat higher in States where the Governor has the authority for a line-item veto, even when corrected for the major conditions that affect the distribution of spending among States."

One last comment—I find preposterous your statement that "if the item veto existed, the Budget Committee wouldn't be wasting its time bogged down in sludge like Amtrak." I can't imagine the Budget Committee—or the Congress as a whole—formulating a deficit reduction plan without giving careful attention to the Administration's specific budget reduction proposals—accepting or rejecting those proposals and substituting or adding ones of its own. The existence or nonexistence of an item veto would not, and should not, alter this process.

So, let me defend the status quo.

First, the Congress has acted responsibly; it does not have to shift its responsibility over appropriations to the President. Total funds appropriated by the Congress have remained very close to the Administration's requested levels. Enacted appropriations over the past six years have been under the President's request by slightly less than one percent. Non-defense domestic discretionary appropriations—the prime target of the item veto—have actually been the only declining portion of the budget in recent

years, falling from $97.3 billion in fiscal year 1980 to $65.0 billion in fiscal year 1985 in 1972 constant dollars, or 33 percent. This does not evidence a flow of wasteful spending for "pork-barrel" items.

Second, the President already possesses "de facto" line-item veto authority. The President is in close touch with each bill as it progresses through the legislative process, making his opposition to particular items or provisions known and exercising a great deal of influence over the particulars of the bill before it is ever sent to him for signature. Last year's continuing appropriations resolution is a case in point. Water projects contained in both House and Senate versions of the measure were stripped from the bill in conference because of a threatened Presidential veto. The argument is no longer valid that the President must approve appropriation bills and swallow the good with the bad or permit the government to shut down. Short funding extensions are traditionally granted to allow time to negotiate out an acceptable appropriation measure.

Third, the President can use his current impoundment powers to delete funding for subaccount details he considers wasteful or unnecessary. The President can propose to defer or rescind funding for these items, getting to a level of detail the line-item veto can't.

The separation of powers and the balance of power are coveted principles embodied in our Constitution. The veto authority a President now possesses is a powerful tool. It can only be overturned by two-thirds of each House of Congress. To enhance a President's authority further with the addition of item veto power would enable a President to control Congress, to thwart the will of the Congress. It could be a powerful political weapon in the hands of any President.

If we are serious about reducing the federal deficit, and I am, let's not waste our time on a proposition to shift the blame for the deficit from the Congress to the President and back. Let us preserve the status quo and accept our established responsibilities.

Sincerely,

MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate.●

BOB CONRAD

● Mr. WEICKER. Mr. President, for many years the greatest source of political wisdom in the State of Connecticut has been the column of Bob Conrad in the New Britain Herald. Conrad, whose pieces appear in over a dozen papers across the State, is an institution in the State capitol in Hartford. He is loved by everyone who knows him and is respected by his readers for timely and insightful commentary on Connecticut and its politics.

Recently, Bob decided to end his day-to-day reporting for the Herald in order to concentrate on his weekly column. While we will miss his daily byline, it is reassuring to know that his words will continue to be syndicated to other newspapers. He is a journalist of the highest integrity, and I wish him the best.

So that my colleagues and others may learn more about Bob and his career, I submit for the RECORD an article by Ned Barnett in Connecticut magazine on Connecticut's "Gentleman of the Press."

The article follows:

GENTLEMAN OF THE PRESS

Bob Conrad is a good reporter—so good he could take hold of a water pipe and make it leak news.

And that's not just newspaper talk. It's true.

It happened in the early 1950s, long before Conrad rose to his current prominence as the political writer for the New Britain Herald and a syndicated columnist who appears in 14 Connecticut newspapers. When it happened, Conrad was working as a Jimmy Olsen of sorts for the weekly Southington News. He covered everything in town that required it, asked for it, or couldn't complain about it: fires and car accidents, weddings and anniversaries, the weather and the seasons.

One entity in Southington, however, tried to withdraw beyond the broad scope of Conrad's coverage. It was the Southington police board. Its members decided they would meet and conduct the public's business in private. In those days, there were no "sunshine" or freedom-of-information laws barring any such disregard for the public's right to know. But there was Bob Conrad. When the police board conducted its first private meeting at the town hall, Conrad found an empty room directly above the meeting place. In a corner of the upper room, pipes were exposed by missing floorboards. The Southington News reporter stretched himself out on the floor—his notebook and pencil at the ready—and placed his ear to one of the pipes. What came through was the sound of the private public meeting, the members' voices ringing in Conrad's ear with all the clarity and force of the First Amendment.

"I don't believe in eavesdropping," says Conrad. "But the police board was definitely out of line. What they did would be illegal today."

Illegal or not, Conrad's dry sense of humor makes it impossible for him to remember the incident without a quip: "It wasn't Watergate. It was Waterpipe." And his biggest concern wasn't what he might find out by eavesdropping, but that he would be found out. "I did it for a number of meetings, but nobody ever came into the room. I had no idea of what I was going to say if somebody found me in there lying on the floor with my head stuck to a pipe." But the police-board members never did uncover the news-leaky pipe, a situation that transformed Conrad's byline into a punch line as well. "There were only three members on the board," Conrad says. "Every time one of my stories came out quoting them—sometimes directly—they couldn't figure out which one of them was leaking."

At 64, Conrad has long since outgrown a reporting style that requires crawling around the upper floors of town halls and diving into stories headfirst. Now he gets most of his information by prowling the halls of the state Capitol, or putting his car to a phone instead of a pipe. But if Conrad has refined his methods and broadened his audience, he still has not altered the "how'd-he-know-that?" effect his reporting had on those three puzzled members of the Southington police board and the hundreds of officials and candidates he has written about since.

Among Connecticut's political journalists, it is widely conceded that Conrad has developed the most numerous and most reliable news sources in the state. This network, combined with his experience, news instincts and reputation for evenhanded reporting, have made him the one reporter in Connecticut most likely to get an important political story first *and* get it right.

A few political reporters in Connecticut can claim more "scoops" than Conrad, but their desires to be first includes a willingness to guess. Sometimes the guess will be on target and produce a coveted exclusive. But wrong guesses have been known to cause embarrassing corrections.

Speculative reporting rubs against Conrad's reverence for being accurate. Conrad expresses amazement over the performance of another political columnist who, before the election, had wrongly predicted who would be the next House speaker and the next Supreme Court chief justice. "He's 0 for 2, and the week's not even over yet." Conrad said, shaking his head a way that expressed both pity and reproach.

As it turned out, Conrad has correct hunches about who would fill each of the vacancies, but he resisted rushing into print with them. Conrad is careful; he is thorough and he does not guess in print. By way of illustrating that approach—and the dangers of deviating from it—Conrad refers back to one of his most prized predictions that Ella Grasso would be the Democrats' gubernatorial nominee in 1974. "When I published that, another reporter came up to me and said I was crazy. 'They'll never nominate a woman,' he said. I *Knew* they would. He *thought* they couldn't. You can't let your visceral feelings cloud your preception of what's going on."

Conrad's deft sense for the techniques and the principles of his craft has been developed over the course of a journalistic career he measures as 47 years. Born in Brooklyn, Conrad was raised in Rutherford, New Jersey, where he began writing as a stringer for a Newark newspaper. At Syracuse University, he majored in journalism. During World War II, he served in the Army Air Corps, a job that later landed him civilian work as a ticket clerk with Eastern Airlines in New York City. While in New York, Conrad kept his eyes open for newspaper work. He found it in 1947 when he answered an advertisement in *Editor & Publisher* magazine seeking reporters for a new weekly in Southington.

The publisher of the new weekly, the *Southington News*, was August Loeb, a former *New York Times* reporter whom Conrad credits with teaching him the basics and fine points of good journalism. With the sale of the *News* in 1962, Conrad moved to the *Hartford Times*. He worked the state desk there, with an increasing emphasis on state Capitol reporting, until the *Times* folded in 1976. After a brief interim of public relations work, Conrad says. "*The Herald* picked me up off the street, fed me, clothed me and took me in."

Judith W. Brown, *The Herald's* editor and publisher, describes Conrad's hiring a bit differently. "When we picked up Bob Conrad, we picked up a gem," Brown says. "He brings an exceptional amount of perspective to his work. Not just a historical persepctive, but a perspective on how the system works. He can look to the past and predict pretty sanely what will happen. He's unique in the state in that regard."

Brown, who helped expand Conrad's reputation by agreeing to the syndication of his column, considers Conrade himself to be big

news. "In a way," she says, "Bob has put *The Herald* on the map."

Even if *The Herald* weren't on the map, it seems likely Conrad would have found his way there. It is a newspaper that shares his old school style. Throughout the newspaper's downtown New Britain office hang large posters that depict a knickered newsboy announcing *The Herald's* centennial, celebrated in 1980. Publisher Brown is the third generation of her family to publish *The Herald.* The newspaper's managing editor, Dick Conway, has been there 50 years.

"I always had a pretty high regard for Bob, still do," says Conway, a pipe-smoking eidtor who could easily be imagined in a green eyeshade and sleeve straps. "As far as the old school goes—Bob's not old school, he's very modern—but as far as the older reporters go. Bob's the best in the State, I hope I'm not hurting anybody's feelings, but it's true."

Conway continues, "Bob's an old-line reporter. I'm not saying he's an old geezer. I'm saying he's of an old style, a guy who learned his trade very well. Even his copy tells you that; it's clean, rarely a mistake. He uses the language well and he's very fast."

For his part, Conrad refuses to be drawn into the role of elder statesman among the state's political press. He is not one to dispense bromides for what ails modern reporting, nor does he care much about discussing his own accomplishments. Asked to describe the stories he was written that have made him most proud, he says, "Well, I don't think I've got any I'm proud of. Probably a few I shuld be ashamed of, through."

No matter how he tries to puncutre the image with self-deprecating barbs, Conrad's style and reputation have made him into a Norman Rockwell version of the American reporter. He and his wife, Marian, a kindergarten teacher, have three sons. Two of the sons have followed their father into journalism; Dick is at the New Haven *Register,* and Bob is at the Manchester *Journal Inquirer.* The third son, Dave, whom Conrad describes as "my last hope of success since the first two went wrong," is manager of the Chamber Orchestra of New England.

"We were a newspaper-type family," says the younger Bob (he is not a junior) of growing up with a reporter father. "If we were out for a Sunday drive and a fire truck or an ambulance went by, more than likely we'd be going after it."

Young Bob adds that his father is so conscious of his need to be neutral in politcis, he does not even disclose his political beliefs to his family. "He has harbored his political views very closely. It was always sort of a game with us to try to figure out which candidate he was supporting. And I can't say we were ever very successful at it."

If Conrad tends to be quiet about his public beliefs and accomplishments, he is very vocal about one intensely personal event in his life: a heart attack he suffered in 1977 and the triple bypass surgery that followed in 1979. Conrad has emerged from his heart trouble as an advocate who exhorts middle-aged people not to ignore possible symptoms of heart disease. As a result of his writing and speaking on the subject, he has become the Hartford director of the American Heart Association.

While colleagues say Conrad still works as hard as ever, the writer himself thinks his brush with mortality has mellowed him a bit. "I still like to watch the girls," he says with a grin. "But I can't chase them—or the stories—the way I used to."

Conrad may not be running as hard as he once did, but he seems now to be reflecting more about what the rest of the reporters run after. In general, Conrad believes the media has come to emphasize showmanship over getting to the facts and getting them straight. For this drift from reality into entertainment, he places the blame squarely on the electronic media, particularly television.

"Television has made it necessary for politicians to present the news through press conferences. I don't see why it's necessary to have this theatrical atmosphere before something can become news," he says. "I don't believe in press conferences. They are a distortion of the news because they are situations in which the source controls what is covered."

Conrad mentions a story done in 1982 by former Norwich Bulletin reporter Bob Burton that detailed how top state Democrats had been wined and dined on Cape Cod by lobbyists. "That story has had an impact on the last two elections." Conrad says "That was news—and it sure didn't come out of a press conference."

Even if he occasionally curses the effects of electronic technology, the reporter who once worked with a pencil, paper and a water pipe isn't about to give up. Ella Grasso once told him the best way to cover politics was, "Don't try to figure it out. Just enjoy it." Conrad found Ella's advice about half right; he has just enjoyed trying to figure it out. "I think I'll keep working until I drop, get fired or get involved in some kind of lawsuit." Conrad says.●

SOVIET JEWRY

● Mr. GORTON. Mr. President, I rise today to participate in the 1985 Congressional Call to Conscience on Soviet Jewry, an effort which has been in existence since 1976 and which serves to chronicle and bring worldwide attention to the rights of Jews in the Soviet Union. I thank Senator RUDY BOSCHWITZ for his tireless effort in coordinating this year's Call to Conscience and the Union of Councils for Soviet Jews and the National Conference for Soviet Jewry for their fine work on behalf of Soviet Jews. Those oppressed people on whose behalf I speak today seek only the opportunity to worship in the way that they choose, and to emigrate to their homeland, Israel.

The crackdown in recent months on Hebrew teachers and cultural activists has not inspired hope in the Jewish communities in such cities as Moscow, Leningrad, Kiev, Odessa, and Minsk. They have been arrested and imprisoned on trumped-up charges of drug possession, ammunitions and weapons possession, and "hooliganism." One prisoner, Josef Berenshtein, a Hebrew teacher from Kiev, was so badly beaten in prison, that last week he was pronounced by medical authorities there as 99.4 percent blind. Authorities at the prison claim that he "accidently gouged out one of his eyes while peeling potatoes."

While Soviet authorities falsely claim that all those who wish to emigrate have done so, I know that there are countless Jews in the Soviet Union denied the right to be reunited with their families in the United States, Israel, and in other free countries of the world. Communication between refuseniks, those who have been denied visas, and friends and family in the West are frustrated by officially sanctioned anti-Semitism, which seeks to impede communication with those freedom loving people.

Last year only 896 Jews were permitted to leave the Soviet Union, the lowest in recent history. The Soviet Union, as a signatory to the Helsinki Final Act, has pledged that its citizens may emigrate freely. However, Soviet Jews and other minorities have been consistently denied this right. Last month, only 88 Jews were permitted to leave. If emigration continues at the present rate, this year's numbers may be lower. This spells tragedy for Soviet Jewry, as well as other persecuted minorities in the Soviet Union.

I am hopeful that statements such as this will serve as a reminder to Soviet authorities that the U.S. Congress listens to and cares about the plight of Soviet Jews. The Congressional Call to Conscience brings all of us together on an issue of vital humanitarian concern. A goodwill gesture on behalf of Soviet Jews and a significant improvement over recent past policy can only facilitate any negotiations which take place between our two countries. Mr. Gorbachev, the opportunity to open a new era of East-West cooperation is yours to grasp.●

A CHALLENGE TO WORLD BUSINESS LEADERS

● Mr. LUGAR. Mr. President, I should like to share with all of my colleagues the keynote address of Mr. Van P. Smith, chairman of the U.S. Chamber of Commerce to the sixth annual conference of the International Chamber of Commerce in Seoul, Korea, March 25, 1985. The address, entitled "Sustaining the Asian Dynamo: Lessons for Economic Growth and Business Advocacy," challenges the world's business leaders to join forces to promote an international climate to sustain economic growth and advance human progress. Mr. Smith calls attention to the successful Asian dynamic, that economic miracle which has taken place in the Asia-Pacific region since the end of World War II. Mr. Van P. Smith, chairman of the board of directors of the U.S. Chamber of Commerce, is also chairman and president of the Ontario Corp., which is headquartered in my State in Muncie, IN. I ask that the address be printed in the RECORD.

SUSTAINING THE ASIAN DYNAMO: LESSONS FOR ECONOMIC GROWTH AND BUSINESS ADVOCACY

(By Van P. Smith)

Mr. Chairman, distinguished guests, delegates, ladies and gentlemen: It is a deep honor and privilege for me to speak before such a distinguished group of world business leaders. We have come from all corners of the globe to assemble here in Seoul for this historic gathering. The goals we share and the problems we face are not limited by national borders.

Distinguished delegates, my purpose today is to extend an invitation—an invitation to all of you, to the companies and organizations which you represent—to join together in an honorable and profound burden we must all share: To advance human progress through economic, political, and social systems based on individual freedom, incentive, opportunity, and responsibility.

You may know that this is the mission the U.S. chamber has set for itself. As the world's largest, totally private, voluntary organization—composed of member firms, associations, and chambers of commerce—we are devoted to policy advocacy on a domestic and international scale. We have stood firmly in support of open trade at home, improved access abroad, lowering taxes, less government, and for the human and social potential that can only be achieved through economic growth and opportunity.

We know growth is a necessity. Without growth, development is impossible. But we have seen, in case after case, that rapid economic growth alone is insufficient for human progress.

Here in the Asia/Pacific area, we have perhaps the best example in the world of how economic growth has raised the hopes and aspirations of literally billions of people. We know that with greater economic freedom must come greater political freedom and, with it, the individual's role in defining public policy.

Our challenge as business leaders must be to view our role in society in broader terms: To become more active in creating and strengthening those policies and institutions that will permit prosperity to take place and allow the hopes and aspirations of our fellow man to be achieved.

I want to speak to you today about the Asia/Pacific model for growth, why it has worked so well, what lessons we can draw from it, and what tasks remain ahead to achieve the full benefits of our economic growth.

Today, the devastating worldwide recession is receding. We have seen positive signs in Europe, in Asia, and in much of the rest of the developing world. Our hopes for the future are on the rise. Those of us in private business—the risk takers and particularly the small entrepreneurs—can take pride in having brought about these positive signs.

Here in the Asia-Pacific area, we have seen annual GNP increases averaging between five and nine percent over the last two decades. The region has become the undisputed world growth champion. By just about any measure this performance has been extraordinary. Since 1960, the percentage of world economic output generated by east Asia has more than doubled.

How do we explain this dynamism?

There are two ways of looking at it.

Some say it has been the strong reliance on market forces. It is open competition that has sent the growth engine into high gear. They point to Hong Kong and Singapore as shining examples of how open international competition can transform a society. In these cases, the Government has generally kept out of business, and entrepreneurs have flourished. Tax rates are low, lower than in Europe or the U.S. Less money goes into government treasuries and more goes into productive investment.

Trade has also contributed. Unchained markets allocated resources and drive prices. Efficiency rises. Productivity booms. Exports capture one foreign market after another.

There is another argument, heard predominantly from industrialized countries hurt by Asian imports, including my own. This view claims that all the rhetroic about market forces just masks the reality of extensive government intervention. This reasoning holds that the successful Asian countries use all sorts of tactics to give their exports an unfair advantage in foreign markets. First, a ministry of trade targets a certain sector for growth. Next, the infant industry is fed on a government diet of outright subsidies, import relief, tax breaks, easy credit terms, and research grants. Then, the host government protects the new industry with a host of non-tariff barriers to insulate the business from overseas competition. Once the domestic market is secure, the state announces its faith in open trade and dumps its subsidized products abroad.

As usual, the truth is somewhere in between.

The successful Asian dynamic is neither one of laissez-faire economics nor one of total state control.

However, most agree that expanded trade is a dominant factor in Asian achievement. But why? Why has the power of trade in development been so dramatic in the Asia/Pacific Region?

For many countries in the region, the answer lies in the policies that have allowed market races to work. For the most part, the public sector does not dictate prices. State enterprises, once common in heavy industry, communications, shipping, and energy, are in retreat. Governments are looking for ways to turn them over to private enterpreneurs. Direct participation by governments in assuming economic risks have been relatively low. Government has acted more like a helpful cousin than a domineering father.

Many East Asian governments have also provided incentives for growth. Incentives for domestic and international investors. Incentives to help export industries tap world markets. Some of these incentives have been unfair. They have protected home markets from competition, while claiming access to foreign markets. With varying degrees of success, there is no doubt Asian governments have used credit, subsidies, taxes, labor laws, and direct pressure to move business in certain directions.

Another ingredient of Asian success has been an openness to foreign investment. The foreign corporation gains from a skilled labor force, competitive wages and growing national and regional markets. The host country receives access to foreign markets, management expertise, capital, and technology. Access to foreign technology is a principal reason Asian exporters have been able to compete so effectively in world markets—seemingly overnight.

We have also seen a relationship between government intervention and growth. A recent World Bank study of twenty-seven developing countries showed that the more the public sector distorted prices, the less growth. The Bank also found that among 20 countries those with lower taxes had faster and greater investment, productivity, employment and government services. I have mentioned Hong Kong and Singapore. A major rollback of state control over private initiative has already led to dramatic productivity increases in China's agriculture. Similar reforms in Chinese cities and in industry hold equal promise.

There are certainly other explanations for Asian dynamism: A high rate of domestic savings to finance development needs without too much borrowing; pragmatic leadership and relative political stability; sound monetary and fiscal policies which have controlled debt; and an energetic and adaptable workforce with a high value on personal industry and thrift.

While so much of the world is bullish on the opportunities presented here in Asia, there are serious threats that loom over the world trade scene.

Protectionism in industrialized markets is nowhere more potentially disastrous than to the Asia-Pacific area. The U.S. alone bought nearly $136 billion worth of goods from the Asia/Pacific area in 1984. Denied access to the markets of the developed world, the whole strategy of export-led growth would sputter. Asian resilience could sustain growth for awhile, as was the case in the early 1980's when the West was mired in recession, but growth would surely suffer.

Half of the U.S. worldwide trade deficit of $123 billion last year came from Asia. With the strong dollar and mounting frustration in the United States over certain Asian trade practices—such as unfair subsidies and denial to market access—no wonder political pressures for protection are growing. With Asia's dramatic regional growth, some American congressional leaders and business executives no longer accept the "infant industry" development argument. From the end of World War II until the middle 1970s. The U.S. did little to challenge this argument. The strategy of state-supported, export expansion behind a closed domestic market worked. It worked because much of the developed world was willing to keep its markets open despite practices which were perceived as unfair.

We in the United States are hardly blameless; we, too, have our share of protected industries. But our market remains the most open in the world. The point is that it is getting harder to keep it open. Such access, so vital to East Asian growth, cannot be sustained without our trading partners doing their share. Unless some of the more advanced Asian countries begin soon to expose their markets to foreign competition, political pressures in Washington, Paris, and Tokyo could very well lead to serious consequences.

Fortunately, last year, the automobile domestic content law was rejected by the U.S. Congress. Our chamber opposed it because it would have virtually closed American borders to imported cars. This year, there is serious talk of an import surcharge.

The international trading system itself—having served the Asia-Pacific area so well—is also under attack. Asia's economic success could not have occurred without the multilateral trade liberalization we have witnessed since 1960. Tariff rates worldwide have been reduced drastically. Many subsidy practices, non-tariff barriers and other forms of protection are now governed by international rules.

But there are new challenges ahead. We need to complete the unfinished business of

the last GATT round. Strengthened agreements to cover agricultural trade and to develop an acceptable safeguards system are essential.

An ever higher priority is the development of new rules to govern policies that restrict the flow of technology, services, and investment. Restricted access to the domestic market, blockage of currencies, government hiring quotas, lax protection of intellectual and industrial property, inconsistent regulations, and constant "renegotiation" of contract terms all discourage the new investment capital and technology Asia seeks.

The growing use of managed trade agreements or so-called orderly market arrangements and quotas is further evidence of how government, not the private sector, controls trade flows.

In short, expanded trade, free market forces, and private sector competition for growth are now in serious jeopardy. We are at a critical point in history. We could either slide more into restrictions, rigidities, and state manipulation. Or, we can build our prosperity on open competition and reciprocal market access.

The ultimate challenge is in how the hard political and economic choices are made in the capitals of our respective countries. The effectiveness of the institutions in place to represent the interests of our societies—including those of business—will determine the future of the trading system.

At this critical time, we cannot divorce our daily business decisions from policy trends that can either promote or paralyze competition. And yes, the voice of private enterprise in helping to shape such policies is too often weak. We must assume a higher profile to strengthen, develop, and coordinate that voice worldwide. Nothing short of an international upsurge in business advocacy is required.

What should be the agenda of such new activism?

First, our governments must know that we want to keep the world trading system open. This is the most obvious and the most pressing need. Business must get out from behind artificial barriers and renew our commitment to competition as the engine of growth. This is as important in Seoul or Jakarta as it is in Washington.

Second, we must call upon our governments to support a new round of multilateral trade liberalization. More effective and comprehensive international rules governing trade, investment, and services are long overdue. Rules that will allow our private sector to compete—not our governments—and that will lead to more open markets at home and abroad.

Third, we must rely on markets not governments. Societies grow because of the efforts of individuals, not because of political leaders. We must be willing to help governments understand how rules and regulations can stifle initiative and opportunity.

Fourth, as business leaders we must speak for ourselves. If we don't tell our story, no one else will or someone else will tell it wrong. For too long business has struggled with a false reputation, where we have been told that profit equals greed and initiative equals exploitation. We have heard that private enterprise may create growth, but only the state can create equity. Private enterprise can create both. It is time we combatted these stereotypes in public.

Fifth, we need to adjust to rapidly changing conditions if we are to preserve open international competition. Innovation is key. Small business is the unrecognized mainspring of growth. Most innovation and the creation of new jobs in the U.S. over the last few years has come from small companies. Since the 1981 tax cuts in my country, over 500,000 new firms have been started every year by individual risk-takers. A good many don't make it. But the winners are those best able to develop a new product or technology required by the rapidly changing market.

In Asia, thousands of small, family-run firms allow Taiwan to switch rapidly from one specialty to another. Small electronics, textile, and trading companies in Hong Kong abound and adjust quickly to shifts in world demand. As representatives of chambers of commerce and other organized business groups we must be prepared to advocate those policies that give the entrepreneur the freedom and incentives to thrive.

Finally, we need more effective business organizations. If the private enterprise view is not well organized, how can we expect our political leaders to reflect those views we hold dear? But as individual business people, no matter how well connected we might be, we can have only a limited impact. Business must develop an institutional strength. To do this, the interests of both small and large firms must be heard. We must be independent from government. We should have the financial independence to promote open and constructive debate.

This is not to suggest that we have found all the answers in the United States. Our mission is far from complete. In a recently published letter, the Catholic bishops severely underestimate the positive contributions of private enterprise in fostering equitable growth. It is disturbing and the U.S. chamber takes seriously the challenge that such a statement presents.

Of course, each of our respective business organizations must develop our own action programs tailored to our own societies. The way we pursue the goals I have outlined will vary. But there is much that we can gain from helping each other in what I believe is our common mission of advocating private enterprise solutions to public policy issues.

To advance this mission worldwide, the U.S. chamber recently created a center for international private enterprise or CIPE.

The center's overall goals are to offer a helping hand to those institutions that represent business worldwide—chambers of commerce, trade associations, and employer's federations seeking to play a more active role in society. CIPE is providing technical assistance and management training for chamber executives. It will sponsor exchanges among business leaders. And it is developing communication and educational programs to help explain the virtues of the market economy.

We can learn so much from the Asian-Pacific experience. Less prosperous countries of the world have a successful model to emulate.

It is now time for the collective voice of business represented here to become advocates of the critical ingredients of Asia's success; more open trade and investment; more open competition; and more individual initiative, and entrepreneurship and political participation. We must protect, defend, and advocate these values. Our fellow man should expect no less of us.

Thank you.●

THE EFFECTIVENESS OF BASIC SKILLS PROGRAMS

● Mr. BRADLEY. Mr. President, if our Nation's secondary schools were businesses that depended on repeat customers, many would soon go bankrupt. The proportion of students who begin, but fail to complete, high school is distressing, particularly in inner city schools. In 1983 nearly 28 percent of all 18 and 19 year olds failed to graduate from high school. The attrition rate has risen by 19 percent over the past decade. In many urban schools the dropout rate is above 50 percent. For example, in 10 of the 49 Los Angeles City high schools, more than half of the students will fail to graduate.

While those students who drop out do so for a variety of reasons, most report leaving school for academic reasons; they lack the basic skills necessary to keep up and see no hope of catching up. Rightly or wrongly, they see dropping out as preferable to the humiliation experienced in classes where their lack of basic skills makes keeping up impossible. This is clearly a tragic situation with potentially catastrophic consequences if left unaddressed.

Even those students who graduate may lack the basic skills necessary to function in an increasingly complex and demanding world. Several recent reports give us cause for concern. Results from the congressionally-mandated national assessment of educational progress suggest that the educational achievement of 17-year-olds declined in every basic skill area between 1970 and 1980. The consequences of this situation can be seen in the increasing demand for remedial courses in our colleges and universities. According to a recent study by the National Center for Education Statistics, 63 percent of the higher education institutions offering remedial instruction programs in reading, writing, and math have had remedial enrollment increases of 10 percent or more in the past 6 years. Sixteen percent of college freshmen are enrolled in remedial reading, 21 percent in remedial writing, and 25 percent in remedial math.

The situation in my State of New Jersey conforms to this pattern. In 1978 the State of New Jersey embarked on a statewide program of administering basic skills tests to all freshman entering New Jersey public colleges and unversities. The results of these tests have shown that 31 percent of these students need remedial help in reading and writing and 45 percent need similar assistance in math.

What can be done? The New Jersey State Board of Higher Education has attempted to address this problem, and results from a recent report by the New Jersey Basic Skills Council indicates these efforts are proving suc-

cessful. Students completing 2 years of remedial education in the New Jersey public colleges and universities are nearly three times more likely to achieve success in college than other students. These students perform better in their academic work and are more likely to remain in school than students who were determined not to need such assistance. The program appears to be having effects beyond simply bolstering basic skills; it seems to be providing the motivation for high-risk students to commit themselves to the demands of college work. The New Jersey Basic Skills Council is to be commended for the success of this program. Basic skills programs can and do work.

Still, I am dismayed at the thought of such a large percentage of students graduating from our high schools and entering college or the work force lacking these basic skills. Ideally, colleges and universities should not find it necessary to offer remedial courses in basic skill areas such as reading, writing, and math. Students graduating from our high schools should be prepared for college-level work. Demanding excellence from our students is part of the answer, but higher standards alone may only end up widening the educational chasm between the haves and the have nots. We must reach out to those who are on the verge of giving up and offer them a second chance to master the basic skills they need to survive in a complex and changing society.

Recently I introduced legislation designed to do exactly that—to reaffirm our commitment to equity in education without sacrificing our commitment to excellence. The Secondary School Basic Skills Act would provide a second chance to low-achieving students by authorizing the funds necessary to teach basic skills to disadvantaged secondary school students. Programs such as the one carried out by the New Jersey Basic Skills Council demonstrate that students can and will take advantage of a second chance to master these basics of education. We must now take the lead in providing States with the resources to carry out this task.●

GAO STUDY OF EMERGENCY EXPENDITURES ACT

● Mr. QUAYLE. Mr. President, I would like to draw attention to the release of the first of a series of case studies by GAO on the impact of the Emergency Expenditures Act, Public Law 98-8, which was enacted in May 1983. This report provides information on the status of projects funded by the act in seven adjacent rural counties of northeast Texas as of March 31, 1984—about 1 year after passage of the Emergency Expenditures Act. Similar reports will be issued on five other areas. Based on the six case studies and a questionnaire, GAO will issue a final report summarizing the results.

As you recall, the Emergency Expenditures Act was supposed to create jobs in response to high and increasing unemployment. In November 1982, unemployment reached a record high for the post-World War II period. The act provided emergency supplemental appropriations for a variety of purposes in order to create jobs and alleviate unemployment. Federal projects were hastened or initiated, including construction, and services provided through existing programs were expanded. The act also provided humanitarian assistance, such as emergency food and shelter.

At my request, GAO is monitoring and reporting on the implementation of the Emergency Expenditures Act.

The study focuses on title I, which made over $9 billion available to Federal departments and agencies administering 77 programs and activities. On May 10, 1984, I inserted in the RECORD data that was compiled by GAO showing the distribution of funds among the 50 States by program and Federal department or agency. At that time, I said it was too early to draw any final conclusions about the effectiveness of the Emergency Expenditures Act, but the data did raise questions about how well the funds were targeted on areas with the greatest need.

To assist us in assessing how the money is being used, GAO selected six geographic areas in which to review projects funded by the act. The areas chosen are in States that had varying unemployment rates, are rural and urban, and include different types of projects funded by the act.

Each report will include information on the projects' nature and status—completed, not completed, not started—funds awarded and expended as of March 31, 1984—about 1 year after passage of the act—number and characteristics of people employed, such as ethnic background and gender; efforts made by Federal, State, and local government officials and project managers to provide employment to unemployed persons; and benefits, other than job creation, achieved and expected.

I should note that uniform comprehensive reporting was not required by the act which creates some gaps in the data and imposes some limitations on it. Information is collected by interviewing State and local government officials and project managers, reviewing their records, and visiting projects.

On the basis of a single, seven county geographic area, we cannot draw conclusions about the effectiveness of the program on a national scale, so I will not evaluate the GAO's findings in Texas at this time. I would simply like to inform my colleagues of the status of the GAO study and commend the GAO for the outstanding work they are doing in producing the report I requested in such a thoughtful and thorough manner.●

THE SITUATION IN KABUL, AFGHANISTAN

● Mr. HUMPHREY. Mr. President, on several occasions recently I have had the opportunity to speak to this body on the tragic state of affairs in Afghanistan. No word short of genocide can be used to describe the strategy of the Soviet occupation forces in their drive to conquer this wedge of rugged land, which stands in the way of the centuries-old Russian drive to the Indian Ocean.

Having determined that rural Afghanistan is vital to the courageous bands of freedom fighters who resist this aggressive expansionism, the Soviets have literally pulverized the countryside. Bombing villages, burning crops, poisoning wells, and destroying fragile irrigation systems, the Soviets are doing whatever is necessary, sometimes doing the unthinkable, in order to depopulate regions of the country not controlled by Soviet forces. The result, as I have noted previously, has been the largest refugee migration in history, as well as rapid swelling of the population in Afghanistan's Soviet-controlled cities.

The accounts of Soviet barbarity in the countryside, of their complete disregard for human life and violation of every code of decency, are increasingly well known. But what of the cities in Afghanistan, to which the rural population is fleeing in increasing numbers? The Soviet authorities have been relatively successful in keeping a lid on coverage of the war in Afghanistan; the threat of execution on sight has effectively discouraged the international press from comprehensive reporting. In the cities, particularly the capital of Kabul, the few reporters who have been granted access have been prevented from conducting any independent investigations. Clearly, Soviet control of the cities is locktight.

This has not prevented the conduct of less orthodox investigations, however, and a recent article in the New Republic offers dramatic insight into the transformation of Afghanistan that is taking place under the aegis of Soviet advisers. The article is authored by Jeri Laber, executive director of Helsinki Watch, and Barnett Rubin, an assistant professor of political science at Yale University, both of whom have distinguished themselves as invaluable authorities on the war in Afghanistan. Entitled "The War in the City," their story is based on interviews with refugees from Kabul, including profession-

als, academics, and former government employees.

On the basis of their account, it is clear that the Soviets are not bent on merely conquering or pacifying or even absorbing the Afghan nation. Rather the Soviets have embarked on the absolute transformation of Afghan society along historical Russian/Soviet lines. Totalitarian controls lock the citizens of Kabul in a grip of terror frighteningly reminiscent of Stalin's purge of Soviet society in the thirties. Children are separated from their parents and sent off to the U.S.S.R. for a proper education; secondary schools are a recruiting ground for spies; Kabul University, run by members of the Afghan Communist Party without academic qualifications, has discarded its traditional Islamic curriculum for one based on Marxist-Leninist theory.

True to the Soviet form, the institution overseeing this transformation, as well as terrorizing the people into meek acceptance, is the KHAD, the secret police. Modeled along the lines of the KGB, the KHAD has penetrated every organ of activity in Kabul, and its network of spies keep the Karmal regime and their Soviet backers aware of every nuance of Kabul life.

Mr. President, Messrs Rubin and Laber detail this story far more effectively than I could, and I ask that their article be included in the RECORD following my statement. But let me first conclude by saying that this article reinforces the indications to the effect that the Soviets have not been held to a stalemate in Afghanistan. They are not in a no-win situation, so long as they are able, with impunity and with the tacit acquiescence of the free world, to pursue a long-term strategy designed to transform the very fabric of Afghan society into one compatible with Soviet totalitarianism.

The article follows:

THE WAR IN THE CITY

(By Jeri Laber and Barnett Rubin)

The world is slowly learning the brutal facts about the Soviet Union's war in Afghanistan. Accounts by some of the millions of Afghan villagers who have fled to Pakistan and articles by a handful of Western journalists who have illegally ventured into the country detail the bombings, the massacres, and the executions by Soviet and Afghan government troops, which have been unable to gain permanent control over rural Afghanistan. Less attention has been paid to the policies of the capital city of Kabul, where the Democratic Republic of Afghanistan and its Soviet sponsors are in control. It is there that they are creating a new Afghan society.

Information from Kabul is scarce; the few journalists who have been allowed into the city have been prevented from conducting any independent investigations. But interviews with refugees from the city—professionals, academics, former government employees, a former secret police official—reveal a good deal about Soviet intentions in Afghanistan.

Totalitarian controls have already transformed all independent institutions and destroyed all forms of civil liberty. All sources of information are directly controlled by the government. All books, newspapers, and radio and television broadcasts must conform to the official line. Criticism of the government is not allowed. Private conversations are monitored by an extensive network of spies. Meetings and gatherings must have official approval.

In their efforts to recast Afghan society, the Afghan Communists and their Soviet advisers have given top priority to the educational system. All efforts now focus on producing new leaders for a new Afghanistan. Before the Communist coup in 1978, Kabul University was one of the most independent and modern institutions in Afghanistan. Professors who had been trained all over the world taught a variety of subjects from a number of different scientific and ideological viewpoints. Classes were sexually integrated. Students belonging to various Islamic and leftist groups competed for seats in a freely elected student council.

Immediately after the coup, Soviet advisers arrived at the university and began changing the curriculum. One professor told us that this course on the history of Islamic art had been abolished and that he and other professors had unsuccessfully fought to preserve the course on the history of Islamic civilization, which had been the centerpiece of the social studies curriculum; the course was relegated to minor status. "New subjects were introduced," he told us. "For instance: dialectical materialism, history of the workers' movement, history of Russia, the Spanish language [taught by Cubans], and the Russian language."

New deans, usually young party members without academic qualifications, were appointed to direct the university's 12 departments. They received reports from informers on campus, which they used to threaten professors into teaching "scientifically, according to Marxist theory." "In each faculty, in each class, we had some stooge, some Communist spy," a former rector of Kabul University explained. "When he heard that a professor was teaching something that did not conform to the official ideology, he would sabotage the professor, protest to the secret police that this professor is antiprogressive, antinational, he is in the pay of the CIA. I tried my best to conform, but I felt that they didn't believe me." The rector eventually fled to Pakistan.

In 1982 a group of professors formed an "Organization for the Defense of Academic Freedom and Human Rights." The Afghan secret police (KHAD) soon broke up the organization and arrested a number of leading figures, including Hasan Kakar, an internationally respected historian. Professor Kakar and three others from the group are now serving prison sentences for "distributing antistate literature." A former student who was recently released from the same prison described seeing the imprisoned professors: "I saw Shukrullah Kohgaday [a history professor serving a seven-year sentence]. I saw Osman Rostar [law and political science, 12 years]. I saw Kakar [eight years]. I saw [Habib-ur-Rahman] Halah [journalism, ten years]. Osman Rostar's hair is all white, and he has lost his mind. Halah is entirely deaf from the beating. Kakar's hair is entirely white, but is still surviving."

Since the Communist coup d'état in April 1978, between 50 and 70 percent of the Kabul University faculty has been killed, imprisoned, or driven into exile. The faculty members who have replaced them often come from outside the country: according to the May 22, 1983, edition of the official Kabul newspaper, New Times, 60 percent of the Kabul University faculty is now from "Socialist countries." Materials from the Soviet bloc countries are now pervasive at the university. Every faculty has a "friendship room," decorated with pictures of Marx, Engels, and Lenin, where periodicals and other literature from the USSR, Eastern Europe, and Cuba are distributed.

The Soviets have also transformed Kabul's high schools into centers for political indoctrination. Recruitment for the government's security apparatus is done in the schools through the Democratic Organization of Afghan Youth. Many students told us of the variety of ways in which they were cajoled or intimidated into joining the organization, as it is known. They described being interrogated by members of the organization about private conversations that were apparently monitored by KHAD agents.

They described how religious instruction had been replaced by "politics" classes. "In the politics class we were talking about Sabra and Shatila in Palestine," Mohammed Gul, a former student in the Technical High School of Kabul, recalled. "One of the students said that he would rather learn about our own country, where there were hundreds of Sabras and Shatilas that no one was talking about. After the class he was arrested by two members of the organization. He was imprisoned for four months, and after four months he signed a paper saying he would no longer speak in class."

Many thousands of Afghan students are being sent to the USSR for training. According to an August 1983 announcement by the Afghan minister of higher education, 12,000 Afghan University students were then studying in the USSR, more than twice the number of students now at Kabul University. Thousands of high school and even primary school children have also been sent to the USSR. Some are forced to go against their will. Last November the Associated Press cited Western diplomatic reports that Soviet authorities in Afghanistan were sending thousands of primary school Afghan children to the Soviet Union for "at least ten years of indoctrination into Communism and the Soviet way of life." The diplomats reported that on November 5, 1984, 870 children between the ages of seven and nine departed for the Soviet Union, leaving behind weeping parents at Kabul Airport.

While Cadres of Afghan youth are being trained to take over leadership in Afghanistan, control in Kabul is currently being maintained through terrror and the omnipresent KHAD. Yves Heller, an Agence France Presse correspondent who visited Kabul in May 1983, reported that "the city is in the grip of fear, which was visible in all the Afghans we managed to meet. This fear, they said, is methodically maintained by the secret police of the Afghan regime, the KHAD, 'a veritable octopus which is continually spreading its tentacles' over the capital. . . . Stories of disappearances, arrests, spying are plentiful in Kabul, . . . where the KHAD has become not just a state within a state, but the state itself."

The KHAD has a larger budget than even the military and is directly financed by the Soviet Union. Organized in 1980 under the guidance of KGB advisers, it remains under close Soviet supervision. KHAD informers sit in virtually every office and classroom in

Kabul. A former high official of the KHAD told us in an interview in Pakistan on October 2, 1984, that the KHAD aimed to have "a spy in every family."

The KHAD enforces the new order through mass arrests and torture. Arrests are made without warrant or warning: at night in homes, by day at offices or classrooms or on the street. Arrests are based on informers' reports, accusations extracted under torture, and a variety of suspicions based on associations or family ties. Once arrested, a prisoner may disappear for months, and sometimes forever. Arrest is invariably followed by systematic interrogation by KHAD agents and Soviet "advisers," who administer tortures that appear to be carefully calibrated in length and severity according to the importance and stamina of the prisoner. Though torture is not new in Afghanistan, it is different under the Soviets. In the words of Amnesty International, "It was only after the formation of the KHAD in late 1979 that the practice [of torture] was reported to have become systematic."

The KHAD has established numerous small detention centers throughout the city where prisoners are taken for a preliminary investigation. From there they are taken to the Central Interrogation Office, located in the Sedarat Palace. Razia, a student arrested in the Kabul University library, described the variety of torture she saw in Sedarat: "Electricity, standing in cold water, keeping you from sleeping, beating, these are very normal things. They made a man stand on a board with nails coming out and beat him with chains or cables. For women, they would keep them from sleeping, or they would make them stand in cold water, then add a chemical, and after half an hour the skin would start to come off their feet. They made them stand barefoot in snow, gave them electric shocks, pulled out their hair, beat them with electric shock batons. They took one girl to a room, and they brought a man, a mujahed. Then the KHAD men molested this girl, and then they beat the man to death in front of her and left her with the body. She became deranged."

Qadratullah, a farmer whose village north of Kabul has harbored resistance fighters, was arrested and tortured by Soviet officers as well as by Afghans: "They took me to Sedarat. Then two Russians and an interpreter came. They were beating me and hitting me against the wall. For five nights they repeated the same questions. I said I didn't know anything. Then the Parchami [Afghan Party member] hit me in the stomach, and I had to lean against the wall. The Russian said to bring the wire, and the Russians connected the wires to my toes. They gave me a shock, and I fell unconscious."

Interrogation and torture are followed by incarceration in prison, where conditions are themselves a form of torture. A former student described a small cell with 48 people in it, no windows, crawling with lice, and only one pot for a toilet. In Pol-e Charkhi Prison, an immense complex holding perhaps 15,000 prisoners, the inmates declared a hunger strike in May 1982. They were protesting overcrowding in cells where prisoners could not all lie down at the same time; restrictions limiting prisoners to one five-minute visit to the toilet each day; searches; and spying by agents. In response to the hunger strike, the prison administration beat the prisoners and lengthened the sentences of some.

Those prisoners who survive may ultimately be brought before the Revolutionary Court. This court, which meets secretly in the Sedarat, invariably confirms the verdict ordered by the KHAD. Prisoners are not permitted to prepare or present a defense. Sentences frequently include the death penalty, which is usually carried out in secret. There is no appeal from the decisions of the Revolutionary Court, which, according to Syed Gharib Gharibnawaz, former chief justice of the Kabul Civil Court, is controlled by a committee of 30 Soviet advisers.

Though the people of Kabul live in fear, an underground persists. Recent reports tell of the arrest of 15 women students at Kabul University for planning to distribute "night letters" (underground pamphlets) on the fifth anniversary of the Soviet invasion. The quiet nights in the capital, where the curefew is deepened by a blackout caused by resistance attacks on the power lines, are shattered from time to time by the sounds of rocket and mortar fire directed at the Soviet Embassy or the offices of the KHAD. Professor Abdul Ahad of the agricultural faculty of Kabul University, who was arrested and tortured for refusing to join the party, tells how the sounds of resistance attacks penetrated even the walls of Pol-e Charkhi Prison, giving him and his cell mates the courage to go on.

The Soviets claim that they are bringing progress in the form of tractors and combines to the Afghan people, but this is not the modern technology that most Afghans have come to know. It is, rather, the bombers and helicopter gunships that have devastated their countryside. It is, rather, the electric shock batons that are driving them into a nightmare version of the 20th century.●

HELP FOR ORGAN DONATIONS

● Mr. GORE. Mr. President, the tragedy resulting from the current shortage of organ donors has unfortunately become too well known to all of us. Last year the Congress took an important step to solving this problem by enacting the National Organ Transplant Act, legislation that will help transform the current Medicare kidney retrieval system into an efficient nationwide network for all organ retrieval.

Today, I would like to share with you another important event in the fight to save the lives of the thousands of Americans waiting for an organ donor. Recently, the Dow Chemical Co. chose to focus its philanthropic efforts an organ donation and transplantation. This program is an outstanding example of corporate support of a very important public issue.

Last year, as a Member of the House of Representatives, I was involved in 10 days of comprehensive hearings into the many aspects of organ transplantation. These hearings formed the basis of the legislation that I introduced that is now law. During these hearings there was a great deal of discussion about the current shortage of organ donors and there were many thoughtful suggestions made about how the number of donors could be increased. There was widespread agreement that the current system under the Health Care Financing Administration was not managed well.

After many months of careful deliberations on these recommendations the Congress chose, I believe correctly, that the appropriate role for the Government would be to make certain that the organ retrieval system is as efficient as it can possibly be.

In deciding this, though, Congress also recognized that the problem was so difficult and widespread that the resources given in this bill should be viewed not as a final solution, but as a beginning. The "National Organ Transplant Act" put in place a solid framework which now needs to be filled out.

It is with this in mind, that I call to your attention today the importance of the contribution made by Dow Chemical who has recently pledged $1 million for a program of organ donor awareness. Support of public education about the need for organ donation is critical. When Congress chose to focus its efforts on improving the management of the current Government funded retrieval system, we realized we had not addressed the need for public education. Frankly, we hoped that corporate sponsors would step forward to promote organ transplantation through public education efforts. Dow has done this and I believe deserves our praise and recognition for their generous contribution.

So, Mr. President, I believe I speak for all of my colleagues in the House and the Senate, the citizens of Tennessee, as well as all Americans when I say to the Dow Chemical Co., thank you.●

S. 594 CASSIA COUNTY RELIEF BILL

● Mr. McCLURE. Mr. President, on March 6, 1985, I introduced S. 594, the Cassia County relief bill. At that time I did not ask to have it read into the RECORD.

Mr. President, at this time I ask that S. 594 be entered in it's entirety into the RECORD.

S. 594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay the County of Cassia, State of Idaho, out of any money in the Treasury not otherwise appropriated, the sum of $1,300,000 for work performed between May 1, 1984 and September 30, 1984 relating to the construction of canals to avert a flooding disaster in the county of Cassia.

SEC. 2. (a) Any payment of a claim with funds made available pursuant to the first section of this Act, shall be in full settlement of all claims by a claimant against the United States.

(b) Nothing in this Act shall be construed as an inference of liability on the part of the United States.

SEC. 3. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this subsection is a misdemeanor punishable by a fine not to exceed $1,000.●

TAX DEDUCTIONS FOR CONTRIBUTIONS TO CHARITY

● Mr. PRYOR. Mr. President, I want to take a few minutes today to speak about one of the most important provisions in the Tax Code—the ability of taxpayers to deduct contributions to charities in arriving at their taxable income. As most Members of the Senate are aware, the Treasury Department's tax reform plan would dramatically change the tax rules in this area. My purpose in speaking today is to comment on the many benefits of this part of our tax system, and to express my opposition to the particular aspects of the Treasury's plan.

I might note at the outset, Mr. President, that it seems there is a strong likelihood the changes proposed by the Treasury Department last November might be eliminated prior to the time a final bill is sent by the President to Congress. I hope this is correct, but if these provisions stay in the Treasury plan, I'm confident they will be rejected by the Congress.

Mr. President, the charitable contributions deduction is a virtual cornerstone of our tax system. The Second Revenue Act of 1917 permitted taxpayers to take a deduction for contributions to charity of not more than 15 percent of their taxable net income. Organizations qualifying for charity status at that time included religious, charitable, scientific or educational institutions, as well as the societies for the prevention of cruelty to children and animals.

Since that time, Mr. President, the changes made in the Internal Revenue Code in the area of charitable contributions have been to encourage more giving by individuals and corporations to the important work of these nonprofit organizations. In 1952, the limitation was raised from 15 percent to 20 percent, and this was increased further only 2 years later, when Congress enacted an overhaul of the entire tax system—the Internal Revenue Code of 1954.

The charitable contribution deduction was increased further in 1969. The Tax Reform Act of 1969 established a limitation of 50 percent of adjusted gross income [AGI] for individuals.

Finally, Mr. President, in the Economic Recovery Tax Act of 1981, Congress enacted a provision allowing nonitemizers to take a deduction for a certain percentage of their contributions to charity. The reason this so-called above-the-line deduction was added for nonitemizers was in recognition of the fact that many people received no tax benefit from contributions to charity because their total deductions did not exceed the zero bracket amount—$3,400 for a married couple filing a joint return, or $2,300 for an individual. The provision for nonitemizers, enacted in 1981, now allows a person to take 50 percent of their charitable contributions as a deduction. It has been phased-in over the last few years, and next year, 1986, it will be fully effective. However, under present law the provision is also scheduled to expire at the end of 1986.

Mr. President, I think the reason our tax system has historically encouraged contributions to charity is that we all know the many services they perform, and that it is a proper use of the Tax Code to provide some incentive to give. A generous charitable contribution deduction encourages private support of charities and foundations which benefit the public. Since this is the case, it reduces the need for government-funded support for the activities conducted by the charitable organizations. In the last few years, Mr. President, these organizations have had to assume more and more responsibilities, and it seems to me that it makes no sense either from a tax policy standpoint or from a social standpoint to ask them to assume more of the responsibilities, and at the same time, reduce the incentive to give.

Under the tax reform plan issued by the Department of the Treasury last November several changes were proposed in the area of the tax treatment of charitable contributions. First, no deduction for contributions to charities could be taken by the taxpayer, unless they exceeded 2 percent of adjusted gross income. If this limitation was reached then only amounts in excess of the 2 percent threshold could be deducted. Second, the provision allowing nonitemizers to take a deduction for charitable contributions would be repealed. Third, the provisions dealing with deductions for donations of appreciated property would be revised to reduce the overall deduction. Other changes are proposed, but these three are the most significant ones.

Mr. President, I am very confident that the proposal requiring a 2 percent of AGI threshold for these contributions will be soundly rejected by the Congress, if it is not deleted from the bill before it is sent to us for action. The effect of this change would be to deny most taxpayers any deduction for contributions to charity. For example, if the Treasury proposal were adopted, a family with an adjusted gross income of $25,000 would have to make contributions in excess of $500 before even $1 could be taken as a deduction for Federal income tax purposes. The effect of this, Mr. President, would be to hit lower- and middle-income taxpayers very hard.

Further, the proposed repeal of the deduction for nonitemizers would completely preclude all of those who file a short form from taking any deduction for contributions to charity.

If both of these changes are made, the effect will be that 80 percent of the taxpayers in the country will receive no tax benefit from charitable giving. The tax benefits will be restricted to the 20 percent of the taxpayers who itemize their deductions, and who give more than 2 percent of their adjusted gross income for charitable purposes annually.

According to a recent study by the Independent Sector, conducted by Prof. Charles T. Clotfelter, vice provost of Duke University, adoption of all of the recommendations made by the Treasury Department in the area of charitable contributions would result in a reduction of $11.8 billion a year in charitable giving. Different types of organizations would experience different reductions, with the estimates for religious giving dropping by 18 percent, giving for the United Way dropping by 24 percent, and giving for higher education dropping by 27 percent.

Another study, conducted for the Association of American Universities, found that these changes would cause a 28 percent drop in cash giving to charities, and an overall drop of 30 percent in charitable contributions by taxpayers who itemize their deductions.

Mr. President, the result seems fairly clear—if these changes are adopted, charitable giving will drop. This will occur at a time when our charitable groups are performing more and more services. Further, the proposed changes represent a distinct reversal of 68 years of Government policy. For all of these reasons, I am very confident these proposed tax changes in the area of charitable contributions will be rejected by Congress. I would hope, however, that the continuing deliberations by the Secretary of the Treasury and officials of this administration would result in these proposed changes being removed from the plan before it is sent to the Congress.

RULES OF THE COMMITTEE ON VETERANS' AFFAIRS

● Mr. MURKOWSKI. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires each standing, select, or special committee of the Senate, at the beginning of each session, to publish in the CONGRESSIONAL RECORD the rules the com-

mittee has adopted to govern procedures within the committee.

Thus, pursuant to that requirement, I ask that the current rules of the Committee on Veterans' Affairs be printed in the RECORD.

The rules are as follows:

RULES OF PROCEDURE OF THE COMMITTEE ON VETERANS' AFFAIRS

I. Meetings—(a) Unless otherwise ordered, the committee shall meet on the first Wednesday of each month. The chairman may, upon proper notice, call such additional meetings as he deems necessary.

(b) Except as provided in subparagraphs (b) and (d) of paragraph 5 rule XXVI of the Standing Rules of the Senate, meetings of the committee or a subcommittee shall be open to the public.

(c) The chairman of the committee or of a subcommittee, or the vice chairman in the absence of the chairman, or the ranking majority member present in the absence of the vice chairman, shall preside at all meetings.

(d) No meeting of the committee or any subcommittee shall be scheduled except by majority vote of the committee or by authorization of the chairman of the committee.

(e) The committee shall notify the office designated by the Committee on Rules and Adminsitration of the time, place, and purpose of each meeting. In the event such meeting is canceled, the committee shall immediately notify such designated office.

II. Quorums—(a) Subject to the provisions of paragraph (b), seven members of the committee and four members of a subcommittee shall constitute a quorum for the reporting or approving of any measure or matter or recommendation. Four members of the committee or a subcommittee shall constitute a quorum for purposes of transacting any other business.

(b) In order to transact any business at a committee or subcommittee meeting, at least one member of the minority shall be present. If, at any meeting, business cannot be transacted because of the absence of such a member, the matter shall lay over for a calendar day. If the presence of a minority member is not then obtained, business may be transacted by the appropriate quorum.

(c) One member shall constitute a quorum for the purpose of receiving testimony.

III. Voting—(a) Votes may be cast by proxy. A proxy may be written or oral, and may be conditioned by personal instructions. A proxy shall be valid only for the day given except that a written proxy may be valid for the period specified therein.

(b) There shall be a complete record kept of all committee action. Such record shall contain the vote cast by each member of the committee on any question on which a "yea" and "nay" vote is requested.

IV. Subcommittees—(a) No member of the committee may serve on more than two subcommittees. No member of the committee shall receive assignment to a second subcommittee until all members of the committee, in order of seniority, have chosen assignments to one subcommittee.

(b) The committee chairman and the ranking minority member shall be ex officio nonvoting members of each subcommittee of the committee.

(c) Subcommittees shall be considered de novo whenever there is a change in committee chairmanship and, in such event, subcommittee seniority shall not necessarily apply.

(d) Should a subcommittee fail to report back to the committee on any measure within a reasonable time, the chairman may withdraw the measure from such subcommittee and so notify the committee for its disposition.

V. Hearings and Hearing Procedures—(a) Except as specifically otherwise provided, the rules governing meetings shall govern hearings.

(b) At least 1 week in advance of the date of any hearing, the committee or a subcommittee shall undertake, consistent with the provisions of paragraph 4 of rule XXVI of the Standing Rules of the Senate, to make public announcement of the date, place, time, and subject matter of such hearing.

(c) The committee or a subcommittee shall require each witness who is scheduled to testify at any hearing to file 40 copies of such witness' testimony with the committee not later than 48 hours prior to the witness' scheduled appearance unless the chairman and ranking minority member determine there is good cause for failure to do so.

(d) The presiding officer at any hearing is authorized to limit the time allotted to each witness appearing before the committee or subcommittee.

VI. General—All applicable requirements of the Standing Rules of the Senate shall govern the committee and its subcommittees.

VII. Presidential Nominations—Each Presidential nominee whose nomination is subject to Senate confirmation and referred to this committee shall submit a statement of his or her background and financial interests, including the financial interests of his or her spouse and of children living in the nominee's household, on a form approved by the committee which shall be sworn to as to its completeness and accuracy. The committee form shall be in two parts—

(A) information concerning employment, education, and background of the nominee which generally relates to the position to which the individual is nominated, and which is to be made public; and

(B) information concerning financial and other background of the nominee, to be made public when the committee determines that such information bears directly on the nominee's qualifications to hold the position to which the individual is nominated.

Committee action on a nomination, including hearings or a meeting to consider a motion to recommend confirmation, shall not be initiated until at least five days after the nominee submits the form required by this rule unless the chairman, with the concurrence of the ranking minority member, waives this waiting period.

VIII. Naming of Veterans' Administration facilities—It is the policy of the committee that no Veterans' Administration facility shall be named after any individual unless—

(A) such individual is deceased and was—

(1) a veteran who was instrumental in the construction or the operation of the facility to be named.

(2) a member of the United States House of Representatives or Senate who had a direct association with such facility, or

(3) an Administrator of Veterans' Affairs, or a Secretary of Defense or of a service branch, or a military or other Federal civilian official of comparable or higher rank;

(B) each member of the Congressional delegation representing the State in which the designated facility is located has indicated in writing such member's support of the proposal to name such facility after such individual; and

(C) the pertinent State department or chapter of each Congressionally chartered veterans' organization having a national membrship of at least 500,000 has indicated in writing its support of such proposal.

IX. Amendments to the Rules—The rules of the committee may be changed, modified, amended, or suspended at any time, provided, however, that no less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose. The rules governing quorums for reporting legislative matters shall govern rules changes, modification, amendments, or suspension.●

G. RAY ARNETT UNANIMOUSLY ELECTED EXECUTIVE VICE PRESIDENT OF THE NATIONAL RIFLE ASSOCIATION

● Mr. WALLOP. Mr. President, recently the board of directors of the National Rifle Association unanimously elected G. Ray Arnett to fill the post of NRA executive vice president. Mr. Arnett's election came at the midyear board meeting after former NRA executive vice president, Harlon B. Carter announced his decision to retire as chief executive officer of this 3 million member organization.

Ray Arnett could not be a more perfect successor. He is affable, quick-witted and intelligent. His wildlife and conservation theories have earned him the title of international authority. And, he is an avid sportsman, gun owner and outdoorsman who has devoted much of his life to the conservation, preservation and enhancement of wildlife and our defense of the right to keep and bear arms.

Until Mr. Arnett's election as NRA executive vice president, he served 4 years as President Reagan's Assistant Secretary of the Interior for Fish, Wildlife and Parks. Here he was a respected and trusted voice in unison with our Nation's professional game managers. Prior to that he served for 7 years as the director of the California Department of Fish and Game. He was always striving to expand opportunities for shooting and hunting, while at the same time advancing professional game management.

For 17 years Ray Arnett served as the director of the National Wildlife Federation, two terms as president. He was one of the founders, and later board chairman, of the Wildlife Legislative Fund of America. He also has held posts with the Wilderness Leadership School, Game Conservation International, World Wilderness Congress, Californians for Recreation and Ducks Unlimited.

Mr. President, if the sum of a man is equal to the total of his experiences, Ray Arnett is the man most qualified to lead the NRA on to more legislative victories. A former NRA board member, Ray Arnett stands firm against those who would compromise

and whittle away not only our right to keep and bear arms, but also our opportunity to enjoy America's hunting heritage and hunting as a tool of game management.

Also to his advantage, Ray Arnett is no stranger to Congress. He has advised many of my colleagues, on both sides of the aisle and testified before several of our standing committees. He has become a forceful leader in shepherding programs affecting millions of our constituents in the areas of hunting, gun ownership and game practices.

Mr. President, I look forward to working with Ray Arnett in his new capacity at the NRA. Likewise, he has advised me that he is eager to hear the view of my colleagues.

I ask the Members of this body to join me in wishing G. Ray Arnett good luck and success in his new position as executive vice president of the National Rifle Association.●

ENTERPRISE ZONES IN MISSOURI

● Mr. DANFORTH. Mr. President, for the past several years the Senate has passed legislation to create Federal enterprise zones to encourage development in distressed urban and rural areas. Unfortunately, we have been unable to get the full Congress to agree to this proposal. The St. Louis Post-Dispatch recently ran an article on the success of enterprise zone laws in my own State of Missouri, and I ask that it be printed in the RECORD.

[From the St. Louis Post-Dispatch, Jan. 20, 1985]

ENTERPRISE ZONES ARE SHOWING SOME SUCCESS

(By Claudia MacLachlan)

Missouri's enterprise zones are still in their infancy, but they already have been credited with producing 1,400 new jobs and $16 million in plant and capital investments.

The zones were established by the Legislature in 1982 to provide state and local tax incentives to businesses that move into or expand in areas beset with poverty and high unemployment. An increasing number of communities across the state have taken advantage of the program; 15 zones have been designated and 10 more will probably be added in the next six months.

"Businesses are amazed when they find out that these sorts of benefits are available," says Eugene R. Kilgin, chairman of the Midtown Enterprise Zone Commission in St. Louis. The Midtown zone was one of the first enterprise zones in the state and encompasses a 170-block area bounded roughly by Kingshighway, Lindell Boulevard and Jefferson and Shaw avenues. The area was and still is, struggling to fill the vacant buildings left behind by companies and residents who fled to the suburbs in the 1960s and 1970s.

Since its establishment in September 1983, the Midtown zone has attracted two sizeable employers—Engineered Air Systems Inc. and Vulcan Manufacturing Company Inc. Engineered, a manufacturer of military equipment and air filters, has 79 people working at its plant at 1210 South Spring Avenue. Vulcan has hired 52 people to work in its metal fabricating plant at Market Street and Prospect Avenue.

Mike Shanahan, president of Engineered, said the enterprise zone designation was the reason his company located in Midtown. "In our case we could not have expanded without it," he said.

Engineered is using the Midtown plant to train entry-level workers who eventually can be promoted to the company's main plant in Olivette. "We have moved 35 to 40 employees to Olivette since we opened," said Shanahan.

By training workers who live in the enterprise zone, Engineered Air gets tax credits of up to $1,200 per worker. That is in addition to the $400 state tax credit it gets for each job it adds. Other incentives include abatement of local property taxes for building improvements plus state tax credits for investing in an enterprise zone.

But Shanahan, along with other businessmen, say that enterprise zones alone are not enough to entice most companies to relocate. "I'm not sure anyone would pick that lcoation (Midtown) strictly because of an enterprise zone. I don't think they would," said Shanahan. Engineered moved in because the company wanted to expand but could not afford a major capital outlay.

Jim Hagale, owner of Hagale Industries, said he opened a clothing manufacturing plant in Salem's enterprise zone because of the labor supply, not because of the enterprise zone designation.

"The labor market was very attractive in terms of the work ethic," Hagale said. "We have nine other plants in Missouri and we like the south-central area. The enterprise zone is helpful but it was not a major criteria."

Hagale Industries moved to Salem last August when unemployment in that city and surrounding Dent County was hovering between 18 and 20 percent. In the last two years, Salem has seen two major employers pull out, leaving hundreds of people without jobs.

Hagale has hired 90 people to work in a building once occupied by International Shoe Co. At its peak in 1980, International Shoe had employed nearly 600 people.

Sherman R. Odom, president of the Dent County Industrial Development Authority, said that the International Shoe shutdown last April was the final straw for local officials. The enterprise zone was established in July.

"There are two or three things that industries look for when they move to small towns," said Odom. "They want a labor force with the old Christian work ethic, they want low-cost buildings and they want a promising economic climate, and part of that is the enterprise zone."

Odom said one other employer that committed itself to Salem's interprise zone and two or three others were talking with city and county officials. "The zone is just another perk you can offer to lure than in," he said.

In Macon, Mo., about 60 miles west of Hannibal, local officials say their enterprise zone turned the economy around and saved the Banquet Food plant there. Last month, Banquet opened a multi-million dollar addition to its existing plant.

"We have moved in lock-step with agriculture here for generations," said Jack Briggs, director of the Macon County Eocnomic Development Office. "In 1982 we made a big effort to attract industry."

Unemployment in Macon has dropped to about 6 percent from the 22 percent it hit in 1982 and 1983. Briggs said a variety of businesses were responsible for the job gains: the Toastmaster plant has expanded, a Wal-Mart store and a McDonald's restaurant are under construction, and Hyde Industries, a manufacturer of fiberglass products, plans to build a plant in town.

Not all of the boom is due to the enterprise zone, says Briggs. For example, Toastmaster probably would have expanded anyway. But Briggs said it was a handy tool when combined with state and federal grants. Macon got money from both sources to build a new waste treatment plant that enabled Banquet to expand.

"This is the most growth we have ever had in Macon County history and for an agricultural county, that's amazing," said Briggs.

Robert Simonds, coordinator for the state's Enterprise Zone Program, says he expects 10 more zones to be added in the next six months. Among the cities that have applied for zone status are Kansas City, Hannibal, Farmington, Bowling Green and Sikeston.

"We have been cautious in the way we have designated them to date," says Simonds. "We also are looking for areas that are trying to do something." Missouri has about 50 areas that would qualify for zone status, Simonds said, but the state has set a cap of 25. Illinois had a similar cap of 24, which the legislature increased to 48 last year. Kansas has 60 zones, and Arkansas has an astounding 660 areas designated as enterprise zones.

"We have to watch our neighboring competition," said Simonds. "It seems to be taking hold very well across the state. I think the long-range success will lie in marketing and in support services such as fire and police protection.●

AFGHANISTAN DAY

● Mr. D'AMATO. Mr. President, I rise today to reflect on the recently passed Senate Joint Resolution 91, which declared March 21, 1985, as Afghanistan Day. I commend the senior Senator from New Hampshire for introducing this resolution and for creating the Congressional Task Force on Afghanistan, of which I am proudly a member.

Over the past several weeks, this task force has listened to witnesses testify about the horrifying conditions facing Afghans today. During the second hearing, on March 4, 1985, several photographs taken in Afghanistan were distributed to members of the task force by physicians from the Medicins Sans Frontieres, a French medical group which is the only group of Western physicians currently operating in Afghanistan. These photographs depict the present situation in Afghanistan all too well.

These simple snapshots show the deadly results of indiscriminate Soviet bombings of whole villages, including crowded hospitals. Doctors from Medicins Sans Frontieres told the task force that no fewer than eight such hospitals in Afghanistan have been destroyed in this manner. Other pictures

showed the conscious, deliberate effort by Moscow to starve the Afghan people either out of their country, or to death. The Soviet atrocities caught on film, and the thousands more that go unreported, have forced 4.5 million Afghans out of their nation.

The situation continues to deteriorate in Afghanistan. In their sixth year of siege, over 115,000 Soviet solders are stationed in Afghanistan. Another 35,000 to 40,000 are readily available on the Soviet side of the border. There is strong evidence that Soviet troops and the Afghan proxies have used lethal chemicals and toxin weapons in their efforts to subjugate the population. In total, these efforts of Soviet expansionism have cost a half million Afghan lives.

I sincerely believe the United States can, and must, do more for the people of Afghanistan. The freedom loving Afghans deserve our strong support. My concern for the fighters for Afghan freedom compelled me to introduce Senate Resolution 34, which urges the President to supply the Afghan freedom fighters with all needed medical, military, and food assistance.

The Mujahidin, of Afghan freedom fighters, remain undaunted by Soviet efforts to mount major offensives and continue to thwart the Soviet military and deny them control of this strategic nation. In fact, the Soviet army, despite the commitment of massive resources, only controls 10 percent of the land area of this nation. For this control, the Soviet army has paid dearly. The Mujahidin have killed up to 9,000 Soviet troops, and caused 25,000 casualties. It is evident that the quick annexation the U.S.S.R. had hoped for has turned into a military, economic, and political debacle.

We must stand in solidarity with the freedom fighters and the people of Afghanistan. We must show that we are as committed as they to their fight for freedom. Afghanistan Day, the mark of the new year in Afghanistan, can be seen as the beginning of a year of renewed hope when the situation will improve and the fight for freedom will be won.

Thank you, Mr. President.●

BYELORUSSIAN INDEPENDENCE DAY

● Mr. BRADLEY. Mr. President, I am honored to join with many of my colleagues in the U.S. Senate to pay tribute to the nearly 1 million American citizens of Byelorussian descent. Today we pause to remember the 67th anniversary of the declaration of independence of the Byelorussian Democratic Republic. On this day of celebration, I applaud the people of Byelorussia in their struggle for freedom, human dignity, and national independence.

The Byelorussian Democratic Republic declared independence from Russia on March 25, 1918. On January 1, 1919, the Bolshevik government created its own puppet state, the Byelorussian Soviet Socialist Republic [B.S.S.R.], and began a war against the independent Byelorussian Democratic Republic. In 1921, independent Byelorussia was conquered and divided between the Soviet Union and Poland. Although Byelorussian sovereignty was short lived, the Byelorussian people have not lost their love of freedom and the pride in their separate identity.

Under Soviet rule drastic actions were taken to eradicate the Byelorussian language, cultural values, artistic traditions and religious freedom. Russian colonizers flooded Byelorussia, usurped ruling positions and degraded the resident Byelorussians to second-class citizens. Agriculture and industry were nationalized by force and thousands of citizens were sent to the prisons and concentration camps of Siberia. Books, magazines and newspapers with Byelorussian content were destroyed and with a few token exceptions the Byelorussian language was replaced by the Russian language in government, schools and publications. In an attempt to further extinguish Byelorussian culture, historic monuments and churches were destroyed.

This year Byelorussians worldwide will be celebrating the 500th anniversary of the birth of Dr. Francisak Skaryna, who was the first translator and publisher of the Bible in the Byelorussian language. As we stand here today, proud Byelorussians in the capital city of Minsk are celebrating the accomplishments of Dr. Skaryna under a system which has barred the republication of Skaryna's historic translation of the Bible. To these citizens the fruits of Skaryna's accomplishment are virtually unavailable.

Despite the attempts of the Soviet Union to dominate the Byelorussian people, their national spirit thrives. They are a people who are not willing to submit to their powerful adversary. We, as a nation, must not forget our struggle for freedom, and on this day of recognition, let us rededicate ourselves to the cause of freedom as we support those who are speaking out against oppression. I join my colleagues in praising the spirit of the Byelorussian people and in deploring human rights violations inflicted on these courageous people in their quest for freedom and dignity.●

GAO REPORT ON DOD'S RESOURCES MANAGEMENT PUBLIC AFFAIRS PLAN

● Mr. NUNN. Mr. President, last fall in the heat of the Presidential campaign, Common Cause released two internal Defense Department memorandums written by two high-ranking Defense officials.

One of these memorandums, dated July 24, 1984, was written by Russell Rourke, the Assistant Secretary of Defense for Legislative Affairs, to the then Under Secretary of Defense for Research and Engineering, Dr. Richard Delauer. The memorandum notes, and I quote:

> The Senate Armed Services Committee is concerned over the press this weekend concerning the Department's program for disposal of spare parts. This, coupled with the press we received on prices paid for selected spare parts, i.e., claw hammer, stool cap, allen wrench, if gone unchecked, will definitely be a key campaign issue. The opposition will cite these examples and portray the Department as having serious management problems.

The memo goes on to say that the committee would like certain information for use in rebutting these press stories.

As the ranking Democrat on the Armed Services Committee, I had no knowledge of nor participated in any request of this nature. Nor did I see any of the material apparently requested on behalf of the committee.

The second memorandum, dated August 31, 1984, was from Kathleen Troia, the principal Deputy Assistant Secretary of Defense for Public Affairs. The memo outlined a defense resources management public affairs plan which had been approved by the Secretary of Defense and which was designed, in the words of the memo, "to enhance media and public understanding and support for the Department's management improvement program."

This public affairs campaign involved a number of speeches, news conferences, and other public events which terminated, according to the memos, 3 days before the November Presidential election. One of the first events featured in this program was a press conference by the DOD inspector general, Mr. Joe Sherick.

When the DOD memos were made public, Senator BINGAMAN and I expressed concern on the Senate floor about the propriety of using Government employees in what appeared to be an essentially partisan political public relations campaign during a Presidential election. Senator BINGAMAN and I were particularly concerned that the participation of the DOD inspector general in this campaign gave at least the appearance of compromising the independence and integrity of the inspector general within DOD.

Mr. President, I think GAO's observations about the participation of the inspector general in DOD's fall public relations campaign are worth quoting in full:

> By participating in press conferences that were held within weeks of the national election, the Inspector General created the per-

ception in the minds of some observers of being involved in partisan political activity and compromising his independence. The Inspector General told us that he freely participated in the program and his prepared remarks were not subject to review before the press briefing. Moreover the press conferences were nonpartisan statements of facts that had previously been published in the newspapers or in the Inspector General's semi-annual reports to the Congress. The Inspector General also stated that he is aware of the importance of his independence and would in no way consciously allow it to be compromised. The Inspector General regrets that the timing of his press conferences gave some the perception of political involvement on his part, and had provided assurances that he will be even more sensitive to the possibility of such a perception in the future.

The "assurances" that GAO refers to by Mr. Joe Sherick, the DOD IG, that he would be more sensitive in the future to possible perceptions of political involvement on his part were actually made in a letter which Mr. Sherick sent to me last fall. Mr. Sherick apparently asked GAO to include this letter in their report; it can be found on the last two pages of the GAO report.

Mr. President, by all accounts Mr. Sherick has done an outstanding job as inspector general of the Defense Department. I accept Mr. Sherick's assurances that he will be more sensitive in the future to public perceptions about his involvement in political activities. I hope this GAO report underscores both for Mr. Sherick and for his superiors in the Defense Department the importance which the Congress places on the independence and integrity of the office of inspector general within the Department of Defense.

Accordingly, I asked GAO to review the propriety of using Government employees in what appeared to be partisan political activity. I specifically asked GAO to review whether the participation in this program by the DOD inspector general violated any applicable law or regulation.

GAO recently concluded their report, which I am releasing today. I ask unanimous consent that this GAO report be printed in the RECORD in full at the conclusion of my remarks.

Based on their examination of the available speeches and transcripts of the Defense Department's public relations campaign, GAO concluded that:

There were no activities warranting a referral to the Office of Special Counsel of the Merit Systems Protection Board as possible violations of the Hatch Act.

There was no evidence that DOD personnel violated the Federal Elections Campaign Act, the laws pertaining to the expenditures of Federal funds, or the antipublicity prohibitions of the DOD annual appropriations acts.

There was no evidence that the participation of the inspector general in the Public Affairs Program violated the Inspector General Act of 1978 as amended.

One of the specific questions I asked GAO was how many DOD personnel were involved in this public relations plan and what was the total cost of the efforts associated with this plan. According to GAO:

No system was put in place by DOD to identify all of the activities undertaken because of the plan, and we were therefore unable to determine the full extent of the activities and their associated costs.

I was surprised, and frankly somewhat incredulous, that the Defense Department did not maintain records of the manner in which this plan was carried out. It seems to me that sound management practices would have required progress reports on how this comprehensive public relations campaign approved by the Secretary of Defense was actually being implemented in order to determine whether the effort was effective or not. Of course, it is conceivable that senior DOD officials realized at the time that GAO or Congress could have used such reports to determine the extent and costs of this public relations plan.

The report follows:

[By the U.S. General Accounting Office—Report to the Honorable Sam Nunn, Ranking Minority Member, Committee on Armed Services, United States Senate]

ANALYSIS OF THE IMPLEMENTATION OF DOD'S RESOURCES MANAGEMENT PUBLIC AFFAIRS PLAN

GAO analyzed activities conducted in support of DOD's Resources Management Public Affairs Plan to determine its extent, and whether DOD personnel violated any laws or regulations in implementing the plan.

No system was put in place by DOD to identify all of the activities undertaken as a result of the plan and GAO was therefore unable to determine the full extent of activities and their associated costs. GAO was able to identify certain activities associated with the plan. Based on an examination of available speeches and transcripts, GAO did not find any

activities warranting a referral to the Office of Special Counsel of the Merit Systems Protection Board as possible violations of the Hatch Act,

evidence that DOD personnel violated applicable laws or regulations, and

evidence that the participation of the Inspector General violated the Inspector General Act of 1978 as amended.

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC.

B-217511.

Hon. SAM NUNN,
Ranking Minority Member, Committee on Armed Services, U.S. Senate.

DEAR SENATOR NUNN: In your letter dated October 5, 1984, you asked us to examine the Public Affairs Plan being implemented by the Department of Defense (DOD) which appeared to you to have political overtones. This plan was designed to enhance media and public understanding and support for DOD's management improvement program.

You asked us to determine the extent, nature, and cost of the activities being conducted in support of this plan, and whether DOD personnel, and the Inspector General in particular, in carrying out the activities associated with the plan were violating any laws or regulations. The following paragraph summarizes the results of our review. Appendix I discusses the results in detail.

No system was put in place by DOD to identify all of the activities undertaken because of the plan, and we were therefore unable to determine the full extent of the activities and their associated costs. We were able, however, to identify certain activities—speeches and press briefings by top DOD officials—associated with the plan. Based on our examination of the available speeches and transcripts, we did not find any

activities warranting a referral to the Office of Special Counsel of the Merit Systems Protection Board as possible violations of the Hatch Act;

evidence that DOD personnel violated the Federal Elections Campaign Act, the laws pertaining to the expenditure of federal funds (31 U.S.C. 1301), or the antipublicity prohibitions of DOD's annual appropriations acts; and

evidence that the participation of the Inspector General in the Public Affairs Program violated the Inspector General Act of 1978 as amended.

The Inspector General Act as amended created Inspectors General in major federal agencies as "independent and objective units." In the Act, the Congress tried to balance this independence with the needs of management. The Act contains several provisions which are designed to insure that this independence is maintained, while at the same time it is clear that an Inspector General was not intended to be completely independent of the agency head.

By participating in press conferences that were held within weeks of the national election, the Inspector General created the perception in the minds of some observers of being involved in partisan political activity and compromising his independence. The Inspector General told us that he freely participated in the program and his prepared remarks were not subject to review before the press briefing. Moreover, the press conferences were nonpartisan statements of facts that had previously been published in the newspapers or in the Inspector General's semiannual reports to the Congress. The Inspector General also stated that he is aware of the importance of his independence and would in no way consciously allow it to be compromised. The Inspector General regrets that the timing of his press conferences gave some the perception of political involvement on his part, and has provided assurances that he will be even more sensitive to the possibility of such a perception in the future.

We did not obtain official written agency comments on this report. We did, however, discuss its contents with agency officials before issuing this report and their comments were taken into account before finalizing this report. As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of the report. At that time we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,

BILL W. THURMAN,
(For Frank C. Conahan, Director).

[Appendix I]

RESULTS OF OUR EXAMINATION IN RESPONSE TO SENATOR NUNN'S REQUEST DATED OCTOBER 5, 1984

In a letter dated October 5, 1984, Senator Nunn asked us to examine the Public Affairs Program being conducted by DOD which appeared to him to have political overtones. He provided two memorandums to us. (See app. II.) One memorandum, dated July 24, 1984, was sent by the Assistant Secretary of Defense for Legislative Affairs to other DOD units. The second memorandum, dated August 31, 1984, was signed by the Principal Deputy Assistant Secretary of Defense for Public Affairs.

The July memorandum was written in response to a verbal request for information from three members of the Senate Armed Services Committee. According to the memorandum, these Senators were concerned over what they considered were unfair reports in the press concerning the disposal of spare parts and the prices paid for selected spare parts. They wanted to issue a statement that the items being reported by the press were anomalies which were uncovered by the sound management practices introduced during this administration. To prepare such a statement they needed information such as the number of fraud convictions, the decline in number of shipbuilding claims, the number of audits conducted, and the number of contracts awarded on a competitive basis. The July memorandum sought to obtain this information.

The August memorandum was more detailed. It stated that the Secretary of Defense had approved a Public Affairs Plan to "enhance media and public understanding of and support for the Department's management improvement program." Attached to the memorandum were listings of scheduled and unscheduled activities from the period September 5 through November 3, 1984. The first two scheduled activities involved planning meetings. The Secretary of Defense's speech on September 18 initiated the Public Affairs Plan implementation. The attachment stated that the Public Affairs Plan was designed to publicize the accomplishments of DOD in the area of procurement and resource management. The scheduled activities included, among other things, speeches by the Secretary of Defense and the Deputy Secretary of Defense, as well as a press briefing by the DOD Inspector General.

Senator Nunn asked us to determine whether the Public Affairs Plan violated any laws or regulations. Specifically, we were asked to address the following questions:

What is the nature and extent of this program? How many personnel are involved and what is the cost? Is there more to it than is disclosed by the August 31 memorandum from the Principal Deputy Assistant Secretary of Defense for Public Affairs?

Does the participation of the DOD Inspector General violate any applicable laws or regulations?

Does the participation of the other DOD personnel, both military and civilian, violate any applicable laws or regulations?

Are any public monies being spent in violation of applicable laws or regulations?

NATURE AND EXTENT OF ACTIVITIES ASSOCIATED WITH MEMORANDUMS

Although a relationship between the July 24 and the August 31 memorandums might be drawn, we could find no evidence linking them. For this reason, we addressed them separately.

Memorandum requesting information for selected members of the Senate Armed Services Committee.

The Assistant Secretary of Defense for Legislative Affairs memorandum of July 24 was in response to a request from three members of the Senate Armed Services Committee. In discussing this particular memorandum with the Assistant Secretary and Principal Deputy, we were told that the Office of Legislative Affairs does not have any records identifying who specifically initiated the request, what information was provided, or to whom the information was provided. Through other sources, we identified the information collected in response to the request. This included information such as the level of audit activity, number of auditors assigned, and number of fixed-price contracts awarded.

Our review of the activities associated with this memorandum did not identify any link with the August 31 memorandum. Different units within the Office of the Secretary of Defense (OSD) wrote each memorandum, and the principals involved in developing the Public Affairs Plan told us they had no knowledge of the memorandum signed by the Assistant Secretary for Legislative Affairs. Providing information about DOD activities to congressional committee members is a legitimate government activity, and we did not find any evidence that the activities associated with this memorandum violated any laws or regulations.

Public affairs plan—memorandum dated August 31, 1984

The August 31, 1984, memorandum stated that phase I of the 8-week plan, that is, the Public Affairs Plan, was to start on September 18 with a speech by the Secretary of Defense. The plan was intended to enhance media and public understanding of and support for DOD's management improvement program. Also, according to the schedule that was attached to the memorandum, phase I was to conclude with a speech by the Secretary on November 3. We were told, however, that the November 3 date was incorrect. The sponsoring organization—the International Management and Development Institute—told us that the scheduled date had always been November 13. In any event, the Secretary delivered the speech on November 13 which was 8 weeks after the Secretary's speech on September 18 in which he initiated the implementation of the plan.

We were told that the Public Affairs Plan is a continuing effort and were provided a copy of an updated plan entitled *Resource Management Public Affairs Plan Update*, showing activities completed as well as activities planned through mid-December 1984. The updated plan dated October 1, 1984, indicated the plan would be continued after the first of the year.

In addition to scheduled activities, the Public Affairs Plan noted other situations where opportunities might exist for DOD to highlight its accomplishments or to report on the positive results of its initiatives. In addition to speeches and press releases, it was suggested that (1) local commanders be prepared to discuss ways in which resource management improvements have helped them, (2) opportunities might exist to recognize, through awards, contributions of installation personnel associated with resource management improvements, and (3) an active letter-to-the-editor program contesting attacks on DOD management procedures would be appropriate. In this regard, the Resource Management Public Affairs Plan is very similar to another Public Affairs Plan dealing with the defense property disposal issue. This plan, dated July 19, 1984, was designed to educate the press and public on DOD accomplishments in much the same manner as the Resource Management Plan.

We were told that the Public Affairs Plan was intended to provide guidance to others within OSD and the military services. The memorandum was distributed to inform others within DOD such as the Offices of the Inspector General and the Comptroller of what was planned and to enlist their support in meeting the plan's objectives. However, the Public Affairs Office did not establish a formal system for recording what had actually been done.

Since no system existed for recording what had been done under the plan, it is not possible to define the full extent of the Public Affairs Plan implementation. This, in turn, precludes us from developing meaningful estimates concerning the numbers of individuals actually involved and the costs associated with developing and implementing the plan.

We were, however, able to identify the activities of senior DOD officials and analyze the subject matter associated with these activities. During the period September 18 through November 3, 1984 (the period initially identified in the August 31 memorandum), senior DOD officials made speeches, addressed organizations, and held press briefings. The following table summarizes the level of activity.

Offices	Number of—	
	Speeches	Press briefings
Secretary	13	
Deputy Secretary	9	
Assistant Secretary (MI&L) [1]	13	2
Under Secretary (R&E) [2]	6	
Inspector general		2
Total	41	4

[1] Includes Assistant Secretary and Principal Deputy.
[2] Includes Under Secretary and Principal Deputy.

The speeches included addresses before such groups as the American Newspaper Publishers Association, the North Texas Chambers of Commerce, and the DOD Maintenance Depot Commanders Conference. Appendix III contains a listing of these events. Although all of these events were not specifically identified in the August 31 memorandum, based on our analyses of the documents associated with them, we believe the subject matter and theme of the speeches and briefings are consistent with the Public Affairs Plan. The results of our analyses of possible violations of laws and regulations follow.

WE DID NOT FIND ANY EVIDENCE THAT DOD PERSONNEL VIOLATED LAWS OR REGULATIONS

We examined the activities related to the above mentioned speeches and briefings in light of existing laws and regulations that generally deal with these types of activities. This primarily consists of the requirements of five laws and their implementing regulations. These are the Hatch Act, the Federal Elections Campaign Act, the laws pertaining to the expenditures of funds (31 U.S.C. 1301), the antipublicity prohibitions of DOD's annual appropriations acts, and the Inspector General Act. We discuss the ac-

tivities of the Inspector General in greater detail beginning on page 10.

No evidence of Hatch Act violations

Before addressing the specific question of whether the DOD officials involved violated the Hatch Act because of their participation in the subject program, it is important to point out that the statutory responsibility and authority for investigating and prosecuting apparent violations rests with the Office of Special Counsel of the Merit Systems Protection Board. The Board itself determines whether the Act is violated. Nevertheless, to be responsive to the Senator's request, we reviewed the subject speeches and press briefings for which the documentation was available for the limited purpose of detecting possible violations of the Hatch Act, which should be referred to the Office of Special Counsel.

We reviewed copies of the various speeches and press briefings that were given during the time frame of the Public Affairs Plan. Although the speeches and briefings dealt mostly with DOD's accomplishments and other continuing efforts in the subject area, in certain instances there were passing references to the accomplishments of the current administration. For example, in a speech on October 23, 1984, the Deputy Secretary of Defense stated that:

"1980 saw a clear mandate for this administration to arrest the trends of the 70's, to reverse the decade's neglect of our military, and restore America's position of leadership in the world.

* * * * *

"In the past few months, a great deal of rhetoric has been expended on the question of how well we are fulfilling our mandate. On occasion we have even been told we are less well prepared to respond to our defense requirement. What are the facts? The plain truth is that American defense capabilities have improved significantly over the past four years. We have once again made it necessary for any potential aggressor to weigh very carefully the consequences of any actions that would endanger the peace. As President Reagan said in his State Of The Union Address this past January, 'America Is Safer, More Secure Today.' For that, everyone in this room can share credit."

The Hatch Act prohibits a federal employee from (1) using official authority or influence to interfere with or affect the result of an election or (2) taking an active part in political management or in political campaigns.

With respect to the first prohibition, our discussions with the Office of Special Counsel of the Merit Systems Protection Board confirmed that the prohibition has long been interpreted as applying to the use by an employee of an official position to directly influence or coerce subordinates to assist in or otherwise advance the election of a particular candidate (e.g., pressuring employees to make contributions or to solicit contributions from others). Based on our analyses of the available documentation, we do not believe that any statements made by DOD officials in these speeches and addresses were intended to influence or coerce individuals in such a manner.

Turning to the second prohibition, certain government officials are specifically exempted from this prohibition, including:

"(2) the head or the assistant head of an executive department or military department;

"(3) an employee appointed by the President, by and with the advice and consent of the Senate, who determines policies to be pursued by the United States in its relations with foreign powers or in the nationwide administration of Federal laws";

Thus, it appears that several of the principal DOD officials who participated in the subject program, such as the Secretary of Defense, the Deputy Secretary of Defense, and the Assistant Secretaries of Defense for Public Affairs and Legislative Affairs, are exempted from the second prohibitions.[1] Other individuals, such as the Inspector General and the Principal Deputy Assistant Secretary of Defense for Public Affairs, are not so exempted.

Regulations implementing the second prohibition identify specific types of activities that a nonexempt federal employee is prohibited from participating in, several of which might apply in this situation.[2]

"(5) Taking an active part in managing the political campaign of a candidate for public office in a partisan election or a candidate for political party office;

* * * * *

"(7) Soliciting votes in support of or in opposition to a candidate for public office in a partisan election or a candidate for political party office;

* * * * *

"(10) Endorsing or opposing a candidate for public office in a partisan election or a candidate for political party office in a political advertisement, a broadcast, campaign, literature, or similar material;

* * * * *

"(12) Addressing a convention, caucus rally, or similar gathering of a political party in support of or in opposition to a partisan candidate for public office or political party office;"

These prohibitions could apply to material contained in a speech or an address. However, we found no reported cases of the Merit Systems Protection Board dealing with an alleged violation of the Hatch Act based on a speech or other presentation given by a government official. Most of the Board's cases have dealt with an employee being a candidate in a partisan election or holding a formal position in a political party. However, based on older decisions rendered by the former Civil Service Commission, together with informal discussions with the Office of Special Counsel, it appears that a government official's speech could violate the Hatch Act if the official explicitly identified a political candidate in a highly positive or highly negative manner, particularly if the official urges the individual present to vote for or against that candidate.

Although the DOD Resource Management Public Affairs Plan was carried out shortly before the election, its stated purpose was to inform the press and the American public and DOD employees (see app. III) on the acquisition process and the steps DOD has taken to reduce and eliminate waste, fraud, and abuse within DOD. Consistent with the program's stated purpose, the speeches and briefings dealt mostly with DOD's accomplishments and other continuing efforts in such areas as major acquisitions, spare parts procurement, inventory management, and quality production. Nowhere in these speeches and briefings are there any statements urging individuals to reelect the President; nor are there any derogatory statements concerning Democratic candidates. We recognize that in certain instances passing references to the accomplishments of the current administration existed, but in our judgment, these statements cannot reasonably be characterized as being so political in nature as to warrant a referral to the Office of Special Counsel as possible violations of the Hatch Act.

Federal Elections Campaign Act does not apply

The Federal Election Campaign Act, as amended, deals with a wide range of activities that occur during a federal election campaign that may directly or indirectly benefit a particular candidate.[3] This legislation, among other things, establishes public reporting requirements, expenditure limitations, and contribution limitations.[4]

As previously stated, the speeches and briefings dealt primarily with DOD's accomplishments and continuing efforts in the procurement and property management areas. At times, references were made to the accomplishments of the current administration.

Under the Federal Elections Campaign Act, the activities of federal officials during an election campaign that may incidentally benefit the incumbent administration, are not treated as either campaign contributions or expenditures. In the 1979 amendments to that Act, the Congress, in effect excluded such activities by changing the definitions of "person," "expenditure," and "contribution" to specifically exclude the federal government and expenditures of federal funds.[5] Thus, that Act does not apply to the DOD officials' activities in question.

No authoritative criteria for judging use of appropriated funds

Agencies may use appropriated funds only for the purpose for which they were appropriated[6] and such funds were not available to DOD for political or partisan purposes. The question raised by the request was whether travel, speechmaking, and public appearances by senior level officials, and other personnel actions that may take place during a presidential campaign and may directly or indirectly benefit a particular candidate constitute an improper use of appropriated funds.

This question has been raised by members of both major political parties on various occasions incident to a presidential campaign. The question poses the very difficult problem of distinguishing between permissible official activities for which appropriated funds are available and other activities that are similar in nature but are for purely political or partisan purposes.[7] The problem becomes particularly troublesome when those activities tend to increase during the late stages of a campaign. As to official activities, we have long held that the President, cabinet members, and other subordinates have a duty to inform the public about government policies, and policymaking officials traditionally have used govern-

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[1] We note that by law DOD's Inspector General is not exempted from this prohibition even though appointed by the President. See section 3(c) of the Inspector General Act of 1978, as amended, 5 U.S.C. appendix 3.

[2] See 5 C.F.R. section 733.122.

[3] See 2 U.S.C. 431-455 and 26 U.S.C. 9001-9012, 9031-9042.

[4] See 2 U.S.C. 434 and 411a, respectively.

[5] See 2 U.S.C. 431, as amended.

[6] See 31 U.S.C. 1301.

[7] See our report entitled *Review of White House and Executive Agency Expenditures for Selected Travel, Entertainment, and Personnel Costs* (AFMD-84-35, Mar. 6, 1981).

ment resources to disseminate information in explanation and defense of those policies.

As we have stated in the past, there should be a point beyond which it could be concluded that the bounds of propriety have been overstepped. But for us to be able to determine that point, and in any given situation to distinguish authoritatively between prohibited and allowable activities, we would need some guidelines by which to judge the activities in question. No guidelines of a legally binding nature have been established by legislation, judicial decision, or otherwise. Therefore, we have no basis to conclude as a matter of law that appropriated funds were improperly used by DOD in carrying out its Public Affairs Plan.

Antipublicity/propaganda prohibition not violated

We examined whether the speeches and other activities discussed in this report violated the provision traditionally included in DOD's annual appropriations acts prohibiting the use of funds "for publicity or propaganda not authorized by the Congress."[8] This prohibition is directed to those activities whose obvious purpose is self-aggrandizement. We have previously interpreted similar prohibitions in other agencies' appropriations acts as not applying to the dissemination of information to the general public concerning the agency's programs and activities.[9] Given the absence of any statutory guidelines for distinguishing between legitimate informational activities and unauthorized publicity or propaganda activities, we have not determined that a violation occurred where the agency concerned can provide a reasonable justification for its questioned activities.

The stated purpose of DOD's Resources Management Plan was to inform the press and the American public on the acquisition process, and the steps DOD has taken to reduce and eliminate waste, fraud, and abuse within DOD. The various speeches and press briefings that we examined, which were given incident to this plan, identified DOD's accomplishments and other continuing efforts in such areas as major acquisition, spare parts management, and inventory management. In light of this otherwise legitimate dissemination of information to the public of DOD's efforts and accomplishments in the identified areas, and in the absence of any evidence of self-aggrandizement on the part of the senior level DOD officials, we cannot say that the so-called antipublicity or propaganda prohibition was violated by these activities.

WE DID NOT FIND EVIDENCE THAT INSPECTOR GENERAL PARTICIPATION VIOLATED THE INSPECTOR GENERAL ACT

We did not find evidence that participation of the Inspector General in the Public Affairs Program violated the provisions in the Inspector General Act of 1978 as amended. Nothing in this Act prohibits the Inspector General from publicizing audit results through reports, press conferences, or other means. However, by participating in press conferences that were held within weeks of the national election, the Inspector General created the perception in the minds of some observers of being involved in partisan political activity and compromising his independence. There is considerable evidence, in the form of reports and testimony that were critical of DOD programs and operations, that the Inspector General has carried out his work in an independent manner in the past. Moreover, the press conferences were nonpartisan statements of facts that had previously been published in the newspaper or in the Inspector General semiannual reports to the Congress.

The Inspector General told us that he freely participated in the program and his prepared remarks were not subject to review before the press briefing. He also added that he is aware of the importance of his independence and would in no way consciously allow it to be compromised. The Inspector General regrets that the timing of his press conferences gave some the perception of political involvement on his part, and has provided assurances that he will be even more sensitive to the possibility of such a perception in the future. (See app. IV.)

Requirements for Inspector General independence

The Inspector General Act of 1978, as amended, created Inspector General offices in major federal agencies as "independent and objective units" to audit and investigate agency operations. In the Act, the Congress tried to balance Inspector General independence and the needs of management. According to the legislative history, the Congress wanted Inspectors General to have "an unusual degree of independence," with no vested interest in the programs and policies being evaluated.

The Act contains several provisions that are designed to insure that an Inspector General's independence is maintained. An Inspector General (1) is appointed by the President, by and with the advice of the Senate, without regard to political affiliation, (2) can be removed only by the President, and the President must communicate the reasons for such removal to both Houses of Congress, (3) is placed under the general supervision of the agency head or the official next in rank, not other subordinate agency officials, (4) cannot be assigned any program operating responsibilities, (5) is authorized to select, appoint, and employ such persons as necessary to carry out his responsibilities, and (6) cannot be prevented or prohibited from initiating, carrying out, or completing any audit or investigation by an agency official. (Restrictions on Inpsectors General and the DOD Inspector General in particular are discussed in the following paragraphs.)

On the other hand, from several other provisions in the Act it is clear that an Inspector General was not intended to be completely independent of the agency head. An Inspector General is (1) required to report to and be under the general supervision of the agency head, (2) required to keep the agency head fully and currently informed in matters dealing with the fraud and other serious problems, abuses, and deficiencies relating to the administration of agency programs and operations, and (3) to provide leadership and coordination and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud and abuse in such programs and operations. The Act's legislative history recognizes that an Inspector General's efforts would be significantly impared without a smooth working relationship with the agency head.

The legislation establishing the DOD Inspector General in 1982, as an amendment to the 1978 Act, contains additional provisions that may affect the DOD Inspector General's independence in certain situations. First, the Inspector General is under the "authority, direction, and control" of the Secretary of Defense in matters requiring access to information consisting of (1) sensitive operational plans, (2) intelligence matters, (3) counterintelligence matters, (4) ongoing criminal investigations by other administrative units of DOD related to national security, or (5) other matters the disclosure of which would constitute a serious threat to national security.

The Secretary of Defense may prohibit the Inspector General's work in specified areas to preserve the national security interests of the United States. If the Secretary does prohibit the Inspector General's work, both the Secretary and the Inspector General are required to send statements to designated congressional committees.

Under the 1978 Act, all Inspectors General are required to adhere to generally accepted government audit standards, including a standard concerning independence. This standard places on auditors and audit organizations the responsibility for maintaining independence so that opinions, conclusions, judgments, and recommendations will be impartial and will be viewed as impartial by knowledgeable third parties. This standard must be read in conjunction with the Inspector General legislation. Because of this standard, auditors should consider how others will view their independence in any situation.

DOD Inspector General did not foresee how others would view his independence

The DOD Inspector General told us he did not consider the press conferences to be political, and did not foresee the implications that the September 26 and October 5, 1984, press conferences would have on how some people view independence. The Inspector General said that he thought that the press conferences would be opportunities to inform reporters about the audit and investigative work in the 2 years since this office was established.

Publicizing the results of audits and investigations through reports, press conferences, and other communication media is one way to deter fraud. Such publicity increases the public's awareness of efforts to prevent fraud, waste, and abuse in government operations and encourages the public to report information concerning the misuse of government funds.

After the first press conference on September 26, 1984, two United States Senators and a Representative, in addition to Senator Nunn, questioned the Inspector General's participation on the basis that it had political overtones.

We discussed the issues surrounding the press conferences with the Inspector General. The Inspector General is aware of the importance of independence and stated that he would in no way consciously allow it to be compromised. He believes that his actions over the last 2 years as Inspector General demonstrate a commitment towards carrying out his responsibilities. In addition, from the Inspector General's perspective, both of the press conferences were balanced, factual accounts of the work.

The Inspector General made similar statements in letters to some of the Members of Congress who had questioned the September 26 press conference. In these letters the Inspector General also stated.

"I regret that the timing of the conference, during a politically sensitive period,

[8] See section 702 of Public Law 98-212 December, 8, 1983, 97 Stat. 1437; section 8002 of Public law 98-473, October 12, 1984.

[9] See 31 Comp. Gen. 311, 313 (1952); B-178528, July 27, 1973; B-184648, December 3, 1975.

gave some the perception of political involvement by the Inspector General. Let me assure you that in the future I will be even more sensitive to the possibility of such a perception."

The Inspector General said this statement was equally applicable to the October 5, 1984, press conference.

OBJECTIVES, SCOPE, AND METHODOLOGY

To respond to the questions raised, we collected information from and interviewed officials within OSD. We also interviewed a former OSD official who was involved in developing the Public Affairs Plan. We then determined whether the activities related to the speeches and briefings of OSD officials appeared to violate any laws or regulations. The specific laws examined included the Hatch Act which governs the participation of federal employees in partisan elections, the Federal Elections Campaign Act, the Inspector General Act of 1978, amended, and the laws pertaining to use of public monies and the antipublicity prohibitions contained in the annual appropriations acts. Regulations implementing such laws were also reviewed. In addition, we also evaluated the Inspector General's actions in light of the accepted standards for Audit of Government Organizations, Programs, Activities, and Functions.

Our review was performed in accordance with generally accepted government auditing standards.

[Appendix II]

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, October 5, 1984.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, General Accounting Office, Washington, DC.

DEAR MR. BOWSHER: Mr. Fred Wertheimer of Common Cause has recently provided the Committee on Armed Services with two Department of Defense memoranda which establish that the Department of Defense, including the Department's Inspector General, has launched a "plan to enhance media and public understanding and support for the Department's management improvement program." Those two memoranda are attached.

The program, which is well underway, involves a number of speeches, press conferences, and other public events, which conclude on November 3, three days before the general election. It appears to have clear political overtones. There have been suggestions that the participation of the Department's Inspector General and other government employees in this program may raise questions of legality and propriety.

Enclosed is a copy of my remarks on the floor of the Senate in which I stated that I believe Congress should carefully monitor these activities.

I request that the General Accounting Office examine this program to determine if there are any violations of law or regulations. I believe that your inquiry should address the following questions:

What is the nature and extent of this program? How many personnel are involved and what is the cost? Is there more to it than is disclosed by the August 31 memorandum from Deputy Assistant Secretary Kathleen Troia?

Does the participation of the Inspector General of the Department of Defense in such a program violate any applicable law or regulation?

Does the participation of other Department of Defense personnel, both military and civilian, violate any applicable law or regulation?

Are any public moneys being spent in violation of applicable laws or regulations?

I look forward to your report at the earliest possible time.

Sincerely,

SAM NUNN,
Ranking Minority Member.

THE ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, July 24, 1984.

MEMORANDUM FOR THE SECRETARY OF DEFENSE (R&E)

Subject: SASC Request for Information.

The Senate Armed Services Committee is concerned over the press this weekend concerning the Department's program for disposal of spare parts. This, coupled with the press we received on prices paid for selected spare parts, i.e., claw hammer, stool cap, allen wrench, if gone unchecked, will definitely be a key campaign issue. The opposition will cite these examples and portray the Department as having serious management problems.

Senators Tower, Warner and Wilson want to make a press statement citing examples of how these issues are an anomaly and have in fact been uncovered by the sound management practices introduced during this Administration. Additionally they want to provide their colleagues with data they can take to their districts to discuss the issues with the local press.

The Committee would like charts, depicting the changes in each of the following issues over the past eight years. They want each chart to be accompanied by a brief paragraph explaining the issue. This list is not all inclusive. If there are examples the Department feels would be useful to their case they should be included. The Committee requests this information by Thursday, 2 August:

The number of fraud convictions.

The number of firm fixed price contracts (dollar value more useful than numbers).

Decline in the number of shipbuilding claims.

Decrease in the rate of SAR growth.

The number of audits conducted.

The number of auditors assigned.

The number of contracts awarded on the competitive basis (number and dollar value).

Changes in accounting procedures that resulted in identifying errors in spare parts prices.

List and explain the number of overpriced spares the Department actually procured.

Increases of incentive awards.

Dr. Korb and General Babers (DLA) are testifying before the HASC Investigations Subcommittee on 25 July concerning the disposal issue. A copy of their statements will be provided to the SASC for their use in formulating their press release.

RUSSELL A. ROURKE.

THE ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, August 31, 1984.

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (RESEARCH AND ENGINEERING), ASSISTANT SECRETARY OF DEFENSE (MANPOWER, INSTALLATIONS AND LOGISTICS), ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER), INSPECTOR GENERAL

Subject: Defense Resources Management Public Affairs Plan.

The Secretary of Defense has approved the attached public affairs plan to enhance media and public understanding of and support for the Department's management improvement program (TAB A). Phase I of the eight-week plan commences on 18 September, with a speech by Secretary Weinberger to the American Newspaper Publishers' Association (ANPA) in Washington, DC.

Following this speech, the plan envisions weekly on-the-record briefings through the end of October, as indicated on the proposed schedule at TAB B. These briefings will be designed to inform the press and the American public on the acquisition process, and the steps DoD has taken to reduce and eliminate waste, fraud and abuse within the Department. This will include a review of the acquisition process, the initiatives we have taken as a result of audits and inspections, and show how these measures have been integrated under the Acquisition Improvement Program.

In addition to speeches by the Secretary and Deputy Secretary, fact sheets which offer guidance and information will be provided to selected DOD speakers use in speeches and interviews.

A meeting will be held at 10:30 a.m., September 5th, in the OASD(PA)-Radio Studio, to discuss the content of these briefings and to develop a detailed schedule of briefings. Request you provide the name and telephone number of your action officer to LT Tom Yeager, X71254, room 2D774.

KATHLEEN TROIA,
Principal Deputy Assistant Secretary.

TAB A—PUBLIC AFFAIRS PLAN, DEFENSE RESOURCES MANAGEMENT

I. SUMMARY

This Tab presents a detailed public affairs plan for publicizing the accomplishments of DoD in the area of procurement and resource management. The campaign will begin with a major address by the Secretary of Defense to the American Publishers Association, followed by letters to editors of influential publications, continuing speeches by the Secretary of Defense, Deputy Secretary of Defense and other defense officials, press releases on management issues, and a series of on-the-record briefings on aspects of the Acquisition Improvement Program. Messages reflecting the subject areas of the weekly briefings will be sent to commanders and troops in the field—through service internal information channels and the Armed Forces Information Service. Local commanders will be encouraged to recognize the efforts of personnel who have made contributions to improving resource management practices and to publicize those accomplishments.

II. PROPOSED SCHEDULED ACTIVITIES

Date and event

5 Sep—1030: Meeting with appropriate DoD Offices on PA Plan.

12 Sep—1400: Meeting with AFIS and service internal information personnel.

18 Sep: SECDEF speech to American Newspaper Publishers' dinner in Washington, DC. Initiates planned events.

19 Sep: Release "Bluetopper" on National Quality Month (October), stressing DoD efforts to maintain quality in procurement process, Warranty program and prosecutions/debarments for substandard performance.

21 Sep: SECDEF speech to Radio-TV News Directors Association, Washington, DC.

24 Sep: Re-release of Management Improvements booklet (produced by Comptroller), with fact sheet updating actions since publication this May.

26 Sep: First weekly press briefing by DoD IG on inspections, audits, work with DoD/Justice Task Force, etc. Release fact sheet summarizing accomplishments.

28 Sep: Last weekday of Fiscal Year. Be prepared to account for contract award announcements in terms of whether funds are expiring or not and why large numbers of awards have been made (if this is the case).

29 Sep: DEPSECDEF speech at VALLEY FORGE (CG 50) commissioning.

3 Oct: Weekly press briefing on changes in contracting procedures. To include increased emphasis on fixed-fee contracts, breakout program, incentives, etc. Release fact sheet summarizing accomplishments.

10 Oct: Weekly press briefing on Defense Contract Audit Agency activities. Release fact sheet summarizing accomplishments and 4th Quarter Audit results, if available.

16 Oct: DEPSECDEF speech to University Club, Chicago, IL.

17 Oct: Weekly press briefings on Joint Interservice Resource Study Group and Defense Retail Interservice Support programs. Release fact sheet summarizing accomplishments.

20 Oct: DEPSECDEF speech on "Status of Warranty Law Repeal" to Kelly Management Association, San Antonio, TX.

23 Oct: SECDEF speech to National Security Industrial Association, Washington, DC.

23 Oct: DEPSECDEF speech to DoD Depot Maintenance Seminar, Corpus Christi, TX.

24 Oct: Weekly press briefing on Warranty program, including DoD's rationale for modifications in legislation which would allow greater flexibility in the program. Issue fact sheet summarizing activities and accomplishments of warranty program.

31 Oct: Weekly press briefing on Competition Advocate program including savings achieved and increase in competitively awarded contracts. Issue fact sheet on accomplishments.

3 Nov: SECDEF speech to International Management and Development Institutes, Washington, DC.

III. NONSCHEDULED ACTIVITIES

A. Press Releases: Throughout this period, opportunities may arise for press releases on positive results of resource management initiatives. Offices should seek out stories of this kind and pass the information to ASD(PA) for publication in an appropriate form. The point of contact for this activity is LT Tom Yeager, X71254.

B. Speeches by Defense Officials: OASD(PA) Speakers' Bureau should review all speaking engagements throughout this period of time for their appropriateness as a forum for positive discussions of our initiatives in resources management. Where these opportunities exist, an effort should be made to familiarize speakers with this plan and incorporate these themes in their addresses. Local commanders should also be informed that speakers will be visiting their area and be prepared to discuss ways in which resource management improvements have affected them. This is particularly important, since local press are often far more receptive to messages of this type than national media, and local commanders often have earned considerable respect for their opinions from both media and local community opinion leaders.

C. Awards: When Defense officials are visiting installations out of the Washington, DC, area, it may be appropriate to have them recognize the efforts of installation personnel in the areas of resource management improvement and elimination of fraud, waste and abuse. If these opportunities exist, appropriate awards or commendations should be made, and publicized.

D. Letters to Editors: It can be expected that attacks on DoD management procedures will continue through this period. These attacks should be vigorously contested in the press by an active letter-to-the-editor program. In addition, any special accomplishments which may occur during this period of time should be highlighted in letters, as well as in press releases.

E. Internal Information: Service internal or command information managers must be kept abreast of developments in this plan, and should include materials supporting the plan in all their products during this period. AFIS should support this effort by providing similar materials for redistribution through service channels.

TAB B—PUBLIC AFFAIRS PLAN, SCHEDULE OF WEEKLY BRIEFINGS OR RELEASES

SCHEDULED ACTIVITIES

Date and event

19 Sep: Release "Bluetopper" on National Quality Month (October), stressing DoD efforts to maintain quality in procurement process, Warranty program and prosecutions/debarrments for substandard performance.

24 Sep: Re-release of Management Improvements booklet (produced by Comptroller), with fact sheet updating actions since publication this May.

26 Sep: Press briefings by DOD IG on inspections, audits, work with DOD/Justice Task Force, etc. Release fact sheet summarizing accomplishments.

28 Sep: Last weekday of Fiscal Year. Be prepared to account for contract award announcements in terms of whether funds are expiring or not and why large numbers of awards have been made (if this is the case).

3 Oct: Press briefing on changes in contracting procedures. To include increased emphasis on fixed-fee contracts, breakout program, incentives, etc. Release fact sheet summarizing accomplishments.

10 Oct: Press briefing on Defense Contract Audit Agency activities. Release fact sheet summarizing accomplishments and 4th Quarter Audit results, if available.

17 Oct: Press briefing on Joint Interservice Resource Study Group and Defense Retail Interservice Support programs. Release fact sheet summarizing accomplishments.

24 Oct: Press briefing on Warranty program, including DoD's rationale for modifications in legislation which would allow greater flexibility in the program. Issue fact sheet summarizing activities and accomplishments of warranty program.

1 Oct: Press briefing on Competition Advocate program, including savings achieved and increase in competitively awarded contracts. Issue fact sheet on accomplishments.

[Appendix III]

SPEAKING SCHEDULES OF SELECTED DOD OFFICIALS, SEPTEMBER 18 THROUGH NOVEMBER 3, 1984

Date, event, and location

SECRETARY OF DEFENSE

9-18-84: American Newspaper Publishers Assn., Washington, D.C.

9-20-84: Hispanic Chamber of Commerce, San Antonio, TX.

9-20-84: North Texas Chamber of Commerce, Fort Worth, TX.

9-20-84: Dallas Assembly, Dallas, TX.

9-21-84: Radio/Television News Directors Assn., Washington, D.C.

9-26-84: USO Woman of the Year, Washington, D.C.

10-23-84: National Security Industrial Assn., Washington, D.C.

10-24-84: Zablocki Memorial Lecture, Milwaukee, WI.

10-24-84: Town Hall of California, Los Angeles, CA.

10-25-84: Commonwealth Club of California, San Francisco, CA.

10-27-84: Kansas State University, Manhattan, KS.

10-27-84: Commissioning of USS T Roosevelt, Newport News, VA.

10-30-84: Pittsburgh World Affairs Council, Pittsburgh, PA.

DEPUTY SECRETARY

9-29-84: USS Valley Forge Commission, Pascagoula, MS.

10-16-84: University Club of Chicago, Chicago, IL.

10-17-84: Assn. of US Army, Washington, D.C.

10-22-84: Kelly Air Force Base Management Assn., San Antonio, TX.

10-22-84: San Antonio Air Force Community Council, San Antonio, TX.

10-23-84: DOD Maintenance Depot Commanders Conf., Corpus Christi, TX.

10-23-84: Model Installations Commanders Conf., Fort Sill, OK.

11-01-84: Yale Club, Cincinnati, OH.

11-01-84: University of Cincinnati Club—Law School, Cincinnati, OH.

INSPECTOR GENERAL

9-26-84: Press Briefing, Pentagon.

10-05-84: Press Briefing, White House.

UNDER SECRETARY OF DEFENSE RESEARCH AND ENGINEERING

9-19-84: American Defense Preparedness Assn., Washington, D.C.

9-25-84: Nat'l Security Industrial Assn. on Productivity, Cambridge, MA.

10-30-84: A.G. Hill Building Dedication, Cambridge, MA.

11-01-84: Nat'l Contract Management Assn., Washington, D.C.

PRINCIPAL DEPUTY FOR UNDER SECRETARY

10-31-84: Commission on Government Procurement Alumni, Washington, D.C.

10-31-84: Combined Meeting of American Defense Preparedness Assn., Aerospace Industry Assn., Electronics Industry Assn., and Nat'l Security Industrial Assn., Pentagon.

ASSISTANT SECRETARY OF DEFENSE (MANPOWER, INSTALLATIONS AND LOGISTICS)

9-18-84: Federal Women's Program Catalyst Conf., Arlington, VA.

9-20-84: Air War College, Maxwell Air Force Base, AL.

9-22-84: Veterans United for a Strong America, Lexington, KY.

9-24-84: Nat'l Defense Transportation Assn., San Francisco, CA.

10-01-84: Washington Center Interns, Washington, D.C.

10-03-84: Duke University, Durham, NC.

10-06-84: Alaska Fuel Industries, Anchorage, AK.

10-09-84: Naval War College, Newport, RI.

10-10-84: Press Briefing, Pentagon.

10-12-84: Nat'l Guard Assn. of the U.S., New York, NY.

10-15-84: World Affairs Council of Boston, Washington, D.C.

10-29-84: American Logistics Assn., Arlington, VA.

10-30-84: World Affairs Council, Washington, D.C.

10-31-84: Jewish Institute for National Security Affairs, Washington, D.C.

10-31-84: Press Briefing, Pentagon.

PRINCIPAL DEPUTY ASSISTANT SECRETARY (MANPOWER, INSTALLATIONS AND LOGISTICS)

10-27-84: Airlift Assn. National Convention, Sacramento, CA.

[Appendix IV]

DEPARTMENT OF DEFENSE,
INSPECTOR GENERAL,
Washington, DC, October 11, 1984.

Hon. SAM NUNN,
U.S. Senate, Washington, DC.

DEAR SENATOR: During floor discussion of the Conference Report on the Department of Defense Authorization Bill for 1985, on September 27, 1984, both you and Senator Bingaman expressed concern that the Office of the Inspector General, Department of Defense, was being used for political purposes. These comments stem from my press conference on September 26, 1984, where I outlined progress made by my organization in our efforts to eliminate waste, fraud and abuse. I appreciate the concerns that you and Senator Bingaman raised on the floor and in your letter of October 4, 1984 and would like to give you my perspective.

The Department asked me to hold a press conference to outline the Inspector General efforts to eliminate waste, fraud and abuse. I understood that my presentation was to be one in a series by senior Defense officials to inform the press and the taxpayers of the problems we faced and the progress we were making in our war against fraud, waste and mismanagement.

I jumped at the opportunity to give the press conference. There were two things foremost in my mind. First, the timing was coincident with the second anniversary of establishment of a statutory Inspector General for Defense and, therefore, an opportune time to report to the press on the progress made over the last two years. Secondly, I believe that the lifeblood of an effective Inspector General effort is public awareness—that the Inspector General exists and that he has a real need and desire that people come forward with their concerns about suspected fraud, waste and mismanagement in the Department of Defense. It also serves as a deterrent to those that would cheat us or mismanage our resources to know we are on the job and out to stop them.

I fully recognize that my good news is usually the Department's bad news, and when I have a press conference the resultant stories are more likely to be detrimental to the Department's image than favorable. Thus I believed that whether part of a series or not, my press conference would stand independently and reflect the problems rather than management's solutions. I believe that if you read the press clippings, you will find that the results indeed turned out to be a mixed bag.

Enclosed is the transcript of the press conference. You will find two main themes. One related to the size and accomplishments of the Department's auditors, investigators and inspectors in the area of waste, fraud and abuse. The other theme emphasized examples of the horror stories that we found. The need for continuing corrective action comes across strongly as indicated by some of my comments, as follows:

"I keep turning over rocks and every rock I turn over I keep finding things."

"About 57 percent of the items that we were buying in spare parts were possibly overpriced."

"If you ask me of the money that's potential for waste in the DoD, how much of it is criminal and how much is mismanagement, I'd say 98 cents is mismanagement and the other two cents is criminal."

I want to assure you that I am keenly aware of the importance of my independence and would in no way consciously allow it to be compromised. I would hope that my actions over the last two years as Inspector General, and prior to that as Assistant to the Secretary of Defense for Review and Oversight, have demonstrated the commitment I have made to carrying out my responsibilities. From my perspective, the press conference was a balanced, factual account of our operations over the past two to three years. I regret that the timing of the conference, during this politically sensitive period, gave some the perception of political involvement by the Inspector General. Let me assure you that in the future I will be even more sensitive to the possibility of such a perception.

I would be more than pleased to discuss this matter further if you so desire. i appreciate your interest in the activities of the Defense Inspector General. I need your support and understanding if I am to carry out my mission.

Sincerely,

JOSEPH H. SHERICK,
Inspector General.●

SBA: AN EFFECTIVE ECONOMIC DEVELOPMENT AGENCY

● Mr. WEICKER. Mr. President, the Committee on Small Business has recently completed a series of three hearings to consider S. 408, legislation Senator BUMPERS and I introduced on February 6, to authorize funding for Small Business Administration programs and activities for the next 3 years.

During the course of these hearings, key issues affecting the small business sector and Small Business Administration programs were raised by witnesses and discussed. It is my wish to bring to the attention of the full Senate each of these issues and worthwhile discussions entered into. Today I begin with an overview of the SBA's 503 Certified Development Company Loan Program.

The 503 Certified Development Company [CDC] Loan Program, established in 1980 by section 503 of the Small Business Investment Act, provides long-term, fixed asset financing to viable small businesses through local development companies certified by the SBA. The program fills the current long-term credit gap for small businesses, a clear imperfection in the marketplace, and has fulfilled its mandate by spurring economic development and jobs at low cost to the Government.

As one of the Federal Government's primary economic development programs, 503 represents the classic partnership between State and local governments and the private sector in making long-term capital available to healthy small businesses for planned expansion and job creation. Section 503 authorizes the SBA to guarantee debentures issued by certified development companies [CDCs] to finance the acquisition of land, plants, and equipment for small business expansion. With a commitment for a substantial number of new jobs resulting from the expansion before any loan is made the SBA can guarantee up to 40 percent of the project costs, with 50 percent coming from a private sector lender, and 10 percent from the small business itself.

541 CDCs have been certified, funding over 2,300 projects, creating or retaining nearly 100,000 jobs. In every quarter since the program's inception, more and more jobs have been created, and the Federal commitment per job has declined. This is a Federal program that works, and works well.

I ask to have printed in the RECORD a State-by-State listing of current certified development companies.

The material follows:

LIST OF CURRENT CERTIFIED DEVELOPMENT COMPANIES

ALABAMA

Birmingham, Alabama Community Development Corporation.
Birmingham, Birmingham City Wide Local Development Company.
Eufaula, Eufaula/Barbour County Certified Development Company.
Montgomery, Southern Development Council.

ALASKA

Anchorage, Railbelt Community Development Corporation.

ARIZONA

Phoenix, Arizona Enterprise Development Corporation.
Phoenix, Phoenix Local Development Corp. of Phoenix, Arizona.
Tucson, Tucson Local Development Corporation.

ARKANSAS

Little Rock, Business and Industry Development Corporation.
Lonoke, Central Arkansas Certified Development Corporation.
Jonesboro, East Arkansas Planning & Development District.
Little Rock, Metroplan Certified Development Company, Inc.
Harrison, Northwest Arkansas Certified Development Company.
Pine Bluff, Southeast Arkansas Economic Development District, Inc.
Magnolia, Southwest Arkansas Regional Development Corporation.
Hot Springs, West Central Arkansas Planning & Dev. District, Inc.
Fort Smith, Western Arkansas Planning & Development District, Inc.
Batesville, White River Planning & Development District, Inc.

CALIFORNIA

Jackson, Amador Economic Development Corporation.
Lancaster, Antelope Valley Local Development Corporation.
Arcata, Arcata Economic Development Corporation.
Arvin, Arvin Development Corporation.

San Francisco, Bay Area Business Development Company.
Napa, Bay Area Employment Development Corporation.
Chico, Butte County Economic Development Corporation.
Calexico, Calexico Industrial Development Corporation.
Fresno, Central California Certified Development Corporation.
El Centro, Commercial Industrial Development Corporation, Inc.
Hanford, Crown Development Corporation of Kings County.
Fair Oaks, Economic Development Foundation of Sacramento.
Redding, Economic Development Corporation of Shasta County.
Los Angeles, Economic Development Corporation of Los Angeles County.
Sonora, Gold County Certified Development Company, Inc.
Bakersfield, Greater Bakersfield Local Development Corporation.
Mountain View, Greater Mountain View Local Development Corporation.
Los Angeles, Hollywood-Fairfax Local Development Company, Inc.
Inglewood, Inglewood Development Corporation.
La Habra, La Habra Local Development Company, Inc.
Lompoc, Lompoc Local Development Corporation.
Long Beach, Long Beach Local Development Corporation.
Los Angeles, Los Angeles LDC, Inc.
Pittsburg, Los Medanos Fund, A Local Development Company.
Los Angeles, Northeast Los Angeles Development Corporation.
Oakland, Oakland Certified Development Corporation.
Pasadena, Pasadena Development Corporation.
San Diego, San Diego County Local Development Corporation.
San Francisco, San Francisco Business Local Development Corporation.
San Francisco, San Francisco Industrial Development Fund.
Santa Ana, Santa Ana City Local Economic Development Corporation.
Santa Monica, Southern California Employment Development Company.
Tracy, Tracy/San Joaquin County Certified Development Corp.
Visalia, Tulare County Economic Development Corporation.
Richmond, West Contra Costa Local Development Company.
San Bernardino, West Valley Certified Development Company.

COLORADO

Manitou Springs, Manitou Springs Development Corporation.
Colorado Springs, Old Colorado City Development Company.
Aurora, Original Aurora Development Company.
Pueblo, SCEDD Development Company.
Pueblo, Southern Colorado Local Development Corporation.
Grand Junction, Western Slope Economic Development Company.

CONNECTICUT

Bridgeport, Bridgeport Economic Development Corporation.
Bristol, Bristol Industrial Development Corporation.
Danbury, Housatonic Industrial Development Corporation.
Hartford, Greater Hartford Business Development Center, Inc.
Hartford, Connecticut Business Development Corporation.
Meriden, Meriden Economic Development Corporation.
Milford, Milford Progress, Inc.
New Haven, New Haven Community Investment Corporation, LDC.
Stamford, Stamford Economic Assistance Corporation.

DELAWARE

Dover, Delaware Development Corporation.
Wilmington, New Castle County Economic Development Corporation.
Wilmington, Wilmington Local Development Corporation.

DISTRICT OF COLUMBIA

Washington, DC, Washington, DC Local Development Corporation.

FLORIDA

Bartow, Central Florida Areawide Development Company, Inc.
Bartow, First Imperial Polk Economic Development Corporation.
Tallahassee, Florida First Capital Finance Corporation, Inc.
Sanford, Industrial Investment, Inc.
Jacksonville, Jacksonville Local Development Company, Inc.
Largo, Largo Progress, Inc.
Miami, Local Development Corporation of Dade County.
Miami, Miami City Wide Development, Inc.
Gainesville, North Central Florida Areawide Development Company, Inc.
Sanford, Sanford-Seminole Development Corporation.
St. Petersburg, St. Petersburg Certified Development Company, Inc.
Live Oak, Suwannee Industrial Development Corporation.
Tampa, Tampa Bay Economic Development Corporation.
Pensacola, West Florida Certified Development Corporation.

GEORGIA

Atlanta, Atlanta Local Development Company.
Atlanta, Business Growth Corporation of Georgia.
Augusta, CSRA Local Development Corporation.
Athens, Certified Development Company of Northeast Georgia, Inc.
Brunswick, Coastal Area District Development Authority, Inc.
Columbus, Columbus Local Development Corporation.
Macon, Development Corporation of Middle Georgia.
East Point, East Point Business Development Center, Inc.

GEORGIA

Atlanta, Fulton County Certified Development Corporation.
Gainesville, Georgia Mountains Regional Economic Development Corp.
Eastman, Heart of Georgia Area Development Corporation.
Columbus, Lower Chattahoochee Development Corporation, Inc.
Barnesville, McIntosh Trail Area Development Corporation.
Ellaville, Middle Flint Area Development Corporation.
Dalton, North Georgia Certified Development Company.
Milledgeville, Oconee Area Development Corporation.
Waycross, Southeast Georgia Development Corporation.

HAWAII

Honolulu, HEDCO Local Development Corporation.

IDAHO

Moscow, Clearwater Economic Development Association.
Rexburg, East-Central Idaho Development Company.
Pocatello, Greater Pocatello Development Corporation.
Kellogg, Idaho Panhandle Development Corporation.
Lewiston, Lewis Clark Economic Development Corporation.
Coeur d'Alene, Panhandle Area Council, Inc.
Twin Falls, Region IV Development Corporation.
Boise, Treasure Valley Certified Development Corporation.

ILLINOIS

Naperville, ABHPS Funds, Inc.
Chicago, Bucktown Local Development Corporation.
Chicago, CANDO City-Wide Development Corporation.
Sterling, Certified Community Development Corporation.
Urbana, Champaign County Business Growth Corporation.
Chicago, Chicago Industrial Finance Corporation.
West Dundee, Dundee Local Development Corporation.
Bloomington, Economic Development Corp. of McLean County Area, Inc.
Bellwood, Forest Park Development Corporation.
Carbondale, Greater Egypt Reg. Planning and Development Com., Inc.
Chicago, Greater Englewood Local Development Corporation.
Skokie, Greater Metropolitan Chicago Development.
Chicago, Greater North-Pulaski Local Development Corporation.
Chicago, Greater Southwest Local Development Corporation.
Chicago, Greater West Side Development Corporation.
Springfield, Illinois Small Business Growth Corporation.
Waukegan, Lake County Economic Development Corporation.
Chicago, Landale Local Development.
Chicago, Lawrence Avenue Development Corporation.

INDIANA

South Bend, Business Development Corporation of South Bend, Mishawaka, St. Joseph Cnty.
Fort Wayne, Community Development Corporation of Fort Wayne.
East Chicago, Downtown Improvement Corporation.
Gary, Gary City-Wide Development Corporation.
Hammond, Hammond Development Corporation.
Indianapolis, Indiana Statewide Certified Development Corporation.
Evansville, Metro Small Business Assistance Corporation.
Indianapolis, Mid City Pioneer Corporation.
Mishawaka, St. Joseph County Certified Development Corporation.

IOWA

Waterloo, Black Hawk County Economic Development Committee, Inc.

Des Moines, Corporation for Economic Dev. in Des Moines.
Denison, Crawford County Industrial Development Corporation.
Fort Dodge, Downtown Fort Dodge Development Corporation.
Dubuque, E.C.I.A. Business Growth, Inc.
Fort Madison, Fort Madison Commercial Development Corporation.
Des Moines, Iowa Business Growth Company.
Ottumwa, Ottumwa Area Development Corporation.
Sioux City, Siuoxland Economic Development Corporation.

KANSAS

Kansas City, Avenue Area Incorporated.
Manhattan, Big Lakes Certified Development Company.
Kansas City, Central Avenue Betterment Association.
Beloit, Four Rivers Development, Inc.
Garden City, Greater Southwest Kansas Certified Dev. Company, Inc.
McPherson, McPherson County Small Business Development Assoc.
Parsons, Mid-America, Inc.
Pratt, Nine-County Development, Inc.
Hill City, Pioneer Country Development, Inc.
Kansas City, Rosedale Association, Inc.
Wichita, South Central Kansas Economic Dev. District, Inc.
Topeka, Topeka/Shawnee County Dev. Corporation, Inc.
Wichita, Wichita Area Development, Inc.

KENTUCKY

Bowling Green, Barren River Development Council.
Maysville, Buffalo Trace Area Development District, Inc.
Frankfort, Commonwealth Small Business Development Corporation.
Covington, Covington First Development Corporation.
Catlettsburg, Economic Development Corporation of Kentucky.
Owingsville, Gateway Certified Development Company, Inc.
Owensboro, Green River 503 Certified Development Corporation.
Louisville, Jefferson County Local Development Corporation.
Louisville, Louisville Economic Development Corporation.
Florence, Northern Kentucky Area Development District, Inc.
Hopkinsville, Pennyrile Area Development District, Inc.
Mayfield, Purchase Area Development District.
Lexington, Urban County Community Development Corporation.

LOUISIANA

Shreveport, Ark-La-Tex Investment & Development Corporation.
Baton Rouge, Capital Economic Development District Council, Inc.
Alexandria, Kisatchie-Delta Reg. Planning & Dev. District, Inc.
Lafayette, Lafayette Centre Certified Development Company, Inc.
Lafayette, Louisiana First Certified Development Corporation.
New Orleans, New Orleans Citywide Development Corporation.
Monroe, Northeast Louisiana Industries, Inc.

MAINE

Auburn, Androscoggin Valley Council of Governments.
Wiscasset, Coastal Enterprises, Inc.
Bangor, Eastern Maine Development District.
Lewiston, Lewiston Development Corporation.
Augusta, Maine Development Foundation.
Caribou, Northern Regional Planning Commission.

MARYLAND

Baltimore, BEDCO Development Corporation.
Cumberland, Cumberland-Allegany County Industrial Foundation, Inc.
Rockville, Economic and Business Development Corporation of Montgomery County, Maryland.
Baltimore, Mid-Atlantic Certified Development Company.
Landover, Prince George's Economic & Development Corporation.

MASSACHUSETTS

Newton Centre, Bay Colony Development Corporation.
Boston, Boston Local Development Corporation.
Boston, Massachusetts Certified Development Corporation.
East Boston, East Boston Local Development Corporation.
Brockton, Brockton Regional Economic Development Corporation.
Cambridge, Cambridge Economic Development Corporation.
Salem, North Shore Business Finance Corporation.
Salem, Essex County Economic Development Corporation.
Buzzards Bay, Greater Bourne Development Corporation.
Peabody, Greater Peabody Economic Development Corporation.
Lowell, Lowell Development and Financial Corporation.
Lynn, Lynn Capital Investment Corporation.
Pittsfield, Pittsfield Economic Revitalization Corporation.
Plymouth, Plymouth Industrial Development Corporation.
Holyoke, Riverside Development Corporation.
Somerville, Somerville Local Development Corporation.
Taunton, South Eastern Economic Development Corporation.
Quincy, South Shore Economic Development Corporation.
Watertown, Watertown Economic Development Corporation.
Springfield, Western Massachusetts Small Business Assistance, Inc.
Worchester, Worchester Business Development Corporation.

MICHIGAN

Lansing, Capital Region Business Corporation.
Escanaba, Central Upper Peninsula Business Development Center, Inc.
Detroit, Detroit Economic Growth Corporation Development Co.
Saginaw, East Central Michigan Development Corporation.
Flint, Forward Development Corporation.
Grand Rapids, Grand Rapids Local Development Corporation.
Ithaca, Greater Gratiot Development, Inc.
Muskegon, Greater Muskegon Industrial Fund, Inc.
Travese City, Greater Northwest Regional Development Corporation (The).
Jackson, Jackson Local Development Company (The).
Kalamazoo, Kalamazoo Small Business Development Corporation.
Lapeer, Lapeer Development Corporation.
Dearborn, Metropolitan Growth & Development Corporation.
Lansing, Michigan Certified Development Corporation.
Midland, Midland County 503 Corporation.
Gaylord, Northeast Michigan Development Company.
Pontiac, Oakland County Local Development Company.
East Lansing, Red Cedar Certified Development Corporation.
Grand Rapids, Region Eight Development Corporation d/b/a/ REDCO 503.
St. Joseph, Southwestern Michigan Development Company, Inc.
Traverse City, Traverse City Area Industrial Fund, Inc.
Houghton, Western Upper Peninsula Development Company, Inc.

MINNESOTA

Duluth, Arrowhead Regional Development Corporation.
Chaska, Chaska Jobs & Industries Development Corporation.
Coon Rapids, Coon Rapids Development Company.
Duluth, Duluth Business Assistance Corporation.
Mora, Eastern Minnesota Economic Corporation.
Faribault, Faribault Industrial Corporation.
Minneapolis, Minneapolis 503 Economic Development Company.
St. Paul, Opportunities Minnesota, Inc.
Slayton, Prairieland Economic Development Corporation.
Mankato, Region Nine Development Corporation.
St. Paul, Saint Paul 503 Development Company.

MISSISSIPPI

Jackson, Central Mississippi Development Company, Inc.
Jackson, Certified Development Company of Mississippi, Inc.
Gulfport, Gulf Regional Financial Corporation.
Gulfport, Gulf-Certco, Inc.
Winona, North Central Development Company, Inc.
Pontotoc, Pontotoc Ridge Local Development Company, Inc.
Greenville, South Delta Development Company, Inc.
Gulfport, Southern Mississippi Economic Development Company, Inc.
Tupelo, United Local Devleopment Corporation.

MISSOURI

Rolla, Central Ozarks Development, Inc.
Taneyville, Certified Development Corp. of Southwest Mo.
Liberty, Clay County Development Corporation.
St. Charles, Crossroads Economic Dev. Corp. of St. Charles Cnty, Inc.
Hillsboro, Economic Develpment Corp. of Jefferson County, Mo.
Columbia, Enterprise Development Corporation.
Trenton, Green Hills Rural Development, Inc.
Kansas City, Kansas City Corporation for Industrial Development.
St. Joseph, Mo-Kan Development, Inc.
Kirksville, Northeast Missouri Certified Development Company.
Joplin, Ozark Gateway Development, Inc.
Jefferson City, Rural Missouri, Inc.

Clayton, St. Louis County Local Development Company.
St. Louis, St. Louis Local Development Company.

MONTANA

Townsend, Broadwater County Development Corporation.
Butte, Butte Local Development Corporation.
Great Falls, Economic Growth Council of Great Falls.
Missoula, Missoula Jobs Development Corporation
Helena, Montana Community Finance Corporation.
Lewistown, New Industries, Inc.
Shelby, Toole County Growth Council.

NEBRASKA

Lincoln, Business Development Corp. of Nebraska.
Omaha, Mid America Development Corporation.
North Platte, North Platte Development Corporation.

NEVADA

Reno, Nevada State Development Corporation.
Las Vegas, New Ventures Capital Development Company.
Carson City, Northern Nevada Development Corporation.
Las Vegas, Southern Nevada Certified Development Corporation.

NEW HAMPSHIRE

Concord, Concord Regional Development Corporation.
Portsmouth, Granite State Economic Development Corporation.

NEW MEXICO

Roswell, CLD Development Corporation.
Santa Fe, Development Authority of New Mexico, Inc.
Hobbs, Industrial Development Corporation of Lea County.

NEW JERSEY

Bridgeton, Cumberland County Business Development Corporation.
Elizabeth, Elizabeth Development Company of New Jersey.
Jersey City, Jersey City Certified Development Corporation.
Camden, Camden Local Development Company.
Trenton, Corporation for Business Assistance in New Jersey.
Westmont, Greater Camden Development Corporation.
Perth Amboy, Perth Amboy Local Development Corporation.
Trenton, Trenton Business Assistance Corporation.
Roselle Park, Union County Economic Development Corporation.
Newark, Newark Local Development Corporation.
New Brunswick, Middlesex County Certified Development Corporation.

NEW YORK

Albany, Albany Local Development Corporation.
Albany, Empire State Certified Development Corporation.
Batavia, Genesee County Local Development Corporation.
Buffalo, Erie Niagara Industrial Development Corporation.
Buffalo, LDC for City of Buffalo, Erie County, New York.
Carle Place, Long Island Development Corporation.
Corning, Corning Crossroads, Inc.
Gloversville, Promote Gloversville Development Corporation.
Hudson, Hudson Development Corporation.
Larchmont, Downstate Development Corporation.
Lockport, Greater Lockport Development Corporation.
New York City, Metropolitan Business Assistance, LTD.
Niagara Falls, N. F. C. Development Corporation.
Port Jervis, Port Jervis Development Corporation.
Oswego, Operation Oswego County, Inc.
Rochester, Monroe County Industrial Development Corporation.
Syracuse, Syracuse Economic Development Corporation.
Syracuse, Onondaga Industrial Development Second Corporation.
Utica, Utica Industrial Development Corporation.

NORTH CAROLINA

Lumberton, Advancement, Inc.
Hertford, Albermarle Development Authority, Inc.
Asheville, Asheville-Buncombe Development Corporation.
Raleigh, Capital Economic Development Corporation.
Charlotte, Centralina Development Corporation, Inc.
Charlotte, Charlotte Certified Development Corporation.
Durham, Corporation for Cooperative Businesses.
Fayetteville, Fayetteville Progress, Inc.
Washington, Mid-East Certified Development Corporation.
New Bern, Neuse River Development Authority, Inc.
Winston-Salem, Northwest Piedmont Development Corporation, Inc.
Greenville, Pitt County Development Commission Certified Development Company.
Boone, Region D Certified Development Corporation.
Hickory, Region E Development Corporation.
Wilmington, Wilmington Industrial Development, Inc.

NORTH DAKOTA

Fargo, Fargo-Cass County Industrial Development Corporation.
Hazen, Hazen Community Development, Inc.
Bismarck, North Dakota State Development Credit Corporation.

OHIO

Akron, Akron Small Business Development Corporation.
Alliance, Alliance Area Development Corporation.
Jefferson, Ashtabula County 503 Corporation.
Athens, Athens Small Business Center, Inc.
Hamilton, Certified Development Company of Butler County, Inc.
Lebanon, Certified Development Corp. of Warren County, Inc.
Cincinnati, Cincinnati Local Development Company.
Dayton, City-Wide Small Business Development Corporation.
Springfield, Clark County Development Corporation.
Cleveland, Cleveland Area Development Finance Corporation.
Cleveland, Cleveland Citywide Development Corporation.
Cleveland, Cleveland Neighborhood Development Corporation.
Columbus, Columbus Countywide Development Corporation.
Chesterland, Community Improvement Corporation of Geauga County.
Cleveland, Detroit Shoreway Community Development Organization.
Toledo, East Toledo Local Development Corporation.
St. Clairsville, Eastern Ohio Development Corporation.
Canton, Greater Stark County Growth Association (The).
Cincinnati, Hamilton County Development Company, Inc.
Painesville, Lake County Small Business 503 Corporation.
Akron, MSP 503 Development Corporation.
Youngston, Mahoning Valley Economic Development Corporation.
Mentor, Mento Economic Assistance Corporation.
Wooster, Mohican Investment Corporation.
Dayton, Montgomery County Business Development Corporation.
Columbus, Ohio Statewide Development Corporation.
Mansfield, Richland County 503 Corporation.
Portsmouth, Scioto Economic Development Corporation, Inc.
Canton, Stark County Certified Development Corporation.
Toledo, Toledo Economic Planning Council.
Warren, Warren Redevelopment and Planning Corporation.
Xenia, Xenia-Greene County Small Business Development Company, Inc.

OKLAHOMA

Oklahoma City, Metro Area Development Corporation.
Vinita, Northeast Counties of Oklahoma Economic Development Corporation.
Enid, Northern Oklahoma Small Business Development Corporation.
Durant, Rural Enterprises Development Corporation.
Tulsa, Tulsa Economic Development Corporation.
Muskogee, Verd-Ark-Ca Development Corporation.

OREGON

Roseburg, C.C.D. Business Development Corporation.
Corvallis, Cascades West Financial Services, Inc.
The Dalles, Columbia Cascase Certified Development Corporation.
Pendleton, Greater Eastern Oregon Development Corporation.
Medford, Greater Southern Oregon Certified Development Corporation.
Redmond, Oregon Certified Business Development Corporation.
Salem, Oregon Economic Development Corporation.
Portland, River East Progress, Inc.

PENNSYLVANIA

Allentown, Allentown Economic Development Corporation.
Altoona, Altoona Enterprises, Inc.
Reading, Berks County Certified Development Company.
Hatfield, Central Montgomery County Economic Development Corporation.
Exton, Chester County Small Business Assistance Corporation.

Media, Delaware County Economic Development Center, Inc.
Easton, Easton Economic Development Corporation.
Erie, Erie City Local Development Corporation.
Wayne, Growth Funds Development Company.
Johnstown, Johnstown Area Regional Industries Cert. Dev. Corp.
Scranton, MetroAction, Inc.
Donora, Middle Monongahela Industrial Development Association.
Ridgway, North Central Business Development, Inc.
Wilkes-Barre, Northeast Pennsylvania Development Company.
Erie, Northwestern Pennsylvania Development.
Philadelphia, PIDC Local Development Corporation.
Philadelphia, Philadelphia Industrial Loan Fund, Inc.
Pittsburgh, Pittsburgh Countywide Corporation.
Pittston, Pocono Northeast Enterprise Development Corporation.
Philadelphia, Quaker State Certified Development Company, Inc.
Lewisburg, SEDA-COG Local Development Corporation.
York, Small Enterprise Development Company.
Pittsburgh, Southwestern Pennsylvania Economic Development District.
Franklin, Uniform Region Nine Certified Development Company.
Philadelphia, Urban Local Development Corporation.

RHODE ISLAND

Newport, Newport County Certified Development Company, Inc.
Pawtucket, Pawtucket Local Commercial & Industrial Dev. Corp.
Providence, Ocean State Business Development Authority.
Warren, Bristol County Chamber Local Development Corporation.

SOUTH CAROLINA

Greenville, Appalachian Development Corporation.
Charleston, Berkeley Charleston Dorechester Regional Development Corporation.
Rock Hill, Catawba Regional Development Corporation.
Columbia, Central Midlands Development Corporation.
Charleston, Charleston Citywide Local Development Corporation.
Spartanburg, City of Spartanburg Development Corporation.
Greenville, Greenville Local Development Corporation.
Yemassee, Lowcountry Regional Development Corporation.
Aiken, Lower Savannah Regional Development Corporation.
Bennettsville, Marlboro County Small Business Development Co., Inc.
Florence, Pee Dee Regional Development Corporation.
Sumter, Santee-Lynches Regional Development Corporation.
Greenwood, Upper Savannah Development Corporation.

SOUTH DAKOTA

Aberdeen, Aberdeen Development Corporation.
Yankton, Areawide Business Council, Inc.
Watertown, First District Development Company.
Spearfish, Northern Hills Community Development, Inc.
Pierre, South Dakota Development Corporation.

TENNESSEE

Knoxville, Areawide Development Corporation.
Chattanooga, Chattanooga-Hamilton County Development Corp.
Cookeville, Cumberland Area Investment Corporation.
Nashville, Mid-Cumberland Area Development Corporation.
Columbia, South Central Tennessee Business Development Corp.
Memphis, West Tennessee Investment Corporation.

TEXAS

Abilene, Big Country Development Corporation.
Beaumont, Beaumont Economic Development Foundation.
Big Spring, Big Spring Area Development Company.
Brownsville, Brownsville Local Development Company, Inc.
Texarkana, Ark-Tex Regional Development Company, Inc.
Lubbock, Caprock Local Development Company.
College Station, College Station Certified Development Corporation.
Dallas, Dallas Small Business Corporation.
Jasper, Deep East Texas Regional Cert. Development Corp.
Kilgore, East Texas Regional Development Company, Inc.
Corsicana, First Certified Dev. Company of Corsicana, Texas.
Fort Worth, Fort Worth Economic Development Corporation.
Garland, Garland Local Development Corporation, Inc.
Houston, Houston-Galveston Area Local Development Corporation.
McAllen, Lower Rio Grande Valley Cert. Development Corporation.
Trenton, North Texas Certified Development Corporation.
Wichita Falls, North Texas Regional Development Corporation.
Brownwood, Pecan Valley Economic Development District.
Midland, Permian Basin Regional Development Corporation.
Laredo, S.T.E.D. Corporation.
San Antonio, San Antonio Local Development Corporation.
Waco, Small Business Services, Inc.
Cedar Park, Texas Certified Development Company, Inc.
Amarillo, Texas Panhandle Regional Development Corporation.
Trinity, Trinity Development Corporation.
San Antonio, United Communities Certified Development Corporation.
El Paso, Upper Rio Grande Development Company.

UTAH

Salt Lake City, Greater Salt Lake Business District DBA Deseret Certified Development Company.
Ogden, Historic 25th Street Development Company (The).
Provo, Provo Metropolitan Development Company.

VERMONT

Brattleboro, Brattleboro Development Credit Corporation.
Burlington, Cynosure, Inc.
Montpelier, Central Vermont Economic Development Corporation.
North Bennington, Bennington County Industrial Corporation.
Rutland, Greater Rutland Development Company, Inc.
St. Albans, Target Area Development Corporation.
St. Johnsbury, Northeast Kingdom Development Corporation, Inc.
St. Johnsbury, Northern Community Development Corporation.
Winooski, Winooski Community Development Corporation.
Montpelier, Vermont 503 Corporation.

VIRGINIA

Accomac, Accomac-Northampton Housing.
Staunton, Central Shenandoah Certified Development Company.
Petersburg, Crater Development Company.
South Hill, Lake Country Development Corporation.
Radford, New River Valley Development Corporation.
Newport News, Newport News Pulse Development Corporation.
Vienna, Northern Virginia Local Development, Inc.
Fredericksburg, Rappahannock Economic Development Corporation.
Richmond, Richmond Renaissance Development Corporation.
Norfolk, Urban Business Development Corporation.
Charlottesville, Virginia Economic Development Corporation.
Newport News, Virginia Peninsula Economic Development Council.
Roanoke, Western Virginia Development Company.

WASHINGTON

Seattle, Evergreen Community Development Association.
Colville, FPS Development Association.
Spokane, Greater Spokane Business Development Association.
Kennewick, Southeastern Washington Development Corporation.
Olympia, Washington Community Development Corporation.

WEST VIRGINIA

Charleston, Business & Industrial Development Corporation of Kanawha Valley.
Charles Town, JEDECO, Inc.
Parkersburg, Mid-Ohio Valley Development Corporation.
Parkersburg, Parkersburg-Wood County Area Development Corporation.
Petersburg, Potomac Valley Area Development Corporation.
Charleston, West Virginia Certified Development Corporation.

WISCONSIN

Green Bay, Area Investment & Development Corporation, Inc.
Eau Claire, Eau Claire County Economic Development Corporation.
Kenosha, Greater Kenosha Development Corporation.
Madison, Madison Development Corporation.
Wausau, Marathon County Certified Development Company, Inc.
Milwaukee, Milwaukee Economic Development Corporation.
Oshkosh, Oshkosh Commercial Development Corporation.
Turtle Lake, Western Wisconsin Development Corporation.
Madison, Wisconsin Business Development Finance Corporation.

WYOMING

Evanston, Great Evanston Development Company, Western Wyoming Certified Development Company.

Casper, Small Business Development Corporation for Wyoming, Inc.

Mr. WEICKER. Mr. President, the 503 Program has become one of the Federal Government's primary economic development tools having had nationwide impact, in cities and rural areas alike, greater than its size would initially suggest. Small firms suffer from an inability to tap into long-term capital markets, and as J. Martin Orr, president of the National Association of Development Cos. [NADCO] and executive vice president of the Kansas City Corp. for Industrial Development stated:

* * * the 503 program permits a community to initiate its own economic development activities to overcome this structural disfunction in our economy. Also recognizing the scarcity of public resources, the 503 program is designed to supplement, not supplant, private sector financing from conventional institutions.

In establishing the 503 Program, Congress made CDC's a major partner sharing responsibility for loan origination, packaging, closing, monitoring and servicing. In order to become a CDC, an organization must demonstrate broad and active community support and professional staff resources. Many local and State public officials believe economic development in their areas would come to a virtual halt without the 503 Program.

Mr. Orr gave testimony further citing the program's mission and accomplishments. He stated:

The rationale of SBA 503 and SBIC programs is to fill the long-term capital gap. The resulting product is the public purpose—the creation of jobs and tax revenues for our local communities. The SBA programs serve another purpose. The programs increase the amount of capital available to many of our country's local communities. Rural banks and small urban banks cannot meet all local needs. Thus, the SBA programs serve a further public purpose: to increase the overall level of capital in local communities * * * since its inception, the 503 program has issued $703,735,000 worth of debentures, which in turn leveraged more than $1 million in private capital to create nearly 100,000 job opportunities throughout the country, at an average Federal investment of $7,394 per job.

Mayor J. Michael Houston of Springfield, IL, representing the U.S. Conference of Mayors, gave his reaction to the administration's proposed elimination of the SBA, and with it the 503 Program. He said:

It is important to review, just how essential the SBA's financing programs have been to economic development efforts in American's cities. The two are closely linked. Eliminating the SBA at this time would send a shock wave rippling though America's economy which would destroy the most successful public-private partnership which has ever been created. I am speaking of the SBA 503 program. * * * Across America, the 503 program has proven to be an unqualified success. Through it, the SBA has emerged as a full and equal partner with our financial institutions in encouraging economic development. That partnership has helped the SBA shed its image as the lender of last resort.

Mayor Houston provided this detailed outline of the program's successes his home State, and related them to cities across the Nation:

To date, there have been more than 3,800 SBA 503 loans approved, totalling $764 million. Those "public" dollars were leveraged with more than $1.3 billion "private" dollars for a combined economic impact exceeding $2.1 billion * * * I am pleased to say that the 503 program has been responsible for 2,700 new jobs in Illinois resulting from one hundred twenty 503 loans. We have leveraged 27 million "public" dollars with 41 million "private" dollars for a total of $68 million in economic development—and that economic development has been across the board, from our largest city, Chicago, to some of our smallest villages and townships. Our successes are not unusual and have been matched in cities across the country. Cleveland, Jacksonville, Kansas City, Portsmouth, St. Paul, Wichita * * * are just a few of the other communities which have also formed an important partnership with the Small Business Administration.

In giving the conference of mayors' endorsement of S. 408, Mayor Houston encapulated the view of so many public officials that:

* * * the decision that Congress reaches this session regarding the future of the Small Business Administration will be felt in every State in our nation. Any action to eliminate the SBA would serve to slam the door on long-term financing for small- and medium-sized businesses just when those businesses, can least afford for that door to be closed.

Ralph A. Johnson, mayor of Warner Robins, GA., testified on behalf of the Development Corp. of Middle Georgia and the National Association of Development Organization [NADO].

* * * SBA's section 503 certified development company program is the small business program that has been most important to Middle Georgia and to hundreds of small cities and rural areas around the country, stated Mayor Johnson. * * * I am here today on behalf of the local governments and the businesses in our area which have in our area which have utilized and benefitted from the innovative approaches to economic development financing that the 503 Program has made possible * * * on behalf of NADO and the Middle Georgia Development Corporation, I urge this committee to enact legislation to reauthorize the Small Business Administration for three years, and to oppose any effort to eliminate the agency or its funding.

The mayor described the credit void affecting small businesses in rural areas, and how the 503 Program fills that niche. He explained:

* * * as important as small business is to rural county and municipal governments, there is relatively little these local governments can do on their own to help indigenous small firms meet their needs for capital and credit. This is an especially serious handicap in economically underdeveloped rural areas that have limited local access to private credit markets. Many small rural banks are in financial trouble and more distant urban banks are extremely reluctant to lend to small business not located within their immediate areas. * * * The SBA 503 program and others help provide credit which would not otherwise be available to small businesses in rural and small towns. According to a letter our development company received from President Reagan, "In recent years, new and existing small companies have provided an astonishing 80 percent of new jobs in the private sector and 24 times as much innovation as larger businesses." We think it is only fair that entrepreneurs in all parts of our country should continue to have access to credit and assistance which will encourage them to grow and expand.

The Office of Management and Budget [OMB] contends that SBA programs merely dole out subsidies to weak firms that are not creditworthy. The 503 Program punches holes through this theory by leveraging market-rate debentures to healthy companies for planned expansion. Mayor Johnson addressed this point by saying:

The OMB perspective is that government intervention such as those represented by SBA programs is a wasteful distortion of otherwise efficient market forces. We do not view the SBA 503 program as a subsidy or as "Federal intervention" in the marketplace. We believe it is an important tool which can be used as a part of local economic development strategies in rural and small metropolitan areas like middle Georgia.

Mr. Orr shed light on this point by explaining that those administering the 503 Program make loans to qualified firms "that have a track record and opportunity for growth. Our local communities support us because they know we will create jobs and tax revenues for them—long-term jobs and tax revenues. Mr. Stockman has implied that SBA concentrates on weak and failing businesses. The opposite is true for us. From some unknown source, he says there is a 10-percent loss ratio for SBA 503. The actual loss ratio is only 1.6 percent—far offset by new taxes generated by the expansion of the majority of small businesses which we assist."

Mayor Houston gave his city, Springfield, IL, as an example of the type of loans being guaranteed by the SBA. He noted that:

Of the eight 503 loans approved since May, 1982, no loan has ever been in default. In fact, not one of our eight projects has even made a single late payment—most banks would envy a loan portfolio that strong.

Cynthia L. Straus, president of Chem-Plate Industries, Inc., Chicago, IL, received two SBA-guaranteed loans, the first providing startup capital, the second for expansion dollars. Her story beautifully illustrates a fact, well-stated by Mayor Johnson, that "the public investment in small business development is tiny compared to

tax revenues generated from the expansion of businesses and new employment. The 503 Program is an example of sound investment by both private and public sectors in economic development."

Ms. Strauss explained, with regard to the expansion loan she sought, that "the only source of long-term funds was, once again, the SBA." She provided the following details of her experience:

Our bank contacted Greater Metropolitan Development Corporation [GMCDC] and together they put together a 503 loan package for my company administratively, the SBA did no work other than to approve the package at a loan committee meeting. We were able to receive 15-year financing for a large portion of the $1,200,000 needed to purchase capital equipment which will add up to 15 new jobs and increase our sales from $4,000,000/year to $7,000,000/year. This increase in sales and personnel will once again generate more than enough revenues in the forms of payroll and corporate income taxes to repay the Government for its time and effort. Without the 503 Loan Program Chem-Plate would not have been able to afford to attempt this major expansion. We had no other competitive, long-term source of funds available.

The 503 Program is an essential component in the current efforts to revitalize America's cities and rural communities. Mayor Houston made a powerful case for continuing 503 and the SBA. He stated:

You've probably heard about the success stories of this program. There have been many. The program also represents one of the most flexible financing programs available. In my community alone, the 503 Program has been instrumental in financing small businesses involved in agriculture, retailing, manufacturing, construction and the service industry. Springfield's eight approved projects and two pending business expansions will mean 200 new jobs for my community—jobs which would not have occurred without the Small Business Administration. Currently, my office and other city offices across our country work hand-in-hand with the SBA putting together successful development projects. These are not weak projects which are doomed to fail—as many people characterize SBA loans. Instead, they are strong projects destined to succeed, and to create new jobs. • • • it is evident that the SBA and its financing programs have been responsible for creating thousands of jobs within our cities today that might not have been created for several years—if ever. Eliminating the SBA now would deal a significant blow to America's small businesses. It would also have a devastating effect on the continued economic recovery and revitalization of our cities.

The 503 Program has proven to be one of the SBA's great successes. Few Government programs have contributed so heartily and tangibly to our Nation's economic recovery.

And 503 has helped to revitalize our cities and rural areas by introducing new capital into local economies, boosting tax rolls, creating substantial numbers of new jobs, and increasing business ownership and expansion opportunities. The powerful, positive impact of this program has been felt across America, clearly showing that 503 merits continuance.

I will continue throughout the week to highlight testimony presented during hearings before the committee, as well as discussions entered into, regarding important SBA functions including venture capital programs, management assistance, guaranteed lending, minority assistance, and advocacy.●

GEORGE SCHOENBACHER

● Mrs. HAWKINS. Mr. President, I am honored to call to the attention of the Congress the recognition being extended to Floridian George Schoenbacher of Lighthouse Point, for his generous contributions toward helping the youth of the community of North Lauderdale, FL.

Mr. Schoenbacher generously contributed $75,000 of the $278,000 in private funds needed to build a recreational facility, named the William E. Slaughter Jr. Boys Club, for the youth of North Lauderdale. The facility's gymnasium was named the George R. Schoenbacher Gymnasium in memory of the benefactor's son.

Mr. Schoenbacher gave his donation with the humility of a great public servant. "The publicity doesn't interest me. I just wanted to do something for the boys," he said.

I can assure you, Mr. President, that all the youths who benefit from the boys club appreciate the efforts of Mr. Schoenbacher and the many others whose donations helped fund the building of the entire facility.

Mr. President, I ask that the following newspaper articles be printed in the RECORD.

The articles follow.

BOYS CLUB GYM DEDICATED

(By Jay Gayoso)

NORTH LAUDERDALE.—George Schoenbacher was soft spoken and visibly uneasy Sunday as he acknowledged the standing ovation at the opening of the Boys Club gymnasium dedicated in memory of his son.

"An idle boy is a mischievous boy," Schoenbacher said into a microphone to about 70 people gathered for the opening. "I'm glad we've given them something worthwhile to do."

A year ago, Schoenbacher wanted anonymity when he donated $75,000 to begin construction on the gymnasium, which was completed with private funds for $278,000.

"The publicity doesn't interest me. I'm a bit shy. But I just wanted to do something for the boys," said Schoenbacher, a Lighthouse Point resident.

In the end, naming a memorial for his son caused him to reveal his identity, Schoenbacher said.

"The gymnasium is called the George R. Schoenbacher Gym and is named after my son, who was killed in an automobile accident in 1981," he said. But Schoenbacher's quiet attitude put him in the minority at the gathering to celebrate the gym opening.

North Lauderdale Mayor John Hart seemed to erupt from within with happiness. Less than three years ago, Hart met opposition before convincing the North Lauderdale City Council to give the Boys Club a 25-year lease at $10 a year for a city-owned building not attached to gym.

"This is a celebration of the spirit of unity," Hart said. "We have people from our city and around the county who have gotten together to make this happen. I just can't say enough about how this shows the strength of community spirit and how that spirit can champion a cause."

About $27,000 was raised by selling handpainted names on woodblocks that are hung along two walls in the gym. A larger sign with the words "Wall of Honor" stands out next to a scoreboard.

"The kids love this place," said Tom Condron, the club director. "They've been anxious to get inside for more than a month."

During the gymnasium ceremony, the entire Boys Club unit was named after William E. Slaughter, who has given $145,000 for the facility.

"I'm very proud," Slaughter said. "This is a fine and good place and I'm happy to be part of it."

EAGER YOUTHS TRY OUT NEW GYM AFTER ADULTS' OFFICIAL DEDICATION

(By Jay Gayoso)

NORTH LAUDERDALE.—Forget the ribbon-cutting ceremony Sunday for the Boys Club gymnasium. That was for the adults who were happy about raising the $278,000 needed to fund construction.

The *real* opening came Tuesday evening when the first group of boys got together to use the facility.

It was indoor soccer—a dream come true for some of the soccer fanatics who suffered through outdoor seasons in the past.

Take Alex Escobar, for instance. He's 15 and loves the new gym.

"The gym is the best thing that's ever happened to this whole place," said Escobar, who has been with the Boys Club since 1981 when it opened a unit in North Lauderdale. "All the programs are going to take off with this place."

Escobar reminisced of days not more than a week ago when a basketball game could be rained out before he hit his first jump shot.

"Not anymore," he said. "If it rains now we can be inside and never miss a shot. That's the great thing about this place."

The facility was named the George R. Schoenbacher Gymnasium in memory of the son of a benefactor who gave $75,000.

Edward Jones, 12, said he doesn't know much about Schoenbacher, but he sure enjoys playing basketball under a roof.

"Basketball is my favorite and this is a great place to play, what else can I say," Jones said.

For Fernando Acosta, 13, and his 12-year-old brother, Juan, the gym provides a fine arena for indoor soccer.

"It's fun to bounce the ball off the walls," Fernando said. "There's more action in this place."

Mike Williams, 9, was also impressed with the new facility. "This is a real good place, especially for the indoor soccer and basketball," he said.

"It's going to be a lot of fun," said John Diaz, 11, "I like this place a lot."

There are 1,200 members of the Boys Club, located on Kimberly Boulevard just west of Rock Island Road.

Matt Organ, program director, said he expects the programs offered at the club

should strengthen as the boys become more acquainted with the gym.

"We're taking it slow now, but this place is going to be the feature attraction," Organ said.

BOYS CLUB GYM NEARS COMPLETION

(By Beverly Stracher)

NORTH LAUDERDALE.—When the Boys Club officially opens Sept. 16, many residents will be able to see their names on the "Wall of Honor."

And boys ages 7 to 18 who play basketball, T-ball or lift weights at the club will be able to continually appreciate the efforts of those who donated money to help fund the building of the gym, located at 7201 Kimberly Blvd.

As part of a novel fund-raising project, called "Building blocks for the future—our youth," club members sold concrete blocks of the gym to individuals, businesses and corporations.

Each block sold will have the contributor's name or organization inscribed on it and is to be on the gym's eastern wall.

About 700 blocks were sold. City residents bought about 400 of them.

Boys enjoying summer recreation at the club are getting a sneak preview of the new gym as workers put on the finishing touches.

"Every hour, on the hour, we are giving tours of the gym," said Matt Organ, club program director. "The boys are real excited. Their curiosity is getting the best of them.

"A lot of them are eyeing it [the gym floor] as their next breakdancing floor," he said.

The weight lifting room has plexiglass windows so boys can see what's happening on the gym floor while lifting weights.

The gym is to be available to the community, and adult classes will be offered once the fitness room is equipped with weights.

The club is open from 9 a.m. to 5 p.m. Monday through Friday until Aug. 17.

Boys must pay a $4 annual registration fee when the club re-opens Sept. 11, and boys also may sign up for the indoor soccer program at that time.●

TEXT OF VIETNAM RULES OF ENGAGEMENT

● Mr. GOLDWATER. Mr. President, in the past 2 weeks I have placed in the RECORD three reports prepared by the Air Force explaining the effect and evolution of rules of engagement which hampered and restricted operations by the Armed Forces in the Vietnam war. These reports reveal that through 1966, the air campaign against North Vietnam was centered on attacking enemy lines of communication well below Hanoi and Haiphong, while primary targets in the northeast, where the bulk of North Vietnamese war supporting resources were located, remained almost untouched.

The long delay in approving targets in North Vietnam and piecemeal approval of such targets unquestionably contributed to our aircraft and pilot losses since it gave North Vietnam time to build up massive air defenses and to disperse its stocks of war supplies. One point on which military experts disagreed most vehemently with civilian managers, who dictated and wrote the rules of engagement, was the certainty among professional military men that these self-imposed restrictions greatly increased U.S. casualties.

Targets on the Joint Chiefs of Staff list could not be hit without the approval of the Secretary of Defense and other high civilian authority. As a result, the air campaign was less than optimum. For example, in 1966, as a result of this procedure, only 22 of 242 targets on the Joint Chiefs of Staff list of recommended fixed targets were struck.

The charge is untrue, although I know that some revisionist historians are trying to argue it, that military commanders did not press their views clearly or persistently. Anyone who takes the time to read book 6 of the Pentagon Papers, relative to the air war in North Vietnam, will find proof enough that the Joint Chiefs and commanders in the field repeatedly transmitted to the President and Secretary of Defense proposals for putting more pressure on North Vietnam. Over and over the Chiefs protested the artificial limitations impeding the achievement of our Nation's objectives in the war.

To refute critics who obviously do not know what they are talking about, I will place in the RECORD excerpts from the Joint Chiefs' bombing policy paper submitted by General Wheeler to the Clifford group in 1968. This was a senior group of advisors convened by Defense Secretary Clark Clifford from the State and Defense Departments, the CIA and the White House to review U.S. involvement in Vietnam. The cover memo for this paper noted that "General Wheeler would favor action to close the Port of Haiphong through mining or otherwise," but a specific paper was not included since the general had received word that closing the ports was not an action President Johnson was going to consider, even as part of a comprehensive review. This fact itself illustrates what our military leadership was up against.

I ask that the paper written by the Joint Chiefs be included in the CONGRESSIONAL RECORD.

The excerpt follows:

EXCERPTS OF BOMBING POLICY

"1. The air campaign against North Vietnam is now entering the fourth year of operations. Only during the latter part of the past favorable weather season of April through October 1967, however, has a significant weight of effort been applied against the major target systems. During this period, even though hampered by continuous and temporarily imposed constraints, the air campaign made a marked impact on the capability of North Vietnam to prosecute the war. Unfortunately, this impact was rapidly overcome. The constraints on operations and the change in the monsoon weather provided North Vietnam with numerous opportunities to recuperate from the effects of the air strikes. Facilities were rebuilt and reconstituted and dispersal of the massive material aid from communist countries continued . . .

"2. . . . The viability of the North Vietnam military posture results from the availability of adequate assets received from communist countries which permits defense of the homeland and support of insurgency in the South . . .

"4. A coordinated and sustained air campaign could hamper severely the North Vietnam war effort and the continued support of aggression throughout Southeast Asia. An integrated interdiction campaign should be undertaken against the road, rail and waterway lines of communication with the objective of isolating the logistics base of Hanoi and Haiphong from each other and from the rest of North Vietnam. To achieve this objective, the following tasks must be performed employing a properly balanced weight of effort:

"a. Destroy war supporting facilities as well as those producing items vital to the economy.

"b. Attack enemy defenses in order to protect our strike forces, destroy enemy gun crews and weapons, and force the expenditure of munitions.

"c. Conduct air attacks throughout as large an area and as continuously as possible in order to destroy lines of communication targets and associated facilities, dispersed material and supplies and to exert maximum suppression of normal activities because of the threat.

"d. Attack and destroy railroad rolling stock, vehicles and waterborne logistics' craft throughout as large an area as possible, permitting minimum sanctuaries.

"5. Targeting criteria for the effective accomplishment of a systematic air campaign would continue to preclude the attack of population as a target, but accept greater risks of civilian casualties in order to achieve the stated objective. The initial changes in operating authorities necessary to the initiation of an effective air campaign are:

"a. Delete the 30/10NM Hanoi Restricted/Prohibited Area and establish a 3NM Hanoi Control Area.

"b. Delete the 10/4NM Haiphong Restricted/Prohibited Area and establish a 1.5NM Haiphong Control Area.

"c. Delete the Special Northeast Coastal Armed Reconnaissance Area.

"6. The present Restricted Areas around Hanoi and Haiphong have existed since 1965. The Prohibited Areas were created in December 1966 . . . A reduction of the control areas would expose approximately 140 additional miles of primary road, rail and waterway lines of communication to armed reconnaissance, as well as hundreds of miles of secondary lines of communication, dependent upon NVN reactions and usage. Additional military targets would automatically become authorized for air strikes under armed reconnaissance operating authorities. This would broaden the target base, spread the defenses, and thus add to the cumulative effects of the interdiction program as well as reducing risk of aircraft loss . . .

"7. There have been repeated and reliable intelligence reports that indicate civilians not engaged in essential war supporting activities have been evacuated from the cities of Hanoi and Haiphong. Photographic intelligence, particularly of Haiphong, clearly shows that materials of war are stockpiled in all open storage areas and along the streets throughout almost one-half of the city. Rather than an area for urban living,

the city has become an armed camp and a large logistics storage base. Consequently, air strikes in and around these cities endanger personnel primarily engaged directly or indirectly in support of the war effort.

"8. The special coastal armed reconnaissance area in the Northeast has limited attacks on NVN craft to those within 3 NM of the NVN coast or coastal islands. This constraint has provided another sanctuary to assist NVN in accommodating to the interdiction effort . . ."

Mr. GOLDWATER. Mr. President, in order to assist interest Members, the media, historians or individual citizens in better understanding the rules of engagement, I asked Secretary Weinberger to declassify them. Earlier this year he agreed and I am now able to insert in the RECORD for study the actual text of the rules of engagment covering South Vietnam. In the interest of comparison, I will first insert the rules applicable to air and surface operations in South Vietnam, dated June 28, 1966, with 1967 revisions, and the same rules as they appeared 5 years later on December 30, 1971. Also, I will insert directive 95-4, establishing procedures and responsibilities for command, control and coordination of U.S. military air operations in South Vietnam, both as it was issued on June 28, 1966 and as revised on August 15, 1970.

The rules governing bombing in North Vietnam were included in regular message traffic and were not in the form of directives. That message traffic was not retained and is no longer available.

Mr. President, it must be remembered that our pilots and fighting men had to memorize every tiniest detail of these complicated and lengthy rules and to implement them under extreme moments of stress. If anyone ever again foolishly criticizes the performance of our military in the Vietnam War after having reviewed these materials, he or she must not understand the English language.

Mr. President, at this point I wish to insert the newly declassified documents described above.

The material follows:

RESTRICTIONS AND RULES OF ENGAGEMENT, RVN

1. (U) Purpose. To define specific operational restrictions and rules of engagement for US aircraft in RVN.

2. (C) General.

a. All targets selected for an air strike will be approved by the Province Chief directly or through higher ARVN authority.

b. All pilots will endeavor to minimize non-combatant casualties and civilian property damage. A strike will not be executed where identification of friendly forces is in doubt.

c. All pilots will have a knowledge of the disposition of friendly forces and/or civilians prior to conducting a strike. This information may come from ground or air briefing.

d. For purposes of this directive, references to the Forward Air Controller (FAC) also encompass and apply to the Marine Tactical Air Coordinator Airborne (TACA).

e. USAF, USMC, and USN strike aircraft will normally be controlled by the following in the order of preference as listed:

*(1) US Air Force ALO/FAC or Marine TACA.

*(2) VNAF FAC/FAO.

(3) USAF MSQ-77 (SKY SPOT) or USMC TPQ-10.

f. In an emergency, when no qualified means of control is available, the following personnel may designate the target for strike aircraft:

(1) The commander of a ground unit or US advisor engaged with the Viet Cong.

(2) US pilot of an airplane or helicopter supporting a ground unit, who has radio contact with the ground unit involved and/or can identify friendly positions in relation to enemy positions.

(3) US pilot of an airplane or helicopter required to operate within the vicinity of a hostile village or hamlet for the purpose of conducting a medical evacuation or supply mission, and where enemy fire presents an immediate threat to the lives of the helicopter or transport crew.

g. Close Air Support missions that involve strikes on hamlets or villages must always be controlled by a FAC. If the attack on a village or hamlet is deemed necessary and is executed in conjunction with a ground operation involving movement of ground forces through the area, the attack may be made without warning; however, appropriate US-GVN-RVNAF approval is required, except in emergencies. If the attack on a village or hamlet is not in conjunction with any immediate ground operation, the inhabitants must be warned by leaflets and/or loudspeaker system prior to the attack and must be given sufficient time to evacuate the area.

3. (C) Specific instructions for close air support to include interdiction (day or night).

a. ALO/FAC will:

(1) Have thorough knowledge of the ground scheme of maneuver.

(2) Make every effort to secure a VNAF observer to assist in directing an air strike. If a VNAF observer is not available, an ALO/FAC is authorized to direct the air strike.

(3) Maintain reliable communications with ground unit and with strike aircraft.

(4) Make positive identification and mark the target.

(5) Insure that strike pilots are aware of friendly locations in relation to target, characteristics of target area, and local weather conditions.

(6) Use 1:50,000 scale maps of target area, and photographs when available.

b. Strike Pilots will:

(1) Always be under the control and have direct radio contact for a strike with a Forward Air Controller or designated control agency (airborne or ground).

(2) Have visual contact with target or target marker except as noted in paragraph (6), below.

(3) Always ascertain the position of friendly troops (or civilians, when applicable).

(4) Ascertain local conditions regarding weather, target area, and surrounding terrain characteristics.

(5) Defend themselves against ground fire providing:

(a) Source of fire can be visually identified.

(b) The strike can be positively oriented against the source.

(c) The fire is of such intensity that counter-action is necessary.

(6) Strike at night only with flares, unless under control of TPQ-10 or MSQ-77.

4. (C) Border restrictions for aircraft conducting assigned missions in RVN.

a. Aircraft will not cross the demilitarized zone or Cambodian border unless specifically authorized by COMUSMACV.

b. All FACs operating in the vicinity of the border will have a 1:50,000 map of the target area. Maps, mosaics, and photos will be made available to the pilots.

c. Joint operations-intelligence facilities will be established and complete prestrike briefings and poststrike debriefings will be conducted for strikes within 5000 meters of the border, when practical.

d. Cambodian border restrictions which are additional to the above:

(1) Strike aircraft within 5000 meters of the Cambodian border will be under postive control of a Forward Air Controller or MSQ-77/TPQ-10. The authority to waive this requirement is restricted to COMUSMACV or his designated representative.

(2) All organizations responsible for planning or execution of missions within 5 km of the border will have posted in operations a 1:250,000 or larger scale map on which the Cambodian border is distinctly marked, on the RVN side, to the depth of 5 km.

(3) Aircraft supporting border outposts (fire support, reconnaissance, supply, and transportation) are allowed to operate as necessary in the outpost area, but will neither cross nor fire across the border.

(4) Appropriate radar stations will flight follow aircraft on missions within 5 km of the border within equipment capability.

5. (C) Jettison.

a. Munitions will be jettisoned only in designated jettison areas.

b. During night or IFR conditions, aircraft will be under positive radar control while jettisoning.

c. During day VFR, drops will be monitored by radar whenever possible.

6. (C) US Armed Helicopters.

a. US Army and US Marine armed helicopters will be marked "US Army" or "US Marine," as appropriate, and may be manned with all-US crews at the unit commanders discretion.

b. If the target involves non-combatants, such as in a hamlet or village, whenever possible an RVNAF observer will be aboard the helicopter and US-GVN-RVNAF approval to fire must be obtained unless the situation clearly presents an immediate threat to the lives of the crew.

7. (C) USAF C-123 aircraft (Ranch Hand). Ranch Hand aircraft flying Trail Dust missions in RVN for the purpose of crop destruction will be flown under "Farmgate" rules which require Vietnamese markings on the aircraft and a Vietnamese observer aboard.

8. (C) Air reconnaissance and aerial surveillance missions.

a. Operational restrictions placed upon reconnaissance aircraft near the RVN/Cambodian border, for the purpose of insuring that inadvertent overflights do not occur, preclude aerial reconnaissance over large areas within RVN where significant enemy activity is known to be taking place. In order to eliminate the immunity of such areas to observation and photography, these

*Under VFR conditions, when a USAR, USMC, or VNAF FAC is not available, a qualified Army Target Identifying Pilot (TIP) may designate the target to be struck and the flight leader of the strike aircraft will control the strike.

restrictions may be waived on a case-by-case basis.

b. Reconnaissance requests for coverage in areas which present a danger of an overflight or border violation will be forwarded through normal reconnaissance request channels to the TASE. Upon determination that a waiver is justified, the request will be executed. In the event of particularly sensitive complications, COMUSMACV will be the final determining authority.

c. US Army OV-1 aircraft may be armed with target marking ordnance while on surveillance missions.

9. (U) Air to air restrictions. Commander, 7th Air Force, prescribes Rules of engagement and Restrictions for air to air combat in RVN. These are published by that headquarters in Tactical Air Control Center (TACC) Operating Instructions (OI) No 55-33, 30 March 1966.

MILITARY OPERATIONS: RULES OF ENGAGEMENT FOR THE EMPLOYMENT OF FIREPOWER IN THE REPUBLIC OF VIETNAM (U)

1. (U) Purpose. This directive provides specific rules of engagement (ROE) for the conduct of the air and surface operations within the Republic of Vietnam (RVN).

2. (U) Applicability. This directive is applicable to all MACV staff agencies and subordinate commands.

3. (U) General.

a. The changing nature of operations in the RVN has necessitated a new approach to the ROE for the employment of firepower. The shift to predominantly Republic of Vietnam Armed Forces (RVNAF) operations supported and advised by US forces, coupled with a civilian populace that is less inclined to observe curfews and restricted areas, makes it imperative to ensure against the indiscriminate use of firepower. While the goal is maximum effectiveness in combat operations, every effort must be made to avoid civilian casualties, minimize the destruction of private property, and conserve diminishing resources. Accomplishment of these objectives requires that the ROE be adhered to by all friendly armed forces.

b. This directive will not be modified by subordinate commanders nor will directives modifying or interpreting substantive rules in this directive be published by subordinate commands. Unit commanders are authorized to issue instructions to users, provided such instructions do not circumvent the substantive rules contained in this directive.

c. This directive will serve as the basis for standing operating procedures for the conduct of all fires to include artillery, mortar, tank, riverine, strike aircraft, armed helicopters, air defense artillery, and naval gunfire.

d. It is not the intent of this directive to restrict any commander from exercising the inherent right and responsibility of self-defense of his forces. Commanders at all echelons must establish a balance between the force and weapons necessary to accomplish their mission yet ensure safety of noncombatants who are in the area.

4. (U) Responsibility.

a. Advisors will take all necessary advisory action to encourage RVNAF compliance with these ROE.

b. Senior tactical commanders and senior advisors will:

(1) In coordination with their RVNAF counterparts, where applicable, insure that all units conduct operations in accordance with this directive, and develop positive, practical, and understandable target clearance procedures to preclude error or misunderstanding.

(2) Insure that all personnel engaged in fire support activities are fully cognizant of the contents of this directive, with specific emphasis on procedures pertaining to clearance for fires and air strikes. Periodic testing of personnel on their knowledge of ROE is encouraged.

(3) Require advisory personnel to insure that US fire support resources provided in support of RVNAF operations are employed in accordance with this directive. If the request of a RVNAF unit falls outside the provisions of this directive, the advisor will take action to suspend the US fire support which is in violation of the ROE.

5. (U) Definitions.

a. Air Strike. An attack on specific objectives by fighter, bomber, or attack aircraft on an offensive mission. ARC LIGHT strikes will be governed by MACV Directive 95-14(S).

b. Armed Helicopters. For the purposes of this directive, all helicopters having an attached ordnance delivery system including door guns are considered armed helicopters.

c. Close Air Support. Air attacks against hostile targets which are in close proximity to friendly forces and which require detailed integration of each air mission with the fire and movement of those forces.

d. Curfew, Inland Waters. The Army, Republic of Vietnam (ARVN) military region (MR)/corps commanders in coordination with local authorities may designate curfews on inland waters. Such curfews will be reported through channels to the Joint General Staff and Headquarters, MACV.

e. Hostile Fire. Fire directed from a hostile source toward friendly forces. It may be delivered by either direct or indirect fire weapons. It does not include devices such as mechanical ambushes, booby traps, and mines unless command detonated.

f. Hostile Watercraft. A watercraft or vessel (surface or subsurface) which is engaged in one of the following acts:

(1) Attacking or acting in a manner which indicates within reasonable certainty as intent to attack US or friendly forces or installations, including the unauthorized landing of troops or material or friendly territory.

(2) Laying mines within friendly territorial seas or inland waters without permission of the Government of Vietnam (GVN).

(3) Direct support of attacks against friendly forces.

g. Inhabited Area. Includes any dwelling or group of dwellings as well as established hamlets and villages that do not qualify as an urban area.

h. Military Clearance Authority. The U.S. military clearance authorities are the senior tactical commanders, senior advisors or their authorized representatives. The RVN military clearance authorities are the ARVN corps commanders or their authorized representatives.

i. Political Clearance Authority. The RVN province chiefs, or their authorized representatives are the political clearance authority for their respective provinces.

j. Senior Tactical Commanders and Senior Advisors. Includes CG, XXIV Corps/SA, I Corps and MR 1; DIR/SA, SRAG/USARMYF MR 2; DSA/CG, USARMYF MR 2; CG, TRAC/SA, III Corps and MR 3; CG, DRAC/SA, IV Corps and MR 4; COMNAVFORV/CHNAVADVGP and Cdr, 7th AF/SA, Vietnamese Air Force (VNAF).

k. Specified Strike Zones (SSZ). An area designated for a specific period of time by an ARVN corps commander in which there are no friendly forces or populace and in which targets may be attacked on the initiative of US, Free World Military Assistance Forces (FWMAF), or RVNAF commanders. SSZ will not be referred to as "free fire zones." Furthermore, the term "free fire zone" will not be used under any circumstances.

l. Strike Aircraft. Fixed wing aircraft of the fighter, bomber, and attack classification capable of conducting an air strike.

m. Troops In Contact (TIC). A unit is considered in contact when it is engaged with an enemy force, being fired upon, and returning fire. The supported unit commander is responsible for making the "in contact" determination.

n. Urban Area. Those areas depicted as built-up areas on an Army Map Service 1:50,000 scale map.

o. Waters.

(1) Territorial. The belt of sea adjacent to the RVN coast three miles wide measured from the low water mark.

(2) Inland. Waters to landward of the territorial sea.

(3) International. Waters to seaward of the territorial sea.

6. (C) General rules.

a. All possible means will be employed to limit the risk to the lives and property of friendly forces and civilians. In this respect, a target must be clearly identified as hostile prior to making a decision to place fire on it.

b. Precautionary measures will be taken to avoid the violation of operational and national boundaries.

c. The enemy is known to take advantage of areas normally considered as non-military targets. Typical examples of non-military targets are places of religious or historical value and public or private buildings and dwellings. When the enemy has sheltered himself or installed defensive positions in such places, the responsible brigade or higher commander must positively identify the preparation for, or execution of, hostile enemy acts before ordering an attack. During the attack, weapons and forces used will be those which will insure prompt defeat of enemy forces with minimum damage to structures in the area.

d. The exception to the above policy is the palace compound in Hue Citadel. For this specific area, commanders will employ riot control agents and take all other possible actions to avoid damage to the compound.

e. The use of incendiary munitions in inhabited or urban areas will be avoided unless friendly survival is at stake or it is necessary for the accomplishment of the commander's mission.

f. Riot control agents (RCA) will be used to the maximum extent possible. RCA can be effectively employed in inhabited and urban area operations to flush enemy personnel from buildings and fortified positions, while reducing the unnecessary danger to civilians and the likelihood of destruction of civilian property.

g. The ARVN corps commander in each MR has the authority to designate, modify, suspend temporarily, or cancel a SSZ. Notification of SSZ designation, modification, temporary suspension, or cancellation will be disseminated by the ARVN corps commander to all commands operating in the MR with a minimum of 72 hours notification prior to the change becoming effective. Notification of US and FWMAF will be through US command channels. Requests for SSZ changes will be submitted to the ARVN corps commander via appropriate command channels.

h. Specific ROE for the employment of weapons and weapon systems in the RVN are outlined at Annexes A through D.

7. (U) Reports. This directive requires no report.

8. (U) References.

a. MACV Directive 95-4(C).
b. MACV Directive 95-14(S).
c. MACV Directive 335-12(U).
d. MACV Directive 525-3(U).
e. MACV Directive 525-9.
f. MACV Directive 525-11(C).
g. MACV Directive 525-11(C).
h. MACV Directive 525-216(C).
i. 7th AF OPORD 71-7(TS).

RULES OF ENGAGEMENT—SURFACE WEAPONS

1. (U) *Purpose.* This annex provides guidance for the control of organic weapons and the artillery, mortar, tank, naval, and riverine gunfire provided to the surface commander by US, FWMAF, and RVNAF.

2. (C) *General.*

a. These rules of engagement apply to the conduct of surface operations to include the employment of artillery, mortar, tank, naval, and riverine gunfire by US, FWMAF, and RVNAF in both offensive and defensive situations within the RVN. These rules also apply to the employment of US, FWMAF, and RVNAF fire support resources in cross service support missions for all forces.

b. Artillery, mortar, tank, naval, and riverine gunfire requires that care and attention be exercised in the formulation of fire requests and the application of all gunnery techniques. The exercise of sound judgment on the part of all personnel involved in originating requests for fire, solving the gunnery problem, and exercising precise gunnery procedures will provide the best assurance against endangering friendly forces and noncombatants or destroying civilian property.

c. Procedures applicable to the conduct and control of naval gunfire are contained in the effective CTG 70.8 Operation Order 320. Market Time unites will comply with the provisions of COMCOSURVFOR Operation Order 201.

3. (C) Conduct of Fire.

a. Every effort will be made to observe fires regardless of the target location. Unobserved fires will be employed only where absolutely necessary for mission accomplishment and will be in accordance with the criteria outlined herein.

b. SSZ. Unobserved fire may be directed against all targets and target areas located within a SSZ after obtaining military clearance.

c. Uninhabited Areas Outside a SSZ.

(1) In uninhabited areas, fire may be directed against Viet Cong (VC)/North Vietnamese Army (NVA) forces in contact without obtaining military or political clearance.

(2) Observed fire may be directed against targets of opportunity which are clearly identified as hostile without obtaining military or political clearance.

(3) Unobserved fires may be directed at targets and target areas clearly identified as hostile, other than VC/NVA forces in contact, after obtaining military and political clearance.

d. Inhabited Areas. Fire missions directed against known or suspected VC-NVA targets in, or in the immediate vicinity of, inhabited areas will be conducted as follows:

(1) Inhabited areas from which hostile fire is received.

(a) Surface commanders of units engaged in operations involving the maneuver of surface forces in or through inhabited areas may respond with direct fire without prior warning and without prior clearance if, in the judgment of the commander, his mission or troops would be jeopardized by such warning or delay. However, response should be designed for self-protection and directed only at the source of hostile fire.

(b) Indirect fire missions will be controlled by an observer and may be executed after approval of the political and military clearance authority. The only exception to the clearance requirement would be a situation in which the hostile fire presents an immediate threat to friendly forces despite the employment of direct fire.

(2) Inhabited areas containing observed or suspected VC/NVA targets but from which hostile fire is not received.

(a) Surface commanders may initiate direct fire against positively identified enemy targets after securing political and military clearance.

(b) Indirect fire missions will be controlled by an observer and executed only after political and military clearance has been granted. Civilians will be given prior warning by leaflets, loudspeakers, or other appropriate means and given sufficient time to evacuate the area.

(3) Inhabited areas not immediately associated with the maneuver of surface forces will not be fired upon without prior warning by leaflets, loudspeaker, or other appropriate means, even though fire is received therefrom. Should friendly troops be placed in jeopardy, the provisions of paragraph 3d(1), above, apply.

e. Urban Areas.

(1) Fire missions directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians and destruction of civilian property.

(2) Fire support in urban areas will be governed by the following:

(a) Approval by both the senior tactical commander and the ARVN corps commander is required to conduct fire missions in urban areas. This authority will not be delegated except for the built-up areas of Saigon, Cholon, and Gia Dinh City. CG, TRAC, is authorized to delegate authority to Commanding Officer, Capitol Military Assistance Team, for the employment of indirect fire in these areas. No further delegation is authorized.

(b) All indirect fire missions will be controlled by an observer.

(c) Direct fire, flat trajectory weapons are authorized in a direct fire role in urban areas at the discretion of a battalion or higher commander without the prior approval of the senior tactical commander, or, in the case of Saigon, Cholon, and Gia Dinh City, the Commanding Officer, Capital Military Assistance Team. Direct fire weapons will be used to the maximum in the elimination of enemy strong points or fortified structures in urban areas. All types of munitions, except incendiary, may be used in direct fire weapons including flechette (beehive), HEAT, and canister rounds.

(d) Maximum use will be made of helicopters to maneuver troops and heavy weapons to roofs of key buildings and other locations to expedite cordoning.

(e) Prior to firing upon urban areas, leaflets, loudspeakers, or other appropriate means will be utilized to warn and secure the cooperation and support of the civilian populace even though fire is received from these areas.

f. Watercraft.

(1) Fire will not be employed against waterborne craft in international or RVN territorial (coastal) waters unless the craft is positively identified as hostile and firing clearance is granted by the appropriate coastal zone commander or coastal surveillance center.

(2) Return of fire when fired upon and firing in support of friendly forces receiving hostile fire in RVN territorial or international waters is authorized if the watercraft is positively identified as hostile.

(3) Illumination rounds are authorized over RVN territorial or international waters when specifically requested or cleared by a coastal surveillance center.

g. Vicinity of the RVN Border. Fire missions along or across the RVN border will be in accordance with current MACV border and cross-border authorities.

RULES OF ENGAGEMENT—STRIKE AIRCRAFT OPERATIONS

1. (U) Purpose. This annex defines ROE for US, FWMAF, and RVNAF fixed wing strike aircraft in the RVN.

2. (C) General.

a. All pilots will receive an air or ground briefing to determine the disposition of friendly forces and civilians prior to initiating an air to ground attack.

b. Pilots will endeavor to minimize civilian casualties and civilian property damage. Air attacks will not be executed where identification of friendly forces is in doubt.

c. US strike aircraft may be controlled by any of the following:

(1) US Forward Air Controller (FAC).

(2) VNAF FAC/Forward Air Observer (FAO).

(3) Flight leader control utilizing US Air Force LORAN or beacon-tracking, sensor-equipped aircraft.

(4) US Air Force MSQ-77 (SKY SPOT).

(5) US OV-10 aircraft commanders. In an emergency, US OV-10 aircraft commanders may mark a target for themselves and expend their own ordnance. They may also exercise FAC control of each other when operating in elements of two or more.

d. In an emergency, when compliance with the provisions of paragraph 2c, above, is not possible, the following personnel may designate the target for strike aircraft:

(1) The commander of a company or larger ground unit or US advisor of any unit engaged with enemy forces.

(2) The US, FWMAF, or RVNAF pilot of an aircraft supporting a ground unit, who has radio contact with the ground unit involved and can identify friendly and enemy positions.

(3) The US, FWMAF, or RVNAF pilot of an aircraft required to operate within the vicinity of a hostile inhabited area for the purpose of conducting medical evacuation or supply missions and where enemy fire presents an immediate threat to the lives of the aircraft crew.

e. Commanders of units assigned strike aircraft will ensure that records of ordnance expended are maintained a minimum of three months. Records will include as a minimum:

(1) Type and amount of ordnance expended on each target.

(2) Coordinates of target.

(3) Date and time of initial and final engagement of the target.

(4) Unit supported.

3. (C) Conduct of fire.

a. SSZ. Air attacks against targets or target areas in a SSZ, excluding the Demilitarized Zone, may be made under flight

leader control after obtaining military clearance.

b. Uninhabited areas outside a SSZ. Military and political clearance are required for airstrikes against targets in uninhabited areas outside a SSZ except:

(1) When in close support of friendly troops in contact (paragraph 4, below).

(2) When returning ground fire (paragraph 4b(5), below).

c. Inhabited Areas. Fixed wing aircraft close air support missions that involve strikes in inhabited areas must be controlled by a FAC and be initiated only after political clearance has been obtained. The conduct of such air operations also must be approved by the attacking battalion or higher commander.

(1) An attack deemed necessary on an inhabited area may be made without warning (prescribed in paragraph 3c(2), below) or delay provided all three of the following requirements are satisfied:

(a) Enemy fire is being received from the area.

(b) The attack is executed in conjunction with a ground operation involving the movement of ground forces through the area.

(c) In the judgement of the battalion or higher commander, his mission would be jeopardized by prior warning.

(2) If the attack on an inhabited area is not in conjunction with an immediate ground operation, the inhabitants must be warned by leaflets, loudspeakers, or other appropriate means prior to the attack, and given sufficient time to evacuate the area. Once the inhabitants of a target area have been adequately warned that the area has been selected as a target and given sufficient time to evacuate, the area may then be struck without further warning. An exception may be made for herbicide missions in cases where prior warning may jeopardize the safety of the spray aircraft (MACV Directive 525-216).

d. Urban Areas. Air attacks directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians and destruction of civilian property, and by their nature require greater restrictions than the rules of engagement for less populated areas. Therefore, the following specific US, GVN, and RVNAF clearance procedures and restrictions must be strictly adhered to:

(1) Approval by both the senior tactical commander and the ARVN corps commander is required to conduct air attacks in urban areas including support of RVNAF. This authority will not be delegated except for the built-up areas of Saigon, Cholon, and Gia Dinh City. CG, TRAC, is authorized to delegate authority to Commanding Officer, Capitol Military Assistance Team, for the employment of US and FWMAF tactical air in these areas. No further delegation is authorized.

(2) Air attacks in urban areas will be controlled by a FAC.

(3) Prior to subjecting urban areas to an air attack, even when fire is being received from the area, the inhabitants must be warned by leaflets, loudspeakers, or other appropriate means prior to the attack and given sufficient time to evacuate the area.

e. Watercraft.

(1) Fixed wing aircraft are not authorized to engage watercraft of any description in international or RVN territorial (coastal) waters, except as authorized in paragraph 3e(3) below. This restriction does not deny aircraft commanders the right to return hostile fire in the exercise of self-defense.

(2) Watercraft on inland waters may be engaged after being positively identified as hostile and with military and political clearance granted. During hours of announced curfews, any waterborne craft on inland waters may be presumed hostile and engaged after military and political clearance has been granted.

(3) Specific instructions for engagement of watercraft by fixed wing aircraft in the Tran Hung Dao Fifteen and Market Time tactical area of responsibility (TAOR):

(a) Tran Hung Dao Fifteen and Market Time TAOR is defined as the water area off the coast of the RVN out to a distance of forty nautical miles. The northeastern boundary is 17 degrees North Latitude; and the northwestern boundary is the seaward extension of the RVN/GKR border.

(b) Fixed wing aircraft will not engage watercraft in this TAOR except in support of TRAN HUNG DAO FIFTEEN or MARKET TIME surface forces.

(c) Surface craft must be positively identified as hostile and firing clearance must be granted by the appropriate coastal zone commander or coastal surveillance center except when firing is in support of a TRAN HUNG DAO FIFTEEN or MARKET TIME unit under actual attack.

4. (C) Specific Instructions for Close Air Support (Day or Night).

a. The FAC will:

(1) Have a thorough knowledge of the scheme of ground maneuver.

(2) Maintain reliable communications with the ground unit and strike aircraft.

(3) Make positive identification and mark the target.

(4) Insure that strike pilots are aware of friendly locations in relation to target, characteristics of target area, and local weather conditions.

(5) Use 1:50,000 or larger scale maps of target area and photographs when available.

b. During a strike, pilots of strike aircraft will:

(1) Always be under the control of, and in direct radio contact with, a FAC or designated control agency, airborne or ground, except in a SSZ when flight leader control is authorized (see paragraph 3a, above).

(2) Have visual contact with the target or target marker. During night strikes, the target must be visually identified through illumination e.g., illumination flares, ground marking flares, fires, lunar illumination, etc. A waiver of this requirement is granted for aircraft equipped with night observation devices.

(3) Always ascertain the position of friendly forces (or civilians when applicable).

(4) Ascertain local conditions regarding weather, target area, and surrounding terrain characteristics.

(5) Defend themselves against ground fire provided:

(a) The source of the fire can be visually identified.

(b) The strike can be positively oriented against the source.

(c) The fire is of such intensity that counteraction is necessary.

(6) Utilize LORAN or beacon-tracking sensor systems for instrument flight rules (IFR) deliveries. Aircrews making LORAN or beacon-tracking, sensor-directed strikes will be in direct radio contact with a designated control agency, airborne or ground, except in an SSZ.

5. (U) Air Interdiction. Air interdiction missions will be conducted and controlled in accordance with paragraphs 3 and 4, above.

6. (C) Vicinity of the RVN border.

a. US and FWMAF military fixed wing aircraft will not penetrate the DMZ, Laotian, or Khmer Republic airspace unless specifically authorized by COMUSMACV/DEPCOMUSMACV for Air, 7th AF.

b. All FAC operating in the vicinity of the borders will have a 1:50,000 or larger scale map of the target area. Maps, mosaics, and photographs will be made available to the pilots whenever possible.

7. (C) Jettison.

a. Munitions will be jettisoned in designated jettison areas.

b. During night or IFR conditions, aircraft will be under positive radar control while jettisoning, except during emergencies as indicated in paragraph 7d, below.

c. During day visual flight rules (VFR), jettisons will be monitored by radar whenever possible.

d. Aircraft may jettison munitions in other than designated areas during emergencies when there is an immediate threat of injury to the crew or damage to the aircraft. Every effort will be made to insure that munitions are not jettisoned so that they impact into or near inhabited areas.

e. Emergency jettisoning of herbicides will be reported immediately to the MACV Command Center giving date-time, coordinates, agents, volume, and circumstances.

8. (C) Air Reconnaissance and Aerial Surveillance Missions. Aerial reconnaissance and surveillance missions conducted in the vicinity of the DMZ, Khmer Republic or Laotian border, and in Khmer Republic, Laotian, or North Vietnamese airspace will be in accordance with authorities established by separate MACV directives.

9. (U) Air to Air Restrictions. 7th AF rules of engagement for air-to-air combat in the RVN are published in 7th AF OPORD 71-7.

RULES OF ENGAGEMENT—ARMED HELICOPTER OPERATIONS

1. (U) Purpose. This annex defines specific operational restrictions and rules of engagement for US, FWMAF, and RVNAF armed helicopters operating in the RVN.

2. (C) General.

a. Ordnance delivery systems in armed helicopters will be fired only when authorized by the aircraft commander.

b. All pilots and gunners will receive an air or ground briefing to determine the disposition of friendly forces and civilians prior to initiating an air attack.

c. Pilots and gunners will endeavor to minimize civilian casualties and civilian property damage. Air attacks will not be executed where identification of friendly forces is in doubt.

d. Commanders of units assigned helicopters with an attached weapons system which is fired by the pilot or copilot will ensure that records of ordnance expended are maintained for a minimum of three months. Records will include as a minimum:

(1) Type and amount of ordnance expended on each target.

(2) Coordinates of each target.

(3) Date and time of initial and final engagement of the target.

(4) Unit supported.

e. Pilots of armed helicopters will:

(1) Fire only when all three of the following requirements are satisfied:

(a) They are under the control of, and in direct radio contact with the designated control agency, airborne or ground, except in a SSZ when a designated flight leader is authorized to control.

(b) The target or target marker can be visually identified.

(c) Friendly and civilian positions are positively identified.

(2) Ascertain local conditions regarding weather, target area, and surrounding terrain characteristics.

(3) Defend themselves against ground fire provided:

(a) The source of fire can be visually identified.

(b) The return fire can be positively oriented against the source.

f. The following personnel may designate targets for armed helicopters.

(1) The commander of a ground or VNN surface unit or the US advisor of any unit in contact with enemy forces.

(2) The US, FWMAF, or RVNAF pilot of a helicopter supporting a ground unit who has radio contact with the ground unit and can identify friendly positions in relation to enemy positions.

(3) The US, FWMAF, or RVNAF pilot of a helicopter required to operate in the vicinity of a hostile inhabited area for the purpose of conducting medical evacuation or supply missions, and where enemy fire presents an immediate threat to the lives of the helicopter crew.

g. Airborne test firing of weapons will be conducted only after obtaining military and political clearance.

h. When appropriate, US Army, US Air Force and US Navy armed helicopter operations will be coordinated within the operational area with controller aircraft of the other services.

3. (C) Conduct of fire.

a. SSZ. Armed helicopters may attack targets and target areas in a SSZ, excluding the DMZ, after obtaining military clearance.

b. Uninhabited Areas Outside an SSZ. Military and political clearances are required to engage targets in uninhabited areas outside an SSZ except:

(1) When in close support of friendly troops in contact.

(2) When returning ground fire (paragraph 2f(3), above).

c. Inhabited Areas.

(1) Armed helicopters involved in air attacks on inhabited areas must receive the approval of, and always be in direct radio contact with, the designated control agency of the responsible ground commander. Attacks may be initiated after military and political clearances have been obtained.

(2) If the attack on an inhabited area from which enemy fire is being received is deemed necessary, the attack may be made without warning (as prescribed in paragraph 3c(3), below) or delay provided all three of the following requirements are satisfied.

(a) The enemy fire is being received from the area.

(b) The attack is executed in conjunction with a ground operation involving the movement of ground forces through the area.

(c) In the judgement of the commander, his mission would be jeopardized by prior warning.

(3) If the attack on an inhabited area is not in conjunction with an immediate ground operation, the inhabitants must be warned by leaflets, loudspeakers, or some other appropriate means prior to the attack and given sufficient time to evacuate the area. Once the inhabitants of a target area have been adequately warned that the area has been selected as a target and given sufficient time to evacuate, the area may then be attacked without further warning.

d. Urban Areas.

(1) Air attacks directed against known or suspected VC/NVA targets in urban areas must preclude unnecessary danger to civilians or destruction of civilian property, and by their nature require greater restrictions than the rules of engagement for less populated areas. Approval by both the senior tactical commander and the ARVN corps commander is required to conduct US and FWMAF air attacks in urban areas, including supporting RVNAF. This authority will not be delegated with the exception of the built-up areas of Saigon, Cholon, and Gia Dinh City. CG, TRAC, is authorized to delegate authority to Commanding Officer, Capital Military Assistance Team, for employment of armed helicopters in the built-up areas of Saigon, Cholon, and Gia Dinh City. No further delegation is authorized.

(2) Only point targets, e.g., a specific building, will be engaged and these targets must be positively identified to the pilot. The engagement of area targets in urban areas is prohibited.

(3) Prior to subjecting urban areas to air attack, even when fire is received from the area, the inhabitants must be warned by leaflets, loudspeakers, or some other appropriate means prior to the attack and given sufficient time to evacuate the area.

e. Watercraft.

(1) Helicopters are not authorized to engage watercraft of any description in international or RVN territorial (coastal) waters except as authorized in paragraph 3e(3), below. This restriction does not deny aircraft commanders the right to return hostile fire in the exercise of self-defense.

(2) Watercraft on inland waters may be engaged after being positively identified as hostile and with military and political clearance granted. During hours of announced curfews, any waterborne craft on inland waters may be presumed hostile and engaged after military and political clearances have been granted.

(3) Specific instructions for engagement of watercraft by helicopters in the Tran Hung Dao Fifteen and Market Time Taor:

(a) Tran Hung Dao Fifteen and Market Time Taor is defined as the water area off the coast of the RVN out to a distance of forty nautical miles. The northeastern boundary is 17 degrees North Latitude; and the northwestern boundary is the seaward extension of the RVN/GKR border.

(b) Helicopters will not engage watercraft in this Taor except in support of Tran Hung Dao Fifteen or Market Time surface forces.

(c) Surface craft must be positively identified as hostile and firing clearance must be granted by the appropriate coastal zone commander or coastal surveillance center except when firing is in support of a Tran Hung Dao Fifteen or Market Time unit under actual attack.

4. (C) Jettison.

a. Munitions will be jettisoned in designated jettison areas.

b. During night or IFR conditions, aircraft will be under positive radar control while jettisoning, except during emergencies covered in paragraph 4c, below.

c. Aircraft may jettison munitions in other than designated areas during emergencies when there is an immediate threat of injury to crew or damage to the aircraft. Every effort will be made to ensure that munitions are not jettisoned so that they impact into or near inhabited areas.

d. Emergency jettisoning of herbicides will be reported immediately to the MACV Command Center giving date-time, coordinates, agent, volume, and circumstances.

5. (C) Vicinity of the RVN Border.

a. US and FWMAF military rotary wing aircraft will not penetrate the DMZ, Laotian, or Khmer Republic airspace unless specifically authorized by COMUSMACV/DEPCOMUSMACV for Air, 7th AF.

b. Aerial reconnaissance flights along or near the Cambodian or Laotian border are vital to the security of the RVN and US defense efforts. However, extreme care must be exercised in planning and executing in-country missions by reconnaissance aircraft of all services to ensure that inadvertent overflights do not occur. All aircraft involved in coordinating close air support and operating in the vicinity of the border will have a 1:50,000 or larger scale map of the target area. Maps, mosaics, and photographs will be made available to pilots whenever possible.

RULES OF ENGAGEMENT—AIR DEFENSE

1. (U) Purpose. This annex provides guidance for the interception and identification of unknown aircraft, and the engagement of hostile aircraft in the territorial airspace of the RVN.

2. (C) General.

a. In accordance with directives of the services concerned, the individuals occupying the following positions have been delegated authority to declare aircraft hostile and to direct engagement:

(1) Deputy Chief of Staff, Operations, 7th AF, Tan Son Nhut, or his designated representative, for US actions.

(2) Commander, VNAF Tactical Air Control Center (TACC), Tan Son Nhut, for RVNAF actions.

b. Coordination will be maintained between USAF TACC and VNAF TACC to avoid actions which may endanger friendly forces or interfere with authorized operations.

c. Caution and judgment will be exercised in directing the engagement of unknown aircraft. Consideration must to given to the possibility that such engagement could be contrary to US and RVN interests. Examples of such instance include:

(1) Civilian aircraft which intrude into RVN airspace because of navigational error or equipment malfunction.

(2) Communist aircraft whose aircrews or passengers desire to defect.

3. (C) Hostile Acts. The following or similar acts of known enemy aircraft, missiles, and drones or aircraft which remain unidentified shall be considered hostile unless other circumstances clearly show that such act do not involve a clear and present danger:

a. Aircraft releasing bombs, launching missiles, or firing guns, rockets, torpedoes, or other weapons at any water, air, or ground target other than on recognized firing ranges.

b. Aircraft conducting minelaying operations along the approaches to or in territorial (coastal) waters of the RVN.

c. Aircraft not obviously in distress, releasing parachutes or towing gliders over the territorial (coastal) waters of land masses of the RVN.

d. Aircraft opening fire on interceptor aircraft maintaining surveilance, or engaging in other aggressive actions which indicate that the aircraft is preparing to attack friendly aircraft, vessels, installations, or personnel.

e. Aircraft opening bomb bay doors or performing other actions which indicate that bombs may be dropped or missiles fired.

f. Missiles or drones not known to have been fired or launched by friendly forces or whose track indicates a possible threat to friendly forces.

g. Aircraft visually identified as belonging to a communist bloc country, operating within the boundaries of territorial waters or land masses where means of diverting or bringing the aircraft under control are not feasible, unless it has proper clearance or is obviously in distress.

4. (C) Procedures.

a. Aircraft, missiles and drones declared hostile under the provision of paragraph 3, above, will be engaged and destroyed. Engagement orders will be directed by the officers designated in paragraph 2a, above, and passed to US or VNAF interceptor aircrews by the senior director of the appropriate Control and Reporting Center (CRC).

b. The engagement of hostile aircraft, missiles, or drones by US Army or US Navy air defense artillery batteries or surface to air missiles placed in defense of installations will be as prescribed by the commander responsible for the air defense of the respective area.

c. If an armed attack is initiated against US, FWMAF, or RVNAF military or nonmilitary personnel, aircraft, vessels, or installations in RVN territory, interceptor aircrews will take immediate and aggressive protective measures.

d. Visual identification of airborne objects will be made before firing unless the track has been designated hostile by proper authority or indicates commitment of a hostile act.

e. Precise location of friendly aircraft, vessels, and ground forces will be ascertained prior to issuing a clearance to engage enemy aircraft, missiles, or drones. Clearance will not be granted to engage slow speed targets if the track extends into an area occupied by ships.

f. In those circumstances where an intruding aircraft, missile, or drone is to be intercepted and escorted, but not engaged, the International Interception Signals and Procedures published in the Enroute Supplement of the Flight Information Publication (FLIP) will be used.

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AVIATION: U.S. OPERATIONS IN RVN (U)

1. (U) Purpose.

a. To establish the procedures and responsibilities for command, control, and coordination of United States (US) military air operations in the Republic of Vietnam (RVN).

b. To publish the rules of engagement and restrictions for military air operations in RVN.

2. (U) Definitions.

a. Specified Strike Zones. Those areas approved by a province chief where strikes may be conducted without additional political clearance. Whenever possible, a FAC will support these strikes.

b. Close Air Support. Air action requested by the ground commander against hostile targets in close proximity to friendly forces and which requires integration of each air mission with the fire and movement of the ground forces. Due to the widespread intermingling of friendly forces and populations with enemy forces, GVN political and tactical approval of all strikes within RVN is required, therefore harassment and interdiction missions within country must be processed as close air support missions.

c. Joint Air Ground Operations System (JAGOS). A composite of integrated command and control systems which includes the MACV Command and Control System, the Army Air Ground System (AAGS), and the Air Forces Tactical Air Control System (TACS).

3. (C) General.

a. The mission of all US military aviation forces in the Republic of Vietnam is to assist and provide air support for the counterinsurgency effort of the RVN Armed Forces (RVNAF) and the United States/Free World Military Assistance Forces (US/FWMAF).

b. All services operate through portions of the same air space and are frequently employed on joint and combined operations. Each possesses to some degree the capability to accomplish missions normally assigned to another service. Therefore, close cooperation and coordination are required to assure that efforts are complementary, integrated, and achieve the most effective results.

c. Enroute Air Traffic Control is a function of the Director of Civil Aviation. It is exercised through the Joint VN/US Air Coordination Committee which coordinates the use of civil and military communication and navigation facilities and personnel. Terminal Air Traffic Control is a function of the supported force commander as defined by MACV Directive 95-5, subject: Flight Facilities in the RVN, and MACV Directive 95-9, subject: Joint Airborne/Airmobile Airstrip Operations. Aircraft performing close air support are controlled as specified in appropriate service Air/Ground Operations directives.

d. All US military pilots providing air fire support will endeavor to eliminate incidents involving friendly forces, non-combatants, and damage to civilian property by adherence to the Procedures, Restrictions, and Rules of Engagement established by RVNAF and this headquarters (see Annex D). While these restraints and procedures are designed to minimize losses to friendly forces and non-combatants, the objective still remains to obtain the full productivity of US air capabilities with out appreciably inhibiting responsiveness or flexibility.

e. In the event of a major emergency or disaster, COMUSMACV may direct the Commander, 7th Air Force, to assume opeational control over certain designated US air resources. The responsibility for determining the existence of such an emergency rests with COMUSMACV and will not be delegated. Upon termination of the emergency condition, operational control over US air resources will revert to normal as specified in this directive.

4. (C) Responsibilities.

a. Commander, 7th Air Force, in his capacity as MACV air Force Component Commander, acts as coordinating authority for all US/FWMAF air operations and Vietnamese Air Force (VNAF) activities in the MACV area of responsibility. For detailed responsibilities see paragraph 3, Annex A.

b. Commanding General, III Marine Amphibious Force (III MAF), will conduct offensive and defensive tactical air operations in accordance with the established Rules of Engagement and will augment daily the US Air Force effort with resources not required to support operations of prime concern to III MAF. For detailed responsibilities, see paragraph 3, Annex B.

c. Commanding General, US Army Vietnam (USARV), will provide those US Army aviation resources necessary to support both US/FWMAF and ARVN ground operations and will exercise all functions of command, except those specifically withdrawn by COMUSMACV, of all US Army aviation units not assigned to US Divisions. For detailed responsibilities, see paragraph 3, Annex C.

d. Commander-in-Chief, Pacific Fleet, will provide strike aircraft as directed by CINCPAC to operate in coordination with the JAGOS.

5. (C) Operational Planning.

a. Joint operational planning for required aviation support will be conducted on a continuing basis at all levels of command down to and including battalion. Representatives of the ground commander (G2/3 Air or S2/3 Air), Air Liaison Officer, and Army aviation respresentative will participate in the tactical ground planning to assure efficient utilization of all air support and proper integration into the ground scheme of maneuver. USMC and 7th Fleet liaison officers will be provided to the JAGOS when aircraft of these services are participating in joint operations or providing close air support.

b. RVNAF advisors and US commanders of ground and Naval units will assure that planners consider the use of air support for all operations. Plans for movement of convoys and trains, ground reconnaissance patrols, security forces, and quick reaction forces will include provisions for obtaining or using air support. During the execution phase of operations, aerial fire support is especially appropriate to support efforts to maintain contact with the enemy. In the conduct of airmobile operations, air cover of lift elements and prestrikes on all landing zones will be used as required where there is a possibility of opposition.

c. Requests for close air support will be processed through the Joint Air Ground Operations System (JAGOS) (for III MAF/I Corps/USAF relationship, see Annex B). Utilization of this system will insure that application of close air support is in accord with the ground commander's plan and will provide required responsiveness.

d. Army Aviation considerations: See Annex C, this directive.

e. Planning coordination of air support requirements will be achieved in the field through the Combat Support Coordination Center (see paragraph 6n).

f. Herbicide operations (Trail Dust) must be selective in nature and coordinated both politically and militarily. Requests must be initiated at province level (see paragraph 6m).

g. SKY SPOT should be utilized to maintain close air support or interdiction during times of reduced visibility or darkness (see Annex A, this directive).

h. Troop Airlift. See paragraphs 6d, 6e, 6f, and 6g.

6. (U) References.

a. JCS Publication 1, Dictionary of United States Military Terms for Joint Usage (JD).

b. JCS Publication 2, Unified Action Armed Forces (UNAAF).

c. Letter of Agreement between DCS, VNAF, and MACV, MACJ311, HQ MACV, Serial 395, 5 February 1965, subject: Special Procedures for Tactical Operations Flights.

d. MACV Directive 55-2 (C), subject: Movement of Units (U).

e. MACV Directive 55-4, subject: Movement System in RVN.

f. MACV Directive 95-3 (C), subject: USA/USMC Aviation Support (U).

g. MACV Directive 95-5, subject: Flight Facilities in the Republic of Vietnam.

h. MACV Directive 95-6 (C), subject: Joint and Combined Helicopter Operations (U).

i. MACV Directive 95-11 (C), subject: Joint Air Ground Operations System (JAGOS) (U).

j. MACV Directive 95-9, subject: Joint Airborne-Airmobile Air Strip Operation.

k. MACV Directive 381-1 (C), subject: Visual Aerial Surveillance (U).

l. MACV Directive 381- (C), subject: Airborne Radio Direction Finding (ARDF) to be published).

m. MACV Directive 525-1 (C), subject: Herbicide Operations (U).

n. MACV Directive 525-12, subject: Combat Support Coordination Center.

o. MACV LOI governing operations of III MAF in RVN, 6 May 1965.

7TH AIR FORCE OPERATIONS

1. (U) Purpose. To establish responsibilities of USAF for command, control, and coordination of military air operations in the Republic of Vietnam.

2. (U) General. Command and control of USAF strike aircraft and the coordination of USMC/USN/VNAF strike aircraft will be accomplished through the Tactical Air Control System.

3. (C) Responsibilities. Commander, 7th Air Force, will:

a. Conduct offensive and defensive tactical air operations to include maintenance of air superiority, close air support, reconnaissance as requested by the ground commander or Corps Senior Advisor, search and rescue, air transport, and other supplemental air support as required.

b. Provide essential training of VNAF in offenseive and defensive tactical air operations.

c. Provide tactical air support through SKY SPOT when darkness or inclement weather create such a requirement.

d. Provide meterorological support for air operations.

e. Establish, in conjunction with other US and RVN agencies, an Air Traffic Control System which provides normal processing and flight following.

f. Prepare joint instructions in conjunction with CG, USARV; CG, II MAF; and Commander, 7th Fleet, to assure integrated and coordinated air operations.

4. (C) Operational Planning.

a. Immediate and preplanned requests for Close Air Support will be processed through the Joint Air Ground Operations System (JAGOS) as outlined in reference 6i, basic directive. 7th Air Force will maintain tactical aircraft on ground alert to fulfill immediate air requests.

b. Coordination of air activities will take place at all levels of JAGOS to eliminate conflict between participating forces and to insure required support.

c. Sky Spot Control Points (Radar Directed Bombing) will be submitted from friendly ground units to appropriate Sky Spot unit to insure complete preplanning for air support. Special Forces camps and outposts of special political/strategic importance will insure that their control point coordinates have been catalogued by nearest Sky Spot unit so that points can be verified by USAF photo reconnaissance.

d. In the event COMUSMACV declares a major emergency, 7th Air Force will assume operational control of certain air resources as designated by COMUSMACV.

III MAF AIR OPERATIONS

1. (U) Purpose. To establish operating procedures and assign responsibilities for command, control, and coordination of US Marine Corps aviation operations in the Republic of Vietnam.

2. (C) General.

a. Marine Corps aviation resources are organic to III MAF and are commanded and directed in support of tactical operations as designated by CG, III MAF.

b. The Marine Corps Tactical Air Control System, a component of Marine aviation, will exercise positive control over all USMC aircraft in support of Marine Corps operations and over other aricraft as may be assigned in support of such operations. The Marine Corps Tactical Air Control System includes a Tactical Air Direction Center, Direct Air Support Centers, radar surveillance capability, and such terminal guidance facilities as necessary to facilitate the orderly and expeditious handling of tactical aircraft. This system will coordinate with the TACS operated by VNAF/USAF and will be prepared to supplement and integrate with the existing Air Defense Control System.

3. (C) Responsibilities. Commanding General, III MAF, will:

a. Exercise operational control over all USMC aviation resources except as provided in paragraph 3e of the basic directive.

b. Conduct offensive and defensive tactical air operations, to include close air support, interdiction, reconnaissance, maintenance of air superiority, air transport, search and rescue, and other supplemental air support, as required.

c. Provide aircraft to support US 7th Fleet operations as directed by COMUSMACV or higher authority.

d. Establish joint and combined planning coordination measures required in connection with III MAF/USAF/RVNAF air operations in I Corps and make provision for apprising 7th Air Force (TACC) of future ground operations and possible USAF reinforcement requirements by the following means:

(1) Prepare in conjunction with the Commander, 7th Air Force, joint operating instructions to insure an integrated and coordinated joint effort.

(2) Identify to the Commander, 7th Air Force, for coordination and control through the TACS, those resources in excess of current requirement for support of III MAF operatons so that such resources may be allocated in support of other forces or missions.

(3) Provide liaison with the Commander, 7th Air Force, to facilitate the coordination and control of USMC aviation assets committed in support of 7th Air Force requirements and for purpose of keeping 7th Air Force abreast of III MAF ground operations.

(4) Provide liaison with the I Corps Tactical Operations Center and I Corps Direct Air Support Center. This liaison effort will facilitate the timely passing of information on current and proposed military operations in order that available aviation assets may be most effectively utilized.

(5) In his capacity as I Corps Senior Advisor, insure that the I Corps Advisory Group establishes physical liaison with III MAF for the purpose of informing III MAF of impending and current I Corps operations and required air support.

e. In the event COMUNSMACV declares a major emergency, be prepared to transfer to Commander, 7th Air Force, operational control of air resources as designated by COMUNSMACV.

ARMY AVIATION

1. (U) Purpose. To establish operating procedures and assign responsibilities for command, control, and coordination of US Army aviation operations in the Republic of Vietnam (RVN).

2. (C) General.

a. US Army aviation resources not organic to combat units will normally be allocated to Senior Corps Advisors and US commanders for employment in support of ARVN/US/FWMAF operations. Aviation resources so allocated will be assigned, insofar as practicable, missions of direct support of ARVN divisions and US/FWMAF divisions, brigades, and regiments. Senior Advisors will establish an Army Aviation Element (AAE) within each ARVN Corps and Division Tactical Operations Center (TOC). US division or higher commanders will establish an AAE at their TOCs.

b. Aviation assets will be allocated as directed by COMUSMACV. US Army resources are subject to reallocation, recall, or diversion through the Army Aviation Division (AAD), Combat Operations Center (COC), to comply with priorities established by this headquarters.

c. US Army aviation resources assigned in general support and not allocated to support a specific ARVN Corps or US unit will remain under operational control of COMUSMACV. OV-1 units in this category are under the operational control of MACV J2. This control is exercised through HQ, USARV. Other resources in this category will be allocated by AAD, COC, MACV, in accordance with priorities established by this headquarters. When committed to operations, such resources exclusive of OV-1's will be under operational control or in support of the commander of the US unit, or the Senior US Advisor of the ARVN unit concerned until released by the US commander or advisor, or recalled by MACV through the AAD.

d. US/FWMAF units assigned to a CTZ or major US unit will request US Army aviation support through the respective TOC.

3. (C) Responsibilities.

a. Commanding General, US Army Vietnam (USARV), will:

(1) Provide US Army aviation resources to support ground operations including airmobile operations, aerial reconnaissance and surveillance, fire support, search and rescue, air transport, and other supplemental air support, as required.

(2) Exercise command, less operational control, of US Army Aviation resources and provide combat aviation support, as directed, to US/FWMAF/ARVN forces for the conduct of combat, logistical, or other counterinsurgency operations throughout the RVN.

(3) Provide qualified aviation personnel to operate Army Aviation Elements at corps and division TOC's.

(4) Provide US Army aviation support for Headquarters, Military Assistance Command, Vietnam.

(5) Establish and operate an Army Air Traffic Regulation and Identification System, coordinated with and responsive to the Air Traffic Control System.

(6) Prepare in conjunction with Commander, 7th Air Force, joint operating instructions to assure integrated and coordinated air operations.

b. US Commanders will:

(1) Exercise operational control over allocated US Army aviation resources.

(2) Exercise command over organic US Army aviation resources.

c. Corps Senior Advisors will:

(1) Exercise operational control over allocated US Army aviation resources.

(2) Within allocated resources, provide essential aviation support for ARVN military and paramilitary forces in zone of responsibility, including units of the General Reserve and Special Forces when committed.

AVIATION: U.S. AIR OPERATIONS IN RVN (U)

Directive Number 95-4, this headquarters, dated 28 June 1966, is changed as follows:

* * * * *

Annex D

* * * * *

2. (C) General.

* * * * *

g. (Superseded) Close Air Support missions that involve strikes on hamlets or villages must always be controlled by a FAC.

(1) If the attack on a village or hamlet is deemed necessary and is executed in conjunction with a ground operation involving movement of ground forces through the area, the attack may be made without warning; however, appropriate US/GVN/RVNAF approval is required except in emergencies.

(2) If the attack on a village or hamlet is not in conjunction with any immediate ground operation, the inhabitants must be warned by leaflets and/or loudspeaker system prior to the attack and must be given sufficient time to evacuate the area. Once the inhabitants of a preplanned target area have been adequately warned that the area has been selected as a target and given sufficient time to evacuate, the hamlet/village may then be struck without further warning.

(3) Commanders initiating a request for attack of a hamlet/village are responsible for ensuring that US/GVN/RVNAF approval is obtained and, in the case of preplanned attack, that required warning is given prior to execution of the attack.

* * * * *

AVIATION: US AIR OPERATIONS IN RVN (U)

Directive Number 95-4, this headquarters, dated 28 June 1966, is changed as follows:

* * * * *

Annex B

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3. (C) Responsibilities: Commanding General, III MAF, will:

* * * * *

d. (Superseded) Establish joint and combined planning coordination measures required in connection with III MAF/USAF/RVNAF air operations in I Corps and in the DMZ south of a line running from the coast line west along the northern boundary of the DMZ to NS grid line XD 90; then south along the NS grid line XD 90 to the PMDL; then west along the PMDL to the Laotian border and make provision for apprising 7th Air Force (TACC) of future ground operations and possible USAF reinforcement requirements by the following means:

* * * * *

AVIATION: US AIR OPERATIONS IN RVN (U)

1. (U) Purpose. This directive establishes procedures and responsibilities for command, control, and coordination of US military air operations in the Republic of Vietnam (RVN).

2. (U) Applicability. This directive is applicable to all MACV staff agencies and subordinate commands.

3. (U) Definitions. For the purpose of this directive, the following definitions apply:

a. The definitions in Joint Chiefs of Staff (JCS) Publication 1 apply without modification.

b. Joint Air Ground Operations System (JAGOS). A composite of integrated command and control systems which includes the MACV Command and Control System, the Army Air Ground System (AAGS), the Air Force Tactical Air Control System (TACS), and the Marine Tactical Air Control System (MTACS).

c. Mission/Operational Direction. The authority delegated to DEPCOMUSMACV for Air Operations (Cdr, 7th AF) to assign specific fixed wing air tasks to the CG, III MAF, on a periodic basis as implementation of a basic mission assigned by COMUSMACV.

4. (C) General.

a. The mission of all US Military aviation forces in the RVN is to assist and provide air support for the counterinsurgency effort of the Republic of Vietnam Armed Forces (RVNAF) and the US/Free World Military Assistance Forces (FWMAF).

b. All services operate through portions of the same air space and are frequently employed on joint and combined operations. Each possesses to some degree the capability to accomplish missions normally assigned to another service. Therefore, close cooperation and coordination are required to assure that efforts are complementary, integrated, and achieve the most effective results.

c. En route air traffic control is a function of the Director of Civil Aviation. It is exercised through the Joint RVN/US Air Coordination Committee, which coordinates the use of civil and military communications and navigation facilities and personnel. Terminal air traffic control is a function of the supported force commander as defined by MACV Directives 95-5 and 95-9. Aircraft performing close air support are controlled as specified in appropriate service air/ground operations directives.

d. All U.S. military pilots providing air fire support will endeavor to eliminate incidents involving friendly forces, noncombatants, and damage to civilian property by adherence to the procedures, restrictions, and rules of engagement established by RVNAF and this headquarters in MACV Directive 525-13 (C). While these restraints and procedures are designed to minimize losses to friendly forces and noncombatants, the objective still remains to obtain the full productivity of US air capabilities without appreciably inhibiting responsiveness or flexibility.

e. In the event of a major emergency or disaster. COMUSMACV may direct the Cdr, 7th AF, to assume operational control over certain designated US air resources. The responsibility for determining the existence of such an emergency rests with COMUSMACV and will not be delegated. Upon termination of the emergency condition, operational control over US air resources will revert to normal, as specified in this directive.

5. (C) Responsibilities.

a. Cdr. 7th AF, in his capacity as DEPCOMUSMACV for Air Operations, acts, as coordinating authority for all US/FWMAF air operations and Vietnamese Air Force (VNAF) activities in the MACV area of responsibility. For detailed responsibilities, see Annex A.

b. CG, III MAF, will exercise operational control of US Marine Corps (USMC) aviation resources, and will conduct offensive and defensive air operations in accordance with MACV Directive 95-8, the established rules of engagement, and Annex B.

c. CG, USARV, will provide those US Army aviation resources necessary to support both US/FWMAF and Army, Republic of Vietnam (ARVN), ground operations, and will exercise all functions of command, except those specifically withdrawn by COMUSMACV, of all US Army aviation units not assigned to US divisions. For detailed responsibilities, see Annex C.

d. Commander-in-Chief, Pacific Fleet (CINCPACFLT), will provide strike aircraft as directed by Commander in Chief, Pacific (CINCPAC) to operate in coordination with the JAGOS.

6. (C) Operational Planning.

a. Joint operational planning for required aviation support will be conducted on a continuing basis at all levels of command down to and including battalion/squadron. Representatives of the ground commander (G2/3 Air or S2/3 Air), air liaison officer, and Army aviation representative will participate in the tactical ground planning to assure efficient utilization of all air support and proper integration into the ground scheme of maneuver. USMC and 7th Fleet liaison officers will be provided to the JAGOS when aircraft of these services are participating in joint operations or providing close air support.

b. RVNAF advisors and US commanders of ground and Naval units will insure that planners consider the use of air support for all operations. Plans for movement of convoys and trains, ground reconnaissance patrols, security forces, and quick reaction forces will include provisions for obtaining or using air support. During the execution phase of operations, aerial fire support is especially appropriate to support efforts to maintain contact with the enemy. In the conduct of airmobile operations, air cover of lift elements and prestrikes on all landing zones will be used as required where there is a possibility of opposition.

c. Requests for close air support will be processed through the JAGOS in accordance with MACV Directive 95-11. Utilization of this system will insure that application of close air support is in accord with the ground commander's plan and will provide required responsiveness. For command relationships see MACV Directive 10-11(S).

d. Army aviation considerations (see Annex C).

e. Planning coordination of air support requirements will be achieved in the field through the Combat Support Coordination Center.

f. Herbicide operations (Trail Dust) must be selective in nature and coordinated both politically and militarily. Requests must be initiated at province level (see paragraph 81, below).

g. SKY SPOT and TPQ-10 should be utilized to maintain close air support or interdiction during times of reduced visibility or darkness (see Annex A).

h. Troop Airlift: See paragraphs 8d, e, and h, below.

7 (U) Reports. This directive requires no report.

8. (U) References.

a. JCS Publication 1.

b. JCS Publication 2.

c. MACV Directive 10-11(S).

d. MACV Directive 55-4.

e. MACV Directive 95-3.

f. MACV Directive 95-5.

g. MACV Directive 95-8(S).

h. MACV Directive 95-9.

i. MACV Directive 95-11(C).

j. MACV Directive 381-1(C).
k. MACV Directive 381-23(S).
l. MACV Directive 525-1(C).
m. MACV Directive 525-13(C).

7th Air Force Operations

1. (U) Purpose. To establish responsibilities of US Air Force (USAF) for command, control, and coordination of military air operations in the RVN.

2. (U) General. Command and control of USAF strike aircraft, mission direction of USMC strike and reconnaissance aircraft, and coordination of US Navy (USN) /VNAF strike aircraft will be accomplished through the TACS.

3. (C) Responsibilities. Cdr, 7th AF, will:

a. Conduct offensive and defensive tactical air operations, to include maintenance of air superiority, close air support, reconnaissance as requested by the ground commander or military region senior advisor, search and rescue, air transport, and other supplemental air support as required.

b. Function as air defense commander and exercise overall air defense responsibility within the RVN. Authority exercised over III MAF and USARV air defense resources will be as specified herein and MACV Directive 95-8(S).

c. Coordinate all air operations in the MACV area of responsibility, including those of US, FWMAF, and VNAF units which are not assigned or attached to the 7th AF.

d. Exercise mission direction of MACV tactical air assets, including strike and reconnaissance aircraft of CG, III MAF, in the MACV area of responsibility.

e. Provide essential training of VNAF in offensive and defensive tactical air operations.

f. Provide tactical air support through SKY SPOT when darkness or inclement weather create such a requirement.

g. Provide meteorological support for air operations.

h. Establish, in conjunction with other US and RVN agencies, an Air Traffic Control System which provides normal processing and flight following.

i. Prepare joint instructions in conjunction with CG, USARV; CG, III MAF; and Commander, 7th Fleet, to assure integrated and coordinated air operations.

4. (C) Operational Planning.

a. Immediate and preplanned requests for close air support will be processed through the JAGOS as outlined in reference 8i, basic directive. 7th AF will maintain tactical aircraft on ground alert to fulfill immediate air requests.

b. Coordination of air activities will take place at all levels of JAGOS to eliminate conflict between participating forces and to insure required support.

c. SKY SPOT Control Points (Radar Directed Bombing) will be submitted from friendly ground units to the appropriate SKY SPOT unit to insure complete preplanning for air support. Special Forces camps and outposts of special political/strategic importance will insure that their control point coordinates have been catalogued by the nearest SKY SPOT unit so that points can be verified by USAF photo reconnaissance.

d. In the event COMUSMACV declares a major emergency, Cdr, 7th AF, will assume operational control of certain air resources as designated by COMUSMACV.

III Maf Air Operations

1. (U) Purpose. To establish operating procedures and assign responsibilities for command, control, coordination, and mission direction of USMC aviation operations in the MACV area of responsibility.

2. (C) General. The CG, III MAF, exercises operational control of USMC aviation resources in the RVN as assigned or attached by CG, Fleet Marine Force, Pacific (FMFPAC).

3. (C) Responsibilities. CG, III MAF, will:

a. Conduct offensive and defensive tactical air operations to include close air support, interdiction, reconnaissance, maintenance of air superiority, air transport, search and rescue, and other supplemental air support as required.

b. Designate to Cdr, 7th AF, those forces assigned to participate in and conduct air defense tasks in accordance with MACV Directive 95-8(S).

c. Exercise operational control of the 1st Marine Aircraft Wing, except as provided in paragraph 3e, basic directive. Make available to DEPCOMUSMACV for Air Operations strike and reconnaissance air assets and TACS as required for mission direction; retaining those assets necessary to support USMC peculiar operations, e.g., RABFAC beacon strike, helo escort, and landing zone preparation fire.

d. Provide aircraft to support US Seventh Fleet as directed by COMUSMACV or higher authority.

e. Exercise scramble authority of III MAF assets for immediate air support in the III MAF area of operations.

f. Provide liaison with the Cdr, 7th AF, to facilitate the coordination and control of USMC aviation assets committed in support of 7th AF requirements, and for the purpose of keeping 7th AF abreast of III MAF ground operations.

g. In the event COMUSMACV declares a major emergency, be prepared to transfer to Cdr, 7th AF, operational control of air resources as designated by COMUSMACV.

Army Aviation

1. (U) Purpose. To establish operating procedures and assign responsibilities for command, control, and coordination of US Army aviation operations in the RVN.

2. (C) General.

a. US Army aviation resources not organic to combat units will normally be allocated to military region senior advisors and US commanders for employment in support of ARVN/US/FWMAF operations. Aviation resources so allocated will be assigned, insofar as practicable, missions of direct support of ARVN divisions and US/FWMAF divisions, brigades, and regiments. Senior advisors will establish an Army Aviation Element (AAE) within each ARVN military region and division Tactical Operations Center (TOC). US division or higher commanders will establish an AAE at their TOC.

b. Aviation assets will be allocated as directed by COMUSMACV. US Army resources are subject to reallocation, recall, or diversion through the Aviation Support Branch (ASB), Surface Operations Division (SOD), MACV, to comply with priorities established by this headquarters.

c. US Army aviation resources assigned in general support and not allocated to support a specific ARVN military region or US unit will remain under the operational control of COMUSMACV. OV-1 units in this category are under the operational control of the ACofS, J-2, MACV. This control is exercised through Headquarters, USARV. Other resources in this category will be allocated by ASB, SOD, MACV, in accordance with priorities established by this headquarters. When committed to operations, such resources, exclusive of OV-1, will be under operational control or in support of the commander of the US unit, or the senior US advisor of the ARVN unit concerned until released by the US commander or advisor, or recalled by MACV through the ASB, SOD, MACV.

d. US/FWMAF units assigned to a military region or major US unit will request US Army aviation support through the respective TOC.

3. (C) Responsibilities.

a. CG, USARV, will:

(1) Provide US Army aviation resources to support ground operations, including airmobile operations, aerial reconnaissance and surveillance, fire support, search and rescue, air transport, and other supplemental air support, as required.

(2) Exercise command, less operational control, of US Army aviation resources and provide combat aviation support, as directed, to US/FWMAF/ARVIN forces for the conduct of combat, logistical, or other counterinsurgency operations throughout the RVN.

(3) Provide qualified aviation personnel to operate AAE at military region and division TOC.

(4) Provide US Army aviation support for Headquarters, MACV.

(5) Establish and operate an Army Air Traffic Regulation and Identification System, coordinated with and responsive to the Air Traffic Control System.

(6) Prepare, in conjunction with Cdr, 7th AF, joint operating instructions to insure integrated and coordinated air operations.

b. US commanders will:

(1) Exercise operational control over allocated US Army aviation resources.

(2) Exercise command over organic US Army aviation resources.

c. Military region senior advisors will:

(1) Exercise operational control over allocated US Army aviation resources.

(2) Within allocated resources, provide essential aviation support for ARVN military and paramilitary forces in their zone of responsibility, including units of the General Reserve and Special Forces when committed.●

PRIME MINISTER OZAL'S FORTHCOMING VISIT: ISSUES OF CONCERN

● Mr. PELL. Mr. President, there can be little doubt that recent years have seen a sharp deterioration in America's long standing and valued relationship with Greece. The causes are complex, but a primary factor was Turkey's use of American military aid in 1974 to invade the Republic of Cyprus—an action that resulted in the deaths of several thousand Greek Cypriots and led to the prolonged occupation which continues today. Of comparable importance has been Turkey's overall pattern of military deployment, which has exacerbated Greek concerns about Turkish ambitions in the Aegean.

If, over the long term, we are to maintain our alliances with Greece and Cyprus—alliances crucial to American security interests in the Eastern

Mediterranean—we must act affirmatively and effectively to limit Turkey's use of American military aid to its intended purpose, which is defense against the Warsaw Pact and other regional threats to Western interests.

Consequently, when Turkish Prime Minister Ozal visits here next week, it is important that he be impressed with American determination that U.S. military aid be used solely for such defensive purposes. In this regard, several specific concerns must be forthrightly addressed:

First, for over 10 years, Turkey has maintained some 20,000 occupation troops on the Republic of Cyprus.

Second, during recent years, Turkish officials have made repeated public statements suggesting Turkish ambitions with regard to islands that have been inhabited by Greeks for centuries.

Third, Turkey has deployed and maintained troops and landing craft opposite such Greek islands.

Fourth, by insisting that the Greek island of Limnos be left out of the NATO war games, Turkey has caused Greece to withdraw from NATO exercises.

Fifth, according to the Greek Government, Turkish planes frequently violate Greek airspace.

Sixth, Turkey, upon whom Turkish Cypriots are heavily dependent, has made no apparent effort to encourage Turkish Cypriots to negotiate in good faith toward an accord with Greek Cypriots that would resolve the decade-old crisis.

Mr. President, I submit that a frank discussion of these issues during Prime Minister Ozal's forthcoming visit could contribute significantly to the long-term maintenance of sound United States relations with Greece, with Cyprus, and with Turkey.●

GREEK INDEPENDENCE

● Mr. SARBANES. Mr. President, 164 years ago, after suffering nearly four centuries of tyrannous Turkish Ottoman rule, the Greek nation began the arduous struggle to reestablish its independence. The heroic patriots of Greece fought against tremendous odds to end the oppressive foreign domination of their homeland and the denial of their individual liberties. The struggle continued through 9 long years, until in 1829 Greek independence was formally recognized. To honor this anniversary of the momentous events that began on March 25, 1821, I rise to pay tribute to the courageous Greek people, who prevailed against a formidable imperial power to win the right to self-determination, and to the enduring ideals with which they endowed their new nation-state.

The Greek War of Independence has significance for all of us. It is not only an inspiring chapter in the long history of Greece's devotion to liberty; it is also a milestone in the struggle for freedom in the modern world.

When wars of independence are crowned with success, it is easy to forget their modest beginnings and dark moments. When the courageous Greeks first began their struggle against the formidable imperial power of the Ottomans, the great powers of Europe viewed it as folly. In the young and struggling American Republic, in contrast, there arose an outcry of support. Throughout the new nation meetings were held and resolutions passed in State and local legislatures as the American people, imbued with the knowledge of their own experience, spoke out to encourage the Greeks in their effort to throw off the Ottoman yoke. Congressman Daniel Webster, America's great orator, put the Greek cause to his House colleagues in 1823, during the 18th Congress.

"The Greeks," he said, "a people of intelligence, ingenuity, refinement, spirit, and enterprise, have been for centuries under the most atrocious, unparalleled Tartarian barbarism that ever oppressed the human race."

He continued:

> They look to us as the great Republic of the Earth—and they ask us by our common faith, whether we can forget that they are now struggling for what we can now so ably enjoy? I cannot say, sir, that they will succeed; that rests with heaven. But for myself sir, if we tomorrow hear that they have failed—that their last phalanx had sunk beneath the Turkish scimitar—that the frames of their last city had sunk in ashes and that naught remained but the wide melancholy waste where Greece once was, I should still reflect with the most heartfelt satisfaction, that I had asked you, in the name of seven millions of freemen, that you would give them at least a cheering of one friendly voice."

This anniversary provides us with an opportunity to celebrate and reaffirm the historic friendship between the American and Greek peoples, a lasting relationship based on a mutual commitment to democratic principles. That friendship has been reinforced by the contributions to American society made by the hundreds of thousands of Greek immigrants and their children.

The Greek people have always stood side by side with their American friends in the struggle to preserve freedom. During World War I, the Greeks were steadfast allies. In World War II, their defeat of Mussolini's legions, for which they paid heavily in loss of life, gave the besieged free world its first victory. Under a brutal Nazi occupation, the Greeks mounted a fierce resistance; it was an inspiration to their allies and succeeded in tying down valuable divisions of fascist troops. After World War II, Greece, with the generous aid of the American people, turned back the forces of communist totalitarianism and proceeded to the task of rebuilding their country, ravaged by nearly 9 years of armed conflict.

The Greek people can take pride in freedom, progress, and accomplishment. Greece today is a vibrant democracy, an important member of the NATO alliance, and a full member of the European Economic Community. Unfortunately, however, the struggle for freedom is not yet over, since more than 10 years ago the Greek people of Cyprus were uprooted from their homes by Turkish aggression and occupation. Lovers of freedom throughout the world and people of good faith cannot rest until Cyprus is again unified, and peace and justice restored to its people.

Throughout their history, the Greeks have maintained a stubborn and uncompromising devotion to freedom. They are not fair-weather friends or allies; experience has taught them that individual liberty is maintained and promoted by eternal vigilance and sacrifice. We honor them today for their devotion to the principles we also cherish.●

EXEMPTION OF EXPORT ACTIVITIES OF COMMODITY CREDIT CORPORATION FROM CARGO PREFERENCE REQUIREMENTS

● Mr. ZORINSKY. Mr. President, last week, I was pleased to join Senator BOREN and a number of our other colleagues in introducing legislation that relates to the applicability of the cargo preference laws of the United States to the export activities of the Commodity Credit Corporation.

S. 721 would exempt the export activities of the Commodity Credit Corporation under its charter act, as well as the export promotion activities that the Secretary and the Commodity Credit Corporation are authorized to carry out under other laws, from the cargo preference requirements. This exemption would not apply, however, to exports under the Agricultural Trade Development and Assistance Act of 1954.

This legislation is necessary to address a problem that resulted from a recent Federal district court decision. The court found that the cargo preference laws of the United States applied to the Commodity Credit Corporation's blended credit program. Because of this decision, the Department of Agriculture suspended approval of blended credit programs involving the export of 3.6 million metric tons of grain to Egypt, Iraq, Morocco, and Tunisia.

To make financing available for agricultural exports at a lower interest rate, the Commodity Credit Corporation combined in a blended credit program its export loan guarantee program for loans by private lenders at

commercial interest rates and its program for direct interest free loans. By combining these programs, the interest rate was effectively lowered by about one-fifth, resulting in an effective price discount of about 3.4 percent to foreign countries that purchased our agricultural commodities and products.

Prior to the court decision, the Department of Agriculture had been abiding by an Attorney General's opinion that held that ocean shipments of commodities financed by the Commodity Credit Corporation under its direct credit, blended credit, or loan guarantee programs were not subject to the 50 percent U.S.-flag vessel rule of the cargo preference laws.

Mr. President, I believe that this Nation's best interest is served by maintaining a strong merchant marine fleet. Our cargo preference laws have helped in that effort. I do not believe, however, that shipments of our agricultural commodities and products that were considered exempt prior to the recent court decision should be subject to these laws.

It is my understanding that this S. 721 will reinstate the exemption from the cargo preference laws for the shipment of commodities financed by the Commodity Credit Corporation under its direct credit, blended credit, and loan guarantee programs.

I urge my colleagues to support this legislation.●

APARTHEID IN SOUTH AFRICA

Mr. KENNEDY. Mr. President, I send a resolution to the desk and ask for first reading.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 96) condemning the violence of apartheid in South Africa and requesting an investigation by the Secretary of State.

Mr. KENNEDY. Mr. President, I ask for second reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. SIMPSON. Mr. President, reserving the right to object, I express that on behalf of the Foreign Relations Committee I do then register an objection.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Thank you, Mr. President.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S.J. RES. 96

Whereas apartheid is a system of institutionalized racism that oppresses 23 million black people in South Africa;

Whereas apartheid is a system that can only be maintained by the activities of the South African security forces;

Whereas on March 21, 1985, the South African police opened fire on a crowd of black people in the Eastern Cape area of South Africa, killing at least nineteen individuals and wounding many more;

Whereas these killings have brought the death toll in South Africa during the past year to a total of 244; and

Whereas the Congress desires a full and impartial report on the circumstances of the recent violence;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. The Congress of the United States endorses the statements of the Secretary of State on March 21, 1985, that

(a) the system of apartheid in South Africa is "totally repugnant to the people of the United States;"

(b) these most recent killings "underline how evil and unacceptable apartheid is;" and

(c) this most recent act of violence by the South African police is "deplorable and the people of the United States have nothing except denunciation to say for it."

SEC. 2. The Congress requests the Secretary of State to conduct an independent investigation of the violence in the Eastern Cape during the period of March 21 through 24, 1985, and to submit a report to the Congress by April 30, 1985, on the circumstances relating to the violence, including, but not limited to, the number of people killed and wounded.

SEC. 3. The Congress requests that a copy of this resolution be transmitted by the Secretary of State to the Government of South Africa.

ORDER FOR RECESS UNTIL THURSDAY, MARCH 28, 1985

Mr. SIMPSON. Mr. President, I have a unanimous-consent request that has been cleared with the leadership of the minority.

I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon on Thursday, March 28.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS KASTEN AND PROXMIRE ON THURSDAY

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on Thursday, there be special orders not to exceed 15 minutes each, for the following Senators: Senator KASTEN and Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS ON THURSDAY

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the special orders just identified, there be a period for the transaction of routine morning business on Thursday, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following the morning business on Thursday, the Senate will turn to any legislative or executive calendar items cleared for action, including Calendar No. 15, S. 413, without amendment, and an Export Administration Act extension for 75 days, without amendment.

RECESS UNTIL THURSDAY, MARCH 28, 1985

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 12 noon on Thursday, March 28, 1985.

The motion was agreed to; and at 5:06 p.m., the Senate recessed until Thursday, March 28, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 21, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF AGRICULTURE

Peter C. Myers, of Missouri, to be an Assistant Secretary of Agriculture, vice John B. Crowell, Jr., resigned.

Robert L. Thompson, of Indiana, to be an Assistant Secretary of Agriculture, vice William Gene lesher, resigned.

ENVIRONMENTAL PROTECTION AGENCY

A. James Barnes, of the District of Columbia, to be Deputy Administrator of the Environmental Protection Agency, vice Alvin L. Alm, resigned.

GENERAL SERVICES ADMINISTRATION

Terence C. Golden, of Texas, to be Administrator of General Services, vice Gerald P. Carmen, resigned.

SECURITIES INVESTOR PROTECTION CORPORATION

Stephen L. Hammerman, of New York, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1985, vice Ralph D. DeNunzio, term expired.

Executive nomination received by the Secretary of the Senate March 22, 1985, under authority of the order of the Senate of January 3, 1985:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Martha Graham, of New York, to be a member of the National Council on the Arts for the remainder of the term expiring September 3, 1986, vice Erich Leinsdorf.

Executive nominations received by the Secretary of the Senate March 25, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Vernon A. Walters, of Florida, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Walter F. Ulmer, Jr., xxx-xx-..., age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Crosbie E. Saint, xxx-xx-xxxx, U.S. Army.

Executive nominations received by the Senate March 26, 1985:

DEPARTMENT OF STATE

John Dimitri Negroponte, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, vice James L. Malone.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Alfred G. Hansen, xxx-xx-x... xxx-...FR, U.S. Air Force.

HOUSE OF REPRESENTATIVES—*Tuesday, March 26, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Remind us, O God, that we are members of Your whole creation, and we can look to You as our one creator for meaning and purpose. Make us aware that all people are objects of Your love and are brothers and sisters with us in our search for communities of trust and understanding. May Your redeeming power cause us to be ambassadors of peace and messengers of justice in all Your created world. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PROVIDING FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES

Mr. GAYDOS. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 100) providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 99th Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 100

Resolved, That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

SEC. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, $1,534,023; Committee on Agriculture, $1,831,599; Committee on Armed Services, $1,850,186; Committee on Banking, Finance and Urban Affairs, $3,084,512; Select Committee on Children, Youth, and Families, $748,473; Committee on the District of Columbia, $339,984; Committee on Education and Labor, $3,447,208; Committee on Energy and Commerce, $4,660,970; Committee on Foreign Affairs, $3,319,124; Committee on Government Operations, $2,950,690; Committee on House Administration, $995,000; Committee on House Administration—House Information Systems, $8,453,400; Select Committee on Hunger, $652,513; Permanent Select Committee on Intelligence, $64,300; Committee on Interior and Insular Affairs, $1,673,440; Committee on the Judiciary, $2,015,760; Committee on Merchant Marine and Fisheries, $1,988,805; Select Committee on Narcotics Abuse and Control, $740,150; Committee on Post Office and Civil Service, $1,581,077; Committee on Public Works and Transportation, $2,100,901; Committee on Rules, $647,401; Committee on Science and Technology, $2,269,500; Committee on Small Business, $951,181; Committee on Standards of Official Conduct, $150,000; Committee on Veterans' Affairs, $579,155; and the Committee on Ways and Means, $2,962,170.

SEC. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Agriculture, $30,000; Committee on Armed Services, $57,183; Select Committee on Children, Youth, and Families, $15,000; Committee on the District of Columbia, $20,000; Committee on Education and Labor, $80,266; Committee on Energy and Commerce, $25,000; Committee on Foreign Affairs, $17,000; Committee on House Administration, $75,000; Committee on House Administration—House Information Systems, $400,000; Select Committee on Hunger, $15,000; Permanent Select Committee on Intelligence, $5,000; Committee on the Judiciary, $90,000; Select Committee on Narcotics Abuse and Control, $10,000; Committee on Post Office and Civil Service, $120,000; Committee on Public Works and Transportation, $5,000; Committee on Science and Technology, $10,000; Committee on Standards of Official Conduct, $100,000; Committee on Veterans' Affairs, $26,000; and Committee on Ways and Means, $10,000.

SEC. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $1,000; Committee on Agriculture, $1,500; Committee on Armed Services, $9,274; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $10,000; Committee on Government Operations, $1,000; Committee on House Administration, $10,000; Committee on House Administration—House Information Systems, $180,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $4,000; Committee on Post Office and Civil Service, $2,000; Committee on Public Works and Transportation, $8,000; Committee on Rules, $1,000; Committee on Science and Technology, $10,800; Committee on Small Business, $1,500; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $1,500.

SEC. 5. The Committee on House Administration—

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of handbooks, guides, bulletins, and other items necessary for the House.

SEC. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1985, and ending immediately before noon on January 3, 1986.

SEC. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. GAYDOS [during the reading]. Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the resolving clause and insert in lieu thereof:

That there shall be paid out of the contingent fund of the House in accordance with the primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

SEC. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, $1,454,308; Committee on Agriculture, $1,489,556; Committee on Armed Services, $1,464,549; Committee on Banking, Finance and Urban Affairs, $2,848,653; Select Committee on Children, Youth, and Families, $721,000; Committee on the District of Columbia, $305,354; Committee on Education and Labor, $3,141,584; Committee on Energy and Commerce, $4,640,970; Committee on Foreign Affairs, $2,589,086; Committee on Government Operations, $2,664,122; Committee on House Administration, $995,000; Committee on House Administration—House Information Systems, $8,120,578; Select Committee on Hunger, $616,970; Permanent Select Committee on Intelligence, $64,300; Committee on Interior and Insular Affairs, $1,602,027; Committee on the Judiciary, $1,828,705; Committee on Merchant Marine and Fisheries, $1,936,948; Select Committee on Narcotics Abuse and Control, $662,952; Committee on Post Office and Civil Service, $1,460,218; Committee on Public Works and Transportation, $2,100,901; Committee on Rules, $585,913; Committee on Science and Technology, $2,164,782; Committee on Small Business, $951,181; Committee on Standards of Official Conduct, $150,000; Committee on Veterans' Affairs, $511,378; and Committee on Ways and Means, $2,942,170.

SEC. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Agriculture, $30,000; Committee on Armed Services, $57,183; Select Committee on Children, Youth, and Families, $15,000; Committee on the District of Columbia, $20,000; Committee on Education and Labor, $80,266; Committee on Energy and Commerce, $25,000; Committee on Foreign Affairs, $17,000; Committee on House Administration, $75,000; Committee on House Administration—House Information Systems, $400,000; Select Committee on Hunger, $15,000; Permanent Select Committee on Intelligence, $5,000; Committee on the Judiciary, $90,000; Select Committee on Narcotics Abuse and Control, $10,000; Committee on Post Office and Civil Service, $120,000; Committee on Public Works and Transportation, $5,000; Committee on Science and Technology, $10,000; Committee on Standards of Official Conduct, $100,000; Committee on Veterans' Affairs, $26,000; and Committee on Ways and Means, $10,000.

SEC. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $1,000; Committee on Agriculture, $1,500; Committee on Armed Services, $9,274; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $10,000: Committee on Government Operations, $1,000; Committee on House Administration, $10,000; Committee on House Administration—House Information Systems, $180,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $4,000; Committee on Post Office and Civil Service, $2,000; Committee on Public Works and Transportation, $8,000; Committee on Rules, $1,000; Committee on Science and Technology, $10,800; Committee on Small Business, $1,500; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $1,500.

SEC. 5. The Committee on House Administration—

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of handbooks, guides, bulletins, and other items necessary for the House.

SEC. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1985, and ending immediately before noon on January 3, 1986.

SEC. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. GAYDOS [during the reading]. Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Reserving the right to object, Mr. Speaker, I would like to ask a parliamentary inquiry in connection with my reservation.

The SPEAKER. The gentleman will state it.

Mr. DANNEMEYER. Mr. Speaker, if the procedure that is being talked about here now is adopted, does that have the effect of precluding the offering of an amendment to the resolution so as to establish a freeze of this funding?

The SPEAKER. The Chair would answer in the affirmative, that if the amendment offered as an amendment in the nature of a substitute prevails, no further amendment is in order.

Mr. DANNEMEYER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 1 hour.

Mr. GAYDOS. Mr. Speaker, I yield the customary 30 minutes to the gentleman from California [Mr. BADHAM], the ranking minority member of the Subcommittee on Accounts for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, before I explain the committee amendment, I wish to thank all of the members of the Accounts Subcommittee for their hard work in considering each budget request from the respective committees. Attendance at each of the sessions was excellent. As everyone surely realizes, this job is a thankless one, especially during a period of fiscal restraint. However, the product which we present to the House today has unanimous, bipartisan support from the Committee on House Administration. The diligent and thoughtful work of the key minority members, Mr. BADHAM, Mr. THOMAS, Mr. ROBERTS, and Mrs. VUCANOVICH enabled us to reach tough but fair decisions in the spirit of reasonable compromise. In particular, BILL THOMAS is to be commended for his perfect attendance and discerning analyses. On the majority side, Mr. SWIFT, Mr. FOLEY, Ms. OAKAR, Mr. COELHO, Mr. CLAY, and Mr. GEJDENSON are to be lauded for their regular and effective participation on the subcommittee.

I wish to thank all the chairmen and ranking minority members from the respective committees and their staffs. Their cooperation with the Accounts Subcommittee enabled us to evaluate all the budgetary requests in a thorough manner. In particular, I wish to commend the following committee chairmen for their exceptionally restrained and fiscally sound budgets: FRANK ANNUNZIO, JULIAN DIXON, LEE HAMILTON, JAMES HOWARD, and PARREN MITCHELL. The ranking minority members from those respective committees deserve praise for their support and input into those requests: BILL FRENZEL, FLOYD SPENCE, BOB STUMP, GENE SNYDER, and JOE MCDADE.

The committee amendment in the nature of a substitute is the product of the deliberations of the Subcommittee on Accounts over each committee's budgetary request with the exception of the Committees on Appropriations and Budget. The subcommittee's proposed amendment was subsequently unanimously approved by the full Committee on House Administration without change. The sum total of the 26 budget requests for 1985 was $51,591,522. The total base authorization for 1984 was $45,965,516 which included an annualized base authorization for the Select Committee on

Hunger at $599,000. The total of the 1985 requests represented a $5,626,006 aggregate increase over the 1984 base authorization, or a 12.24-percent requested increase. From this amount the subcommittee cut $3,578,317. As a result, the committee amendment provides $48,013,205 for the 1985 authorization. This figure is a $2,047,689 increase over the 1984 base authorization—an increase of 4.45 percent. Presently, there exists in this country, a strong public concern over the manner in which Federal funds are expended. The debate is over both the size of the expenditures and the priorities for their allocation. Accordingly, in my view, the Subcommittee on Accounts, in constructing the committee amendment, in the nature of a substitute, has balanced both of these interests and it has, successfully, discharged its major responsibilities. The subcommittee has ensured that the committees of the House have adequate funds to discharge their legislative and oversight responsibilities. And, the subcommittee has made certain that this authorization from the contingent fund of the House is both economical and prudent. In framing each committee's authorization, the Subcommittee on Accounts did not resort to any simple mathematical formula, but, rather, its guiding principles encompassed rational and time-tested policies. These policies established a constructive framework for evaluating each committee's budgetary request. These policies were as follows:

First, each commmittee was determined to be unique and considered individually.

Second, a committee should make full use of its allotment of 18 professional staff members and 12 clerical staff members pursuant to clause 6 of House rule XI, before seeking funds for its investigative staff.

Third, increases in staff, above last year's levels, were usually not allowed unless the subcommittee determined that the request for additional staff was justified by a substantially increased work load.

Fourth, in making its calculations, the subcommittee used each committee's 1984 authorization as its base. By using the 1984 authorization, the subcommittee achieves two objectives. It makes the committees more accountable to the Accounts Subcommittee by encouraging the committees to live within their reallocation which they report monthly to the Accounts Subcommittee. Additionally, the subcommittee avoids penalizing a committee for not fully spending last year's authorization. As we have emphasized for the past 5 years, committees should not be penalized for returning money.

Fifth, the subcommittee ensured that the authorization approved for each committee contained sufficient funds to cover the 3.5 percent pay comparability increase, commonly referred to as a COLA, which each committee was entitled to give its employees on January 1, 1985.

Sixth, the subcommittee provided sufficient funds to allow committees' nonpersonnel costs to rise with inflation at an approximate inflation rate of 3.5 percent.

Seventh, on a committee-by-committee basis, the subcommittee considered the need for any additional allowance to cover such items as special equipment problems, increased travel costs, and justifiable merit increases.

In summary then, through the application of these principles, the total proposed authorization for 1985 exceeds the 1984 base authorization by 4.45 percent. Of this percentage increase, 3.5 percent represents pay comparability increase for employee salaries and the inflationary adjustment for nonpersonnel costs. The committee amendment would authorize an increase of only 0.95 percent beyond the requirements of pay comparability and inflation. Thus, the proposed 1985 authorization, as embodied in the committee amendment, in reality allows for a meager growth of less than 1 percent.

With regard to the three committees with approved increases which far exceed other committees, the subcommittee believes that these few larger than usual increases are justified. First, the Ways and Means Committee is confronted with an exceptionally heavy legislative and oversight work load this year. Given the broad important jurisdiction of this committee, it will be closely involved in the deliberations over many major domestic issues facing this Congress, such as the deficit reduction effort, tax reform, and the continual review of various compensation programs. Based on an intense review of this committee's request, justification, past record, jurisdiction, and proposed work load, the subcommittee concluded that the requested increase was clearly warranted, if not essential.

Second, the authorization for the Foreign Affairs Committee is based on a justifiable need for additional staff to enable this committee to intensify its ongoing legislative and oversight efforts regarding world arms control and related issues and the problems of international terrorism.

Third, the increases for the Armed Services Committee are also justified by a legitimate need for additional staff. Historically, this committee with its bipartisan staff has operated with one of the smallest budgets for a major standing committee.

Finally, on the subjects of racial and sexual discrimination in the determination of compensation for committee employees, I wish to indicate that the provisions of clause 9, House rule 43, govern such determinations. Enforcement of this clause is within the jurisdiction of the Committee on Standards of Official Conduct. However, as chairman of the Subcommittee on Accounts, I and other subcommittee members have encouraged the committee chairmen and ranking minority members to review their compensation practices on a continuing basis to assure compliance with House rules. This encouragement was made on the record during the hearings on each individual expense resolution and in the preliminary meetings between the staff of the Accounts Subcommittee and the staff directors of the respective committees. It appears that each and every member of the House Administration Committee on both sides of the aisle has indicated by their unanimous vote in committee that House Resolution 100 as submitted to the full House, although not perfect, is fiscally responsible and fair and equitable. The House of Representatives as a body through its committee system will be able to effectively and adequately discharge its constitutional obligations.

I urge my colleagues to vote in favor of the committee amendment in the nature of a substitute and the resolution.

Mr. BADHAM. Mr. Speaker, I yield myself such time as I may consume.

In addition to this I would like to add a few words; namely, that the Republican conference passed a resolution which would call on the utilization of statutory staff before investigative staff was hired and selected, that we would move to a freeze of expenditures for committees, and that we would move toward a more equitable relationship numerically between minority and majority staff.

I will have to say that that was a resolution that does express the feeling and the will of the minority party of this body. I will have to say that as an individual Member caught in between the fiscal restraint which my party calls for and the real world in which we live, controlled by the majority party in this body, I think we came as close as possible to realizing those goals, understanding the exigencies of the political world in which we live.

I would hope, looking forward to next year, that we will have an absolute freeze and we will go to a better ratio and relationship between the parties. But I intend to vote for this resolution this year because it is a quantum leap over anything we have done in the past as far as bringing equity and fiscal restraint into the huge staffing situation that confronts the House of Representatives in these lean times of Government expenditures.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I would like to take this opportunity to compliment my good friend and colleague, the gentleman from Pennsylvania [Mr. GAYDOS] on his splendid job as the new chairman of the Subcommittee on Accounts. That chairmanship is not an enviable post. We hear good and strong arguments in favor of increasing most budgets at a time when we would all like to curb spending and prove we are dedicated to solving the deficit problem. It is my assumption that there will be even stronger pressure to freeze spending next year. We can speculate as to which major programs of the Federal Government will be frozen, but spending for the internal operations of the Congress will be closely monitored. In this year's resolution, the subcommittee did allow for a modest increase for most committees. The increase is in part a reflection of the President's Executive Order No. 12496 which required a 3.5-percent salary adjustment for most executive branch employees. The subcommittee applied this same amount for most committee employee salaries. In addition, we provided moneys to those committees with specific needs, such as updating equipment capability or filling staff vacancies.

Overall, we on the subcommittee, with the careful guidance of Mr. GAYDOS, paid close attention to each budget and held spending down wherever we could. I might add here that we particularly appreciate the efforts of House Administration's full committee chairman, Mr. ANNUNZIO, for offering a budget of zero growth. In doing so, and in freezing the budget of the House Information Systems, he proves that he is dedicated to following the model of fiscal restraint initiated by our former chairman, GUS HAWKINS of California. We also welcomed the zero growth budget of the Committee on Public Works and Transportation.

Total committee budget requests for 1985 amounted to $51,591,522, which is 12.2 percent over total 1984 authorization. Of the total requested amount, the Subcommittee on Accounts worked long and hard to trim $3,578,317 off of those budgets and came up with a figure only 4.45 percent over 1984's authorization, for a total of $48,013,205. I wish to thank my fellow subcommittee members for their close and careful consideration during this funding cycle, and I urge all Members of this body to support the resolution before us now.

□ 1120

Mr. GAYDOS. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the full Committee on House Administration, the gentleman from Illinois [Mr. ANNUNZIO], for purposes of debate only.

Mr. ANNUNZIO. Mr. Speaker, I thank the chairman of the Accounts Subcommittee for yielding some of his time to me. Chairman GAYDOS, BOB BADHAM, and BILL THOMAS, together with the members of the Accounts Subcommittee, are to be commended for proposing a budget for the committee's investigative activities which is only 4.45 percent above last year's authorized level. This small percentage increase was achieved despite the fact that two large committees—Armed Services and Foreign Affairs—were granted increases in the range of 15 percent, based on a clear and convincing show of the need to increase their staff sizes. The Ways and Means Committee, which considers complex tax policy, had to be funded at a significantly higher level as well because of the prior history of frugality by Chairman ROSTENKOWSKI, coupled with the need to modernize their office equipment. All of the committees had to be scrutinized in the strictest possible manner in order to arrive a the 4.45 percent overall percentage increase in authorization which has been recommended by the Accounts Subcommittee.

As chairman of the full Committee on House Administration, I felt that it was my obligation this year to helps the Accounts Subcommittee in the difficult task of recommending an adequate budget in the present environment of fiscal austerity. Therefore, I proposed to freeze the budget for the Committee on House Administration, as well as the budget for the House Information Systems [HIS] at 1984 authorized levels. It was especially difficult for me to freeze the HIS budget because of their constantly expanding workload due to increased popularity with the Members. However, I was determined to set an example for the other committee chairmen, so that they might more easily accept the frugal budget which has been proposed.

I would also like to commend the Accounts Subcommittee for recommending that we continue to use an omnibus resolution for the funding of House committees. As chairman of the Accounts Subcommittee for the past 4 years, during which it was developed, I found it to be a useful funding vehicle. I can state with pride that only one supplemental request from a committee was received while I was chairman of Accounts and that notable exception was from the Committee on Standards of Official Conduct.

Subcommittee Chairman GAYDOS is continuing the tradition of frugality and no supplementals which I tried to establish as chairman of the Accounts Subcommittee. Our obligation, as we have both interpreted it, is to see that the committees of the House have adequate funds to discharge their responsibilities, while making certain that expenditures from the contingent fund are both wise and economical.

Chairman GAYDOS, BILL THOMAS, and BOB BADHAM of the Accounts Subcommittee—as well as BILL FRENZEL, ranking minority member of the Committee on House Administration are to be commended for their work in helping to make this bill a success through a bipartisan effort which was supported unanimously by the entire membership of the Committee on House Administration.

Mr. Speaker, I urge a yea vote, and I yield back the balance of my time.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. I thank the gentleman for yielding.

Mr. Speaker, I will not repeat what has been said about the internal construction of the resolution.

I would note that, as is usually the case, there was very strong and sharp disagreement over which committees ought to get which amounts of money, and it was carried on in an atmosphere which I can only commend in terms of being a responsible one in terms of a dialog between the majority and the minority.

Primary credit I believe is due the new chairman of the Subcommittee on Accounts, the gentleman from Pennsylvania [Mr. GAYDOS], because the atmosphere in which choices, sometimes very difficult choices, were discussed was always one of a professional respect for either side or the subject matter. It was not easy to bring in this resolution at its current level.

Most Members are very much aware of the significant increases in telephone costs, to just cite one specific budget category, which is affecting their offices and affects the committees as well.

We could go on and cite item by item the difficult decisions that needed to be made. But the short statement that needs to be made is that if anyone feels that taking the 3.5-percent salary increase and allowing less than 1 percent increase above that salary increase is profligate, I wish they would sit down and listen to the discussions that are carried on, and not drop in once when your particular committee, your favorite, is being heard so that you can lobby for it; but sit down day after day and begin to make some comparisons between the committee requests and begin to make some of the difficult choices as to who gets what or who does not get what.

In that respect, Mr. Speaker, I want to end by commending the new chairman of the full committee, Mr. ANNUNZIO, because he did set an example by asking for zero increases for House Administration Committee and zero increase for the House Information Systems.

However, I want to urge the chairman of the full committee that although this is a good example-setting procedure, I do want to make sure that we do not overcompensate in the direction of setting examples at the expenses of carrying out the full duties and functions of this very important committee.

I know this to be the case this year. I do believe that the example that this full committee has set has changed the spending patterns of other committees.

It has been my pleasure to work on this committee, primarily because the atmosphere in which we work is one that I think should pervade all committees and that is that although the decisions made are oftentimes partisan, the conditions under which they are made are extremely professional.

Mr. Speaker, I would ask support of the resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. GAYDOS. Mr. Speaker, I yield 2 minutes to the chairman of the Committee on Small Business, the gentleman from Maryland, Mr. PARREN MITCHELL.

Mr. MITCHELL. Mr. Speaker, I too want to urge support for the resolution.

You know, from time to time we get all kinds of letters and telephone calls saying, "Why doesn't the Congress take the lead in setting an example by reducing spending?" I think here we have a clear-cut illustration that the Congress is indeed willing to take lead whenever and wherever possible.

As chairman of a committee I am not happy with what I have got; I can always use more. But under the spirit that prevailed in the subcommittee and in the full committee, we have gone along with what I think is a responsible, sensible reaction to the prevailing climate with concern about the deficit and other problems. It may well be, and I have been assured by the full chairman and the subcommittee chairman, that in an extreme emergency with a committee we can come in for supplemental requests. I have also been advised that it would have to be a really extreme emergency.

Mr. Speaker, with that kind of safeguard I am perfectly willing to stand here before you today and urge your support for the resolution. It is a responsible action that has been taken by the committee.

Mr. Speaker, I yield back the balance of my time.

□ 1130

Mr. GAYDOS. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the chairman of the Small Business Administration for his kind remarks and congratulate him for his quiet acquiescence in the budgetary amount that we finally arrived at. He has been most cooperative, and at this time I would like to take the opportunity to state, for a matter of record, the cooperative nature of all of the subcommittee and full committee chairmen when they appeared before the committee; the type of requests that they made, and their reasonableness, absolute reasonableness of their response to our problem generally and in the comparison of all committee requests before the Subcommittee on Accounts of the full committee.

I yield at this time to a member of the subcommittee, a member of the full committee, the gentlewoman from Ohio [Ms. OAKAR], who has attended practically every one of the hearings that we had and has been such a valuable member in our final disposition of the various, very difficult budget cuts we had to make.

Ms. OAKAR. I thank the chairman for yielding to me, and I want to congratulate the chairman of the full committee as well, the gentleman from Illinois [Mr. ANNUNZIO], who did set a strong example and who was always watching over our proceedings whether he was at the hearing or not.

Mr. Speaker, today I rise to express strong support for House Resolution 100 which provides funds for the standing and select committees of the House in the first session of the 99th Congress. I also want to compliment Chairman GAYDOS and all the members of the Subcommittee on Accounts for their fine work and expeditious handling of this omnibus primary expense resolution.

Mr. Speaker, in preparing for legislative action on House Resolution 100, Chairman GAYDOS and the members of the Committee on House Administration endeavored to ensure that each committee has adequate funds to conduct its legislative and oversight responsibilities. Furthermore, in meeting this goal, the committee acted in a fair, bipartisan, and efficient manner.

It is also important, Mr. Speaker, to recognize that the committees of the House are operating frugally, despite their overwhelming workloads. A 1985 budget authorization of only 4.45 percent over the 1984 authorization is proof that the committees are very concerned about being cost conscious.

Mr. Speaker, pay equity for congressional employees has been and is a major concern for the U.S. Congress. The chair of the Subcommittee on Accounts, Mr. GAYDOS, is to be commended for his efforts to remind each committee to address itself to clause 9 of House Rule 43, which governs the conduct of all House Members relative to, among other types of discrimination, sex-based wage discrimination. Furthermore, Chairman GAYDOS has reminded us that infractions of this rule should be reported to the Committee on Standards of Official Conduct, the committee with jurisdiction over this matter.

Mr. Speaker, I would also like to offer my strong support for Chairman Gaydos' encouragement to the committees to continually review their compensation practices to ensure that women and minorities are not being discriminated against.

Mr. Speaker, it is essential that we constantly monitor our compensation practices to ensure that wages are set fairly and equitably.

In closing, Mr. Speaker, I ask all my colleagues to support House Resolution 100.

Mr. BADHAM. May I inquire, Mr. Speaker, as to how much time I have remaining, and on each side?

The SPEAKER. The gentleman from California [Mr. BADHAM] has 22 minutes remaining, and the gentleman from Pennsylvania [Mr. GAYDOS] has 10 minutes remaining.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr Speaker, I rise in opposition to this resolution, and I do so at the outset by saying I have great respect for the work product of Mr. GAYDOS and Mr. ANNUNZIO, as chairmen of the committee and subcommittee.

There has been a real improvement in the growth of funding for committees in the House in the 6 years that I have been privileged to serve here. When I first came here in 1979, funding for committees, investigative staff, was rising at 10 or 15 percent per year. It was truly out of control.

This work product this year I think is a modest growth of some 4.45 percent, when you compare authorization to authorization, but as we all know, that is not the real figure to compare.

If you want to get a comparison of what the increase in this resolution is authorizing over what took place in calendar year 1984, because that is what we are talking about, the data shows that we spent for investigative staff in 1984 calendar year, $43,271,000 plus.

The authorization is for $48,013,000. Now, that is an increase of $4,742,000 plus. That is a little better than a 10-percent increase in 1 year that we will be authorizing the committees of this House to expand over what was spent last year.

Now let us think about that for a moment. This House, before the next 2 months, is going to be taking up a form of a spending freeze for anyone receiving money from the Federal Government in the next fiscal year.

Now let us think about that: We are going to suggest to the country that whatever amount of money you got in fiscal year 1985, that is the amount you are going to get in 1986. In other words, we are not going to raise you,

we are not going to cut you; we are just going to hold you where you are.

There is an element that runs through the gauntlet of human affairs, particularly when it comes to government. We, in Anglo-Saxon jurisprudence and Anglo-Saxon countries have a tendency to exhibit from time to time the old adage, "The king can do no wrong."

Everybody has to do something, but do not make it applicable to me, the king, because you see, we are different. We have a different drumbeat as we wander through life. And that is what this whole thing is all about.

We are going to suggest to the American people that they have a freeze on what they get. We do not want to make it applicable to ourselves and I am saddened by that; I would like to offer an amendment to reduce the level of spending so that it would be a freeze; that is, what we spend in 1985 would be no more than 1984. Under the rules under which this resolution is presented, that amendment is not in order. A motion to commit with instructions is not in order because of the procedure under which it is brought to the floor; it is brought to the floor under this procedure, quite frankly, in order to prevent any Member from tilting the system so as to give accountability to taxpayers as to what we are doing with the stewardship of power in this body. It hides the ability of taxpayers to find out how we are improving or increasing the spending.

I am saddened to see that by my colleagues, particularly in this year of freeze, and I would hope that we in our wisdom would vote no on this resolution and manifest to the committee, notwithstanding the work that they have done, that we should be consistent with what we are asking the taxpayers of the country to do.

Mr. GAYDOS. Mr. Speaker, I yield 2 minutes to the chairman of the Ways and Means Committee, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, let me say at the outset that I want to express my gratitude to both the chairman of the full committee and the subcommittee chairman, the gentleman from Illinois [Mr. ANNUNZIO], and the gentleman from Pennsylvania [Mr. GAYDOS] respectively, and all the Members for the patience with which they have considered the problems that those of us that have tried to be frugal over a period of years face.

Mr. Speaker, I rise in support of House Resolution 100, the committee funding resolution.

In the 4 years that I have been chairman of Ways and Means, the committee's budget has increased a total of 7 percent: from $2.252 million authorized in 1981 to $2.410 million in 1984. This is less than a 2-percent increase per year.

This year's budget has been developed as carefully and frugally as in previous years. However, because of our expanded work load, it is necessary that the Ways and Means budget be increased by a larger amount than in previous years.

You are aware of the scope and importance of the programs under Ways and Means jurisdiction. The tax, trade, Social Security, Medicare, unemployment compensation, and public assistance programs we oversee are critical to the operation of the overall economy as well as the budget of every individual family.

This year we have an extremely heavy legislative and oversight schedule, which includes fundamental tax reform, major reductions in the Medicare Program proposed in the President's budget, as well as important trade, unemployment compensation, and other matters.

In order to deal with the large number of bills referred to Ways and Means, and to adequately fulfill our legislative responsibilities, it is necessary that our budget be increased to allow for additional staff and the upgrading of our computer equipment.

Historically, Ways and Means has operated with a smaller staff than might be expected from our diverse and broad jurisdiction, and we intend to continue to function with a minimum number of qualified staff. For example, we anticipate 98 staff members this year compared to 95 in 1978 and 97 in 1979.

We also need to improve our computer capability. We have lagged behind other committees in this. It is now absolutely necessary that we increase the efficiency of our information management capabilities.

Our budget was developed carefully and with bipartisan cooperation. It is a conservative, realistic budget that was approved by the committee without a dissenting vote.

I urge the Members to support the funding resolution that is before them today.

□ 1140

Mr. BADHAM. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Speaker, today I sent a letter to my fellow Members of Congress requesting their support of an across-the-board budget freeze. No sooner will they receive these letters than they will be asked to significantly increase the budget for House committee expenses. I now ask my colleagues to make the following decision: will we lead the way toward fiscal responsibility or continue to increase spending for our own overstaffed, underrepresentative committees?

One year ago, the House approved a 4-percent increase in committee expenditures. Despite this being significantly less than what the committees requested, it far exceeded their actual 1984 expenditures. In fact, if we were to freeze their budget at last year's level, committees could increase spending by over $2½ million this year and still remain within their restrictions. Yet today, with a massive deficit posing a serious threat to our economy, we are asked to allow our committees to spend $4.7 million more than they did in 1984. Mr. Speaker, if we are unable to control spending in our own committees, how can we expect to do so with the budget of the United States?

Not only are the committees overbudgeted, they are not representative. While holding 42 percent of the seats in the full House of Representatives, House Republicans hold no more than 31 percent of the staff positions in any committee. The Committee on House Administration, whose recommendation we are voting on today, has a staff of 47 with 4 members on minority staff. They are by no means the exception. The minority party held only 20 percent of the committee staff positions in 1984.

It is for these reasons, Mr. Speaker, that I urge my colleagues to vote nay on this resolution and defeat the previous question.

Mr. GAYDOS. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. SWIFT], a member of the subcommittee.

Mr. SWIFT. Mr. Speaker, I would like to take this opportunity to commend the chairman of the Accounts Subcommittee for presiding over difficult deliberations which resulted in a proposed budget for the committees' studies and investigations which is a mere 4.45-percent increase over 1984 levels. As other Members have previously indicated, this task was made even more difficult because three large committees requested and received increases approaching and exceeding 15 percent over last year's levels. The requests submitted by these three committees were analyzed in the most conservative possible manner, but it was determined that, in each instance, the large increase was warranted by a clear and convincing demonstration of need.

I would like to point out to my colleagues that if you subtract the three committees who received the largest increases due to extenuating circumstances, from the computation, the remaining committees received an aggregate percentage increase which was much lower than the 4.45-percent benchmark. Excluding Armed Services, Foreign Affairs, and Ways and Means, the remaining committees and HIS received funds which were only 2.49 percent over last year's authorized level.

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Some of the credit for achieving this surprisingly low aggregate increase must go to the chairman of the full Committee on House Administration, Mr. ANNUNZIO. He had the courage to freeze House Administration and HIS at last year's authorized levels. These freezes gave the Accounts Subcommittee the leeway to help other committee chairmen who, also, had good reasons for the substantial increases, which they requested.

However, it was Chairman GAYDOS, who by applying the strictest possible scrutiny in an even-handed manner, allowed us to reach the low total percentage of 4.45 percent. Congratulations, Mr. Chairman, for a job well done.

I would like to submit for the RECORD, my calculations which demonstrate that by subtracting the "big three" from the computations, the total aggregate percentage increase for the remaining committees is only 2.49 percent over 1984 authorized levels.

Statistics—projected 1985 committee funding (excluding Armed Services, Foreign Affairs, and Ways and Means)

1984 authorization, excluding HIS, Armed Services, Foreign Affairs, and Ways and Means	$31,899,173
HIS 1984 authorization	8,120,578
Total, 1984 authorization	40,019,751
1985 projected authorization, excluding HIS, Armed Services, Foreign Affairs, and Ways and Means	32,896,822
HIS 1984 authorization with 0-percent increase	8,120,578
Total, 1985 projected authorization	41,017,400
Total, 1985 projected authorization, excluding Armed Services, Foreign Affairs, and Ways and Means	41,017,400
Less 1984 authorization, excluding Armed Services, Foreign Affairs, and Ways and Means	40,019,751
1985 projected increase, excluding Armed Services, Foreign Affairs, and Ways and Means	[1] 997,649

[1] Total represents an increase of 2.49 percent.

Mr. BADHAM. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Speaker, the time has come, it seems to me, for us to exercise discipline. We are prone to cloak ourselves with immunity. We are prone to impose a less severe standard to ourselves than we apply to taxpayers generally and I think this is made illuminatingly clear with the proposal presently before us.

Many of my colleagues, I believe, are afraid to vote "no." They fear touching the "no" button.

I am pleased to advise my colleagues that my "no" button activates very readily. And I do not suggest that we should vote "no" on every issue that waltzes through this floor. But sometimes we must exercise discipline and we must be willing to vote "no." I think now is an opportune time for my colleagues to try the "no" button who may not have tried it before.

I urge my colleagues to do it now. Try it, you may like it.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I rise in support of House Resolution 100. I understand that for a lot of Members any kind of increase in committee funding is too much of an increase. And certainly if I did not serve on this committee I would feel the same. I can closely identify with the sentiments of my distinguished colleague from California [Mr. DANNEMEYER].

If I were King there would be no increase; there would be substantial decrease.

But this is the real world and I am not King. Our majority must deal with its Members who have to run committees. The majority is charged with bringing out a program. Those of us who believe in reductions are clearly in the minority in the committees as we are in this House.

Therefore, the minority on this committee decided that, overall, ours and the House of Representatives interests would be best served by cooperating closely with the distinguished chairman of the committee, the gentleman from Illinois [Mr. ANNUNZIO] and the distinguished subcommittee chairman, the gentleman from Pennsylvania [Mr. GAYDOS].

Our confidence in these two gentlemen was not misplaced. They did, I believe, an extraordinary job of trying to hold back increases. Those increases were requested by committee chairmen who presented them in good faith because they believed they had significant things to do which required additional staff and additional expense money.

□ 1150

Nevertheless, the committee and its subcommittee reduced the request of the committee chairmen by about two-thirds and have brought to you an increase of less than 4½ percent out of an increase request list of about 12 percent.

I do not believe that we get a lot of credit for reducing aspirations. We really should get credit only for reducing expenditures.

Nevertheless, for this committee, it was quite an achievement.

I would, however, introduce into the RECORD at this point a table of what I call total committee expenses. It includes both the committee expenses that are authorized in this bill, plus the statutory staff salaries and the committee expenses of the Appropriations Committee and the Budget Committee.

All together in 1984, total House committee expenses amounted to about $86 million.

So when you are looking at t.. thorization before you, House Re..u-tion 100, you are really talking about half of what the committees of this Congress spend.

Committee	Committee expenses [1]	Statutory staff salaries	Contingent fund expenses [2]	Total by committee
1984				
Aging	$1,315,932	([3])	0	$1,315,932
Agriculture	1,371,209	$1,392,873	$14,636	2,778,718
Armed Services	1,106,220	1,235,757	12,145	2,354,122
Banking	2,531,762	1,149,435	7,939	3,689,136
Children, Youth and Families	637,982	([3])	0	637,982
District of Columbia	280,153	1,333,457	6,247	1,619,857
Education and Labor	2,710,029	1,491,319	16,552	4,217,900
Energy and Commerce	4,461,023	1,621,915	120,997	6,203,935
Foreign Affairs	2,241,840	1,605,698	20,348	3,867,885
Government Operations	2,507,498	1,041,335	10,691	3,559,524
House Administration	889,100	1,211,970	7,620	2,108,690
Intelligence	57,693	885,307	0	943,000
Interior	1,363,233	1,607,643	14,712	2,985,588
Judiciary	1,705,642	1,542,161	38,886	3,286,689
Merchant Marine and Fisheries	1,745,373	1,460,265	30,890	3,236,528
Narcotics Abuse and Control	620,195	([3])	0	620,195
Post Office and Civil Service	1,392,996	1,492,714	13,224	2,898,934
Public Works and Transportation	1,880,615	1,650,250	11,935	3,542,800
Rules	505,551	1,285,428	3,003	1,793,982
Science and Technology	2,022,688	1,445,388	9,686	3,477,762
Small Business	878,984	1,166,723	14,992	2,060,699
Standards	64,961	384,516	159	449,636
Veterans' Affairs	440,153	827,959	7,513	1,275,625
Ways and Means	2,382,490	1,682,217	29,262	4,093,969
Hunger	347,847	([3])	0	347,847
Subtotal	35,461,168	27,514,330	391,437	63,366,935
Appropriations	3,432,391	6,829,058	17,267	10,278,716
Budget	267,284	4,193,077	26,933	4,487,294
House Information Systems	7,809,983	0	0	7,809,983
Total	46,970,826	38,536,465	435,637	85,942,928

[1] Includes costs such as equipment, domestic travel, investigative staff salaries. For Appropriations and Budget, only investigative staff salaries are included; no other committee costs are included.

[2] According to the regulations of the Committee on House Administration, only standing committees may charge expenditures for "legislative functions" to the contingent fund; however, this has been interpreted to include Aging and Intelligence. Education and Labor, Judiciary, and Merchant Marine telephone costs are through September 1984; Energy and Commerce telephone costs are through October 1984; Science and Technology and Small Business telephone costs are through November 1984.

[3] Not authorized statutory staff. The Permanent Select Committee in Intelligence was authorized statutory staff allotments on February 25, 1983 (H. Res. 58), thereby deleting salary costs from its committee funding request.

I would also remind you that, in addition to chewing up $86 million of the taxpayers' hard-earned money, our committees employ over 2,000 people to do our work. I think there is substantial question, as a number of Members have raised here today, as to whether all of those employees and all of those dollars are really needed.

I would like to follow some of the other speakers in suggesting that the honor roll this year ought to be headed by the Committee on House Administration, the House Information Systems and the Committee on Public Works. Those three committees brought in zero increase budgets. They

asked for the same authorization as they had received last year.

This is an old tradition for the House Administration Committee, but it is a heartwarming show of frugality and accountability by the chairman and ranking member of our Public Works Committee, for which I thank them.

The big spender, of course, is still the Appropriations Committee. In 1984 it managed to spend more than $10 million to do its work. That $10 million enabled them to bring us a deficit of over $200 billion.

The next largest spender was the Energy and Commerce Committee, which spent more than $6 million, followed by the Budget Committee, at $4.5 million. And their open handedness is probably even exceeded by the Rules Committee, which has a small total expense but which has a different kind of mission in this House.

We did grant substantial increases to certain committees. I think the increase to the Ways and Means Committee has been well detailed. The Foreign Affairs Committee, which has been plateaued for the last couple of years, wanted to do some work in terrorism. We thought it was justified. The Armed Services Committee created a new subcommittee. It has a new chairman in whom all the Members have confidence, and it has a big job trying to monitor arms control. We thought it needed some more money, too.

Mr. Speaker, if I were the king I would have brought forward a much smaller resolution. Nevertheless, I have to commend the majority, the chairman of the committee and the chairman of the subcommittee, for having done I think as good a job as could be done under the circumstances. And I commend also the Republicans on the subcommittee who did the nitty-gritty work of shaving tenths of percentage points and hundreds of dollars wherever they could find them.

I do not blame those Members who are committed to a freeze and see fit to vote against this resolution. Rather, I sympathize with them. However, in honor of the work done by the committee and particularly its leaders, I am going to vote for the resolution and I suggest that others probably should do so too.

Those who wish to freeze or cut the budget will have other opportunities if they wish, for splendid deeds when the legislative appropriation comes to this House. I would respectfully suggest that the appropriation is a more appropriate target.

Mr. BADHAM. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GAYDOS. Mr. Speaker, I yield 1 minute to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, I would like to begin my brief remarks by commending the House Administration Committee for presenting us with an authorization bill that calls for greater restraint in spending on our committees than the House has adopted in some time. The proposal takes us halfway to an absolute freeze or spending in this area; I only wish we had made it the rest of the way.

Later today, many of us will stand in this Chamber and remind our colleagues of the need to restrain Pentagon spending—in essence, to freeze it. Later this year, we are going to be asked as a body to consider a whole host of nondefense programs and to decide whether or not to restrain spending in each of than, to freeze spending or, perhaps, to accept some cuts in those programs. Among these programs are ones dealing with agriculture, nutrition, education, health care, and mass transit.

I realize full well that a $2 million increase in this authorization for House committees does not, at first glance, amount to much at all. We spend that much as a Government in less than the time that I am speaking today. However, I think it is important for us to send the rest of the Nation a consistent signal that we are serious about reducing deficits by restraining spending across the board, all spending, including that which is required to operate one own committees. We are this Nation's leaders, and we lead, at least in part, by our example. By approving today even this modest increase, I am not sure we are setting the best example, nor are we sending the right signal to all those people whose programs may later be frozen or reduced. As a result, I must reluctantly vote against this proposal.

Mr. GAYDOS. Mr. Speaker, before I yield back the balance of my time, I would like to very hurriedly conclude by saying that I want to remind all of the Members that this came out of the subcommittee, the resolution before you, 100 percent, not one dissenter. Usually, as the nature of things occur, there is always one or two individuals who have their own ideas. This was 100 percent. And when it came before the full committee, every Member, unanimously, both sides, voted that this resolution and the accompanying amendment be reported to this House. I do not want to go into the comparison between the Pay Comparability Act and the inflationary aspect of it. I just make that simple observation.

Follow the committee and you cannot go wrong.

● Mr. LOTT. Mr. Speaker, at the outset I want to commend the chairmen and ranking minority members of the House Administration Committee and the Accounts Subcommittee on their efforts to substantially reduce the requests that were made of them. It's my understanding that committee requests came in about 12 percent over last year's authorization level, and this resolution manages to hold those increases to around 4.4 percent.

It's always difficult to say "no" to your colleagues, especially if they wear the hats of committee chairmen. So our colleagues on House Administration have done a good job under difficult circumstances. But, I would respectfully submit that they haven't gone far enough and the rest is up to us. A lot more pruning has to be done around this House.

We have yet to face up to what really needs to be done, and that is to reverse the trend of automatic spending increases, first with a freeze, and then with actual reductions. Our Republican conference this year adopted a resolution calling for a freeze in committee spending at last year's level. I don't think that's unreasonable. In fact, I think it's imperative if we are going to impose such freezes on other sectors of our society in our deficit reduction efforts.

What kind of example are we setting if we in the Congress can't even hold our own spending to last year's level? How can we expect the rest of the country to take us seriously if we don't take ourselves seriously?

But, more than fiscal discipline is at issue here. I would suggest to my colleagues that this House would actually function better if we cut back on committee funding, and with it the number of subcommittees, assignments, and staff. We've made too much work for ourselves, and, as a result, we do very little work well.

Consider the fact that over the last decade the number of subcommittees has increased from 119 to 147—a 23-percent increase—and the number of committee staff has ballooned from over 800 to over 1,700—better than 100-percent increase. And yet, in the 98th Congress our committees reported approximately 20 percent fewer bills than they did in the 93d Congress a decade before.

Now, I am not one to argue that we should measure our progress by how much legislation we report or enact. And I would be delighted if I could report with confidence that the decline in legislative productivity was due to a marked increase in oversight. But I don't think that has been the case. Instead, what began a decade ago was the practice of referring the same bills to two or more committees, and with it the proliferation of subcommittees and staff. As a result, we have more duplication of effort, turf fights, busy-ness, and wheel spinning. We've spread ourselves too thinly and made more work for ourselves than we can properly handle.

Mr. Speaker, the time has clearly come to cut back on this bureaucracy

we have built around ourselves, both for the good of the institution and for our individual well-being as Representatives.

I regret that the parliamentary situation is such that the minority may no longer exercise the traditional right to recommit this resolution with instructions to report back forthwith with an amendment. But, the adoption of the committee amendment in the nature of a substitute precludes that possibility. Had we been able to do so, I would have supported an amendment to freeze these funds at last year's level.

But, absent that possibility, I am going to vote against this resolution on final adoption. That is the only means we have left to let the House Administration Committee know that we want further reductions in committee funding. My vote against the resolution is therefore being cast as a vote for a freeze at last year's levels.●

Mr. GAYDOS. Mr. Speaker, I move the previous question on the committee amendment in the nature of a substitute and on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER. The question is on the resolution, as amended.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 254, nays 158, not voting 20, as follows:

[Roll No. 35]

YEAS—254

Ackerman	Borski	de la Garza
Addabbo	Bosco	Dellums
Akaka	Boucher	Dickinson
Alexander	Boxer	Dicks
Anderson	Breaux	Dingell
Andrews	Brooks	Dixon
Annunzio	Broomfield	Donnelly
Anthony	Brown (CA)	Dorgan (ND)
Applegate	Bruce	Downey
Aspin	Bryant	Duncan
Atkins	Burton (CA)	Dwyer
AuCoin	Bustamante	Eckart (OH)
Badham	Carney	Eckert (NY)
Barnard	Chandler	Edgar
Barnes	Chappell	Edwards (CA)
Bates	Clay	English
Bedell	Coelho	Evans (IL)
Beilenson	Coleman (MO)	Fascell
Bennett	Coleman (TX)	Fazio
Berman	Collins	Fish
Bevill	Conyers	Flippo
Biaggi	Cooper	Florio
Boggs	Courter	Foglietta
Boland	Crockett	Foley
Boner (TN)	Darden	Ford (MI)
Bonior (MI)	Daschle	Ford (TN)
Bonker	Davis	Fowler
Frank	Mavroules	Schulze
Frenzel	Mazzoli	Schumer
Frost	McDade	Seiberling
Fuqua	McGrath	Sharp
Garcia	McHugh	Shelby
Gaydos	McKinney	Sikorski
Gejdenson	Mica	Sisisky
Gephardt	Michel	Skelton
Gibbons	Mikulski	Smith (FL)
Gingrich	Miller (CA)	Smith (IA)
Gonzalez	Mineta	Snyder
Gray (IL)	Mitchell	Solarz
Gray (PA)	Moakley	Spratt
Guarini	Molinari	St Germain
Hall (OH)	Mollohan	Staggers
Hamilton	Montgomery	Stallings
Hammerschmidt	Morrison (CT)	Stangeland
Hawkins	Morrison (WA)	Stark
Hayes	Mrazek	Stokes
Hefner	Murphy	Stratton
Heftel	Murtha	Studds
Hertel	Myers	Swift
Hillis	Natcher	Synar
Horton	Neal	Tallon
Howard	Nelson	Taylor
Hoyer	Nowak	Thomas (CA)
Hubbard	O'Brien	Thomas (GA)
Hughes	Oberstar	Torres
Jeffords	Obey	Torricelli
Jenkins	Ortiz	Towns
Jones (NC)	Owens	Traficant
Jones (OK)	Panetta	Traxler
Jones (TN)	Pease	Udall
Kanjorski	Pepper	Valentine
Kaptur	Perkins	Vento
Kastenmeier	Pickle	Visclosky
Kennelly	Price	Volkmer
Kildee	Pursell	Vucanovich
Kleczka	Quillen	Walgren
Kolter	Rahall	Watkins
Kostmayer	Regula	Waxman
LaFalce	Reid	Weaver
Lantos	Richardson	Weiss
Lehman (CA)	Ridge	Wheat
Lehman (FL)	Rinaldo	Whitehurst
Leland	Roberts	Whitley
Lent	Rodino	Whitten
Levin (MI)	Roe	Williams
Levine (CA)	Rose	Wilson
Lewis (CA)	Rostenkowski	Wirth
Lipinski	Rowland (GA)	Wolpe
Lowry (WA)	Roybal	Wright
Luken	Rudd	Wyden
MacKay	Russo	Yates
Madigan	Sabo	Yatron
Manton	Savage	Young (AK)
Markey	Scheuer	Young (MO)
Matsui	Schroeder	

NAYS—158

Archer	Dornan (CA)	Ireland
Armey	Dreier	Jacobs
Bartlett	Durbin	Johnson
Barton	Dyson	Kasich
Bateman	Early	Kemp
Bentley	Edwards (OK)	Kindness
Bilirakis	Emerson	Kolbe
Bliley	Erdreich	Kramer
Boehlert	Evans (IA)	Lagomarsino
Boulter	Fawell	Latta
Brown (CO)	Fiedler	Leach (IA)
Broyhill	Fields	Leath (TX)
Burton (IN)	Gallo	Lewis (FL)
Byron	Gekas	Lightfoot
Callahan	Gilman	Livingston
Campbell	Glickman	Lloyd
Carper	Goodling	Loeffler
Carr	Gradison	Lott
Chappie	Green	Lowery (CA)
Cheney	Gregg	Lujan
Clinger	Grotberg	Lungren
Coats	Gunderson	Mack
Cobey	Hall, Ralph	Marlenee
Coble	Hall, Sam	Martin (IL)
Combest	Hansen	Martin (NY)
Conte	Hartnett	McCain
Coughlin	Hendon	McCollum
Craig	Henry	McCurdy
Crane	Hiler	McEwen
Daniel	Holt	McKernan
Dannemeyer	Hopkins	McMillan
Daub	Huckaby	Meyers
DeLay	Hunter	Miller (OH)
DeWine	Hutto	Miller (WA)
DioGuardi	Hyde	Monson
Moore	Rowland (CT)	Snowe
Moorhead	Saxton	Solomon
Nichols	Schaefer	Spence
Nielson	Schneider	Stenholm
Olin	Schuette	Strang
Oxley	Sensenbrenner	Stump
Packard	Shaw	Sundquist
Parris	Shumway	Sweeney
Pashayan	Shuster	Swindall
Penny	Siljander	Tauke
Petri	Skeen	Tauzin
Porter	Slattery	Walker
Ray	Slaughter	Weber
Ritter	Smith (NE)	Whittaker
Robinson	Smith (NH)	Wolf
Roemer	Smith (NJ)	Young (FL)
Rogers	Smith, Denny	Zschau
Roth	Smith, Robert	

NOT VOTING—20

Bereuter	Gordon	Rangel
Coyne	Hatcher	Roukema
Derrick	Lundine	Vander Jagt
Dowdy	Martinez	Wise
Dymally	McCandless	Wortley
Feighan	Moody	Wylie
Franklin	Oakar	

□ 1210

Messrs. LIVINGSTON, HUNTER, GLICKMAN, and HUTTO, and Mrs. LLOYD changed their votes from "yea" to "nay."

Mr. DORGAN of North Dakota changed his vote from "nay" to "yea."

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

□ 1220

TO AUTHORIZE RELEASE OF FUNDS FOR MX MISSILE

Mr. ASPIN. Mr. Speaker, pursuant to Public Law 98-525, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 180) to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin [Mr. ASPIN].

The motion was agreed to.

□ 1223

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of

the joint resolution, House Joint Resolution 180, with Mr. NATCHER in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee of the Whole House rose on Monday, March 25, the gentleman from Wisconsin [Mr. ASPIN] had 2 hours and 14 minutes of general debate remaining; the gentleman from Alabama [Mr. DICKINSON] had 13 minutes of general debate remaining; and the gentleman from Florida [Mr. BENNETT] had 2 hours and 26 minutes of general debate remaining.

The Chair at this time recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield 1 hour from my 2 hours and 14 minutes to the gentleman from Alabama [Mr. DICKINSON].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ASPIN. Mr. Chairman, I yield 8 minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, the House is in the final hours of debate on this controversy that has lasted nearly a decade. Within a few hours we will have no place to hide. We will have to make the final decision.

We can no longer use the excuse, "I voted for R&D but against deploying MX missiles."

We can no longer use the excuse, "I supported the MX missile but voted to delay its deployment for arms control reasons."

Within a few hours, we will have to stand up and be counted on an issue that is vital to the future strategic posture of the United States. The outcome of that vote will inevitably become a U.S. measuring stick for use of the Soviet Union and for U.S. allies around the world.

Here are some of the sure consequences of a no vote on House Joint Resolution 180:

We will have wasted $14 billion that the Congress has already appropriated for research and development and procurement for the MX program;

The MX Program will be totally stopped, including research and development since there would be no point in proceeding;

We will make sure that there is no modernization of a the ICBM leg of the strategic triad for many years to come; and

We will send the clearest of all messages to the new leadership in the Kremlin that their strategic superiority is assured for the foreseeable future and that they need not bargain away anything at all at the arms talks in Geneva.

We will surely doom the future deployment of any small single warhead ICBM. How many of us believe that those in opposition to the MX will one day support the Midgetman? How can the defeat of a $26 billion MX program be translated into support for a Midgetman program expected to cost three times more than the MX?

We may very well doom for some time to come any negotiations or arms control agreements to limit strategic missiles of warheads.

As former Secretary of Defense Harold Brown stated:

> • • • We stated in the early 1970's that we would modernize with a new missile in the late 1970's. In the mid-1970's we stated that we would do so in the early 1980's • • • to delay or not proceed with the MX and say that the United States will modernize in the early 1990's with a small single warhead missile will just not be believable.

Who in this Chamber believes that?

If we vote to kill the MX, we will in effect be voting to let time and deterioration kill the land-based leg of our deterrent triad. Many would greet such a result with approval.

But why do we need a triad for strategic deterrence? How does a triad prevent war?

The answer can be summed up in a few words: "Uncertainty" and "fear of the consequences of retaliation." A triad compounds the uncertainty of Soviet planners that a massive nuclear first strike could be successful. By maintaining a diversity of forces, capable of various levels of response, Soviet forces cannot be concentrated on one element of the triad, nor can Soviet military planners feel secure in the hope that their military and political establishments would survive a retaliation. Uncertainty is the key element in preventing the outbreak of nuclear war. Uncertainty results in what is sometimes called strategic stability. Stability can be strengthened by arms limitations that tend to equalize opposing forces, and it can be weakened where one side has an overwhelming advantage.

Much has been said about the survivability of the MX missile. This is a grossly overblown issue and certainly should not become the basis for a decision to kill the MX.

Certainly, in the best of all worlds, we would want all weapons to be 100 percent invulnerable. This is not possible and has never been possible. No leg of the strategic triad is 100 percent survivable: But, no leg of the triad is 100 percent vulnerable. The effect, if not the purpose, of the ABM Treaty was to leave our forces and those of the Soviet Union vulnerable to ballistic missile attack. In the case of only the United States, we have also left everything open to air attack as well.

Manned bombers are vulnerable while at their bases, to aircraft interceptors and surface-to-air missiles.

Ballistic missile submarines are vulnerable when they are in port between cruises, and during overhaul periods, and with respect to their communications links.

Silo-based ICBM's are vulnerable to hard target killing ICBM warheads, such as those on the SS-18, SS-19, and the MX.

But with all of those vulnerabilities, there are still great uncertainties. The Soviets cannot successfully attack a single leg of the triad in isolation from the others. Should they attempt to do so, there would be certain retaliation by the other two legs. So long as each side maintains an effective retaliatory capability, the uncertainty and fear of retaliation will exist.

To make sure that the United States will maintain the effective retaliatory capability, we are investing in the future through the Trident submarine and missile program, through the B-1 and advanced technology bomber program, and through the MX programs. Each of these programs has its strengths and each has its vulnerabilities. Each of these have certainly been controversial, but each has been necessary to our deterrent posture.

In closing, I want to repeat what I said in my opening remarks that a no vote is a vote to kill the MX and possibly the small ICBM and the ICBM leg of the triad along with it. It will reduce the "uncertainty factor" of the Kremlin. In addition, a no vote is a vote to weaken our chances of obtaining any Soviet concessions in Geneva. While the existence of the MX may not be the key to obtaining Soviet concessions, there will certainly be no Soviet concessions without it.

□ 1230

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. GREEN].

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Just for clarification purposes, if I might, Mr. Chairman, am I correct in my belief that the proponents will have the closing debate on this matter?

The CHAIRMAN. The Chair would like to advise the gentleman from Alabama [Mr. DICKINSON] that the gentleman from Wisconsin [Mr. ASPIN], will close debate.

Mr. DICKINSON. He is controlling the time and if he has yielded part of that time to me, he would still determine who would close the debate?

The CHAIRMAN. The gentleman is correct.

Mr. DICKINSON. I thank the Chair.

The CHAIRMAN. The gentleman from New York [Mr. GREEN] is recognized for 4 minutes.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I rise today to express my opposition to the resolution before us to release funds for procurement of additional MX missiles. In the past, I have opposed MX procurement funds on all but one occasion. On that one occasion, in the spring of 1983 just prior to talks in Geneva, I did vote for MX flight testing because, at that point, I felt the MX could be a factor in getting talks going again. This time, I am just not convinced that the MX makes one ounce of difference to the fate of the talks now underway. I feel that way for two reasons. First, procuring a weapon which we and the Soviets both know is flawed because of its vulnerability is not procuring a bargaining chip at all; it is acquiring a weapons system which instead raises questions about our commitment to the concept of no first use of nuclear weaponry. From that point of view, proceeding with MX procurement could undermine the Geneva talks, not strengthen our hand at the negotiating table. Second, after all the administration has had to say about its defense plans and the reactions we have heard from the Soviets, both publicly and in the meetings with the Soviet delegation which visited Washington a few weeks ago, I am convinced that it is the overall increases in defense spending over a number of years, not the MX, which has brought the Soviets to the table in Geneva. Likewise, it is a sustained commitment to military readiness and modernization, not the MX which will keep them there.

I also think it is important to realize that we do not have unlimited financial resources, and, in defense, as elsewhere in the budget, we need to make sure we achieve savings where it is determined that the expenditures are just not warranted. I was, to put it mildly, shocked to receive a letter from Secretary Weinberger earlier this month in which he said, "Denial of $1.5 billion will not significantly reduce the deficit * * *." As the late Senator Everett Dirksen once said, "a million dollars here, a million dollars there, and pretty soon you are talking real money." As much as Secretary Weinberger might not like to admit it, saving $1.5 billion anywhere in the Federal budget does help reduce the deficit. Any elementary school student should be able to figure that out. The President, if he is serious about deficit reduction, apparently needs to sit his Secretary of Defense down and have a talk with him. Otherwise, that kind of attitude will only continue to undermine serious defict reduction efforts.

Yesterday I met with President Reagan and National Security Adviser Bud McFarlane to hear their arguments personally in support of the MX. As is always the case, President Reagan stated his views succinctly and effectively, but his arguments specifically steered away from the merits of the weapons system we are voting on here today. When it comes to taxpayers' dollars, I don't think we can afford to turn our backs on the realities of a weapons system's vulnerabilities and shortcomings. I also think, for budgetary reasons, we cannot allow ourselves to be led to believe that for as long as we are at the negotiating table in Geneva, we cannot vote down any weapons system which might be proposed by the Pentagon. The fact of the matter is that the negotiations which have just gotten underway will be a long and difficult process if we really expect results. We are talking years, not days. To decide to lock ourselves into never saying no to a Pentagon spending request for the duration would be foolhardy, not to mention very expensive. Yes, we must be sensitive to the impact of our actions on the negotiations in Geneva, but we must not allow the mere argument that they may in some way affect those negotiations to lead us to give unquestioning support to whatever the Pentagon requests.

On this one, I am convinced the MX is flawed and rejection of this resolution by the House today would in no way jeopardize the future of the arms talks in Geneva. In fact, if properly presented, the administration could show a vote to reject the MX today as a sign of understanding on the part of the Congress of the kinds of nuclear arms reductions that are going to be necessary to any meaningful arms agreement.

Yes, Mr. President, we should show resolve. On this matter, resolve requires the courage to cast a negative vote.

Mr. GREEN. Mr. Chairman, I rise in opposition to the proposal to release these funds for the MX. The MX is a classic case of a failed weapon, a weapon that simply does not do what we set out to have it do.

When the Carter administration began this program, it did so because of the vulnerability of the Minuteman missile in the Minuteman silos. Today we are going to put the MX in those same silos, and they are even more vulnerable today, not only because the Soviets have increased the accuracy of their ICBM's, but also because, or we know, they are starting on a similar program with respect to their submarine-launched ballistic missiles.

This resolution today makes no sense from the point of view of procurement. The funds in question relate to procurement in 1987 and 1988. It makes no sense to be obligating those funds at this time.

That is particularly true because of the state of the testing on the MX, and for this I rely on recent testimony of the General Accounting Office before the Senate Defense Appropriations Subcommittee. At the present time only 7 of the 20 scheduled tests for MX have been completed, or 35 percent. And while the administration tells us that those tests have gone well, we should understand that there are major changes in major components of the system that will occur on future tests. Among those are changes prior to flights 9 to 11 to the stage IV propellent storage assembly tank, the ground and flight software, the warhead fuse—crucial for accuracy—and the reentry vehicle substructure. Indeed, a fully operational configuration of the guidance and control system will not be flow before flight test 14 in the third quarter of 1986.

The GAO also testified that "Retention of the current range capability" which in the tests is running only 1 percent above that needed "is dependent on successful repair of the stage III extendable nozzle exit cone, which failed on the third and seventh flights," a 29-percent failure rate.

This is an expensive program about which we are talking. There is not only the $1.5 billion today, but $12.5 billion more already requested, and Lord knows how many billions beyond that. At this time of deficits we should not be squandering money on a weapon that does not do its job.

Do not be sold by the idea that, just because these are current appropriations, this vote does not affect the deficit. The fact of the matter is that these funds will outlay in 1987 and 1988, so that it is indeed the 1987 and 1988 deficits that we are talking about. And if your first priority is not deficits but defense, understand that if you squander defense money on the MX, you are not going to have it for some programs we really need in defense, like improving the ability of our NATO forces to fight without resort to nuclear weapons. The recent report on our NATO capability makes it clear that the large sums we are diverting to dubious weapons systems is costing us dearly in terms of the readiness and sustainability of our conventional forces.

Finally let me address what I think is the only argument that anyone has seriously presented on behalf of this missile, the Geneva argument, the argument that somehow we have to vote for the MX because we are sitting down with the Soviets in Geneva. Do understand that we are going to be with the Soviets in Geneva for several years. The SALT I talks took 3 years. We have been going since the mid-1970's, on the mutual balanced force reduction talks.

I have to ask you, because virtually all our weapons are on the table at Geneva, particularly in the mutual balanced force reduction talks, which concern conventional as well as nucle-

ar weapons, if today you are going to vote for 21 MX missiles only because we are at Geneva, what are you going to do later this year when you are going to be asked to vote for 48 more MX missiles and we are still at Geneva?

What are you going to do when you are asked to vote for antisatellite weapons and we are still at Geneva?

What are you going to do when you are asked to vote for space defense weapons and we are still at Geneva?

What are you going to do when you are asked to vote for binary chemical warfare weapons and we are still at Geneva?

If you buy the Geneva argument, for all intents and purposes you are saying that the Congress of the United States has lost control over the defense budget. If you buy the Geneva argument you might as well disband our Armed Services Committee and our Defense Appropriations Subcommittee, because there is very little that the Pentagon wants that is not on the table at Geneva.

So the issue gets down to this: Are you prepared to rubber stamp every request that the Pentagon sends over here the next few years, because we are at Geneva? I urge you to reject that course, and to reject spending billions of dollars on a weapon that does not do its job.

Mr. DICKINSON. Mr. Chairman, I yield 6 minutes to the very distinguished gentleman from California [Mr. BADHAM], a member of the committee.

Mr. BADHAM. Mr. Chairman, I thank the distinguished gentleman from Alabama for yielding me this time.

We have heard a lot of myth regarding the MX over the past few days and indeed over the past few years. We have heard of rumors in the industry that if we just kill the MX we, Members of Congress, will guarantee more money for conventional weapons, guarantee more money for conventional weapons.

Yesterday we heard on the floor from a distinguished Member of this body who should know otherwise that we want to do just everything the Russians do, that if they propose cavalry units we would buy cavalry units. I hope the gentleman really did not mean that kind of remark. I do not think anybody has really seriously suggested that anybody who votes against MX does so out of a feeling of being anti-American or nonpatriotic, and I would hope those who are against MX would not feel that we who support MX are in any way warmongering or hoping that we might have a nuclear war or anything like that. I hope we have gone beyond that as mature human beings.

We have heard also that the MX, by some opponents, is a failed weapons. That could not be farther from the truth. There have been seven tests of the MX weapon and the weapon is without peer anywhere in the world. The results of the tests are so good, and any Member of this House can have them if he wants to, but they are so good that they have been classified.

We have also heard that if we will just kill the expensive MX we might have more money to put into social programs or other programs. I would really question that, because in this time when we want to supposedly cut the deficit and reduce programs, spending cuts in defense and across the board, that we would really think that there would be a serious suggestion of taking the savings, so-called, from MX and dumping it into some other social program.

□ 1230

Last night we heard from Max Kampelman, a noted Democrat, our arms negotiator in Geneva and he said, in essence, "Give me this, give me this system. Don't take this away from me because we need it because that is the only way we can achieve success or have a chance of achieving success in the arms talks."

The MX has been criticized as a first strike weapon. "Ain't no way," pardon the vernacular, that 1,000 warheads, if we did have all 100 missiles, could achieve a first strike that would hope to do anything but encourage the destruction of civilization on this planet.

Unfortunately the American people, by our classification system, are deprived of the information that we as Members of Congress would have if we would avail ourselves of the briefings that are available. I say "would have" because too many Members just do not get around to having the availability for a briefing.

The MX is not too expensive. It is an insurance policy, an insurance policy that is cheap, relatively, to the other kinds of forces that we have. The MX missile, at whatever price tag anybody wants to put on it, is not a failed weapon; it is a good weapon that is put in a questionable hole in the ground.

Now, as far as that hole in the ground is concerned, let me say this: The silos are not the same old silos. They are the same location, they are the same area and they are rebuilt silos, improving their hardness even beyond what we previously expected a long time ago. The bottom line is: Do we need this missile? The answer is: yes, we need this missile.

Our Titan II's are gone. Two days ago as the gentleman from California [Mr. DORNAN] said, the record showed we had 35. Two days ago we had 30. Today we have 29. They are going down. But the bottom line is: Do we need this missile? Why? Not because of the Soviet Union; because of the defense of the United States. We have a weapons system that is no longer viable, Titan, Minuteman II, and Minuteman III.

Two days ago an American officer was killed in East Germany. Even the newspapers reported, I think, perhaps what was a little bit of classified information but since we read it in the Post we can talk about it here. An American officer was killed outside a permanent restricted area in East Germany. We know where the permanent restricted areas are and so do the Soviets. They pulled out their maps, we pulled out our maps and it is clear that our officer was outside. But the essence of that is that the Soviets and we both knew that the American officer was in a correct zone doing what he was paid to do, doing what has been acknowledged by both sides.

The point of this is not so much that he was killed, which is a tragedy, which is murder; but the fact is that he would not have died if the Soviets had given him first aid or had allowed, which they did not because they kept our sergeant under gunpoint in his automobile, our side to give him first aid.

An American soldier was murdered by the Soviets in territory in which he was authorized. So do not think they are going to give you any great bargains if you drop the MX in their lap by killing it.

I sincerely ask you to vote for this needed weapons system.

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. I thank the gentleman from Arkansas for yielding.

Mr. Chairman, as Members of this body, as elected officials, we are all politicians, an honorable profession. As politicians, we know that timing is everything in politics, and I think timing is everything in arms negotiations.

I for one, if we could vote today to eliminate all 55,000 nuclear warheads from the face of the Earth, I would surely vote "Yes." I suspect a large majority in this room would vote "Yes" or at least to significantly reduce, if it was clearly equitable and was clearly verifiable.

But we have just started in Geneva and I do not think it is the time, I do not think it is the place for us to stop unilaterally a modernization that we have undertaken without getting something back for it.

Would it not be great if 6 months from now or a year from now, we could stop the MX and the Russians having made an equivalent reduction, will stop? The argument is used that the MX is vulnerable. It is certainly no more vulnerable than our Minutman since it is going into the same silos. It is certainly no more vulnerable than

the Russians SS-18's which we are so concerend about, and rightfully so.

I do not think the argument is really valid, the vulnerability argument, because why are we spending this $300 billion that we spend each year on defense? Because of the Russians. They are concerned about the MX missile. So to me, it seems that it is a worthwhile expenditure because of their concern.

I would suggest, I would urge my colleagues now is not the time to cut the legs out from under our negotiators in Geneva, when we are just starting.

Timing is everything. There is a time, there is a place. Hopefully with this vote, with the passage and going ahead of the deployment of these additional MX's will enhance our negotiators' positions so that we can achieve long-term meaningful reductions, verifiable reductions, so that the world will be a better place for all of us.

Mr. BENNETT. Mr. Chariman, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, let me at the outset express my appreciation to the gentleman from Florida for yielding this time to me and commend him for the eloquence and integrity with which he has conducted himself and this debate.

Mr. Speaker, we are once again considering that hardiest of perennials, the MX missile. Surely no weapon system has ever shown greater sensitivity to changes in fashion. Every spring its proponents dress it up with a new rationale, which lasts for only a season.

At first, the MX was to be shuttled around on railroad tracks. When that proved unacceptable, the Pentagon proposed closely spaced basing. Congressional opposition to this scheme led to the establishment of the Scowcroft Commission, which recommended placing the MX in existing Minuteman installations. This year's strategy appears to be to deploy the MX not in American silos, but at the negotiating table in Geneva.

The principal argument we hear for the MX these days is that it will strengthen the President's hand in arms control negotiations. While many have noted the folly of investing in bargaining chips, none has made the case more cogently and succinctly than the Director of the Arms Control and Disarmament Agency, Kenneth Adelman. Writing in a recent issue of "Foreign Affairs,' Mr. Adelman observed that:

> Congress is to be applauded for its rejection of "bargaining chips" as justifications for weapons systems. * * * Each system should rise or fall on its own merits; none should be constructed solely in order to be discarded. They seldom are so discarded. Meanwhile, defense dollars have been wasted and, even more important, precious defense credibility has been squandered.

Confronted with the bankruptcy of the bargaining-chip argument, proponents of this missile have also told us that its ability to place hardened Soviet silos at risk will make an essential contribution to our national security. Incredibly, the administration's insistence on threatening Soviet land-based missiles is matched only by its indifference to the vulnerability of our own forces. Again, Mr. Adelman goes straight to the point by noting that, "Strategic stability can be enhanced by making our forces less inviting to a Soviet first strike and less threatening in terms of a dangerous first strike potential."

In a time of huge Federal deficits, investing further funds in the MX would be worse than a waste. Each dollar spent on the MX not only fails to buy a dollar's worth of military security; by giving the United States a first-strike weapon that is vulnerable to a preemptive attack, it may actually buy a dollar's worth of insecurity. After more than 30 votes on this missile, one cannot help wishing that it had proven as vulnerable to past congressional opposition as it will surely be to Soviet attack.

Since the MX isn't a bargaining chip and doesn't contribute to our national security, we must conclude that the real reason for producing this missile is that the President wants it. If that were a sufficient justification for a weapons system, there would be no need for Congress to vote on the MX. In fact, there would be no need for Congress at all.

Wardrobes can be chosen on the basis of fashion and caprice, but our national security needs should be evaluated by less ephemeral standards. Congress must not give in to the MX mystique. This costly, vulnerable, and destabilizing weapon must be defeated.

We have been told that in spite of the fact that Congress and the administration have expended a trillion dollars on national defense over the last 4 years that this flawed MX weapons system is absolutely essential to demonstrate to the Russians our resolve. It should be obvious that if a trillion dollars has not demonstrated America's resolve, this very badly flawed system is not going to do it.

The second argument that has been made goes something like this: "All right, if we don't need it to demonstrate our resolve to the Russians, we need it to demonstrate our resolve to the American people." This is usually heard within Democratic ranks. The argument says, "We Democrats have to be very careful because the American people that we are weak on defense."

Don't you believe it. You cannot blame your support of MX on the American people.

The Harris polling organization took a national survey at the end of December 1984 and the beginning of January 1985. Let me share some of those figures with you if you do not have them.

Bear in mind that in 1980, 71 percent of the American people said that they wanted an increase in defense expenditures.

□ 1250

The 1985 figures show that only 9 percent of Americans want an increase in defense expenditures, 38 percent want a decrease, and 50 percent say we ought to keep it at the level that it is right now.

Let me give you another number: By a 57- to 37-percent majority, they rejected the claim that "The Secretary of Defense is right when he says that the United States still has to increase its defense spending to close a gap of superiority that the Russians have over us in defense."

And then let me give you this figure: By 74 to 19 percent, the American people said that, "In too many cases, the military comes up with military weapons systems that turn out to be impractical or just don't work right."

The American people know what the MX debate is all about; they know that this is, in fact, sending billions of dollars down a rathole for a system that does not work.

The American people also are aware of the fact that defense expenditures, unnecessary, bloated defense expenditures take money from essential domestic needs. They were asked to match programs which they would prefer to cut; defense or some other program.

Here's how they responded: They would rather cut defense than medicare benefits by a margin of 77 to 15 percent. Medicaid benefits, they would rather cut defense by 76 to 16 percent. Veterans health benefits, they would rather cut defense 76 to 16 percent. Federal aid to education, they would rather cut defense by a vote 74 to 20 percent.

Federal health and nutrition programs, they would rather cut defense 71 to 21 percent. Federal civilian retirement benefits, they would cut defense 66 to 27 percent. Federal aid and loans to college students, they would rather cut defense 59 to 33 percent. Federal farm price supports, they would rather cut defense 57 to 32 percent. Federal aid to cities, they would rather cut defense 54 to 38 percent.

Let us keep faith with the American people. This is the time to eliminate this costly, vulnerable, and destabilizing MX system.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair now recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. HOLT].

Mrs. HOLT. Mr. Chairman, we have heard suggestions that Members can have their cake and eat it, too—they can vote "No" on this resolution, pleasing opponents of the MX, and yet the program will still go on, pleasing backers of the MX. This is all because of some humongous MX slush fund in the Pentagon.

Warning: There is no slush fund. This is the Washington version of the Ponzi scheme.

It is being said that there is enough money approved for the MX in previous years to keep the program going through the end of fiscal year 1985—that is, through the end of September. Therefore, the reasoning goes, we don't need to approve the money before us today. We can reject this resolution. Then, later this year, we can approve some funds for fiscal year 1986. And that pot of money will keep the MX program going after September.

As evidence for this, we are told that only $150 million of the $3 billion appropriated for the MX production has yet been spent. That means only 5 percent of the money has yet been spent. I emphasize the word spent. We've actually spent about 16 percent of that money. However, the important point is not how much money has been spent, but how much money has been obligated, that is, put under contract. About 93 percent of the money has been put under contract—93 percent. Under this proposed Ponzi scheme, to keep the MX program going for the rest of this year, we would have to put a billion dollars under contract that is already under contract.

There's another problem with the suggestion that we don't need the fiscal year 85 money to keep the MX program going.

In fiscal year 1984, we provided money for the first 21 MX missiles. Contracts were signed to start producing components for that batch. A few of those contracts—just a few—have now come to an end. To prevent those few contractors from being lost while we waited to have the votes we are now taking, we agreed last year to allow the Air Force to spend $60 million. That's $60 million to keep the few firms whose contracts were expiring before April 1 from leaving the program and dispersing their talent. In the next few weeks a few more contracts will expire. Come May, the dam bursts. In May, the Air Force plans to obligate—that is, put under contract—$1,177,000,000 of the $1½ billion we are about to vote on. In other words, three-fourths of the money we are voting on this week is required within 10 weeks to keep the MX program going. If we vote down this money, the MX program grinds to a halt in 10 weeks.

Now, I don't want to be unreasonably bleak. Of course, the program could be resumed at a later date. We stopped the B-1 in 1977 and then restarted it in 1981. It's not impossible to stop and then restart a program—but it costs money. And lots of it.

As near as we can figure, it will cost $1.3 billion extra to restart the MX program if it is interrupted. $1.3 billion to get back all the contractors and workers and engineers that will be dispersed if we don't approve this resolution. That $1.3 billion won't buy you any missiles. It will simply put Humpty Dumpty back together again. In other words, we would reject $1.5 billion for 21 missiles in order to spend $1.3 billion for zero missiles. I would describe that as being penny-wise and pound-foolish.

By building the MX missile, we are telling the Soviet Union that they will no longer enjoy a monopoly in that class of weapon.

The MX is an important component of our strategic modernization program. We are building B-1 bombers to replace our 30-year-old B-52's, and we are deploying Trident submarines with new missiles to replace our old Poseidon fleet. Our MX missiles will replace some of our Minuteman missiles.

Our strategic modernization program has one major purpose: to persuade the Soviets that they will not be able to gain an intimidating advantage over the West in strategic nuclear arms.

The MX missile and other components of our strategic modernization program represent our national resolve to attain and keep a balance of power with the Soviet Union, a balance of power that prevents war because of the risk of mutual annihilation.

Let us keep our eyes on the fundamental truth that we are a defensive power, and when a defensive power has the military strength to deter aggression against itself and its vital interests, then the prospects for peace are excellent.

We are now engaged in a great and noble effort to achieve deep reductions of nuclear arms through negotiations with the Soviet Union. We want a balance of power at the lowest possible level of forces, and the attainment of that goal will require negotiated concessions on both sides.

The CHAIRMAN. The time of the gentlewoman from Maryland [Mrs. HOLT] has expired.

The Chair now recognizes the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I would like to address myself to one or two points that were made on yesterday, and also some that have been made this afternoon.

One thing that particularly concerned me was the emphasis that my good friend from Florida [Mr. BENNETT] made yesterday in connection with conventional warfare. He said he would like to take this $1.5 billion and expend it on improving the conventional warfare capability in NATO.

He had a series of statistics about, 150 M-1 tanks and a number of Bradley fighting vehicles, things of that kind that could be used in NATO in improving our conventional capability with the use of the $1.5 billion allocated to MX.

What surprised me is the implication that somehow conventional warfare is a very sanitary kind of undertaking. It was only 40 years ago that we saw a good deal of conventional warfare on the plains of Europe; some 20 million Soviets died in that conventional warfare, and a very substantial number of Germans and British and French also died in that warfare. The fact of the matter is that, like the story of the football squad that was getting murdered, every time they tried to run a play the fellow got tackled before he had a chance to get over the scrimmage line; and all the time somebody kept shouting from the sidelines, "Give it to Cavanaugh! Give it to Cavanaugh!" Finally the quarterback said, "Cavanaugh says he don't want it!"

I do not think that the NATO people want Mr. BENNETT's conventional warfare either. Anyone who has been to NATO and has talked to the NATO people, they are certainly not inclined to try to provide either the manpower, which is the major requirement in any conventional warfare, and they have persistently resisted the proposal that the gentleman from Florida has suggested.

So, I would not think that that would be a very wise expenditure of those funds. Indeed, our NATO allies are not going to increase their enlistments. In the case of the Germans, they do not even have the demographic assets to increase their military forces beyond their current size. If we are going to give our allies all of these conventional warfare machines, we are also going to have to supply a major part of the manpower to operate those machines. And that means that we would have to go to a draft in this country, I do not think even the gentleman from Florida is prepared to vote for a draft.

The other thing that annoys me a little bit is that somehow it is perfectly OK for the Soviet Union to have over 800 MX-type missiles, but the gentleman from New York [Mr.

GREEN] seems to think that it is somehow immoral for us to unfence just 21 MX-type missiles.

Why is it that we have this kind of double standard when the Soviets have a much greater capability for the massive destruction these hard target-type missiles can achieve?

□ 1300

One other point that I would like to make, Mr. Chairman, with respect to some of the experts who have been talking about the vulnerability of the MX, I would like to point out that before the Committee on Armed Services, the distinguished former Secretary of Defense, Harold Brown, said this:

> One has to admit that the MX serves a purpose even if it is vulnerable just as a Soviet SS-18 serves a purpose, although they, too, are vulnerable.

Certainly we would have provided a measure of deterrence once this House agrees to produce those missiles. Make no mistake about that point.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I appreciate this chance to talk about the MX in hopes that Members will turn down this weapon system.

I wish I had more time to talk about why. I think one of the reasons the MX may continue is we have all become afraid of being called a wimp, if my colleagues do not mind my putting it in very contemporary language. I wish I had time to read quotes from President George Washington right on down saying we in this Congress are not to rubberstamp everything a President does. We are to be here to make independent judgments.

So, I say we are wimps if we roll over and go along with the MX, that our independent judgment should be exercised because of a whole number of reasons.

I also wish I had time to read to you from a very eloquent Republican Member of this House, James Johnson, who represented the Fourth District of Colorado.

He wrote a fantastic article in the Denver Post this weekend about the MX. This Republican colleague went on and on about how American citizens seem to have no memory or sense of history, and the Defense Department knows it. Then he went through what this whole MX debate is about, that he remembered the beginning of it when he was here as a Member, and the reason the MX program began was because the Defense Department said, "My goodness, our land-based missiles are vulnerable. There are Russian satellites up there. They have taken pictures of all the holes or silos that our missiles are in. Therefore, they know where our missiles are and as their targeting gets better, they can wipe our missiles out."

James Johnson was right. That is exactly what they said. It was called the window of vulnerability. And everybody said, "Oh, for heaven's sake, run and shut the window. Let's build a new missile and it must be mobile."

It was not a missile we were worried about, it was the stability of the hole.

Well, he goes on to point out where are we now. Ump-te-ump basing modes later, ump-te-ump billion dollars later, we are going to put these new missiles in the same static holes that started the whole weapon system. And, as he said, only the Defense Department could look you in the eye and say with a straight face that they have just discovered new geological characteristics in Wyoming where the holes are and so we need not worry about the window of vulnerability anymore. If you believe that, I have a bridge I want to sell you.

Now, I tell my colleagues we are wimps if we do not stand up to that kind of reasoning and hogwash. This is money, this is hard-earned money from American taxpayers. We have already got missiles in those holes. They work. If we put 10 missiles in the hole rather than 3 and stay under the caps on the number of missiles that we are now under, we will have even fewer holes with missiles for the Russians to target.

But now we have a whole new report, saying not to worry because the missile silos really were not vulnerable after all. Well, if they are not they will be eventually, because Russian targeting is only going to get better. In case we figure that out, they also say the reason we need them now is a bargaining chip.

Now, when these arms talks began, the MX missile looked dead. So I really cannot believe that the Soviet Union was running to the table because they thought that the MX missile was on it. It was not on the table then and yet they came to the table. They have never mentioned the MX missile.

If you were a Russian planner and someone told you the Americans are going to stuff 10 warheads in holes that they now have 3 warheads in, would you say, "Terrific." I would say terrific because I think that what you are seeing is that you free up two-thirds of your missiles to go shoot at something else, for you already have the things pinned down.

So, let us talk about some commonsense. Again, I wish I had the time to quote to Members from every wise President we have had. They are the ones who set the course of this Nation, because every single one of them, George Washington, Abraham Lincoln—being the most stellar—and of course Dwight Eisenhower, who had sat on both sides of it, have said over and over and over again that Congress must exercise independent judgment. Beware the military-industrial complex. All these things are terribly important and we are not earning our salaries unless we really look at those things.

So, please, think about this seriously. Do not be afraid of the word "wimp." I think our constituents are going to think we are the weak ones if we cannot possibly stand on our own two legs and talk back. We cannot go around whinning about how much pliers cost and yet voting for every single thing people in Defense can conceive of even if they have to change the rationale for it 10 times a year. At some point we have to say "enough."

Material referred to follows:

[From the Denver Post, Mar. 19, 1985]

OUR GOVERNMENT LIES TO US

(By James P. Johnson)

American citizens find it difficult to accept the fact that our government officials lie to us routinely. No subject, no matter how mundane, is immune from this possibility, and knowledgeable people will not believe anything coming from official sources without independent confirmation. Nowhere is deception more rampant than in the field of defense and national security, and nowhere is this demonstrated more clearly than in the MX debate.

American citizens have no memory—and defense officials know it—so one outrageous lie follows another over a period of years, and no one is ever called to account. In the case of the MX, it all arose in the mid-1970s with the argument that we faced a "window of vulnerability" because our Minutemen ICBMs were in silos that could be wiped out.

For purposes of this argument, proponents ignored the other two legs of the triad—the submarines and the bombers—and said we were defenseless because our silos could be destroyed by a Soviet first strike. The Minuteman was and is a perfectly good delivery system, and no one denies it. We have 1,000 of them, and they're capable of delivering seven warheads each, though they only are programmed for three MIRVs. The point was that the Minutemen were not faulty, but rather that the so called "basing mode" (i.e. the silo) was the weak link. The argument made to Congress was that since a new basing mode was required, we might as well have a new, heavier missile that could deliver 10 warheads apiece.

The first alternative basing mode was the "trench." This was to be a 4,000-mile underground system in eastern Colorado, Kansas and Nebraska. The new missiles were to be transported underground and could surface and be fired with immunity from a Soviet first strike. Air Force officers presented the trench concept in affected areas as a national requirement that only the unpatriotic could oppose. The trench was designed to go under Wray, Colo., and the town would have to be moved.

When citizens asked why the trench could not go to one side of the town, the Air Force said more than $60 million had been spent designing the system and it couldn't be changed without affecting national security. It was all so silly that three relatively obscure members of Congress—all Republicans

representing the area—were able to get it abandoned.

Next came the governors of Nevada and Utah, who said citizens in those states were more patriotic and would accept the new basing mode and MX in their states. After prolonged study, the "race-track" and "drag-strip" basing modes were abandoned in the face of citizen opposition in those patriotic states. Both systems were accompanied by statements that there were no other options—and if they weren't accepted, national security was endangered and a bargaining chip discarded.

By that time, the argument had shifted to emphasize the MX—not its basing mode. No one has criticized the Minuteman yet, and we aren't going to abandon the Minuteman if the MX is built, but the government rhetoric about national security and bargaining chips continues.

But where to put the MX? Where else but in the silos that started the whole debate because of their so-called vulnerability. But if the silos aren't vulnerable, one might ask, why build a new missile? Don't bother; you won't get an honest answer.

Now that there is nowhere else to put the MX, the silos are found to be safe places for them. The chief of the Strategic Air Command said before the Senate subcommittee earlier this month that "individual missile survivability is better than we projected. . . . Due to a better understanding of the inherent geological characteristics, we have discovered that existing silos are harder than originally thought."

Only defense officials can say with a straight face that they have discovered new geological characteristics in the Wyoming plans. The whole sorry spectacle is repeated time and again in military procurement. Anyone who objects is labeled less than a patriot or somehow duped by the Russian menace. Those who are willing to waste our blood and treasure are hailed as making America strong.

We have been warned—by George Washington against involvement in foreign wars, by Abraham Lincoln against allowing presidents to unilaterally involve us in wars and by Dwight Eisenhower against the dangers of the military industrial complex. But we ignore their counsel as we ignore the deceit which our government regularly practices. Perhaps historians will be able to explain why we put up with it.

(James P. Johnson, a Fort Collins attorney, formerly represented Colorado's 4th District in the U.S. House.)

DEAR MR. PRESIDENT: Thank you for your letter of March 22 outlining your views on the MX and asking for reconsideration of my position on the matter. I have weighed your arguments and I still find them insufficient to warrant my support. I would like to share my responses to your letter so that you might reconsider your position on the MX.

Your first argument was that:

"Four Presidents and six Congresses have supported the MX/Peacekeeper missile. This support was based on repeated scrutiny of the program's technical capabilities, its role as a component of our overall strategy for nuclear deterrence, and the implications for nuclear arms reduction. In addition, the prestigious bipartisan commission of defense and foreign policy leaders, headed by General Brent Scowcroft, reviewed this program and concluded that the MX should be 'promptly' deployed as a part of our ICBM modernization program."

The fact that four Presidents and Congresses supported the MX in the past is not in itself a good reason for you and I to do so. You obviously concur, as you are the first President since Dwight Eisenhower not to seek negotiations on a Comprehensive Test Ban. In any case, previous decisions to support research and development of the MX were based on the desire to offset increasing vulnerability of our ICBM's, which you talked about so much in your 1980 run for office. Recent opposition to the MX is due in no small part to the conclusion that no basing mode could be found that would increase the credibility of our retaliatory threat that is vital to deterrence. In short, putting the MX in Minuteman silos simply exacerbates the very problem the MX was originally intended to solve. True, the Scowcroft Commission did recommend limited deployment of the MX, but the findings of that commission were necessarily influenced by extraneous domestic political considerations. As the equally reputable Gerard Smith, Clark Clifford, and Paul Warnke noted in the Washington Post on March 16, the MX, "will be a first-strike weapon; it will surely be seen as that. And it will be a weapon that could provoke a nuclear war, not deter one. We do not see how these attributes can possibly enhance America's security."

The next reason you give for deploying the MX is that:

"The MX/Peacekeeper provides major advances in ICBM technology and capabilities, adding greater payload, more accuracy, more flexibility in range and targeting, and more protection against nuclear effects. It also provides the only near-term response to the current imbalance between U.S. and Soviet forces. The MX will replace our aging and outmoded ICBM missiles while we continue to work on developing our small missile system."

If we assume that the MX would very likely be destroyed by a Soviet first strike, then we can not logically consider the retaliatory capabilities of the weapon. On the other hand, if the MX is not vulnerable, then we must conclude the Minuteman IIs and IIIs would also survive. The prompt hard target kill capability of the Minuteman missiles is still significant even if it does not equal that of the MX. The Air Force tells me in its 1985 Weapons Systems Information that these missiles are of such accuracy and flexibility that they, "can be assigned against practically all types of targets in the Single Integrated Operational Plan." The conclusion must be that there is no logical need for the MX from the standpoint of deterrence: Either our Minuteman missiles provide a credible deterrent or the MX is too vulnerable to provide a credible retaliatory threat. Heads or tails, the MX loses.

The argument that the MX redresses the current imbalance is similarly flawed in that it could practically do so only if we discarded our deterrent strategy and committed ourselves to a reckless first-strike policy. The real problem is the result of the difference between U.S. and Soviet strategic doctrines. The Soviets can credibly threaten our ICBM's because their doctrine calls for a first-strike if nuclear war becomes inevitable. Our strategy has always been to deter nuclear attack by building forces that could survive such a first-strike and deliver an apocalyptic retaliation. Deploying more vulnerable missiles addresses the imbalance on paper only, we would have to commit ourselves to a first-strike policy in order to threaten Soviet ICBM's. The hopelessness of two nuclear powers, both following a first-strike policy is painfully clear. Again, the Minuteman system fills any need we may have for a limited counterforce capability.

The last point about the "aging" of our strategic forces was particularly surprising coming from you. The Air Force briefing indicated that the maintenance and modernization programs for the Titan and Minuteman missiles had made the systems better than they were when they were first deployed.

The final argument you use, that our ability to reach meaningful reductions would be "significantly diminished" if the MX program is voted down by Congress because that defeat would indicate a lack of resolve to modernize our strategic forces and thus reduce Soviet incentive to negotiate real arms control is neither supported by the facts, nor accepted by the experts. Asked abut the impact voting down the MX would have on the negotiations, Paul Nitze told us, "I'm not sure it would make an immediate or dramatic difference." Smith, Clifford, and Warnke argue that instead of leading to arms reductions, the MX would be more likely to cause further Soviet increases. William Colby wrote us Members of Congress and said, "Experience in these negotiations has established a simple rule: A weapon is valuable as a negotiating chip while it is on the drawing boards, but once it is deployed, it cannot be traded away."

The Soviet inducement for negotiating comes from the new developments in our strategic forces, including the Midgetman, the Trident II/D-5 system, and Strategic Defense Initiative, that would give us a significant and survivable counterforce capability that threatens Soviet forces. With these weapons, we would not have to adopt a first-strike doctrine to place Soviet missiles at risk. These systems would effectively open a real window of vulnerability on the Soviet side. That is reason aplenty to seek real reductions. The MX does not provide inducement for reductions for the same reason it does not balance Soviet advantages in ICBM's. Going ahead with the MX will only weaken our bargaining credibility and place our Nation at greater risk of nuclear war.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I believe there is some confusion. Democrats are under the mistaken sort of identity that if they vote against the MX they are not patriotic. Because of the President's popularity and his wide margin of victory, our Congress—especially Democrats—is misinterpreting that popularity as a position of the American people on the program which he supports.

There is one issue at stake here. What will the MX do for America and the question of that has to be answered and addressed before we go forward wasting any further moneys.

According to the Congressional Budget Office, less than 10 percent of MX missiles would survive a Soviet attack in 1990, dropping to less than 5 percent survival after 1996 as the accuracy of Soviet missiles improves.

Finally, overall surviving MX warheads would represent only 1 percent of the total retaliatory capability following a Soviet first strike.

This reminds me of a court debate. When an attorney does not have any facts to pursue, they pursue rhetoric. The facts are quite clear. In a report published by Newsweek comparing American Soviet strength, of the 28 major weapon categories, America was superior in 9; was equal to or had the edge in 15 others; and trailed the Soviets in only 4 major weapon categories.

For us to vote against MX is being seen as an unpatriotic sign. Or they are saying we are showing weakness and that Democrats are weak. We show strength in affirming the comprehensive military might of America which is still No. 1, and no one should misinterpret that position.

I am urging my colleagues here today to vote on facts.

One other point I would like to make. The $40 billion that was discussed earlier as being cheap: $40 billion would employ every unemployed American in a jobs program that would be a lot more priority conscious to this country than would be continuing to invest money into this weapons system that will handle America's military needs.

Mr. STRATTON. Mr. Chairman, would the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

The gentleman has indicated that the Congressional Budget Office has made a judgment as to how many of the missiles would be knocked out by the Soviet Union.

Does the gentleman know what kind of military experts are employed by the Budget Office?

Mr. TRAFICANT. I do know this, that their rationale has been accepted by Members of the opposition on all these issues so far. And I will not degrade that fact except to also offer this——

Mr. STRATTON. It has not been accepted by this Member and a number of others.

Mr. TRAFICANT. The General Accounting Office also stated that there have only been seven flight tests of this weapon system and that that is all there would be before deployment would take place.

My position is we should vote against the MX missile on facts, not rhetoric.

□ 1310

Mr. ROBINSON. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. SAM B. HALL, JR.].

Mr. SAM B. HALL, JR. Mr. Chairman, I have listened with great interest to what has been said here today and also what I have read in the last few weeks about this issue. We are dealing with death and destruction from all angles. That is the purpose of military weapons. Everything that has been said here today and that I have read has merit. I read the dissenting opinions in the report this morning, and all them sound good. I listened to the gentleman in the White House yesterday afternoon talking about the position he would be in if we voted against the MX program.

Now, I do not have any faith or trust in the Soviet Union, I am not in a position to read the mindset of those people. I can only relate to what they have done in the past with reference to positions they have taken where the United States was concerned, and many, many times they have broken those promises with us.

Suppose that we took the position that everything that has been said by all parties to this controversy, is correct. Let us suppose, on the other hand, that if we take that bargaining chip, if that is what we wish to call it, away from those people in Geneva we are depriving them of something that they may use to give us some sort of position with the Soviets.

I do not want to see us placed in a position of giving something away if we do not get something in return. That is just good common horse sense.

Many people say they are not going to consider the MX as a viable weapon system. I do not know whether they will or whether they will not. I am not a member of the Armed Services Committee. I am not in a position to know many of the things that have been said today that deal with this MX system. The only thing I am concerned about, primarily, is I want us to have a country that is strong. If we do not have a country that is strong and one that can stand up to any nation on Earth, then these other matters such as my good friend from Ohio just talked about will mean nothing. If we do not have a country that is strong and does the things that are right and proper, the jobs program, and all of the other areas of our economy will be of no consequence.

The CHAIRMAN. The time of the gentleman from Texas [Mr. SAM B. HALL, JR.] has expired.

Mr. ROBINSON. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas.

Mr. SAM B. HALL, JR. In conclusion, I would like to say this: If all of the things that have been said are correct, would we be better off at that bargaining table if we voted against the MX? Would it help us? If it would help us, then we should vote against it. If it will not help us at the bargaining table by voting against the MX, then we should vote for it. Let us then do what will be better for us in the long run to preserve the integrity of this Nation.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. SAM B. HALL, JR. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding.

Would the gentleman agree that the $1.5 trillion this Government is spending over the next 5 years is a fairly substantial indication to the Soviets that we are serious about this Nation's defense?

Why is it that only the MX missile is a symbolic litmus test? I mean if the President asked for crossbows, would the gentleman say that crossbows have to be funded? Why should we fund a vulnerable, useless, defenseless missile, when we can show our strength——

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. ROBINSON. I would ask that the gentleman, since he is an opponent, if he would, please request time from the opposing side.

Mr. AuCOIN. I asked the gentleman to yield to me.

Mr. SAM B. HALL, JR. I will not yield further.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, so much of the discussion we have heard here on the floor and on the television talk shows relative to the MX seems to belittle the weapon's military value, but justify it as a bargaining chip at the arms talks. This has been the position of a conservative Republican member of the other body—a former Presidential candidate, in fact—and appears to be the feelings of our new Armed Services Committee chairman, a Democrat. After so much public denigration of the MX as a weapon, one might wonder what value it has as a bargining chip. At best it would be bargained away for something of equally marginal value—at worst it wouldn't be bargained away at all and we'd stuck with a costly weapon of little value. Or perhaps the Soviets haven't seen the same talk shows.

Since the MX is so closely linked to the arms talks, one might wonder just what everyone expects out of the talks. So far our negotiators seem to have spend more time on the telephone lobbying for the MX than they have at the bargaining table. While we all hope for some kind of breakthrough in the arms race, the history of arms talks is that they've had the opposite effect. Between building up the bargaining chips before the talks, keeping up the spending during their indefinite duration and building new weapons to fill gaps created after the talks—we've seen the most massive buildup of nuclear weapons in history take place alongside of arms talks.

Sometimes I wonder if the talks simply provide a loftier lobbying position for some of the more ardent militarists who can now speak from Geneva rather than roaming the corridors here in Washington. We should keep in mind that the MX was proposed by President Nixon to diffuse the criticism of conservatives after SALT I. Likewise, cruise and Pershing were promised our NATO allies who worried that the SALT agreements had eroded their defense. The most dangerous proliferation of all—the MIRVing of our missiles—was given impetus because the SALT talks put a clamp on heavy launchers. The Trident I submarines, B-1 and F-14 bombers filled windows created at SALT I, just as MX and the Trident II D-5 are allowed by SALT II. In fact, Mr. Chairman, it is impossible to find any major new weapons system that wasn't actually given encouragement by the arms talks, unless it was ABM—and President Reagan apparently wants to go ahead with that regardless of the talks.

Yes we do want arms control, but I don't think we should count on the talks to provide it. Instead we should get back to the basics of why we have strategic weapons at all—and that is to provide a deterrence to either side's use of such weapons. This deterrence is strongest as long as we have survivable weapons that can hit meaningful targets. Surely the arms talks will not leave us without such weapons, nor will the MX, either as hardware or as a bargaining chip, become such a weapon. Unfortunately the arms talks have been allowed to obfuscate the strategic impotence of the MX and we in Congress should not allow Geneva to preempt our responsibilities here in Washington.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, the single most important truth that emerges from this debate is that the MX is the guts of Geneva. The fellow Americans whom we have assigned to that crucial task have been given the most important mission perhaps ever in the history of our Nation conferred upon fellow American citizens. It is they who implore us as their fellow Americans in the Congress not to strip away the guts of Geneva, to give them the wherewithal with which eyeball to eyeball they can place the American and world position of peace at the table at Geneva.

Ladies and gentlemen, we can argue all day long about the cost of the missile. Of course that concerns me, like it concerns everybody else. We are concerned about the deficits. We are concerned about these large expenditures, naturally. But when it comes right down to it, the cost which we are relegating to this missile is the cost that we day by day constitute in favor of national security.

So we cannot weigh in the whole world situation the cost of the missile as vis-a-vis the deficits which are of course of great concern to us. When it comes down to the national defense and national security, the cost factor becomes secondary.

I have been in touch with my constituents both pro and con on this issue on the various facets, whether the MX missile constitutes the rebuilding of our land-based mode in the Triad system, whether or not it really is vulnerable. All of those arguments begin to pale when we consider the time and the hour at hand.

□ 1320

And that time and that hour are in the hands of the negotiators at Geneva. Do not rip out the guts of Geneva; vote in favor of the MX missile.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STRATTON. Mr. Chairman, how much time do we have for each individual?

The CHAIRMAN. The gentleman from Wisconsin [Mr. ASPIN] and the gentleman from New York [Mr. STRATTON] have 54 minutes. The gentleman from Alabama [Mr. DICKINSON] has 1 hour and 1 minute. The gentleman from Florida [Mr. BENNETT] has 2 hours and 8 minutes.

Mr. STRATTON. I thank the Chair.

Mr. Chairman, I do not wish to yield additional time at this time.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. I thank the gentleman for yielding me this time.

Mr. Chairman, my appeal to my colleagues is a simple one. Let us vote today on the issue before us and only that issue: The military justification for the production of the MX missile. On that straightforward question, I believe that a bipartisan majority of the House can agree. There is no military justification for this weapon.

No serious student of arms control believes the Minuteman missile is ready for the scrap heap. The Minuteman is adequate to the task for which it was intended. It is a credible, land-based nuclear deterrent.

The objection to the Minuteman and the rationale for the MX is the problem of protection in the event of a Soviet first strike. But the Scowcroft Commission concluded that the sea-, air-, and land-based legs of our nuclear triad "should be assessed collectively and not in isolation." When so assessed, our present nuclear deterrent prevents the Soviets from considering a first strike.

Nor does the MX solve the perceived problem of protection. It would be based in the same allegedly vulnerable silos that now house the Minuteman.

Proponents of this missile argue that it would significantly increase our ability to destroy Soviet missiles in their silos. But such a capability makes sense only if we are preparing to make our own first strike. The United States has consistently—and rightly—rejected the first-strike strategy.

Proponents argue that the Soviets are developing the capability of knocking out superhardened silos, and argue that we must therefore develop the same capability. But we should reject the premise that we should build whatever they build. Rather, we should build what we need.

Let us make our own decisions about what we need and what is militarily justifiable—and conclude that there is no military justification for building the MX.

There are on the contrary, strong reasons to oppose releasing funds for the MX because of the threat it poses to our national security.

To the extent our present land-based missiles are not vulnerable, there is little reason to build the MX. But to the extent that they are vulnerable, there is a reason not to build the MX.

The missile's sole advantage over the Minuteman is its strength as a first-strike weapon. It has more warheads, more accurate warheads, and it can destroy Soviet missiles in their silos. Putting those more effective offensive weapons in the same old vulnerable silos merely offers a greater temptation to the Soviets to launch a preemptive strike on us.

The MX in the old Minuteman silos makes the Soviets' mainly land-based nuclear force even more of a use-it-or-lose-it proposition. That puts their missiles on more of a hair trigger, and in the event of an international crisis, could put all of us in the bull's-eye.

President Ford's Central Intelligence Agency Director, William E. Colby, concurs that the MX is a destabilizing weapon. Writing in the Los Angeles Times, Mr. Colby called the MX more than merely a wasteful weapon. He said, "It will threaten our country as much as it threatens the Soviet Union * * *. While we should not make unilateral concessions to the Soviets, abandoning this useless and dangerous weapon can be justified in our own interests, independent of the Soviets."

If we could vote on the merits of the MX, I have no question but that it would be defeated. It serves no clear military purpose and it weakens our security. In light of that, those who favor the MX fall back to other positions, and it is incumbent on this

House to reject those other arguments as irrelevant to the issue before us.

Some argue that we must release these funds in order to demonstrate our resolve. This Nation and the Reagan administration has spent $1 trillion on defense over the past 5 years. Mr. Reagan's present budget calls for spending another $2 trillion in the next 5 years. We are now spending more on defense, in real terms, than at any time since the Korean war. If that is not enough to demonstrate our resolve, I suggest that spending $1.5 billion more for 21 MX missiles will not do the trick.

Others argue that with negotiations now underway in Geneva, the MX is needed as a bargaining chip. If this missile is meant as a bargaining chip, it is a uniquely bad one.

The MX program calls for spending $41 billion in order to put 100 missiles in silos we deem to be vulnerable. If I were the Soviets, I would be satisfied to see the United States spend scarce resources that way. I would not be inclined to give much up in order to stop the MX program.

Indeed, the very act of identifying it as a bargaining chip drained almost all its value away. How large a concession will the Soviets feel they should have to make in order for us to give up a weapon that we have already identified as expendable—a bargaining chip?

In recent statements, administration officials have moved away from this argument. In testimony before the Senate, Secretary of State Schultz said the MX was essential to our modernization program and not something that could be bargained away.

That too should be a cause for concern when we decide how to vote tonight. For if the administration is unwilling to bargain about the MX, the Soviets will be unwilling to bargain about their land-based missiles. They will be unwilling to accept a freeze on development until they matched the modernization of the MX. Arms talks will once again step aside for another lap in the arms race, and further nuclear escalation.

The MX is no bargaining chip. In fact, it will make arms negotiations more difficult.

There is an opening available to our negotiators in Geneva, and I hope President Reagan instructs them to pursue it. That is the strategic defense initiative—star wars.

I do not propose to go along with the unwarranted acceleration in spending on research the President has called for in his star wars program. But continued prudent levels of spending on research will enable us to retain our present technological advantage over the Soviets. That edge could be our real bargaining chip in Geneva.

The Soviet arms negotiators have expressed a willingness to make real concessions and real reductions in return for an agreement by us to outlaw space-based weapons. Let us take the pledge against an arms race in outer space, and get in return a reduction in Soviet nuclear weapons on Earth.

In the meantime, let us agree tonight to vote on the issue before us. Arguments about the effect in Geneva of our denying funds for 21 MX missiles are either ridiculous or irrelevant. We have amply demonstrated our resolve. The MX is no bargaining chip; in fact, it will complicate negotiations. And a much better bargaining chip is available to us in star wars.

Vote tonight on the issue, and that issue is the military justification for spending $41 billion to put the MX in vulnerable silos. There is no justification for that. There are much better ways to spend the money.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. I thank the gentleman for yielding to me at this time.

Mr. Chairman, we have heard the MX battle over and over again and it has been my privilege to have led that battle on the House floor on the appropriations end of it. Last week, in the full Committee on Appropriations, we were able to speak on behalf of the taxpayers of this country by recommending the denial of the funds for procurement of the additional 21 missiles. The House will vote on the appropriation resolution tomorrow.

But before us today is the question of approving the reauthorization, let us say, of the $1.5 billion in unobligated balances for procurement of an additional 21 missiles. We have heard so much rhetoric about the national defense and what we must do to maintain the national defense. The Constitution says we must not only provide for the common defense, but it also states that we must "Promote the general welfare." So Congress not only must provide for national defense, but we must also look to promote the general welfare of the American people. By promoting the general welfare, we must look at how the taxpayer dollars are spent, and to make sure that they are not wasted or just put up as window dressing to show the world what we are doing. By merely throwing additional money at defense programs, accomplishes nothing in improving our national defense.

I have listened to the arguments that if we vote no on the resolution before us, we are going to kill the MX missile. My colleagues, the chart before you illustrates that this is simply not correct. This chart will be located in the lobby. In fiscal year 1983, we were asked to appropriate $1.5 billion for the procurement of nine MX missiles. I offered an amendment to the fiscal year 1983 Defense appropriation bill on the floor to strike out all the procurement funds. The House agreed with the amendment to delete all the procurement funds overwhelmingly because there was no basing mode. There still is no basing mode. However, we did appropriate funds to continue research and development on the missile. As this chart illustrates, of the 20 R&D MX missiles funded over the years, 13 remain to be delivered. Only 4 of these 13 R&D missiles are to be delivered in 1985. Only six more will be delivered in 1986. Three more will be delivered in 1987.

In fiscal year 1984, after we received the Scowcroft Commission report the House was still reluctant to provide MX procurement funds but we decided to give them a chance and allow funds for MX and Midgetman. So we appropriated $2.1 billion for 21 missiles in fiscal year 1984 appropriations. Of these 21 MX missiles funded in fiscal year 1984, not one missile will be delivered in calendar year 1985. In calendar year 1986, 12 missiles will be delivered out of the fiscal year 1984 appropriation. In calendar year 1987, the balance of nine missiles will be delivered. The MX missile production line stays open until May 1987. So if we vote down this $1.5 billion, we are not killing the MX missile or the production line.

What are we doing? What we are doing is telling the American people that we are concerned about their general welfare.

□ 1330

We should not take the $1.5 billion of the fiscal year 1985 appropriation and add that to the $51 billion in unobligated balances already on hand.

The $1.5 billion in the fiscal year 1985 appropriation comes out of unobligated balances. It will remain in unobligated balances. It will not be spent until future years. We will have a chance in the fiscal year 1986 appropriation measure, which will be before the House in July of this year, to look at the request for 48 missiles and the $3.2 billion. The production line will continue open and the discussions and the arms control talks will still go in Geneva.

We showed our resolve last year in passing the fiscal year 1985 Defense appropriation bill and allowed $2.5 billion for MX procurement. We fenced $1.5 billion of those funds because we were told we need to fence it to bring the Russians back to the conference table. They are back.

We gave the Defense Department $1 billion in the fiscal year 1985 appropriation which has not been spent and which is part of the unexpended balances. It is there. We do not have to give them an additional $1.5 billion to keep the production line open. Our farmers need these additional funds,

our students need it, our veterans need it, and our senior citizens need it. We do not need to add to unexpended balances.

The CHAIRMAN. The time of the gentleman from New York [Mr. ADDABBO] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from California [Ms. FIEDLER].

Ms. FIEDLER. Mr. Chairman, let me say to the Members of the House that I have a fairly simple message to convey to you today, one that I think is very important for all of us to consider as we move to cast our vote on this very critical issue.

In 1980 President Reagan was elected to office. He was elected to office on a plank of supporting an improvement in our national defense posture. In 1984, again he not only was elected but elected overwhelmingly, with the support of the American people from every single State of this Union.

The statement that he has made over the period of time that he has been President is that it is important that we strengthen our national defense in order to be able to respond to whatever significant threat might occur, and as a result of that statement and that effort and that improved position, we find ourselves in a position today of being at the bargaining table.

In other words, what I am saying to the Members of the House is that his philosophy, his approach, has worked. It has brought the Russians to the bargaining table. Why would we as individual Members of Congress take the risk of undermining those efforts that have worked at this particular time?

I cannot come to any rational conclusion how all of us as individuals here could possibly conceivably want to undermine the most important efforts that have taken place in recent decades as the issue relates to coming to some kind of an agreement with the Soviet Union.

Mr. Chairman, with that thought in mind, I simply would like to say, let us not risk the success that has been achieved by this President at this time. I think that the outcome, not only for our own Nation but for world peace, is at stake.

The CHAIRMAN. The Chair now recognizes the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. Mr. Chairman, we would like to temporarily pass over our time inasmuch as our next speakers are en route to the floor.

The CHAIRMAN. The Chair now recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. BURTON].

Mrs. BURTON of California. Mr. Chairman, I am strongly opposed to authorizing additional funding for the MX missile.

We have been told that we need the MX to improve our strategic forces. Many experts have shot holes in that argument. The MX is an absolutely unneeded weapon because it is so vulnerable and it is of little use in retaliating against a Soviet first strike. At the same time its capability to destroy Soviet hard targets is more likely to be perceived as an attempt to prepare our own first-strike capability.

We have been hearing lately that we need this weapon as a bargaining chip in the arms negotiations. I have a number of problems with that argument. It is not a bargaining chip. Even if it was, I have to seriously question $1.5 billion on a weapon that we are going to bargain away.

How can we justify it when we have these outrageous deficits? We have approved 21 MX missiles already. Why can they not be used as a bargaining chip? Because even MX supporters have acknowledged that the MX is not the key to the arms negotiations. Others have made the point that this Nation has better ways of spending $1.5 billion, but it is worth repeating.

This administration has cut programs that provide care for children, that feed the elderly, that protect the environment, and that fund vital medical research. These are all elements to make this Nation strong.

I have traveled extensively behind the Iron Curtain. I feel that I understand the Soviet mentality. I understand and speak the language. The best thing we could do to help assure the success of the Geneva talks is to stop the MX now and send the Soviets a sign that we are serious about reducing the stockpile of nuclear weapons and that we are serious about ending this nuclear madness.

I believe this Nation must remain strong. I have no illusions about the intentions of the Soviet leadership. I am realistic about the Soviet Government's massive economic problems, and it is in their interest to find ways to reduce the need to spend. This is why they are in Geneva.

Mr. Chairman, I urge the Members to vote against the MX.

The CHAIRMAN. The time of the gentlewoman from California [Mrs. BURTON] has expired.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, when I first came to this Congress in 1971, I only had two or three major objectives that I committed myself to. One of those major objectives was to try each day in every way to move the world a little closer to a world at peace. I do not know how effective I have been. I know that I have tried.

I am not familiar with all the technical language that is spoken here. I do not consider myself to be an expert, but I think we are dealing with a really moral issue, and because I so firmly believe in peace, I am going to vote against the MX today and will urge my colleagues to do so.

I know there are some Members of this House who honestly come to the conclusion that this is necessary for the national defense. I do not believe that. But if that is their position, fine.

I know that there are some in this Chamber who are going to vote for this out of purely political considerations, the pressure that has been exerted by the White House, and the fear that people back home might not understand their vote. I cannot appreciate that kind of thinking.

There has been much talk about the deficit. We are going to add $1 billion more onto the deficit. We have talked about burdening our children and their children with the deficit, but what about burdening them with the thought of the possibility of a nuclear holocaust? Is that not as great a psychological strain and in every other way as the thought of being burdened with a financial deficit?

I am sorry, but I guess I am kind of old-fashioned in my morality and my thinking, but it simply seems to me that the issue is, No. 1, does this weapon move us toward peace, or does it move us toward more military spending and war? And I must sound even a little more sophomoric, I guess, now because there is a little song that I know, and the words are: "Let there be peace on Earth, and let it begin with me."

Mr. Chairman, I ask the Members to think about that as they cast their vote.

As I said in a statement to this body just last week, the MX stands as a symbol of what I believe are seriously misplaced national priorities. Continued reliance on weaponry and military buildup inevitably diverts resources, and results in failure to meet acute and pressing human needs. Real national security is not determined by the size of arsenals of death but rather by the quality of life a country fosters among its own people, and throughout the world.

The MX is not a "Peacekeeper." Instead it represents an insidious evil gnawing at the soul of this country. I urge my colleagues to vote against funds for the MX, and to provide leadership for taking positive strides toward peace, utilizing a policy of cooperation rather than threat. We must stop this military madness.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Utah [Mr. NIELSON].

□ 1340

Mr. NIELSON of Utah. Mr. Chairman, for the last 2 days we've been listening to arguments for and against the authorization of funds for the MX Peacekeeper missile. For the last decade—from the research and development stages to the stages of deployment—Congress has debated the MX issue, the question of ICBM survivability and deterrent effectiveness. It's been a long haul and the answers have not come easily.

Shortly, we will be casting our votes and exercising the authority the American people have, in good faith, placed in us to abide by the Constitution and "provide for the common defense."

I don't think there is a one of us who relishes the idea of spending billions of hard-earned American tax dollars on a missile system with such a destructive capability and that may in fact never be used. The idea is repugnant to all of us.

Hard realities, however, indicate that we are confronted with a ruthless adversary. The Soviet Union's nuclear capability has been escalating during this past decade while we have been debating ours here in Congress.

Since the signing of the SALT I agreement, the Soviets have rebuilt over 800 of its existing 1,398 silo-based launchers; hardened all new silos, command and control centers; deployed three new MIRV'd missile systems: 150 SS-17 missiles capable of carrying 4 medium-yield warheads; 308 SS-18 strategic missiles—the largest ICBM system in the world, twice the size of the MX missile; and 360 SS-19's which have the capacity to carry 6 warheads against medium strength targets.

The need for modernization of our ICBM forces is evident. Opponents of the MX missile claim that placing the missiles in existing Minuteman silos makes them vulnerable. My question is: How vulnerable are we going to be if we continue to drag our feet? How can we maintain a posture of strength and provide for the common defense if we don't modernize our forces?

Opponents also claim that MX is old technology, that we should hold off on modernizing our forces until we can deploy small land based missile systems or Midgetmen. My question is: What happens between then and now? And when Midgetman technology is ready for deployment, who's to say that there won't be even newer technology far better than the Midgetman? Will we continue to hold off on modernization forever? Former Defense Secretary Harold Brown, a senior counselor to the Scowcroft Commission, the President's Commission on Strategic Forces has said:

To—abandon the MX—and say that the United States will modernize in the early 1990's with a small single-warhead missile will just not be believable. The Soviets would be justified in calculating that any new U.S. ICBM system will be aborted by some combination of environmental, doctrinal, fiscal, and political problems.

I urge my colleagues not to wait any longer. Don't leave this difficult decision up to future Congresses. Don't leave future American generations in a vulnerable position. It may cost billions of dollars now, but it will cost billions of dollars later, too. And if we wait, we may not have the time.

It is an unfortunate reality we are dealing with. But I hope my colleagues will recognize the need for modernization and support the President in his request for deployment of these 21 additional missiles.

Mr. STRATTON. Mr. Chairman, I yield myself 5 minutes.

I would like to engage in a colloquy with the gentleman from California [Mr. HUNTER] who was fortunate enough to be in attendance at the White House yesterday afternoon when Ambassador Kampelman made his presentation. We on this side were unable to leave for that meeting, because we were still carrying on the 6 hours of debate that was required in the resolution, but I remember that the gentleman from California [Mr. HUNTER] and the gentleman from Ohio [Mr. KASICH] had a number of comments to make about Mr. Kampelman's statement, when they returned from the White House.

I wondered if the gentleman could elaborate on Mr. Kampelman's statement at the present time.

Mr. HUNTER. Mr. Chairman, I thank the gentleman from New York. In fact, I was very impressed and I think most Members of the House were very impressed by Mr. Kampelman's statements, particularly when he started off by saying, "You know, I'm a Democrat and a lot of people have asked me why I am the arms negotiator for a Republican administration. My answer is that I believe in the philosophy that we only have one President of the United States at a time, and Ronald Reagan is my President.

He went into reasons why we need to have the MX missile. Particularly I was impressed with the statement in which he said, if we kill the MX missile, arms negotiations will be delayed because the Soviets then will see what else they can get for free. He spoke in terms of apples falling off the tree without the Soviets having to give any quid pro quo for them and said the Soviet Union would wait to see what else it could receive by way of unilateral cuts through the U.S. Congress before they have to go back to the bargaining table.

I thought is was a very, very unique address. I think it is the first time in history when America's arms negotiator has come back to the U.S. Congress and said, "Give us the MX missile, not because I am a Democrat, not because I am a Republican, not because of Ronald Reagan, but because America at this point needs to see foreign policy go from these shores with one voice." I thought it was a most impressive speech by Mr. Kampelman.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. No, I am sorry I cannot yield at this point.

The Ambassador is a distinguished Ambassador, is he not?

Mr. HUNTER. Absolutely.

Mr. STRATTON. He has had a good deal of experience dealing with the Soviets down in Madrid, as I understand it.

Mr. HUNTER. The Ambassador is very experienced, of course, in international affairs.

As I recall also the Ambassador one time was one of the foreign policymakers for Hubert Humphrey, very much respected in the Democrat community, the Republican community, the liberal and conservative community.

One last point. The real thing that Ambassador Kampelman told us that cuts right through this whole MX debate is that it makes no sense for Congress to give up something unilaterally that we could get a quid quo pro for. Everybody talks about a bargaining chip, but let us face it, every system we have, every part of the triad, if we define a bargaining chip as being something that is negotiable, is something that is up for reduction.

He said that if the Soviets get these apples falling off the tree without having to give anything for them, then they are going to sit back and see what else they can get for free.

Mr. STRATTON. Well, I would respond to the gentleman again that it seems strange to me when we recognize that the overwhelming opposition to the MX today comes from the Democratic Party and Mr. Kampelman is not only a distinguished ambassador, but he has also been a distinguished member of the Democratic Party.

I find it a little bit difficult to understand how some of these instant negotiators in this Chamber are telling us that nothing is going to happen if we do not fund the MX, but Mr. Kampelman from his expertise says that this action could do great harm to the negotiations. I think we ought to consider that point very clearly and listen to a negotiator who knows what he is talking about.

Mr. HUNTER. I agree with the gentleman.

Let me just make one last point. He is absolutely right in his analysis of what Mr. Kampelman said.

I thought another very important thing that Mr. Kampelman said was this. He said:

Acts of good will are looked upon as absence of will by the Soviets, rather than acts of good will.

Once again we have a situation even for people who do not particularly like the MX where your arms negotiators including Paul Nitze who was senior arms negotiator for the United States, and Max Kampelman, are saying that we need the MX in Geneva.

Now, my theory is that if these gentlemen are all wet and they have poor judgment, then maybe we ought to fire them, but if they have good judgment then we ought to respect their judgment and we ought to follow it.

I appreciate the gentleman bringing up the very dramatic statement that Max Kampelman gave to America yesterday and to all of our colleagues.

Mr. STRATTON. Mr. Chairman, I am happy to yield 3 minutes to the gentleman from Washington [Mr. DICKS], but I think the gentleman from New York was on his feet and I think in order to make this time come out equally, the opponents should get their time from the gentleman from Florida.

Mr. DICKS. Mr. Chairman, on the point about the negotiator, I thought Mr. Kampelman made another very important point in that he said that there would be the prospect of delay. In other words, if the Soviets see the Congress make a decision here on this important weapons system 2 weeks into the negotiations, then they are going to say, "Well, maybe we should wait and see whether the Congress is going to fund the Cruise Missile Program or whether the Congress is going to fund the Midgetman Program or the D-5," because many of the people who are opposed to MX, once it is out of the way, are going to focus their attention on something else; so that process of delaying the negotiations while the Soviets wait to see whether the United States has a unified position in the negotiations, I think is a very important point.

I think the other thing is that we learned a few years ago on the B-1 program where the President made a decision to cancel the B-1 program. Afterwards our negotiator went into the negotiations, I think this is an absolute analogy, and said to the Soviets, "What are you going to give us now that we have decided to kill the B-1 program?"

The Soviet negotiator said, "Nothing. We are neither philanthropists nor fools."

This is the adversary that we are dealing with. I wish that an act, a pause, on our part showing good faith would be met with something by the Soviets, but I am afraid it would not be. We have a negotiator, and I must say, Max Kampelman impressed me yesterday as a serious person capable of reaching an agreement.

□ 1350

Remember, before this election the issue against this administration was they they were not serious about arms control, that this was just Mr. Perle's charade that was underway, that they were not really sincere about getting an agreement.

Now, I would ask anyone here today who met Max Kampelman to tell me that this man is not serious about getting an agreement.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has absolutely hit the heart of Mr. Kampelman's statement and I can report that he said, and I quote:

If the MX is taken from consideration it will delay negotiations and they will ask what else they can obtain without paying for it.

That argument backs up Mr. DICK's statement 100 percent.

The CHAIRMAN. The time of the gentleman from Washington [Mr. DICKS] has expired.

Mr. STRATTON. Mr. Chairman, may I find out the balance of our time?

The CHAIRMAN. The gentleman from New York has 46 minutes remaining; the gentleman from Alabama [Mr. DICKINSON] has 56 minutes remaining; and the gentleman from Florida [Mr. BENNETT] has 1 hour and 56 minutes remaining.

Mr. STRATTON. I think we should make sure that the gentleman from Florida uses up his time as well.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Chairman, I thank the gentleman for yielding.

Mr. Kampelman is a prestigious negotiator. He is not clairvoyant. No one knows how long these negotiations will take. The most that Mr. Kampleman said was that he thought that failure to pass MX—and he never mentioned MX by itself—would delay the process. No one can tell us how long this process is going to take. Juxtapose that to the President, who said not 5 minutes before him that it would destroy the process. So indeed we need to pay attention to Mr. Kampelman because his view of this role is entirely different than that of the administration.

Second, while we are wrapping ourselves in bipartisanship here, let us remember that when Jimmy Carter was President of the United States it did not deter Ronald Reagan from opposing the Panama Canal Treaty and SALT II. He did not suddenly leap to show the world that: First, we were interested in arms control; and second, we were interested in better relations in Central America.

We are talking about here the security of the United States. In response to Mr. ROEMER, who asked him a question: "How often will you be back here as arms negotiator to advocate for arms?" Mr. Kampleman very correctly said he intends to spend his time in Geneva negotiating with the Russians as opposed to arguing with the Congress about what we should be and what we should not be providing for our own national security.

So Mr. Kampelman's speech to the Congress was very instructive primarily by what he did not say as opposed to what he did say.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, I think the arguments put forth by the spokespersons for Mr. Kampelman just does not hold water. The point is, of course, the gentleman mentioned Mr. Nixon and he mentioned Mr. Ford. It was during their years that the erosion had taken place on the growth of defense spending in this country.

I might add it was during the years that we received the SALT II agreement.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. First of all, Mr. Chairman, let me address Mr. HUNTER, who has repeatedly demanded that there be unity, that the Congress and the President speak with one voice. That reminds me of the old saying that, at common law, the husband and wife were one, and he was the one. That is the kind of bipartisanship that we are asked to indulge in that whatever the President wants, we are to go along with it.

I think that my colleagues, with many of whom I have served for nearly 15 years, know that I have been committed to arms control as one of my main concerns ever since I came to Congress, and long before President Reagan ever even indicated that he had a positive thought on the subject.

With that deep personal commitment to arms control, if I thought for 1 minute that it would strengthen the bargaining position of Mr. Kampelman to vote for the MX, I would do so. But I asked him a question yesterday which he really did not answer. I said: "Mr. Kampelman, you say you need this MX vote for bargaining purposes and yet everyone from the President on down in this administration has said the MX is not a bargaining chip." I then asked him a very simple question: "Is it a bargaining chip or is it not a bargaining chip?" He declined to

answer the question. He said, "Well, everything is on the table for discussion." In short, he would not answer my question, and the President sat there and made no effort to respond to my question.

Yet that is the crux of the issue: If indeed the MX is a bargaining chip, then it may make some sense to vote for the MX this time around. It would mean spending more money on it but eventually getting rid of it. But if we are going ahead with MX regardless of the outcome of the talks, which is what the President has said he wants to do, then MX is the opposite of a bargaining chip. If we are to deploy 1,000 highly accurate warheads aimed at the Soviet missiles, they are going to say: "Well, we are not going to get rid of our land-based missiles; we are going to build a lot more of them." And you will have them digging in instead of being willing to negotiate. On the other hand, if the negotiations fail, we can always vote more money for MX missiles at some later time. We do not need to do so now, either for our defense or for our negotiations in Geneva.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I am envious of my colleagues who are so absolute and certain of their decision on this controversial, sensitive and critically important issue. This body seems to be divided into two camps, those who are uncompromising and those who are unwaivering in their opposition; unqualified yeses and unconditional noes.

Now, Mr. Chairman, I said I am envious because I have tried and tried hard to get to a position where I would be just as absolute and just as certain, but to no avail. I have yet to find a pipeline to the truth. The more I talk with and listen to my colleagues the greater the realization that I am not alone. A number of us are not absolute, are not certain. We are in the midst of an agonizing, wretching decisionmaking process and shortly the hour of reckoning will be upon us. We will not have the luxury of voting maybe. Ours will be a yes or no response.

To determine what I should do to be both responsive and responsible I have read and I have talked and I have listened. Mostly I listened. I have listened to the people from Common Cause, from SANE, and the Physicians for Social Responsibility. And in the process I have gained even greater respect than I had initially for all three. I admire their dedication, their commitment, and their sincerity. These activists waging a battle against the MX are just as loyal and patriotic and American as any of us and they deserve to be commended for their role in proving to all onlookers that democratic process works as intended: open discussion, healthy debate, honest differences of opinion.

Yes, I have listened to the opponents and I have listened also to the proponents. I have carefully weighed all sides to every argument advanced, pro and con.

In the final analysis I have concluded I do not like the MX, I do not want the MX, and quite frankly the President would not have a prayer of getting my vote if I was not convinced of his sincerity in striving for meaningful arms reduction. But I am convinced of his sincerity and because of that he has earned my support for his efforts.

Reluctantly, and again I acknowledge this is reluctantly, I am not 100 percent absolute, I am not completely certain, but reluctantly I will vote for the MX to give our negotiators an important bargaining chip.

My vote will not be for a weapon system I do not like and do not want; my vote will be for a bargaining process under way in Geneva, a process that I pray succeeds.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Washington.

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Mr. DICKS. I just wanted to make sure that all the Members knew that yesterday, at the White House, Mr. Kampelman said, and it was in the paper this morning, that everything was on the table in Geneva including the Peacekeeper.

Mr. BOEHLERT. The gentleman is entirely correct.

Mr. DICKS. And it is part of the process.

Mr. BOEHLERT. They would not have a prayer of getting my vote if I was not convinced of their sincerity. This is a bargaining chip.

I do not like the MX, I do not want the MX; I want arms reduction for the world, to make it safer for you and me and our children.

Mr. DICKS. I commend the gentleman's statement.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I want to assure my colleagues from New York that none of us are cocksure about this; there are imponderables, there are uncertainties.

One of the great imponderables and uncertainties is where Mr. Gorbachev is coming from. Should not we give him a chance in the negotiating process to let us know what his mindset is; how he wants to find his place in the Sun.

With all due respect to Max Kampelman, who is serving his country magnificently and who made such a magnificent impression on all of us yesterday, I really do not think there is much doubt in the Soviets' mind that we are serious about a credible national defense, with or without MX.

Without MX, we are spending $300 billion a year. Without benefit of MX, we managed to take almost 200 years of accumulated deficit and then double it in the last 5 years. Without benefit of MX, we are decimating and degrading social programs for the benefit of every element in our society, the elderly, our kids, the infirm, the disabled and education, that we have built up brick by brick for the last 50 years.

Not only are we spending ourselves into near bankruptcy, but without MX we already have the capability if we reduce our current missile inventory by half, of bombing the Soviets back to the stone age; the same capability that they have; to bomb us back to the stone age.

So why cannot this Congress place the MX in the same holding pattern that it has been in since we were assured last May by the chairman of the Committee on Armed Services, that the purpose of moving on the MX and getting it flowing through the pipeline was to bring the Russians to the bargaining table.

They are at the bargaining table. Let us continue the holding pattern and see how they function at the bargaining table.

This is a serious matter, perhaps one of the most important debates we will undertake this year, and it is not a subject to be taken lightly.

However, I can't help but think of Russell Baker's column, which appeared in last Saturday's New York Times, where he presented a satirical view of the various justifications the Reagan administration has put forward in defending the MX missile.

Describing the MX first as a "Peacekeeper," and next as a "bargaining chip," Mr. Baker concludes that the MX missiles were bargaining chips to get the Geneva talks so the Geneva talks could become a bargaining chip to get more missiles.

The point made by Mr. Baker is that the rationale for the MX missile has undergone a metamorphosis so absurd that it would be laughable if it were not so deadly serious.

Since the MX was first conceived nearly a decade ago, it has become clear that the missile system is neither strategically not fiscally sound. In fact, I would suggest that it is actually a destabilizing element in our strategic balance because as a defensive system it lacks survivability, while at the same time, the Soviets perceive it as a "first strike" weapon because of its ac-

curacy, range, and payload. Because it is a missile that can be destroyed by Soviet attack, it must be launched on warning. Such a deficiency results in a "use it or lose it" strategy which cannot possibly enhance our current strategic balance.

Far from strengthening our strategic defenses, I have grave concerns that the MX actually threatens our own security.

I believe we must maintain a strong and credible national defense—a defense that will provide us and our allies with security.

But we must also provide a sound national defense—and that can only be accomplished by a thoughtful and prudent examination of the merits of each individual weapons system.

A serious defense posture doesn't mean that we must give the Pentagon every toy in sight, particularly when our Nation and the Soviets already have tremendous nuclear firepower.

Some have suggested that a vote against the MX is a vote against patriotism and against a strong national defense. I, for one, differ strongly with such jingoistic statements.

I would argue that a vote against the MX is a vote against a wasteful program that in reality could undermine our Nation's future security.

I would also suggest that it's about time we stop escalating the level of terror and unease over the buildup of nuclear weapons. People all over the world are petrified of the arms race.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, one of the most fascinating things about this debate has been the shifting ground of the arguments. We were originally told that the reason for building the MX was because of the insufficiency of our deterrent capabilities.

Then when that was challenged and the vulnerability of the fixed silo MX became evident, we were told that the MX was necessary to get the Soviets to the bargaining table. Now that they are at the bargaining table, we are told that the MX is necessary as a bargaining chip.

The fact is that there is simply no military rationale that can justify this dangerous, destabilizing, unnecessary and costly weapons system. Indeed, in today's debate, discussion of the military merits of the MX has been conspicuous by its absence.

So what about the MX as a bargaining chip? Let us not fool ourselves. For the administration to suggest that in some way the MX is essential to the success of the Geneva negotiations is not only a bit disingenious, it flatly contradicts the history of these discussions.

The Soviets walked out of both the INF and the START talks while funding for the MX was intact, and agreed to resume negotiations after Congress had in fact suspended production funding for new MX missiles. This sort of dissembling on the part of the administration only reinforces the perception that many of us share—the real game here is not to use the MX as a bargaining chip in Geneva, but rather to use Geneva as a chip to win congressional support for the MX. I urge my colleagues to recognize this ploy for what it is.

One of the President's own top arms control advisers, Mr. Paul Nitze, may have most effectively exploded this bargaining chip myth when he appeared before the House Armed Services Committee.

In response to a question about the impact of withholding MX funds on the Geneva process, Mr. Nitze said that there was not "an immediate direct correlation" and that he was "not sure it would make an immediate or dramatic difference."

When all the facts are in, the fact is that the MX simply is not a bargaining chip. No matter how you look at it. No matter how many times you look at it.

Now let's consider the strategic rationale for the MX. As we all know, after examining over 30 basing plans, the current proposal plans to deploy the MX in the exact silos once deemed to be our "window of vulnerability" and used to justify the development of the MX. In a 1982 Air Force draft report, entitled "MX Permanent Basing," the conclusion clearly stated that basing the MX in fixed silos "does not provide the required prelaunch survivability to withstand a Soviet first strike and promote strategic stability." Yet here we are being asked to approve $1.5 billion to do precisely what all the experts have told us would yield no advantage and would only serve to destabilize the current balance. Estimates indicate that by the early 1990's, Soviet missile accuracy will insure that only 1 to 2 percent of MX missiles in silos could survive a Soviet attack, despite silo hardening. Since the MX is essentially not survivable, it could not add to our retaliatory force. To put it bluntly, the MX is a "use them or lose them" system. As such, the Soviets must assume that the MX is only useful as a first strike or launch-on-warning system and this sort of threat moves us all the closer to an accidental nuclear war.

Given the dangerous and destabilizing nature of this weapons system, it would be terribly irresponsible not to question the military rationale for continuing MX development. It is certainly not as if we have been remiss in developing our nuclear capabilities. Would the President have us believe that the Trident submarine and D-5 missile have no military significance? That the B-1 bomber is not significant? What about the Stealth bomber? Or advanced cruise missiles? Or the Midgetman system? The bottom line is that with such extensive development already underway in all legs of the triad, there is simply no strategic rationale for pursuing the MX.

Furthermore, the real question is not whether we need defense improvements. Certainly we do. But consider for a moment what conventional weapons we could have purchased with the $13 billion that has already been allocated to the MX program. As my colleague from Florida [Mr. BENNETT] has noted, this money could have been used to buy 840 M1 Abrams battle tanks, 716 M2 Bradley fighting vehicles, 144 Apache attack helicopters, 44 multiple launch rocket systems, 180 F-16 fighter bombers, F-15 fighter jets and 1 DDG-51 guided missile destroyer. Surely this sort of spending would serve our real defense needs far better than the dangerous, vulnerable and unnecessary MX.

The final outrage in the saga of the MX is its price tag. Just 3 weeks ago, the President vetoed a farm credit bill on the grounds that it was a budget buster. What was the cost for that critically needed emergency assistance? $245 million.

Yet today the President tells us we have to release $1.5 billion for a weapons program that no one is even willing to defend on its merits. And the costs hardly stop there. The grand total for the MX program is estimated to exceed $40 billion. This is $40 billion of pure, unadulterated waste, fraud and abuse. No transparent rationalization can hide this fact.

Let me conclude by noting that quite a lot has been said about the message we are sending to the Soviet Union. I hope we are equally concerned today about the message we are sending to the American people. Is it not time that this House indicate it is prepared to stand up to hollow and dangerously misleading arguments? Is it not time that we indicate as an institution that we are truly prepared to come to terms with the $200 billion annual deficit that is strangling our economy? Or are we going to continue to complain about these issues in the abstract and then continue to vote for this kind of shameful waste?

I urge all of my colleagues to take a close look at the real message that we are going to be sending by our actions today and to cast a resounding no vote.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DICKINSON. Mr Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM].

Mr. COLEMAN of Missouri. Will the gentleman yield?

Mr. McCOLLUM. I will be glad to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank the gentleman for yielding to me.

Let me just say that to vote against the MX today is like negotiating against ourselves in Geneva.

Mr. Chairman, last year when Congress failed to act on this issue, we set the stage for this pivotal vote on the future of our Nation's security. Now that day is upon us, and if anything, the importance of this vote has increased dramatically.

While the issues surrounding the MX remain largely the same, the political environment has changed significantly since we last considered this issue. Last year, opponents of the MX said that continued production of the MX missile combined with the lack of ongoing arms negotiations somehow raised a question that the administration wasn't really sincere about reducing nuclear weapons. Obviously, the recent resumption of the talks in Geneva have proven them wrong. As an official observer to the Geneva arms control talks, I believe the President has assembled an outstanding negotiating team headed by Ambassador Max Kampelman. Any question that the Reagan administration is not serious about arms control has clearly been put to rest. After observing our negotiating team in action it is obvious that President Reagan and his arm negotiators are committed to the reduction and elimination of nuclear weapons.

If anything, the administration has been equally steadfast in pursuing true arms reductions, while at the same time making certain that this process isn't done unilaterally. In this respect, continued production of the MX is completely consistent with this approach based on peace through strength. Without doubt, the MX shows that the President has clearly established his views on defense issues and arms reductions, and more importantly, he has stuck by them.

Let's hope that today Congress will show that it's capable of the same.

The MX missile reflects the President's unwavering commitment to preserving our Nation's security. The resumption of the arms control talks in Geneva is concrete proof that he is equally committed to true arms reductions which will be mutual, verifiable and insure the security of both the United States and the Soviet Union. The President has proven that arms control and building a strong defense are not mutually exclusive, instead they go hand in hand.

As an official observer at the Geneva arms control talks, I can assure you that our vote today does in fact have important implications for the overall arms control process. I can also say without hesitation that if we fail to approve continued production of MX we will be doing more harm for the cause of peace and true arms reductions than one can imagine.

Furthermore, because our debate over MX involves much more than its military value, the outcome of the vote will represent a pivotal point in our Nation's history. Every generation must come to grips with how it will ensure its own security and that of future generations. Only this year our Nation and Europe celebrated the 40th anniversary of the end of World War II in Europe. We have had four decades of peace. Not coincidentally, during most of this period the United States, a democracy committed to peace, has been the dominant military power. Who would argue that this peace has not been largely the result of America's strength.

Today we have a new challenge. Many of the strategic intercontinental ballistic missile systems which have helped preserve peace for the past 20 years are now becoming old and obsolete. B-52's older than pilots that fly them, intercontinental ballistic missiles designed over two decades ago—these are key components in our strategic forces which everyone agrees are now reaching the end of their useful lives. Let's face it, its time to replace these systems and that's exactly what the MX missile is designed to do.

Certainly the Soviet Union recognizes this fact. In the past two decades they have produced and deployed five new classes of intercontinental ballistic missiles. They've replaced 800 of their old ICBM's in the past 6 years. In the past year alone they have deployed 1,200 new ICBM nuclear warheads. All of this has been done during the post-SALT I arms control agreement period.

And what have we been doing in this same time period. Well not much really. We haven't deployed a new ICBM in 13 years. We've been retiring our Titan II missiles because of age. Our 20-year-old Minuteman II missiles are now undergoing extensive rehabilitation in order to keep them operational. And our most modern ICBM's, our Minuteman III missiles—many of which are almost 15 years old—are also at the point where they are going to have to be the object of extensive rehabilitation.

If nothing else, this shows that the Soviets aren't interested in responding in kind to unilateral restraint on the part of the United States and that weak arms control agreements are no assurance that the arms race will be halted.

As many of my colleagues have pointed out, there are many compelling military reasons why we need the MX missile. Still others have stressed the importance of the MX to the eventual success of the arms control talks in Geneva. Yet I haven't really heard any arguments which effectively rebut these points. It's not enough to say "Let's give the Russians a sign of our goodwill", we've done that already in the 1970's and it didn't work. It is also very clear to me that we can't keep putting off the replacement of these aging systems forever. Its just not good enough to base our Nation's security on wishful thinking.

Unlike other nations in the world who draw protection from our national resolve and our nuclear umbrella, America has no one else to turn to. It is up to us to insure our own security. For all of these reasons, I urge my colleagues to accept this responsibility and vote for continued production of the MX missile.

Mr. McCOLLUM. Mr. Chairman, I yield to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. I thank the gentleman from Florida for yielding to me.

Mr. Chairman, I rise in support of the MX resolution.

The debate on whether to fund the current year of production for the Peacekeeper missile seems to conscientiously avoid any discussion of whether it is the right reason for the mission planned for it.

We are told by those who are against its further deployment that it is a destabilizing influence in our relations with the Soviet Union. Yet no one whom I have discussed the matter with would even dare to suggest that the Soviets have ever considered the destabilizing effect on this Nation of the production and placement of a whole panoply of offensive missiles. One might be led to believe that only action by the United States can destabilize our relations with the U.S.S.R.

It is not, according to others, an effective bargaining chip in arms reduction negotiations. True or false, such an argument is beside the point. For 20 years, we have negotiated treaties, agreements, and mutual understandings. For those same 20 years, the Soviets have extended, expanded and used their nuclear arsenal to intimidate, invade, and occupy nations which literally girdle the globe.

To make a decision on national defense on the basis of a hope that it might curb the insatiable appetite of the Soviet Union for power and conquest borders on the absurd. For more than 40 years, this Nation has been urged by the Soviet Union and its friends to act or to refrain from acting in order to convince the Soviets of our good will. The stark reality of Soviet aggression and subversion throughout the world has been ignored and a propaganda barrage has inundated us whenever there was the slightest indication that this Nation would awaken

from its dream and prepare to defend itself.

We might well reread the history of the third Punic War. A Roman Senator, Cato, the Elder, ended most of his speeches with the admonition: "Carthage must be destroyed." Finally, the smaller, weaker Carthage entered into an agreement with the great Roman empire that in exchange for peace, it would disarm itself. Then the Romans invaded Carthage, killed and enslaved the entire population and salted the earth so thoroughly that today all that remains of Carthage is a little town in Africa.

Gromyko is the Cato of the Soviet Union. If only the United States would stop producing the MX and not begin the SDI, then peace could come to the world. Peace means the same to the Soviets as it did to Cato. They define peace as the final success of the dictatorship of the proletariat. Cuba, Afghanistan, Angola, Cambodia, and Nicaragua do not offer much comfort on the definition of peace as understood in the Kremlin.

Still others argue that the Peacekeeper will distort the balance of our forces by stripping commitments to conventional and other programs. Perhaps the best indication of how specious such an argument is was provided in my office by an antidefense lobbying group. Their argument was exactly that expenditures like the peacekeeper would weaken other programs—the M-1 tank, the M-2, several carrier battle groups and a whole shopping list of programs.

When it was pointed out to them that they opposed all those programs in their turn, they were quite unabashed at their own inconsistency. And, indeed, most of the arguments against the Peacekeeper do not address the fundamental issue of whether this program is an advantage for the United States in defending itself.

On that single question, the committee charged with giving this body its advice, has answered that Peacekeeper advances the defense of the United States. In so doing, that committee accepts the recommendation of the President. The summary of the President's position begins with a statement before which all other considerations should fall:

> The President has concluded that the continued production and deployment of the Peacekeeper (MX) missiles in existing Minuteman silos is required in order to meet U.S. national security interests * * *.

Almost all of the cogency of the opposition to the Peacekeeper depends upon the fantastic notion that by disarming ourselves we can buy the good will of the masters of the Kremlin. the major proponents of that view are the heirs of a long line of international experts who, from Yalta forward, have counseled that just one more concession will tip the balance and assure a peaceful future. A hard look at 40 years of concessions gives no basis for such optimism.

The only optimism allowed to a free people in these dangerous and difficult times is that we wish to export the benefits of our success to the world and to allow that world to choose or reject those blessings. Only those who wish the free world no good have reason to fear us. A vote for the Peacekeeper is a vote to retain our destiny in our own hands. It is a vote to abandon illusion and to face the future with confidence.

Mr. McCOLLUM. Mr. Chairman, there are two basic reasons why we should be supporting the MX missile. We have had a lot of debate going on over the last 2 days about the issues; one of them has gotten a great deal of attention, and I think it is a very appropriate one to get that attention.

Our negotiators at Geneva want, need, and should have the MX on the table, for whatever purposes. You can debate the intricacies of it, you can argue the shades of grey, and pink, and purple, and green, but the bottom line on that portion of this debate is, they want it, they think they need it; that is good enough for me at this time, and I hope those that are sitting on the fence on the issue on that question accept it, understand it, and decide it on that basis.

There is a second, and to me equally important, reason why we need the MX missile that has not gotten much discussion in recent debate on this subject. We need a more accurate, land-based, intercontinental, ballistic missile, and the MX missile is much more accurate than the present Minuteman missiles that are in our silos.

Yes; it would be nice to have those missiles in a less vulnerable position, but this Congress has been debating the basing modes and moving mobile missiles around for a long time, and we still have not gotten to the bottom line of a new, different, basing mode.

The fact is that the Soviet Missiles, and they have developed new ones while we have been debating this, are in much more hardened silos than ours. We need a missile that is capable of more accuracy in order to be a threat to them, in order to deter them, and that is what the whole arms race is all about.

We have to recognize that we started this process toward this whole building of an MX missile four Presidents ago, over 10 years ago. We still are just beginning to build the MX missiles.

Same problem we had with the B-1 bombers: some day we are going to have Stealth. Well, we finally have begun to build the B-1 after years of waiting and getting behind the Soviets. Some day we are going to have Midgetman, but they tell me and I believe them, that no matter what we do right now to get that small, mobile missile we want, it is going to be past 1990, 1991, or 1992 before they are deployed, before we get any them on the production line.

In the meantime, we have got to have a more accurate, land-based, intercontinental, ballistic missile, and that is what the MX is. It is a small number that we are actually going to produce; they blend in perfectly in the scheme of things later on when we have the more mobile missile, to have a few of these missiles in the hardened silos that we already have or perhaps the more hardened silos that we get.

But above all else, we do need that more accurate missile, and we need that more accurate missile now, not later.

So there are two reasons why we need the vote for the MX missile. One of them is because our negotiators need it at Geneva; and I think that is enough alone. But the second one that I think is equally important, and we should not forget it, is the fact we do need this more accurate, land-based ICBM, and we need to be able to build it now instead of waiting forever, as Congress has been prone to do.

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The CHAIRMAN. The time of the gentleman from Florida [Mr. McCOLLUM] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 1 additional minute to the gentleman from Florida.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I am delighted to yield to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

First of all, I want to compliment the gentleman on his argument and focusing the debate on the strategic need for this defense system.

I rise in support of the MX missile vote today. I am going to vote "yes." I urge all my colleagues to do the same.

Mr. Chairman, today we will be voting on the authorization of the release of funds for the MX missile—but more importantly, we will be voting on the degree to which the United States is committed to lead and organize the effort to contain Soviet power and aggression in a stable and peaceful world environment.

Deployment of the MX is basically a test of national resolve. It is a test of whether we will continue or abandon our efforts to modernize America's aging and increasingly threatened land-based strategic forces. As the bipartisan Scowcroft Commission stated:

> The MX program displays U.S. resolve and will provide essential incentives for the Soviets to move in the direction of significantly reduced and more stable ICBM deployments, and should, in the long run, allow the U.S. to deploy its small ICBM in a

cost effective manner. Termination would seriously undermine all of these goals.

The bottom line on this debate is that the MX is the only available short-term option for meaningful ICBM modernization—the only possible immediate response to the:

First, imbalance of United States-Soviet forces; second, inherent weakness in current U.S. ICBM forces of aging and increasingly outmoded missiles; and third, overall weakness in U.S. deterrence resulting from years of insufficient modernization of the land-based leg of the strategic triad.

The MX program is a test case of U.S. ability to carry through a project essential to realistic strategic planning. MX deployment, as with the deployment of the Pershing II's and cruise missiles in Western Europe, is seen by the Soviet Union as a test of political will. The MX poses the single greatest potential threat to Soviet strategy and is correspondingly important for the stability of deterrence.

The MX in silos, in the context of a diverse triad, would hold some of the highest Soviet values at prompt risk. Consequently, the MX could realistically threaten to effect massive disruption of the Soviet execution of its war plan. Although the MX could not protect America directly from Soviet retaliation, the threat it would pose would leave the Soviets a very great deal left to lose.

With the MX in the U.S. arsenal, the Soviets would have maximal incentive not to attack NATO in the first place, not to attempt a first strike with strategic forces in Europe, and not to consider a first strike against the United States.

At present, the United States has no active defenses deployed that are of strategic significance. The President's SDI proposal clearly points to the need to preserve the U.S. nuclear deterrent by modernizing our strategic forces during the period of defensive transition. ICBM modernization will be required to maintain deterrence during the transition to greater reliance on defensive forces.

However, SDI involves only research in the 1980's, whereas the MX will begin operation in 1986 and the small ICBM in 1992. If SDI continues to develop in a promising manner, the defensive transition will have to be guarded by U.S. offensive forces. To encourage the Soviets to agree to a cooperative defensive transition, the United States must have potent offense-defense capabilities. This will necessitate a modern ICBM force able to counter a possible early lead by the Soviets in deployed defenses.

The Soviet Union already has in place the rudiments of an expandable ABM system for nationwide coverage. To maintain stability, the United States must deny the Soviet Union the ability to effectively defend its most valued assets, as least until the United States can defend its own. In order to deter the Soviets, the United States must be able to put at risk those Soviet targets—including the hardened leadership and command bunkers, hardened missile silos, and nuclear weapons—that the Soviet leaders value most and that constitute their most important tools of control.

While the Soviets have been fortifying their defenses, they have also been deploying thousands of new ICBM's. In the past 6 years, they have replaced 800 of their old ICBM's—and last year alone, have deployed 1,200 new, modern ICBM warheads—more than is planned for the entire MX program.

The Soviets have deployed five major ICBM systems while we have debated the MX. More than half of the existing ICBM's have been deployed since the last U.S. ICBM was deployed.

While we have debated, they have deployed.

The Scowcroft Commission reported that, and I quote:

* * * the Soviets now probably possess the necessary combination of ICBM numbers, reliability, accuracy, and warhead yield to destroy almost all of the existing U.S. ICBM silos, using only a portion of their own ICBM force. The U.S. force now deployed cannot inflict similar damage, even using the entire force.

The Scowcroft Report went on to state:

* * * the combination of accuracy and yield of our ICBM's is inadequate to put at serious risk more than a small share of the many hardened targets in the Soviet Union * * * most Soviet hardened targets—of which ICBM silos are only one part—could withstand attacks by our strategic missiles.

While they have fortified their defenses and deployed five new ICBM systems, we have debated.

Looking beyond the immediate threat to national security, funding of the MX missile is essential and achieving a satisfactory arms control agreement with the Soviets. Such a demonstration of national resolve will encourage the Soviets to consider serious and verifiable arms control agreements. Canceling the MX at this point—when over $5 billion have already been spent—does not communicate a great deal of resolve. It would be folly to jeopardize the effectiveness of our talks in Geneva by unilaterally canceling the only real, credible, and immediate lever the United States has with the Soviet Union.

In conclusion I would like to quote Gen. George C. Marshall, who in 1945 said:

We have tried since the birth of our Nation to promote our love of peace by a display of weakness. This course has failed us utterly—the failure to pay heed to this warning prior to World War Two 50 years ago led to the untold suffering of a world laid in ruins and ashes.

In my judgment, this warning uttered by General Marshall remains true today. Let us not attempt to secure world peace from a position of weakness. I urge you to vote for the continued funding of the MX missile to prevent the tragedy and destruction of another world war.

Mr. McCOLLUM. Reclaiming the balance of my time, Mr. Chairman, I would like to make a point with this remaining time and that is that this Congress has delayed and delayed and delayed on all kinds of issues, particularly defense issues about basing of MX missiles and so on. The worst thing we could do is to continue to delay and delay some more. We need to put a missile out there now in production. We do not need to delay another 10 years while we decide on some new basing mode and go on and on and on forever. That is what the problem is with this debate today.

We have got good reason to vote for the MX, both from the negotiators standpoint and from the standpoint of needing a more accurate ICBM in production now.

Mr. MAVROULES. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, I have listened to the debate here today and also I was at the White House yesterday. It seems clear to me that if we were voting today strictly on the merits of the MX it would be defeated.

I do not think there is any other instance where the United States has embarked on expenditure of tens of billions of dollars for a new system when there is no reasonably protected place for its safekeeping.

And if we were only voting on the MX as a weapons system, we would also be discussing whether that weapon is needed when the United States already has such clear air and sea missile superiority, as well as new land-based missile destruction power in Western Europe, enough to destroy any and all enemies many times over.

Indeed, as we have heard here and as we heard yesterday, the main bargaining chip on behalf of the MX today in Washington is that it constitutes a potential bargaining chip in arms control negotiations in Geneva.

But this bargaining chip argument is filled with ironies and the first is that it is being used by its proponents for a purpose considered so vital by the weapon's opponents and that is arms control.

There is a second irony and that is that if the Soviet Union had not returned to the bargaining table some time prior to this vote, further production of the MX might have been defeated on the floor of the House this afternoon.

And a third irony is that key spokespersons for an administration advocating the bargaining chip notion in Geneva have said in Washington that it does not constitute a bargaining chip. And those spokespersons include the Secretary of Defense.

But there is a fourth and I think the most critical irony. Here I want to speak directly to those who have been tending to respond favorably within this House to the bargaining chip argument.

They say they do not want to bear any responsibility for any possible effect which a negative result today in Washington might have on the outcome in Geneva.

But I say to you, you will have to bear the responsibility, if your votes create a majority today for MX, for the results if the negotiations do not succeed in Geneva. Thus far, the history of the development of nuclear weaponry is that escalation has usually led not to agreement to de-escalation but to increased escalation by the other side.

And we also must remember that a vote for MX today will escalate an unprecedented budget deficit that threatens America, as well as threatening to escalate an arms race that now endangers the entire world.

As we vote, each of us must balance these crucial and complex factors. In my judgment, they add up to a "no" vote on further production of the MX. I urge a "no" vote.

Mr. ROBINSON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the MX. I attended the meeting at the White House yesterday like a hundred other of my colleagues from the Senate and the House and I was impressed with the Ambassador. I thought what he said made a lot of sense.

His main points were that the MX discussion was a nonpartisan issue. He stressed that and he pointed out that he was a strong Democrat and that it did not help in Geneva for the Congress not supporting the Commander in Chief of our great Nation.

One other point he made was that his dealings with the Soviets, that they are not going to give anything in negotiations away if they do not get something in return.

So, therefore, the Ambassador was certainly stressing that we need the MX to give him something to work with.

You can call the MX a bargaining chip or deterrent or a new weapon on the block, but there can be no question that the MX will enable us to negotiate from a stronger position. The MX is the only major way to get the Russians out of silos and force them to be mobile. Then if we can get the Russians out of the silos then we can move ahead with real arms negotiation.

Mr. Chairman, we were briefed this morning in the House Armed Services Committee about the shooting of Major Nicholson. There is just no excuse for the Soviets to do that, to shoot this American officer. It points out to me you really do not know how the Soviets are thinking. So if you say you know what they are going to do here and what they are going to do there, you are totally wrong. They left that officer on the ground for 2 hours to die. They did not give him first aid. The sergeant with the American officer asked that he give first aid to Major Nicholson. They would not let the sergeant give first aid to Major Nicholson.

That is the type of people you are dealing with. You have to deal from military strength when you deal with the Soviets. That is the only thing they understand.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. MONTGOMERY] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 1 additional minute to the gentleman from Mississippi [Mr. MONTGOMERY].

The CHAIRMAN. The gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 1 additional minute.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to make clear and ask the gentleman to bring out a little more clearly the facts of the situation.

Not only was the major shot, he was wounded initially and lay dying for how long?

Mr. MONTGOMERY. He lay there for over 2 hours, how long he was alive I am not to sure, but no first aid was given to Major Nicholson.

Mr. DICKINSON. Alive.

Mr. MONTGOMERY. Alive.

Mr. DICKINSON. And a paramedic or some one who was able to render first aid appeared and was not allowed to administer first aid; is that correct?

Mr. MONTGOMERY. That is correct.

The sergeant got out of the vehicle. He took the first aid packet with him to cover the officer's wound and slow the bleeding. He was told to get back in the vehicle or he would have been shot.

Mr. DICKINSON. So they shot him without provocation where he had a right to be. Allowed him to lie in the street and die. Denied him first aid. And these are the people that we are trying to deal with rationally.

Mr. MONTGOMERY. That is correct.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

And these are the same people that shot down KAL 007, are they not, with a loss of several hundred lives?

Mr. MONTGOMERY. Plus one Member of Congress.

Mr. STRATTON. Exactly.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from Oregon [Mr. AUCOIN].

Mr AUCOIN. Mr. Chairman, a few minutes ago the gentleman from Florida [Mr. MCCOLLUM] said we need these new accurate missiles in our arsenal.

I want to remind the Members that accuracy means how close you can get a missile to its target. And by my reckoning the MX missile like the Minuteman missile will miss its target by about 5,000 miles: Roughly the distance between the United States and the Soviet Union.

Why? Because it is not survivable. Because it is vulnerable. Because it can be taken out by an incoming Soviet attack.

□ 1420

Mr. MAVROULES. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, having just been at the Geneva arms talks as a congressional observer, I want to comment on the alleged relationship between the arms talks and the MX. First, let me ask you: Does anyone in this Chamber think the MX would stand a chance of being voted up today if we were not at those arms talks?

Geneva is being used by the administration as a way of leveraging in the MX. Congress should not let itself be used that way.

But what effect will the MX actually have on these arms talks? First we were told we need the MX because the Russians are not at the table; now we are told we need the MX because they are at the table. If they leave the table, we would be told that we needed the MX for that reason. In other words, whatever the Russians do, we need to deploy the MX.

Is this sort of approach calculated to promote pro arms control behavior on the part of the Russians? I hardly think so.

Our Geneva negotiator, Ambassador Kampelman, said yesterday that if we vote down the MX it will delay the arms talks. He stressed delay. He did not say it would damage the talks. But how serious would such delay be? Not necessarily serious at all, as long as we get the results we finally want. Delay could be trivial, particularly since we do not know how long these talks will be lasting.

Let me conclude by asking this House and my colleagues three questions: First, if we approve the MX today, does anyone here think that the additional 21 MX missiles will ever be taken away? The answer is: Probably not, never.

Second, does anyone here think the arms talks will be retrospective or prospective? They will be prospective. We will negotiate from the new base, including the 21 extra MX's, going backwards.

Third, if we deploy the MX by our vote today, will the world be safer for our children, our grandchildren, or our great grandchildren? Obviously not.

The Soviets are a tough foe, and they do some very difficult and dangerous things, as we saw the other day in East Berlin. But that is all the more reason why we must have arms control with the Soviet Union. The example of the American major shot yesterday does not argue that we should simply escalate and escalate, and escalate some more. For where does that finally leave the world, where does it leave humanity? Where does it leave our grandchildren?

I would ask you to contemplate those three questions, particularly the one as to whether or not the world would really be safer if we deploy these extra 21 MX's.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I would like to thank my friend for yielding and compliment him for the tremendous leadership that he has shown on this issue. I am going to be quoting from the gentleman's extraordinarily well written article, which appeared in the Los Angeles Times, in just a moment.

Maintaining world peace and eliminating the threat of thermonuclear extinction is a goal shared by all Americans. History has clearly demonstrated that the United States of America can insure peace if we, as the last bastion of freedom, maintain strength both militarily and economically.

I do not like the prospect of purchasing 21 MX missiles, but I certainly prefer it to the potential alternative. A nuclear arms reduction agreement is our goal at Geneva. We have the opportunity to encourage the negotiators with today's vote.

Mr. Chairman, before voting we must remember that in examining our strategic options, the Scowcroft Commission reported the following, and I quote this from Mr. DICKINSON's article in the Los Angeles Times:

> It is illusory to believe that we could obtain a satisfactory agreement with the Soviets limiting ICBM deployments if we unilaterally terminated the only new U.S. ICBM program that could lead to deployment in this decade.

Mr. Chairman, I ask my colleagues to vote "aye" for the Peacekeeper missile. Let us encourage the negotiators at Geneva.

Mr. Chairman, I yield back the balance of my time.

Mr. ROBINSON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of unfencing the funds for the MX.

Mr. Chairman, we have been debating this subject now for about 12 years, and I thought that all of the questions had been answered, but they have not because I have been making some calls, as most other Members around me have and one of the questions that always arises is: How can we afford it in this budget? Well, obviously the releasing of these funds has nothing to do whatsoever with the 1986 budget.

The other question they raise is: Well, I have always voted against the MX. How can I afford now to turn around and vote the other way?

I think the answer to that is very simple. It is because conditions have changed and changed dramatically.

For the first time I believe that we do have a reasonable chance of reaching an agreement with the Soviet Union in this matter. There are several reasons for this. No. 1 is the new leadership. The other one is the possibility of SDI. There are several others.

I believe that it is the desire of every peace-loving person on Earth that we have disarmament. But unilateral disarmament is not the answer. I do not look upon the MX as a bargaining chip but as a lever to bring about true disarmament.

One other point I would like to make, Mr. Chairman, is this: The Democratic Party has been accused of being soft on defense. The polls showed that in the last Presidential election. The new chairman of the Democratic Party has said that he does not want to be accused of being soft on defense. And I am not saying that this vote will do that. But I think what we need to understand on this side of the aisle is that if we vote this weapon system down and as a result of that the President decides to recall the negotiators, I do not know how we are going to respond to the question: Why did you pull the rug out from under our negotiators?

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I have listened to this debate and heard both sides, have listened to Max Kampelman and the President, and it is difficult to avoid the feeling of somehow being trapped and responding in fear one way or the other. If you vote against the MX, you are undermining or delaying arms control and you are continuing an undisciplined arms race; if you vote for MX, you are committing yourself to a bargaining chip mentality that forces expenditures of billions on this and other weapons systems at a time when we simply cannot afford it. Those are the risks.

I hope the test of our Nation's strength today is that we are going to be able to make this decision not out of fear or intimidation or scare tactics but out of what we feel is in the best interest of the country.

It is my belief that the greatest threat we face over these next few years is the threat to our economic security, because if our economy is undermined, that threatens our national security. If by 1989 we are going to spend—and it is now projected—43 cents out of every dollar just on interest payments on the national debt, what will be left to spend on other areas of national security?

The approach that we are taking now is "eat, drink and build MX" and hope that we can pay the bill sometime down the line.

If you agree that the deficit problem is a crisis, you have to then agree that we have to consider all areas, including defense, because defense represents now 30 percent to one-third of the Federal budget.

If you agree we have to deal with that percent of the budget, you have to deal with weapon systems because weapon systems represent today 50 percent of the defense budget.

Now, there is a great deal of talk about freeze these days. We hear it when we discuss agricultural bills, we hear it when we talk about committee funding resolutions. If you believe in a freeze approach, let me tell you what CBO says. If you support a zero percent freeze with inflation and you do not want to touch MX, there are 17 key areas that you have to go after. You have to cancel the C-17, cancel five new submarines, cancel the F-15, cancel the M-2 Bradley vehicle, cut the DOD research and development, cut military health and pay, cut funding for star wars. All of those elements have to be canceled or cut if you are interested in a freeze.

Now, if you do a freeze on a BA basis, which many are advocating now, you not only have to include all of the 17 plus MX but you need to come up with $4 billion more. And if you support an outlay freeze in defense, it is $20 billion more.

If you support an outlay freeze, you are talking about not only getting rid of MX and canceling or cutting the 17 other areas but you are also talking about having to come up with $20 billion more. The point is this: You cannot freeze defense without freezing the MX missile system. MX, I believe,

is indeed a bargaining chip; but I am afraid the danger is that it is more of a bargaining chip for the Soviets than it is for the United States because they are testing whether we will make this decision out of fear or intimidation, or whether we will be tough enough to make a decision based on what we believe is in the best interest of this country.

I think a "no" vote is in the interest of this country.

□ 1430

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. I thank the gentleman for yielding me this time.

Mr. Chairman, today we will vote on whether or not to preserve our national security for decades to come. The MX vote will be watched by the entire world, but no one will be more keenly interested than the new leadership of the Soviet Union.

While we argue the technical and theoretical merits and demerits of this weapon system, the Soviets, under Mr. Gorbachev, will know that the real debate is not over technical capability, but is instead over whether or not we, as leaders of the American people, truly understand the nature of our relationship with the Soviets.

We must be strong, now more than ever before. The Soviet Union has a new, young, and aggressive leader. Our votes today, along with the Geneva arms talks, will shape how we deal with this man in all likelihood for the coming two decades. A mistake now would be amplified many times during the career of Mikhail Gorbachev.

The gravest mistake we can make is to deny the funds necessary for deployment of this vital weapon. Failure to do that now would hand to the Soviets a major advantage as they embark on a long-term program of military modernization and growth.

Please, join me in the first signal we send to the new Soviet leadership one of strength and responsibility, not weakness and provocation. I urge my colleagues to vote "yes" on the MX today.

PARLIAMENTARY INQUIRY

Mr. ROBINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROBINSON. Mr. Chairman, how much time do we have left?

The CHAIRMAN. The gentleman from Arkansas [Mr. ROBINSON] has 40 minutes remaining; the gentleman from Alabama [Mr. DICKINSON] has 45 minutes; and the gentleman from Florida [Mr. BENNETT] has 1 hour and 38 minutes.

Mr. ROBINSON. I thank the Chair.

Mr. BENNETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. I thank the gentleman for yielding me this time.

Mr. Chairman, what we have to deal with here today is reality, not perception—what the MX missile really is and not what the President would like it to be. It is a 10-warhead land-based intercontinental ballistic missile. It is not a bargaining chip.

The President's argument that the MX is a needed bargaining chip in the arms control talks in Geneva is seriously flawed. Those who know arms control will point to the historical failure of weapons as bargaining chips. We all know that the U.S. strategic arsenal is full of weapons such as MIRV's and cruise missiles that began as bargaining chips but were never cashed in at the table. It is simply not tenable to argue funding for the MX as a bargaining chip.

Spending tens of billions of dollars on the MX would have a seriously detrimental effect on this Nation's readiness since its prohibitive cost would jeopardize funding for other more effective, more important weapons systems that genuinely protect the American people.

The President's bargaining chip argument is a very curious one for him to choose with respect to the MX missile since the Soviets pulled out of the talks when Congress approved MX funding and agreed to resume the negotiations after Congress has suspended production funding for new MX missiles.

The use of warped logic to intimidate Congress into funding the MX is clearly a last resort attempt by a desperate administration. They certainly cannot defend the MX on any other grounds. It is an ineffective weapon whose primary function—that of certain retaliation in the event of a Soviet attack—is less convincing than our present mix of land, sea, and air missiles. Without a secure basing mode—and deployment in Minuteman silos is anything but secure—it is a vulnerable weapon that would be of little use in retaliation. And, most importantly, it is a provocative and destabilizing weapon that will certainly be seen by the Soviets as an attempt on our part to prepare for a first strike. This, of course, would radically heighten the possibility of accidental nuclear war as the Soviets would feel compelled to launch a full-scale nuclear attack at the slightest hint—mistaken or otherwise—that MX missiles had been launched. We would, in sum, be inducing a use it or lose it mentality in the minds of the Soviet leadership.

Given the total lack of military or strategic justification for funding of the MX missile, I hope my colleagues will see the bargaining chip logic of the administration for what it is—fatally flawed. I strongly urge defeat of the resolution to release $1.5 billion for the MX missile.

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. RAY].

Mr. RAY. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of House Joint Resolution 180. There is considerable rhetoric, as we all know, about the vulnerability of the MX. Some say that it is a sitting duck. One speaker even said that it would miss its mark by 5,000 miles because it would be destroyed in a vulnerable silo.

Mr. Chairman, it is my impression that the MX missile will do its job in at least three stages: It will encourage the Soviets to negotiate. It will deter the threat of aggression. It will strike back, only as a last resort. I would submit, Mr. Chairman, that the MX missile, if it is destroyed, it is designed to deter aggression, and I fully believe that it will do its job. If deterrence does not work, it will not be the MX missile in its silos that we should be really concerned about. It will be the great cities of this land such as New York City, Washington, DC, the helicopter pad at the Pentagon, Chicago, Los Angeles, as well as our military bases and their systems.

I do not rise here today because I like the idea of supporting a weapon that will lead to a nuclear holocaust. Of course not. Is it because I am overly enamored with the particular nuclear weapons system that we talk about? No again. It is because I honestly believe two things about the Soviets: First, they never give up something for nothing, and second, they are not the least bit impressed by paper weapons.

The Soviets do, however, understand deployed weapons, as evidenced by their reaction to the Pershing II; the ground-launched cruise missile deployments. Having listened to endless hours of MX debate, it seems to me that when it comes to anticipating Soviet arms control and behavior, recent history has been even more kind to those who have favored the MX Program than those who have opposed it.

I ask you, Mr. Chairman, what has changed to suggest that we should now abandon the MX and the only course of action that thus far has produced any results. If we vote down House Joint Resolution 180, would the Soviet negotiators subsequently give up something of equal value? Will the subject of arms reductions remain a matter of self-interest to the Soviets? Could we successfully negotiate meaningful arms control and reductions by ourselves should the Soviets walk out of the Geneva talk again, and will this happen? You know as well as I do that the answer to these questions is a resounding "no."

My esteemed colleagues, it is for these reasons that this Member will stay the course and will vote in favor of House Resolution 180, and I would urge that you do the same.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. CROCKETT].

Mr. CROCKETT. I thank the gentleman for yielding me this time.

Mr. Chairman, once again we are being asked to give the Reagan administration billions of dollars to spend on Pentagon boondoggles—this time for the release of $1.5 billion for 21 MX missiles—or, as the President loves to call them, Peacekeepers.

I fail to understand how anyone can believe that throwing another $1.5 billion down the MX rathole will help us keep the peace anywhere in the world.

We have already spent over $13 billion on the MX missile in the past 10 years, and we don't have one built yet. And if we did build one, we have no place to put it. By 1990, Mr. Reagan wants us to spend $12 billion more, or a total of more than $25 billion on this orphan weapon.

I don't intend to talk about the incredible notions of how Mr. Reagan plans to hide the MX in existing silos. I won't talk about the convoluted logic that first said we needed the MX because the Soviets weren't at the arms talks, and that now says the MX is necessary because we are talking arms reduction with the Soviet Union and we need to have the MX so we can destroy it in return for something we may want from the Soviets. In other words, we think there is something we may want from the Soviets—what that something is we don't know—but we are asked to pay $25 billion to get it.

What I would like to discuss, briefly, is why the entire concept of building a $25 billion obsolete missile for peace is irrational and insane.

It's an Alice-in-Wonderland concept that you build more weapons to promote peace. If that were truly the case, the billions of dollars of military equipment and training the U.S. exports every year would have brought peace to Lebanon, and to El Salvador, and to Northern Ireland, and to South Africa.

Obviously, weapons aren't the answer to the world's problems.

The security of the world is not enhanced by the MX any more than it's enhanced by our having 25,000 other nuclear warheads poised to explode.

On the contrary, the extraordinary amounts of money and creative energy being diverted to these weapons are desperately needed to address the real threats to the world's security—hunger, disease, and injustice.

The people of my district in Detroit understand this, and I know your constituents do, too. They write and telephone us asking us to restore funding cuts made by the Reagan administration in health and housing and education programs.

They plead with us to help the victims of famine in Ethiopia, and of racism in South Africa. They urge us to stop illegal U.S. intervention in Nicaragua.

Our constituents can see that the billions of dollars we are spending for a bargaining chip are gambling away our children's futures. We don't have the money, or so the Reagan administration tells us, to build quality schools or ensure a strong Social Security System for our elderly, or feed poor school children lunches. But we have billions of dollars to feed the military-industrial system to produce the MX.

We don't have the money to continue mass transit systems across the country, but we can allow the Pentagon to enlarge its transportation system for death.

We don't have the money to clean up our environment, but we have enough to make nuclear winter a clear and present danger.

Mr. Chairman, the MX missile is dangerous not only because it is unnecessary and unworkable; it's most dangerous because it steals from our people the means of producing real world security.

I urge my colleagues to vote against the MX.

□ 1440

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr Speaker, I rise in opposition to the MX. I am for a strong defense, but the MX forces us into a long-term commitment that eventually will weaken our defense posture.

This is a $34 billion vote that we are casting today. In this debate, there has never been so much talk about macho politics and litmus tests and statements that the Democrats are perceived as weak on defense. These reasons aside, I have not heard the fundamental question. Is this missile in the best interests of the people we represent in the United States? Do our constituents want the MX?

On defense grounds, I think we can make a strong case for a need for the Trident submarine and the B-1 bomber, but it has been made manifestly clear by some of the top defense experts in this country that the MX is a lemon. Instead, we need a small, mobile ICBM. Just because you are against the MX, you are not against defense despite the view of some in the White House. We are going to have to pay $254 million for each MX after we harden the silos. And it has been made clear that in effect what we are doing is accumulating close to a $60 billion commitment in a weapons system that will not even be a bargaining chip in the future because it will not work.

The gentleman from Florida has very eloquently talked about what could not be built in the conventional area to strengthen America—840 M-1 tanks, 716 Bradley fighting vehicles, 180 F-16's, F-15 fighter jets, and 144 Apache attack helicopters to accommodate the bloated cost of the MX. We need to upgrade our conventional forces, not invest in a sitting duck that would be extremely vulnerable to the Soviets.

I submit, what about the schools, and what about the hospitals that will not be built? And the nutrition cuts that will help the elderly and infants. What about the kids that will not be educated if we proceed on this mad, mad dash to go out of the orbit on military spending?

We want to see a freeze on defense spending, and we want to see domestic spending frozen, too. Let us not invest in a weapons system that will not work, and will cost over $80 billion. Let us have suitable bargaining chips when we negotiate with the Soviets—the MX is not that bargaining chip.

Mr. Chairman, let us do what our own constituents want us to do. I submit that Members should listen to their own people in their own town meetings. That should be the real litmus test, not whether you are a good Democrat or whether you are a good Republican, not whether you are going to support this negotiating team, not because the Defense Department says it is what we should do, but because of what our own people want us to do.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I wonder if the gentleman would point out to me what he believes the percentage of the strategic budget to be that is represented in the overall Pentagon budget? Would the gentleman venture to take a guess?

Mr. RICHARDSON. Well, I would just venture to say that when we spend money on weapons, as my colleague knows, we are making a long-term investment. I know for sure that with the hardening of the silos on each MX—well, I will ask, is it not correct that we are spending $254 million per missile? Is that correct or not?

Mr. KASICH. Mr. Chairman, will the gentleman yield further and admit that when we add up the B-1, the Trident submarine, the MX missile, and SDI research, when we add it all together, it totals $28 billion, less than 10 percent of the total cost of the defense budget?

The CHAIRMAN. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

Mr. BENNETT. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. Mr. Chairman, the vote on the MX missile is not the first national security issue to be debated in this Congress. Another vote crucial to our national security was taken a few weeks ago—emergency credit assistance for family farmers.

Across America, rural communities are faced with the worst financial crisis since the Great Depression of the 1930's and hundreds of thousands of family farmers are on the brink of bankruptcy.

After tens of thousands of proud but desperate farmers have united in demonstrations across the Midwest, and after thousands of rural residents called or wrote their Representative, Congress gained an understanding of the severe conditions and approved legislation that would have served as a bridge to the long-term solution for family agriculture—better prices for farm products.

The Congressional Budget Office estimated that the legislation, which would have provided low interest debt consolidation and advance commodity payments, would have cost $97 million per year. It was the last hope for thousands of farmers who cannot afford to plant a crop this spring.

Yet President Reagan chose to veto the urgently needed bill, calling it "budget busting" legislation.

President Reagan is now asking Congress to make available $1.5 billion for the costly, controversial MX missile.

The time has come for this country to consider both defense and food production important national security issues.

Our European allies, who have fought wars on their soil, understand this connection. They know that a dependable food production chain during wartime is as important to defending their borders as bullets and bombs.

The Reagan administration must therefore apply the same test to MX missile legislation as it applies to emergency assistance for family farming.

The result is clear.

If legislation providing thousands of credit-squeezed family farmers with urgent temporary help busts the budget, then a request for 15 times more money to continue a missile program that is said to be ineffective as a weapon and as a bargaining chip in our negotiations with the Soviets is certainly a budget buster.

The recent MX votes have been very close and a change of but a few Representatives could alter the outcome.

Any Member of Congress who represents even a single farmer or who understands the importance of this Nation's ability to produce its own food should decide how to vote on the MX by applying the same test as the President applied to emergency farm credit legislation.

The result is clear.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I have heard all of the arguments and tried in all fairness to the President and my conscience, to reassess my position on this issue. And I still come out opposed to 21 more MX missiles. I have consistently voted against plans to deploy the MX in old Minuteman III silos. I have long believed, and still do, that basing the MX in this mode would make it too vulnerable and too destabilizing.

There has been a tendency by some to question a persons commitment to mom, apple pie, and democracy if they oppose a major weapons system or question a President on a foreign policy matter. Clearly, this is not fair. Everyone in this Chamber loves our country and wants to do what is right. As Lyndon Johnson once said, "Everyone wants to do what is right—what is difficult is to know what is right."

Anyone can make mistakes, generals, Presidents, quarterbacks, husbands, Congressmen, you name it. What it is hard to do is to admit a mistake and then to do one's best to make it right.

This debate for me has echoes of the 1960's debates held in this Chamber on Vietnam. Until 1966, I supported the Johnson administration's stand on Vietnam. Along with a majority of the American public, I honestly believed that our national security was at stake in that troubled country.

I believed that the dominoes would fall and that our country would be ripe for our adversaries if we didn't check it in that corner of the world. As the war dragged on, many of us began to have real doubts about our policy in Vietnam, but we were reluctant to admit our past mistakes and undercut the Commander in Chief. And we paid a heavy price. Tens of billions of dollars were spent and 50,000 Americans died before we as a country admitted that we had pursued a mistaken policy in Vietnam. Wrong in all good faith, but still wrong.

Similarly, and in the beginning, I accepted the rationale and need for this huge new missile, the MX. My district had experience with nuclear missiles. For 20 years, we had 18 Titan missiles in silos around my hometown of Tucson. In the 1960's, the country was told that by the 1980's the Soviets would have exceedingly more accurate weapons and that the Titans and Minutemen then deployed in fixed silos would no longer be safe. And so the research race began, in an effort to develop a replacement missile. But it would be radically different and vastly improved, no longer in silos which could be pinpoint targeted. It was to be deployed in a mobile or deceptive mode to thwart our adversaries.

The basing modes that were considered and rejected range from the merely comical to the ridiculous. Among others, we've considered all of the following:

Dropping the MX out of airplanes and then firing it;

Placing the MX on barges on the intercoastal waterways;

Deploying the MX in grocery store trucks on the highways;

Putting the MX in disguised railroad cars; and

The famous "racetrack" method in Nevada and Utah.

In fact, we've analyzed 34 different basing modes—everything except putting the MX on John Riggins' back and pointing him toward Texas Stadium or MX missiles being hauled around the bottom of the Grand Canyon on the backs of burros.

The administration even actually tried to settle this question with their three-point answer for every problem—stand tall, blame Jimmy Carter, and appoint a commission. So the Scowcroft Commission studied the problem of how to replace a vulnerable, silo-bound missile with a new, less vulnerable weapon. And their remarkable solution was coming full circle, to put the new missile back in the silos and to pack more concrete around them. Problem solved by original problem.

The contribution the additional 21 MX missiles will make to national security is at the very best, margir al. If the President has his way, we are going to spend another $12 billion in the next 4 years and another $18 billion for hardening if we approve the project. If we must spend another $30 billion on defense, I would rather see us use the money for things that will truly make us stronger—such as the inexpensive, nondestabilizing Midgetman and/or beefing-up our conventional forces in Europe. The most likely scenario for a 1980's war involves a conventional Soviet land invasion of central and Western Europe where our forces are clearly inferior. If this did occur, we might be limited to a choice of surrender or to go nuclear within days of a Soviet attack.

So, like many MX opponents, I'm for arms control and I'm for national security. It's tough to say no to a President who says I need this money for our national security and I need your help. But I must say no to Ronald Reagan on MX, just as I said no to Lyndon Johnson on Vietnam. If you were to separate the arguments used here into two separate questions: One, Do you want to support the President and his Geneva negotiators? And, two, is the MX a good and wise investment in national security? You'd get an overwhelming "yes" to the first ques-

tion, and a resounding "no" on the second. Even my valued friend, BARRY GOLDWATER, chairman of the Armed Services Committee in the other body, said earlier this year that the MX is a mistake.

This is a tough call. But that is what we've been elected to do. On the question of whether 21 more MX missiles makes sense, my call is "no way."

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished and able orator, the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I heard the litany of conventional armaments that this money could purchase instead of the MX, and I trust that accompanying those purchases will be a bill to reinstate the draft so we will have personnel to run all that new conventional equipment.

There are all kinds of arguments against the MX. Everybody in opposition is against the weapons system that is before us now, the only weapons system on ICBM's that will get us into the 1990's. They are always for something way down the road that may never come.

We ought not measure the defense budget against public works or food stamps. We measure it against global responsibilities, global responsibilities that we in Congress have imposed on this Government—three-ocean responsibilities, with a one-and-a-half-ocean Navy, if we stretch things. We must measure the defense budget against a global threat, and if you fail to see that, of course you would oppose the MX.

World war III will cost a price beyond calculation, so if we are going to talk in terms that adequate defense is too expensive, I suggest that you measure this expenditure against the cost in human lives and treasure that world war III would cost.

I believe in deterrence. I believe thats the deterrence must be believable, and, yes, it must be believed by the Soviet Union, not just by ourselves. They have to be convinced.

Now, bombs, like people, get old, they deteriorate, and I suggest that we are facing an array of modern Soviet first-strike intercontinental ballistic missiles—the SS-13, the SS-18, the SS-17, the SS-19, the SS-16, the SS-X-24, and the SS-X-25. And what is our grand response? The Minuteman III which is old Lyndon Johnson technology. That is our response.

We have to modernize every leg of the triad or we do not have a triad.

Now, you gentlemen on the left may wish to have our negotiators walk around Geneva leading a French poodle on a leash. I prefer a Doberman pinscher, and a hungry Doberman pinscher. It is called incentive. The concept of incentive. It is a new word, I guess, but it works in economics, it works in foreign policy, and, yes, it works in arms control.

□ 1450

As were the Pershing II and the ground launched cruise missile deployment in Europe, this MX is a test of our political will.

Now, we talk about vulnerability. We keep looking at the MX in isolation as an independent problem instead of the Synergistic effect of each leg of the triad. Talk in terms of force vulnerability, not silo vulnerability, and you see it will work and it is not vulnerable.

Contrary to what some people think, say, and write, peace is not the natural state of mankind and weapons do not cause wars. In a dangerous world, and as in a dangerous neighborhood, weapons can keep the peace. Weapons can bring safety. Strength preserves the peace. I will enthusiastically support the modernization of our ICBM system to render our nuclear deterrent credible and to reassure our arms control negotiators our support.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I thank the gentleman for yielding.

About 15 years ago this spring, I was a lieutenant junior grade about to go on my first overseas tour to Southeast Asia. It was also just about 15 years ago that we in this Nation began to be concerned about the vulnerability of the land-based leg of our triad, and we became concerned that we do something to take away that vulnerability. What we decided to do was to begin to develop the MX. The idea was that we would have a missile that was not stationary, that was not a sitting duck as some of us believed our Minuteman's to be, but rather that we would have a missile that would be less vulnerable, that would be mobile.

I think it is a cruel irony today that 15 years later we are still going to put those new MX missiles in those old Minuteman silos. I do not know that we are really enhancing our national security all that much. By doing so.

Some of us in this Chamber will vote today for the MX missile, for the installation of another 21 of them. We will vote to do that, and we will say that we are going to do so, because it is a bargaining chip and that we need bargaining chips. Maybe we do. I think we do.

The question is, do we have sufficient other bargaining chips? I believe the answer is yes, we do. We have antisatellite weapons. We have strategic defense initiatives. We have the B-1 bomber. We will have Stealth bombers. We have ground-launched cruise missiles. We have submarine-launched cruise missiles. We have the Pershing II. We will have the Midgetman missiles and new D-5 missiles on Trident submarines, and that is just part of the list.

Mr. DICKS. Mr. Chairman, will the gentleman yield on that point, because we do not have the D-5. We might have the D-2.

Mr. CARPER. I am sorry, I do not have the time. In summary, I am concerned that we do not really enhance our national security with the MX, and I am not convinced that we really need another bargaining chip in Geneva.

One thing I do know for sure, though. The money that we are going to spend for these extra 21 missiles, or however many we buy, the money that we spend will not be money that we have raised through taxes. The money to build at least 25 percent of these missiles, at least five of them, will be paid for by money that we borrow, adding to our Nation's debt.

One of my colleagues said earlier that we need to send our colleagues to the bargaining table in Geneva with a Doberman pinscher. That may be true, but, as a Nation, we are only willing to pay for a cocker spaniel.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, it seems we have dropped all pretense of defending the MX on substantive grounds. It is now said that the MX is a bargaining chip for our negotiations. Rather, it seems that the Geneva negotiations are a bargaining chip for the MX.

I wonder when it will stop.

Will we next be asked to ratify star wars, the B-1 bomber, or any other new weapons system that comes along to bolster our negotiations.

In fact, perhaps we should adjourn the Congress on all defense matters as long as Mr. Kampelman is talking at Geneva.

This Congress must make substantive judgments on whether these systems work or do not work. It is up to our negotiators to take those substantive judgments and do the best they can.

Mr. Kampelman has become the star wars of the MX negotiations. He is the ultimate weapon. MX is not the ultimate weapon and we are in a brave new world of double think.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I thank my colleague from Florida for the superb leadership that he has provided in this continuing debate.

Mr. Chairman, it used to be that when we spent money for a weapon, we were buying national security. This year, we are considering spending $1.5 billion for a weapon, and we are told that we are buying arms control. How times have changed.

Just last year, we were asked to spend $2.5 billion for MX missiles, so that we wouldn't reward the Soviets for walking away from the bargaining table. This year, we are asked to release $1.5 billion for the same MX missiles, because the Soviets have come back to the bargaining table. What a difference a year can make.

This year, we are told we need the MX missiles to demonstrate our purpose, will and strength to the Soviet leadership. We are told that if we do not increase and modernize our arsenal of intercontinental ballistic missiles, we will fail in our attempts to reduce our arsenal of intercontinental ballistic missiles. Arms control, we are told, is what we will get for our $1.5 billion.

Mr. Chairman, the fact is these new converts to arms control want a MX system, and apparently they don't care what reason is given—after all it changes from year to year. What are called the changing subtleties of the arms control situation are nothing more than contradictory reasons to build this half-baked missile system.

To build a missile system for purposes of getting an arms agreement is a gamble fraught with uncertainty. We may well spend $1.5 billion this year and get no agreement. We may spend $41 billion to put 100 MX missiles in hardened silos and accomplish nothing in Geneva. We are gambling that this money will push the Soviets into signing an agreement. But what if the Soviets respond by expanding their own strategic arsenals?

This is a gamble where losing will have high costs for the people who have to foot the bill—the taxpayers. If we buy 100 MX missiles and get no agreement in return, we will be $41 billion poorer. And if we do release this money, and the subsequent funds—for which I am sure others will find future justifications—we will get a missile system that jeopardizes nuclear stability. Strength in Geneva is useless if we endanger all Americans to obtain it.

Arms control cannot be bought by spending $1.5 billion for 21 more MX missiles. The idea that anyone will be safer if we spend $1.5 billion for 21 more MX missiles defies all reason.

There is one more point I would like to make. We have heard from some Members that unless we vote for the MX, we will be labeled soft on defense. We are not soft on defense. We are being hardnosed about spending money on bad defense. And it is ironic that those who now criticize us for refusing to waste money on this bad investment are the same people who criticize Democrats for being big spenders and trying to solve problems only by throwing money at them.

If we want to avoid looking soft on defense, voting for this missile system is not the answer. What we may save in image, we lose in serving the national security interests of the American people. And if we think we can fool the American people, or the Soviets, by buying this pig in a poke of a missile system, guess again. The only ones we are fooling are ourselves, and the only ones who benefit are those who receive the $1.5 billion of taxpayers' money. America will be less rich, less strong, and less safe.

I urge my colleagues to vote against the resolution and against releasing the $1.5 billion.

Mr. Chairman, I yield to my friend, the very distinguished gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, the House is being called upon today to approve the release of funds for the production of the next 21 MX missiles. President Reagan has adopted a full court press—if we don't approve the release of these funds, the START talks are doomed to fail and Congress alone will be to blame. This my friends is political blackmail.

President Reagan first embraced the term "bargaining chip" to describe the MX missile program. This missile would be essential to the success of the arms negotiations. Then, it should follow that its continued production and deployment would be contingent on the outcome of these talks.

Yet, President Reagan himself has stated this missile is an integral part of the U.S. defense buildup and will not be bargained away in Geneva. Administration officials have made it clear that they intend to deploy this missile regardless of the outcome of the talks in Geneva. It becomes very clear then that this system is not a bargaining chip at all.

Furthermore, history shows that those weapon systems which are used as bargaining chips during negotiation periods are never cashed in. They become part of the U.S. strategic arsenal—thereby enlarging the very problem they were supposed to help solve.

The administration now refers to the system as a kind of leverage for bargaining; something to keep the Soviets at and involved in the START talks; but at the same time something allowing the United States to negotiate from a position of strength, forcing the Soviets to make the larger concessions.

However, this system fails as a tool for leverage also. The Soviets pulled out of these talks 2 years ago, even though Congress had already approved funding for production of the first missiles. More interesting, they agreed to return to the negotiations after Congress suspended production of the MX last fall.

In addition, due primarily to its basing mode, the MX is still of questionable value to the security of the United States. How then can it substantially improve our Nation's bargaining position in Geneva? Even without the MX, the United States enters these talks with a very strong suit; the rest of our wide-ranging defense programs give the Soviets reason enough to want to negotiate a reduction in nuclear weapons. In fact, the Soviets have paid little or no attention to the MX recently, while calling loudly for limitations on the deployment of other systems.

Finally, the MX program will not be brought to a screeching halt if Congress refuses to fund these 21 missiles. Only 5 percent of the already appropriated production funds ($150 million of $3 billion) has been spent. Therefore, the production lines will continue uninterrupted into fiscal year 1986 even without these 21 missiles. This would then allow Congress to reevaluate this program when a clearer picture of the progress of the arms negotiations is available.

By denying these funds now, Congress will be sending the Soviets a clear message that the United States is truly interested in reversing the trend of the arms race. We will be forcing President Reagan to follow a responsible path of serious negotiations with the Soviets. And we will be refusing to allow ourselves to be bullied into supporting a weapons program which does not have the overwhelming support of the American people, or the unmitigated respect of those with whom we are negotiating.

Let us not give the Soviet Union the satisfaction or pleasure of seeing hard-earned U.S. tax dollars thrown at a missile that lacks both logic and good sense. I urge you to vote against the release of these funds.

Mr. COURTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. Mr. Chairman, the MX debate this week is among the most momentous to face us in recent months. Together with the followup vote on further MX funding now scheduled for later this spring, our votes on these issues will be among the most important we will cast in the 99th Congress.

I don't believe it is necessary to go over in detail the reasons why we should vote for continued funding for the MX. The arguments are well-known and, in my opinion, very persuasive. The MX first and foremost is a necessary element in the modernization of our strategic weapons and of our deterrent capability. It is a reasoned, necessary response to Soviet advances in strategic weaponry which represent a real threat to our national security and that of the Western World. Without the MX, there can be no real assurance of protection from the recent massive additions to the Soviet nuclear forces, new missiles which are putting us further and fur-

ther behind—not ahead—of the Soviets.

How we vote is also intimately connected to the Geneva arms talks. A vote for continued MX funding will send a strong signal to the Soviet Union that we are firm in our resolve to meet their challenge and that we are not about to make unilateral concessions either inside or outside the talks in Geneva. A negative vote will send all the wrong signals and would be damaging not only to our position in Geneva, but also to our national security in both the long and the short term.

If we make our concessions now, all the Soviets have to do is sit back to wait for more—without making any of their own. Further, if the Geneva negotiations don't result in an agreement soon—or ever—a failure to fund the MX will mean that our strategic deterrent will fall further and further behind that of an adversary which doesn't have the luxury of open debate on funding weapons systems.

Mr. Chairman, every person in this room wants the Geneva arms negotiations to succeed. As a body, there is no greater legacy we can give to our children and succeeding generations than to contribute positively to the success of these talks by giving our negotiators a firm foundation of both congressional support and a strong, fully-equipped strategic arsenal. To paraphrase President Kennedy: We must not fear to negotiate, but we must also not negotiate from fear.

In short, Mr. Chairman, the choice is clear—firmness and strength in the face of a threatening adversary at the beginning stages of potentially far-reaching arms control negotiations, or a failure to meet only the latest in a series of challenges to our commitment to both an effective national security and peace through strength. I hope my colleagues in this House will also see it that way and vote accordingly.

Mr. Chairman, the House Republican Policy Committee, of which I am chairman, has approved an official policy statement calling for the release of the MX construction funds and further development of the MX program. The text of the policy statement follows:

The House Republican Policy Committee supports the release of $1.5 billion in funding for the production of 21 intercontinental ballistic MX missiles.

The missiles are needed both as an immediate step forward insuring the security and strength of the United States in a troubled world, and also to encourage the Soviet Union towards arms reduction.

For four years President Reagan has been working for improvements in America's strategic deterrent. Modernizing our land-based ICBM force with the development of MX missiles is an important part of that program.

And now, just as negotiations are underway with the Soviet Union to limit nuclear weapons, is not the time to unilaterally cancel a major weapons system. Congress should demonstrate its bi-partisan support for our negotiating team in Geneva by approving the joint resolutions freeing the funds for this vital program.

Mr. COURTER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE].

● Mr. KOLBE. Mr. Chairman, I rise today to urge this body to vote for the release of funds for the Peacekeeper missile. I do so only after much thought and consideration of the critical issues involved. Last year, as I sought the position I now hold, I stated that I could not vote for the MX unless I was convinced that it would contribute to international stability and a strengthening of our deterrent capability. Today I am convinced beyond a reasonable doubt that it will.

The resumption of negotiations in Geneva means that MX occupies a pivotal role in the arms reduction process. Funding for the MX program serves a dual purpose in the talks: First, it reinforces the hand of our negotiating team in reaching an arms reduction agreement; and second, it will encourage the Soviet Union to move away from reliance on the segment of their strategic triad that is most threatening to us.

The Soviet Union is about to start deployment of two new ICBM missiles. One of them is roughly equivalent to MX. Even those who see little military rationale for the MX will be hard pressed to explain how we can persuade the Kremlin to stop further deployment of multiple warhead ICBM's if we pre-emptively deprive ourselves of the one American system that can be used as leverage.

The MX will augment the land-based leg of our triad. That leg is crucial to U.S. strategy. Its maintenance is essential for the preservation of stability. Weakening the land-based leg by killing the MX would greatly affect the flexibility of U.S. Forces available in containing a crisis.

We know this. And the Soviets know this. And who among us thinks that the Soviet Union will consent to giving up their weapons in negotiations, while we unilaterally disarm?

No, this system is too important to our arms negotiations in Geneva. President Reagan has said that every aspect of our modernization program, including the MX, is on the agenda for an arms control agreement. Mr. Speaker, the criteria I had in mind in deciding whether to release these funds for the MX have been met. I am convinced that the MX will give us greater flexibility in negotiating meaningful arms reductions.

I don't want our negotiators coming home empty handed, saying they could have obtained an agreement, if only we had given them the leverage of the MX. Those negotiations are too important to our future, and the future of our children, to deprive our side of the tools they need to reach an arms reduction agreement.

□ 1500

Mr. McCURDY. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. ERDREICH].

Mr. ERDREICH. Mr. Chairman, today we will decide whether or not to release funds for the MX which were appropriated during the last session of Congress.

Last year, the consensus within both the House and the Senate was to hold the MX funds in order to push the administration toward arms control negotiations. One year later, progress has been made, talks have begun to enhance the U.S. position at the negotiating table, Congress has been asked to release the fiscal year 1985 funds for the MX, not to remove this weapon unilaterally from the negotiations.

The first vote I cast in this Chamber relating to the MX missile concerned the recommendations of the Scowcroft Commission. The recommendations of the Commission passed both bodies by an overwhelming majority and proposed substantial changes in the U.S. position on strategic weapons deployment and arms reductions.

For the first time deployment was to be tied directly to reduction negotiations and pursuit of less destabilizing weapons. This all-important concept represented a major departure. It strengthens efforts toward achieving stability in arms control and brings us closer to mutual reduction of nuclear weapons.

Further, the Scowcroft recommendations not only tied MX production to progress on arms control, but also reduced the number produced, and importantly, prohibited deployment of more than 10 missiles until the proposed single warhead undergoes component testing.

The vote today to release the fiscal year 1985 MX funds is in accord with the recommendation of the Scowcroft Commission. It is a direct leverage on our efforts in Geneva. We can argue the merits of deployment of the MX all day. I share the concerns expressed by some—its cost, its vulnerability, its destabilizing effect. But to me the conclusion is inescapable, that release of these funds is the correct step to take at this time as negotiations have begun.

Mr. Chairman, it is vital for us, and for future generations, that we achieve real arms reductions in Geneva. Progress has been made in this regard over the past year. I supported the effort to hold the fiscal year 1985 funds in order to push for arms reductions. Today, in the spirit

of that accord, I support the release of these funds.

PARLIAMENTARY INQUIRY

Mr. McCURDY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCURDY. Mr. Chairman, may I inquire as to the amount of time remaining for the proponents and opponents of this measure?

The CHAIRMAN. The gentleman from Oklahoma has 35 minutes remaining; the gentleman from Alabama [Mr. DICKINSON] has 40 minutes; and the gentleman from Florida [Mr. BENNETT] has 1 hour, 22½ minutes.

Mr. McCURDY. I thank the Chair.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, we are once again locked in rhetorical combat over the fate of the MX missile. We are asked to believe that the U.S. negotiating team waits with bated breath to know whether our new missile will survive the vote to be taken later today. A negative vote, we are told, will mean that our negotiators might as well come home for there will be no reason to continue negotiations.

I, as I listen to the arguments, I asked myself what are we really talking about. The original justification for the MX missile was the perceived need for a mobile missile designed to sidestep the "window of vulnerability." Our Minuteman silos, we were told, could no longer withstand the threat of a massive Soviet strike designed to destroy our land-based missile force. What are we voting on? A gigantic static missile that will be placed in the same silos that suffer from such terrible vulnerability. The Soviets have had years to target these silos into which we will place the MX. But now, magically, we learn the silos are no longer vulnerable. I do not know why.

Further production of the MX is now justified as a test of national resolve, a means for sending a signal to the Soviet Union. I wonder what signal is being received. We are building a highly accurate missile carrying 10 warheads to be based in silos that cannot protect them long enough to permit retaliation. Our negotiators at Geneva tell us the MX missile is vital as a bargaining chip to induce the Soviets to accept reductions in their heavy ICBM force. At the same time, the President declares that the MX is not negotiable.

Mr. Chairman, all that I can conclude is that anyone trying to match the words with the actions of the proponents of the MX will have a very difficult time trying to understand what they mean.

In conclusion I would like to agree with other Members, those speaking in opposition to this resolution, that the MX is a budget-buster, not only for 1985 but for succeeding years.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank the chairman very much.

Mr. Chairman, I rise in opposition to the resolution before the body at this moment and in so doing I am clearly aware of the fact that somewhere between 400 and 410 Members of Congress have already made up their minds on this issue. It is not to this group that I choose to speak. I accept the efficacy of the arguments that they have established to rationalize either voting for or against this resolution. But there is a handful of our colleagues who indeed will make the difference at this extraordinary moment in the history of this Nation and in the course of our deliberations.

It is to this group that I choose to speak, and I will try to make the following arguments: First, to the issue of the impact of this decision on the negotiating process. This gentleman would simply point out that it is the stated objective of this administration and indeed the stated objective of the Soviet Union to engage in deep reductions in our nuclear armaments for the purpose of moving us back from the brink of thermonuclear war.

Now, the obvious conclusion that one must draw from that is—irrespective of what we do on the MX missile—those negotiations have an imperative of their own. We have 25,000 nuclear weapons in our arsenal. Incidentally, they include 210 MX warheads.

The Soviet Union has similar numbers. So if it is indeed the objective of both sides to engage in deep reductions then it is a frivolous argument to assert on the floor of this Congress that the MX missile in some way will distort that imperative.

Twenty-five thousand nuclear weapons on our side, similar numbers on the side of the Soviet Union. At some point we have to get to this business. I do not have time to yield to the gentleman. I am sorry, but the format of the debate does not allow adequate time. This gentleman likes to engage in exchange, but we do not have that much time.

□ 1510

So it would seem to me that this is an imperative in and of itself. So persons argue on the floor that to move against the MX missile is to engage in unilateral disarmament. That is not the case.

What we are saying here is, let us get on with the business of negotiating back from nuclear war with the incredible nuclear arsenal we already have; we are simply saying let us not compound the problems on a geometric basis for our arms controllers; we have enough problems with our present nuclear forces.

Now, the second argument. To the question of rationalizing this weapon on the basis of the notion that it in some way closes the window of vulnerability. In 1977, this gentleman, accompanied by my distinguished colleague from New York [Mr. DOWNEY] exploded the myth of the window of vulnerability by pointing out that the Soviet Union could not in any way look at one independent leg of our nuclear triad and come to the conclusion that it was vulnerable; therefore precipitating a nuclear attack.

We said a rational Soviet planner would have to look at our nuclear arsenal in the aggregate and come to the realization that we were in no way vulnerable, and could inflict such incredible, unacceptable damage upon the Soviet Union that they could not emerge as a civilized society. A very interesting development later occurred.

When the Scowcroft Commission came forward, saying that we need 100 MX missiles in Minuteman silos, some people rose and said, Wait a minute, are you placing MX missiles in vulnerable holes? I thought you were trying to move toward invulnerability.

The Scowcroft Commssion then embraced the Dellums-Downey argument by saying, the Soviet planner had to look at the entire aggregate. They even gave it a very sophisticated term; they called it "synergism."

Mr. DICKS. Will the father of synergism yield?

Mr. DELLUMS. Let me finish my argument, and I will yield to the gentleman.

So they gave us a name for this argument. But what they did not understand was, once they accepted the efficacy of the argument we advanced in 1977, not only did the window of vulnerability close, it disappeared.

I am arguing at this point that at worst, the argument on the window of vulnerability was a fraud and at best it was shallow intellectual thought process that brought them to it.

Conclusion: Once the window of vulnerability was removed, the entire rationale for the MX missile went out the window. But we argued even further. We said, and if you go beyond this to the development of the MX missile, you are developing a first-strike capable nuclear weapon and all we are arguing now is the numbers that comprise the necessary forces to create that threat to the Soviet Union.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BENNETT. I yield 1 additional minute to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for 1 additional minute.

So now the Democrats on our side of the aisle who support this MX missile say, We want to put a cap at 42 or 50 weapons. My response to that is: The United States is at the table, the Soviet Union is at the table, 21 MX missiles are at the table, are you prepared to argue intelligently to this body and to the American people that 29 additional weapons are going to do what 21 do not do?

That is an argument that is flawed and absurd. Our responsibility is to preserve the integrity of this planet. You cannot do it by going forward with increasingly dangerous weapons.

Finally, a nuclear missile is not a military weapon. It can never be used, once you start down that road, we are talking about nuclear annihilation of human beings on this planet, and I think we have a higher order of responsibility than to engage in this charade.

If you are talking about programs for the poor, disadvantaged people and senior citizens and women and youth, we apply this incredible criteria. But when it comes to MX missiles and the military budget, suddenly our efficacy goes out the window, suddenly our responsibility goes out the window.

Vote against this madness. Preserve the integrity of this planet for ourselves, our children, and our children's children.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DICKINSON. Mr. Chairman, at this point I yield 5 minutes to the very distinguished and able gentleman from New York [Mr. HORTON].

Mr. HORTON. I thank the gentleman for yielding this time to me.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I will be glad to yield to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman for yielding to me.

Mr. Chairman, one of the distinguished chairmen on the other side, who truly has earned his place in defense history here, made a point about the availability of funds for conventional weapons if we kill the Peacekeeper. My own Catholic bishops are also suggesting that we turn to a massive rebuilding of our conventional weapons and forces. However, the good bishops don't tell us where to raise the massive defense funding increases.

If we use the argument, a transfer of limited dollars from strategic to tactical, then let us recall what a RAND study has shown, that if we had had the same funding level available from 1970-79 that the Soviets had—just the difference in our spending levels during that decade—the difference alone would have given us a budget to procure above what we now have: 7,000 tanks, over 3,000 armored personnel carriers, 729 F-15 Eagles, over 1,300 F-16 Falcons, and we would have online the entire original B-1 program of 244 aircraft, we could have built 8 trident submarines plus the entire 200 Peacekeeper Missile Program that was developed under a Democratic Presidency, with its entire 4,300 sites of protected shelters. In other words we fell behind the U.S.S.R. badly. We could have had a program that goes so far beyond the modernizing that we are proceeding with now, so far beyond that there is no comparison. And now we consider rejecting one of President Reagan's attempts to continue our catchup.

Mr. Kampelman made a very powerful statement in his brilliant and thoughtful presentation at the White House last evening. First, he put to rest your strawman statements on the majority side about anyone questioning anyone else's patriotism. He stated again that we are all patriotic, but it is our judgment that he desires to influence. Quote "it is seriously interfering with the negotiating process" unquote, to reject the Peacekeeper. He went on to say it affects the strength and integrity of the United States. The Ambassador reminded us we are not dealing with friendly Canada. When we arbitrarily give away something as a gesture of good will, to the Soviets, such as the B-1, we always get ill will in return.

I support this Peacekeeper system of deterrence on its merits and for what it does to advance the delicate arms control process.

Mr. DICKINSON. Mr. Chairman, the gentleman will yield, I would like to compliment him on his fine statement.

Mr. HORTON. Mr. Chairman, I would certainly agree with the gentleman from California [Mr. DELLUMS] that a large number of Members have already made up their minds what they are going to do on this.

I happen to be one of those who was in that category that he referred to that had not made up his mind until today.

Mr. Chairman, many of you know that I am not a supporter of the MX missile as a necessary component of our Nation's defense. In fact, I am not a supporter of the triad concept and believe that our Nation's interests are effectively protected by our Trident and other naval programs, and by our Air Force capabilities, especially with the air-launched cruise missiles.

I support strong national defense programs for each of these areas and will continue to do so.

For me, this vote on the MX represents far more than simple support or opposition to the weapons system itself. I believe it involves issues of security that will have the gravest impact on our Nation and the world—on your and my children and grandchildren.

These issues center around the talks currently underway in Geneva.

Over the past few weeks I have sought the best answer I could get from the most knowledgeable sources about the impact of this decision on the arms control talks. I spoke with President Reagan who called me from Air Force One on his return from Canada last week.

I also had a telephone call last Friday from President Ford, and I spoke with him for more than 30 minutes about his views on this decision. He informed me that it was during his administration that the research and development on this weapon was begun. He also pointed out to me that at his meetings in Russia with Brezhnev the fact that this MX research and development had begun, was the basis on which he was able to arrive at a decision with the Russians for SALT I. It was signed in the White House by Mr. Ford when he was President, and I was present when SALT I was signed.

And President Ford told me that he believed that the same was true today with regard to the negotiations as far as President Reagan was concerned.

I spoke and have spoken as many of you have with groups that are opposed to the MX. As a matter of fact, last week in my district, and the weekend before, I spoke with over 200 individuals on a 1-to-1 basis who basically opposed the MX. I want to emphasize that there is a genuine and widespread concern over what is perceived in this country as an unstoppable arms race with the Soviet Union.

□ 1520

And finally, at my request, because I could not attend the meeting yesterday with our chief negotiator at Geneva, I had a call this morning from Mr. Kampelman, I talked with him for about 10 or 15 minutes on the telephone from Geneva just after he got out of the meeting that he went back to attend which was the meeting with defense and the space section of the Geneva talks.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I want to first of all compliment the gentleman from Florida, who is one of the finest proponents of a strong defense. I know he would not oppose something like this if he did not think it was a real miscalculation of our funds.

I also want to say to my friend from California that I, as a Catholic, am proud of the Catholic bishops' stand and their opposition to the MX missile. I think it is the right stand, and I am proud that they put out their pastoral letter on this subject.

We know that it is generally acknowledged that the MX missile is highly vulnerable. Some people call it the biggest boondoggle and waste in Pentagon spending that we have had in this century. We know that an Air Force study acknowledged that as few as 1 percent of the MX missiles would survive a Soviet first strike.

So the question is: Can we, first of all, afford it? Here we have the enormous budget deficit, biggest in the history of our country. The enormous trade deficit. The overvalued dollar. A system that costs us more than $30 billion for which taxpayers have to pay.

Then the third question is: Do we need the MX missile to bargain?

To me that is a key question. If we know it is so vulnerable, do we not think that the Soviet Union knows it is vulnerable? How does that make us look? It makes us look extraordinarily weak. To waste taxpayer's money on a system that the world knows is vulnerable.

I want to submit for the RECORD the number of U.S. negotiators and members of our Central Intelligence Agency, former members, who are opposed to the MX missile. Ambassador Smith, Mr. Warneke, and others who say it is no bargaining chip, and who oppose the MX missile.

Finally, I would just like to quote one of the fine Republican Presidents, a man known for his military expertise. It was President Eisenhower who pointed out that every dollar wasted on the military weakens our national security.

Let us not weaken our national security. Let us vote against the MX missile.

Mr. DICKINSON. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Chairman, I just pointed out that I had talked by telephone this morning with our chief negotiator, Max Kampelman. I talked to him for about 10 minutes. He told me that rejection or postponement of this program would seriously damage the negotiations. In essence, his argument is one that has been discussed by many of us on the floor during this debate, why should we provide the Soviet Union with a major concession, without negotiation, and at a time when the Geneva talks have barely gotten underway?

And more importantly, what incentive would there be for the Soviets to move forward. Perhaps they could continue their delay in anticipation of further unilateral U.S. arms reduction decisions.

Today, I will cast the most difficult vote in my 23 years in this Congress. I know it is difficult for others. I will support production of these 21 missiles, not because I support the program, but because of the importance I place in our Nation holding a strong position at the Geneva talks. I want an arms control and reduction agreement. I believe this administration wants an agreement, and I further believe Americans and people everywhere want such an agreement.

My decision to support the production of these missiles is the result of a difficult and cumulative search for an answer to a perplexing problem—a problem that affects all people everywhere. There is no right, wrong, or easy answer, no guarantee that either approval or rejection will add security or stability for our Nation, and indeed, the world.

But my exhaustive analysis of the pros and cons will require me to vote for the MX today. I believe a "yes" vote will strengthen our hand at the critically important arms talks, which I consider to be the most important move between the United States and the Soviet Union in nearly a decade.

If we are to stop or delay the production of the MX, let the decision be a product of Geneva. I think it would be a mistake for us to do it here today.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Hawaii [Mr. HEFTEL].

Mr. HEFTEL of Hawaii. Mr. Chairman, during the Carter years the MX missile was looked upon as a vulnerable weapon. Consequently, it was a weapon which I voted against.

Now, under President Reagan, we are told that—suddenly—it will work. It makes no sense.

When you consider the fact that we have a deficit in excess of $200 billion a year facing us, when you realize we have a total debt of a trillion dollars, you have to at some point say, "Can we afford every $50 billion trinket that an inadequate disarmament negotiating team wants when they sit down to bargain?"

We cannot afford that kind of waste. We know that the MX missile is vulnerable. We know that it will not perform as an integral part of our national defense. Therefore, we have a simple solution. Do not waste the money. Talk in terms of economic commonsense and tell our negotiating team that we cannot afford a $50 billion bargaining chip.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Chairman, first, I would like to thank the gentleman from Florida for yielding me this time and to compliment him on the leadership that he has given on this issue.

He is demonstrating something that I think all Americans know and I think every Member of this House knows—the strength of our defense is not measured by how many dollars we throw at a particular weapons system. Strength and effectiveness is measured in defense, as in domestic programs, by the quality and usefulness of what we buy and the consistency of our purchases with our policy objectives.

It seems to me that we could find few examples of waste as glaring as the MX missile. We have heard all about its inadequacies as a military weapon. And, in fact, its inadequacies are so well documented that we do not really hear the lack of military value service debated here on the House floor.

The deciding votes on the funding of the MX missile during the fiscal year 1985 authorization and appropriation process last year were cast by those who said that this missile program had to be continued to get the Soviet Union to the table so that we could bargain over arms control.

Yet, now that they are at the table we hear that rationale abandoned, but we have a new one. We hear that the MX is a bargaining chip. Yet the President who asked for this weapons system says it is not a bargaining chip; it is to be a permanent part of our arsenal.

It reminds me of interviews you hear with the jury after it has come in with a verdict. Everybody on the jury with a unanimous verdict has a different reason for why he voted as he did.

Well, what is wrong with that? So what if everybody has a different reason?

The reason is this. It is the President of the United States who is going to be using this so-called bargaining chip, who is going to be negotiating at Geneva. If we give him this weapons system, it will be his rationale that governs, not those of the Members who are voting for this on their own private rationale. And this President says, come hell or high water, we are going to have this MX missile in our arsenal. If we are not willing to say no today, if we are not willing to put a delay in any further funding of MX missiles while the arms control bargaining goes forward, we are going to waste literally billions of dollars that we do not have. Unbuilt, these missiles may be a bargaining chip. Once built, this President says we will never give them up.

□ 1530

If we are going to face up to the budget deficit across the board, domestic and military, it requires that we make choices. This is a clear choice. Let us make it. Let us vote "no."

PARLIAMENTARY INQUIRY

Mr. McCURDY. Mr. Chairman, might I ask if the gentleman from Florida wishes to use time? Is that appropriate, Mr. Chairman?

The CHAIRMAN. The gentleman's request is in order.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, I first of all want to thank the gentleman from Florida for the work he has done on this. Let me say that I know of no Member of Congress who more conscientiously studies the issue and tries to do what he thinks is right than does the gentleman from Florida.

Mr. Chairman, the precise purpose of our debate on the merits of approving, or disapproving, procurement funding for the MX depends upon our abilities to determine accurately whether the MX is in the best long-term national security interests of the United States. Advocates of this legislation contend the MX is necessary for several reasons. We are told the MX is a vital bargaining chip that strengthens President Reagan's hand in convincing the Soviets that the best way in which to have fewer nuclear weapons rests upon the production of more nuclear weapons. We are told approval of the MX represents a display of national resolve that induces the Soviets to reduce their deployment of heavy missiles. We are told deployment of the MX guarantees the United States long-term deterrent capacity over the Soviet Union. We are also told deployment of the MX represents the best way to keep the Soviets at the bargaining tables in Geneva. All in all, we are told approval of the MX is vital to the long-term national security interests of the United States. While it is certainly true that the proponents of the MX spent a great amount of time in putting these arguments together, I remain unconvinced.

The expression goes, if you want to dance, you have got to pay the band. My trouble with the MX two-step through is that its advocates keep changing the tune. The band continues to collect hard earned tax dollars, and our national security interests in having a survivable, land-based leg of the strategic triad continue to be delayed. So far, we've danced to just about every tune they've thrown out there including such greats as "the window of vulnerability blues," "the come back to the bargaining table rag" and who can forget this year's hit, "how much is that MX in the silo? or was that window?" I always confuse the two. One can only guess as to which tune we shall be paying the piper for next year.

The point is, Does the MX make any military sense? In 1981, we were told the MX made military sense because of an alleged window of vulnerability which existed between the United States and the Soviet Union. Well, it seems to me that the Scowcroft commission closed that window when it recommended the deployment of the MX in existing Minuteman III silos. Last year, we were told the MX made military sense because of the Soviet Union's failure to return to the negotiating tables in Geneva. Well, it's fairly clear that today we are negotiating in Geneva and that has become this year's selling point. Today, we are told we need to show national resolve; because we are now negotiating, we need MX. Next year I suspect we shall be told we need the MX because the negotiations have stalled and in the meantime, the nuclear arms race goes merrily along. But the main point is, Does the MX make any military sense? In my view, the answer is no.

The military utility of the MX must be questioned. Deployed in fixed silos, the MX will become vulnerable to a first-strike attack as Soviet missile accuracies improve over the next decade. Today, we must evaluate whether it is necessary for the United States to mirror Soviet ICBM forces by deploying a first-strike weapon in a fixed silo, or whether our national security interests are best served by forgoing the MX and moving on to a mobile ICBM force that is less vulnerable to Soviet attack. MX advocates contend that we cannot attain Soviet concessions on reducing their current inventories of heavy ICBM's unless we build the MX and that we cannot go mobile until we have the MX in fixed superhardened silos. This makes no military sense whatsoever. Regardless of silo hardening, fixed ICBM silos on both sides are, and will continue to become, increasingly more vulnerable to a first-strike attack as missile accuracies on both sides continue to improve.

Soviet concessions on reducing their current inventories of heavy ICBM's depend entirely upon the Soviet realization that like the horse and buggy, the fixed ICBM is a thing of the past. Our intelligence community informs us that they are facing this reality. It is my understanding that newest generation of Soviet ICBM forces are mobile. Further, Soviet concessions on reducing their current inventories of heavy ICBM's may be accelerated by a Soviet realization that they cannot hope to take out U.S. ICBM's in a first-strike attack. It seems to me that a mobile U.S. ICBM force may be the best way in which to convince the Soviets of both our national resolve to complicate their strategic planning and the futility of a first-strike attack. For those reasons, we should reject MX and forge ahead with the Midgetman system which both we and they know will be mobile and have hard-target kill capability.

I believe we share a common responsibility with the President in providing for the sound defense of the United States. In this regard, we must ask ourselves whether the MX serves this purpose. Clearly, the answer to this question is a resounding no. Deployed in fixed silos, the MX becomes nothing more than an inviting target during a period of crisis or confrontation, and as a result of its lethality, the MX will serve to spur the nuclear arms race and induce both sides toward launch-on-warning, or launch-under-attack strategies that move us one step closer to nuclear Armageddon.

Mr. Chairman, the United States is currently engaged in the largest peacetime buildup of our military forces. Much of this investment falls into the categories of strategic modernization, including the Trident II, Stealth bomber, and advanced cruise missile systems which all serve to enhance U.S. deterrent capacity over the Soviet Union. MX does little to enhance this capacity. In fact, MX reduces it. For that reason, our path remains clear; we should reject the MX and send the band home, they're out of time and they're out of tune and they are out of step with the Nation.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I realize that this question was asked just recently, but the gentleman from Florida, I think, has more than twice the time of both the gentleman from Oklahoma and myself; is this not correct?

The CHAIRMAN. The Chair would advise the gentleman that the gentleman from Alabama [Mr. DICKINSON] and the gentleman from Oklahoma [Mr. MCCURDY] have more time than the gentleman from Florida. The gentleman from Florida has 1 hour 3½ minutes; the gentleman from Alabama has 33 minutes; and the gentleman from Oklahoma has 35 minutes.

Mr. DICKINSON. I thank the Chair. And that being the case, Mr. Chairman, I would like at this time to yield 5 minutes to the distinguished gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I did have an opportunity to speak yesterday. I will again today, for a few minutes.

There are a few points I would like to make. First of all, we have heard the argument about cost. Many of those people who are arguing that $1.5 billion is too much for the defense of this country last year were tripping all over themselves to vote about $8.5 billion for the bailout of IMF. I think if you vote $8 billion for foreign loans, you can spend $1.5 billion for the security of America.

Also it has been mentioned by some of my colleagues that you can do two things, you can continue the production line of the MX missile and keep the fence on, in other words, keep the money from being spent, and also all those contractors and subcontractors will actually stay on the job. Nothing could be further from the truth. I have reams of paper to show the types

of subcontractors that would leave, that would not be able to stay if the fence was kept on this money, if this money was not released. As a matter of fact, Tom Cooper, the Assistant Secretary of Defense for Research and Development, testified before the Armed Services Committee as follows with respect to that issue:

Mr. Chairman, I would like to underscore one thing that you pointed out in your question, that a straight no vote at this point in time—

Referring to this particular vote on fencing—

is in our view tantamount to the cancellation of the program.

So no one can seriously believe that you can have it both ways. No one can seriously believe that you can keep the fence on and also have the expertise and the subcontractors there to turn this weapons system back on one year, 9 months or 3 years from today as you would a light switch. It simply, in the real world, does not work that way.

Finally, Mr. Chairman, I have a couple of charts here. The first chart to my left depicts the artist's rendering of a Soviet SS-X-24. Now, we have heard during the debate that the Soviet Union has deployed the fourth generation of land ICBM's, that is, the SS-17's, 18's, and 19's. We know of their capability, we know that they have a capability that is greater than our land-based deterrent. We know that they have the capability of putting at risk our hardened targets, and that the United States does not have the capability of putting at risk their hardened targets. But is the MX a response only to the 17's, the 18's, and the 19's? The answer, Mr. Chairman, is that it is not. The Soviet Union has not stopped. The Soviet Union at the present time has two experimental missiles that they will probably deploy not in 1988 or 1989 but this very year, late in 1985 or, most certainly, in 1986.

First, there is the small single warhead, SS-X-25, which is not depicted here. That, by the way, is a clear violation of the SALT II agreements. It is mobile, it is both rail-mobile as well as truck mobile.

In addition to that, they are about to deploy the new SS-X-24. This is an artist's rendering. It is cold-launched, it is rail-mobile, it has 10 warheads, and this graph depicts it.

The second graph that I show over to the left is a map of the Soviet Union. The markings there represent those areas where the SS-20's and their ICBM's are now deployed. When in late 1985 or certainly 1986 they go to a rail-mobile system, the United States will not just have a few locations in the U.S.S.R. to target.

If they go to the rail-mobile system, as they are, our planners will have the entire rail system of the Soviet Union to keep in mind, from one side of the Soviet Union to the other. So I would like to say that the Soviet Union is not resting, they are not stopping, they are continuing to modernize their land-based leg of the triad.

It has been argued here that if we deploy the MX system that our strength is destabilizing, that strength is provocative. I disagree. I think weakness is provocative. Weakness is destabilizing. It is absolutely essential that both the Soviet Union and the United States have parity, have equality when it comes to their strategic systems. We cannot permit the Soviet Union to have greater strategic capabilities than we. If we do not deploy MX, if we keep the fence on, they not only have the fourth generation of ICBM's, the 17's, the 18's, and the 19's, they will increase their capability manifold by the deployment of the SS-X-25 and SS-X-24.

I plead with you, please vote to unfence. Please vote yes on the resolution.

□ 1540

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to talk to those Members who have opposed the MX in the past. All of the facts are the same; it is not survivable; we do have alternatives such as accelerating our mobile missile; we can accelerate our Trident. We still can object to Mr. Weinberger putting these MX missiles in the very same holes that he told us 2 years ago would be too vulnerable. We can reject this $40 billion expenditure because that is what it will cost by the time they do their superhardening. We can instead have a stronger deterrent by doing some of these things faster as far as accelerating the mobile missile, accelerating the Trident and strengthening our conventional forces, as the chairman has discussed.

Make no mistake about it, if you vote for the 21, it was clear in the debate yesterday, the aim of the administration and the proponents is to have 100 MX missiles. If you use the argument that because the negotiations have just started you want to vote for 21, but later on you will vote against 48, you will vote against 100, let me assure you the negotiations will be continuing when you face those votes later this year, the next year, and the years after that.

We all agree the negotiations will take at least 2, 3, 4 years. During that time, then the proponents will get their 100 MX missiles. So make no mistake, the vote today is not for 21 MX missiles, it is for the full complement of not only 100, but a backup of another 123 missiles for testing and so forth. We all agree on those facts.

Now, it has been said in the last 4 years by some that we have a teflon Presidency. That may or may not be true. But I know one thing after 4 years in this House, through the years we have had a flypaper Congress. That is, the responsibility sticks to us as to how we vote and that is the way it should be. The vote, the responsibility is up to each of us individually. We cannot just say the negotiator said we should do this, the administration said we should do this. The fact is, it is our decision, with all the facts on the table that we have already heard in 6-hours-plus debate.

We have heard that it is not survivable; that has not been answered. We know that it can be destabilizing; that argument has not been answered. We know we have alternatives that are of greater deterrence, such as a mobile missile, which the Soviets are going to be deploying two types of. We know the Trident missile is invulnerable, at least until the year 1990, and those points have all been conceded by the proponents of unfencing the 21 MX missiles.

If you vote today to unfence the 21 MX missiles, be assured your vote means 100 missiles down the road. There is no doubt about it; be assured that your vote means an expenditure of as much as $40 billion.

Mr. McCURDY. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. I thank the gentleman for yielding me this time.

Mr. Chairman, I know this is a tough decision. To pretend that it is not ignores the facts. This missile system at best is hard to justify militarily. The costs are enormous. But having talked with our chief negotiator in Geneva over the past few days and having listened to the President I must tell you they make an enormously persuasive argument when they look you in the eye and tell you they need this in order to achieve maximum bargaining power; in order to make negotiations which are, at their very best, tenuous, more sure; in order to remove some uncertainty from both sides of the table, short- and long-term. I think we have got to go with them. Under these conditions of uncertainty we must say "yes."

But let me warn the President: Because we give you this chip; because we ask the Treasury to give a $1½ billion that it does not have in order to make our negotiations more powerful, the well is not unlimited in its resources. How many times can Max Kampelman come home from Geneva to get another concession from the Congress? Not often. This trip cannot be executed over and over again. Let me warn the administration that we will cut from the defense budget. We cannot tolerate $30 to $35 billion addi-

tional in defense when we are asking the rest of America to cut back.

Let me say this: The billion dollars here is tough, but when the President looks you in the eye and says, we need this to do a good job for America," I am willing to go along with it, but I warn them, not forever. I warn them, the defense budget must be cut back to realistic terms or else America must be asked to pay for it. We cannot have it both ways.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding me this time.

Mr. Chairman, I originally supported the MX missile when it was first proposed by President Carter not because he was a Democrat, but because I was persuaded that we needed to do something about the vulnerability of our own land-based ICBM's.

I did not think there was much merit to the "window of vulnerability" argument; it always seemed to me that so long as our submarines were invulnerable to attack, and so long as our bombers could penetrate Soviet air defenses, that there was no realistic possibility that the Soviets would launch a "bolt out of the blue" surprise attack against our land-based ICBM's.

I was concerned about the enormous investment the Soviets were making in antisubmarine warfare, and the very real possibility that over time there might be a breakthrough in ASW which would enable the Soviets not only to destroy our land-based ICBM's, but our submarine ballistic missiles as well, which, together with improvements in Soviet air defenses, which would make it impossible for our bombers to penetrate Soviet air defenses, would leave the United States without a credible retaliatory capacity against the Soviet Union, should they launch a nuclear attack against us first.

It seemed to me that the "racetrack" basing mode proposed by President Carter, while it did have a Rube Goldberg aspect to it, was a defensible basing mode and was deserving of our support. But I cannot, for the life of me, understand the justification for spending $40 billion on an MX missile which the President proposes to deploy in precisely the same silos, the vulnerability of which was the justification for the development of the MX in the first place.

I think weapons systems should be justified on their own merits. If they make sense militarily and strategically, we should support them. If they do not, we should oppose them.

Now, the argument has been advanced that we need the MX as a bargaining chip in the negotiations. I think that is a proposition which deserves critical analysis. Presumably we need it as a bargaining chip because if we want the Soviets to forgo a first-strike capacity against our land-based ICBM's, we are going to need a comparable capacity against their land-based ICBM's.

Clearly the Soviets are not in the business of charity, and I fully agree that they are not going to reduce their heavy missiles below the point at which they would have a first-strike capacity against our land-based ICBM's unless we are prepared to develop and then agree to forgo a comparable first-strike capacity against their land-based ICBM's.

If the MX was in fact needed to give the United States a pinpoint hard-target kill capacity, with a first-strike ability, against their land-based ICBM's, I might be persuaded that this was in fact the kind of bargaining chip we needed in the negotiations. But the truth of the matter is that even without the MX, once we finish deploying our new Trident II submarines with the D-5 warheads which have a hard-target kill capacity, we will in fact have, together with our Minuteman III warheads, more than enough warheads with a hard-target kill capacity to destroy in a single attack all the Soviet SS-17, SS-18, and SS-19 missiles which give them a first-strike capacity against us.

Consequently, if one of our primary purposes in the Geneva negotiations is to get the Soviets to forgo a first-strike capacity against us, we will have the ability, even without the MX, to relinquish a comparable capacity against them.

Mr. DICKS. Mr. Chairman, will the gentleman yield briefly?

Mr. SOLARZ. Let me just finish, and then I will yield.

Mr. Chairman, in conclusion, I want to give the best argument against the MX missile that I have heard yet.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

Mr. BENNETT. Mr. Chairman, I yield 1 additional minute to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, last year some of the Members may recall I offered an amendment to the DOD bill to permit members of the armed services to wear unobtrusive religious headgear, if their religious faith required them to do so, so long as it did not interfere with the performance of their duties. When the Pentagon heard about my amendment, they sent a platoon of generals and admirals up on the Hill to lobby against it, and they told Members they would rather lose the vote on the MX than the vote on the Solarz yarmulke amendment.

Now, if that is how much the Pentagon believes in the MX missile, then all I can say is that it is not worth forty billion bucks.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I appreciate the time being yielded to me.

I think we have some basic things that we need to talk about today, and first, I think what we are talking about now is simply renewing America's insurance policy. Since the nuclear age began in America, we have decided that the triad is the most effective way to keep the peace, that relying on a land-based, a sea-based, an air-based system is what works, when put together in a synergistic fashion that will help to keep the peace.

Now, the Scowcroft Commission—and I would urge every Member, before this vote, to take a look at what it has to say—looked at what the Soviet Union has done over the last 15 years. The Commission saw the development of the SS-17, the SS-18, and the SS-19, and the development of 600 MX-type missiles, and the United States has zero. They looked at the Minuteman III missile that is now 12 years old, and they said, along with four Presidents of the United States, that this system needs to be modernized.

What we are really talking about today is whether we are going to keep our triad, whether we are going to continue to rely on an air-based, a sea-based, and a land-based system of deterrence, or whether we are just simply unilaterally going to give up one leg of this triad.

Let me say that the Scowcroft Commission not only looked at the land-based side of this system, but they looked at all of it. They looked at the sea-based side. And do you know what they recommended? The Scowcroft Commission recommended that we proceed with the D-5 missile. They also recommend that we start to look at developing small submarines so we do not load everything into a few submarines; we spread it out, making each platform worth less and giving us greater invulnerability in the sea-based leg.

They also looked at the air-based leg, and they said, "Look, we need to have the B-1, and we need to continue forward with the cruise missile."

So I want the Members to understand that when Members come onto this floor and argue that the D-5 is just around the corner or we are going to build the B-1 or the cruise missile, that is all well and good. The Scowcroft Commission recommends that we continue to do just that, but the Scowcroft Commission, this distinguished group of experts, also says it is critical that we maintain a triad, that we not only improve our sea-based leg, that we not only improve our air-based leg, but we continue to improve our land-based leg, because, working together,

these three systems have preserved the peace in the nuclear age.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. If I have time, I will yield to the gentleman at the end of my statement.

Mr. Chairman, the Scowcroft Commission says that the current system is destabilizing. That is a very interesting concept, is it not, when opponents come here and say that adding the MX is destabilizing?

This is what the Scowcroft Commission says:

> A one-sided strategic condition in which the Soviet Union could effectively destroy the whole range of strategic targets in the United States but we could not effectively destroy a similar range of targets in the Soviet Union, would be extremely unstable * * *.

The simple fact of the matter is that we need to modernize this leg of the triad, something that we have considered to be essential since we entered the nuclear age.

The Scowcroft Commission says something else. It says, yes, we ought to deploy this MX which will give us the accuracy, which will give us the yield, and that will breath modernization into this land-based leg of the triad, but let us tie this MX missile to the Midgetman.

There is a vital link, if we develop the MX and breathe this modernization into our land-based leg today, and we need it now. What the Commission says is that we cannot wait until later. We have waited 10 years already, and we need it now, but we ought at the same time get to the Midgetman, because the Midgetman does the same in the submarine area. What they say is simply this: Let us not load up these heavy missiles. Let us try to get down to Midgetman where you put in a single warhead and you do not put the emphasis on just a few missiles; rather, you have a larger number that carries fewer warheads.

So there is an important link between MX and the movement toward the Midgetman missile.

Let us talk just for a moment about something else. First, I would say hopefully that the Soviets will recognize the wisdom of doing away with these multiple warhead heavy missiles and will move toward greater mobility, as they are doing with the SS-24 and SS-25. Let us talk about the bargaining chip just for a moment.

I hope it is going to be a bargaining chip. I say to the gentleman from Louisiana [Mr. ROEMER], that I hope in Geneva they can take the MX missile to the table and can say to the Soviet Union, "remove some of those SS-18's and SS-19's. Remove those heavy missiles, and we won't build the MX."

Yes, I hope it serves as a bargaining chip. But do you know why it is not necessarily a bargaining chip?

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

Mr. KASICH. Mr. Chairman, may I ask the gentleman, may I have 30 additional seconds?

Mr. DICKINSON. If I had 30 seconds, I would yield it to the gentleman, but I would have to take it from another Member.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I rise in strong opposition to the resolution before us today, House Joint Resolution 180.

I do not claim to be an expert on nuclear weapons or the Military Establishment. I will leave that up to my colleagues who are charged with those legislative responsibilities as members of the Armed Services Committee. I do however, have expertise on the human experience—and the day to day existence of my constituents on the South Side of Chicago. For the past 2½ months I have talked to and heard from many of them, regarding the negative effects the Reagan administration's budget will have on their lives. They tell me how this administration has asked them to further tighten their belts and try to cope with the economic hardships they are faced with, because sooner or later, the benefits of our economy will "trickle down" to them. After 4 years and several months, Mr. Chairman they are still waiting for the trickle to come down.

They find themselves confronted with the very real prospect of becoming part of a permanent, poverty-stricken, under class of unemployed and unskilled Americans. They want to know why the President on the one hand, opposes the extension of the Federal Supplemental Unemployment Program, but on the other hand, denies them the opportunity to gain employment through a Job Training Program.

I have also heard from their children. They want to know why, on the one hand, the President touts education as the key to a successful and productive future, but on the other hand, he proposes to deny them the means by which they can obtain that education. They want to know why their School Lunch and Breakfast Feeding Programs are in jeopardy of being cut when the President's own Commission found the problem of hunger in America to be on the rise.

Now today, we are being asked to approve the expenditure of $1.5 billion, and untold billions of dollars in the days ahead, for a weapons system that most experts agree could not even survive a first strike. Today's line on the MX is that it will bolster our negotiating position at the Geneva arms control talks. I fail to see how the Russians would be duped into thinking that a weapons system, into which billions of dollars have been invested, would actually be bargained away. If this MX vote is to show our resolve, then why are we so willing to bargain it away? Our resolve can and should best be shown by our willingness to stop the arms race—not continue it.

Mr. Chairman, for the benefit of my colleagues who would put the arms race before the human race, let me cite a few statistics:

For the cancellation of 1 MX missile, 100,000 children could be lifted out of poverty.

For the cancellation of 1 MX missile, the entire Child Abuse Prevention State Grant Program for the next decade could be funded.

For the cancellation of 1 MX missile, we could provide complete prenatal care for 200,000 women who will give birth with late or no prenatal care next year.

For the cancellation of 1 MX missile, we could have provided 4 years of chapter I compensatory education to each of the 60,000 14- and 15-year-old students who will drop out of school next year.

Mr. Chairman, the list could go on and on. Let us put an end to the arms race before it puts an end to the human race. We have that opportunity before us today. I urge my colleagues not to be misled by the President's smoke screen—vote against House Joint Resolution 180.

□ 1600

Mr. McCURDY. Mr. Chairman, I yield 3½ minutes to the gentleman from Arkansas [Mr. ROBINSON], a member of the committee.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

MR. ROBINSON. I yield 30 seconds.

Mr. KASICH. Just to conclude my remarks, Mr. Chairman, I said that I hoped that the MX could be a bargaining chip. I hope we can go to Geneva and we can get some SS-18's and SS-19's removed in exchange for the MX's; but if we do not, let us face the facts. The triad has been the insurance policy that America has relied on since the beginning of the nuclear age to keep the peace. We need to modernize this leg. The President wants it. Mr. Kampelman wants it.

I appreciate the gentleman yielding and I ask, what is the cost of the price of peace? This system, the triad, has been an effective defense policy. We ought to continue it. I appreciate the gentleman yielding.

Mr. ROBINSON. Mr. Chairman, I rise to address three debate points that keep recurring in our current debate: First, the budget deficit;

second, the cost of the MX; and third, the nuclear arms race.

I have heard many of my colleagues today come forward and talk about a freeze, how we need to reduce the deficit. Well, being a former cop, I tracked down part of the problem this morning on the floor of this House. We are hypocrits as a result of our passage of House Resolution 100 today which substantially increases every standing committee in this House. One of them is going to get over $4 million.

Do not talk to me about reducing other people's burdens in this country and freezing the budget. We cannot even get our own House in order.

Second, the cost of the MX. I have heard every figure imaginable to man today on what this system will cost. Let us assume that we all get 100 MX missiles. Let me share with you what that will cost. It will cost $21.5 billion, or $16.6 billion in fiscal year 1982 dollars.

Some have said, oh, this is outrageous. It will only be 1 percent of the Department of Defense projected budget authority over the same period of time.

Let us look at what is really costing us money. The F-16 fighter, $49.9 billion.

The Navy F-18 fighter, $40 billion.

The Air Force 37TA transport, $39.6 billion.

The F-14-A fighter, $38.2 billion, on and on.

You hear the conventional force argument. That is where all our defense money is going, about 42 percent is going to personnel costs.

Now, finally let us move on to the debate about the nuclear arms race. I have had the opportunity to talk to all my friends outside with the "Stop MX" buttons.

Who has been racing for more nuclear arms? The United States? No, the Soviet Union is the only one that is in this race. The Soviets have replaced 800 of their old ICBM's in the past 6 years. The Soviets deployed 1,200 new modern ICBM nuclear warheads in the past year alone and more are planned.

The United States has not deployed a new ICBM in 13 years.

The United States is retiring its Titan II missiles, which are over 20 years old.

The 450 Minuteman II missiles, which are nearly 20 years old, are undergoing extensive rehabilitation just to keep them operational.

The 550 Minuteman III missiles which are planned——

Mr. ROBINSON. Finally, the United States has fewer nuclear warheads now than it did 10 years ago.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BENNETT. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, last year the President came to us and asked us for a bargaining chip. We gave the President a bargaining chip. We gave him $1.5 billion for 21 new MX missiles as an incentive for the Soviet Union to come back to the bargaining table, but we fenced that money, saying to the Soviet Union, "If you come back to the bargaining table, we won't spend the money to produce the missiles." It was an incentive for them to negotiate in good faith with us.

Well, the Soviets are back at the negotiating table. The 21 missiles have not gone into production. They still sit as a bargaining chip between the United States and the Soviet Union. If we de-fence this money, take off the controls and allow the $1.5 billion to be spent, it is no longer a bargaining chip.

When we produce missiles, we lose the bargaining chip. It is no longer something that we can threaten them with, since we are already in the process of producing them. As a result, we must find new bargaining chips, new weapons systems, such as star wars, and other weapons systems that are still in research and development that can then serve as the new bargaining chips in our negotiations. That is the problem.

As we cross over the line, we lose the opportunity to continue to have these moneys not be converted into missiles, but rather remain as bargaining chips—$1.5 billion sitting on the middle of the table between Max Kampelman and Mr. Karpov.

President Reagan, not happy with the fact that we already gave him $1.5 billion, which he still has, yanked our chief negotiator Max Kampelman, back from Geneva. He told him to come home and cry wolf to the U.S. Congress yesterday, to say that the talks will be crippled, they will be damaged, if we do not vote to put the MX into further production.

But is there a wolf? No, there is no wolf. Those 21 missiles will not make or break the talks in Geneva. But there is a fox in the chicken coop. The fox is saying to Congress, "If you give me 21 new chickens in my coop, I won't bother you * * * for a while." But he will be back. That fox will be back. He will be back asking for 48 new chickens in 3 more months. He will demand 48 new MX missiles to be used as bargaining chips with the Soviet Union, but he will want them to be produced and deployed.

He will be back asking for more money for star wars. He will be asking for money for Trident II. He will be back asking for SLCM's and GLCM's, for ALCM's, and for every other nuclear weapons system that has been on the planning board of the Pentagon for the past decade, because the logic of the President's position as ennunciated by Max Kampelman is that we are condemned to the perpetual construction of every single nuclear weapons system as long as the negotiations continue—not just the allocation of moneys for these weapons systems, but the actual production of them.

We have an option here in this House. We can continue to fence this money, the $1.5 billion. That is the option if we vote no. We continue to maintain this money as a bargaining chip, as something that can be given away by Max Kampelman, if in fact he needs to give it away, or that can be used as a threat by Max Kampleman—that this money in fact will be used to produce new weapons if the Soviets do not negotiate in good faith at Geneva.

□ 1610

That is the option that faces this House. Production of these new weapons, taking them out of the realm of the bargaining chip and putting them into the realm of production. Fencing these weapons is in fact using them as we intended last year in May, that is, as a device to elicit from the Soviets a sincere negotiating position that makes it possible to put an end to this arms race.

Ladies and gentleman, we are in the process of being two-stepped. We have been one-stepped from being opposed to the MX to being in favor of fencing the money so that it can be used as a bargaining chip, to now being two-stepped from that position into the actual production of the nuclear weapons system.

I think the chairman of the Armed Services Committee, in making the move from that first position to the second, has made a grave mistake. But this entire body will do a disservice to arms control if we move from where we are now to the actual production of these weapons.

If we roll over and give President Reagan the MX, the most worthless, destabilizing weapon on the menu now, how are we going to deny him anything else that he can call a bargaining chip?

Sometimes I think we should enter into higher education control negotiations with the Russians so that we would have to fund every single education program to the hilt, as a bargaining chip.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. KEMP].

Mr. KEMP. I thank the gentleman from Alabama.

Mr. Chairman, I rise in support of the resolution.

When Margaret Thatcher spoke just a few weeks ago before a joint session of Congress, one of the strongest outbursts of spontaneous applause was when she asserted that the reason

that the Soviet Union was back at the negotiating table was not because the United States was weak. She was exactly correct.

I want to challenge the notion, employed by proponents and opponents alike, that the MX is intended as some kind of bargaining chip. It is not. It is intended as an integral component of our deterrent forces. And our vote today has assumed an importance that transcends the defense program under debate.

MX deployment, as with the deployment of Pershing II's and GLCM's in Western Europe, is seen by the Soviet Union as a test of the free world's political will. The MX is assuredly not a panacea for our strategic deficiencies, any more than the current stage of NATO modernization is a final answer to the military superiority of the Warsaw Pact.

But if we should undercut the MX program now, we would be signaling our acceptance of a continued decline in American strength, and our acceptance of a world defined by an unchecked Soviet drive to render the United States vulnerable and unable to support our allies.

Let us be candid. The MX program has its flaws. It is far from the survivable new ICBM first envisioned, or the program American technical genius—unconstrained—is capable of producing. Even with MX deployment, our land-based forces will be unacceptably vulnerable; and this vulnerability will continue until we can deploy a cost-effective, small mobile ICBM. Active defenses can also help reduce ICBM vulnerability and thus strengthen deterrence.

Instead, the MX program has been distorted by the demands of the arms control process, which has dictated the missile's size and its deployment mode out of sync with strategic requirements. The MX system carries the history of 12 years of debate and four administrations. Our one vote today cannot correct the mistakes that have been made along the way. We cannot erase the delays or the misdirections of the past. We can either accept the MX as the limited improvement it is, or we can reject it and consign 12 years of effort and resources to the trash heap.

As important as that choice might be, the meaning of this vote far surpasses the one program at issue. The MX alone will not restore strategic parity with the Soviet Union. The MX alone will not ensure the security of our homeland or our allies. The MX alone will not yield a viable arms control agreement.

But our vote will be seen as a litmus test of our determination to redress our strategic weaknesses. Our vote will tell our allies of America's commitment to strength. And it will be a sign to the Soviet leadership that the United States will not offer up unilateral concessions.

Our able ambassador to the arms talks, Max Kampleman, and the distinguished adviser Paul Nitze, have stressed the importance of a sustained MX program to their efforts in Geneva. I would take their argument one step further. It seems to me that if the Congress of the United States should fail to support key components of our strategic modernization program, then the President should regretfully withdraw our team from Geneva. For there is no sense in the United States negotiating from a position of weakness.

Americans know the importance of a strong defense. They agree, as I do, with what President Truman once said: "We live in a world in which strength on the part of peace-loving nations is still the greatest deterrent to aggression."

If we cancel the MX Program, signals of America's weakness and vacillation will rebound throughout the world. Is that the message its opponents hope to send?

Some have argued that the MX is simply too expensive, and not worth the cost. Well, as President Kennedy and President Reagan have pointed out, the price of freedom is high, but never so high as the loss of it.

I believe President Reagan is carrying out the mandate of the American people to restore America's strength. He has started this country down the path of rebuilding our defenses, after a decade of neglect. And in that effort, the MX Program has become a symbol of our commitment, as a nation, to fortify and embrace our role as leader of the free world and keeper of the peace. On that basis, I ask for your support of this resolution.

Mr. BLILEY. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Chairman, I appreciate the opportunity to speak on this matter which I think is vital for the future security of our Nation and for the security of free people everywhere.

I have carefully examined all of the facts and arguments on this issue. I have reached a conclusion on how I will vote on that examination of current facts and of history.

The history of the Soviet Union since 1917 and the history of our negotiations with them since 1941 all point clearly to one conclusion. The Soviet Union respects strength and deals with strong nations on a basis of mutual respect; and the Soviet Union sneers at weakness and treats those who act weak with disrespect and intransigence. The Soviet Union is tough at the bargaining table. That's fine, I certainly would not expect them to be weak. But that makes it all the more important for the United States to be rough also.

To my knowledge, the Soviet Union has never given up anything for nothing. In fact, I question whether they have given up some things that they have promised to give up in exchange for concessions from us in past arms control agreements. The American position has been somewhat different. We have given up the XB-70 bomber and retired many old B-52's while the Soviets built the Backfire and they have been working on the Blackjack since before we renewed the B-1 and started the Stealth.

America has been retiring the Titan missile without any compensatory reduction by the Soviet Union. America has given up many weapon systems or ideas over the past 20 years with no reciprocal restraint by the Soviet Union. It is now time for that type of unilateral action to stop.

Our action here today to continue production of the Peacekeeper missile will be a sign of strength and resolve to the Soviet Union. Approval of these funds will let the Soviets know that they can no longer count on the United States to give away all of its weapon systems by negotiating with itself before getting to the bargaining table.

For too long we displayed a tendency to negotiate with ourselves and settle on just what we will give up before we even meet the Soviet Union. We all know that the Soviet Government does not suffer from this constraint on its position because there is no internal debate in the closed society of the Soviet Union. I do not feel one bit safer or more hopeful for arms reductions knowing that every peace activist in the Soviet Union is in prison or in a "psychiatric hospital." It is time to end our self-inflicted weakness and to proceed to Geneva on a strong and equal basis with the Soviet Union. To do that, we need to continue our production of the Peacekeeper missile.

Our chief negotiator, Max Kampelman, is a Democrat. He understands that debate is a necessity for a free society. He understands that the ability to question and criticize our Government is the main ingredient in America's greatness. But, he also understands that this debate must end at the water's edge if we are to successfully negotiate with a tyranny like the Soviet Union. I can assure every Member of this body and every American citizen that there would be far less difficulty in negotiating with the Soviet Union if there was free and open debate there. We could probably have reached an agreement a long time ago on the elimination of nuclear weapons if the Soviet Union had an open society. They don't. And they show no tendency to move in that direction.

In this era of new leadership in the Soviet Union let us present a strong and united front to that new leadership. Let us gain their respect. And, most importantly, let us bargain with them as equals and not as a people who continually cripple ourselves because of the very freedoms that we hold so dear and which we seek to protect.

We should not and we must not give up the Peacekeeper for no corresponding action by the Soviet Union. We should never trade something for nothing. If we do not approve the release of these funds today we will be giving up a valuable tool for no return whatsoever. The Soviets would be reinforced in their belief that all they have to do is act tough, stall real talks and wait for the United States to disarm itself. If we fail to stand up to our responsibilities in this Chamber today then we will be sticking our heads in the sand and ignoring the reality that confronts us in the world.

There are forces of good and evil working against each other to determine the future of mankind. I am proud that I am an American and that I am working for freedom, liberty, and dignity for all men everywhere. I accept the responsibility that our Founding Fathers have passed on to us down through the years of history to strive for peace and for freedom. Man's soul and his spirit can not long endure if there is no hope and no light somewhere to strive toward. America has long been the light that people all over the world risk their lives to reach. I do not believe that we can give up the struggle for freedom. We cannot just say "the burden is too heavy." We can not dim the light and the strength of America because it would also dim the future of this world and the future of all of the people in it.

We must remain strong and we must vote in favor of this weapon.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Oregon.

The CHAIRMAN. The time of the gentleman from New York [Mr. KEMP] has expired.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I am not an opponent of the MX missile and have supported it for all these years. Our President should be given the benefit of the doubt regarding the defensive needs of the Nation, and I have always tried to resolve any defense decisions I must make in favor of my President.

But, each year my support for the MX has weakened.

It seems to me that we have an impossible task of defending the basing system for this weapon. Because the MX may not be capable of surviving and retaliating against a Soviet strike, the MX has questionable deterrent value. It may only serve as a first-strike weapon, which means we will be prone to launch the MX in anticipation of a Soviet attack.

That the MX is necessary to our Nation's defense is a questionable proposition, and we should not look at our strategic defenses in a vacuum.

Strategic modernization programs such as the B-1B Bomber, the Trident submarine, the D-5 missile, air- and sea-launched cruise missiles, Midgetman missile, and various space programs, which I favor, still give us a strong hand at the Geneva talks.

However, one of my major concerns is also reducing our huge deficits. The President has said "no tax increases, no reductions in defense, and no cuts in Social Security, military, or welfare entitlements." On this basis, we are helplessly in debt.

It seems to me that defense should bear its share of spending cuts, yet the administration refuses to recommend necessary reductions.

Both President Reagan and White House Chief of Staff Regan say they will consider reductions in the Pentagon budget, but this is not enough, Mr. Chairman. I am encouraged by what administration officials personally tell me that they will reduce defense spending. I want to believe them.

If the administration says it will adopt a defense budget reflecting an increase of inflation only—as the Senate did—or recommends a percentage reduction or cap on defense spending, then we will have something with which to work toward an agreement.

The general assertions are simply not enough. I am not trying to be tough on just the MX vote. I intend us to be tough on domestic issues too.

If we vote for the MX today, it will be almost impossible to realize savings in other areas of the defense budget. If the House is serious about cutting the massive budget deficit, then the House must reasonably restrain military spending. The first, most obvious step in this direction is to withhold MX funds.

If we approve the MX today, we will have lost a clear opportunity to rein-in defense spending. Even if the MX is approved today this fight will go on in the fiscal year 1986 budget consideration.

If the administration wants my support, then let them give me specifics on the budget. If not, then the House must exercise its will and take this difficult step toward securing reductions in these areas.

If we could get a reasonable reduction in defense spending to show good faith, then I am willing to unfence these funds one more time.

Mr. Chairman, I feel strongly that if the security of the Nation were at stake then we should spend whatever is necessary to secure our defense. I am not trying to play with national security. But in light of budget constraints and the fact that the administration appears unwilling to negotiate in other areas of the defense budget, I don't see where we have any other choice than to vote down this authorization.

□ 1620

The CHAIRMAN. The time of the gentleman from Texas [Mr. PICKLE] has expired.

The Chair now recognizes the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. We have three speakers on the way, Mr. Chairman. We will not yield any time at this moment.

The CHAIRMAN. The Chair now recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. LUKEN].

Mr. LUKEN. Mr. Chairman, occasionally we have issues before us that excite and divide the public.

Mr. FOWLER. Mr. Chairman, will the gentleman from Ohio yield?

Mr. LUKEN. I yield to the gentleman from Georgia.

Mr. FOWLER. Mr. Chairman, 1985 is a year of very hard choices for the Federal Government. We have to confront massive budget deficits which threaten our future economic security. This will entail some difficult belt tightening in both domestic and defense programs if we are really serious about bringing the deficit under control.

We also have to confront important foreign policy questions such as arms control, our relationship with the new Soviet leadership, and how most effectively to limit Soviet influence in Europe and the Third World.

Under these circumstances, it seemed to me that the decision on the MX missile would be a relatively easy one: a chance at once to—

Cut the deficit by at least $12.7 billion over the next 6 years;

Reduce defense spending by eliminating a marginal weapons system, which would contribute between 3 to 5 percent in 1990 and less than 1 percent by 1996 of all survivable U.S. hard-target warheads in the event of a Soviet attack;

Improve the crisis stability of U.S. nuclear forces by moving away from counterforce weapons that would be usable only if governed by a first strike or launch on warning policy; and

Preserve far more important strategic and conventional military programs from the budget-cutters' knife, including those like the Trident II missile or the strategic defense initia-

tive, that are of much greater use as bargaining incentives for the Soviets.

But the MX's ability to survive congressional decisionmaking has continued to far exceed its ability to survive Soviet missiles.

In its 13 year life, the MX has gone from a missile designed to counter heavy Soviet ICBM's, to a system aimed at restoring the survivability of U.S. ICBM's, to an arms control bargaining level. It has been through 36 different basing modes, none of which was found to be fully acceptable. It has presented different virtues to different advocates at different times. In spite of its shortcomings as a survivable weapon, it has managed to endure changes in administration, force posture, strategic doctrine, and international conditions. Though now to be based in stationary silos, it has been mobile indeed in its ability to respond to the preemptive strikes of its critics.

When the MX was being criticized as a dangerously destabilizing weapons system because of its similarities to the Soviet SS-18's and SS-19's, the critics were assured that our MX would be given a survivable basing mode thus preserving its value as a deterrent, retaliatory weapon. When attempts to find a survivable basing mode were abandoned and critics questioned whether this signaled a move to a first strike strategy, they were told that 1,000 warheads on 100 MX missiles could not by themselves pose much of a first-strike threat to hardened Soviet military and political sites. Yet to the critics complaints about the lack of military value of a nonsurvivable strategic system, supporters of MX—including the Scowcroft Commission—responded that in examining ICBM vulnerability, we cannot consider our strategic forces in isolation, that our balanced triad of forces insures the continued viability of our strategic deterrent.

So to the 1,000 warhead MX must be added to our existing force of 900 Minuteman III Mark 12A warheads, the current and projected air-breathing leg of the triad, the Trident II program which is now being developed, and the efforts to upgrade the warfighting capacity of our strategic command, control, and communications systems. Taken together, these developments pose a comparable threat to the Soviet ICBM's, which account for about 70 percent of Soviet strategic capability, faced by our ICBM's, which represent only 22 percent of our strategic arsenal.

Members of Congress are now being urged to support the latest MX plan because of its supposed contribution to arms control. Under this view, the deployment of 100 MX missiles in fixed silos will cause the Soviets to see the folly of such deployments and they will negotiate away all or a substantial part of their 638 SS-18 and SS-19 ICBM's. I find this argument unconvincing for at least two reasons.

First of all, I am not at all sure that we can predict with any confidence how the Soviets will react to the proposed MX deployment. As the recent Brookings Institution study of Soviet strategic forces concluded:

> The U.S.S.R. has not attempted simply to replicate the American strategic posture, nor are its strategic responses free from its own traditions or the influences of its institutional process. Rather, such factors as the basic geographical and political situation of the U.S.S.R., its distinctive military traditions and strategic doctrine, its particular institutions and technological base are all elements in the process that shapes Soviet strategic responses.

There are a number of ways that the Soviets could react to the MX deployment besides the tradeoff of SS-18's and SS-19's. They could react militarily by increasing the alert rate of their strategic forces, or adopting a launch-on-warning policy, or breaking out of the SALT-imposed restraints on ICBM deployment. They could respond politically by proposing arms control agreements that would limit other areas of the strategic competition, like total numbers of warheads or missiles. If these responses sound familiar, they are among the ways that we have considered reacting to the Soviet deployment of SS-18's and SS-19's during the 1970's.

While the Soviets might react in the way we want them to, I would not assess the probability as overwhelming, certainly not enough to place a multibillion-dollar gamble on an otherwise destabilizing weapon system.

Second, if the Soviets can be persuaded in a positive way to respond to threats to the survivability of their fourth-generation ICBM's, we already have abundant incentives in place or underway. As the Scowcroft Commission pointed out, the existing U.S. deterrent is strong and credible, and the strategic modernization programs planned by the administration and approved by Congress—air-, ground-, and sea-launched cruise missiles, improvements in command, control, and communications, the Trident missile, and the Stealth bomber—give the Soviets ample incentive to bargain in Geneva.

To that, I would add that our existing force of Minuteman III missiles and B-52 bombers already possess the theoretical capability to destroy Soviet ICBM's. As a matter of fact, until the Trident II SLBM is deployed, it will be the bomber leg of the triad that continues to afford by far the largest share of survivable hard-target warheads.

The bottom line, in my view, is that the MX ceased long ago to the presented as a military weapons system, subject to considerations of strategic doctrine, deployment, and force posture. Rather it is now primarily put forth as a political system, subject to tests of political muscle, international psychology, and symbolic demonstration.

But after all of the rhetoric, the MX remains a military program and in the final analysis it must be evaluated in terms of its value to our national security. As we look beyond Soviet rhetoric and their expressed intentions to consider their military capabilities when determining our own defense needs, so it is with them: We must count on the Soviets looking at the military utility of the systems we deploy, not at our expressed reasons for deploying them.

Thus the MX will be the marginal weapons system to the Soviets as well as to us, which possesses credibility only if governed by a first-strike or launch-on-warning policy. In my opinion, the message that will convey if we vote to build the MX is one either of foolishness, or recklessness.

I urge you to vote in favor of a stable, effective deterrent by voting against the costly, destabilizing, and ineffective MX missile.

Mr. LUKEN. Mr. Chairman, occasionally we have issues that excite, and divide the American public. This is one. I refer to a memo written by my legislative aid recently on what the American public is thinking. "Recently, we have received over 100 letters, postcards, and phone calls, opposing the MX missile. They do not seem to come from a concerted effort. A few of the writers are clergy. Most of these are not frequent writers."

On the contrary side, "we have also received 14 letters, phone calls, and postcards, supporting the MX. Eleven of these are postcards from the members of the U.S. Defense Committee."

That is the way it is going out there.

I am opposed to hefty increases in spending on defense weapons systems—and any hefty increases in spending—and the MX is the leading offender.

The White House staff recently made a profound statement on the issue, in the form of an admission against interest. Mr. Donald Regan offered to begin to cut waste as an alternative to saving on big ticket weaponry. This confession that there really is waste in the Pentagon today is refreshing, but it only confirms what all of the American people know.

But this Congress cannot make any sordid deal to appropriate billions for the sitting duck MX so that Mr. Regan will agree to cut waste. If we know we're going to cut the $200 billion Reagan deficit, we now know how to do it.

By absolutely demanding that the administration eliminate the waste they admit is there. and then voting to eliminate the MX which the administration admits is unneeded since, they argue, it will be bargained away.

We are in debt to Mr. Regan for showing us the way.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair now recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, the real question before Congress today is very simple: Should we actually purchase and deploy the MX missile? I think we have to assume that by voting for this funding we are actually going to build and deploy this weapon. We do not know what is going to happen in Geneva, today, tomorrow, or next year for that matter. We do not know how this decision will affect those negotiations or Soviet intentions one way or another.

We do have a responsibility, however, to provide our country with the best possible defense based upon the best knowledge available.

I think it is instructive to recall just why the MX missile was proposed in the first place. In the 1970's U.S. policymakers determined that our land-based missile force was vulnerable. Why? It was not because Minuteman missiles were not functioning properly. It was because our land-based ICBM force constituted an easy, fixed target.

To solve this "vulnerability" problem for the land leg of our strategic triad, defense experts developed a new missile known as the MX. But we got greedy, and instead of developing a smaller missile which could be mobile, and therefore less vulnerable, we built the biggest missile possible under the terms of the Salt II treaty. The MX weighs 96 tons, is 71 feet long and is 92 inches in diameter. Hiding and moving this white elephant to ensure survivability presented the Pentagon with quite a challenge.

Since its inception, four Presidents and countless defense experts have reviewed over 30 different basing systems for the MX missile. Mountain tunnels, railroads, desert racetracks, big bird airplanes, and dense packs were just a few of the finalists in the contest to find a suitable home for the MX. And in the end, we came full circle to cram new, oversized MX missiles into old Minutemen III silos.

If this system goes forward, we will have 100 vulnerable MX's instead of 100 vulnerable Minutemen III's. We have made the vulnerability problem worse instead of better because each MX missile will have 10 warheads instead of 3, thereby providing an even juicier target. The United States is placed in a "use it or lose it" situation. The extremely vulnerable basing system for MX, together with its size and accuracy has turned it into a dangerous, first-strike weapon.

Can this $26 billion white elephant survive? To quote the former chariman of the Senate Armed Services Committee, Senator John Tower, "by stuffing the MX's into fixed silos, we're creating just so many more sitting ducks for the Russians to shoot at * * *."

So far the only thing the MX missile has proven it can survive is the political process. I urge my colleagues to vote against this vulnerable weapon. I thank the gentleman from Florida for leading this fight.

□ 1630

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, MX has become a symbol of divisiveness that has resulted in a discouraging lack of progress in either efforts to address strategic force imbalances or arms control.

While each side gains phyric victories, this Nation spins its wheels and the world becomes more dangerous. This is why I have sought to help forge a consensus that will allow progress on both these issues. I continue to believe that the report of the Scowcroft Commission can serve as a basis for that consensus.

With these facts in mind, I am supporting this resolution. I believe it will contribute to force stability. In a world which, like it or not, is made safe through deterrence, I am not comfortable with a Soviet monopoly of 648 accurate MIRV'd heavy ICBM's.

I think that deployment of some MX can provide the incentive, the leverage, to induce the Soviets to move away from over reliance on these systems both in terms of force deployments and arms control.

A member of the other body, the distinguished Senator from Georgia, last week, suggested that MX gives us leverage to move the Soviets out of their vulnerable silos toward mobile systems which adds to stability as we move toward Midgetman.

I also conclude that arms control considerations argue for support of the resolution.

Ambassador Nitze has written to us that prospects for meaningful reductions will be damaged if the funds are not released.

I have just returned from Geneva and the message from the entire negotiating team reaffirmed this assessment.

A defeat at this point, only 2 weeks after negotiations have resumed, would be especially damaging to our efforts to show a united front.

Beyond this resolution questions remain about the long term. Survivability will continue to be an issue. I agree with the assessment that you do not need each leg to be independently survivable as made by observers ranging from the Scowcroft Commission to my colleague from California, Mr. DELLUMS, and affirmed by Mr. DOWNEY.

I also recognize that in the longer term, because of uncertainties facing the other legs of the triad, that we should continue to pursue enhanced survivability through the small missile program and research on alternative basing modes for MX.

I also have concerns about force size, especially in light of the President's pledge not to seek a first strike capability.

With approval of this resolution we will have funded 42 missiles, a militarily significant force. It is consistent with the number of missiles this administration originally proposed in 1981 to deploy in existing silos.

At that point I would suggest that we have a deployment ceiling of between 40 and 50 missiles. We can keep a warm production line with test and spare missiles being produced. We can look at the arms control talks. We can look at other strategic force developments. We can look at basing options that increase survivability for MX to determine if we must deploy more. I certainly believe with defense priorities and defense spending cuts that that will be very, very difficult.

In conclusion, let us look at the implications of defeat of this resolution. It will lead to the accusation that this House has undercut arms control efforts. It will strengthen the hands of arms control opponents and hardliners. It will inhibit chances for U.S. flexibility of star wars, but it will not end the MX question.

It will not produce a corresponding Soviet offer of restraint.

As they have stated in the past, "We are neither philanthropists nor fools. What else—if you are going to kill MX on your own—what else do you have to give up?"

My colleagues, let us not hand the Soviets a windfall. Let us at least get something from the Soviets for the $10 billion we have invested in the MX program.

I am convinced that an agreement in Geneva is possible. We have forged a bipartisan coalition in this Congress, shaky as it may be, behind the Scowcroft Commission recommendations.

The President pledged a vigorous pursuit of arms control. And Max Kampelman, in my judgment, is a negotiator who has the ability to get an agreement if we just give him a chance.

The President is developing the Midgetman missile system. And what he has asked us to do is to give him support for some MX missiles as vital leverage not only for arms control, but leverage to get the Soviets out of their vulnerable silos into mobile configurations which are more survivable.

When you talk about if their force is more vulnerable than our force. So this will add to stability.

I think this system has both military value and important arms control value as well.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, this $1.5 billion for the MX missile we must not forget is in the same budget process where we are proposing zero for housing for the elderly, zero for the Job Corps. We are cutting aid to students, we are eliminating the Small Business Administration. I have about 8 programs which have been cut entirely by the President, eliminated. Those programs happen to all add up to about $1.5 billion.

How do we go forward with a credible budget process if we vote to fund this MX missile? This is a weapon that everybody admits is not a militarily useful weapon, it is a weapon that is vulnerable. It is a weapon, in other words that is worthless and useless. To spend in this budget alone $1.5 billion throws the credibility and the logic of the Congress into question.

It is important to remember that this is part of the overall budget-making process and that our credibility and our integrity is at stake when we vote on this missile. It is worthless and therefore the taxpayers' money could be better spend on useful and needed programs.

Mr. ROBINSON. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. SHELBY].

Mr. SHELBY. Mr. Chairman, strength and diplomacy are inextricably linked. They are one and the same. They are the ultimate of synergistic relationships; for one can never truly succeed without the other.

Today's debate on the MX missile revolves around this relationship—a relationship that can never be broken. As the leader of the free world we have an inescapable responsibility to maintain the globe's strategic balance. And only we can maintain it. If we remain strong and united in our commitment to international security, our friends and allies around the world, those who rely on us and those upon whom we rely, will possess the confidence and certitude to move together toward our shared goals. But if our willingness and determination to uphold our responsibility should waver, the cohesion of the Western alliance is ultimately at stake.

Thomas Jefferson, our Nation's first true liberal, never wavered from his belief that eternal vigilance is the price of liberty. Mr. Chairman, our allies have been paying that price. Despite widespread domestic protest and the subsequent political risks, West Germany, Great Britian, Italy, and now Belgium have courageously gone ahead with their own missile deployments. And while the military justification certainly played a role in their decision, of far greater importance was our allies desire to maintain alliance unity—a unity which has, and will continue to keep the peace. To retreat from our own previous commitment to the MX can only undermine Western unity. For how can we ask our allies to station our missiles on their soil when we are reluctant to deploy our own moderized force?

Modernization of our strategic forces is vital for a credible, flexible American strategic posture. And with the arms talks resuming in Geneva—together with the unabated buildup of land-based missiles—the need for the MX is more critical than ever. While Congress has debated the merits of the MX—the Soviets have modernized their land-based missile five times. The Soviets have deployed three new types of ICBM's—the SS-17, SS-18, and SS-19—including 360 SS-19's roughly comparable in size to the MX, and 308 of the much larger SS-18. Moreover, within the next 2 years, the Soviets will begin deploying two additional missiles, the SS-X-24 and the SS-X-25. This means five new Soviet ICBM's to one—the MX—which of course, is permitted under SALT II.

Some opponents of the MX point to the development of the Midgetman, a new small, single-warhead ICBM, as the answer to our strategic puzzle, Yet, the Midgetman cannot substitute for the MX. It only complements. The two systems offer divergent capabilities. The MX represents a credible deterrent today. It addresses a serious strategic imbalance now. The Midgetman merely offers hope for a better system. Chamberlain was offered hope at Munich. Let us not make the same mistake.

The MX represents the response that four successive administrations—both Democratic and Republican—have believed necessary to offset this massive Soviet buildup. Six Congresses have agreed, mostly because they have recognized the MX for what it is—a vital component of this Nation's strategic triad. Our defense rests on the triad—a triad that is threatened when one part becomes weak. The survivability and effectiveness of the MX must be viewed in conjunction with the other elements of our strategic triad. The three legs of the triad bombers, submarines, and land-based missiles, strengthen deterrence by complicating Soviet planning—they can't concentrate all of their research eggs in one basket. Furthermore, the Soviets would be forced to make choices that would reduce their effective striking capacity against one leg of the triad in order to attack another. Deterrence is thus served when Soviet planners know that a fully successful, disarming first strike is rendered impossible by the triad. Consequently, those who couch their opposition to the MX in the cloth of vulnerability are missing the central point: The MX is simply one component in an overall strategic system. Take away that part and you weaken the whole.

Yet even more than acting as an indispenable component of the triad—the MX is playing a pivotal part in our ongoing arms control negotiations.

The Soviets respect strength and firmness. By proceeding with our cruise and Pershing deployments—and by resisting Soviet efforts to split the Western alliance—we have persuaded the Soviets that progress will not be achieved in the streets of Western Europe, but at the negotiating table in Geneva. Thanks to the West's resolve our negotiating position is strong. The Soviets have recognized that we have the will to protect our security in the absence of arms control agreements and that it is in both our interests to mutually negotiate away the threat.

Diplomacy requires secrecy, persistence, strategy and most of all, the perception of a single unified position. Unanimity is not served by a Congress incessantly undermining the negotiating position of the President.

Mr. Chairman, arms control is not advanced when the President spends more time negotiating with Congress than with the Soviets.

Finally, Mr. Chairman, I cannot end my remarks without bringing up verification. Agreements that cannot be verified can easily turn into unilateral concessions. Verification is intrinsically difficult, the more so as weapons become more complex. Yet arms control can provide security and stability only when parties to arms control agreements respect the accords and comply with their terms. For when uncertainty begins to pervade the relative trust associated with arms control, the process cannot go on.

From Kransnoyorsky to Helinski to the SS-24 and SS-25, the Soviets have shown that they fail to view full compliance as a policy which serves their security interests. The reasons for this are unclear. For as the Greek moralist Plutarch once said: "He who cheats with an oath acknowledges that he is afraid of his enemy." Unilateral concessions, however, will only serve to reinforce this unacceptable behavior.

"This Nation can afford to be strong" wrote President Kennedy. "It cannot afford to be weak."

I truly believe that my colleagues recognize this. They recognize that unity at home leads to success abroad. They recognize that the real strength of our bargaining position rests on the degree to which our negotiators are supported by the public and yes, the Congress. And most of all, my colleagues recognize that arms control

will never succeed without their support.

Now is not the time to cast doubt on our national resolve. We owe our negotiators nothing less than national unity—unity which will be shattered by not approving the MX.

Unlike the Soviets, we are blessed with a natural advantage—the advantage of maintaining our strength in order to deter and defend against aggression—to preserve freedom and peace. The United States does not start fights. We will never be the aggressor. We merely react to the belicose advances of our principal adversaries—adversaries who are now beginning to see that we are able and willing to stand up for what we believe in.

Mr. Chairman, all of us have the same goal—the eradication of nuclear weapons. We only differ on the approach to the problem. Let us then come together behind a solid negotiating position that offers the best hope for achieving the goals we all seek. Let us insist on ironclad certification procedures commensurate with the task of uncovering Soviet treaty violations. Let us stop blaming ourselves for Soviet intransigence, and demonstrate that American concessions are to be earned and not unilaterally given away by Congress.

Let us vote for the MX.

Mr. ROBINSON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, in all my years in politics at the State level and here in this House over the last 7 years, I can't recall a more divisive issue. This weapon system that the President refers to as the "peacekeeper" and some of my colleagues refer to as the "the glassjaw" has polarized this Congress and much of the public.

There are those who advocate building more and more missiles—not on the hope of using them as a way to reach some treaty with the Soviets or a reaffimation of a balanced system of deterence, but out of a sense that we must have nuclear superiority over the Russians.

Others believe that what we do here today will have no impact on what happens in Geneva. The MX has become a symbol; the vote is cast as one for Armageddon or for appeasement.

I cannot agree with either view. I believe there is a middle ground, and that funding a limited number of missiles will enhance our negotiators' position in Geneva in reaching an arms control agreement with the Soviets.

I would be less than candid if I did not say that my stand has not been an easy one. On both sides the partisans have been arrayed to do battle. They have subjected me like many of you to strong political pressure.

Nevertheless, 2 years ago I decided that the only way to get this administration moving in the direction of a realistic arms control position was to make something the President desperately wanted subject to his agreement to negotiate."

If you will indulge a moment or two of reflection, I would like to go back to the fall of 1982. Congress was presented with a basing mode for the MX that we will never forget: dense pack. This was but one in a series of basing options that Congress was forced to consider because of the President's 1980 campaign decision to reject a mobile basing mode. Congress wisely voted down this plan, and in doing so gave rise to a Presidential commission that came to be known as the Scowcroft Commission.

I and a group of moderate colleagues carefully reviewed the findings of this body and concluded that there was merit in its proposals. It pointed out that we and the Soviet Union were moving in the direction of a hair-trigger world, that we must take steps to reduce the likelihood of such an eventuality and that we should link our strategic weapons planning to arms control policies—in other words, move toward a more stable and survivable deterrence.

It also proposed a deployment of 100 MX missiles in fixed silos in the near term while we explored alternate basing modes, as well as the development of a single warhead missile, the Midgetman, in a mobile basing mode.

The Scowcroft Commission report came on the scene in the spring of 1983—a time when this administration viewed arms control as irrelevant at best or as a way of weakening America at worst.

The Commission's rationale stood in stark contrast to the recalcitrant attitude of the administration on arms control. Rather than seeing arms control negotiations as a public relations charade, the members of the Scowcroft Commission saw the MX as a tool to achieve meaningful arms agreements with the Soviets.

By going ahead with the MX, the Commission said, the Soviets would have reason to be concerned about the vulnerability of their own land-based force and would therefore be more willing to reach an arms control agreement that moved away from their heavy reliance on large MIRV'd land-based systems.

Those of us who are proponents of arms control and who believe it is essential to keep an open dialog with the Soviet Union used the Scowcroft Commission report as leverage with the administration.

If it were to get the MX, the administration had to prepare to legitimately negotiate with the Soviets, and our strategic arms policies had to be linked with arms control and a movement toward stability.

As a result, in the fall of 1983, for the first time in the Reagan term, our negotiators put forth a proposal that laid all systems on the bargaining table. This was finally a realistic proposal—one that the Soviets did not reject out of hand as they had the nonstarter the administration had put on the table earlier.

While no agreements emerged, we stayed at the table until the Soviets walked out following the deployment of the Pershing missiles in Europe.

Now we are back again. I am not so naive as to believe that the only reason we are negotiating is because of the efforts of those of us who bargained with the White House. Suffice it to say, however, that we are at the table and we must give our negotiators the ability to effect a meaningful treaty.

I believe it is important that we have the MX as leverage in Geneva. Now, I know that the Secretary of State said that it is not a bargaining chip. I disagree.

Everything must be on the table. The President should not tie the hands of Messrs. Tower, Kampleman and Glitman behind their backs. The stakes are too high, the risks too great. SDI and everything else must be up for discussion and I fervently hope that will be the reality.

I want to serve the President notice, however, that mine is not a vote for some misguided attempt to gain nuclear advantage over the Russians that is an illusion. That is a chimera that I simply do not subscribe to.

What I am voting for here today is to provide our negotiators with a key element of our strategic program in order to reach an agreement. A deployment of 42 missiles in the presently planned basing mode is ample. At this level, it would not constitute a first-strike capability, alone or in combination in other systems. Rather, this force would be a way station to the eventual deployment of the stable, mobile, single warhead missile, currently in its early stages of development.

Americans and Russians are now talking; we fervently hope an agreement can be reached. The people in Sacramento and the people in Odessa are watching. And hoping.

Let us do nothing today to dash their hopes. Let us speak with one voice in Geneva; let us take the difficult, unpopular and consistant path. The American people deserve unity of purpose and no less.

□ 1640

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. MCCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. McCANDLESS. Mr. Chairman, I rise in strong support of the Peacekeeper [MX] Program and the procurement of 21 missiles during the current fiscal year. The importance of the MX Program to our efforts at the Geneva talks cannot be overstated. Curtailing the MX Program at this time would only serve to undermine our bargaining position.

I have carefully considered all of the items in the Scowcroft Commission's bipartisan and independent report on modernization, deterrence, and arms control. The Commission strongly supported maintaining our strategic triad of land-based intercontinental ballistic missiles [ICBM's], submarine-launched ballistic missiles [SLBM's], and bomber aircraft.

The deterrent benefit of the triad is threefold. First, it provides the United States with three components, each of which holds diverse and unique properties which enhance the survivability of U.S. strategic forces as each component is more survivable collectively than any component is singularly. Second, it preserves the U.S. deterrent in the event of a technological breakthrough which would threaten one component of the triad. And third, it complicates the calculations and significantly reduces the potential effectiveness of a Soviet attack, thereby greatly reducing the likelihood of such an attack.

There is ample historical evidence to show that Soviet defense outlays have no relationship whatsoever to our own defense budget and innovations, such as the MX. The argument that the Soviets will not update their capabilities if we do not update ours, is not consistent with history. The United States has not deployed a new ICBM in 13 years. The Soviet Union, on the other hand, has replaced 800 of their old ICBM's in the past 6 years.

Some advocate that we should forgo the MX in favor of pushing ahead on the smaller Midgetman missile. While the Midgetman will play an important role in our national security in the future, abandoning the MX for the smaller ICBM at this time would leave the U.S. strategic deterrent force without sufficient hard-target capability for at least another 8 years. The result would be indicative of a lack of U.S. resolve to address the present imbalance of United States and Soviet forces, and would lead to further deterioration of a credible deterrent posture.

I believe we can reduce the number of weapons systems by engaging in realistic and enforceable arms control talks. However, it is not likely that a meaningful agreement can be reached until the Soviets respect our capabilities, and the MX system is a vital part of our defense capabilities.

Our negotiators in Geneva are trying to deal with a Communist Government that has no heart, scruples, or ethics. The Soviet Government makes its own citizens wait in long lines for food, clothing, and shelter. It is a government that shoots down commercial aircraft, and kills a U.S. serviceman who has not invaded its territory, and then lets him die a slow and agonizing death while he cries for help for an hour. It is a nation that governs through fear and repression. We must not let our negotiators deal from a position of weakness. The price of liberty is, indeed, eternal vigilance.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I rise today to talk about peace—peace in a world that is filled with people of many races, creeds, and political persuasions. In this great Chamber, we discuss and debate the issues of our time in a spirit of freedom found nowhere else in the world.

Above us on the ceiling is the Great Seal of the United States. The seal also appears on the lapel pins we wear so proudly. If you study that symbol, you'll notice several items of particular importance. The eagle, symbol of strength, is protected by a shield. Over the history of our Nation, we have stood for fairness and freedom, for strength in a world that's troubled, a haven for those who believe in self dignity and the pursuit of a better life. As that great eagle represents peace and strength you'll notice it holds in one claw an olive branch and in the other it holds a quiver of arrows, symbolizing that peace can only be maintained with an adequate balance of power.

At issue today is the decision of whether or not to maintain that balance of power. Let's put the debate into focus. We are being asked to either approve or disapprove the actions taken by Members of the last Congress. As a new Member of this body, I had no input, no part in the debate, no influence of any kind into what we have before us today.

My decision will be based on what the overall impact on world peace today's action will have. I have no choice in what the cost will be—that has been predetermined. I have no choice in asking that the funds be spent for other things. That, too, has been predetermined.

As possibly the only Member from my State supporting this effort for peace, I will most surely be criticized. There are those trying to tie this vote to the farm credit crisis by telling people the funding for this program could be better spent on farm programs. The truth is, and they know it, this funding is already earmarked for military spending and military spending alone. Should the MX missile funding be defeated, the funds will not show up at USDA. They will be spent for military hardware or programs of that type.

By saying that the MX missile should be opposed as a protest to the President's veto of the emergency farm credit legislation, one would be saying that the only reason to support the MX missile would be because the President wanted it. Nothing could be farther from the truth in my view. I am voting today on my principles. When Iowa's farmers needed help, I supported the emergency farm credit legislation—against the wishes of the President. As I have said, I work with the President, not for him, and I will not place our Nation's security on the line for political bargaining-making.

The so-called farms, not arms debate is dead. It never could be in the first place and only exists today because, for apparent political reasons, there are those in our midst who feel it is more important to prey on the misfortunes of our farmers than to tell the truth and search for real answers.

I would like to remind those who cry out in such righteous indignation that they drew the blueprint. Let us go back to the wee hours of September 25, 1984. A fiscal 1985 defense authorization bill was finally agreed upon that allowed an overall defense budget of $297 billion. This was only $2 billion less than the revised budget worked out between the President and the Senate Republican leaders. The House and Senate passed it on a voice vote.

Five days prior, on September 20, Speaker O'NEILL and then-Senate Majority Leader Baker had agreed that Congress would authorize a total of $297 billion for defense. In fact, the Democratic-controlled House got its way with the purchase of 840 M-1 tanks, 120 more than the President had requested.

My point is this: The die is cast; $1.5 billion will be spent for military purposes—if not on the MX, then on something else.

With this vote, 70 percent of the necessary funds for the MX Program will already have been committed—in budgetary terms, I can see no greater waste of taxpayers' dollars than to blatantly throw away every penny that's already been spent.

A reduction in arms, and hopefully someday, the total elimination of nuclear weapons, must be our goal. We're working toward that right now in Genena. The Soviet Union outnumbers us in missiles, airplanes, troops, submarines, and so-called advisers throughout the world. We cannot cancel this program and reward the Soviets for simply coming to the bargaining table. That is a bad precedent and does nothing to encourage their continued participation.

Those who oppose the United States being strong often couch their argument in a cloak of "we care." They say, "We want your every need looked after instead of throwing money away on defense." They say, "The Soviet Union wouldn't be doing the things they're doing today if it weren't for the United States aggravating the situation." For these people, I can only have the greatest pity. Though well-intentioned, their misguided efforts are leading us closer and closer to a Soviet solution, not a U.S. solution. And that solution is world peace, without freedom and through world domination—the same kind of peace that someone in jail enjoys. I'm not being an alarmist on this—I'm simply going by the statements made by Soviet leaders.

Peace without freedom is not the future I want for my children. We must have peace with freedom. The only way we will ever achieve that is through the United States being strong enough to defense the freedoms we all enjoy.

I have a number of reservations about the MX Program. There are cost overruns that are unacceptable. There is some question about its reliability. I would rather see the funding go into the purchase of more conventional weapons and a buildup of manpower. But not only is that option unavailable, but we must not lose sight of the forest for the trees. Simply put, our only choice is to go with the only game in town.

We must make it absolutely clear to the Soviet Union that we will not be an aggressor as they are, but by the same token, we will not be pushed around or intimidated. There is room in the world for all of us. We must work together for peace and the elimination of the nuclear threat.

The MX has been labeled the "Peacekeeper." In our country's early history as the West was being settled, we went through a similar situation. In the bustling settlements and towns that sprang up from the prairie floor, decent law-abiding people were constantly harassed by the drunks, rowdies and bullies who chose to take the law into their own hands. Finally, the shopkeepers, ranchers and farmers won out with the aid of the "peacemaker." This "peacemaker" was a .45 pistol in the hands of a cool, fair-minded, level-headed lawman. The lawman's preference was to never use the gun. Eventually, that idea caught on. Ask any Capitol Hill policeman you see everyday how many times they've actually fired their weapons in the line of duty—the answer is few, if any. Yet every day, they carry that weapon as a sign of the peace and safety we all desire. It's worn as a deterrent to those who would take away, by force, the peace and security we have come to value.

We must assure the Soviet Union that a first strike on their part would not be successful—this is deterrence. Is not world peace equally worth protecting?

● Mr. MURPHY. Mr. Chairman, two issues preying on the minds of the American people are the massive deficits plaguing our economy, and the needs of our national defense.

It is essential that this Congress act to provide a strong defense, a defense capable of deterring Soviet aggression in areas vital to U.S. security, and more importantly capable of protecting our Nation and, in the event of war, winning.

However, with $200 billion deficits in the administration's projections for the foreseeable future, it is also essential that we ensure that we are providing a strong defense without wasting our resources.

Throughout my career in this body, I have continually supported defense requests that truly increased our national security: increased funding for our conventional forces, which will be called upon to prevent Soviet incursions into areas vital to our security; increased funding for air- and sea-launched missiles, which have been determined to be highly accurate but difficult for the Soviets to locate; and other weapons designed for situations expected in modern warfare.

The MX missile does not increase our security. The President has stated that MX is necessary for agreement at the arms talks in Geneva. However, the Soviets came back to the bargaining table after Congress had delayed funding for the MX, and they have never shown much interest in discussing MX at previous talks. They would greatly prefer to discuss items such as the Trident and B-1, which they consider true threats to their own security.

Almost all of the Nation's defense experts have agreed that the Minuteman missiles are extremely vulnerable to attack. However, following the recommendations of the Scowcroft Commission, this administration is recommending placing the MX in those same Minuteman silos which they insist are vulnerable. Their rationale is that by hardening the silos the missiles will no longer be vulnerable. A Soviet missile that can destroy a city, however, would be expected to destroy a missile silo regardless of what steps were taken to harden the silo. And missiles destroyed while sitting in the silos are of no deterrent value to the United States.

It is important that the United States use the money and resources available to it to provide for the best defense of our Nation and our interests. That requires that we evaluate our needs, what systems contribute to our defense, and how we will react to events that may arise.

The United States and the Soviet Union each possess the ability to destroy the world, to end life as we know it. This capability has fortunately made each reluctant to engage the other in serious conflict. Hopefully, this will continue to be the case. However, if it is necessary to use our nuclear arsenal it is imperative that we be able to rely on an arsenal that will be effective. Again, missiles which cannot get out of their silos, regardless of how accurate they may be are of no use to our defense.

At a time when Congress has been asked to make very real and difficult choices on where to spend and where not to spend Federal money, the President has asked for a weapons system that could cost over $40 billion, not counting ever-present cost overruns. That is $40 billion for a system of highly questionable value. Not only is the MX an expensive weapons system, it is also a flawed weapons system.

This administration has never presented a comprehensive defense plan to Congress. They have never fully defined what the needs and purpose are of not only MX, but of many of the other systems they have asked us to allocated billions of dollars on.

I will oppose the MX because it will not strengthen our strategic readiness nor enhance our national security. It is nothing but another means of wasting precious Federal resources on a vulnerable and ill-conceived desire of the Department of Defense.●

● Mr. BONKER. Mr. Chairman, the time is approaching for us to vote on whether to release funds for the MX missile, and I am concerned that the excuse of the talks in Geneva are being used to hide the weaknesses of the MX missile program and prevent serious debate on its role in U.S defense.

Frankly, I can't understand the President's logic. Today we are told by the administration and others that a vote to halt production of this extravagant missile system will be a vote against the arms control negotiations in Geneva. I suspect that the reverse is more likely to be closer to the truth.

What is on the line today is the President's prestige: Will he be able to convince Congress to support his defense policy that has been based on little other strategy than building every weapon possible irregardless of cost, utility, or long-term strategic implications. Now before today's vote, Chief Arms Control Negotiator Max Kampelman has been specially flown in to persuade us that the MX will keep the Soviets at the bargaining table. Based on past history, I would say that the fate of the MX is irrelevant to Soviet arms negotiating strategy, and if the President would devote half as much energy toward negotiation as he and his Cabinet do toward

protecting weapons, Mr. Kampelman would have far more important things to do.

We have been told that the MX is essential to the negotiations as a bargaining chip. But for this bargaining chip to be effective, two things must be true. The first must be that we are genuinely willing to bargain it away. The second must be that the Soviets consider it worth bargaining for. In the case of the MX, neither of these conditions is true.

Who really believes that the deployment of the MX is any more negotiable than the so-called bargaining chips of the past—the multiple warhead [MIRV] and cruise missiles—or any more negotiable than the newest chip, the stars wars defense plan. In previous years, the administration made it clear that basing the MX was absolutely essential to our national security. Now, when the votes in Congress are close and we are on the threshold of making a final decision on whether to deploy the missile, it becomes a chip in the negotiations. We are told that without this missile in our arsenal, the Russians won't take our negotiators seriously.

We already have 21 missiles in production to make the Russians "respect" us and the capacity to boost production at any time. In a few months, we will begin debating the President's request for 48 more MX missiles. Holding off on MX funding today will not kill the weapon or lessen the impact its partial deployment may already have. The real question today is what is that impact? Where is the evidence that the Soviets have ever been influenced by the threat of MX missile deployment?

Arms control negotiations have been on and off over recent years without any clear correlation with congressional action on the MX or change in missile production status. When we first voted to produce the missiles, the Soviets continued negotiating. Later the talks broke off and after we voted to suspend MX missile funding, the Soviets returned to negotiations.

Why does the Soviet arms control stance seem independent of the MX missile? Because the MX is no better defended than the Minuteman missiles it replaces and it offers no different threat than was already posed.

How does the MX missile improve our Nation's defense capabilities? The answer has been clear for years. It doesn't. Thirty-four basing options were explored in an effort to close a mythical window of vulnerability, said to be open because of the perceived vulnerability of our ground-based ICBM's to Soviet attack. How have we closed that window? By basing the MX in the same vulnerable silos that had been used to house the Minuteman.

In the name of security enhancement, we have built a major weapon of terrible destructive power at incredible cost that cannot survive a Soviet first strike. Therefore, for it to be an effective part of our strategic arsenal, the MX must either be launched on warning, or worse, as an offensive strike. The total cost for this "enhanced" security system is estimated at a minimum of $26 billion. I have to wonder where the Grace Commission has been when we could really have use then.

I urge my colleagues not to be swayed by the latest excuses for deployment of this extravagant, destabilizing missile. It is just another expensive step in the arms race that adds little to our security and makes no contribution to the success of the arms talks in Geneva. Let's do the smart thing. Let's save some money that could be far better spent in hundreds of other ways. Let's stop funding for the MX missile.●

● Mr. MOLLOHAN. Mr. Chairman, I rise today to announce my support for release of last year's appropriations for 21 MX missiles and to briefly discuss my views on the future of the MX.

My support for release of this year's funding is somewhat reluctant. The MX, as I have pointed out before on these votes, is a missile that virtually no one thinks is perfect. The problems with the missile are obvious: Its relative immobility makes it vulnerable to enemy attack, and its MIRV'd warhead makes it more expensive to "lose" in a nuclear exchange. As the only way to avoid losing a vulnerable missile is to fire it, the MX becomes inherently destabilizing.

We are, however, faced with a problem: The Soviet Union has an unquestionable advantage in land-based ICBM's. In the face of this disparity, the United States has three options: First, permanently yield superiority in land-based missiles to the Soviets, effectively junking the strategic triad on which we have relied over the past three decades; second, restore the balance through an arms control agreement with the Soviets; or third, restore balance by building a new land-based missile.

I reject the first option—permanently yielding superiority to the Soviets—and I imagine the vast majority of my colleagues reject it as well.

The remaining two options are the context in which consideration of additional funding for the MX must be considered. I would much prefer the arms control approach, and I hope that the new talks in Geneva will yield results. I simply do not understand how a vote today against release of funds appropriated last year could possibly improve our prospects for an arms accord with the Soviets. We can talk it to death, but the bottom line is that we would be giving the Soviets something for nothing. That is the reason I am casting my vote in favor of the release of funds.

This argument, however, is mitigated by other factors when the question becomes one of funding for additional missiles in fiscal year 1986. At this point, I see little justification for approving the President's request for 48 additional missiles. As I mentioned earlier, the MX is an inherently destabilizing weapon, but only if it is deployed in sufficiently large numbers. The funds we are releasing today are for 21 missiles in addition to the 21 previously approved. This vote, in other words, is for deployment of the 42d missile. That is a comfortable number: It alleviates some of the disparity in land-based missiles between the United States and the Soviet Union, yet it does not pose a destabilizing first strike threat to the Soviet Union.

If we are reduced—through failure of the Geneva talks—to the third option of restoring the balance in land-based missiles by deploying additional American missiles, let us accelerate development of the more stable single-warhead Midgetman missile.

I have written to the President today to let him know of my doubts about future funding of the MX. Giving the administration every benefit of the doubt, I have asked him to schedule several meetings between myself and appropriate members of his administration. It is possible that future events will alter my views, and I intend to be kept apprised of any relevant developments.●

● Mr. RODINO. Mr. Chairman, I rise in strong opposition to House Joint Resolution 181, to authorize the release of funds to procure an additional 21 MX missiles.

I have always advocated a strong and effective defense system for our Nation. But I am convinced that the MX missile will not contribute to achievement of that objective. In fact, I fear it will hamper or even endanger our hopes for peace and our efforts for arms control.

Our triad system of air, sea, and land defense is undergoing vast modernization. Our submarine force is being upgraded, and with it we have true retaliatory capability under the seas. The air component of the triad system is being upgraded with the B-1B and Stealth bombers. But the MX missile, proposed as a replacement for our Minuteman ICBM land force, is a disastrous mistake. We postponed its production for years because, after studying 36 basing systems for it, we could not find an acceptable one. Finally, this administration decided to deploy the MX in hardened Minuteman silos instead of waiting for the development of a mobile Midgetman replacement.

This proposal is fraught with danger. Into these fixed sites we would

be placing missiles more vulnerable than the existing Minutemen and creating a far more enticing target for attack. Such deployment of MX missiles would give the United States the capability of a first strike and add to Soviet uncertainty and fear, thus increasing the dangers of accidental nuclear war.

The overwhelming reasons against deployment of the MX missile as a useful weapon have led the administration to its present position—that it is crucial as a bargaining chip in the Geneva arms control negotiations.

I cannot agree that this is justification for procurement of additional MX missiles. The Soviet Union broke off arms control talks in 1983 after funds were approved for the first 21 MX missiles. They have returned to negotiate before any additional MX missiles are approved. It has already shown its interest is in limiting deployment of cruise missiles and halting implementation of the President's star wars plan.

In personal meetings with Members of Congress, and in his letter to Members of the House, the President has never specifically stated that the MX missile is a bargaining chip at the Geneva talks. He speaks of demonstrating a "lack of resolve, and a divisiveness," but never the actual intention to use the MX missile as a bargaining chip. To the contrary, it appears clear to me that the administration is using the threat of a breakdown in arms control negotiations to win votes for approval of additional MX missiles.

The position is very cogently stated by former CIA director William E. Colby, who wrote to Members of Congress:

> Indeed, experience in these negotiations has established a simple rule: A weapon is valuable as a negotiating chip while it is on the drawing boards, but once it is deployed, it cannot be traded away. Thus if the administration wishes to use the MX as a bargaining chip, it is in our interest to keep it as a prospective weapon, not an acutal one.

Mr. Chairman, at a time when we must deal with a massive budget deficit we cannot afford to undertake a $40 billion project for the ineffective, vulnerable, and dangerous MX missile. We have pressing domestic needs for our Federal funds and our national security is certainly not served by adding $40 billion ot our deficit for such a weapons system. I urge the defeat of this resolution.●

● Mr. GRAY of Illinois. Mr. Chairman, I just concluded a telephone call from the President of the United States Ronald Reagan personally asking me to reconsider my opposition to the MX missile. It is very difficult to say "No" to our Commander in Chief, but I had to explain to the President that I had campaigned in opposition to the MX and was elected and my mail has been running 95 percent in opposition and that to change now would be too much of a creditability gap.

Mr. Chairman, we have heard all kinds of arguments both pro and con on this subject so I will not repeat them here today, however, I would like to commend an article by my friend James J. Kilpatrick, a defense-minded conservative on this important subject. This article appeared yesterday in the Baltimore Sun. I commend the reading of this article to the Members of this distinguished body who may not have decided on how they intend to vote. I hope we can save these billions for a weapon we do not need and get on with the job of helping the farmer, the unemployed worker, the small businessman and other hurting segments of our society.

The article follows:

[From the Baltimore Sun, Mar. 25, 1985]

THE FOLLY OF MX—THE NEED FOR CONVENTIONAL WEAPONS

(By James J. Kilpatrick)

WASHINGTON.—The House of Representatives will be voting this week whether production of the MX intercontinental nuclear missile should be continued. Last Tuesday the Senate said yes. The House should say no.

Three reasons alone, in my view, add up to a compelling case against continued investment in the MX. The first has to do with retaliatory capacity, the second with the problems of the MX itself, the third with alternatives to pouring more money into nuclear arms. A fourth argument, more persuasive than all the rest, is that the likelihood of a nuclear war has become so remote that its possibility no longer should dominate defense planning.

The threshold question that has to be met in any discussion of new strategic weapons may be simply put: Does the United States now possess a sufficient retaliatory capacity to deter the Soviet Union from launching an attack? If the answer is no, then perhaps a case could reluctantly be made for continuing the hemorrhage of public funds in this area. If the answer is yes, as many informed observers believe, then the MX cannot be justified.

The truth is that the United States now possesses a nuclear arsenal sufficient to destroy the Soviet Union altogether—its cities, its refineries, its transportation system, its power generating plants, its military bases. Our Minuteman missiles may be vulnerable and our bombers may be aging, but given the will to retaliate—and few would doubt that Ronald Reagan possesses that will—the United States still retains the capability of wreaking awesome destruction upon an enemy. At some point enough is enough. We have reached that point.

What is to be done with the 21 MX missiles voted by the Senate? The answer appears to be that we will "superharden" the existing Minutemen silos and house the new supermissiles there. But expert opinion is sorely divided on the feasibility of this approach. Unlike a submarine or a bomber, a silo stays put; its location can be targeted to the last millimeter. Before the folly of the MX is compounded by the folly of silo deployment, surely renewed thought should be given to some form of mobility.

The argument that carried the Senate, convincingly put forth by Mr. Reagan, was that to abandon the MX would cut the legs from under the negotiating table in Geneva. A "no" vote would send the wrong signal. The MX must be preserved as a bargaining chip. But if we mean to wage a nuclear war with the Soviets, and the MX is essential to survival, then the MX becomes non-negotiable. Talk of a "chip" dissipates the seriousness of our supposed determination.

No one knows—no one can know—what the MX missile system ultimately may cost. Congressional testimony estimates the price of each missile at $74 million; the superhardening could range from $100 million to $180 million per silo. We are talking of squandering billions and billions of dollars, merely to achieve some temporary enhancement of a destructive capacity that is more than sufficient already.

Representative Charles Bennett (D, Fla.) recently remarked upon the alternative to continued nuclear production. If the $13 billion that has been allocated to the MX since 1974 had been channeled to conventional arms instead, our armed forces could have acquired 840 M-1 battle tanks, 716 Bradley fighting vehicles, 144 Apache attack helicopters, 180 F-16 fighter bombers and 48 F-15 fighter jets. Surely it makes more sense to prepare for wars that likely will be fought than to prepare for an improbable cataclysmic conflict.

My own serene conviction, for whatever it may be worth, is that no nuclear war will ever be waged. This conviction rests upon the observation that Soviet leaders, whatever their flaws, are not raving lunatics. They love their homeland as we love ours, and in a showdown they will not risk its destruction. The time to stop this nuclear arms race is now.●

● Mr. FRENZEL. Mr. Chairman, this question on MX is a vexing question which Congress cannot seem to settle. The vote today is just a rerun of the decision Congress made last year.

Its a good idea to review all Government programs, defense included, regularly. Here, however, there are no new arguments against our 1984 decision, and there is a very important new argument in favor of it.

I opposed rebuilding all elements in the triad at once. That was an unnecessarily expensive decision which I could not justify. I am no fan, under any circumstances, of the new manned bomber. I am not enthusiastic about the MX.

But as a part of the compromise which grew out of the Scowcroft Commission report, a compromise which included Midgetman development and more open negotiating poistion by the administration, I agreed, with a majority of this House, to go forward with a limited number of 21 missiles. That's what we are voting on now—just those 21 missiles.

In the absence of new data or changing conditions. I believe Congress should stick to its original decision.

But, even more importantly, a newly reelected President is negotiating on every phase of nuclear armaments with our adversary, the U.S.S.R. He and his negotiators, believe that we should not unilaterally give up these 21 missiles.

I give the arms talks the very highest priority. I want them to succeed. I want to give our President, and our negotiators, every incentive to succeed, and no possible excuse to fail. Therefore my affirmative note is an easier one that the 1984 decision it confirms.●

● Mr. COYNE. Mr. Chairman, we have a chance to halt a weapons system which adds billions to the deficit while it detracts from our security.

This is difficult to accomplish, but that is exactly what we accomplish if we authorize $1.5 billion for 21 MX missiles.

Approval of the MX puts us closer to the administration's goal of a $25 billion, 100 MX Production Program over the next decade.

That adds to the budget deficit.

A go-ahead for an MX with a vulnerable basing mode increases the chance that it will be used as a first-strike weapon.

That detracts from our security.

The MX makes no military sense. Let us imagine for a moment that we are Soviet military strategists. From our viewpoint, we would hope that the United States commits billions to a weapon which, unlike most of its existing arsenal, is stationary. Better yet, we would hope that the United States houses the missile in silos which are readily identified and easily destroyed.

The MX is a missile made to just such an order. According to Congressional Budget Office estimates, between 90 and 99 percent of the missiles could be destroyed by a Soviet first-strike attack by the time the missile is deployed.

Former Senator John Tower, a conservative Republican who chaired until recently the Senate Armed Services Committee, made an astute observation about this type of vulnerability in a "U.S. News and World Report" interview in November 1981. He said:

By stuffing the MX's into fixed silos, we're creating just so many sitting ducks for the Russians to shoot at . . . True, the MX missile itself will be more powerful, more accurate—and we'll need that type of weapon. But it's of little use to us unless the Soviets are convinced it can survive an attack. Without that, the Russians have no incentive to start serious arms talks.

The MX makes no political sense. One of the more unfounded notions I have heard in recent weeks suggests that the MX must be retained as a bargaining chip for arms control negotiators in Geneva.

If we need a bargaining chip, and I would suggest that both the United States and the Soviet Union already have plenty with which to bargain, the MX is not a good vehicle. As we know, the Soviets will soon be able to destroy nearly every MX we can build. Why should they be so interested in having us halt production of so vulnerable a weapon? It is worth remembering that the last proposal the Soviet Union made before leaving the bargaining table in 1983 would have allowed us to build 680 MX's. It does not appear to me that this is a weapon we must have to bargain with the Soviets.

The MX makes no fiscal sense. Perhaps the real goal of the Soviet Union is to encourage us to actually deploy 680 MX's, thus spending our way to bankruptcy. I would argue that even the limited authorization we vote on today, $1.5 billion for 21 missiles, would be an unwise decision. For that amount, we could fund the Urban Development Action Grant Program, the Job Corps and the Economic Development Administration and still have million left over. The administration, as I am sure my colleagues are aware, has proposed that these job-creating programs be eliminated because they are too expensive.

Let us keep programs which produce jobs.

Let us get rid of the MX.

I urge a "no" vote on the MX missile.●

● Mr. EDGAR. Mr. Chairman, as we debate this resolution to release $1.5 billion for the procurement of 21 MX missiles, I think it is important to recall why we are being asked to purchase this weapon. Initially we were told that the MX was needed to replace the aging, outdated, and dangerously vulnerable Minuteman missiles that were sitting in their silos waiting to be wiped out. Then, as we discussed MX basing models, we considered underground railroad tracks and the so-called dense pack theory which held that if all the missiles were grouped together, maybe some would survive an attack. Finally, we ended up deciding to put them in the same dangerously vulnerable silos that were one of reasons we wanted to replace Minuteman.

But the odyssey didn't end there. Since 1983 the administration has claimed that the MX is valuable as a bargaining chip, as a means to bring the Soviets to the negotiating table in Geneva. Our ultimate goal, I hope, is a new arms control agreement, indeed, an eventual reduction in nuclear arms on both sides.

The actions of our administration, however, indicate that the MX is not a bargaining chip to get arms control; rather, the arms control talks are a bargaining chip to get the MX. That's why Max Kampelman, our chief negotiator, left the all-important talks and returned to lobby Members of Congress in favor of the MX. Mr. Chairman, that's why the administration told us last year that we needed the MX to get the Russians back to the arms control talks, and tells us this year that we need the MX because the Russians are at the arms control talks. That's why we suddenly discover that the MX Program has been intended as a jobs program all along, though it creates only 36,000 jobs for $1.5 billion. I must reluctantly conclude that the arms control talks are being used to achieve the overall goal of MX deployment.

Mr. Chairman, earlier this month the President said in a radio address to the Nation, "The Soviet leadership views the current debate on the MX as a key test of American resolve." He went on to add, "If Congress acts responsibly, our negotiators will have a chance to succeed."

I agree.

Let this vote be a test of our resolve—our resolve for peace.

And I pray that this body does indeed act responsibly—voting "no" to the request for the release of funds for the procurement of 21 MX missiles and thereby giving our negotiators in Geneva a true chance to succeed.

For resolve and responsiblity is what this debate is all about.

We are told by the administration that moving forward with MX production and deployment sends Moscow an unmistakable message regarding U.S. intent to maintain "stable deterrence." Yet, is it responsible to provide for a weapon that is by its very nature destabilizing? Since the first strike capabilities of the MX are undeniable, is it responsible to take to one more step in the spiraling arms race on the way to what we euphemistically call stable deterrence? Where is our resolve to end this race?

We are told by the administration that ongoing strategic modernization creates strong incentives for the Soviet Union to seriously negotiate genuine, stabilizing arms reductions. Why else has Mr. Kampelman returned? But does it express our resolve to work toward arms reductions when our chief negotiator returns to lobby for arms increases? Where is our responsibility to negotiate genuine, stabilizing arms reduction?

Mr. Chairman, given these ideas of resolve and responsibility, I have three major objections to the release of funding for these missiles. First, the MX will be a highly capable weapon that is also highly vulnerable. Because of its insecure basing in old Minuteman silos, the MX will have to be a first-strike weapon; it will surely be seen as that. That's the kind of weapon that could provoke a nuclear war, not deter one.

Second, the argument that we must have the MX because the Soviets have heavy missiles is specious. This argument means that our forces must be a mirror image of those of the Soviets—despite the fact that we are far superior in the other two legs of our strategic triad, long-range bombers and our submarine-launched missile capability.

Third, I also reject the proposition that the MX will enhance our bargaining position with the Soviets. Our experience has taught us that the poten-

tial value of using weapons for such a strategy lies in our ability to threaten their development and deployment. Once deployed, the weapons are nearly impossible to halt. In this connection we need only remember the examples of MIRV's and cruise missiles—weapons whose initial American gain is being duplicated by the Soviets at no small cost to our own security. I ask unanimous consent, Mr. Chairman, to insert in the RECORD at this point a recent editorial from the Philadelphia Inquirer addressing this issue of the relevance of the MX to the talks at Geneva, as well as the weapon's military value.

The editorial follows:

MX WON'T HELP SECURITY OR ARMS TALKS IN GENEVA

Members of Congress who oppose funding the controversial MX missile program are now being put on the hot spot by the administration. The White House contends that the missiles will be crucial to the success of U.S.-Soviet arms talks beginning in Geneva next week.

This highly political argument is the best the White House can muster for the release of $1.5 billion that Congress narrowly appropriated last year for 21 missiles, and for $4 billion more for 48 additional missiles in 1986. That's because the military rationale for the missiles is so full of holes.

Latching onto Geneva is a clever tactic. Few legislators relish being labeled saboteurs who deprived President Reagan of a strong hand in facing the Soviets. The danger is that behind this smokescreen Congress will be arm-twisted to approve a weapons system the United States doesn't need.

On close examination the MX program serves little military or political purpose. The sophisticated missile with 10 to 12 nuclear warheads was originally meant to help balance the increasing number of highly accurate Soviet land-based missiles with multiple warheads. These raised fears in the Pentagon that the Soviets might be able to wipe out the entire U.S. land-based missile force with a first strike by the mid- to late 1980s—the socalled vulnerability problem.

That "vulnerability" thesis has been roundly challenged by the President's bipartisan Scowcroft commission on strategic forces, which reported that America's varied strategic defenses would make a successful Soviet attack on U.S. land-based missiles practically impossible. But even if vulnerability were the problem, the MX offers no solution.

Efforts to find an "invulnerable" way to base MX failed, so it will be housed in the very Minuteman missile silos whose openness to attack the Pentagon decried. Though President Reagan has argued that super-hard silos are in the works, Air Force officials told The New York Times they wouldn't be available until the 1990s, by which time a new generation of smaller, mobile missiles is scheduled to be deployed.

What good then is the MX missile? The President says 100 MX's would dissuade the Soviets from striking first. He has taken to calling them Peacekeeping in a masterpiece of creative packaging. But the Peacekeepers, far from deterring Moscow, would present just the kind of vulnerable target that might tempt the Soviets to start a war. In reality, their vaunted accuracy would be of little use unless the United States intended to hit first.

Which leads to the political case for MX—that Congress should approve the MX money, not so much because the missile has military value, but to bolster the American team at the bargaining table.

That case might be arguable if the administration showed signs of viewing the MX as a "bargaining chip." On the contrary, though congressional pressure forced the administration in the past to contemplate scaling down the MX in return for Soviet concessions, there's been no clear repudiation of the position laid out by former chief U.S. negotiator Edward Rowny: "We have no intention, if we build these MXs, to give them up."

Even if the U.S. were willing to bargain MX away, its value has diminished. When negotiations focused only on offensive weapons, MX provided a potential trade-off for Soviet heavy missiles. Today, defensive weapons—the President's "Star Wars" system—offer a far better chip to persuade Moscow to cut back on its offensive weapons, but Washington doesn't want to trade Star Wars either. Building the MX might well encourage the Soviets to enlarge their missile force rather than reduce it.

Were the MX vote not being held just as the Geneva talks open, chances would be that Congress would nix this unnecessary weapon. That unfortunate timing—and the hope of some in Congress that MX approval can be used to pry more flexible U.S. negotiating positions from the White House—may lead to a favorable MX vote, at least for releasing 1985 funds.

That's wasted money. Congress should not be intimidated by exaggerated claims linking MX to the fate of arms talks, not now, and certainly not on any future MX votes. Geneva will rise or fall on far more crucial factors, from Soviet succession and seriousness to administration flexibility on Star Wars. It's ironic that talks on arms reductions become the chief rationale for supporting new weapons systems that only add to the chance of war.

In closing, Mr. Chairman, I would only point out that the MX is an unnecessary, dangerous, and prohibitively expensive weapon. I urge my colleagues to join me in voting against House Joint Resolution 180, and to oppose further production funding for the MX missile.●

● Mr. KANJORSKI. Mr. Chairman, I'm going to vote against the MX because when I stood for election I promised that I would vote against costly, unnecessary nuclear weapons systems so we could use the money to strengthen our weak conventional forces. I'm going to keep that promise.

I'm not intransigent on this point. If I believed the MX would help our national security—I'd change my mind. But the evidence is in and the MX is a loser.

That's part of the problem in Washington—many of us come to town knowing what the right thing is to do about complex issues like defense—knowing that our citizens are tired of bottomless defense budgets that spawn $500 hammers, $700 coffee pots, $1,000 toilets, and defense contractors that expect taxpayers to pick up their multimillion-dollar legal bills when they screw up on a weapons system.

But Congressmen are then besieged by all these so-called experts.

The last two Congressmen we had in the 11th District got caught up in that kind of malarkey on Social Security. Both knew Social Security shouldn't be cut. Both knew the people back home didn't want it cut. And both promised they wouldn't cut it.

Then they went to Washington and the "experts" convinced them to vote to cut Social Security. And they did!

I remain against MX because it is so clearly a lousy weapon system.

The Pentagon has proposed 35 different ways for basing it—and each one has been rejected as unworkable. The MX is supposed to replace our vulnerable Minuteman missiles—so what do they end up doing? They decide to base it in the very same vulnerable Minuteman silos. The Russians can pick them off so easy, it's like fishing in a barrel.

We would do better building a small mobile ICBM—and I'd favor that.

We'd be safer with Trident submarines armed with D5 missiles—and I'd favor that.

Surely, we'd be more secure if we had a Stealth bomber—and I'd favor that, too.

But the MX is not what we need. The cost of hardening the Minuteman silos to protect them against a Soviet strike could alone run about $180 million per silo, according to the Air Force. That means each MX would run about $254 million a piece.

Why just the money we've spent for MX development since 1974 would buy the 840 M-1 battle tanks, 716 Bradley fighting vehicles, 144 Apache helicopters, 180 F-16 fighter bombers, and 48 F-15 fighter jets in the fiscal 1986 defense budget, with enough left over to add two new guided missile destroyers, the DDG-51's. And I'd probably be for most of that, because you can't imagine how dilapidated our conventional weapons are today. That's the area that makes us most vulnerable—not the stockpiles of nuclear weapons we have.

The proposed funding level for the new MX's equals what we now spend to aid the veterans of all our past wars and their dependents. It would fund our VA health-care program for 3 years and give first-class education and job-training to our Vietnam veterans, while also meeting the needs of all those vets exposed to agent orange.

With a $200 billion deficit—if we build an MX—where do we find the money to do the rest?

Finally, if it's not a good weapon, it's not a good bargaining chip at Geneva.

Trying to end the arms race by building new weapons is like trying to lose weight by eating hot fudge sundaes.

When it comes to our bloated strategic arsenal, sooner or later we've got to

draw the line. The fortunate thing about drawing the line with the MX is that it's easy because the MX is such an obvious lemon.

So does this make me soft on defense, as my political critics surely will charge?

Later this year I'll be voting for the largest defense budget in the history of the Nation—one that will be significantly greater than last year's. I would have voted to spend a good deal of the $1 trillion President Reagan has spent since 1981 to bolster our national security. Nobody doing either of those can be considered soft on defense.

I'm not going to hold my nose and vote for an MX that no one has yet to prove actually makes us stronger, and many have demonstrated actually would make us more vulnerable.

I can tell from my mail and from the remarks I hear at the many town meetings I'm conducting that people in the 11th District are not convinced the MX is the answer to the Geneva talks of our national security. And this week's U.S. News poll shows they are not alone.

A scientific survey of 1,542 randomly selected Americans showed that 1 in 3 of them believe the President should be making deeper cuts in defense than he's proposed for domestic spending, another 42 percent want equal reductions and an overwhelming 68 percent believe we make concessions at Geneva to achieve mutual arms reduction.

We're strong enough now to negotiate from strength. It's time for serious negotiating to begin and the political posturing to stop.●

● Mr. MANTON. Mr. Chairman, I rise in strong opposition to House Joint Resolution 180 authorizing the release of $1.5 billion for the procurement of 21 MX missiles in fiscal year 1985.

As a new Member of Congress, this is the first opportunity I will have to cast a vote on a major national security issue. The fact that I will vote no does not indicate that I am weak on defense or want to undermine the arms control negotiations in Geneva, as the administration would have you believe. To the contrary, it is precisely because, I believe in a strong national defense and am deeply committed to arms control that I will vote against the MX.

Those who oppose the MX have been accused of playing politics with this vital national security issue. But nothing could be further from the truth. I oppose the MX because on a military basis the missile is unsound.

In the early 1970's military officials became concerned that our land-based strategic missiles were vulnerable to Soviet attack. Over 30 different basing modes for the MX were studied in order to close the "window of vulnerability." After it was determined that a survivable basing mode for the MX missile did not exist, President Reagan decided to deploy the MX in existing Minuteman silos. A shiny new sitting duck is just as vulnerable as an old one. In fact, this missile is so vulnerable the Congressional Budget Office estimates that by 1990, a Soviet first-strike would knock out 90 of the 100 missiles.

The MX is a provocative and destabilizing weapon. Each highly accurate missile would contain 10 powerful warheads. Its vulnerability combined with its destructive force would do little to discourage Soviet attack while forcing the United States to move to a launch on warning policy. Quite simply, further development of the MX will move us closer to, not further from, nuclear disaster. We cannot justify spending an additional $30 billion on a useless weapon that undermines our national security.

Mr. Chairman, the proponents of the MX missile have given up justifying the weapon on a military basis. We are told the MX is necessary as a bargaining chip at the Geneva negotiations. Again, this argument is without merit. First, the MX is not high on the Soviets' agenda and we have plenty of chips to bargain with in Geneva. We are currently modernizing our strategic forces and new proposals like the strategic defense initiative, star wars, already have the Soviets' attention. They came back to the negotiating table when it appeared the MX was destined for the scrap heap. Second, the administration has said they plan to build and deploy the MX missile. In other words, they have no intention of giving it up at the negotiating table. Third, we are told by the administration that Congress should approve the MX in order to demonstrate our resolve and send the Soviets the right signal. However, building a weapon capable of massive destruction in the midst of arms control negotiation does not send the Soviets the proper message about our commitment to weapons reductions.

Mr. Chairman, each of these arguments is reason enough to vote against the MX. But here is another equally important reason why additional funds for the MX should not be authorized or appropriated at this time.

Our Federal deficit is close to $200 billion and is a serious threat to continued economic growth. The President has asked the elderly, working families, and the less fortunate to make sacrifices in order to bring the deficit down. Support for low income and elderly housing would be eliminated. Federal funds for mass transit capital assistance would be terminated. Urban development action grants and most other community development programs would be decimated. Student financial aid would be cut by 25 percent. In the Ninth Congressional District of New York which I represent, we are faced with a severe lack of affordable decent housing. Our infrastructure is in a state of disrepair. Given our severe fiscal crisis, and the massive cuts being targeted at vital domestic programs, we simply cannot afford to throw $30 billion at the MX boondoggle.

I urge my colleagues to vote against the resolution.●

● Mr. FORD of Michigan. Mr. Chairman, I rise in opposition to House Joint Resolution 180, which would authorize the release of fiscal year 1985 funds for 21 MX missiles.

This year we have a budget deficit that may exceed $200 billion. Yet we are being asked to approve the release of $1.5 billion for a missile program that is being touted not for its military value but rather for the message that we wish to send to the Soviet Union. The total program will cost more than $40 billion. If military spending is ever to be reined-in, weapons systems that offer only marginal improvements in U.S. security must be abandoned. The MX is clearly the most questionable of all the strategic modernization programs currently being pursued, and its cancellation will save more than $11.6 billion over the next 4 years.

President Reagan has referred to the MX missile as the peacekeeper, in that it would keep peace by providing an awesome deterrent against attack. However, experts agree that the MX is a vulnerable, destabilizing, and unnecessary weapons system that will undermine, not enhance, the national security of our country. Even supporters of the MX acknowledge that these missiles will be vulnerable targets when deployed in Minuteman silos. In its proposed basing mode the Air Force has indicated that by 1996, only 1 percent of the MX's would survive a Soviet surprise attack. MX missiles based in Minuteman silos can add to U.S. capabilities only if we plan to use them in a first strike or for a retaliatory response. Cutting the MX missile will not weaken our national defense, but will instead lessen the likelihood of a nuclear war.

The MX missile was originally designed to offset Soviet ICBM's and to provide the United States with the capability to destroy Soviet hard targets such as hardened ICBM silos and command centers. A survivable basing mode for the MX has never been found despite consideration of 35 different deployment schemes. The Carter administration selected basing in multiple protective structures, known as racetrack, which entailed moving 200 missiles among 4,600 shelters to be constructed in Nevada and Utah. The Reagan administration rejected the racetrack plan and embraced the Scowcroft Commission's recommendation for dense pack basing. In dense pack, 100 MX missiles are closely bunched in superhardened

silos. The dense pack basing mode was rejected by Congress in December 1982. Even though the Scowcroft Commission had not solved the problem of the MX's vulnerability to Soviet attack, the President endorsed the recommendations and used them to recast the MX debate.

President Reagan's claim that the MX is necessary in order to maintain the effectiveness of the American nuclear deterrent is unfounded. The United States strategic arsenal is already replete with less vulnerable weapons systems. Within the last 4 years the United States has deployed over 200 new Trident I missiles with more than 1,700 warheads. The United States has just begun deployment of nuclear-armed, sea-launched cruise missiles and is continually improving submarine and antisubmarine warfare technology. Even the President's Scowcroft Commission has acknowledged that the Soviets cannot simultaneously undertake an attack on U.S. submarine ports, bomber bases, and ICBM's. Such an attack would not threaten submarine missiles deployment at sea or strategic bombers on alert. Air-launched cruise missiles and submarine-based missiles provide accurate and nearly invulnerable nuclear deterrents and are more attractive options than the MX. As a result of their survivability, these weapons are not destabilizing systems that serve as an incentive for a Soviet first strike.

There has also been an ongoing effort to modernize our nuclear arsenal. This modernization includes retrofitting of Minuteman missiles with new warheads, deployment of additional Trident submarines, new cruise and Pershing II missiles, and development of the Midgetman. With these new systems, we simply do not need a dangerous and ineffective missiles such as the MX. Adding vulnerable MX missiles to the arsenal does nothing to strengthen our nuclear defenses. To stop funding for the MX would not be a sign of weakness, but rather a statement of confidence in the strength of existing U.S. forces.

President Reagan has continuously told the American people that the MX is necessary for bargaining leverage at the arms talks between the United States and the Soviet Union. At the same time, the Reagan administration has made it clear that it has no intention of trading the MX for equivalent Soviet concessions and does not regard the MX as a bargaining chip. It is unlikely that the MX would pressure the Soviets to negotiate. The Soviets are more likely to respond by improving their defensive and offensive weapons. Instead of inducing the Soviet Union to negotiate on arms control, the MX could provoke a Soviet counterbuildup, quickening the pace of the already vigorous nuclear arms race. I certainly welcome the resumption of arms control talks between the United States and the Soviet Union. However, I do not believe these talks can be allowed to serve as justification for a bad weapons system like the MX.

At a time when it is essential to find ways to limit military spending and annual budget deficits exceed the $200 billion level, we cannot afford to purchase such an expensive and unnecessary weapons system as the MX missile. The administration's proposal to place 100 MX missiles in Minuteman silos would cost $26 billion over the duration of the program. This includes the release of $1.5 billion for production of MX missiles in fiscal year 1985 and an estimated $3.8 billion for production in fiscal year 1986. We cannot afford to waste military funds on a weapons systems that does not meet the standard of advancing our national security. At the same time, we cannot continue to throw excessive amounts of money on military spending while important domestic programs are reduced. I urge my colleagues to vote against House Joint Resolution 180 and halt the release of funding for these additional missiles.●

● Mr. LAFALCE. Mr. Chairman, today I cast my vote against the procurement of 21 MX missiles. My vote is partly against spending the $1.5 billion these missiles will cost. Only partly, though, because I have never believed that the Federal Government should scrimp on national security. If the MX could enhance our security, I might not object to its price tag. However, it does not enhance our security; in fact it makes our security more precarious.

The MX program originated with a simple purpose: To safeguard our land-based ICBM force. A fear that existing Minuteman III silos were becoming vulnerable to a massive Soviet first strike motivated the development of a new missile experimental, or MX, that could survive such an attack. As originally conceived, the MX's retaliatory capability was to be protected by basing it in a mobile vehicle—a train, a truck, or even in a large airplane—that would be a difficult target for an enemy's first strike.

Unfortunately, the Pentagon and the defense contractors were not satisfied with deploying a good missile that could survive and retaliate against an attack, and would thus deter an attack. No; the Pentagon and the defense contractors wanted a big missile, big enough to carry 10 nuclear warheads. Instead of a reliable retaliant, they created a 100-ton, hydra-headed monster whose bulk prevented it from being based on any ordinary vehicle.

Back to the drawing board, the MX's creators designed a new home for their monster. It was to be a racetrack along which 200 missiles would be shuffled among 4,600 shelters. This plan faced so many logistical, environmental, and financial problems, that it might have proven impracticable even if it did not fail the fundamental test of protectiveness. The Soviets could simply build new missiles, with warheads for all 4,600 shelters—and they could cover our bases for less cost than we would absorb in constructing them.

When Congress balked at this misconceived shell game, the monster-makers scratched their heads and returned from the drawing board with a third plan: dense pack. By basing MX in closely spaced silos, they hoped that a volley of attacking warheads could destroy each other but leave enough of their targets intact to permit effective retaliation by the surviving MX's. To ensure the fratricidal destruction of Soviet warheads, we only needed the Soviets to cooperate by timing their shots for our benefit. Since such cooperation might not be assured in a nuclear war, though, the dense pack proposal was filed with its predecessors, and President Reagan appointed a commission to rescue the apparently doomed MX.

The Scowcroft Commission concluded that the United States needed—surprise—a mobile ICBM to escape destruction by a first strike. This was exactly the need the MX had originally been meant to fill, and which it dismally failed to fill. The Scowcroft Commission decided that there was no way to safely base the monster MX, so that it might as well simply be placed in existing Minuteman silos until a new, smaller, mobile ICBM—the Midgetman—was ready for deployment.

The MX fails its most basic purpose—to survive and retaliate against a nuclear attack. Its vulnerability forces us to adopt a use-it-or-lose-it posture that transforms it into either a full-fledged first-strike weapon or at least a dangerous hair-trigger deterrent. Its power makes it a very tempting target as well as a very vulnerable one, so it tends to invite a Soviet first strike. That is why it is destabilizing and potentially dangerous.

America needs nuclear weapons to deter nuclear war, not to start one. We need secure, retaliatory weapons, not first-strike weapons. The administration has suggested that we may be able to harden MX silos in the future to make them more secure, but such hardening, if possible, could raise the missile's cost from an expensive $75 million to an exorbitant quarter of a billion dollars apiece. Even after spending so much money, any possible hardening of silos will be more than matched by improvements of Soviet ICBM accuracy. Advanced guidance systems are making fixed-silo ICBM's obsolete, and the sooner we make the change to mobile missiles, the better.

Some of the MX's boosters have claimed that we need an MX to modernize our forces until the mobile Midgetman is deployed in a few years.

They ignore the fact that we have spent hundreds of millions of dollars to continuously modernize our Minuteman III's, always making them more powerful, accurate, and reliable. Besides our ICBM's, our nuclear arsenal brims with the most modern weapons systems. Either deployed or in preparation for deployment are Poseidon and Trident submarines, with their C-3, C-4, and D-5 missiles; the modernized B-52, B-1, and advanced technology Stealth bombers; ultra-accurate cruise missiles that can be launched from land, sea, or air; upgraded and improved warheads and guidance systems; and the Pershing II intermediate-range missile now based in Europe. With this varied and potent nuclear force, we do not need the vulnerable, destabilizing, and overpriced MX.

The last-ditch argument of its defenders is that although the MX is useless or worse for our security, it could be used as a bargaining chip in arms-reduction negotiations. Something must have intrinsic value, though, to be a bargaining chip, and the MX has very little, no, or negative value for the United States.

The bargaining-chip argument is always available to advocates of worthless weapon systems. It may be useless, but perhaps we can trade it away for something valuable. This argument has been used before and will be used again. It is always a ploy to use the promise of arms control as a bargaining chip to obtain a desired weapon.

The logic of the bargaining chip applies to the arms race, not to arms control. Serious arms control does not comprise a tit-for-tat exchange of chips. Rather, it involves negotiations by both sides to define a fair and stable balance of weaponry. The fairness of an arms control agreement is judged not by what each side surrenders but by what each side gets to keep.

We have already determined that we want to move toward a mobile force of small ICBM's to balance the large Soviet force. We should hold to this sensible course, not deploy MX's that only give the Soviets an excuse to enlarge their own destabilizing ICBM arsenal. We simply cannot reduce the stockpiles of nuclear weapons by building more of them. We must not accede to the false belief that the only way to take a step backward from nuclear war is by taking two steps forward.

The out-of-control MX program was originally aimed at the right target—stability through survivability—but it has gone in the wrong direction ever since it got off the ground. Not just vulnerable, destabilizing, and overpriced, it is utterly detrimental to nuclear arms control. When a missile veers so far off course, the only safe response is to end its erratic and dangerous flight.●

● Mr. STOKES. Mr. Chairman, I rise to strongly oppose House Joint Resolution 180, authorizing $1.5 billion in fiscal year 1985 funding for the procurement of 21 additional MX missiles. The initial purchase of the first 21 MX missiles was approved in 1983 at a cost of $2.1 billion.

Mr. Chairman, the MX missile is a weapon in search of a rationale. It cannot be justified on the basis of its usefulness in arms control talks with the Soviet Union, nor on its contribution to our national security, nor on the basis of its cost. We should not be surprised, then, that the last three administrations have been hard pressed to find a viable reason for keeping the MX missile program alive. Most recently, we are told by President Reagan that the MX missile is necessary to demonstrate our national resolve and to serve as a bargaining chip with the Soviets. The fact that the Reagan administration is now abandoning a military justification in favor of flimsy, political arguments to support the continued production of more MX missiles only reaffirms my belief that this weapon system simply cannot be justified on its merits. There is no demonstration of national will in a demonstration of irrationality and irresponsibility, and the American people will not be manipulated by the President's superficial rationalization for the MX missile.

Moreover, Mr. Chairman, it is irresponsible to say that we need the MX missile as a bargaining chip in the Geneva negotiations with the Soviets, when, in fact, the arms control talks are being used by President Reagan to twist our arms in support of the MX. Despite congressional approval of the first 21 MX missiles, the Soviets walked out of the arms control talks in 1983. There is absolutely no evidence to show that MX deployment will pressure the Soviets to negotiate nuclear arms reductions. To the contrary, the Soviets are more likely to respond to our continued production of the MX missile by augmenting and improving their own strategic forces. If the MX missile really were a bargaining chip in the Geneva talks, the administration would be willing to trade away the MX missile in return for Soviet concessions. We know that this is not the case.

It has been argued that we need the MX missile to close the so-called window of vulnerability of our land-based missiles to Soviet attack, and to redress an imbalance that exists between Soviet and United States ICBM forces. But vulnerable, unprotected and immobile land-based missiles hardly contribute toward closing that window. Mr. Chairman, I, for one, question whether that window of vulnerability even exists. The United States already has a stockpile of 9,000 strategic nuclear warheads, and thousands more smaller, tactical nuclear weapons. The range of strategic modernization programs underway is vast and improvements in our bomber and submarine forces have resulted in a powerful U.S. triad which will retain for decades a deterrent value against any external threat posed by the Soviet Union. The MX missile, in fact, has no military purpose other than serving as a destabilizing, first strike weapon that will move our Nation closer to nuclear war.

Mr. Chairman, the evidence that we do not need the MX missile is compelling. We do not need it in negotiations with Moscow. We do not need it as a nuclear deterrent. We do not need it for military purposes.

With an additional cost that is likely to exceed more than $20 billion for research, development, basing, and deployment of the planned total of 100 missiles, the MX missile can only sap our Nation's military and economic strength. With an economy that is choking on the Federal deficit, we can ill afford to continue to throw scarce Federal resources at a weapon system whose military advantages are too questionable and whose security risks to our Nation are too great. Congress must have the courage to say no and to cut our losses before it is too late. The entire MX missile program should be canceled. A vote against the production of another 21 dangerous and destabilizing missiles is an excellent opportunity to demonstrate our national resolve to eliminate the prospects for war. I urge you to vote against House Joint Resolution 180.●

● Mr. LENT. Mr. Chairman, our actions here today, and in the next few days, could very well be the turning point in arms negotiations in Geneva and, consequently, in the prospects for world peace.

We have a choice. We can vote against production funds for the MX missile and send a clear signal to the Soviets that the United States lacks the unity and resolve to go ahead with this vital program. Or, we can vote to appropriate production funds for the MX and demonstrate to the Soviets that we will meet their political and military challenges around the world.

There can be no doubt that the Soviets continued buildup of strategic nuclear forces has far surpassed our efforts in recent years. If this dangerous trend is allowed to continue, I believe the Soviet leadership will be tempted to use their political and military leverage to our disadvantage.

At this very moment, our negotiators are sitting at the table with their Soviet counterparts in Geneva. In spite of the many past frustrations and obstacles, I am confident that an agreement can be reached.

However, we must do our part to ensure the success of these negotiations. Our purpose here today should be to both strengthen our negotiators' positions and facilitate meaningful dialog between the two sides. And yet, we remain divided on a vote which would achieve these goals. A "yes" vote on the MX missile will give the Soviets incentive to enter into meaningful arms negotiations. Indeed, their willingness to do so is heavily dependent upon their perception of our purpose, will, and strength. If the MX is not deployed, the Soviets will see no reason to negotiate arms reductions because we will have given them exactly what they want through unilateral action on our part.

In addition, I draw attention to the impact this vote will have upon countries, such as Belgium, which exhibited great courage in accepting our missiles despite tremendous political pressure to do otherwise. These countries will be watching closely to see if the United States has the same resolve to ensure the protection of its citizens despite significant pressure from the opposition.

For these reasons, I urge my colleagues to vote for continued production of the MX missile. As Prime Minister Margaret Thatcher stated in a recent speech to a joint session of Congress, "Let us be under no illusions: It is our strength and not their good will that has brought the Soviet Union to the negotiating table in Geneva."●

● Mr. MATSUI. Mr. Chairman, as the MX debate continues today, we have heard arguments that this costly and dangerous weapon system is needed as a bargaining chip in Geneva.

But, it is time we realize that the MX is not the bargaining chip. Rather, the negotiations in Geneva are the bargaining chip, and they are being used by the administration to obtain Democratic support for the MX missile.

The MX does nothing to strengthen America. It is vulnerable to Soviet attack, and its function has been lost in a fog of 36 basing modes. A weapon that cannot survive enemy attack is useless.

More importantly, the MX represents a first strike weapon that intimidates and provokes. It does not, Mr. Speaker, deter and defend.

Mr. Chairman, we should also ask what the MX does to the Nation's economy, a crucial ingredient in our national security. Congress is being asked to release $1.5 billion to procure 21 MX missiles in fiscal year 1985, but the administration wants another 96 missiles at an estimated $6 billion for the following 2 years. Total program cost estimates are more than $30 billion.

Mr. Chairman, I urge my colleagues to oppose this ineffective and wasteful weapon.●

● Mr. SIKORSKI. Mr. Chairman, 100 combines at $189,000 apiece, cost $18,900,000; 200 tractors at $43,000 apiece, cost $8,600,600; 15,000 acres of irrigated land at $2,300 an acre cost $34,500,000; 200,000 feeder calfs at top dollar cost $6,500,000; and $1,350,000 of pocket money added to all of this will buy just one MX missile.

The cornerstone of the American economy is crumbling and we're voting to finance 21 useless, vulnerable, destablizing MX missiles.●

● Mr. WOLF. Mr. Chairman, the issue we are considering this week—whether or not to continue funding for the MX Missile Program—is of great importance to our national security and causes us to consider many difficult and complicated questions about our strategic defenses.

Modernization of our strategic forces is vital. In the past several years, the Soviet strategic buildup has continued vigorously. Since we deployed the Minuteman III, the U.S.S.R. has deployed three new types of ICBM's—the SS-17, SS-18, and SS-19. This force includes 360 SS-19's which are roughly comparable in size to the MX, and 308 of the much larger SS-18's. The Soviets plan to deploy two additional new types, the SS-X-24 and SS-X-25 within the next 2 years. These five Soviet ICBM's are overwhelming in comparison to the one U.S. missile, the MX.

I wish we lived in a world in which all weapons systems were unnecessary, but we live in a dangerous world and our ability to preserve our own freedom is dependent on modern defense systems. I am not an advocate of huge new weapons systems, but I think it would be a mistake for this Nation to unilaterally agree to cancel a major weapons system, especially now when arms negotiations have resumed between our Nation and the Soviet Union. I am concerned that the United States be able to negotiate a meaningful arms reduction, which is in the best interest of this country and peace in the world, from a position of strength. The MX is a vital element of a credible, flexible American strategic posture which is critical to the stable balance of power on which peace and security depend.

With the new round of arms control negotiations underway in Geneva, we all share the hope that negotiations will be productive. Throughout 1984 the administration emphasized the importance of resuming a United States-Soviet dialog aimed at reductions in nuclear arsenals. The current negotiations have been a good start to this dialog in 1985. Particularly at this time of new Soviet leadership we must continue to negotiate from a position of strength from which the Soviets will respond. To ensure this strength for the U.S. defense forces and our negotiators in Geneva and because I truly believe that the arms talks process will help reduce nuclear weapons and promote world peace, I support the MX.●

● Mr. GALLO. Mr. Chairman, the MX missile system, as proposed by President Reagan, is essential to the strength of the U.S. bargaining position at the Geneva negotiations.

The Russians and Americans are both proud peoples, who must be convinced of their own strength and the strength of their opponents before entering into meaningful negotiations on arms control.

We are at a delicate point in that negotiation process and must act to preserve our position if we hope to arrive at a meaningful agreement in Geneva. My strong feelings on this point were made even stronger after hearing a presentation by U.S. arms negotiator, Max Kampelman, on Monday.

It is very clear to me, as it is to our negotiators, that eventual success in negotiating a workable agreement will be based, at least in part, on our willingness to modernize our forces.

We have been reluctant to modernize our ICBM forces since the beginning of the SALT process. We felt that it would be a sign of bad faith to be building up these systems.

Unfortunately, the Soviets have been working during that same time to modernize their silo-based systems, harden silos, and develop a new generation of missiles.

At the same time, they have developed a highly mobile missile basing system. The scope and power of this system places our country in a very uncomfortable position. Let us not allow our discomfort to stand in the way of the progress which we must make in this area of our national defense.

The message is clear. The Soviets are believers in negotiation through strength.

We must send a message to the Soviet leadership that the Congress considers a strong national defense to be a top priority for our country.

The continued growth of Soviet military strength should be a clear signal to us that national defense is truly the top priority of the Soviet Government as well.

The MX has been supported in the past by four U.S. Presidents and six Congresses. The MX basing mode now being developed is strategically and practically superior to the system proposed by the Carter administration, and is strategically essential to future deterrence.

Failure to continue this important missile program would amount to an abandonment of strategic security that is essential to meaningful negotiations with the Soviets based on mutually strong commitments to national defense.

I urge my colleagues on both sides of the aisle today to vote in favor of this authorization. Such bipartisan unity is very important. If we fail in this very important effort today and in the days ahead, we will find ourselves facing increasingly more difficult and defensive questions in the future. This is too important to pass along to another day and time. Thank you.●

Mr. HUNTER. Mr. Chairman, you cannot separate the MX missile from Geneva, which is what opponents of the MX have been doing or are attempting to do for the last couple of days. We did not time Geneva. Nobody on this side of the aisle timed it, nobody on that side of the aisle timed it. The Soviets decided to come around because America was hanging tough, was continuing to rebuild national defense, and it just so happens that those negotiations are taking place while we are in the act of fencing or unfencing the MX missile. We have to live, Mr. Chairman, with the fact.

And having that in mind, let me remind you and remind the gentleman who just spoke what Mr. Kampelman really said, because I took down his words almost verbatim, and he said if the MX fails, the Soviets will delay the arms talks to see what else they can get for free.

Paul Nitze said if we kill the MX unilaterally the Soviets will escalate their demands if we simply make unilateral cuts without asking for any quid pro quo.

Now, let me simply say to my colleagues on this side of the aisle who are thinking about voting against the MX, the MX is a deterrent. If you operate it with your bombers, in fact your bombers have a chance to escape. If there should be an attack from the 308 SS-18's the Soviets would launch, it would take 30 to 40 minutes to reach the United States. If the SLBM is launched on our bomber bases, our MX's could escape. It is a deterrent, and it is a false argument to say that each leg of the triad should have to stand independently to be a valuable weapon system.

Let me say to my friends there is a time for the U.S. Congress to fight with the President of the United States. This is not one of those times. This is a time when our foreign policy should go forth from these shores with one voice.

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Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding me this time.

Mr. Chairman, I heard today that the President of the United States is waging the most intensive lobbying effort conducted for support in the U.S. Congress we have seen in the past 50 years. The vote which we are to cast soon is a difficult vote for all of us. During the decisionmaking process we are all guided by the ideals and the desires of the people we represent.

Those of us from the South have a tradition of voting for defense programs, especially when those programs do not cause our people any harm. But over the past year I have been made painfully aware of the weakness caused to our Nation from a credit card defense policy that finances its huge deficits by attracting foreign capital.

Credit card defense policy, which attracts foreign capital that bids up the value of the dollar and prices our farmers out of world competition. I have here 7 sheets of newspaper advertising last week's farm foreclosures in my congressional district in Arkansas. Farmers are going broke today in record numbers not because they are inefficient, as the President says, but because of this credit card defense policy that is causing their products to be priced out of world competition.

Mr. Reagan's folly does not stop there. It attracts foreign imports in record numbers that causes our textile mills and our shoe factories to close down because our people cannot compete with the subsidized imports that are attracted by this credit card defense policy. Weakened we are by that policy in the economic fiber of our Nation.

I am reminded of the admonition of former President Eisenhower when he said that:

I advise my colleagues over and over again that national strength comes from economic, moral, and military force.

While our President says that he wants to deal from a position of strength in Geneva, I would admonish him to review the words of former President Eisenhower, and if he wants to deal from a position of real, rather than imagined strength, he should submit a comprehensive and coherent defense policy that is compatible with a budget policy and does not destroy our own economy by closing down our factories and bidding up the value of the dollar so that our farmers are priced out of world competition.

Mr. ASPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. WILSON].

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Florida.

Mr. HUTTO. I thank the gentleman for yielding time to me.

Mr. Chairman, we must do whatever we can to ensure a lasting peace. Oh, that the nations of the world would lay down their arms and study war no more. Let us pray that that day will come. The Bible tells us that there will be wars and rumors of wars, so perhaps we cannot expect that kind of peace until after Armageddon.

Even so, we must continue to strive for peace—and that is why the current talks between the United States and Russia at Geneva are so important. The world looks on with much interest, apprehension, and some hope that these two superpowers will see the folly of this tremendous arms buildup by both nations and will agree to serious reductions in weapon systems.

The Congress must make it possible for our negotiators to have every tool we are able to provide in seeking to achieve these reductions. Experience tells us that the Soviets do not listen to the weak. You have to bargain from a position of strength or there is no bargaining.

The strategic balance has given us 40 years of peace between the superpowers. This balance could be maintained with sharp reductions—indeed elimination of all nuclear weapons—by both sides. Don't count on that happening. But the least—the very least—we can do is to equip our negotiators to get the best deal possible in the way of meaningful reductions. It makes no sense to cripple their efforts by taking away the MX and refusing to unfence funds that have already been authorized and appropriated.

Even if the MX were not important at the Geneva talks, it is necessary for continued deterrence. Americans need to know that the Soviets have upgraded their strategic forces a number of times since our last Minuteman went into the silos. Knowing this and the fact that our adversary is beginning deployment of two new IBCM's—both mobile and 1 with 10 warheads—makes it imperative that we not let down our defense in the standoff that brings us peace and security.

Mr. Chairman, four Presidents and the bipartisan Scowcroft Commission have supported the MX. Let's not let the Peacekeeper lose its purpose by being eliminated even before there is a chance to negotiate it away.

Mr. WILSON. I thank the gentleman for yielding me this time.

Mr. Chairman, there are always reasons for voting no on a weapons system. There is no such thing as a weapons system that is not flawed.

In the British Parliament, in 1935, the Spitfire was a flawed weapons system and should have been suspended. It is very difficult for me to reason out some of the reasons for not voting for things. I have a great amount of difficulty deciding exactly how the MX has caused the farmers' problems. I have a hard time understanding how the MX is a budget buster, coming from people who would vote for almost any appropriation that had to do with anything other than the military.

On the other hand, some people who advocate the MX, say things I am little bit tired of hearing. I do not be-

lieve this really has to do with patriotism; I believe those who oppose this missile are just as patriotic as I am.

I do not believe it has to do with the creation of jobs. But I do believe, my colleagues, that those arguments do not make much sense when we are dealing with something as grim and as solemn and as all important as the security of the United States.

More than that, I am worried about the image of the Democratic Party. I am worried about the demise of the Democratic Party that began in 1972. Somehow, Democrats have become the party that is perceived in the eyes of many American people, and I say to you, a majority of the American people, it is the Democratic Party that somehow has become perceived as the party of isolation, and that party that is weak on defense.

That is a bum rap for us and one that we should not allow. Franklin Roosevelt was criticized in 1939 and 1940 for his alliance with Great Britain for the Atlantic Charter, but he was not criticized by Democrats; he was criticized by these guys. He somehow managed to keep the confidence of the American people until he died.

Harry Truman was criticized for the Berlin airlift and for the organization of the North Atlantic Treaty Organization, but he was not criticized by Democrats; he was criticized by these guys, and he won in 1948.

John Kennedy was elected in 1960, and he campaigned on the fact that the United States had fallen behind the Soviet Union; that there was a missile gap. He was going to be tougher on the Communists in Cuba. He was not criticized by us; he was not criticized by my friend from Oakland, he was criticized by these guys, and they lost.

I cannot speak for the Northeast and Midwest, my Democratic colleagues, but I will tell you if the perception persists in this country that the Democratic Party is the party of isolation and the party of weakness on defense, we are flat through in the South and the West, and we can forget about winning Presidential elections.

Mr. BENNETT. Mr. Chairman, I yield 6½ minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. I thank the gentleman for yielding me this time.

Mr. Chairman, the debate today is between those who say, as you have just heard earlier, that a vulnerable military force is silly, and more importantly, is dangerous, and those who, like the previous speaker, say that vulnerability is not all that important. Do you remember the last time we deployed a military force that was both powerful and vulnerable? It was in 1941; we did it in Pearl Harbor.

In 1941, we deployed a powerful naval fleet in the Pacific, but we did it in a vulnerable basing mode. We sent the enemy high command a message, a signal if you will. That message, that signal was this: "Come and hit me. Here I am, leading with my glass jaw; come attack me." My friends, that is just what the enemy did.

Militarily, I would like to ask my colleagues today what is the difference between the glassjaw MX missile and the Pearl Harbor fleet? I will tell you that there is only one difference: In 1941, we had the time to recover from that attack. Now, there would be no time to recover from an attack.

This MX missile is the "Pearl Harbor" of our missile fleet.

□ 1700

It is a dead fat sitting duck, vulnerable. It tells the Soviet high command, "Here is my glassjaw. Come, hit it. Come, knock me out."

There are those who will say, "Let's build this new force regardless of its vulnerability." We just heard the previous speaker say so. They talk about how accurate it is, how modern it is. But none of that, I say to my friends, matters one whit. All we will be doing, if we build this modern, accurate, new missile, it to build the most modern high-tech target in the history of the United States, the most modern high-tech target the Soviet high command had ever seen.

It seems to me that one Pearl Harbor is one too many. Let us stop pretending that vulnerable weapons project strength. They do not. Vulnerable weapons project weakness. Democrats understand that, Republicans ought to as well, and we are better off without that kind of weapon in our arsenal.

Why is it that people who have never had a good word to say about arms control now seem to be worshipping it as if it were the Holy Grail? Can the supporters of the glassjaw MX missile name for me a single member of the negotiating team who supported SALT II? Of course they cannot. There are none.

What about the nuclear freeze, the Comprehensive Test Ban Treaty, or the Threshold Test Ban Treaty? Can you tell me who on our present negotiating team supports any of these? Of course you cannot. There are not any.

This administration is made up of people who have spent their professional lives dedicated to opposition to arms control. In that regard, I quote from the President of the United States himself in May 1981, speaking at West Point, when he said:

> The argument, if there is any, will be over which weapons we buy, and not whether we should forsake weaponry for treaties and agreements.

I suppose the administration has a right to these views, but now that they want a new weapon, all at once they have found religion on arms control.

I say, let us face reality. What has our chief negotiator, Mr. Kampelman, been doing in Geneva? He has been trying to sell the Soviets not on the control of star wars weapons, but on why they should build a star wars system, too. And what has he been doing in Washington in the last few days? He has not been trying to sell the Congress on the control of arms; he has been trying to sell the Congress on the MX missile. Only George Orwell could come up with a more ironic script than that.

If the House in its wisdom decides we should build a vulnerable glass-jaw MX missile on its military merits, then fine, but let us not pretend that we are doing it for arms control.

This administration came into office opposed to arms control, it will leave office opposed to arms control, and it is opposed to arms control this very minute—except to the extent that it is required to help pass and secure funding for the weapons this administration wants.

This will be true without the MX or with the MX. We can best serve the goal of arms control and national security by taking this glassjaw MX missile and sending it to the museum, along with its father and its mother, the Pearl Harbor fleet and the Maginot Line.

I cannot help but comment on one final point, Mr. Chairman, and that is the arms control offer we placed on the table in Geneva. If our concern is the Soviet first-strike-attack potential, we need them to be concerned about accuracy in their arsenal, surprise capability in their arsenal, and the fact that they might be able to develop at least three warheads per silo on our side. You can look at our arms control offer in Geneva in vain to find any restriction on accuracy, on surprise, or on the ratio of warheads per silo. That is our reward for passing an MX missile, an arms control offer of that kind?

Mr. Chairman, I think what it would end up being is the worst of both worlds, a weapon that is a target and an arms control treaty that makes no sense whatsoever.

Mr. BENNETT. Mr. Chairman, I yield 5½ minutes to the gentleman from Massachusetts [Mr. Mavroules], who has been a leader in this field.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for allowing this time to me to speak on the issue.

This debate on the MX missile is almost over. After months of talking, it is finally down to a yes or a no. As expected, we have heard the cliches, we have heard the arguments, but in all honesty there are very, very few answers.

As has been stated before, for 10 years the MX program has been before us, but unlike other weapons,

the controversy just will not go away. Were the decision a judgment on the value of this one system, the vote today would be very easy; MX would not survive.

We have heard the term, "vulnerability." Perhaps the vulnerability is not in the silos but in the courage of Congress. Is it impossible for us as a body to make the hard choice when it is indeed the right decision?

We have discussed conventional weapons in this debate today, but the problem with the MX is that we are all hostages to the conventional thinking, the thinking that says we should build every weapon whether we need it or not.

Our record, Mr. Chairman, on standing up and stopping wasteful military spending is not too good, and I think we realize that. We like talking about it, but turning our words into our convictions is certainly another matter.

The Members today are being offered one of the most dangerous commodities of political life, a simple yes or no vote, with no compromises or no complicated fences that are offered at this time.

Mr. Chairman, today we heard discussed on this floor, conventional weapons, and then we heard the absurd proposal that perhaps we can build the first 21 missiles and then, after we build those 21 missiles, we will go to the administration and say, "Mr. President, I think it's time we quit. Mr. President, we are going to give you a limit of only 42 missiles, or maybe 50."

Well, let me answer the gentleman from Texas, who was in the well just a few minutes ago, because I am that "Northeasterner." I am not an idealogue, I am not that liberal or that conservative. Those things do not mean a darned thing to me. But let me say this: Where we come from, when we believe in something, we go all the way. It is only fair to dig deep. And I am not here proposing the MX; you know I am against it. But those of you who are trying to give a rationale to your vote today by voting for these 21 missiles and then saying to the President, "That's all you are going to get," you are wrong. You are dead wrong.

If you truly believe in this system, then you give to this administration what it wants. You may give them 100 missiles for the silos, you give them an additional 123 missiles, which makes it 223, and you give them $20 billion or $30 billion more to harden those silos. Either you are for the system or you are against it. There is no halfway in between, because if you think there is, then you are totally ineffective and I do not think—in my judgment—that you are being intellectually honest.

Now, let us talk about conventional arms. This has an awful lot to do with conventional arms. When we talk about the modernization of our conventional systems, it is not only building new weapons systems but it involves the improvement of the quality of life of our millions of people who serve in the military in this country.

□ 1710

We try to improve the quality of life of 525,000 Americans, men and women who are serving overseas. We have troops, men and women in West Germany today, who are living in barracks that were built in 1900, living in barracks that the Germans used in 1917 and we are going to curtail the modernization of better housing units for our people who are serving in the military.

Make no mistake about it, you are not talking about $1.5 billion here today. You are talking about a complete system which could cost up to $40 billion and you are taking away from the modernization and the quality of life of our people who serve this great country of ours.

You know, one thing I have not heard during this debate in the last 2 days is what has happened to the balanced budget? We were the ones accused of being budget busters on my side, on this side of the aisle; yet I have not heard any arguments coming from the other side that they want to do something about the balanced budget here today. I have not heard anyone say they are willing to tax more to pay for these programs.

Vote against this program, my dear friends. It is the right vote for America.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I would like first to yield briefly to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, I will vote this afternoon to approve funding for 21 additional MX missiles. I have been studying the issue intensively for the past month, listened to both proponents and opponents of the system and have concluded that it is in the best interest of the United States to continue production. More importantly, I believe that approval may be critical to the prospects for long-term peace and significant arms reduction.

I have traveled twice to the Soviet Union and met with Soviet officials—most recently last January. As a result of these face-to-face meetings with Soviet leaders, I am convinced that the Soviets are unlikely to make any concessions in the Geneva arms control talks if they believe the United States has lost the will and lacks the resolve to maintain a strong, state-of-the-art deterrent force.

Our present strategic weapons systems—the Minuteman—is outdated and deteriorating. The mobile, single warhead less destabilizing Midgetman is years away from deployment. We need the MX to bridge that gap.

I personally do not believe that either the Soviet Union or the United States will ever deliberately launch a nuclear attack. Both of us recognize that this would result in world genocide. But I do believe that the Soviet Union would use a perceived nuclear superiority to blackmail the United States and to further their expressed goal of achieving a Communist dominated world. If the United States is perceived as having no effective deterrent, as being unable to respond to an attack, what is to prevent the Soviet Union from stepping up its military adventurism throughout the world. Instead of one Afghanistan, we could have dozens. And what is to prevent them from dictating to us with whom we may trade and on what conditions.

I respect the opinions of those who oppose the MX. I hope that they can respect mine. We both want to insure peace, but at this critical juncture in our history, I believe the peace is more likely to be preserved by a clear showing of resolve by the United States.

Mr. BATEMAN. Mr. Chairman, I yield to the gentleman from New York [Mr. MCGRATH].

Mr. MCGRATH. Mr. Chairman, we are voting on an issue that seems never to be settled, continued development and deployment of the MX missile. Some Members seem to insist on making it the whipping boy of the Pentagon in spite of the bipartisan consensus which has been achieved here on several occasions in support of the project. We have spent countless hours debating the same issues over and over again while other aspects of our military and foreign policy cry out for attention.

Once again we are told that the MX is a vulnerable weapon which can only be used successfully in a first strike by the United States against the Soviet Union. This argument was settled by the bipartisan Scowcroft Commission report well over a year ago discussed in great detail the value of the MX as a means of confounding Soviet strategists.

If we could guarantee the invulnerability of any system, we would not have to carry on this debate or any other on weapons procurement or development. In fact, we plan on the destruction of conventional and strategic systems in almost any warfare scenario. These are not pleasant thoughts. Yet the very existence of our national defense responsiblity and the huge commitment of financial and human resources presupposes a serious and dangerous threat to our security.

We ought to take a moment to consider the nature of that threat in the course of this discussion. Others have already covered the military threat in substantial detail. We would do well to

go beyond the military threat to the United States and look at the constant threat hanging over the citizens of the many Soviet socialist republics and their so-called allies or satellite nations in the Warsaw Pact.

Many of the ardent opponents of the MX have joined me on the floor repeatedly urging the Soviets to abide by terms of human rights agreements. Instead, they have relentlessly pursued a course in direct contradiction to the Helsinki accords and related agreements using their massive internal security apparatus to halt emigration and prevent exercise of the most basic human rights. They have also repeatedly used military force against unfortunate citizens of Eastern Europe and Afghanistan. I fail to see how Members can claim that a question about our determination to complete strategic force modernization would not adversely affect our bargaining position in Geneva.

Apart from the abuse of human rights and the ongoing use of military force, the Soviet system itself is an ever present threat to world peace and stability. Three times in the last 4 years, the world has waited for a Soviet leader to emerge from their closed system of government. We were forced to look for signs such as vacation cancellations to determine if their President was even alive much less in control of a powerful nation.

We cannot in my estimation demonstrate any resolve to the Soviets without proceeding with the deployment of addition MX missiles. Their entire system of government is based on intimidation and it is unlikely that they will be swayed by anything but a consistent policy aimed at strategic force modernization. We have attempted such a policy for over a decade at great expense. Delaying it now will be far more expensive in terms of our actual financial commitment. It may prove even more costly in terms of our negotiating position in disarmament efforts.

Mr. BATEMAN. Mr. Chairman, I yield further to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I rise today in support of the legislation to release $1.5 billion in 1985 funding for 21 MX missiles.

In my opinion, the debate over the MX revolves around three important questions. First, is the MX an improvement over our Minuteman missiles? Second, will the MX improve our prospects for a fair, equitable, and verifiable agreement with the Soviets? And third, if we can the Soviets respond by making a similar gesture of good faith? I believe the answer to the first two questions is yes, and the answer to the third question is clearly no.

Like many opponents of the MX, I share the concern that based in Minuteman silos the MX will be vulnerable. The MX, though, as the Scowcroft Commission stated, will be vulnerable only when viewed in isolation, which, in my opinion, is not sufficient reason to forego its production. In fact, I have not heard any arguments that the MX itself is not a superior missile or that the United States can continue to rely solely upon its force of Minuteman missiles to serve as the land-based leg of our strategic triad. The reason no one argues these two positions is because they are both just not true.

Since the United States deployed its most modern type of ICBM, the Soviets have deployed over 600 ICBM's, including 360 SS-19's comparable in size to the MX. The MX is needed to redress the imbalances between forces that have occurred as a result of this massive Soviet military buildup. We can no longer continue to solely rely upon the Minuteman missiles as an effective deterrent because, unlike the MX, they do not pose a credible threat to hard Soviet military targets. Simply put, the MX is more accurate, has greater range, and more flexibility than our Minuteman missiles and, thus, strengthens our ability to deter a Soviet attack.

I have also heard opponents of the MX claim that we should vote against releasing funds for it because the United States should not be building while we are negotiating. This argument is suspect at best. We should not kid ourselves about the nature of the Soviets. The Soviets only understand one thing and that is strength. If we make a unilateral concession by canceling the MX, we do not enhance our chances for arms control. On the contrary, we will only encourage the Soviets to hold out for further unilateral concessions. What the Soviets cannot get at the table they will be handed to by Congress if the MX is defeated today!

Furthermore, if we cancel the MX, what do we gain from the Soviets? We gain absolutely nothing. There are no assurances forthcoming from the Soviet Union that they will cancel work on their new class of ICBM's, the SS-X-24 and SS-X-25. In light of the Soviet Union's dismissal record on arms control compliance, on what basis are we so trustworthy? As Harold Brown, former Secretary of Defense under President Carter, said about the Soviets "When we build, they build; when we cut, they build."

Mr. Chairman, I question how can we trust a nation that does not even trust its own people.

In short, Mr. Chairman, canceling the MX, will not only threaten our ability to deter a Soviet attack, but will undermine our negotiating position with the Soviet Union. We must proceed with the MX to convince the Soviets that we do not intend to make unilateral reductions. If we truly want world peace, and nuclear disarmament, we must display courage, resolve, and commitment to be strong. Freedom has never been given. It has been earned. We can show the Soviets today by this vote that we have the resolve to move toward real bilateral reductions in nuclear arms.

I ask my colleagues if we do not modernize our ICBM's, are you certain the Soviets will do likewise? If you aren't absolutely certain, then ask yourself are we moving toward peace or the mercy of superior Soviet power? The answer is obvious. The MX must not be delayed.

Mr. BATEMAN. Now, in the remaining 1 minute, Mr. Chairman, let me suggest that at a point when the Soviet Union through the late 1960's and through the 1970's into the 1980's has deployed a series of new and sophisticated strategic land-based missiles, it ill behooves this country to decline authorization for these 21 MX Peacekeeper missiles.

I do not understand the logic that says we should not go forward because this is not the perfect missile. This is not a missile that is as good as we would like it to be. I would like to be here advocating a missile that was better than the MX Peacekeeper, but if we will enhance and improve our land-based triad to deter nuclear war, it is the only game in town through this decade and into the next. This Nation needs the MX missile.

For those who say it not a bargaining chip, I do not understand why they find our chief negotiator so lacking in credibility, because he could not have made it more clear that he regards it as being very useful, very helpful to him in his bargaining position in Geneva.

I think we need this missile. I hope it is a bargaining chip. I hope it is a very good bargaining chip, but whatever it may be in negotiations, it is needed to maintain and upgrade our land-based nuclear missile deterrence.

I hope this body is going to see fit to approve this resolution.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Mr. Chairman, we are getting down toward the very end now. Does the gentleman wish me to use my time now? I only have two speakers on this side.

The CHAIRMAN. The Chair would state to the gentleman from Alabama that the gentleman from Alabama has 14 minutes, the gentleman from Florida has 18½ minutes, and the gentleman from Wisconsin has 12½.

Mr. DICKINSON. Does the gentleman wish me to use my speakers? I have two speakers, myself and the minority leader. Would the gentleman

like me to use one of my speakers at this time?

Mr. BENNETT. Please.

Mr. DICKINSON. Mr. Chairman, I yield myself 6 minutes.

The CHAIRMAN. The gentleman from Alabama is recognized.

Mr. DICKINSON. Mr. Chairman, there are two factual points I would like to correct that have been made by previous speakers. One is that if we do not spend this money, we could improve the quality of life and the living conditions of our troops overseas.

I serve on the Military Construction Subcommittee also. That is a problem that we are dealing with and I wish it were possible to take money out of a procurement account or out of a research and development account and see that it goes into military construction, but it just does not work that way, so whether we deny this or not, it will not have an impact on the quality of life of our servicemen in or outside this country. I will assure everyone that we are, in fact, working on this and we are working diligently on it and there will be a great deal of improvement in this year's budget.

The second fact that I would like to correct is statements that were made that we need this money because we are faced with a deficit and this is impacting the deficit. Well, this money was authorized and appropriated last year. It is in the fiscal year 1985 budget. What we are presently dealing with in our committee budgets is the fiscal year 1986 budget and that is what the Budget Committee is working on now. This money has already been passed and if we do spend it or do not spend it, it is not going to have an impact on this fiscal year 1986 budget.

So those two facts having been corrected, hopefully, for all, let me say that it is very difficult at this stage of 10 hours of debate to say something that I think will change anybody's mind. I think most of the people who will be called on to vote in just a few minutes pretty well have their minds made up.

I would think a majority having heard this issue debated so many times before probably had their minds made up prior to the beginning of this debate.

Casting about for something that has not been said and for subjects that have not been covered, I was a little hard put to find out what meaningful thing can be said that has not been said. Well, I think if we look at the situation as a whole, we can recognize the fact that we have a chance for a new beginning in our dealings with the Soviets. They have come back to the bargaining table. They have a new leader in Mr. Gorbachev. We have a new Soviet leader. He is younger. He is 20 years younger than his predecessor. He is not part of the old guard. He is not locked in his thinking, as have been his predecessors since Stalin.

I think we have a chance here. I think we have a chance to negotiate and to accomplish something and that is what we are trying to do at Geneva. I think through the process of negotiation we can accomplish some good if we do not throw away whatever it is we have to bargain with.

When Schchenko testified before our committee last week, as you will recall or might recall, he is the highest ranking Russian to defect to the United States. He was in the United Nations. He has written a book, "Breaking With Moscow" that was recently reviewed in Time magazine. He admonished our committee and the American citizens, "Don't throw away whatever it is you have to bargain with, because you will get no concessions in return. You will simply cause the Soviets"—and he is speaking as a former Soviet and one who knows all the principals involved—"to demand more, to hold back to see what other concessions they can get for free."

□ 1720

You know, one of the things that I can never understand, and I have heard the arguments here, is when it is said that if we build 100 MX missiles and deploy them that this is destabilizing, we will be the ones that are destabilizing the balance between our two countries.

Where were these people when the Soviets started building their SS-18's, their SS-19's, and deploying them which they have done as has been pointed out several times? They have some 668 that they have built and deployed. You would think this is not destabilizing. But if we build 100, that is destabilizing. Not only have they built and deployed over 600 newer missiles than ours, they have built and test-flown two additional missiles which have been depicted here and have been discussed by my friend from New Jersey [Mr. COURTER].

Now this is a rail-mobile missile, an artist's rendition but it was made from a photograph taken by our intelligence apparatus, or someone's, of a rail-mobile missile.

They have the SS-24, they have the SS-25 that they have test flown—it is not a paper missile—in addition to the two that they have deployed, the 18 and the 19.

I cannot understand why it is destabilizing for us to go forward with modernization of our force and the Soviets continue to build and deploy.

You know, it was right interesting last year we had a visitation of some of our North Atlantic Assembly friends. There is an organization called the North Atlantic Assembly made up of parliamentarians of the NATO countries. They visit us once a year, we visit over there once a year. It is one of the segments of NATO; it has to do with defense.

So we had people from Great Britain, people from Germany, people from Belgium, people from Italy visit with us and in the discussion in the Committee on Armed Services a question was asked of one of the parliamentarians by my good friend from California, Mr. DELLUMS: "Well, why don't you sit down and debate and discuss and negotiate with the Soviets instead of deploying?" At the time we were talking about cruise missiles. And Mr. Peterson, who is in the German Bundestag, in replying to my friend, Mr. DELLUMS, said:

> Mr. Congressman, in 1977 we negotiated. In 1978 we negotiated and debated with the Soviets—and they deployed.
>
> In 1979 we debated—they deployed—and in 1980 and every year since they have deployed on the average of one missile per week.

Today they have over 400 SS-20's in place—each with at least one reload—and are continuing to this day.

We need to stop the talk and convince them of our resolve and national will.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Chairman, I did not plan to speak today and I only have 1 minute. I have been undecided on this issue because I had many questions yet unanswered about the wisdom of the purchase of 21 MX missiles at the expense of $1.5 billion. I was in my district yesterday and heard from constituents in two cities. Some points that were well taken in my district, which has 92 percent registration in the Democratic Party, are that on November 6 last year President Ronald Reagan swept my district by a majority of about 30,000 votes; he swept Kentucky, he swept 48 other States and was elected in a landslide as the Commander in Chief over our Armed Forces and as President of the United States.

In my heavily Democratic Party area my constituents were saying to me yesterday: "We trusted President Reagan on November 6; we trust him on March 26."

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, this resolution should be defeated. I respect the role of the President, as Commander in Chief, to make recommendations to the Congress on weapons systems such as the MX. At the same time, I take seriously the duty of the Congress, under the Constitution, to make the decision on this issue. It is interesting to me that so few have taken this well to argue that this is a missile system that we need. It is argued that we must have it as a bargaining chip; it is argued we should

not embarrass the President; it is argued that the Soviets are testing some similar missile. It is very seldom argued, however, that the MX is a good addition to the strategic defense of the United States.

It is a flawed missile, one that has been flawed for many years. It has no reasonable basing system that can make it invulnerable to attack; indeed it is admitted to be vulnerable if we do not engage in billions and billions of additional dollars to harden the sites.

The argument on bargaining chips will be made again. If you buy the argument today, be prepared to buy it again this fall, next spring, next fall, until the system reaches its full 100 deployed missiles at a cost of another $11 billion. Then, once that is accomplished, be prepared for the argument that the MX will be totally vulnerable to attack unless we provide an additional $20, $25, or $30 billion for the hardening of the sites. We have to make some judgments on this budget, including some moderation in defense systems as well as in domestic areas.

We have an obligation and an opportunity to respond to the Secretary of Defense's question, "What are you willing to stop if you are willing to trim the growth rate of defense?" The answer today is "We are willing to stop the MX missile."

Mr. DICKINSON. Mr. Chairman, I yield the balance of my time to our distinguished minority leader, the gentleman from Illinois [Mr. MICHEL]. I believe we have 8 minutes remaining.

The CHAIRMAN. That is correct.

Mr. DICKINSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 36]

ANSWERED "PRESENT"—422

Ackerman	Berman	Burton (IN)
Addabbo	Bevill	Bustamante
Akaka	Biaggi	Byron
Alexander	Bilirakis	Callahan
Anderson	Bliley	Campbell
Andrews	Boehlert	Carney
Annunzio	Boggs	Carper
Anthony	Boland	Carr
Archer	Boner (TN)	Chandler
Armey	Bonior (MI)	Chappell
Aspin	Bonker	Chappie
Atkins	Borski	Cheney
AuCoin	Bosco	Clay
Badham	Boucher	Clinger
Barnard	Boulter	Coats
Barnes	Boxer	Cobey
Bartlett	Breaux	Coble
Barton	Brooks	Coelho
Bateman	Broomfield	Coleman (MO)
Bates	Brown (CA)	Coleman (TX)
Bedell	Brown (CO)	Collins
Beilenson	Broyhill	Combest
Bennett	Bruce	Conte
Bentley	Bryant	Conyers
Bereuter	Burton (CA)	Cooper
Coughlin	Hertel	Moody
Courter	Hiler	Moore
Coyne	Hillis	Moorhead
Craig	Holt	Morrison (CT)
Crane	Hopkins	Morrison (WA)
Crockett	Horton	Mrazek
Daniel	Howard	Murtha
Dannemeyer	Hoyer	Myers
Darden	Hubbard	Natcher
Daschle	Huckaby	Nelson
Daub	Hughes	Nichols
Davis	Hunter	Nielson
de la Garza	Hutto	Nowak
DeLay	Hyde	O'Brien
Dellums	Ireland	Oakar
Derrick	Jacobs	Oberstar
DeWine	Jeffords	Obey
Dickinson	Jenkins	Olin
Dicks	Johnson	Ortiz
Dingell	Jones (NC)	Owens
DioGuardi	Jones (OK)	Oxley
Dixon	Jones (TN)	Packard
Donnelly	Kanjorski	Panetta
Dorgan (ND)	Kaptur	Parris
Dornan (CA)	Kasich	Pashayan
Dowdy	Kastenmeier	Pease
Downey	Kemp	Penny
Dreier	Kennelly	Pepper
Duncan	Kildee	Perkins
Durbin	Kindness	Petri
Dwyer	Kleczka	Pickle
Dymally	Kolbe	Porter
Dyson	Kolter	Price
Early	Kostmayer	Pursell
Eckart (OH)	Kramer	Quillen
Eckert (NY)	LaFalce	Rahall
Edgar	Lagomarsino	Rangel
Edwards (CA)	Lantos	Ray
Edwards (OK)	Latta	Regula
Emerson	Leach (IA)	Reid
English	Leath (TX)	Richardson
Erdreich	Lehman (CA)	Ridge
Evans (IA)	Lehman (FL)	Rinaldo
Evans (IL)	Leland	Ritter
Fascell	Lent	Roberts
Fawell	Levin (MI)	Robinson
Fazio	Levine (CA)	Rodino
Feighan	Lewis (CA)	Roe
Fiedler	Lewis (FL)	Roemer
Fields	Lightfoot	Rogers
Fish	Lipinski	Rose
Flippo	Livingston	Rostenkowski
Florio	Lloyd	Roth
Foglietta	Loeffler	Roukema
Foley	Lott	Rowland (CT)
Ford (MI)	Lowery (CA)	Rowland (GA)
Ford (TN)	Lowry (WA)	Roybal
Fowler	Lujan	Rudd
Frank	Luken	Russo
Franklin	Lungren	Sabo
Frenzel	Mack	Savage
Fuqua	MacKay	Saxton
Gallo	Madigan	Schaefer
Garcia	Manton	Scheuer
Gaydos	Markey	Schneider
Gejdenson	Marlenee	Schroeder
Gekas	Martin (IL)	Schuette
Gephardt	Martin (NY)	Schulze
Gibbons	Martinez	Schumer
Gilman	Matsui	Seiberling
Gingrich	Mavroules	Sensenbrenner
Glickman	Mazzoli	Sharp
Gonzalez	McCain	Shaw
Goodling	McCandless	Shelby
Gradison	McCollum	Shumway
Gray (IL)	McCurdy	Sikorski
Gray (PA)	McDade	Siljander
Green	McEwen	Sisisky
Gregg	McGrath	Skeen
Grotberg	McHugh	Skelton
Guarini	McKernan	Slattery
Gunderson	McMillan	Slaughter
Hall (OH)	Meyers	Smith (FL)
Hall, Ralph	Mica	Smith (IA)
Hall, Sam	Michel	Smith (NE)
Hamilton	Mikulski	Smith (NH)
Hammerschmidt	Miller (CA)	Smith (NJ)
Hansen	Miller (OH)	Smith, Denny
Hartnett	Miller (WA)	Smith, Robert
Hatcher	Mineta	Snowe
Hawkins	Mitchell	Snyder
Hayes	Moakley	Solarz
Hefner	Molinari	Solomon
Heftel	Mollohan	Spence
Hendon	Monson	Spratt
Henry	Montgomery	St Germain
Staggers	Thomas (GA)	Whitehurst
Stallings	Torres	Whitley
Stangeland	Torricelli	Whittaker
Stark	Towns	Whitten
Stenholm	Traficant	Wilson
Stokes	Traxler	Wirth
Strang	Valentine	Wise
Stratton	Vander Jagt	Wolf
Studds	Vento	Wolpe
Stump	Visclosky	Wortley
Sundquist	Volkmer	Wright
Sweeney	Vucanovich	Wyden
Swift	Walgren	Wylie
Swindall	Walker	Yates
Synar	Watkins	Yatron
Tallon	Waxman	Young (AK)
Tauke	Weaver	Young (FL)
Tauzin	Weber	Young (MO)
Taylor	Weiss	Zschau
Thomas (CA)	Wheat	

□ 1740

The CHAIRMAN. Four hundred twenty-two Members have answered to their names, a quorum is present, and the Committee will resume its business.

The Chair recognizes the gentleman from Illinois [Mr. MICHEL] for 8 minutes.

Mr. MICHEL. Mr. Chairman, my purpose today is not to make a point-by-point refutation of the strategic or budgetary arguments against the MX missile.

Arguments pro and con have been made with passion and eloquence for years.

But it seems to me that no matter how you are thinking of voting there are several questions you have to ask yourself before you make your decision.

First should this vote be seen as the final vote on the MX missile?

No, it should not because in a few months the question of authorizing and funding 48 missiles will be debated and voted upon when we consider the 1986 request.

The vote we cast today is not on something new; it is formal ratification of a decision we actually made last year.

We agreed at that time to fence off the funding until the American people had the opportunity to vote for their President for the next 4 years.

There was a sincere belief among many MX critics that the American people, presented with a Presidential candidate who supported MX and one who opposed it would choose the latter.

Well, Mr. Mondale lost and lost badly.

If he had won he would have every right to ask us to reject the MX.

But the new President is not Mr. Mondale. He is the same President who said he needed the MX.

So what right do we have to take away from the Commander in Chief what we implicitly pledged to him before the election?

To retreat on our implicit promise to go ahead with these 21 missiles is, in my view, to break faith with the ma-

jority of voters and to break faith with ourselves.

If you want to scale back the program or eliminate it altogether, then make a run at it when we consider the 1986 budget request.

But don't do it now, when we are being asked to ratify the past, not to determine the future.

Then there is the question of the foreign policy implications of our vote.

We've all heard about its effect on Geneva and no one could have made the case better than our chief negotiator Max Kampelman did yesterday.

But just as important, what we do today has implications that go far beyond Geneva.

Our European allies went through turmoil and agony but had the courage to accept the Pershing missiles after we urged them to do so.

What kind of message do we convey to them if, by our vote today we show weakness in our resolve and back away from our earlier decision?

As for the argument that MX is already outmoded, so we should go directly to building the Midgetman.

This argument has been characterized as technological filibuster. We are told that tomorrow's proposed weapon system is better than today's actual one.

But the fact is that in the foreseeable future it is MX not Midgetman that stands between us and the Soviet Union.

It is MX not Midgetman that the Scowcroft Commission said we need now.

If the House rejects MX today, the echos of that decision will go far beyond the Geneva talks.

They will be heard in the ministries of Europe, throughout the Mideast, and in the inner sanctums of the Kremlin.

The unintended consequences of such a vote may be with us for years despite the good intentions of those not supporting MX.

Last Thursday a headline in the New York Times read: "Moscow Criticizes Senate on the MX."

On the same day, the Washington Post carried a story headlined: "Soviets Attack Reagan on MX."

Viktor Karpov, the Chief Soviet negotiator, when asked if the talks were still going well, after the MX passed the Senate, shrugged his shoulders and said: "We're talking, that's important." Viktor Karpov's shrug is eloquent beyond words.

When the Senate voted for MX Karpov knew he would have to deal with MX. He doesn't like it, neither does Mr. Gorbachev.

Shouldn't that tell us something?

Finally there is the question of the defense budget.

If you want to take a shot at defense—and everyone seems to want to—do it in the right place.

This vote is not only the wrong place—it isn't even concerned with additional funding.

The funds are already there.

All we will do is put them to work in the way they were intended.

Let me conclude by quoting the distinguished chairman of the Armed Services Committee, Mr. ASPIN.

It sums up what many of us feel when he said:

> If the negotiations are going on, for Congress to go in and help the Soviets by taking something off the table is goofy.

Call it Goofy, call it Mickey Mouse, whatever you call it a vote against MX today is bad judgment, bad timing and bad policy.

However you may feel about the future of MX. I ask you not to reject what we have implicity promised in the past.

Fight the concept of MX in a few months if that is your desire.

But don't risk undermining the credibility of our foreign policy. Don't hurt our chances for arms reduction by casting the wrong vote, on the wrong issue, at the wrong psychological and historic moment.

□ 1750

Mr. BENNETT. Mr. Chairman, I yield myself 6½ minutes.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, I rise in opposition to the MX missile. My decision is based on several factors.

First, the MX was originally conceived to reduce the first strike vulnerability of our land-based missile forces. But putting the MX in existing silos does absolutely nothing to increase their survivability. By placing the MX in silos that are already targeted by the Soviet Union, they truly become "sitting ducks." As we modernize our strategic forces, we must concentrate on mobile weapon systems like the Trident submarine, our bomber fleet with cruise missiles and the Midgetman missile.

Second, I don't believe the MX is a so called bargaining chip. We don't show Soviet military experts how strong we are by buying ill conceived weapons and placing them in vulnerable silos. The MX is a great way to throw money at a problem without enhancing our national security.

Third, at a time when our Nation faces $200 billion deficits, Congress must say no to a lot of Government spending. The President wants to spend billions of dollars on the MX, put it in vulnerable silos, and ask future generations to pay the bill.

If the MX is so important why doesn't the administration pay for it with additional revenues? There is a definite link between national security and national solvency. I am convinced the MX adds nothing to national security, but compounds our problem of national solvency.

Mr. Chairman, the vote today is going to be close.

It is clear that reasonable minds can disagree on this issue.

There are genuine military heroes who are voting on both sides. Their patriotism should not be questioned and neither should the patriotism of any other Member.

I hope that we can avoid these cheap demagogic remarks as we debate this important issue.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, as with most of my colleagues, the MX has been a very difficult decision for me. I've listened to all the arguments. I have heard some very sincere and well reasoned statements from both sides of this debate.

Over the years, I have been a strong supporters of the MX missile. There can be little question that the Minuteman is an aging system, deployed in silos which have become vulnerable to Soviet nuclear warheads which are increasingly larger and more accurate. Indeed, the MX was originally devised as a way of evading the growing Soviet hard-kill capability.

By placing this new missile on a mobile race track system, as was originally proposed, our defense planners thought that the retaliatory capability of the MX could survive a preemptive Soviet strike.

I supported that reasoning, and voted for the MX in this mobile basing mode under the Ford and Carter administrations. When the mobile basing mode began to face strong regional and political opposition, however, we began to examine other options, including deploying the MX missile in existing Minuteman silos.

The response to this change in basing mode at that time, in 1981, ranged from skeptical to harsh.

Speaking before the Senate Armed Services Committee on January 6, 1981, Secretary of Defense-designate, Caspar Weinberger stated that—

> I would feel that simply putting it (the MX) into existing silos would not answer two or three of the concerns that I have: Namely, that (the location of) these are well known and are not hardened sufficiently, nor could they be, to be of sufficient strategic value to count as a strategic improvement in our forces.

In an interview published in U.S. News & World Report, dated November 2, 1981, Senate Armed Services chairman, John Tower, said that, "By stuffing that MX's into fixed silos, we're creating just so many more sitting ducks for the Russians to shoot at * * *."

Many other defense experts voiced similar concerns to the point where the option of dense pack—the placing of all MX missiles together at a single fixed position where they all might conceivably be wiped out at once—was considered as a more serious option than deploying the MX in existing silos.

Finally, the President appointed the Scowcroft Commission which came forth with a recommendation that brought us full circle, that the MX be deployed in existing silos—the same silos that we decided 10 years ago were vulnerable to a Soviet preemptive strike.

We are today called upon to decide whether we will continue in that process of deploying the MX in existing silos. Unfortunately, with the resumption of United States-Soviet arms talks in Geneva, the issue of the MX could not come before the Congress at a worse time.

On account of that, we find that the debate has not really remained on the central issue—whether MX deployment will substantially improve our national security. Instead, the debate has wandered off into the realm of bargaining chips, and whether or not we will be resolute at Geneva.

What we ought to be debating is whether the deployment of additional MX missiles, in the mode proposed by the administration, will significantly add to our national security. That is the real issue, and in the field of nuclear weapons, that issue can only be framed in terms of whether a weapons system preserves the credibility of our deterrent: Our capacity, if attacked, to strike back and inflict an unacceptable level of damage against our attacker.

Does the MX, deployed in existing Minuteman silos, materially enhance that credibility? On the basis of all the information I have been able to gather on that subject, the answer is "No."

We have to recognize that the MX is a very lucrative target. For the Soviets, the destruction of one MX would translate into 10 U.S. warheads that could not be delivered to targets in the Soviet Union. At the same time, the MX is an inviting target because, unlike our air- or sea-based missiles, the MX can't move even 1 foot in any direction to avoid detection or destruction. The Soviets always know where the missiles are. As was stated by the late Senator Henry "Scoop" Jackson, "We have given the Soviets a better target to shoot at."

The question then arises whether our technology will enable us to reinforce and strengthen our missile silos to the extent that they could survive a nuclear blast, and then later be used in retaliation. That is a question for which our experts have no good answer. It is uncertain at best. Soviet technology on targeting warheads is progressing to the point where it is highly questionable whether our silos, even if reinforced, could survive the Soviet hard-kill capability.

At the same time, that reinforcing process could take as long as 6 years, at a cost of up to $180 million per silo. That would raise the price tag on the MX from the current $21 billion up to the neighborhood of $40 billion. Accordingly, it would appear that superhardening of our missile silos would be an expensive gamble, at best.

I might say at this point that the cost of this program is of some concern to me, but even though it is a very expensive program. I would not hesitate to favor it if it added significantly to our country's security. I don't think you can put a price tag on security. I'm not sure we can look for bargains as far as defending our country is concerned.

But as we've already seen, the MX really does not add that much to our national security, but it will add substantially to our growing deficit problems. I am very concerned that, if we go forward with this program, we could find ourselves in a position a few years from now where huge deficits will force us to defer, stretch out, or even cancel a number of other defense programs that would unquestionably add to our national security, such as the D-5 Trident, the Midgetman mobile missile, or even our conventional armaments.

Instead of being more secure, the MX program might make us less secure by forcing us to borrow away from other essential defense programs.

Then, at least, we come to the issue of whether we should proceed with MX deployment to maintain a bargaining chip—a missile program we could scrap in exchange for some concession from the Soviets at the Geneva arms talks.

At the outset, it should be noted that the bargaining chip aspect of MX deployment has been so bandied about in public that it raises serious questions about our own determination to move forward with it. By declaring that the MX is a bargaining chip, we have all but stated that it is expendible. As a result, as a bargaining ploy, only the most choreographed set of arms talks is now likely to yield a situation where we give up the MX in exchange for some Soviet concession.

How do the Soviets react to all of this? To me and to many other observors, it would appear that the Soviets are far more concerned about a number of other actual or proposed U.S. weapons systems—such as the strategic defense initiative—than they are about the MX missile. Indeed, the Soviets have even submitted a proposal at Geneva that would allow the United States to keep the MX, a submission that belies any supposed Soviet concern about this weapon.

The vulnerabilities of the MX are well known to the Soviets—so well known that their own latest generation of missiles will be mobile, to avoid the very problems that are inherent in the fixed base MX.

I am not at all unmindful of the President's strong support for the MX. As the Commander in Chief, the President's views are certainly entitled to a great deal of weight. I believe that the benefit of the doubt should be given to the President on such issues, if there is a reasonable doubt.

At the same time, though, I must express my regret that the President has staked so much of his personal credibility on this one issue. In almost any other type of scenario I would be inclined to defer to the President. But in the present case we are talking about a multibillion-dollar weapons system which would appear to add little to our overall nuclear capability, and might even detract from our ability to deploy weapons that would add to our capability—both nuclear and conventional.

Mr. Chairman, I have studied this subject as hard and as objectively as I know how to. The bottom line for me is whether deployment of these additional 21 missiles is the wisest use of limited defense dollars. I must reluctantly conclude that deployment of the MX in existing silos will do little to enhance either our security or our bargaining power with the Soviet Union.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I rise in opposition to the MX, and I commend the gentleman in the well for his work in this effort.

National security comes in many shapes and forms—military defense is only one of them. The truth of the matter is that neither our national security nor our future is dependent on the MX missile in the least bit. It does not add to our military strength, and ironically, weakens our national security.

I find it interesting that there has been little discussion on the MX solely on the basis of merit. In fact, quite the opposite happened. Several years ago, the administration said funding for the MX was necessary to keep the Russians at the arms table. The Russians eventually left the bargaining table. Not because of the MX, but because of our deployment of cruise and Pershing missiles in Europe.

Then the administration told us it needed additional MX missiles to get the Russians back to the bargaining table. Now we are told that more MX missiles are needed—at a cost of $2.1 billion for 21—as bargaining chips at the current negotiations.

We have already spent $13.5 billion on the MX. If that surprises you, then you should examine the administration's fiscal year 1986 budget proposal since another $3.2 billion is being requested for 48 more MX missiles in addition to $800 million for development purposes.

Development of the MX, despite its cost, has been done in an aimless and haphazard manner, and we have traveled full circle with it. President Carter started out with the notion that a plan was needed that would result in the MX's being on underground tracks which could move them from location to location in the event of an attack. This was based on the premise that they would be "sitting ducks" in immobile missile silos.

This plan proved to be politically unfeasible and was abandoned. In its place, we returned to the concept of placing them in existing missile silos—again, making them sitting ducks. However, the silos would be hardened with concrete after the MX's were in place.

We have not even begun yet to discuss funding for an additional $18 billion which will be necessary to reinforce the silos.

As many of our colleagues have eloquently stated during this latest round of debate on the MX missile, we could eventually spend up to $40 billion for a highly dubious short-termed weapons system.

Yet, the administration doesn't seem to have a problem pretending that its $200 billion a year deficits pose no threat to our economic security, and ultimately, our national security.

For example, while lobbying the Congress for this expensive system, the administration does not have the foresight to see that the drastic cuts it has proposed in the Student Financial Aid Program represents a major threat to our future, and is far more of a threat to our national security than not providing additional funds for the MX missile.

Additionally, the President recently told farmers that legislation to provide financial assistance to them was a "budget buster," and he promptly vetoed legislation which was passed overwhelmingly by the House and the Senate.

The administration which so compassionately defends spending more money on the MX, shows a lack of compassion when it comes to hunger and poverty which have increased tremendously over the past 4 years because of its budgetary policies.

It would seem to me that 35 million people living in poverty in the world's most prosperous country represent a major threat to our national security and our future. What country can be secured when so many of its citizens go to bed hungry at night?

The administration also recently showed a lack of compassion in regards to continued plight of 22 million black South Africans.

In fact, it nearly gave the appearance of apologizing or trying to justify the actions of the South African Government which resulted in the loss of 17 lives.

While we are lobbied hard to approve more money for the MX in the defense category, the budget cutters are at work trying to devise rationales for further reductions or elimination of programs vital to senior citizens, children, the poor, the sick, students, the homeless, small businesses, and the disadvantaged.

Yet, it does not believe that the principle of fiscal responsibility should be applicable to the MX or the military, in general, as demonstrated by the Defense Department's willingness to pay $640 for a toilet seat, $435 for a hammer, $7,600 for a coffeemaker, $1,075 for a simple bolt, and $748 for pliers.

I believe that the future lies in our compassion for our citizens, not in compassion for the MX. Continued efforts to provide funding for this questionable system, and then neglect the human needs of our citizens poses a far greater threat to our national security than not having the MX.

It is for these reasons that I encourage my colleagues to reject additional funding for the MX. I would also hope that the administration would redirect its energy in solving the problems in this country which truly jeopardize our long term national security as well as the future of this country.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, as chairman of the Foreign Affairs Committee and its Subcommittee on Arms Control, it is primarily the arms control context of this debate on the MX that is troubling me. I want to make sure that my colleagues are not being deceived into thinking that a vote for the MX is a vote for arms control. Quite the contrary. It is my firm belief that our Nation's security will be stronger and our arms control policy more effective if we vote against the MX.

The MX does not contribute to our country's national security. MX missiles are powerful and accurate but vulnerable to attack. Missiles that threaten but are vulnerable can invite attack in a crisis. This basic fact about the MX means that it will destabilize the strategic system and will not enhance American national security.

An effective arms control policy should not key its negotiating strategy to the acquisition of certain weapons systems as bargaining chips during the negotiations. Yet, we are getting contradictory signals from the administration. On the one hand, President Reagan and his most senior officials, including the Director of the Arms Control and Disarmament Agency, Kenneth Adelman, who appeared before the Arms Control Subcommittee just last week, state repeatedly that the MX is not a bargaining chip and it is not negotiable. On the other hand, negotiators are being called back to Washington to ask Congress to strengthen their hand with the MX.

The strength of our negotiating position in Geneva lies in the basic strength of our triad of nuclear forces which give us a flexibility in negotiations that the Soviet Union does not have. The strength of our forces and our negotiating position are not dependent on the MX. We need an effective arms control policy—not valueless bargaining chips.

The Soviet Union is unlikely to ever consider the MX a serious or real bargaining chip. As our own negotiator in Geneva, Senator John Tower, said a few years ago:

> By stuffing the MX's into fixed silos, we're creating just so many more sitting ducks for the Russians to shoot at * * *. True, the MX itself will be more powerful, more accurate—and we need that kind of weapon. But it's of little use to us unless the Soviets are convinced that it can survive an attack. Without that, the Russians will have no incentive to start serious arms control talks.

The controversy surrounding the MX, the reduced funding by Congress, and the administration's decision on fixed basing must have already led the Soviets to conclude that they do not need to stop the MX nor trade anything for it.

In conclusion, the MX has no value as a bargaining chip in the Geneva talks. Why would the Soviets trade to prevent us from building a weapon which costs so much and gives us nothing but higher deficits and less security?

The history of building weapons for negotiating leverage is that the weapons get built and arms control becomes even more elusive.

Let us be wiser this time and oppose the MX.

Mr. GARCIA. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New York.

Mr. GARCIA. Mr. Chairman, the President has been complaining about the deficit, about how we all have to make sacrifices. Yet, he seems to exempt the Department of Defense from that category.

I represent the poorest district in the country, and I can assure you that if we continue to increase our spending on dubious defense projects, while cutting back at home, then we will have nothing left at home to defend.

Has the President taken a walk on the streets of Washington lately. Has he noticed the increased number of street people. He can find the same thing in New York and all our major cities. He cuts back on education, housing, and countless other social assistance programs and then attempts to threaten Congress into supporting the MX. I'm not soft on defense, at least my commanding officer in Korea didn't think so, but I'm hardcore when it comes to fighting for my district and all the other impoverished communities across the Nation.

I'll tell you why I can't support the MX: because there's not enough to eat at home. If that makes me an old time Democrat, fine. My family and my community has been helped by those old time policies, and I am proud to continue to defend them.

Mr. BENNETT. Mr. Chairman, this is indeed a responsibility to try to sum up the things that have been said from the standpoint of those who would like to oppose the MX.

First of all, I think it is faulted and very vulnerable. We can look at the highest authorities in this country, what they have said about it. Secretary Weinberger said—this was on his confirmation day:

I would feel that simply putting this into existing silos would not answer 2 or 3 concerns that I have, namely, that the location of these are so well known and not hardened sufficiently, nor could they be of sufficient strategic value to count as a strategic improvement of our forces.

He was speaking there of the MX in the manner in which it is now planned to be based.

The head of the Air Force, General Lew Allen, said:

An essential feature to the MX deployment is the basing mode be survivable. One does not obtain that through placing it in Minuteman silos. Therefore, I do not favor such a deployment.

That is how they plan to deploy it today.

John Tower, who heads our team now over there in Geneva, former United States Senator, said:

By stuffing the MX's into fixed silos we are creating just so many more sitting ducks for the Russians to shoot at.

Now, William Colby, former CIA Director, said:

The MX is more than merely a wasteful weapon. It will threaten our country as much as it threatens the Soviet Union. While we should not make unilateral concessions to the Soviets, abandoning this useless and dangerous weapon can be justified in our interest independently of the Soviets.

That is what he said on May 14, 1984.

Admiral Turner, Stanfield Turner, said:

For several years now the immediate problem of the MX has been how to base it. Placed in existing silos it would be vulnerable to surprise attack by the Soviet Union beefed up strategic forces, just as vulnerable as our present generation of land-based missiles.

Now, in the hearings we had on this matter, we asked what they planned to do about it. Well, Secretary Weinberger said they had some plans to harden the silos. Well, it developed he did not have a penny in the budget for it, not a single penny, and they maybe will have a way to harden it somewhat by the year 1990. That is the period that is set. That, incidentally, is the same period when the Trident II missiles are supposed to go into effect. This is going to be just as effective as this particular missile.

□ 1800

So we are having two missiles for that particular period of time. We have already planned; that is what it is going to be.

Now, we are going to put these missiles in these silos, these weakened silos. We have already been told it is foolish to do it repeatedly. How did we ever get in a situation like we have today? We got into it by the most interesting Machiavellian development I think I have ever seen; which was that a lot of people who wanted to embrace the idea of some arms control thoughts, and so with the White House they worked out a plan where the MX would be delivered, providing these languages were adopted, and that is exactly what we have heard.

I sat down with Scowcroft, and we sat around the table, all these people that were on that Scowcroft Commission, every one of them; there was not a one of them that said they favored the MX. Not a one. That is, in the basing mode they talked about; not a single one.

Not a single one actually said he liked the arms control language, but they had been ordered by the President to produce a way to get the MX. They had been ordered by the Commander in Chief. That accounts for Mr. Kampelman coming back from abroad. Why do you think he took that trip back from abroad? Well, he took it, obviously, because the White House asked him to do it. It is pretty hard to outbid somebody like that; to be a better lobbyist than a person like that.

You just have to search your crystal-clean hearts today, Members of Congress, you are going to have to look in your own consciences and say, "Do you really think this is a missile that our country should procure in view of what has been said about it by people who know so much about it."

Let us look at the expense of the missile. Not only is it a very vulnerable weapon, but it will not do much harm to the enemy, and some people say it will do a lot of harm to ourselves by various arms control problems. But, it is a very expensive weapons system. We have already spent $13 billion on it. The future money would be about $13 billion. The hardening costs are estimated at at least $21 billion.

So you have, in the future, at least $34 billion to be spent under this program. That is what you really have involved in this particular vote today. I suggested on the floor of the House when I spoke yesterday, there were not many people here yesterday, but I suggested a plan which is also in the language that I used in the dissenting opinion about this particular matter, ways in which we could use this $32 or $34 billion to buy conventional weapons, because I think the greatest error that the free world is making today, the greatest error, is not in the 1981 tax cut bill, it is not the deficits, it is not doubling our $1 trillion debt to $2 trillion debt, it is not all that that people talk about, the greatest error the people of the free world are making today is being unprepared to win a conventional war in Europe. That is the greatest error.

Why is it the greatest error? You know, General Rogers, our head of NATO, has told us that it would be a matter of days. If the Russians decided to walk through Europe, they could walk through Europe and take it all. What is our policy? Our announced policy, our avowed policy, is to be the first to use nuclear weapons. We have said we would, and we will do it if we are overrun in Europe, and our authorities say we will be overrun. This is now news, it is just something people do not talk about because it is so painful. It has been repeatedly said by General Rogers. He has never been corrected for it; he has not been fired for it. He said it last year and repeated it. He has said it again, how concerned he is about it.

How foolish it is for our country, with the ability to have what it needs to have to win a conventional war, not to have it. Please vote against the MX.

Mr. ASPIN. Mr. Chairman, I yield 6½ minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding me this time.

Mr. Chairman, on August 15, 1942, the Congress voted for the extension of the draft for 18 months. It passed by one vote; 210 to 209. Now, I am sure on that day that nobody realized the significance of that vote.

John McCormack said later that it was the most important vote that he cast in his entire, long legislative history. Let me read some of the comments from that day. Some of them will reflect what happened in the debate today.

Mr. Casey of Massachusetts:

Those who oppose this bill say that the Battle of the Atlantic has been won by Great Britain, and therefore no present emergency exists: But, mark you this, they voted almost to a man against lifting the arms embargo. They voted against the lend-

lease bill, and so the Battle of the Atlantic could not have been won if their speeches and their votes had prevailed. The battle would have been lost if their philosophy, as expressed by their votes, had prevailed.

Mr. Hoffman said: "If we want to represent our folks," and I have heard this said about how popular or unpopular the MX missile is, Mr. Hoffman said:

If we want to represent our folks back home, and we do, we have to be elected, do we not? And our people at least by all the polls I have seen, by 80 percent at least have declared that we do not want war.

Mr. Faddis of Pennsylvania said:

To think that any man who is a Member of this body would take into consideration and weigh against the security of this Nation whether or not he was going to be elected and returned to the House of Representatives, my God, what have we come to? To what depths have we sunk?

Now, I know that there is no one in this Chamber that would consider only the popularity of an issue.

Mr. McCormack of Massachusetts said:

Viewing world conditions, having in mind our vital interest in the East, looking into the near future and seeing the probable steps that could and will be taken against us, if we are not prepared and, voting as Americans, determined to the best of our ability to courageously perform the duties of our trust, with the overwhelming evidence of danger that confronts us, it is our duty and obligation to pass the pending bill. This question transcends party considerations.

A gentleman from New York said: "I am convinced," now listen to this, "I am convinced that unless we go out looking for trouble and war with a chip on our shoulder," this is 3 months before Pearl Harbor, which was talked about, "I am convinced that unless we go out looking for trouble and war with a chip on our shoulder we need have no immediate fear of being attacked or involved in a war."

Three months before Pearl Harbor.

Mr. BURDICK of North Dakota said:

I see nothing in Germany's dream for a United States of Germany that contemplates including this country. If Germany wants a United States of Europe and can put it over, that is the business of Europe and not ours.

Now, as I said, I do not believe that anybody really appreciated what was happening that day, and some of the rhetoric probably got out of hand. I agree that the debate today, the people feel very strongly about what they are saying. But you have to remember we are dealing with a country that only understands strength.

On September 1, 1983, the Russians shot down an unarmed 747 with a Member of Congress aboard, and they said it strayed into their zone. Well, let me tell you something: They are dealing from strength; they are arrogant, and we are negotiating with somebody like that.

Two days ago, they shot a reconnaissance major who was in an unrestricted area; three shots and they killed him. They shot him right in the chest; he lay there and said, "My God, Jeffy, I am shot."

They let him lie there for 30 minutes. They did not give him any medical aid. That major died because he received no medical aid because of the arrogance of the Soviet Union that we are dealing with. And you mean to tell me that we are supposed to go to the table with less than we have now?

□ 1810

And what did that major think? What kind of a man was he? Was he a wild radical? Let me tell you what they said this major was.

The person who knew him well said. "He was very objective." Valenta said:

He did not accept either concept of left or right but tried to understand the relationship between the United States and the Soviet Union when it came to nuclear arms. He had no illusions about the Soviet Union.

Now I am talking about the American major on a legitimate reconnaissance mission, unarmed, killed by the Soviet Union in cold blood.

Valenta said:

He had no illusions about the Soviet Union, but told me things had become so dangerous that it was impossible to find a way to negotiate an arms control agreement.

That is the type of an American they killed.

I say to you that we should negotiate. We are at the negotiating table. I say to the Members, let us pass this resolution and allow the Democrat who is leading this negotiating team to have the chip he needs to get an agreement which is to the benefit of the United States.

Mr. BENNETT. Mr. Chairman, I yield the remainder of our time to the majority leader, the gentleman from Texas [Mr. WRIGHT].

The CHAIRMAN. The majority leader, the gentleman from Texas [Mr. WRIGHT], is recognized for 10 minutes.

Mr. WRIGHT. Mr. Chairman, 2 weeks ago a bipartisan group of our Members was in Geneva at the request of President Reagan for the opening of the peace talks with the Soviet Union. Our principal purpose in being there was to demonstrate by our presence the unity of support in the United States for that peace process.

We do support our negotiators in their effort to achieve a just peace. Nothing on Earth could be more important to the future of humanity than the possibility that we may come from this table with a just peace with the Soviet Union.

If I thought for 1 minute that these 21 additional missiles in these old, vulnerable silos would make the difference between success and failure in our efforts to negotiate a sound and successful peace treaty, I would leap with alacrity to vote not this much but 10 times this much, and more. But I would not only vote to build the weapons, I would vote to pay for them; I would not send the bill to our children.

If I really believed it was that important, I would be here asking you to vote for the revenue this year to pay for the missiles we intend to build this year and to pay also for the star wars research that we intend to conduct this year. I would not be swaggering with a veto pen a la Clint Eastwood, threatening jocularly to shoot down anybody who wants to pay for the weapons that I thought and said were necessary.

That is the peculiar logic which has gotten us into the trouble we are in. That is the logical aberration by which Ronald Reagan in 4 short years has added more to the national debt than all of his predecessors added in 192 years of constitutional government. He has a scotoma so far as military spending and debt are concerned.

Last week, assuming that the Washington Post quoted him accurately, the President made a bizarre statement—truly incredible. Speaking to a group of businessmen, he said, whatever amounts we spend on the military has no bearing whatever on the national debt. That is how he was quoted.

When I read something like that, I cringe. It is deeply disturbing because it simply goes, when spoken by the President of the United States, to confirm the apprehensions of so many people that some new rationalization will be found, however illogical, to justify whatever the Pentagon decides it wants to do.

Last year we were told that we had to vote for the MX missile because the Russians were not at the bargaining table. This year we are told we have to vote for the MX missile because they are at the bargaining table.

We are told that the Russians understand nothing but strength. Well, surely we have in our land-based and seaborne missiles adequate strength to impress the Russians. We have strategic parity. We have enough military missiles to destroy everybody in the Soviet Union several times over.

Surely in the last few years we have demonstrated our willingness to spend our children's money to buy weapons. We are spending more on weapons and on military might this year than we spent in any year during the Vietnam war, in any year during the Korean war, and, yes, in any year during World War II.

During the years I have been in Congress I suppose I have voted for as many weapons as anybody in the Congress. I have allowed no priority to

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take precedence ahead of national security. But, Mr. Chairman, national security depends upon so many things other than just missiles, just weapons.

For one thing, our national security depends upon a productive agriculture, upon our ability to feed ourselves and our allies, if necessary. And yet the whole fabric of rural America is rapidly disintegrating. Thousands of farms are in foreclosure, thousands more farmers are on the verge of bankruptcy, and the President says we cannot afford to lend a helping hand to the family farmer in his hour of crisis. We cannot afford that, but we can afford more missiles?

Our national security depends upon an industrial base, but our American industrial base is eroding. Each week some other factory closes in America. Daily we become more dependent upon imports. Last year we had a trade drain that sucked $123 billion out of our country, and in the process we lost 3½ million American jobs.

With 8 million unemployed, the President says we cannot afford to extend unemployment compensation. He says that what the jobless need is training, and then he wants to do away with the Job Corps and cut job training programs by 28 percent.

In the ultimate analysis, national security depends upon an enlightened and educated citizenry capable of leading the world intellectually into the 21st century, but our schools and our educational institutions are deteriorating. Japan, with half our population, is graduating more than we are graduating in science, in engineering, and in the technologies. Yet the President says we cannot afford to help young Americans of modest economic circumstances get a college education.

Now, honestly, if we cannot afford those simple things which are so vital to our Nation's security at a fraction of the cost of these missiles, can we rest our safety solely in missiles?

I can think of only one reason that has been given today for us to support these missiles, and that is that we can send a message to the Russians. Well, for 40 years, Mr. Chairman, we have been sending messages to the Russians about how tough we are. For 40 years they have been sending messages to us about how tough they are. And in the process the two of us have diverted from productive use probably $5 trillion as each has leapfrogged the other in ever more costly and ever more sophisticated weaponry to impress the other with how tough we are. And the future, I assure you, of the star wars weapons that lie on the drawing board is going to be so costly that it will make the things we are buying today look like bargain-basement toys marked down after Christmas, unless we call a mutual halt.

So, Mr. President, I say to you that you may win this vote today—I do not know, it may be close—but win or lose, I make you a sporting proposition, Mr. President. You do your best to negotiate with the Soviet Union a mutual, verifiable moratorium and freeze on these destructive weapons, and then if you fail or if the talks stall and then you think you need the rest of this $40 billion system and that $25 billion worth of research for your star wars initiative, bring us an equitable plan to pay for them without adding it to our children's bill and the national debt, and I will support you.

□ 1820

I will be with you if you will bring us that kind of an honest straightforward plan to pay for what you say we need for our defense in our time, but meanwhile, Mr. President, we may not be enough, but I think there are some of us in this Chamber who are willing to send a message, yes; to you and to Mr. Gorbachev and to the leaders of the Soviet Union and to all military men everywhere.

The time has come for sanity. The time has come to stop leapfrogging one another and trying to show one another how tough we are and how much of our children's money we are willing to spend for ever more costly weapons. The time has come to come together and reason together and make sense together. In the interest of the future of humanity, meet us halfway, Mr. President, Mr. Gorbachev, and hand in hand let us walk together down the path to peace.

The CHAIRMAN. The Chair now recognizes the gentleman from Wisconsin [Mr. ASPIN] to close debate. The gentleman is recognized for 5 minutes.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I rise today to urge my colleagues' support for continued approval of the MX missile.

A strategist once said that it is more prudent to judge your adversary by his capability, rather than by his intentions. The Soviet Union currently has the capability to launch an effective first strike against the United States. While we may seriously doubt their intentions to do so, we must nonetheless prepare to counter that capability with stronger deterrence.

The Soviets have the ability to wipe out our ICBM's with their highly accurate missiles. They also can defend their remaining forces from retaliatory attack because they have hardened their silos and other military targets. While we can rely in some respect on the rest of our triad for deterrence, these remaining forces of ours do not have the reliability or the accuracy to place Soviet military targets in jeopardy. The accurate and highly lethal MX places those Soviet targets at risk, and injects a greater element of risk in—and therefore deterrence against—a Soviet first strike.

We need the MX, and we need it now for several reasons: First, the United States cannot sit idly by ignoring the current imbalance while we await the development of the Midgetman missile. As research proceeds toward the deployment of this weapon, the MX can be used to bridge the current strategic gap and advance deterrence for the next decade. Second, the Soviets have finally come back to the arms control talks. Their return is simply not concession enough to merit the unilateral discontinuation of a weapons system on our part. Cancellation of the MX now would send a clear signal to the Soviets that the United States does not have a coherent strategy or the will to back it up.

I urge my colleagues to recognize the damage that could be done to deterrence and to the future of the arms control talks by vacillating now. The United States must continue its plans to deploy the MX and to face the Soviets on equal footing in Geneva.

Mr. ASPIN. Mr. Chairman, this issue, the MX issue, we have debated not only for the 10 hours that we have been debating it these last couple days, but for weeks, for many, many times over the years. We have gone into the issue of its cost. We have gone into the issue of its vulnerability. We have gone into the issue of whether it is or is not a first strike. We have gone into the issue of whether it is or is not a bargaining chip.

Mr. Chairman, the House is about as evenly divided on this issue as I guess it can possibly be; but I would like to address two issues that are relevant to this vote as opposed to any of the other votes that we have had on the MX. One is the issue of money. The money in this bill that we are unfencing by this vote is money that is in the fiscal year 1985 bill. It is money that is in the deficit that is in effect over the dam. We have passed that point. It is not a deficit reduction issue to deal with by voting against these 21 missiles. That is the 1985 bill. It is the 1985 deficit.

We are coming up on an issue that will deal with the 1986 deficit when we deal with the MX missile in the 1986 defense budget.

The second point. This vote is coming at a time when the negotiators have just started in Geneva. They have just begun and we have a peculiar vote. It is 21 missiles, yes or no. There is no option of slowing this thing down. There is no way to keep the option open at a lower number. There is no way to fuzz it over. We are voting because of the parliamentary situation. We are voting yes or no on 21 missiles and these missiles are rele-

vant to the talks that are going on, the talks that are just beginning.

Ambassador Kampelman, the negotiator, says everything is on the table. To remove these missiles by a no vote would in effect be giving some help to the Soviet Union. Every missile, every weapons system on both sides, on the Soviet side and on our side, is on the table. Why should Congress unilaterally remove something from the table?

The arms control talks are not unlike other talks that go on. When the UAW sits down and negotiates with General Motors, the membership in the UAW does not sit down and have a vote to take something off the table. The board of directors of General Motors does not sit down and take something off the table. It would be crazy for the Congress at this point to come and take something off the table, to take something away from our negotiators.

Mr. Chairman, the role of Congress in this area of arms control and foreign policy is to support the President when he is right and oppose the President when he is wrong. On the beginning of these arms control talks, the President is right.

I have heard no complaints of the way the President has begun these negotiations since the first of January. The talks have been good. The beginning has been right and people from all shades of opinion, liberals, conservatives, Republicans, Democrats, have praised the beginning of these talks. We ought to encourage the beginning of these talks. We ought to encourage them by giving them what they need. When they go into these talks, they have to have something to negotiate with.

The evidence of what happened with the ABM and the B-1 is very relevant here. When Congress voted for the ABM by a very narrow vote, we had negotiations that banned the ABM on both sides.

When the United States took away the B-1 bomber unilaterally, we did not deal with it in arms control talks. We did not have a very good solution in SALT II and the B-1 is back now with us.

We need to give our negotiators something to negotiate with.

Ladies and gentlemen, Mr. Chairman, I think that if we vote against this missile today, we will not be happy with what we see tomorrow and the day after. I think we will be sorry for what we have done to the negotiations.

Ladies and gentlemen of the Congress, I beg of you, the negotiations are there. The negotiators are in Geneva. They are at the table. Let us give these negotiators the tools so they can do the job.

The CHAIRMAN. All time for general debate has expired.

The text of House Joint Resolution 180 is as follows:

H.J. RES. 180

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That subject to the enactment (after the enactment of this joint resolution) of a joint resolution further approving the obligation of such funds, the Congress approves the obligation of funds available for fiscal year 1985 for the procurement of additional operational MX missiles (in addition to the funds previously authorized to be obligated).

The CHAIRMAN. Pursuant to Public Law 98-525, the Committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 180) to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution, had directed him to report the joint resolution back to the House.

The SPEAKER. The Chairman of the Committee of the Whole House on the State of Union reports that that Committee having had under consideration the joint resolution (H.J. Res. 180) directs him to report the same back to the House.

Pursuant to section 110, Public Law 98-525, the question is on the passage of Senate Joint Resolution 71.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 213, as follows:

[Roll No. 37]

AYES—219

Anderson	Chandler	Duncan
Andrews	Chappell	Dyson
Archer	Chappie	Eckert (NY)
Armey	Cheney	Edwards (OK)
Aspin	Clinger	Emerson
Badham	Coats	English
Barnard	Cobey	Erdreich
Bartlett	Coble	Fawell
Barton	Coleman (MO)	Fazio
Bateman	Combest	Fiedler
Bentley	Cooper	Fields
Bevill	Courter	Fish
Bilirakis	Craig	Flippo
Bliley	Crane	Franklin
Boehlert	Daniel	Frenzel
Boner (TN)	Dannemeyer	Frost
Boulter	Darden	Fuqua
Breaux	Daub	Gallo
Broomfield	Davis	Gekas
Brown (CO)	de la Garza	Gilman
Broyhill	DeLay	Gingrich
Burton (IN)	DeWine	Gregg
Bustamante	Dickinson	Grotberg
Byron	Dicks	Gunderson
Callahan	Dornan (CA)	Hall, Ralph
Campbell	Dowdy	Hall, Sam
Carney	Dreier	Hammerschmidt
Hansen	McCurdy	Schaefer
Hartnett	McDade	Schuette
Hatcher	McEwen	Schulze
Hefner	McGrath	Shaw
Hendon	McKernan	Shelby
Hiler	McMillan	Shumway
Hillis	Meyers	Shuster
Holt	Michel	Siljander
Hopkins	Miller (OH)	Skeen
Horton	Molinari	Skelton
Hoyer	Mollohan	Slaughter
Hubbard	Monson	Smith (NH)
Huckaby	Montgomery	Smith, Denny
Hunter	Moore	Smith, Robert
Hutto	Moorhead	Snowe
Hyde	Morrison (WA)	Snyder
Ireland	Murtha	Solomon
Jones (TN)	Myers	Spence
Kasich	Neal	Stangeland
Kemp	Nelson	Stenholm
Kindness	Nichols	Strang
Kolbe	Nielson	Stratton
Kramer	O'Brien	Stump
Lagomarsino	Ortiz	Sundquist
Latta	Oxley	Sweeney
Leath (TX)	Packard	Swindall
Lent	Parris	Tauzin
Lewis (CA)	Pashayan	Taylor
Lewis (FL)	Pepper	Thomas (CA)
Lightfoot	Porter	Thomas (GA)
Lipinski	Price	Valentine
Livingston	Pursell	Vander Jagt
Lloyd	Quillen	Vucanovich
Loeffler	Ray	Walker
Lott	Regula	Watkins
Lowery (CA)	Reid	Weber
Lujan	Rinaldo	Whitehurst
Lungren	Ritter	Whitley
Mack	Robinson	Whittaker
Madigan	Roemer	Wilson
Marlenee	Rogers	Wolf
Martin (IL)	Roth	Wortley
Martin (NY)	Rowland (CT)	Wylie
McCain	Rowland (GA)	Yatron
McCandless	Rudd	Young (AK)
McCollum	Saxton	Young (FL)

NOES—213

Ackerman	Donnelly	Johnson
Addabbo	Dorgan (ND)	Jones (NC)
Akaka	Downey	Jones (OK)
Alexander	Durbin	Kanjorski
Annunzio	Dwyer	Kaptur
Anthony	Dymally	Kastenmeier
Applegate	Early	Kennelly
Atkins	Eckart (OH)	Kildee
AuCoin	Edgar	Kleczka
Barnes	Edwards (CA)	Kolter
Bates	Evans (IA)	Kostmayer
Bedell	Evans (IL)	LaFalce
Beilenson	Fascell	Lantos
Bennett	Feighan	Leach (IA)
Bereuter	Florio	Lehman (CA)
Berman	Foglietta	Lehman (FL)
Biaggi	Foley	Leland
Boggs	Ford (MI)	Levin (MI)
Boland	Ford (TN)	Levine (CA)
Bonior (MI)	Fowler	Lowry (WA)
Bonker	Frank	Luken
Borski	Garcia	Lundine
Bosco	Gaydos	MacKay
Boucher	Gejdenson	Manton
Boxer	Gephardt	Markey
Brooks	Gibbons	Martinez
Brown (CA)	Glickman	Matsui
Bruce	Gonzalez	Mavroules
Bryant	Goodling	Mazzoli
Burton (CA)	Gordon	McHugh
Carper	Gradison	McKinney
Carr	Gray (IL)	Mica
Clay	Gray (PA)	Mikulski
Coelho	Green	Miller (CA)
Coleman (TX)	Guarini	Miller (WA)
Collins	Hall (OH)	Mineta
Conte	Hamilton	Mitchell
Conyers	Hawkins	Moakley
Coughlin	Hayes	Moody
Coyne	Heftel	Morrison (CT)
Crockett	Henry	Mrazek
Daschle	Hertel	Murphy
Dellums	Howard	Natcher
Derrick	Hughes	Nowak
Dingell	Jacobs	Oakar
DioGuardi	Jeffords	Oberstar
Dixon	Jenkins	Obey

Olin	Schroeder	Torres
Owens	Schumer	Torricelli
Panetta	Seiberling	Towns
Pease	Sensenbrenner	Traficant
Penny	Sharp	Traxler
Perkins	Sikorski	Udall
Petri	Sisisky	Vento
Pickle	Slattery	Visclosky
Rahall	Smith (FL)	Volkmer
Rangel	Smith (IA)	Walgren
Richardson	Smith (NE)	Waxman
Ridge	Smith (NJ)	Weaver
Roberts	Solarz	Weiss
Rodino	Spratt	Wheat
Roe	St Germain	Whitten
Rose	Staggers	Williams
Rostenkowski	Stallings	Wirth
Roukema	Stark	Wise
Roybal	Stokes	Wolpe
Russo	Studds	Wright
Sabo	Swift	Wyden
Savage	Synar	Yates
Scheuer	Tallon	Young (MO)
Schneider	Tauke	Zschau

□ 1840

So the Senate joint resolution was passed. The result of the vote was announced as above recorded.

A similar joint resolution (H.J. Res. 180) was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 71, the Senate joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1850

GENERAL LEAVE

Mr. DONNELLY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on the subject of the special order today, by the gentleman from Mississippi [Mr. MONTGOMERY].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. PANETTA. Mr. Speaker, I ask unanimous consent to proceed out of order in special orders to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. PANETTA]?

There was no objection.

HOUSE RECOUNT OF INDIANA EIGHTH CONGRESSIONAL DISTRICT

The SPEAKER. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I would like to take this opportunity to report to the House on the status of the House recount which is taking place in the Eighth Congressional District of Indiana.

As you know, the task force of the Committee on House Administration, which is reviewing the congressional election in Indiana, appointed Mr. James Shumway, an experienced election official from the State of Arizona, to direct the recount.

Mr. Shumway completed the training of the GAO auditors on Monday in Cincinnati. The audit teams then proceeded to Evansville, IN, where they began counting ballots this morning at about 9 a.m. our time. In training and directing the audit teams, Mr. Shumway is proceeding with all the expedition consistent with fairness and accuracy.

To ensure that the recount is open, observers from both candidates are present at the counting tables to witness the process. In addition, the media has access to all spaces where the counting is being carried out. And there is space provided to the public to observe the process.

At the conclusion of each counting day, the unofficial tally sheets for the day will be made available to the candidates, the press and the public. The official tally for each county will be released by the director immediately after the each county is completed.

The schedule provides for finishing the recount within 2 weeks, which is an ambitious schedule. The recount director, Mr. Shumway, stated this morning in Indiana, "We can proceed only as fast as we can be certain of accuracy." Every effort will be made to complete the recount on schedule. But I want to emphasize to the House that we cannot afford to sacrifice accuracy for speed, and if additional time is needed, we must be prepared to allow for it.

In order to keep the House informed of the progress of the recount team, I will be inserting a progress report in the RECORD each day. I hope the House will be patient as the process goes forward.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Georgia.

Mr. GINGRICH. I thank the gentleman for yielding.

Just to make two points. One is that the House should be aware that while there are GAO auditors being used, the rules that were adopted were adopted on a 2-to-1 vote on a partisan basis.

I think the gentleman would agree that that is an accurate statement.

Mr. PANETTA. I have stated that in the RECORD that with regard to at least six of the rules that was the case.

Mr. GINGRICH. And second, I would just ask the gentleman again since we are now past the initial 45 days that were talked of when the McIntyre case was voted on the second time, on our side we agree with the gentleman it should take as long as is necessary to be accurate.

We would ask the gentleman under the normal rules of the House, since Mr. McIntyre has been certified, when we have votes as important as today, as recent votes on farm matters, would it not be wiser for the House to seat Mr. McIntyre provisionally and then allow you to take as much time as is necessary, rather than to in any way rush this thing and run the risk of the House making the wrong case on the recount in order to avoid extra days of Indiana being without representation? Would that not ease the burden on you?

Mr. PANETTA. The gentleman has expressed his views on that point before, but the House has spoken with regards to House Resolution 1. And my responsibility is clear. My responsibility is to operate on behalf of the House to insure that we do have a recount and we determine who the winner is, no matter who that winner may be.

Mr. GINGRICH. If I may pursue this further for 1 minute, I want to commend the gentleman for taking the position that the length of time is not as important as the accuracy.

Does the gentleman have any notion at this stage how long that might be? Not to set a date, but looking at the longer end of that tunnel?

Mr. PANETTA. I think we will have a better determination on that once we have gone past these first 2 days because the count is beginning to take place today and began at 9 a.m. The reports I have from today indicate that the count is proceeding well, but that it looks like it is proceeding in a manner that will probably take 2 days in Vanderburgh County, which is the county where the greatest controversy exists.

I hope that once we get beyond Vanderburgh County we will do two counties each day and try to complete by the middle of next week.

Mr. GINGRICH. I thank the gentleman.

DATA PROTECTION ACT OF 1985

The SPEAKER. Under a previous order of the House, the gentleman from Oklahoma [Mr. ENGLISH] is recognized for 5 minutes.

● Mr. ENGLISH. Mr. Speaker, I am today introducing the Data Protection Act of 1985, a bill to establish a permanent and independent Data Protection Board in the Federal Government. The bill is similar to legislation I introduced in the last Congress [H.R. 3743].

The idea of a governmental entity with responsibility for establishing data protection policy and overseeing

its implementation is not new. When the Privacy Act of 1974 was initially considered in the Senate, Senator Sam Ervin advocated the creation of a Federal Privacy Board as an aid to enforcement and oversight. The proposal passed the Senate but met with resistance in the House.

As a compromise, the Congress established the Privacy Protection Study Commission as a temporary commission to conduct research and make recommendations on a wide range of privacy issues. In its final report issued in 1977, the Privacy Protection Study Commission also recommended that an independent entity be established to monitor and evaluate privacy laws; to continue research, studies, and investigations; to issue interpretative rules for the Privacy Act of 1974; and to provide privacy advice to the President, the Congress, and the States. No formal action has ever been taken on this recommendation.

In June 1983, the Subcommittee on Government Information, Justice, and Agriculture conducted 2 days of general oversight hearings on the Privacy Act of 1974. These were the first general oversight hearings on the act since its enactment. Several conclusions were immediately apparent from the testimony.

First, oversight of the Privacy Act within the executive branch has become virtually nonexistent. The Office of Management and Budget—which was assigned oversight and implementation responsibilities under the Privacy Act—is simply not doing a very good job. In fact, OMB is hardly doing the job at all. In the words of one witness, OMB has "virtually abdicated responsibility" for the Privacy Act. A 1983 oversight report, issued by the Committee on Government Operations, found that OMB conducts no active supervision or review of agency Privacy Act regulations or activities. [H. Rept. No. 98-455]

Second, privacy is no longer an issue of purely domestic interest. In recent years, an increasing number of foreign nations have become concerned the privacy implications of new technology and the flow of personal information across national borders. The Council of Europe Data Protection Convention establishing international standards for data protection has now been ratified, and many nations have passed legislation to provide protection for personal data.

These international concerns about privacy have important implications for American business. Restrictions on the transfer of data to nations that do not have adequate privacy protection may result in the loss of markets for information and telecommunications services. In addition, multinational companies are finding that their own internal operations are impeded by restrictions on data transfer.

Some of these international privacy issues had been monitored in the past by the National Telecommunications and Information Administration of the Department of Commerce. However, NTIA has gotten out of the privacy business in the last few years. A recent GAO report on the privacy policy activities of NTIA found a decline in the activity and resources devoted to privacy policy matters in recent years. GAO found that NTIA now maintains a minor residual capability to deal with privacy matters. [GAO Rept. GGD-84-93, Aug. 31, 1984.]

The Data Protection Board that I am proposing would have responsibilities for both domestic and international privacy issues. Domestically, the Board would be assigned an oversight role under the Privacy Act of 1974. The Board would prepare guidelines and model regulations, investigate compliance with the act, and generally oversee agency Privacy Act activities.

For international privacy matters, the Data Protection Board would assist American companies doing business abroad to comply with foreign data protection laws, assist in the coordination of U.S. data protection policies with those of foreign nations, accept complaints, and otherwise consult with foreign data protection organizations. The Board would also assist in the development and implementation of private sector data protection standards. However, the Board would have no regulatory authority over the private sector.

In recent years, many other nations have established official government organizations with functions similar to the Data Protection Board that my bill would create. Austria established a Data Protection Commission in 1978. Canada created a Privacy Commissioner as part of its 1982 Privacy Act. The Federal Republic of Germany has a Federal Commissioner for Data Protection. In France, similar functions are carried out by the Commission National de l'Informatique et des Libertes [CNIL]. Norway has a Data Inspectorate. The Swedish Data Act is administered by a Data Inspection Board. Most recently, in July 1984, Great Britain passed legislation establishing a Data Protection Registrar.

The major difference between the bill I introduced last Congress and the bill I introduce today is the name of the agency. It has been changed from the Privacy Proctection Commission to the Data Protection Board. This change was made in order to clarify that the function of the agency relates to the protection of data about individuals. The term "privacy" has a much broader connotation, and its use in the name of the agency could be misleading.

A second change in the legislation is a limit of 30 employees for the Data Protection Board. I added this limitation in order to emphasize that the Board is intended to be small. While the data protection issues assigned to the Board are important, there is no need for a large bureaucracy to carry out the Board's business.

Americans are very concerned about threats to their privacy resulting from increasing computerization and the growth of Government. A recent public opinion poll conducted by Louis Harris & Associates shows that there is strong support for Federal laws to protect against information abuse.

Yet we know from past experience that privacy concerns tend to be completely discounted or ignored altogether unless there is a dedicated and responsible spokesman capable of representing the privacy interests of citizens. Both OMB and NTIA have failed to serve as that spokesman, and I continue to believe that a small, independent board in the Federal Government is the best alternative.●

VERMONT TOWN RESOLUTIONS ON ACID RAIN

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, it is with great pride that I come before you today to share with you a recent event that bears out the commitment of Vermonters to protecting our environment.

Three weeks ago, on the first Tuesday of this month, Vermonters all over the State braved a blinding snowstorm to attend their towns' annual town meetings. The town meeting as a forum for open debate and exercising the democratic process has all but disappeared in the United States. But in Vermont this institution is alive and well, and serves as our No. 1 vehicle for political discussion. This is grassroots democracy at work.

On several occasions, Vermonters have found it necessary to discuss issues of national and international importance at these annual forums. As you may remember, 3 years ago the citizens of 177 towns made it known in no uncertain terms that it was time the United States negotiate a mutual nuclear weapons freeze with the Soviets. Vermonters were soon joined by numerous communities across the country in their call for peace. The collective response of these Americans lead to the adoption of the House nuclear weapons freeze and reduction resolution of 1983.

This year, Vermonters from more than half of our towns felt it was their duty to send Washington a message regarding the problems of acid rain. A resolution urging the Environmental Protection Agency to do all in its power to institute controls over the

sources of acid rain was considered at 154 town meetings. It was adopted at all but two and at most by unanimous consent. Vermont is a beautiful State and I would urge all my colleagues in the House to visit our small corner of the country. You will have to come soon, however, for our natural environment is threatened by elements that at this time are, quite frankly, out of our control. We all know the sources of acid rain and, unfortunately, the Green Mountain State is a perfect place to see what happens when it hits the ground. Very simply—our lakes, ponds, and forests are dying.

The statistics are staggering. Studies on the Camel's Hump, a mountain in north central Vermont, report declines in forest biomass of 71 percent in red spruce, 25 percent in sugar maples, 25 percent in beech, and 19 percent in balsam fir since 1965. We are regularly discovering high alpine lakes and ponds that are essentially dead due to increased acidity. It has been estimated that 50 percent of Vermont's land area is subject to the adverse effects of acid rain due to the poor chemical buffering capacity of the soil and bedrock. This includes all of the Green Mountain National Forest and large tracts of privately held productive timberlands. Most recently, it has become evident that our treasured and highly productive sugar maple trees are falling victim to acid rain. Tapping sugar maples to produce Vermont's world renowned maple syrup is a $50 million industry for our State's farmers.

The economic impacts of acid rain are only now becoming apparent. Aside from the obvious disruptions to our natural environment, we are seeing impacts in our forest products industry, and tourism, and recreation industries. The potential loss of our maple syrup industry would be a devastating blow to our economy.

The position taken on this issue at this year's town meetings is consistent with past efforts on the part of Vermonters to effectuate action on addressing the issue of acid rain. In 1983, the Vermont Legislature adopted a joint resolution calling on the President and Congress to enact legislation to reduce sulfur dioxide emissions by one-half by 1990. My own legislative survey of last year found 95 percent of the respondents in agreement that something had to be done to control acid rain. Out of this group, an impressive 81 percent were willing to bear a portion of the cost of a cleanup program as long as it meant something would get done. Currently, there are 150 volunteers in the Lake Champlain Valley area working with the University of Vermont to monitor precipitation pH to establish local and regional patterns. This is the most extensive study of pH and acid rain loading in the Nation. A similar effort is being put together in the southern part of the State.

Vermonters are concerned about the inaction of the Federal Government on this issue. Of course it's important to know the scientific causes and effects of an environmental problem, but when does the studying end and the action begin? I was pleased to see President Reagan and Prime Minister Mulroney address acid rain at their recent summit. But in Vermont's mind agreeing to study the problem for another year is not something to cheer about. The official position of this country on acid rain, either domestically or internationally, has not changed in the last 5 years—study, study, study; wait and see, wait and see. We can no longer hold this position without suffering the consequences.

Vermonters are concerned about their environment. They want our Nation's leaders to know how they feel about seeing their cherished hillsides deteriorate at the hands of airborne pollutants from outside the State. Vermont is a very small State. Our contribution to the acid rain problem is minimal, yet we bear the brunt of this devastating pollution. The studies are in and the time to act is at hand. If we don't, the consequences will be environmentally and economically disastrous, and irreversible.

This is the message my fellow Vermonters have asked me to bring to you today. They're willing to help, they just want some help. I hereby quote from a representative resolution adopted in the town of Brookfield, a small community of 950 concerned citizens in the eastern Green Mountains.

TOWN OF BROOKFIELD, VERMONT, ACID RAIN RESOLUTION

Whereas acid deposition, commonly known as acid rain, results from emissions of sulfur dioxide and nitrogen oxides from fossil fuel combustion and is causing extensive damage to the natural resources, public health and economy of our Nation, and

Whereas acid rain has caused degradation of lakes, ponds, and streams; threatens the productivity of agricultural and forest land; increases leaching of toxic metals and nutrients from soil into surface and subsurface waters and water supplies; and is a health hazard in Vermont and throughout the Nation, and

Whereas Vermont is a state which has demonstrated its strong commitment to environmental quality, now therefore,

Be it resolved:

1. Acid rain is an international environmental crisis which demands immediate action by the President and the Environmental Protection Agency;

2. Sulfur dioxide emissions should be reduced by at least 50 percent within ten years as recommended by the National Academy of Science, with proportionate reductions in emissions of nitrogen oxides;

3. A treaty with Canada to guarantee mutual reductions of sulfur oxide emissions by at least 50 percent within ten years should be negotiated without delay;

4. The Nation's welfare is jeopardized by the failure to take steps to enact a program of acid rain control;

5. We the citizens of Brookfield, Vermont do hereby urge the President and the Environmental Protection Agency to immediately address this environmental problem.

SECONDARY MARKET FOR INDUSTRIAL LOANS

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 10 minutes.

● Mr. LAFALCE. Mr. Speaker, I am today introducing legislation which would establish a Federal Industrial Mortgage Association [FIMA] to develop a secondary market for industrial loans to small-and medium-sized businesses similar in operation to the secondary market now available for housing mortgages.

Basically, the Association would purchase loans from originating banks, package a number of such loans together into a single security, then sell this large-denomination security to institutional investors on the private market. These securities would be backed by insurance provided by FIMA.

I am pleased that Senator ALPHONSE D'AMATO of New York is introducing identical legislation in the Senate, particularly given his position as chairman of the Senate Banking Committee's Subcommittee on Securities which would have juridsiction over this issue.

The need for this type of mechanism was confirmed during an extensive set of hearings into the issue of industrial competitiveness, which were conducted in the last Congress, by the House Subcommittee on Economic Stabilization, which I chair.

During those hearings, we found that much of the competitive strength of our economy is based on the innovation and resourcefulness of small- to medium-sized businesses. These businesses create a disproportionate share of our Nation's new jobs, and are responsible for a large fraction of the new products and technologies which are essential to our future economic growth.

The expansion of international competition is now greatly intensifying the pressure on U.S. businesses to modernize, reduce costs, and improve their products. It is, therefore, critical that even smaller firms be able to finance investments necessary to sustain innovation in their production processes and improve their long-term competitive position.

Yet, we have found that these firms often find it very difficult to obtain long-term debt capital to finance purchases of necessary plant and equipment. Fortune 500 companies can raise

needed long-term funding on their own, but smaller firms (less than $50 million in sales) which need to modernize to compete in the world marketplace generally must rely on local banks to finance plant and equipment purchases. Because of recent changes in the cost structure of bank portfolios, and extreme volatility in interest rates, many local banks are now understandably reluctant to provide fixed rate loans over a 10–15-year period.

For their part, businessmen, understandably, don't want to take the risk that this year's 13-percent loan might become 20 percent in a few years, or worse, might not be able to be rolled over. Under such circumstances, loans are not made, smaller businesses do not modernize plant and equipment, and this country loses its competitive edge.

To succeed and grow, a business needs both equity and debt—equity to provide the security cushion and encourage risk taking; and debt to obtain the plant, equipment, and working capital needed for production. Testimony before the Economic Stabilization Subcommittee indicated that while the venture capital market is doing a reasonably good job of supplying equity, there is a serious problem with respect to debt capital for smaller firms. Even when there is an ample supply of debt capital available, there is a continuing concern over term. This is an issue of the quality of capital availability, not the quantity.

Expert witnesses testified before our subcommittee that small- to medium-sized companies would not have such a long-term debt problem, if they were able to access directly the available sources of long-term finance. Unfortunately, their size alone often excludes them from such markets. Increasingly, public capital markets are dominated by institutional investors—pension funds, insurance companies, and mutual funds—which manage huge pools of capital in pursuit of a variety of different objectives. One of these objectives is obtaining a predictable flow of funds over the intermediate to long term.

But institutional investors cannot deal with numerous small loans—they don't have the capacity to evaluate the quality of such loans, and they prefer not to hold small denomination assets. In addition, they need assets which are readily marketable, which small denomination loans are not, so that they can adjust their portfolios smoothly to changed conditions.

It is clear, then, that commercial lending to small business is severely constrained by existing features of the capital market. Firms which are too small to deal directly with long-term credit markets are forced to rely entirely on commercial banks for expansion capital. But banks can no longer afford the risks of making long-term loans, and there is no well-developed secondary market for commercial paper which would help local lending institutions to creatively manage their risks in making such loans to small businesses.

Moreover, the problem is likely to get even worse. As financial markets are becoming more fully integrated, all potential users of funds are competing directly with one another for the favor of all potential lenders. Under such circumstances, the increasing sophistication of the secondary market for housing loans gives this sector an overwhelming advantage in the competition for funds.

These developments are taking place at the same time the Federal deficit is being financed through dramatically increased Federal borrowing. In such circumstances, crowding out of commercial borrowers in the long-term debt markets is a distinct possibility, particularly if foreign capital flows into the U.S. markets are reduced. In a world of imperfect markets, capital will flow to the most efficiently organized markets, not the optimal borrowers. If we do not take steps to improve the functioning of long-term debt markets for commercial lending to small- to medium-sized businesses, we will inevitably hinder their potential modernization and growth. In a world in which 75 percent of the goods produced in the United States are now subject to import competition, the lack of access to needed capital can spell disaster.

This problem is clearly not a partisan or ideological issue. As I have discussed the concept over the past year with representatives of the financial and business communities, it has received significant support as a mechanism which would spur small business development, and improve the competitiveness of important industries with a minimum of government involvement and expenditure. Experts from small business organizations and investment banking firms appearing last year before the Subcommittee on Economic Stabilization were unanimous in making two points concerning this idea.

First, it would be an effective solution to the long-term debt problem facing small- to medium-sized businesses. Second, the development of such a nationwide secondary market simply will not take place without the Federal Government's acting as a catalyst. Although there are some ongoing attempts to establish a limited market for a few clients, such efforts are very small in scale, and would take, according to testimony, at least two or three decades to develop a national scope.

In this regard, I want to emphasize the limited, and short-term nature of FIMA's involvement with in private markets. The essential task of the Association would be to develop the forms, procedures and standardized underwriting criteria needed to create a uniform product which could then be easily combined with others into a pooled security. Once such a market has been effectively made by FIMA, I believe that private financial institutions would be capable of packaging and pooling such loans on their own.

Accordingly, the bill would terminate new loans purchases by the Association after 7 years of operation, at which time it is anticipated that private financial institutions would be willing and able to fill the void left by the public institution. This sunset provision underscores my view that establishing a national secondary market for industrial mortgages is a task that only the Federal Government can perform, but that the Government's participation ought to be strictly limited to the task of market-making. Once the market had been developed through the assistance of this mechanism, it is my strong belief that no further public involvement would be necessary, and, therefore, FIMA would literally cease to exist. We are not recommending, in any way, shape, or form, the creation of a new Federal bureaucracy which would take on a life of its own.

The bill proposes to authorize $100 million for the initial capitalization of the secondary market. The secondary market would then be able to recycle this capital repeatedly through the purchase and resale of industrial mortgages, thereby multiplying manyfold the amount of new capital available for industrial investment. In such a fashion, a relatively modest amount of initial public capitalization can have a dramatic impact on a much larger flow of funds in private financial markets.

Moreover, it is important to note that the bill makes provision for the return of FIMA's assets to the Treasury once it ceases operations. Although it is impossible to guarantee any specific amount, it is realistic to assume that FIMA would return to the Treasury at least the amount of funds that would be authorized under this legislation. Therefore, we do not consider this legislation to provide a subsidy to the private sector.

During the next several months, the Subcommittee on Economic Stabilization will hold hearings on this bill, with the intention of bringing the legislation before the House during the 99th Congress. I just hope that we can do so as a prescriptive measure rather than a piece of legislation to deal with a crisis credit crunch which could easily confront the American small business community, if interest rates start to rise once again.●

CURRENCY DESIGN ACT

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin [Mr. ROTH] is recognized for 30 minutes.

Mr. ROTH. Mr. Speaker, this special order could come under the heading of "the people have a right to know."

All too often, after a law goes into effect, people come up to us and ask us, "Why weren't we told? We had no idea this change was going to be foisted on us."

So that the American people know, let me tell you that an article all of us carry around with us—our money—is going to be changed.

Imagine if you will a $5 bill on which the picture of Abraham Lincoln looks like a color TV set badly out of focus. Or currency so large that you have to carry it in a satchel. Or a dollar bill with a metal strip that sets off an airport metal detector.

For almost 2 years currency redesign changes have been under consideration. It now looks like Treasury Secretary Baker will be making a final decision on recommendations to redesign the currency as early as June 1.

The change in the currency has not been widely reported in the media. Despite a day of hearings last summer by the Consumer Affairs and Coinage Subcommittee, there is little understanding of what the currency change will be, why it is being made, and what it will mean.

Two weeks ago the Director of the Bureau of Engraving and Printing appeared on national television to talk about the types of possible currency redesigns. However, he gave no indication at all that a change was imminent, or that a final is as good as agreed upon. And I can pretty much assure you that when the final decision is made public, the American people will be caught by surprise.

I think we can say with relative certainty that the Treasury Department will not try to foist off-color Lincolns or other funny money on us. But I do say that unless the process of changing the money occurs more openly, people will have every reason to believe what they want to believe.

The publicly stated aim of Treasury is to make the currency more difficult to counterfeit. The Department anticipates that counterfeiters will soon benefit from new, high quality copying machines. Unless the currency is altered, some say, our paper currency will be threatened by a deluge of counterfeit bills. Counterfeiting, so goes the Treasury argument, would become a crime of opportunity, as people with access to the new copiers run off stacks of $20 bills before going out to buy lunch or a new suit.

It should be stressed that this technology does not exist to a large degree today, but Treasury says it might in the next 3 to 5 years.

Mr. Speaker, there's no question that we should have a currency which is as immune to counterfeiting as we can reasonably make it. However, the bureaucracy has never been known to anticipate very accurately the public's reaction to new ideas. You have only to look at the $2 bill and Susan B. Anthony coin experiments to know what I mean. Treasury simply cannot expect people to accept unquestioningly the first major currency redesign since 1929.

The American public has always been suspicious of any alterations in coins and currency. Past changes have usually resulted from secret deliberations and have been on the public with little warning and less explanation.

Worse, the American people have seldom derived much benefit from such changes.

We have devalued our currency.

We have debased it.

We have destabilized it.

Thus, we should not be surprised in the least that the American people wonder if Treasury is leveling with them now.

The public has a right to the absolute assurance that Treasury is changing the currency for the purpose of stopping counterfeiting, and that such changes will work. If there are other motives, the public has a right to know what they are.

If it is true that the basis for a country's money is confidence—and ours is based on nothing more tangible than that—the public must accept and have confidence in what Treasury is doing.

I have no intention and little reason at this point to dispute the claims of the Treasury Department. I would like to believe that Treasury has sincerely stated its true objective. I only wish it were going about the currency design change in a less tight-lipped manner.

Article I, section 8 of the Constitution gives the authority over money to Congress. It says, in part, "The Congress shall have the power * * * to coin money" and "regulate the value thereof." It further gives Congress the authority to "make all laws which shall be necessary and proper for it to carry into execution these powers."

In short, Congress has the right, indeed it has the constitutional responsibility, to guarantee that it makes the final decision on currency changes. The responsibility should not fall to unelected executive branch employees who, however well intentioned, may not have the slightest inkling of the concerns of the American people.

As far as I am concerned perceptions are often as important as facts. What we think Treasury is doing is about as important as what it is really doing. I want to take an extreme point to make my case.

A few weeks ago I read in a national magazine an advice column by the chairman of an investment firm. He stated flatly that our currency will soon be a different color, possibly blue-green and orange. Further, he said, large denomination currency will have an embedded microchip which will react to electronic surveillance equipment. Finally, he concluded that the changes which are being planned are meant not primarily to catch counterfeiters but to flush out the underground economy.

Is this scenario farfetched? Well, most myths generally have some basis in fact. Besides, Government decisions in the area of money over the past half century have been less-than-pleasant experiences and they have helped fan the fires of uncertainty.

I will not pretend that the aforementioned prediction will come to pass in its entirety. In fact the odds are against it. But there is precedent for almost anything, particularly anything done by surprise. For example, privately owned gold was confiscated by surprise—after numerous protestations to the contrary—in 1933. Equally surprising was the 1971 decision to bury our last ties to the gold standard.

In 1965 we replaced silver certificates redeemable in silver Federal Reserve notes. When the replacement process dragged on too long, Congress passed a law requiring everyone to turn in their certificates by a date certain if they wanted their silver. Silver certificates are still legal tender, but they are not redeemable. Government could, in the coming currency switch, call in the existing currency.

Frankly, rooting out the $80 billion underground economy is not a bad idea. The point, however, is that if we can think the Treasury has ulterior motives, even good ones, we can at the same time imagine less admirable ones as well. And believe me, people have already done so. Rumors of the Treasury's real intentions range from demonitization to confiscation of greenbacks to the ultimate development of a single international currency.

I have just cited a few unlikely scenarios. But you do not have to ascribe such devious motives to the Treasury to have misgivings about what the Department is doing and how it is doing it.

We have learned, often painfully, that the best intended changes in coinage and currency are not automatically accepted by our citizens. Some countries change their currency all the time. In England, for example, they are quite used to multicolored, multisized Queen Elizabeths. Our currency design has been stable, and as a result any efforts to tinker with it are greeted skeptically. Our currency today looks the same as it did in 1929. Recent attempts to introduce new denominations or coins have been miserable failures.

For example, we now have half a billion Susan B. Anthony dollars collecting dust at the mint because they were about the same size as quarters and people wouldn't use them.

There is also the unfortunate case of the $2 bill. An orphan from the start, the bureaucracy defied logic and popular opinion and tried unsuccessfully to foist it on an uninterested public.

These past experiences should alert us to present dangers. And we will have to face these dangers sooner, rather than later. It is a fact that Treasury considers the advanced color copiers a threat to existing currency. It also has a study from a respected research laboratory showing that these new copiers will turn 20 percent of the people with access to them into criminals. It is a fact that Treasury has spent millions of dollars to look at possible currency design changes. And it is a fact that Treasury will announce a final decision on currency changes before very long.

Treasury's assumption about the ability of future color copiers to copy our money to precision may be valid, even if such copiers do not now exist. For that matter, the collective minds of the people at the Treasury Department, the Federal Reserve and private consulting firms should be able to come up with a currency design which is nearly counterfeitproof, based on today's technology.

But we need some satisfactory answers to these technical questions, and to other questions as well.

The foremost question is whether we should be making these changes at all. Are we responding in a realistic way to a threat which does not yet exist at a time when counterfeiting is actually less of a problem than it has been in the past?

Even if a workable new design is forthcoming, how—and when—precisely does the Treasury Department plan on selling it to the public?

The process of designing the new currency has taken place in virtual secrecy. Congressional oversight has been scant. We don't know if the changes will take effect next month or next year. Nor do we know what the role of Congress will be in reviewing such changes, because we do not currently have any legal authority to stop the Treasury Department from doing anything it wants.

After Treasury makes its decision it can proceed in one of two ways. It can print the money, then inform the public and explain what it is doing. Or it can inform and educate the public before it goes about printing billions of dollars in new currency. Right now we have no idea which approach Treasury plans to take.

We do not even know for certain whether all denominations of currency will be replaced, or just some. For example, I have it on fairly good authority that Treasury has decided not to replace the dollar bill. That bill would then, presumably, be more subject to counterfeiting. The result would be less public faith in the $1 donomination. Would Treasury then find its golden opportunity to bring out the long-neglected and much-detested dollar coin?

We also do not know whether it will be necessary to call in the old currency more quickly than presently scheduled to make the Anticounterfeiting Program work and to ensure public confidence in the currency.

Further, in light of concerns about money laundering, Treasury could be sorely tempted to accomplish other ends when it changes the currency. It is certainly possible to add some sort of metal strip to the currency to make it show up in metal detectors or airport x ray machines.

I believe there is an alternative to currency change by bureaucratic fiat, that is to give Congress a role. There is a bill pending to do just that, called the Currency Design Act.

The currency design legislation was introduced last year by our colleague, FRANK ANNUNZIO, who chairs the Consumer Affairs and Coinage Subcommittee. In opening hearings on the bill last year, Chairman ANNUNZIO listed several criteria which should be considered in any decisions to change the currency.

First, the change must be an effective deterrent to counterfeiting.

Second, it must be technically feasible, in that the Bureau of Engraving and Printing must be able to meet the demand for 6 billion new notes a year.

Third, it must be cost effective. We should not spend $15 million a year to keep $7 million in counterfeit currency out of circulation.

Finally, it must be acceptable to and understood by the public.

The hearings which were held last year were instructive and provided some general assurances about Treasury's intentions. However, 9 months have elapsed and we are still pretty much in the dark as to the specifics of the currency change.

Chairman ANNUNZIO has reintroduced his currency redesign bill, which requires that Congress fulfill its constitutional mandate and render the final judgment over the design of our currency. I am pleased to be a cosponsor of that measure. I believe that a little government in the sunshine today will save us serious problems later on.

If there is one thing I have learned in meeting with our citizens it is that they take their currency seriously. Our dollar is the symbol of our economic strength and security around the world. It is a symbol of our citizens' faith in their own Government.

And I would say one thing further. It will not be enough for the Treasury Department to announce to the American public at some future date, "We are concerned about counterfeiting, so we are changing your money." To make a currency change program work, a well-coordinated public education program will be needed. The change must be accompanied by a panic over the legitimacy of the old currency or uncertainty over Treasury's real intentions.

The Treasury Department probably has no hidden agenda in its plans to redesign the currency. But the longer this decisionmaking process is conducted away from the public's eye the more opportunity there is for people to believe what they want to believe.

Given our track record on money changes in the past half century, people are probably within their rights to believe almost anything.

Mark Twain once said that we should get out of an experience only the wisdom that is in it. History should make us wise to the fact that currency design changes not based on common sense and absent public understanding are doomed to fail.

We need to act quickly on the Currency Design Act. If we are going to redesign the currency, we should do it wisely and well—and with congressional approval—so our citizens can have faith in what their Government is doing.

In closing, I can do no better than quote Judge Kelly of Chicago, who once delivered a little homily on the subject of money.

The judge said, "money isn't everything. It is not money that will heal the pain or put together again the fragments of a broken dream. Money cannot bring happiness to a shattered home nor repair the ravages of a misspent life." The judge paused, and then on a more cheerful note he concluded, "I refer, of course, to confederate money."

□ 1910

VETERANS AND THE CONGRESS: THE RECORD, THE CONCERNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 60 minutes.

● Mr. MONTGOMERY. Mr. Speaker, in recent months we have commemorated several very important anniversaries connected to the history of this Nation and the world, each a solemn reminder of the high cost of securing and maintaining freedom. In the coming months, there will be other anniversaries, equally important.

Last June, we commemorated the 40th anniversary of the Allied invasion at Normandy—D-day. Just last month, we observed the 40th anniversary of Iwo Jima. In May, we will mark both the 40th anniversary of victory in

Europe during World War II—the defeat of Hitler—and the 10th anniversary of the official end of the Vietnam era.

There have been many eloquent and well-meaning words spoken about these events and the brave deeds and sacrifices of the participants. However, the speeches will be reduced to empty, meaningless rhetoric unless we continue to back them up with action. If our veterans go unassisted and are forced to lead unproductive lives in the country they served, then we have won nothing.

As chairman of the Committee on Veterans' Affairs, I come before you today to talk about our record in providing for our veterans and their families. I also want to express my concerns, as well as those of many of my colleagues, regarding proposals to cut their benefits.

Mr. Speaker, this great body can be proud of its record in carrying out the intent of a grateful Nation in showing its appreciation to its defenders. We, through the guidance, support, and input of the American public, have provided a comprehensive and responsible program of benefits and services for our veterans: Medical care, compensation, pensions, life insurance, education, job training, rehabilitation, housing loans, and burial benefits.

I hasten to add that these programs are ingredients essential to the strength and well-being of this Nation. They are as much a part of a strong defense posture as recruitment or weapons procurements.

In just the past 4 years, the committee has reported several landmark measures that have subsequently been enacted in areas such as treatment and research of herbicide exposure and ionizing radiation, job training, and education.

As you know, last year the Congress was responsible for the enactment of a new GI bill. The overwhelming support of the Members of this body for this critically important education measure shows that you recognize its value in educating America—over 18 million have gone to school on GI bill benefits in the 40-year history of the program. More importantly, it shows that you are concerned about maintaining a strong defense.

If we are to maintain the necessary strength levels for national security, we must recruit and retain quality military personnel. This must be done in the face of a rapidly declining pool of eligible young recruits coupled with an improved unemployment rate. History shows that a solid education assistance program is the most logical and successful incentive for young recruits to sign up and stay in.

We didn't get everything we wanted in last year's bill, but we did get a new GI bill. During the 99th Congress, we will work to eliminate certain inequities that we accepted in compromise with the other body. We will work to strengthen this vital program.

Yesterday, the House passed H.R. 752, which will allow certain individuals with previous military service to be eligible for benefits under the new GI bill. The measure also provides for an earlier enactment date. The program would become operational at the moment the President affixes his signature to the House-passed bill. This provision addresses the concern that recruiting would fall off and training schedules would be disrupted due to many individuals waiting until the July 1 start date to enlist.

Because of the efforts and persistence of Members of this body, many young men and women now have the opportunity for a higher education while serving in our Armed Forces. In the process, the Nation can maintain a strong military, not just through quantity, but through quality.

Although we've got some fine-tuning to do and some modifications to make, overall, I'm proud of the new GI bill. Each Member of the Congress should also be proud. It's a small investment for such a major return.

I mention this specific program, Mr. Speaker, because it is an excellent example of how we are keeping freedom's most sacred commitment, caring for and assisting those who have honorably and valiantly served their country.

On February 4, the President gave us his views on what the VA budget should look like. However, the committee has its own ideas—much better ones, we believe.

We've been very cooperative with this administration in developing responsible budget and program recommendations. We've done our share and more in the effort to cut Government spending. In fact, I think we have a better record than many other committees in accepting that responsibility.

On March 6, the committee met to consider the President's budget request and unanimously recommended that most of the reductions he proposed not be implemented. What we have recommended is a current services budget. Actually, it's not even up to that level.

Although the committee will work as hard as it can to reduce the deficit, we do not believe that veterans should be singled out as they have been in this particular budget. We realize that we must be very careful not to expand existing programs; however, the committee is not prepared to accept the substantial reductions in veterans' programs that the administration has requested, many of which are unrealistic.

First, we want to see what is going to happen with other domestic and defense programs. We want to see what the other committees are going to do. We want to make certain that any reductions or freezes are across the board, fair and equitable.

Mr. Speaker, the Committee on Veterans' Affairs and the veterans of this Nation have been full participants in the effort to control spending and reduce the deficit. Last year, the Committee on the Budget issued a review of the reconciliation process containing savings achieved by the Committee on Veterans' Affairs and the other authorizing committees. This review shows that during the past 4 years we have enacted statutory changes that could result in savings of more than $1 billion, and that is a conservative estimate.

Our veterans are not asking for anything more than what they have earned. When they've been asked to tighten their belts, they've done it. If they're asked again, they'll do it—but only if other Government programs do the same.

Somewhere along the line, some budget cutter gets it into his or her head that veterans' benefits are welfare and that our veterans should do more than their share of bullet biting to get the budget back into the black. Well, that's the wrong way to think.

We're not going to accept anything that singles out veterans programs and doesn't apply to other similar Government programs.

Our commitment to deficit reduction remains strong, despite the fact that we are compelled to recommend budget totals that are higher than the President's proposed budget. The alternatives—shutting down the VA home loan guaranty program; encouraging the most highly motivated and qualified of the VA's employees to seek employment outside of Government; shifting health care costs to an already heavily taxed Medicare system or, worse yet, denying health care altogether to individuals who served in the Armed Forces; and consolidating most of the functions of our 58 VA regional offices to three centralized locations—are all unacceptable to our committee.

It is our belief that we cannot continue to increase some programs year after year, as the administration has proposed, and reduce veterans benefits and services by more than a billion dollars below the current services level. Veterans' programs, must not be singled out to bear the brunt of program reductions, especially at a time as crucial as this.

In the next 4 years, the number of veterans 65 and older will increase to 7.2 million, up from 4.6 million in September, 1984. Their numbers are expected to peak at 9 million in the year 2000 when 2 out of every 3 American males 65 and older will be veterans. These statistics tell an obvious story.

The VA must brace itself for a dramatic increase in usage of services, especially its health care delivery system.

Mr. Speaker, we can look at holding the line wherever possible in the budget, but now is certainly not the time to cut services or resources.

In the coming months, we have two major objectives. We will fight to protect and maintain current services. Our only other consideration should be the level of increase in health care and other benefits necessary to meet the commitment we made to our veterans, many of whom are now 65 and older.

The United States now has 28 million veterans. The dependents and survivors of veterans total 54 million. Altogether, these groups represent more than one-third of the Nation's population. They warrant no less attention or respect than any matter that comes before the Congress. Our veterans, along with our service personnel, are the ones who provide the strength and inspiration that keep us free and secure.

Mr. Speaker, the record of the House is solid. As it should be, veterans' issues that come before this body are kept nonpartisan; such issues are moral, not political. Most of what is done for our veterans is initiated by the Congress and when a veterans' measure comes before the House, it is passed overwhelmingly.

In the days to come, as in the past, our actions will reflect the conscience of a nation. Caring for our veterans is a proud tradition, and the U.S. House of Representatives deserves much of the credit for protecting that tradition.●

● Mr. EDGAR. Mr. Speaker, I wish to associate myself with the remarks of my chairman of the Committee on Veterans' Affairs, the Honorable G.V. (SONNY) MONTGOMERY, as well as my fellow subcommittee chairmen, concerning veterans' benefits and services and the apparent attack on those benefits by the President's proposed budget for fiscal year 1986.

I am certain my colleagues are aware that the Veterans' Administration was established on July 21, 1930, to bring together under a single agency the responsibility for providing Federal benefits to veterans and their dependents. It is now the largest independent agency.

In its more than half century of service, the VA hospital system has grown from 54 hospitals to 172 today. It is the largest health care system in the United States. These medical centers treat over 1.4 million veteran patients annually. The VA's 226 outpatient clinics have over 18 million visits each year. The VA also provides nursing home and domiciliary care to over 29,000 veterans each year.

In order to ensure the highest quality of medical care for our Nation's veterans, an affiliation program was implemented and some 133 VA medical centers are affiliated with 101 medical schools. Seventy-two medical centers are affiliated with 59 dental schools. Over 100,000 students each year receive some part of their training in VA facilities. In addition, over one-half of all physicians in practice in the United States have received some portion of their training in VA health-care facilities.

The health care now provided America's veterans has evolved from a simple system of maintenance to one involving the most complex care and employing many of the foremost health care personnel in the world, including two Nobel Prize winners. It is a record of unparalleled support for a separate, comprehensive health system providing specialized care which veterans have merited through faithful service to the Nation.

In order to ensure that this outstanding system maintains its position at the leading edge of a very dynamic science, the Congress has consistently supported a very active research program. The contributions from the VA's clinical research are legion. The specialty of nuclear medicine was originated in the Veterans' Administration, as well as the scientific knowledge base for radio immune assay and axial tomography. Controlled VA clinical trials have made major contributions in the development of antitubercular and psychotropic drugs which has benefited all mankind.

This multimillion dollar national medical complex is a valuable asset to this country and, as such, the Congress has mandated by law that it is to serve as the primary backup to the Department of Defense in providing medical services to the Armed Forces in time of war or national emergency involving armed conflict.

Mr. Speaker, the Congress has been consistent in its recognition of this valuable health care asset and its capability to provide high quality medical treatment to those citizens who served their country in our armed services. During the 97th Congress, several laws were enacted which expressed congressional intent that the VA continue providing care of the highest quality and of adequate quantity. Public Law 97-15 extended the program whereby the VA provided grant funds for the establishment and support of new State medical schools. Public Law 97-37 expanded the eligibility of former prisoners of war for certain VA benefits and health care services. Public Law 97-72 also extended the period for Vietnam veterans to request counseling under the Vet Center Program, provided medical care eligibility for veterans exposed to herbicides or defoliants—including agent orange—or to nuclear radiation, and established the minimum number of operating beds in VA hospitals and nursing homes at 90,000. Public Law 97-174 promoted greater sharing of health care resources between the VA and the Department of Defense and directed that the VA provide backup medical resources to the Department of Defense in time of war.

In the 98th Congress, two important medical laws were enacted. Public Law 98-160 extended the Veterans' Readjustment Counseling Program from September 30, 1984 to September 30, 1988, and required the VA to conduct a study on the prevalence and incidence of posttraumatic stress disorder and other psychological problems in readjusting to civilian life with particular attention to veterans with service-connected disabilities, and with specific reference to women veterans, who served in the Vietnam theater of operations. It also authorized the provision of adult day health care services through contractual arrangements with non-VA facilities, as well as in VA facilities, through fiscal year 1988. Public Law 98-160 directed the Administrator of Veterans' Affairs to establish an Advisory Committee on Women Veterans and increased the per diem rate payment for the care of eligible veterans in State extended care facilities.

Public Law 98-528 extended the VA authority to waive restrictions placed on the provision of hospital care and medical services to eligible veterans who are residents of the Commonwealth of Puerto Rico and the Virgin Islands, and authorized the use of grants to States for acquiring existing facilities to be used to provide domiciliary, or nursing home care, to eligible veterans, provided the cost of acquisition of existing facilities will not be greater than the estimated cost of construction. It also permitted the Chief Medical Director to designate special programs for the treatment of post-traumatic-stress disorder, and established within the Department of Medicine and Surgery a Special Committee on Post-Traumatic-Stress Disorder. Public Law 98-528 also directed the Administrator to carry out a study, and report to Congress, on veterans who reside in areas which are geographically remote from VA health care facilities, and develop alternative approaches which could be adopted to furnish health care services to such veterans.

Mr. Speaker, I am certain that it is obvious to you and to my colleagues that the grateful citizens of this Nation have put forth a mandate to the Congress to provide our veterans with quality health care benefits and services, and the Congress had responded with responsibility and compassion. Now, we have an administration that seems bent on dismantling this system bit by bit. They received

their instructions from J. Peter Grace and his Presidential Commission, and upon close examination, the President's budget for fiscal year 1986 reveals part of their plan. In planning for the fiscal year 1986 budget, the Office of Management and Budget directed the VA to reduce the Department of Medicine and Surgery staffing level by 2,062 from the level mandated by Congress in order to present a 1986 staffing level which appears to be an increase of 199 when, in reality, there is a reduction of over 4,000 when new facility activations are considered. The President's budget also calls for a reduction of over half a billion dollars less than the VA 5-year medical construction plan states is needed for fiscal year 1986. This reduction will delay construction of several major replacement/modernization hospital projects, including Augusta, GA, New York City, Houston, TX, and Philadelphia, PA. These deferrals will not only delay the needed upgrade of health care delivered to veterans in these geographic areas, but will result in increased cost to the taxpayers due to inflationary impact in part caused by delayed construction. The proposed fiscal year 1985 medical care budget does not provide for medical inflationary rate projections, any funding for high technology diagnostic equipment or funding for the cost-effective alternatives to institutional care for the aging veteran population which is forecast to triple in the next 10 years.

Mr. Speaker, the members of my subcommittee and I strongly believe that it is patently obvious that resources must increase over the next 20 years to meet the anticipated demand for services by aging veterans. The administration appears to be wrongfully planning to avoid this demand by changing the eligibility for medical care for the over 65-year-old veteran, rather than looking for a solution to provide care for these deserving veterans. I don't believe this is the way Americans wish to solve this problem and certainly appears to be the initial action to meet Mr. Grace's recommended demise of the veterans' medical care system.●

● Mr. APPLEGATE. Mr. Speaker, the Subcommittee on Compensation, Pension, and Insurance has been in the forefront of safeguarding the benefit programs which are literally the backbone of the Veterans' Administration. As subcommittee chairman, I have been involved in legislation vitally affecting these subjects and I am proud of our accomplishments.

It was early in the 97th Congress that the committee reported legislation for former prisoners of war that ultimately was enacted as Public Law 97-37. Based on a study of former prisoners of war by the Veterans' Administration, it was ascertained that these individuals suffered from mental conditions at a substantially higher frequency than other veterans. It was shown that these disabilities were often manifested some period of time following separation from service. Under the prior law, the VA could not provide benefits unless the neurosis was actually demonstrated in service.

Public Law 97-37 provided that if a former prisoner of war, who was held captive for 30 days or more, later develops a psychosis or an anxiety state to a compensable degree, it should be considered as having been caused by military service and compensation should be paid. VA statistics reflect that mental disorders are the most prevalent disabilities among former prisoners of war.

This law provides eligibility to priority care in VA medical facilities on either an inpatient or outpatient basis for any disability whether service-connected or not. It also reduced from 6 months to 30 days the period of captivity to warrant a presumption a former POW has suffered from malnutrition. This presumption permits service-connection to be established at any time if the veteran suffers from a disability medically associated with malnutrition. Another provision added a definition to include under the term "former prisoner of war" persons who, during active service during a period of war are held under circumstances that the Administrator finds comparable to internment during a period of war. An example of such peacetime internment would be members of the crew of the U.S.S. *Pueblo.*

An Advisory Committee on Former Prisoners of War was created under Public Law 97-37 to work with the Administrator of Veterans' Affairs on matters relating to this group of veterans.

Public Law 97-66 provided an 11.2-percent increase in compensation effective October 1, 1981, for veterans disabled as a result of their military service and in dependency and indemnity compensation [DIC] for the surviving widows and children of veterans who died in service or died later from service-related conditions. This law increased the one-time grant for certain severely service-connected disabled veterans for the purchase of an automobile from $3,800 to $4,400. It also provided that National Service Life Insurance may be paid in a lump sum settlement unless the insured veteran specifically selected a monthly installment plan.

One major provision of this law was a proposal of our colleague, Hon. MARVIN LEATH of Texas, to require the Administrator of Veterans' Affairs to include in his annual budget any plans to make major reductions in personnel or close VA facilities and to simultaneously provide the Congress with the details of such plans. It provided that such changes cannot be implemented until the start of the next fiscal year, thus giving the Congress an opportunity to take legislative action to prevent such closings. This is currently an important issue facing the Veterans Affairs' Committee because the Administrator informed the chairman of the full committee on the same day the budget was submitted that he plans to consolidate the principal functions of VA regional offices, now located in each State, into three consolidated locations. He did not give any detailed plans or timetables and as of this time has maintained that his notification that he plans to make the consolidation meets the statutory requirements of providing detailed information to the Congress. Hearings have been scheduled for April 17 on legislation which, if enacted, would require a full-service regional office in each State. It is unfortunate that we must consider such legislation at this time but it seems to be the only way we can develop the specifics of the VA's planned moves in sufficient time for the committee and the Congress to make any response warranted by the facts.

As a result of the budget resolution in 1981, the committee was required to adopt legislative savings in the non-service-connected burial program. Effective October 1, 1981, the payment of the $300 burial and funeral expenses allowance was payable only in the cases of deceased veterans who were in receipt of VA compensation or pension at time of death, or who died while in a Veterans' Administration facility. The Congressional Budget Office estimated 2-year savings of $155 million under this provision.

At the time this legislation was enacted, the agency was operating under the authority of a General Counsel's opinion that a veteran who was a patient in a contract nursing home at VA expense was constructively in a VA facility. Subsequently, this opinion was negated by another opinion holding that a veteran who died while a patient in a contract nursing home, paid for by the VA, was not eligible for the non-service-connected burial allowance. As a result, it was necessary later to enact legislation to clearly establish that the burial allowance could be paid in the case of a veteran who died while a patient in a nursing home at VA expense.

In 1982, Public Law 97-253, the Omnibus Budget Reconciliation Act of 1982 contained a provision to make the effective date for payment of compensation and pension the first day of the next full month of entitlement, rather than the actual date. the elimination of payment for the initial or stub month resulted in estimated savings of $169 million over a 3-year period. This law also made the effective date for reduction of benefits due

to a change in dependency status the end of the month in which the loss occurred, rather than the end of the year. The 3 year estimated savings for this provision was $10.6 million. The rounding down of compensation and pension rates resulted in $80.9 million over a 3-year period.

Mr. Speaker, in 1982 the committee reported legislation, subsequently enacted as Public Law 97-306, providing for a 7.4 percent cost-of-living increase in disability compensation and DIC effective October 1, 1982. This law also made ROTC members injured at summer camp eligible for VA benefits and increased benefits for a small number of service-connected blinded veterans who also suffer from service-connected amputation of a limb or limbs. It was brought to our attention that there were some cases, actually quite small in number where the bodies of unclaimed wartime veterans were in public morgues because there were no funds for burial. A provision of this law made the $300 non-service-connected burial benefit available in these cases to prevent burial in a potters field.

Mr. Speaker, in the 98th Congress we continued to take action to maintain the compensation program in a manner to meet the continuing needs of our disabled veterans. Public Law 98-223 was enacted to provide a 3.5 percent cost-of-living increase in compensation and DIC effective April 1, 1984. This effective date was delayed beyond its usual October 1, 1983 date for 6 months in order to help reduce the Federal deficit. Another provision of this law was to liberalize compensation for a small number of blinded veterans who also suffer from service-connected deafness. The committee received testimony on the devastating aspect of the combination of these two disabilities on persons who try to ambulate in public without assistance.

One of the most perplexing and controversial veterans' issues to face the Congress in recent years has to do with the possible adverse health effects suffered by veterans who were exposed to the herbicide agent orange while serving in South Vietnam. In enacting Public Law 98-542, the Veterans, Dioxin and Radiation Exposure Compensation Standards Act, the Congress provided a responsible approach to the problem of resolving some of the numerous questions about compensation that have been raised by veterans exposed to dioxin in Vietnam and by veterans exposed to radiation while in service. The most competent information received by the committee shows rather clearly that there is no medical condition directly traceable to dioxin in humans other than the skin condition, chloracne, and this condition is normally manifested only after massive exposure to dioxin. The one group that is generally conceded to have the highest exposure is the ranch-hand unit, the Air Force group that loaded the aircraft with the herbicide and did the actual spraying. Comprehensive studies of the morbidity of this group have failed to identify any long-term adverse health effects suffered by these individuals.

In spite of the results of the extensive research efforts completed to date, there remains a high level of concern among certain veterans and their families which has been kept in the forefront in the news media, which in turn has been felt by the members of our committee and by all Members of the Congress.

Similarly, public concern about the health effects of low-level ionizing radiation has been heightened in recent years by the results of several studies. The Government has spent close to $2 billion for research in this area. To compound the problem, there is limited scientific understanding of the relationship between exposure to low doses of ionizing radiation and subsequent health problems. While much has been learned about the effects of high doses of radiation, scientists are still uncertain how low-level ionizing radiation exposure causes cancer and how to predict the effects of exposure to low doses of radiation.

To meet these concerns, the Congress enacted Public Law 98-542. This law provides a temporary disability or death payment to certain veterans or their dependents who served in the Republic of Vietnam who have either chloracne of porphyria cutanea tarda [PCT], diseases which are linked in some studies with exposure to dioxin and which become manifest within 1 year after the veteran's departure from Vietnam. This law also requires the Administrator to issue regulations with respect to whether service-connection shall be granted in the adjudication of individual claims for the following diseases: First, chloracne, PCT and soft tissue sarcoma based on exposure to dioxin; and second, leukemia, malignancies of the thyroid, female breast, lung, bone, liver, skin, and polycythemia vera based on exposure to ionizing radiation.

The law created a scientific council composed of medical and scientific authorities who have been specifically charged with the duty of advising the Administrator of Veterans' Affairs on the credibility and scientific acceptability of the evidence regarding the possible harmful effects from such exposure.

The Administrator is required to issue regulations with respect to the circumstances under which service-connection shall be granted for any disease which is identified by the Scientific Council and found by the administrator, on the basis of sound scientific or medical evidence, to have a connection to exposure to dioxin or ionizing radiation while serving on active duty. For the first time, the administrator will be required to issue what may be called "negative regulations" to explain the rationale for denying service connection for such disabilities if that is his decision. The proposed regulations would be published in the Federal Register and the general public and all interested parties would be given a 90-day period for public review and comment before becoming final.

Service-connected veterans and widows and children eligible for DIC were provided a 3.2-percent cost-of-living allowance effective December 1, 1984 under Public Law 98-543. This was the second inflation-based increase in calendar year 1984.

This legislation also establishes a 4-year pilot program to enable young pensioners to receive vocational training at VA expense. A new veteran pension recipient under age 50 would be required to undergo a vocational training evaluation. If the veteran pursues vocational training, he or she would be paid the appropriate rate of non-service-connected pension based upon income and the VA would pay the tuition, books and fees for the vocational training. This pilot program was designed to provide an opportunity for young veterans, usually catastrophically disabled after their separation from military service, to be trained in a vocation so that they may be able to re-enter the employment market and become self-sufficient.

Another provision of this law increased from $4,400 to $5,000 the one-time automobile allowance for certain service-connected disabled veterans. It also makes sure that any service-connected veteran rated totally disabled because of unemployability can make an effort to go back to work without having his compensation reduced immediately. The committee felt that such veterans should be encouraged to try to go to work. The law now provides that such a veteran's compensation will not be reduced until he has demonstrated that he can not only go to work but that he is able to work on a regular and continuing basis.

Mr. Speaker, these are some of the things my subcommittee has been involved with over the previous 4 years. It is a record we are proud of. As long as I am part of the leadership of the Veterans' Affairs Committee, I will continue to labor in recognition of our longstanding debt to the disabled veterans who have sacrificed so much in the defense of our country.●

● Mr. DASCHLE. Mr. Speaker, I first want to commend the chairman of the Veterans' Affairs Committee, G.V. (SONNY) MONTGOMERY, for his leadership on all issues of interest to our Nation's veterans. He has served with distinction as chairman of the committee,

and it has been a pleasure for me to work with him.

I join the chairman and my other colleagues in this special order today because it is important that we alert the other Members of the House and the veterans they represent to the threats to veterans programs contained in the administration's budget proposal.

As chairman of the Subcommittee on Education, Training and Employment, my first priority is to ensure that our veterans in need of assistance as they seek to further their education or obtain meaningful employment have available to them programs that will meet their needs. Legislation enacted in the 98th Congress, the Emergency Veterans' Job Training Act, established the first truly meaningful employment assistance program for those veterans of Vietnam and Korea who have been out of work for an extended period of time. This program has begun to establish a good record and has placed over 26,000 veterans in permanent, stable jobs, thus assisting them in their efforts to get off the unemployment rolls and into productive employment. While approximately $50 million remains available for use under EVJTA, thousands of job slots are approved and available, and over 416,000 Vietnam-era veterans are still unemployed, unfortunately, this program expired for new participants February 28. Clearly, we have the money, we have the jobs, and we have the veterans. All we need is additional time to place those veterans in jobs. The administration budget contained no request for additional time for this successful, cost effective program which gives veterans and employers the opportunity to help one another as well as the country's productivity. In fact, during the hearing which the Subcommittee on Education, Training and Employment recently held on legislation I introduced to extend EVJTA, H.R. 1408, administration spokesmen adamantly opposed a moderate extension, asserting that the program had served its purpose. This rather cavalier attitude toward the unemployed veteran is dismaying, to say the least. I wonder who in the administration would want to be the one to tell a veteran of Vietnam, who has been searching for work for more than 3 months, that the economic crisis is over. He's on his own. The Government he served in Vietnam no longer has an obligation to assist him. His personal crisis is his problem.

I don't believe that. Our commitment to our Nation's veterans does not end when peace is declared. Our special national responsibility is ongoing, and we are shamed as a nation when we do not honor that responsibility. I intend to do my best to see that the extension of EVJTA contained in H.R. 1408 is passed by the Congress and enacted into law in spite of administration objections.

As important as education and employment matters are to me, there are other issues that I feel must also be addressed today. Of particular concern are the reports that the Reagan administration is actually planning to tax compensation paid to service-connected disabled veterans. This benefit is paid to the most deserving of our citizens in an effort to compensate them for their loss of earning capacity due to disabilities incurred in military service. To provide this benefit, which has long been a way for a grateful nation to say thank you to those who have suffered as a result of their service, and then ask that disabled veterans return part of that benefit to the Treasury, in the form of additional taxes, is disgraceful. These individuals have earned these benefits by virtue of their honorable service in the Armed Forces and it is intolerable to even contemplate reducing that benefit through taxation.

Another Reagan proposal that must be thwarted is the attempt to increase to 5 percent the loan origination fee for home loans. This increase will effectively increase the cost of buying a home by at least $3,000. The ultimate impact of this proposal would undoubtedly be the demise of the GI Home Loan Program, one of the most well-run and effective programs in the VA.

We must also consider the impact of another administration budget proposal which would reduce by almost 4,000 the health care personnel required to staff existing VA facilities as well as those which will be activated in fiscal year 1986. Without question, a reduction of this magnitude would dramatically affect the ability of the Veterans' Administration to deliver health care to our Nation's veterans. This dramatic cut in personnel would come at a time when the VA health care system should be preparing for a significant increase in demand for health care services. The World War II veteran population is aging and approaching the time when their needs for care will be critical. Are we going to turn these elderly veterans away, telling them we cannot meet our commitment to them because VA hospitals don't have adequate personnel to care for them? This Reagan proposal is unacceptable.

All of us agree that fiscal responsibility is critical to the future of our country. The deficit situation we face today cannot be allowed to continue and we on the House Veterans Affairs' Committee have willingly done our part to battle this deficit. The veterans of this country have always been in the front lines when their country needed their help. That willingness to do their part has been evidenced once again in the fight to establish a stable economy in this country. Over the last 4 years, the Committee on Veterans Affairs has made recommendations that have saved the Federal Government more than $1 billion. This year is no different. The recommendation we sent to the Budget Committee is nothing more than a current services budget. All we ask is that veterans be provided those benefits they have earned and not be forced to do more than their share in the effort to cut Government spending. The Reagan budget proposal would do just that with its unrealistic proposals. We want to cooperate in the effort to reduce the deficit, and our record proves that we have done that, but we will not allow our Nation's veterans to shoulder a greater burden than that being carried by others in this country.●

● Mr. SHELBY. Mr. Speaker, as the chairman of the Subcommittee on Housing and Memorial Affairs, I am particularly proud of the programs over which my subcommittee has jurisdiction.

I have conducted extensive oversight of the VA loan guaranty and cemetery programs, both here and in the field, and as well satisfied that they are extremely beneficial to our veteran population. I am also proud to state that over the last 4 years, the subcommittee has taken a responsible approach to these programs in an effort to reduce Federal spending. We have tightened them up where necessary, and have saved our taxpayers approximately $435 million. I want to assure you, however, Mr. Speaker, that our programs remain beneficial and viable.

The VA Home Loan Guaranty Program provides housing credit assistance to eligible veterans and service personnel through guarantees of loans made by private lenders and through direct loans to severely disabled veterans on more liberal terms than generally available to nonveterans, without the assumption of undue risks by the Government.

Assistance is provided chiefly through substituting the Government's guaranty on loans in lieu of the substantial downpayments, relatively short terms, and other investment safeguards applicable to conventional mortgage transactions. The program also assists certain totally disabled veterans in receiving specially adapted housing grants.

Cumulatively, since the inception of the program, through September 30, 1984, 11,752,373 loans totaling $232.5 billion have been made or guaranteed to purchase conventional housing, condominiums, and manufactured housing. In addition, 18,690 severely disabled veterans have obtained $40.6 million in approved grants to purchase housing specially adapted to their needs.

It should be noted, therefore, that the VA Home Loan Guaranty Program

does more for the economy than it takes out of it by providing a source of credit reinforcement without which the building industry might tend to languish.

Legislative initiatives over the last 4 years include the guaranteeing of home loans with graduated payment plans, liberalizing terms on certain manufactured housing, and increasing the specially adapted housing assistance grants.

Mr. Speaker, as with conventional loans, the high unemployment rate in the early 1980's caused a substantial mortgage foreclosure increase in VA guaranteed home loans. For the first time in approximately 20 years, a Federal appropriation was necessary to keep the program ongoing.

Faced with record-high deficits, the Administration proposed recommendations in both the fiscal year 1985 and fical year 1986 budgets which would, if enacted, bring about the ultimate demise of the VA's housing programs.

Mr. Speaker, I wish to stress that these proposals have been directed only toward a single year's budget outlay rather than toward any true reduction in budget deficits with long-range deficit effects.

For instance, the fiscal year 1985 budget contained a proposal based upon the Grace Commission report that the Veterans' Administration discontinue its long-time practice of acquiring properties in default. The Grace Commission report also recommended that the VA sell all of its vendee loan portfolio without recourse. This would have caused these accounts to be sold at substantial losses and would have depleted all of the VA's assets. This change in policy, while reducing outlays initially, would have created even larger deficits to the Federal Government in outyears while literally destroying the veterans' housing program. Congress rejected the proposal of the Grace Commission.

However, the Congress did address the issues involving the deficiencies in the loan guaranty revolving fund caused by the high unemployment rate and subsequent foreclosure increase. The enactment of Public Law 98-369 was not only designed to make the loan guaranty revolving fund solvent, but showed congressional interest in the continuation of this program which has benefited over 11 million veterans and boosted this Nation's economy.

Mr. Speaker, in this Nation's commitment to veterans, we have provided this credit on the premise that they could secure long-term no down payment loans. When the Congress recently increased the loan origination fee to 1 percent, we firmly believed this to be a reasonable compromise which would cover the administrative costs of the program.

The fiscal year 1986 budget proposes to increase the fee charged by the VA to guaranty a home loan from 1 to 5 percent of the mortgage principal.

The implementation of a 5-percent user fee would result in veterans being charged an average amount of $3,000 for the privilege of using the program. This would negate the beneficial aspects of the no down payment feature of the program and could effectively destroy it. In essence, Mr. Speaker, this could be considered as a down payment requirement without giving the veteran the benefit of reducing the principal on his mortgage—in other words a selective tax burden on home buying veterans.

The committee is very concerned about this proposed change. The VA Administrator, himself, characterizes his endorsement as reluctant and urges caution. The Congressional Budget Office estimates that "the net impact of all these changes could be fund outlays in 1990 that are actually higher than would be expected under current law." Accordingly, the committee recommended to the House Budget Committee that the 1-percent user fee be retained.

Additionally, a recent Congressional Budget Office [CBO] analysis of the budget authority and outlay figures contained in the President's budget for the loan guaranty revolving fund states that the VA could sell more real properties than the number projected in the President's budget. New approaches to the sale of such property, such as auctioning and increased discounts, along with a steady decline in interest rates, would generate far more sales and revenue than the VA is projecting. Therefore, the Congressional Budget Office projects that these revenues will finance the fund's projected deficits through 1990; thereby eliminating the need for any appropriations during this period.

Mr. Speaker, the committee's recommendation to the Budget Committee assumes that the CBO analysis is correct. Even a superficial analysis of the VA's budget presentation reveals that the VA is projecting much larger losses per property acquired, along with historically high portfolio loan and property inventories.

I note that the Senate Budget Committee is willing to accept a 3.8 percent user fee. This is totally unacceptable to me, and such action will never be reported out of my subcommittee.

The members of the House Budget Committee should be advised of our strong opposition to raising the user fee to any level. As stated by the Congressional Budget Office, the revenue is not needed to operate the loan guaranty revolving fund. Mr. Speaker, I wish to reiterate that the imposition of a larger fee would only serve to raise general revenues by taxing veteran homebuyers.

The President's budget also proposes legislation allowing for borrower/lender negotiated rates on guaranteed and vendee loans, mortgages, thereby terminating the Administrator's authority to set interest rates.

Under current law, the Administrator has the authority to set the maximum interest rate which may be charged by a lender to a veteran homebuyer. Lenders are free to offer loans below this maximum rate. Loans below the maximum rate are rarely seen, however.

It should be emphasized that the proposal to free interest rates does not save money. Rather, there is potential for a negative impact. As an example, the use of negotiated interest rates could increase VA claim costs and adversely affect the loan guaranty revolving fund. When a VA-guaranteed loan goes to foreclosure, the lender's claim is paid with interest based on the mortgage rate. Since it is expected that negotiated interest rates would be higher than current VA established maximum rates, the VA's claim costs would increase, resulting in increased outlays from the loan guaranty revolving fund.

Mr. Speaker, because the Government assumes most of the risk on the guaranteed mortgage, it has an obligation to the taxpayer to moderate interest rates to the maximum extent possible to minimize its financial exposure, and I therefore believe this proposal should also be rejected.

The National Cemetery System was established within the Veterans' Administration in accordance with the National Cemeteries Act of 1973 (Public Law 93-43). A total of 109 cemeteries are now included in the National Cemetery System located in 40 States and Puerto Rico, comprising of approximately 9,000 acres of land. Since the enactment of the National Cemetery System in 1973, approximately 442,000 decedents have been interred therein.

Other related benefits are also available to honorably discharged veterans. These include gravemarkers, burial flags, plot allowances, and burial benefits for certain disabled veterans.

Public Law 95-476, enacted October 18, 1978, authorized a grant program of up to $5 million to assist individual States in establishing, expanding and/or improving State veterans' cemeteries. The act provided that the Administrator may make grants in an amount not to exceed 50 percent of the total value of the land and the cost of improvements with the remaining amount to be contributed by the State. This program makes it possible for States and the Federal Government to share their mutual obligation toward meeting the burial needs of our Nation's veterans. So far, 11 States, including the territory of

Guam, have submitted applications for Federal assistance in the cost of establishing, expanding or improving State veterans' cemeteries.

Legislative initiatives within the last 4 years include authorizing the extension of the State matching grant program until 1989; providing headstones or markers in cemeteries for veterans whose remains were not recovered, were buried at sea, cremated or donated to science and providing for the payment of a burial allowance for unclaimed bodies of wartime veterans in order to assure a proper burial. Although these initiatives have not been costly, they have benefited this Nation's veterans in a most positive way.

Mr. Speaker, again I wish to state that I am proud of this subcommittee's record for serving our veterans, being fiscally responsible and maintaining efficient and necessary programs.●

FOR THE RELIEF OF LEONARD LESLIE GAMBIE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. McKINNEY] is recognized for 10 minutes.

● Mr. McKINNEY. Mr. Speaker, today I am introducing a private relief bill which would grant the beneficiary, Mr. Leonard Leslie Gambie, a British citizen, immediate relative status under the provisions of section 201(b) of the Immigration and Nationality Act, and would waive the provisions of section 204 of that act.

Capt. J. Frederick Denton, an instructor pilot in reconnaissance F4's with the U.S. Air Force, has requested that I introduce this bill. The purpose of the legislation is to allow Mr. Leonard Gambie to accompany Captain Denton and his wife to the United States when the captain returns from his current tour of duty in Europe in August, 1985.

While Captain Denton was stationed in England, he fell in love with a British citizen, and the two were married in May of 1984. The Dentons would like to permanently settle in the United States, but Mrs. Denton does not want to leave England without Mr. Gambie, who is her uncle and only living relative.

For the past 30 years, Mrs. Denton has lived in England with Mr. Gambie. Her uncle, who is 65-years old, has no living relatives aside from Mrs. Denton and her husband. Mrs. Denton has been extremely kind in caring for her uncle, and he regards her as his own daughter. Mrs. Denton cooks and cleans for Mr. Gambie and has always provided for his every need. Although Mrs. Denton wants to come to the United States to live with her husband, she refuses to leave Mr. Gambie alone in England without a home and family.

Since he loves his career in the Air Force, Captain Denton does not want to leave his job. However, unless Mr. Gambie is permitted to come to the United States, Captain Denton will be forced to seek civilian employment in England in order to keep the family together.

Captain Denton has been very cooperative in providing the necessary documents to demonstrate that Mr. Gambie has ample financial resources, which include a monthly income of $611.86 from his two pensions, as well as some extra money in savings. Captain Denton also has signed an affidavit which states that he will post a bond to overcome any public charges or any financial debts that may be incurred by Mr. Gambie. A full medical report also has been provided which indicates that Mr. Gambie is in good health.

Mr. Speaker, while I realize that a private bill is an extraordinary remedy used only in extreme cases, this case clearly warrants such special consideration. In this particular case, the normal immigration procedures cannot resolve the problem, and therefore, the only avenue available to alleviate extreme hardship to an American citizen is through passage of a private relief bill. The fact that Captain Denton is a dedicated member of our armed forces also should give the case particular merit.

Mr. Speaker, I urge expeditious consideration of this legislation so that Mr. Gambie will be able to accompany the Dentons to the United States as soon as possible.●

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today's vote, actually endless repetition of the arguments, with respect to a very contradictory presentation, and history, since I was a Member of the House, since the inception of this issue, I think I can qualify as to the tortuous development of the history of this so-called MX missile.

It is a shame that all during the course of the debate, so-called, and discussions, the fundamental issues that must be confronted ultimately by our country are not even touched upon. We are talking now about a war budget. This is not a defense budget; this is a war budget. The President has been conducting wars. He has done so in the guise of Presidential executive power and discretion. Even though as I allege in the introduction of my resolution in which I set forth the reasons why the President has been in violation of the War Powers Limitation Act.

The debate on the MX missile really, I think history will show, is superfluous. The whole predicate of the overall appropriation that the American taxpayers is being asked to underwrite in the name of a defense budget, which amounts this year to better than $300 billion, is predicated on what I consider to be very serious flaws in perception of the world, whether it is middle Europe, whether it is the country south of us, and what we generally call Latin America, or whether it is even in the Southeast Asia, in which we continue to misconstrue and misperceive, and I think fatally, to the national interests.

In hearing the discussion on the MX missile, the assumptions taken by the proponents and even accepted by some of the opponents, I think are fatally flawed. The assumption, for instance, that one participant in those arguing in behalf of the authorization of the MX expenditure for a production of 21 missiles, that NATO, for instance, is intact, that it is viable, is a very, very flawed assumption.

I have pointed out for the past 3 years that ever since France departed from NATO, and I ought to remember that vividly because the first trip I took and the only real trip I have taken as a Member of the Congress 24 years ago, was on a tour of all of the Army installations in Germany, and then on the way back, a tour of the then NATO headquarters in Paris, France.

It was obvious to me on that short trip that there were two basic issues that were not being reflected in any kind of commentary or report either in the official circles of our country, in and out of the Congress, in and out of the Presidency, or in our media; whether it was the newspaper or electronic. That was, that in Germany, the continuing passion was, as it continues to be, for reunification. For an identify that would bring up to date the postwar period.

Also the fact that overshadowing all of the debates and since 1945, the fact that we have not concluded a peace treaty formally terminating World War II. We all tend to assume that World War II is over with. The fact is that we have 300,000 of our military in Germany alone. The British have somewhere around 7,700; the French about the same number; it may be 3,000 more.

But what is the distribution of the troops? Why should we, the United States, have 300,000; our so-called allies less. What is the reason? Why did France pull out of NATO? The reasons given, sort of glibly, were that General DeGaulle was an egotist, and the egotism led him to such self-delusion that France, in its Force de Frope, as they call it, could alone venture forth and confront this great

menace that we picture the Russian menace to be.

The fact is that the French had other and far more practical reasons for the French national interests than that. One of them being the fundamental question which is still the fundamental question and that is Germany.

□ 1920

Since there has been no formal treaty in which we set forth those who were victorious, at least in arms, in the active hot-shooting aspect of World War II, there was no general agreement as to exactly what could or should be done with Germany other than the defeat of that country with an uncompromising, no-conditions-whatever conclusion in the physical overcoming of Germany.

We must never forget also that the history that is so involved and complex in middle Europe, just as the rather complex history south of us, to this day remains a mystery, untouched by American general textbooks or any commentaries, even among our State Department intellectuals. Therefore, with these predicates and assumptions based on a world as we want it to be, but not in realism, not the real world that is out there, we have the same misperceptions that led us to a disastrous defeat, one from which we are still suffering in national honor and prestige and credibility, and that was the pullout and the manner in which we pulled out of Southeast Asia in the most disastrous way a nation could evacuate.

It has not been dealt with that way in America. That is not our perception of it, but, unfortunately, it is the outside world's perception. And had we had the real perception, would we have lost 50,000 men, or better, in Southeast Asia? I do not think so, any more than I believe that we have a real perception of what that real world is south of us today, not 20 years ago, not 1929, such as is evoked by this President's insistent policy of unilateral military intervention in these countries, a policy that was bankrupt even then, a policy which did not succeed other than by our forcing our will by imposing dictatorial regimes such as Anastasio Somoza's in Nicaragua and the installation of the Armed Forces, the so-called National Guard which we put in after a near 10-year occupation of Nicaragua.

The very name, Sandino, in all of Latin America evokes resistance to what they call American invasion and Yankee imperialism. Now, that is not the way we look at ourselves. I am saying this is the perception that the world has of us, just as in the case of our debates here where we predicate assumptions as to defense, now a horrendous 315 billion dollars' worth.

If the assumptions are either totally or partially wrong, what then? I believe the world we live in today will not give us the margin of time that we have had in the past to find out. We cannot continue to err in our misperceptions and in our judgments as a result of misevaluations and misconceptions.

So in order to get into debate on these things and try to focus on the basic issues that sooner or later the American people are going to have to be confronted with, what do we do about the case of Germany?

□ 1925

How do we agree as to what manner, shape or form reunification can be effectuated? The newspapers in our country and the other media, I do not think, reported much about the recent state elections in Germany where the various states composing the federation, the Federal Republic, recently had elections. The results were not very happy for the regime in power. Mr. Kohl, the Social Democrats and the Greens, as they are called, won the day. They gained.

Now, what does that mean for America? There is a meaning and a significance, but nowhere other than the comment I receive in letters from those servicemen and their relatives who happened to be constituents who have served and continue to serve in Germany, who are troubled by what they witness and see and have good reason to.

What I am saying is simply this. That if one is denied the opportunity, as we are under the processes, for instance, even though there was a total of 10 hours supposedly of debate on the authorization question, not the appropriation which will not come up until tomorrow, but the authorization, and when I inquired as to the time that would be relinquished for the purpose of making some kind of an argument which would be interpreted as against a vote for this so-called MX, I was told that if I got on the list maybe I would get 2 minutes worth.

Well, that is fine. I understand the limitations of debate; but that is also precisely why I have sought this privilege that we call special orders after all formal business and any previous requests for special orders entered into in order to enlarge and have the opportunity that this privilege provides.

This has been the basic reason I have made extensive use of this privilege since I came to the House of Representatives 24 years ago. I want to again remind some of my friends and colleagues that may be seeing this on our closed circuit TV that I did not wait for the advent of TV. As a matter of fact, I have made use of this less since the advent of TV than before; but the reason is that I address my colleagues on the record and I do so because I feel an impulse and compelled to do so.

I have on various occasions raised fundamental issues, regrettably on some they have turned out unfortunately as I feared and foresaw; the marines killed in Beirut. For 14 months in this forum I asked the President one simple question: "Mr. President, what is the mission of the marines in Beirut?"

The marines are not diplomats. The marines are not politicians. You want to make them peacekeepers, yet as military fully equipped for combat what kind of anomalous situation is any kind of logic or rationality, what other nation in the world perceives and acts on the perceptions based on these theories and actions and answers that are given when we raise the question? If the military are involved, there are questions I have raised from the beginning.

Nothing disturbs me more than to have facile judgments made about my actions and comportment and to find people saying, usually these have been detractors back home, that I supported, for instance, the Vietnam war as if I had gone out and advocated it.

I would not have antagonized a President who was a personal friend, but always if I rise to criticize or to suggest errors on the part of others, it is also to provide what I consider to be correct alternatives or suggestions in a constructive and creative way. So when the detractors do not study the RECORD, which they have not, and I have gone on the record for that reason, because what I say now is not something I am saying in afterthought, but merely because I am referring to the RECORD. I can even remember the date, the month and the year in which I entered and uttered those words into this RECORD and in this forum.

I say that when we get into these rather futile so-called discussions and debates when the predicate is an assumption that on close inspection and foreknowledge is faulty, I say it is impelling, it is a duty to speak out and for the RECORD.

Overall, there is more involved. If we cannot be socially, economically strong at home, what does it value, of what value is it for us to send our boys to fight in dimly understood contentions, in vaguely described missions, if in the name of democracy and freedom we at home are sacrificing that. If we are turning our citizens into wage slaves with no economic freedom, as I have time after time reminded some of my fellow Americans who struggled, as I know I did during the so-called civil rights period. My struggle antedated the civil rights. I was fighting back home before Martin Luther King was even heard of, at least nationally, back home where I felt it was a duty to

speak out and not after civil rights became the fashionable thing, but where it was difficult and where there was duress and threats and, of course, political reprisal; but I think that in doing so I also proved another fundamental truth that is overlooked and is overlooked even today in these debates on the missile and that is the complete depreciation, the underestimation of that great people, the American people.

I was told time and time again when I first started out on the city council that my actions and my utterances were suicidal, politically speaking.

I was told the same thing the first session that I went up to the State Senate, and yet the people did not end up judging me that way. They ended up judging on the basis of what I had to say and what I did and the reasons for what I did.

Obviously, 33 years later, I am still in public elected office, but I have always had that faith. For one, I never intended to get into politics. I was never one of those that planned since childhood, aspired since childhood, that is another story; but the reason I utter it is that it also gave me psychologically a different approach from what obviously to me was a traditional politician's or the accepted political approach; so that it did not surprise me and it did not make any difference to me if I would be reelected or not. I was not seeking the office because I was going to be nourished by it or that I was going to derive sustenance from it. I was not going to make the office an idol at whose feet I would worship. I was out to do a job that the people gave me the privilege of trying to perform and that is the way I have looked at it to this date.

I also wanted to report to the people. I wanted them to know exactly what I was doing. I was not doing anything that I could not shout from the rooftops. I was not doing anything that I was ashamed of. In fact, I was rather proud of what I thought I wanted to do and did get to do.

Obviously, even my colleagues, at first hostile, at first angry without knowing, turned out to be not only great confederates and colleagues, but enabled me to accomplish legislatively things such as in this Congress. There is not a Member of this House from the Speaker on down that in 24 years has the number of bills, resolutions, amendments in committee, subcommittee, on the House floor, enacted into law than I have and certainly in a body of 435, you cannot do it alone. So there must be some basis for the fact that what impels me is clearly those bits of knowledge and experience that I have been privileged to have garnered. The people have given me great privileges, starting out with the eye-opener and educational experience of all. I ended up being chief juvenile probation officer for my county juvenile court. That was my eye-opener.

Since then, I worked for a public housing authority in a massive expansion of public housing in the lone city of Texas that dared to go into public housing.

Then subsequent to that, a stint of 3 years on the city council; a stint of 5 years in the State Senate and now 24 years in this great body, the greatest in the world, the greatest representative body anybody could hope to aspire to become a member of.

So it grieves me to see that when facts are ignored for whatever reason, the test of political power, the passion of the moment to be a winner, but overlooking fundamental facts that can bring disaster to the country.

If we predicate a $350 billion defense budget on a faulty and myth perceived world, what is our gain? Who are we kidding? What will our children and grandchildren think of us if we are able to reach the point where they can think of us?

We live in a world that is both shortened, abbreviated, contracted and complex, but that adds to the responsibility. It does not diminish it.

So the job is, of course, more complicated, but when we start drawing sides on the basis that one is loyal or disloyal to a President and the mischievous notion is abroad that you are somehow suspect in your loyalty if you are not debating the merits or demerits, but whether you are loyal or disloyal to a President.

As I started to say earlier, I have worked with six different Presidents since I have been a Member of this body, some of them quite close friends and even neighbors. There have been moments in which I have had serious disagreements. I was appealed to on the basis of sheer loyalty. In those instances in which the issue was say partisan and not of vital consequence, yes, of course, I would be a team player; but where the issue transcends that and the issue is so important that it means that my children and your children and grandchildren will be proscribed to live in enmity and with hatred with the neighbors closest to us, that fate has decreed will share this part of the world with us, should I not then speak? Should I remain silent because it is unorthodox and it will trouble some and make Presidents look bad? I do not think so.

Certainly those who wrote the basic instrument, the charter of our Government, the Constitution, certainly never would have thought that that would be anything less than treason, because it was never there sought and when one reads the proceedings of the Constitutional Convention, it is quite apparent that they debated loud and long before they even thought of such a position as the presidency.

□ 1940

And there is a very good reason why they gave the Congress the sole and exclusive power to declare war. And today when we vote on such issues as we voted on today, we are in effect voting on the issues of war and peace.

Some of the arguments used remind me of the warning that the First President, George Washington, issued in his last message, his Farewell Message.

It used to be the custom of the House that every February 22 we have a reading of the Farewell Message. That was discontinued. I believe it has been started again but nobody pays attention.

In that message George Washington said, "Yet a nation could not indulge in habitual hatred or habitual devotion to another nation without eventually betraying its own interests." We have reached a point now where I hear 65 percent of the debate on some missile or some defense issue based on what the Russians will do or will not do. We have become enslaved to the wishes, whether they are folly itself or not, of what the Russians do or do not do.

I cannot imagine a worse blunder than that. The most preposterous arguments of all, that this which we are about to vote on as some big to-do with a bargaining chip on the tables known as the Arms Reduction Conferences, the notion that everything is well and hunky-dory with the world today as it was in 1947.

These arguments were all touted out here in full review today. A quick examination shows that we have serious problems. We have situations in which we literally have to bludgeon so-called allies to accept some of the weaponry that we insist on deploying on their land.

We insist on overlooking the main reasons why we got to this impasse to begin with.

If we follow the arguments of at least 60 percent of those speaking out today pro and con I think what we ought to do then is prepare for war. Why wait? Every presumption is based on the inexorability of war with Russia. Yet I am sure that if the world survives, and some historian 100 years from now were to be writing about this period he would be amazed. He would be writing like our historians write today about some of the proceedings of 100 and 200 years ago when they get around to mentioning them.

I sincerely believe that we are in a quagmire of misperception, miscomprehension, and malinterpretation of what the real world is like.

We do not perceive ourselves as imperialists. But let us look over and see what we are doing in and to a country such as Nicaragua.

The President has been conducting war. He has surrounded that country

for the past 2 years or more with 30,000 of our military, in the air, on the land, and on the sea. We have had just within the last 1 year and 3 months 17 members of our armed services personnel killed in Nicaragua, acting in direct conflict with the War Powers Resolution that this Congress approved in 1974 in anticipation of specifically that kind of activity.

We have a President that just yesterday issued a call to private elements in our country to raise arms and money for arms for an invasion of Nicaragua. It is incredible. I wish my colleagues would read the international presses. I wish they would read even the newspapers in such countries as Honduras where we are occupying that country now. As of this moment that I speak we have about 10,000 of our soldiers, Army alone. I am not counting the Navy, Air Force, and others. If that is not an occupation of a country, the poorest country in all Central America, where the people do not really want us in that way. They do not want to be having us training Salvadorans with whom they have had a hostility, where our geopoliticians such as Secretary of State Haig was counting on.

Just last week, my colleagues, we had the President of Argentina come here and tell us that they in that part of the world were in consonance and in harmony with the aspiration of such elements as those attempting to govern Nicaragua now. Those who overthrew the Somoza dictatorship. Yet 4 years ago, Secretary of State General Haig had the Argentinian generals that this President had overcome and defeated, who spoke to us last week, who tortured people, who caused thousands of Argentinians to disappear, unaccounted for today, the most horrible torturing in the history of mankind, not just in the 20th century. What was our relation? Secretary Haig persuaded those generals to send us some Argentinian soldiers to use in Honduras to try to distabilize the Nicaraguan regime. Then came the Falklands and the terrible disillusionment of the Argentinians who felt, "Well, if we are letting them use our soldiers, they will be on our side," as we were not and perhaps we should not have been. But who remembers that today? So now we are going to have to use our soldiers. But why? If the policies inaugurated by this administration 4 years ago in 1981 had succeeded, whether it was in El Salvador or whether it was in Nicaragua, would we still be where we were on square one losing our equipment, losing some of our men, losing what? What I think we ought to lose, for we are there on the side of the oppressors, we are in there on the side of the dictators that will not be able to hold those masses south of us any longer down and oppressed as they have through the centuries.

That day is gone forever. We either get on the side of the people, which we have not, or we will be in an abyss with no depth. We can pour every single one of our men into it; into what? Fighting for Chiquita Banana. Those are the interests that are controlling our foreign policy today in this administration.

Does the President admit to the overweening influence of J. Peter Grace, the famous billionaire who tells us how he can abbreviate and dismantle the Federal Government for the sake of economy while he heads the biggest conglomerate of all, including what used to be the big factor, and still is, big economic factor in a country like Honduras? They call it Standard Brands. It used to be United Fruit.

□ 1950

United Fruit paid for our pilots, for the mercenary pilots that the CIA hired and undid the Arbenz regime in 1954 in Guatemala. And the CIA has incredibly believed that that same formula of 1945 is going to work in 1984, and let me say it cannot succeed; it will not succeed, it is another world.

That world is different even from what it was 5 years ago.

We see the same thing in the case of middle Europe. Do not even discuss the Middle East, where we are perceived as the successors of the colonial powers: France and England, as who in fact we did in Southeast Asia.

It was for good reason that Winston Churchill said, "I didn't choose to become Prime Minister in order to preside over the liquidation of the British Empire."

He was talking about President Franklin Roosevelt's thoughts and desires that Indochina be put into a trusteeship; he fully recognized that the day of direct colonial power; the French and the English. The reinstitution of those; that their day was gone. And he had the correct idea; and he was right. But he was not about to be cooperated with any more than in the dismemberment of Germany after the war were we going to prevail.

What did we end up with 300,000 troops defending? The British, of course, saw to it that they got their section; the Ruhr, steel producing, so that they could control the competition to their steel production.

Now that you have at least economically a development that the President in the next economic summit conference in Europe will confront, like Jimmy Carter did, in 1979—you do not see any mention in these debates about the development of the Euro currency and the Euro equivalent and substitute for the dollar, which is the real issue today, and it is to me quite ridiculous to pile upon the backs of the American people a monstrous, a monstrous burden, all futile; all based on the overweening ambitions of misguided leaders.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. NIELSON of Utah) to revise and extend their remarks and include extraneous material:)

Mr. MCKINNEY, for 10 minutes, today.

Mr. PARRIS, for 60 minutes, March 27.

Mr. PARRIS, for 60 minutes, March 28.

Mr. FISH, for 15 minutes, today.

Mr. KOLBE, for 60 minutes, March 27.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. ENGLISH, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BONKER, for 5 minutes, March 27.

Mr. ALEXANDER, for 5 minutes, March 27.

Mr. MICA, for 5 minutes, March 27.

Mr. JONES of Oklahoma, for 5 minutes, March 27.

Mr. GIBBONS, for 5 minutes, March 27.

Mr. LUNDINE, for 5 minutes, March 27.

Mr. LEVIN of Michigan, for 5 minutes, March 27.

(The following Member (at the request of Mr. GONZALEZ) to revise and extend his remarks and include extraneous material:)

Mr. HUTTO, for 10 minutes, March 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. JACOBS, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,545.

(The following Members (at the request of Mr. NIELSON of Utah) and to include extraneous matter:)

Mr. MICHEL in two instances.

Mr. DORNAN of California.

Mr. BROOMFIELD in two instances.

Mr. HORTON in two instances.

Mr. SAXTON.

Mr. BROYHILL.

Mr. LENT.

Mr. COURTER.

Mr. LIGHTFOOT.

Mr. PORTER.

Mr. SMITH of New Jersey.

Mr. CRANE.

Mr. WHITEHURST.
Mr. DAUB.
Mr. COATS.
Mr. GUNDERSON.

(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. FOLEY.
Mr. CHAPPELL.
Mr. MATSUI in five instances.
Mr. SKELTON.
Mr. MAVROULES.
Mr. ROE in two instances.
Mr. JENKINS in two instances.
Mr. EDGAR in four instances.
Ms. MIKULSKI in four instances.
Mrs. SCHROEDER in two instances.
Mr. RANGEL.
Ms. OAKAR.
Mr. ERDREICH.
Mr. FAUNTROY.
Mr. LUNDINE.
Mr. FEIGHAN.
Mr. SMITH of Florida.
Mr. ACKERMAN.
Mr. MOAKLEY.
Mr. DYSON.
Mr. FASCELL.
Mr. SAM B. HALL, JR.
Mr. LANTOS.
Mr. BRYANT.
Mr. MINETA.
Mr. ATKINS.
Mr. WEISS in two instances.
Mr. SIKORSKI.
Mr. WILLIAMS.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 27, 1985, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1984, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, March 19, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with section 4(a) of Public Law 85-804 (50 U.S.C. 1431 et seq.), I am herewith reporting to the U.S. House of Representatives on all calendar year 1984 actions taken by the National Aeronautics and Space Administration under authority of that act which involve actual or potential cost to the United States in excess of $50,000.

During calendar year 1984, the NASA Contract Adjustment Board did not grant any request for extraordinary contractual relief under Public Law 85-804.

On January 19, 1983, the Administrator made a decision to provide indemnification to certain NASA Space Transportation System contractors for specified risks arising out of contract performance directly related to NASA space activities; on September 26, 1984, the authority of that decision was extended through September 30, 1989. These risks are considered unusually hazardous solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo, or other elements or services used in NASA's space activities malfunctioned causing an accident, the potential liabilities could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain considering the availability, cost, and terms and conditions of such insurance. Copies of the Administrator's Memoranda of Decision are enclosed.

During calendar year 1984, five NASA prime contractors, performing under seventeen contracts, were indemnified under the Memoranda of Decision for the risks set forth therein. A summary description of each contract is also enclosed.

Sincerely,

JAMES M. BEGGS,
Administrator.

ENCLOSURE A

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to idemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS will conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. The initiation of scheduled STS operations at an increasing frequency has dictated a reexamination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA Contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts, which have an effective date before October 1, 1984, by or for NASA for:

a. Provision of Space Transportation System and cargo flight elements or components thereof;

b. Provision of Space Transportation System and cargo ground support equipment or components thereof;

c. Provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. Repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Shuttle launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing an accident, the potential liabilities could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively without additional consideration to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractors and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of NASA PR Part 10. The applicable requirements of NASA PR, Part 17 shall be complied with.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and deter-

mination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decison and containing the following information: (i) name and address of the contractor, (ii) cognizant NASA installation (iii) contract number and date, and (iv) a brief description of the supplies or services procured under the contract.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an occurrence may never occur; in the event of a major incident, millions of dollars of damage could occur.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

January 19, 1983.

ENCLOSURE B

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS has conducted and will continue to conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. Scheduled STS operations at an increasing frequency has dictated a continuing examination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitation hereinafter stated, cognizant NASA contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts which have an effective date before October 1, 1989, by or for NASA for:

a. provision of Space Transportation System and cargo flight elements or components thereof;

b. provision of Space Transportation System and cargo ground support equipment or components thereof;

c. provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Space Transportation System launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property. These risks are considered unusually hazardous risk solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in the NASA's space activities malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of Federal Acquisition Regulation 50.4 as modified by the NASA FAR Supplement 18-50.4.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workmen's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NASA/FAR Supplement 18-50.403-70-Reporting and records requirements.

11. That actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

September 26, 1984.

ENCLOSURE C

[In millions]

Name of contractor	Memorandum decision date	Contractor financial protection plan requirements	
		Contractor property	3d party liability
International Business Machines Affected NASA contracts: NAS9-16920.	May 14, 1984 Space shuttle orbiter primary avionics software development.	$500	$800
Lockheed Space Operations Co Affected NASA contact: NAS10-10900.	June 26, 1984 Shuttle processing and launch operations at the John F. Kennedy Space Center, Vandenberg Air Force Base, and at any secondary or contingency landing site.	$3,408.3	$1,000
McDonnell Douglas Corp Affected NASA contracts:	Apr. 23, 1984	$300	$1,000
NAS8-32350	Spacelab Integration Program at the George C. Marshall Space Flight Center.		
NAS9-16715	Flight mission planning, cargo studies and procedures, flight monitoring, technical problem resolution.		

ENCLOSURE C—Continued

[In millions]

Name of contractor	Memorandum decision date	Contractor financial protection plan requirements	
		Contractor property	3d party liability
NAS9–16819	Steady state and transient performance analysis of orbiter environmental control and life support systems.		
KSC–1 of NAS8–32350	Operate and process spacelab flight hardware and related equipment.		
NAS10–9600	Processing cargo elements of specified missions, transport of cargo elements with MMSE cannister, on-line shuttle/cargo processing.		
Morton Thiokol, Inc.:			
United States	Dec. 20, 1984	$151	$500
Foreign		$200	
Affected NASA contracts: NAS8–30490 Schedules B, C, D.	Solid rocket motor production, engineering services, transportation, refurbishment, hardware purchasing testing, engineering services.		
Rockwell International Corp	June 27, 1984	$500	Zero
Affected NASA contracts: Because this contractor's coverage is time-limited, the listed contracts are extensions of previously approved coverage:			
NAS9–14000	Design, development, test, and evaluation of the space shuttle orbiter vehicle, integration of all elements of the space shuttle system and operational planning and certain operations.		
NAS8–27980	Design of main engine for the space shuttle.		
NAS10–9100	Shuttle orbiter site activation and orbiter/SSME flight test operations at the John F. Kennedy Space Center.		
NAS8–35140	Space shuttle systems integration support.		
NAS1–15309	Graphite/polymide and graphite/epoxy mechanical properties experiment for LDEF—Phases I and II.		
NAS9–16577	OSTA–3 payload integration effort.		
NAS8–33711	R&D monodisperse latex reactor A system.		
New listing: NAS9–17104	Launch support expertise liaison with shuttle processing contractor at the John F. Kennedy Space Center.		
New Inclusion	Feb. 26, 1985	$500	Zero
NAS8–36131	Shuttle orbiter integration.		

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

862. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting a report stating the need for a supplemental estimate of appropriation for "Salaries and Expenses" in the Farmers Home Administration, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

863. A letter from the Under Secretary of Defense for Research and Engineering, transmitting an annual report of independent research and development and bid and proposal costs, pursuant to Public Law 91–441, section 203(c); to the Committee on Armed Services.

864. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend title 32, United States Code, to extend the period of time during which all elements of a National Guard unit must complete a training assembly; to the Committee on Armed Services.

865. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend section 4349(a) of title 10, United States Code, to provide that the companies of the Corps of Cadets at the U.S. Military Academy may be commanded by commissioned officers of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

866. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to provide authority for the Armed Forces to recover and examine certain remains; to the Committee on Armed Services.

867. A letter from the Comptroller General of the United States, transmitting the comments on enrolled actuary's report on the disability retirement rate for police officers and firefighters, pursuant to Public Law 96–122, section 145(b)(1) (97 Stat. 727); to the Committee on the District of Columbia.

868. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Education for Economic Security Act in order to clarify certain of its provisions and to improve the operation of programs authorized by that act; to the Committee on Education and Labor.

869. A letter from the Director, Defense Security Assistance Agency, transmitting the price and availability report for the quarter ending December 31, 1984, pursuant to 22 U.S.C. 2768; to the Committee on Foreign Affairs.

870. A letter from the Director, Defense Security Assistance Agency, transmitting a report from the first quarter of fiscal year 1985 on commercial and governmental military exports, together with a list of all defense requirement surveys authorized for foreign countries, pursuant to AECA, section 36(a) (90 Stat. 740; 94 Stat. 3134) and section 26(b) (92 Stat. 740) (E.O. 11958); to the Committee on Foreign Affairs.

871. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report for calendar year 1984 about actions taken which involve actual or potential cost to the United States in excess of $50,000, pursuant to Public Law 85–804, section 4; to the Committee on Government Operations.

872. A letter from the Chairman, Federal Communications Commission, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

873. A letter from the Chairman, Board of Governors, Federal Reserve Board, transmitting a report on compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

874. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting a report on activities under the Freedom on Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

875. A letter from the Comptroller General of the United States, transmitting a report entitled: "Effective Management of Computer Leasing Needed to Reduce Government Costs" (GAO/IMTEC–85–3 March 21, 1985); to the Committee on Government Operations.

876. A letter from the Deputy Assistant Secretary of Indian Affairs, Department of the Interior, transmitting a draft of proposed legislation to add a representative of Indian tribal governments to the membership of the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

877. A letter from the Director Office of Legislative Affairs, Agency for International Development, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

878. A letter from the Freedom of Information officer, Department of Agriculture, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

879. A letter from the Acting Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of intent to refund excess royalty payments in Outer Continental Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

880. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of intent to refund excess royalty payments in Outer Continental Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

881. A letter from the Secretary of the Interior, transmitting the "Report to the Congress, Teton Claims Program, Public Law 94–400", pursuant to Public Law 94–400, section 8; to the Committee on the Judiciary.

882. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to abolish the Economic Development Administration, to repeal the Public Works and Economic Act of 1965; to the Committee on Public Works and Transportation.

883. A letter from the Director, Office of Technology Assessment, transmitting the Prospective Payment Assessment Commission's activities and the status of its assessment of medical procedures and services, pursuant to SSA, section 1886(e)(6)(G)(i) (97 Stat. 161); to the Committee on Ways and Means.

884. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend title 10 and title 14, United States Code, to authorize the President, in time of war and national emergency, to prescribe a course of instruction of not less than 3 years at the U.S. Military, Naval, and Air Force Academies, and to appoint graduates from the U.S. Military, Naval, Air Force and Coast Guard Academies as commissioned officers without Senate confirmation; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

885. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 10th annual report of the Corporation's Office of Consumer Programs, pursuant to the act of September 26, 1914, chapter 311, section 18(f)(6) (88 Stat. 2197; 93 Stat. 95; 94 Stat. 174); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

886. A letter from the Comptroller General of the United States, transmitting a report entitled: "Need To Strengthen Social Security's Beneficiary Reporting Requirements and Enforcement Authority" (GAO/HRD–85–12, March 22, 1986); jointly, to the Committees on Government Operations and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee on Armed Services. Report on allocation of budget authority and outlays by program (Rept. No. 99-27). Referred to the Committee of the Whole House on the State of the Union.

Mr. SWIFT: Committee on House Administration. H.R. 1532. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1986; with an amendment (Rept. No. 99-28). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FUQUA (for himself, Mr. LUJAN, Mr. NELSON of Florida, Mr. WALKER, Mr. GLICKMAN, Mr. LEWIS of Florida, Mr. ANDREWS, Mr. SLAUGHTER, Mr. GORDON, Mr. SCHEUER, Mr. VOLKMER, Mr. MINETA, and Mr. RALPH M. HALL):

H.R. 1714. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; to the Committee on Science and Technology.

By Mr. CHAPPELL:

H.R. 1715. A bill to provide for the Mary McLeod Bethune Memorial Fine Arts Center to be established by the Bethune-Cookman College in Volusia County, FL; to the Committee on Education and Labor.

By Mr. COBEY:

H.R. 1716. A bill to lower for a 3-year period the duty on l-ephedrine hydrochloride; to the Committee on Ways and Means.

By Mr. COOPER:

H.R. 1717. A bill to amend the Federal Deposit Insurance Act to require depository institutions to identify individuals who have a significant financial interest in more than one depository institution; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1718. A bill to amend section 119(d) of the Housing and Community Development Act of 1974; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CRANE:

H.R. 1719. A bill to amend section 1951 of title 18, United States Code (commonly called the Hobbs Act), to make the extortion prohibition of such section applicable to conduct in labor disputes to the same extent such prohibition applies to other conduct; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. DASCHLE, and Mr. BEDELL):

H.R. 1720. A bill to ensure payment of the regular duties imposed on imported ethyl alcohol and payment of the additional duty imposed on ethyl alcohol when imported for use in producing a mixture of gasoline and alcohol or used otherwise as fuel; to the Committeee on Ways and Means.

By Mr. ENGLISH:

H.R. 1721. A bill to establish a Data Protection Board, and for other purposes; to the Committeee on Government Operations.

By Mr. FISH (for himself, Mr. EDGAR, Ms. OAKAR, Mr. WILLIAMS, Mr. WORTLEY, Mr. KOSTMAYER, Mr. DWYER of New Jersey, Mr. MILLER of California, Mr. TRAXLER, and Mrs. JOHNSON):

H.R. 1722. A bill to authorize the appropriation of additional funds for a summer youth educational enhancement program; to the Committeee on Education and Labor.

By Mr. FOLEY (for himself, Mr. BOLAND, Mrs. KENNELLY, Mr. SCHULZE, and Mr. STARK):

H.R. 1723. A bill to amend the Internal Revenue Code of 1954 to allow the investment credit with respect to taxable businesses conducted by certain religious communities exempt from tax under section 501(d) of such code; to the Committeee on Ways and Means.

By Mr. FRANK:

H.R. 1724. A bill to limit the number of days a depository institution may restrict the availability of funds which are deposited by check or any other similar instrument; to the Committeee on Banking, Finance and Urban Affairs.

H.R. 1725. A bill to amend the Immigration and Nationality Act to provide for equal treatment of father-child relationships as with mother-child relationships in the immigration process; to the Committee on the Judiciary.

H.R. 1726. A bill to amend the Immigration and Nationality Act to permit aliens with exceptional ability in business to be given third preference status; to the Committee on the Judiciary.

By Mr. FUQUA (by request):

H.R. 1727. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; to the Committee on Science and Technology.

H.R. 1728. A bill to authorize appropriations under the Earthquake Hazards Reduction Act for fiscal years 1986 and 1987, and for other purposes; jointly, to the Committees on Science and Technology and Interior and Insular Affairs.

By Mr. GAYDOS:

H.R. 1729. A bill to amend the Trade Act of 1974 to restore the authority of the President with respect to reciprocal nondiscriminatory treatment; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself, Mr. SLATTERY, Mr. DASCHLE, Mr. TORRICELLI, and Mr. CARR):

H.R. 1730. A bill to amend the Internal Revenue Code of 1954 to provide that transportation may be excluded from gross income as a no-additional-cost fringe benefit without regard to whether such service is offered for sale to customers, and for other purposes; to the Committee on Ways and Means.

By Mr. JACOBS (by request):

H.R. 1731. A bill to extend in the case of certain decedents the period during which no recapture tax is imposed under the special estate tax valuation provisions for certain farm, et cetera, real property; to the Committee on Ways and Means.

By Mr. JENKINS:

H.R. 1732. A bill to amend the Internal Revenue Code of 1954 to exclude from the definition of an unrelated trade or business qualified convention and trade show activities carried out by organizations described in section 501(c)(3) or 501(c)(4) of such code; to the Committee on Ways and Means.

By Mr. JENKINS (for himself, Mr. SCHULZE, and Mr. FLIPPO):

H.R. 1733. A bill to amend the Internal Revenue Code of 1954 to allow an amortization deduction for bus operating rights based on a 60-month period; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma:

H.R. 1734. A bill to suspend temporarily the duty on 2,4 dichloro-5-sulfamoyl benzoic acid (also known as lasamid); to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 1735. A bill to expand the availability of long-term capital for industrial mortgages; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MATSUI:

H.R. 1736. A bill to amend the Internal Revenue Code of 1954 to eliminate the mandatory retirement age for Tax Court judges; to the Committee on Ways and Means.

H.R. 1737. A bill relating to the tariff treatment of certain telescopes not designed for use with infrared light; to the Committee on Ways and Means.

H.R. 1738. A bill to amend the Internal Revenue Code of 1954 to disregard tax-exempt interest in computing the amount of Social Security benefits included in income; to the Committee on Ways and Means.

By Ms. MIKULSKI:

H.R. 1739. A bill to amend the Internal Revenue Code of 1954 to provide for the establishment of, and the deduction of contributions to, education savings accounts; to the Committee on Ways and Means.

By Mr. NELSON of Florida:

H.R. 1740. A bill to direct the Secretary of the Interior to release a reversionary interest in certain lands in Orange County, FL, which were previously conveyed to Orange County, FL; to the Committee on Interior and Insular Affairs.

By Mr. RINALDO:

H.R. 1741. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. RINALDO (for himself, Mr. BIAGGI, Mr. PEPPER, Ms. SNOWE, Mr. CONTE, and Mr. BOEHLERT):

H.R. 1742. A bill to amend title XVIII of the Social Security Act to revise the requirements relating to nursing care provided by certain hospice programs through arrangements with other Medicare certified providers; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SHELBY:

H.R. 1743. A bill to amend the Federal Rules of Civil Procedure to provide for certain service of process by mail; to the Committee on the Judiciary.

H.R. 1744. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of persons who became eligible for benefits before 1979; to the Committee on Ways and Means.

By Mr. SIKORSKI:

H.R. 1745. A bill to amend titles XVIII and XIX of the Social Security Act with respect to requirements that hospitals must meet in order to provide swing-bed services under the Medicare and Medicaid programs; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SMITH of New Jersey:

H.R. 1746. A bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for the child survival fund; to the Committee on Foreign Affairs.

By Mr. STARK:

H.R. 1747. A bill to designate the main channel for the project for San Leandro Marina, CA, as the "Jack D. Maltester Channel"; to the Committee on Public Works and Transportation.

By Mr. TAUZIN:

H.R. 1748. A bill amending the Outer Continental Shelf Lands Act to improve safety at manned offshore installations, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WEBER:

H.R. 1749. A bill to provide emergency operating credit for farmers and ranchers; to the Committee on Agriculture.

By Mr. WHITTEN:

H.R. 1750. A bill to protect the national security; protect the economic well-being of the American people including the Nation's present supplies and undeveloped sources of energy, fuel, food, and fiber from damage due to arbitrary and unsound regulation, order, or decision issued by any executive department, agency, or commission, and for other purposes; to the Committee on the Judiciary.

H.R. 1751. A bill to amend title 39 of the United States Code to prohibit the Postal Service from limiting regular daily mail delivery to fewer than 6 days each week, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1752. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1753. A bill to enable agricultural producers to regain solvency, to protect the jobs of those engaged in providing agricultural equipment, chemicals, seeds and supplies, and to prevent further imposition on the agricultural industry of the cost of U.S. foreign policy, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. LOWERY of California:

H.R. 1754. A bill to waive the time limitations relating to the award of military decorations to John Buckner, Kenneth Haines, William Koenig, Donald Naughton, Kenneth Shaver, and Roy Walker for distinguishing themselves by acts of valor while serving in the Army Air Corps during World War II; to the Committee on Armed Services.

By Mr. BILIRAKIS:

H.J. Res. 207. Joint resolution to authorize and request the President to designate the month of January 1986 as "National Eye Health Care Month"; to the Committee on Post Office and Civil Service.

By Mr. HORTON:

H.J. Res. 208. Joint resolution to designate August 18, 1985, as "National Flowers-by-Wire Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 209. Joint resolution to designate May 1 through May 7, 1985, as "National Correct Posture Week"; to the Committee on Post Office and Civil Service.

By Ms. MIKULSKI (for herself, Mr. MITCHELL, Mrs. HOLT, Mr. BARNES, Mrs. BYRON, Mr. DYSON, Mr. HOYER, and Mrs. BENTLEY):

H.J. Res. 210. Joint resolution designating the study center for trauma and emergency medical systems at the Maryland Institute for emergency medical services systems at the University of Maryland as the "National Study Center for Trauma and Emergency Medical Systems"; to the Committee on Energy and Commerce.

By Ms. MIKULSKI (for herself, Mrs. HOLT, Mr. BARNES, Mrs. BYRON, Mr. DYSON, Mr. HOYER, and Mrs. BENTLEY):

H.J. Res. 211. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities; to the Committee on Post Office and Civil Service.

By Mr. REID (for himself and Mrs. VUCANOVICH):

H.J. Res. 212. Joint resolution to designate the week beginning on May 19, 1985, as "National Mucking and Single and Double Jack Week"; to the Committee on Post Office and Civil Service.

By Mr. TRAXLER:

H.J. Res. 213. Joint resolution to establish a National Commission on Illiteracy; to the Committee on Education and Labor.

By Mr. WHITTEN:

H.J. Res. 214. Joint resolution to compensate farmers and others engaged in agriculture for losses suffered as a result of embargoes on the export of agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

H.J. Res. 215. Joint resolution to increase farm income and expand agricultural exports; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. BRYANT:

H. Con. Res. 99. Concurrent resolution expressing the sense of the Congress that the United Support for Artists for Africa be commended for its efforts to aid the victims of the spreading African famine; to the Committee on Post Office and Civil Service.

By Mr. COOPER:

H. Con. Res. 100. Concurrent resolution expressing the sense of the Congress that the Federal Railroad Administration adopt rules prohibiting the use of alcohol and drugs by railroad employees; to the Committee on Energy and Commerce.

By Mr. FEIGHAN:

H. Con. Res. 101. Concurrent resolution calling upon the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians; to the Committee on Foreign Affairs.

By Mr. SMITH of New Jersey:

H. Con. Res. 102. Concurrent resolution concerning U.S. policy toward the One-Child-Per-Family Program and forced abortion policies of the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. MOAKLEY (for himself, and Mr. TAYLOR):

H. Res. 114. Resolution to amend the Rules of the House of Representatives with respect to papers of the House: to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

51. By the SPEAKER: Memorial of the Legislature of the State of Michigan, relative to Commodity Credit Corporation; to the Committee on Agriculture.

52. Also, memorial of the Legislature of the State of Massachusetts, relative to the Boston regional office of the Department of Labor; to the Committee on Education and Labor.

53. Also, memorial of the House of Representatives of the State of New Mexico, relative to social security; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRANK:

H.R. 1755. A bill for the relief of David Butler, Aldo Cirone, Richard Denisi, Warren Fallon, Charles Hotton, Harold Johnson, Jean Lavoie, Vincent Maloney, Austin Mortensen, and Kurt Olofsson; to the Committee on the Judiciary.

H.R. 1756. A bill for the relief of Herbert Tichauer; to the Committee on the Judiciary.

By Mr. KcKINNEY:

H.R. 1757. A bill for the relief of Leonard Leslie Gambie; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 1758. A bill for the relief of Andre Carl Van Engers; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. DELLUMS, Mr. KOLTER, Mr. CROCKETT, Mr. WEISS, Mr. GONZALEZ, Mr. WAXMAN, Mr. RANGEL, Mr. PEPPER, and Ms. SNOWE.

H.R. 43: Mr. PEPPER and Mr. FOGLIETTA.

H.R. 44: Mr. ROBINSON, Mr. CRANE, Mr. DARDEN, Mr. MARTIN of New York, Mr. YOUNG of Missouri, Mr. ST GERMAIN, and Mr. KILDEE.

H.R. 147: Mr. CARPER, Mr. OBERSTAR, Mr. FISH, Mrs. JOHNSON, Mr. SMITH of New Jersey, Mr. BRUCE, and Mr. EDGAR.

H.R. 154: Mr. KOSTMAYER, Mr. STOKES, Mr. OBERSTAR, Mr. FRANK, Mr. TOWNS, Mr. SMITH of Florida, Mrs. OWENS, Mr. BIAGGI, Mr. CROCKETT, Mr. BURTON of California, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. RANGEL, Mr. MARTINEZ, and Mrs. COLLINS.

H.R. 155: Mr. KOSTMAYER, Mr. STOKES, Mr. GILMAN, Mr. FRANK, Mr. TOWNS, Mrs. COLLINS, Mrs. OWENS, Mr. BIAGGI, Mr. CROCKETT, Mrs. BURTON of California, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. RANGEL, Mr. MARTINEZ, Mr. BERMAN, and Mr. HAYES.

H.R. 157: Mr. KOSTMAYER, Mr. STOKES, Mr. OBERSTAR, Mr. FRANK, Mr. TOWNS, Mr. OWENS, Mrs. BURTON of California, Mrs. COLLINS, Mr. BIAGGI, Mr. CROCKETT, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. RANGEL, and Mr. MARTINEZ.

H.R. 158: Mr. KOSTMAYER, Mr. STOKES, Mr. OBERSTAR, Mr. STANGELAND, Mr. FRANK, Mr. TOWNS, Mr. SMITH of Florida, Mr. OWENS, Mrs. COLLINS, Mr. BIAGGI, Mr. CROCKETT, Mrs. BURTON of California, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. RANGEL, Mr. BERMAN, and Mr. MARTINEZ.

H.R. 159: Mr. KOSTMAYER, Mr. STOKES, Mr. OBERSTAR, Mr. FRANK, Mr. SMITH of Florida, Mr. OWENS, Mrs. COLLINS, Mr. BIAGGI, Mr. CROCKETT, Mrs. BURTON of California, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. RANGEL, and Mr. MARTINEZ.

H.R. 160: Mr. KOSTMAYER, Mr. STOKES, Mr. OBERSTAR, Mr. FRANK, Mr. SMITH of Florida,

Mr. OWENS, Mrs. COLLINS, Mr. BIAGGI, Mr. CROCKETT, Mrs. BURTON of California, Mr. RODINO, Mr. WHEAT, Mr. WEISS, Ms. MIKULSKI, Mr. BERMAN, Mr. MARTINEZ, and Mr. RANGEL.

H.R. 161: Mr. BOUCHER and Mr. MCKERNAN.

H.R. 276: Mr. SUNIA.

H.R. 365: Mr. GARCIA, Mr. SWINDALL, and Mr. SMITH of Florida.

H.R. 370: Mr. WILLIAMS.

H.R. 375: Mr. DELLUMS, Mr. KOLTER, Mr. CROCKETT, Mr. WEISS, Mr. WHEAT, Mr. GONZALEZ, Mr. WAXMAN, Mr. RANGEL, Mr. PEPPER, and Ms. SNOWE.

H.R. 422: Mr. WISE and Mr. RANGEL.

H.R. 423: Mr. HOYER, Mr. MACK, Mr. DONNELLY, Mr. THOMAS of Georgia, and Ms. FIEDLER.

H.R. 442: Mr. BUSTAMANTE.

H.R. 452: Mr. GREEN, Mr. SEIBERLING, Mr. SLAUGHTER, Mr. SOLARZ, and Mr. THOMAS of Georgia.

H.R. 467: Mrs. JOHNSON and Mr. STUDDS.

H.R. 468: Mr. TALLON, Mr. STUDDS, and Mr. ROSE.

H.R. 502: Mr. KILDEE.

H.R. 521: Mr. CHANDLER.

H.R. 593: Mr. COLEMAN of Texas, Mr. BUSTAMANTE, Mr. MARTINEZ, and Mr. ROYBAL.

H.R. 691: Mr. CONYERS, Mr. SHARP, Mr. GILMAN, Mr. COURTER, Mr. ROWLAND of Connecticut, Mr. SAVAGE, Mr. SYNAR, Mr. LELAND, Mr. WALKER, and Mr. OBERSTAR.

H.R. 693: Mr. CHENEY.

H.R. 732: Mr. KANJORSKI and Mr. GINGRICH.

H.R. 776: Mr. FAUNTROY, Mr. BATEMAN, Mr. BORSKI, Mr. WAXMAN, and Mr. FEIGHAN.

H.R. 796: Mr. COELHO, Mr. DAVIS, Mr. DUNCAN, Mr. EDGAR, Mr. FOWLER, Mr. GEJDENSON, Mr. KILDEE, Mr. KOLBE, Mr. LUNDINE, Mr. MOODY, Mr. PRICE, Mr. RUSSO, Mr. SUNDQUIST, and Mr. TORRES.

H.R. 825: Mr. NEAL, Mr. LEVIN of Michigan, Mr. FORD of Michigan, Mr. CRANE, Mr. PETRI, Mr. STANGELAND, Mr. DIXON, Mr. CHAPPELL, Mr. LAFALCE, Mr. STARK, Mr. TRAFICANT, Mr. HORTON, Mr. COLEMAN of Texas, and Mr. DOWNEY of New York.

H.R. 831: Mr. GOODLING, Mr. KOSTMAYER, Mr. CROCKETT, and Mr. FISH.

H.R. 837: Mr. DOWNEY of New York.

H.R. 874: Mr. DASCHLE, Mr. ENGLISH, Mr. BEILENSON, Mr. FRANK, Mr. BERMAN, Mr. HUGHES, Ms. KAPTUR, Mr. WORTLEY, Mr. FAUNTROY, Mr. ECKART of Ohio, Mr. KOLTER, Mr. DURBIN, Mr. PEASE, Mr. TOWNS, and Mr. VENTO.

H.R. 890: Mr. DIXON, Mrs. BENTLEY, Mr. WOLPE, Mr. FUSTER, Mr. TORRES, Mrs. BURTON of California, Mr. LEVIN of Michigan, Mrs. COLLINS, Mr. STAGGERS, Mr. MOODY, Mr. HAMILTON, Mr. ERDREICH, Mr. COELHO, Mr. LOWRY of Washington, Mr. ASPIN, Mrs. JOHNSON, and Mr. AKAKA.

H.R. 893: Mr. ROSE, Mr. NEAL, Mr. RANGEL, Mr. BLAZ, Mrs. COLLINS, Ms. KAPTUR, and Mr. BUSTAMANTE.

H.R. 935: Mr. LOTT, Mr. JEFFORDS, Mr. OXLEY, Mr. TAUZIN, Mr. CRANE, Mr. HALL of Ohio, Mr. WHEAT, Mr. JACOBS, Mr. ARMEY, Mr. DEWINE, Mr. LIGHTFOOT, Mr. SLATTERY, Mr. FORD of Michigan, Mr. DOWNEY of New York, Mr. FLORIO, Mr. KOLBE, Mr. MARKEY, Mr. HENRY, and Mr. SWIFT.

H.R. 949: Mr. MOORHEAD, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. SHUMWAY, Mr. RUDD, Mr. NIELSON of Utah, Mr. HYDE, and Mr. EMERSON.

H.R. 962: Mr. SMITH of Florida, Mr. SHAW, Mr. GILMAN, Mr. DYMALLY, Mr. WHITEHURST, Mr. LEATH of Texas, Mr. RINALDO, Mr. RICHARDSON, Mr. TRAFICANT, Mr. FAZIO, Mr. KOLTER, Mr. DAUB, Mr. FAUNTROY, Mr. EDWARDS of Oklahoma, Mr. KLECZKA, Mr. PEPPER, Mr. MACKAY, Mr. WISE, Mr. TOWNS, Mr. IRELAND, Mr. RANGEL, Mr. DANIEL, Mr. MCGRATH, Mr. DURBIN, Mr. DEWINE, and Mr. GILMAN.

H.R. 980: Mr. MCCOLLUM.

H.R. 1004: Mr. MOLLOHAN, Mr. COYNE, Mr. WEAVER, Mr. MURPHY, Mr. MARTINEZ, Mr. FAUNTROY, Mr. HERTEL of Michigan, Mr. APPLEGATE, Mr. CROCKETT, Mr. SEIBERLING, Mr. HUGHES, Mr. WILSON, Mr. DANIEL, Mr. STOKES, and Mr. DURBIN.

H.R. 1005: Mrs. LLOYD.

H.R. 1006: Mr. HORTON, Mr. LOTT, Mr. DUNCAN, Mr. SMITH of New Hampshire, Mr. ANDERSON, Mr. CHANDLER, Ms. FIEDLER, Mr. OLIN, Mr. ROWLAND of Georgia, Mr. FASCELL, Mr. TAUZIN, Mr. ANDREWS, Mr. RAHALL, Mr. ST GERMAIN, Mr. MURPHY, Mr. STOKES, Mr. OBERSTAR, and Mr. SAXTON.

H.R. 1019: Mrs. JOHNSON.

H.R. 1059: Mr. PETRI, Mr. MATSUI, Mr. EVANS of Iowa, and Mr. KINDNESS.

H.R. 1099: Mrs. BOGGS.

H.R. 1101: Mr. WOLF, Mrs. COLLINS, Mr. GALLO, Mr. SMITH of Florida, Mr. FAZIO, Mr. BARNES, Mr. KOLTER, Mr. LELAND, Mr. LAGOMARSINO, Mr. DE LA GARZA, Mr. BONER of Tennessee, Ms. MIKULSKI, Mr. BIAGGI, Mr. MRAZEK, Mr. BROOKS, Mr. MCDADE, Mr. RODINO, Mr. STUDDS, and Mr. MCCOLLUM.

H.R. 1102: Mr. WOLF, Mrs. COLLINS, Mr. GALLO, Mr. SMITH of Florida, Mr. FAZIO, Mr. BARNES, Mr. KOLTER, Mr. BROOKS, Mr. MCDADE, Mr. DE LA GARZA, Mr. BONER of Tennessee, Ms. MIKULSKI, Mr. BIAGGI, Mr. RODINO, and Mr. STUDDS.

H.R. 1103: Mr. WOLF, Mrs. COLLINS, Mr. GALLO, Mr. SMITH of Florida, Mr. FAZIO, Mr. BARNES, Mr. KOLTER, Mr. LELAND, Mr. LAGOMARSINO, Mr. DE LA GARZA, Mr. BONER of Tennessee, Ms. MIKULSKI, Mr. BIAGGI, Mr. MRAZEK, Mr. BROOKS, Mr. MCDADE, Mr. RODINO, Mr. STUDDS, and Mr. MCCOLLUM.

H.R. 1104: Mr. WOLF, Mrs. COLLINS, Mr. GALLO, Mr. STUDDS, Mr. FAZIO, Mr. BARNES, Mr. KOLTER, Mr. LELAND, Mr. LAGOMARSINO, Mr. JEFFORDS, Mr. BONER of Tennessee, Ms. MIKULSKI, Mr. BIAGGI, Mr. MRAZEK, Mr. BROOKS, Mr. MCDADE, and Mr. RODINO.

H.R. 1134: Mr. DELLUMS, Mr. FAUNTROY, Mr. LELAND, Mr. JACOBS, Mr. CLAY, Mr. STOKES, Mr. TOWNS, Mr. HAYES, Mr. BONIOR of Michigan, Mr. FRANK, Mr. MILLER of California, Mr. COYNE, Mr. BARNES, Mr. STARK, Mr. OWENS, Mr. LEVINE of California, Mr. MITCHELL, Mr. FORD of Tennessee, Mr. MORRISON of Connecticut, Mr. FAZIO, Ms. KAPTUR, and Mr. CROCKETT.

H.R. 1135: Mr. DELLUMS, Mr. FAUNTROY, Mr. FRANK, Mr. CLAY, Mr. PERKINS, Mr. WHEAT, Mr. OWENS, Mr. CONYERS, Mr. RAHALL, Mr. BEDELL, Mr. STOKES, Mr. TOWNS, Mr. HAYES, Mr. MRAZEK, Mr. MATSUI, Mrs. SCHROEDER, Mr. WEISS, Mr. MITCHELL, Mr. MORRISON of Connecticut, Mr. DIXON, Mr. ADDABBO, Mr. DURBIN, and Mr. CROCKETT.

H.R. 1139: Mrs. MARTIN of Illinois.

H.R. 1161: Mrs. LLOYD and Mr. WILLIAMS.

H.R. 1163: Mr. KOLBE.

H.R. 1205: Mr. TOWNS and Mr. CROCKETT.

H.R. 1256: Mr. HEFTEL of Hawaii, Mr. MITCHELL, Ms. KAPTUR, Mr. PERKINS, Mr. AKAKA, Mr. BEILENSON, and Mr. RICHARDSON.

H.R. 1258: Mr. LUNGREN.

H.R. 1279: Mr. FOWLER, Mr. GALLO, Mr. FEIGHAN, Mr. TOWNS, Mr. MONTGOMERY, Ms. MIKULSKI, Mr. APPLEGATE, Mr. SAXTON, Mr. BOEHLERT, Mr. SWIFT, Mrs. BURTON of California, Mr. RAHALL, Mr. MORRISON of Washington, Mr. LEHMAN of Florida, and Mr. MRAZEK.

H.R. 1294: Mr. TRAFICANT, Mr. DWYER of New Jersey, and Mr. DURBIN.

H.R. 1307: Mr. KINDNESS, Mr. MCCURDY, Mr. SMITH of Florida, Mr. DORNAN of California, Mr. DARDEN, Mr. LEATH of Texas, Mr. PEPPER, Mr. HUTTO, Mr. IRELAND, Mr. WHITTAKER, Mr. BENNETT, Mr. STOKES, Mr. SHAW, Mr. KOLTER, Mr. MCGRATH, Mr. MARTINEZ, Mr. RANGEL, Mr. KOLBE, Mr. FASCELL, Ms. KAPTUR, Mr. YOUNG of Florida, Mr. LEWIS of Florida, Mr. WOLF, and Mr. GILMAN.

H.R. 1318: Mr. COMBEST and Mr. PACKARD.

H.R. 1367: Mr. WOLF, Mr. KANJORSKI, Mr. LAGOMARSINO, Mr. YOUNG of Florida, Mr. FAUNTROY, Mr. MARTINEZ, Mr. GOODLING, Mr. LUNGREN, Mr. SWINDALL, Mr. MAZZOLI, Mr. SOLOMON, and Mr. KOLTER.

H.R. 1373: Mrs. KENNELLY.

H.R. 1408: Mr. SLATTERY.

H.R. 1453: Mr. FUSTER, Mr. DELLUMS, Mr. HAWKINS, Mr. BERMAN, Mr. BROWN of California, Mr. STOKES, Mr. MITCHELL, Mr. STARK, Mr. SABO, Mr. RANGEL, Mr. CROCKETT, and Mr. BIAGGI.

H.R. 1454: Mr. FUSTER, Mr. DELLUMS, Mr. HAWKINS, Mr. BERMAN, Mr. STOKES, Mr. MITCHELL, Mr. STARK, Mr. RANGEL, Mr. CROCKETT, and Mr. BIAGGI.

H.R. 1524: Mr. WILSON, Mr. KILDEE, Mr. ACKERMAN, Mr. HERTEL of Hawaii, Mr. HAWKINS, Mr. MATSUI, and Mr. DOWNEY of New York.

H.R. 1525: Mr. TOWNS, Mr. FAUNTROY, Mr. MATSUI, Mr. DWYER of New Jersey, Mr. DELLUMS, Mr. GEJDENSON, Mr. BORSKI, Mr. LEVINE of California, Mr. WEISS, Mr. SMITH of Florida, Mr. WHITEHURST, Mr. FUSTER, Mr. BIAGGI, Mr. WHEAT, Mr. BERMAN, Mr. CROCKETT, Mr. BOUCHER, Mr. LAGOMARSINO, Mr. SMITH of New Jersey, Mr. RAHALL, Mr. DARDEN, Mr. NIELSON of Utah, Mr. AKAKA, Mr. DAUB, Mrs. BOXER, Mr. DAVIS, Mr. GREEN, Mr. DEWINE, Mr. RANGEL, Mr. DYMALLY, Mr. CHANDLER, Mrs. COLLINS, Mrs. BYRON, Mr. LEHMAN of California, Mr. WIRTH, Mr. DYSON, Mr. WILLIAMS, Mr. YOUNG of Alaska, Mr. WOLPE, and Mr. GRAY of Pennsylvania.

H.R. 1534: Mr. ADDABBO and Mr. CONYERS.

H.R. 1550: Mrs. COLLINS, Ms. KAPTUR, and Mr. JEFFORDS.

H.R. 1995: Mr. BLILEY, Mr. Edwards of Oklahoma, and Mr. KOLBE.

H.R. 1607: Mr. CONYERS.

H.J. Res. 46: Mr. DELLUMS, Mr. KOSTMAYER, Mr. FUSTER, Mr. OWENS, Mrs. COLLINS, Mr. TOWNS, Mr. HEFTEL of Hawaii, Mr. PACKARD, Mr. BRYANT, Mr. REID, Mr. HORTON, Mr. FEIGHAN, Mr. HEFNER, Mr. WOLF, Mr. MILLER of Washington, Mr. ANDREWS, Mr. DE LA GARZA, Mr. FAZIO, Mr. RAHALL, Mr. DASCHLE, Mr. HYDE, Mr. AKAKA, Mr. TAUKE, Mrs. BURTON of California, Mr. CARPER, Mr. BONER of Tennessee, Mr. CONYERS, Mr. COYNE, Mr. CARNEY, Mr. DANIEL, Mr. EVANS of Iowa, Mr. FOLEY, Mr. FOGLIETTA, Mr. HUTTO, Mr. MACK, Mr. BUSTAMANTE, Mr. ADDABBO, and Mr. COUGHLIN.

H.J. Res. 47: Mr. FAUNTROY, Mr. LELAND, Mr. CONYERS, Mr. FRANK, Mr. WALGREN, Mrs. SCHNEIDER, Mr. RANGEL, Mr. WEAVER, Mr. CLAY, Mr. KASTENMEIER, Mr. LEHMAN of Florida, Mr. OWENS, Mr. MORRISON of Connecticut, Mr. ACKERMAN, Mr. DELLUMS, Mr. CROCKETT, Ms. OAKAR, Mr. MOAKLEY, Mr. VENTO, Mr. WHEAT, Mr. BROWN of California, Mrs. BOXER, Mr. MITCHELL, Mr. WOLPE, Mr. SEIBERLING, Mr. MINETA, Mrs. COLLINS, Mr. BEDELL, Mr. WAXMAN, Mr. MATSUI, Mr. BONIOR of Michigan, Mr. MARTINEZ, Mr. SCHUMER, and Mr. ROYBAL.

H.J. Res. 62: Mr. MCGRATH, Mr. ROE, Mr. SMITH of New Jersey, Ms. OAKAR, Mr. GUARINI, Mr. LEVIN of Michigan, Mr. TOWNS, Mr.

KINDNESS, Mr. LAGOMARSINO, Mr. LUNGREN, Mr. WYDEN, Mr. BEVILL, Mr. JACOBS, Mr. HUGHES, Mr. MCDADE, Mr. COATS, Mr. DANNEMEYER, Mr. MARTINEZ, Mr. BEDELL, Mr. REID, Mr. DWYER of New Jersey, Mr. OWENS, Mr. YOUNG of Florida, Mr. WEBER, Mr. FORD of Tennessee, Mr. FEIGHAN, Mr. THOMAS of California, Mr. HATCHER, Mr. VOLKMER, Mr. KOLBE, Mr. MONTGOMERY, Mr. WILSON, Mr. HENRY, Mr. SUNIA, Mr. MAZZOLI, Mr. JEFFORDS, Mr. FUQUA, Mrs. BOXER, Mr. HENDON, Mr. ROGERS, Mr. EMERSON, Mr. WAXMAN, Mrs. BYRON, Mrs. LLOYD, Mr. CARNEY, Mr. MURPHY, Mr. STALLINGS, Mr. WYLIE, Mr. BOLAND, Mr. GRADISON, Mr. BARNES, Mr. HEFNER, Mr. ROWLAND of Georgia, Mr. MARTIN of New York, Mr. WHITTEN, Mr. FLIPPO, Mr. O'BRIEN, Mr. PERKINS, Mr. HORTON, Mr. LANTOS, Mr. DOWDY of Mississippi, Mr. FUSTER, Mr. RAHALL, Mr. SMITH of Florida, Mr. KASICH, Mr. CHAPPIE, Mr. DORNAN of California, Mr. IRELAND, Mr. BERMAN, Mr. ANNUNZIO, Mr. BONER of Tennessee, Mr. STANGELAND, Mr. MACK, Mr. TORRICELLI, Mr. CONTE, Mr. WOLF, Mr. SILJANDER, Mr. SHUMWAY, Mr. DAUB, Mr. DARDEN, Mr. BLILEY, Mr. RICHARDSON, Mr. YOUNG of Alaska, Mr. LIGHTFOOT, Mr. CRANE, Mr. BURTON of Indiana, Mr. GINGRICH, Mr. STUMP, Ms. KAPTUR, Mr. AKAKA, Mr. PACKARD, Mr. BOEHLERT, Mr. DEWINE, Mr. RANGEL, Mrs. COLLINS, Mr. DURBIN, Mr. NICHOLS, Mr. HYDE, and Mr. CHANDLER.

H.J. Res. 75: Mr. ADDABBO.

H.J. Res. 170: Mr. ADDABBO, Mr. AKAKA, Mr. ANDERSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. BARNES, Mr. BERMAN, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BROOKS, Mrs. BURTON of California, Mr. CARPER, Mr. CHAPPIE, Mrs. COLLINS, Mr. COUGHLIN, Mr. CROCKETT, Mr. DANIEL, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAUB, Mr. DE LA GARZA, Mr. DEWINE, Mr. DIXON, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. ERDREICH, Mr. FAUNTROY, Mr. FAZIO, Mr. FISH, Mr. FUSTER, Mr. GRADISON, Mr. GREEN, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HARTNETT, Mr. HAYES, Mr. HEFNER, Mr. HOYER, Mr. HUGHES, Mr. HUTTO, Mr. HYDE, Mr. IRELAND, Mr. JACOBS, Mr. JEFFORDS, Ms. KAPTUR, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LATTA, Mr. LIVINGSTON, Mr. MCDADE, Mr. MADIGAN, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MOAKLEY, Mr. MURPHY, Mr. MURTHA, Mr. NATCHER, Mr. NEAL, Mr. OWENS, Mr. QUILLEN, Mr. REID, Mr. RODINO, Mr. ROE, Mr. RUDD, Mr. SABO, Mr. SAVAGE, Mr. SCHEUER, Mr. SKELTON, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STRATTON, Mr. STUMP, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. TOWNS, Mr. WALGREN, Mr. WAXMAN, and Mr. WEISS.

H.J. Res. 179: Mr. BEVILL, Mr. BROYHILL, Mr. DANIEL, Mr. DELLUMS, Mr. DEWINE, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. FASCELL, Mr. FLORIO, Mr. FUSTER, Mr. GREEN, Mr. HEFNER, Mrs. HOLT, Mr. HYDE, Mr. LIVINGSTON, Mr. LOWERY of California, Mr. MITCHELL, Mr. MONTGOMERY, Mr. PURSELL, Mr. RICHARDSON, Mr. ROSE, Mr. SHUMWAY, Mr. VALENTINE, Mr. VANDER JAGT, and Mr. VOLKMER.

H.J. Res. 182: Mr. AKAKA, Mr. RICHARDSON, Mr. BROOMFIELD, Mr. BONER of Tennessee, Mr. SHUMWAY, Mr. BROOKS, Mr. HERTEL of Michigan, and Mr. BRYANT.

H.J. Res. 188: Mr. TOWNS, Mr. FUSTER, Mr. REID, Mr. COBEY, Mr. CHAPPIE, Mr. MCCOLLUM, Mr. MILLER of Washington, Mr. O'BRIEN, Mr. BLILEY, Mr. GRADISON, Mr. FOLEY, Mr. FORD of Tennessee, Mr. BROOKS, Mr. LIGHTFOOT, Mr. DENNY SMITH, Mr. LAGOMARSINO, Mr. EDWARDS of Oklahoma, Mr. BARNES, Mr. CLAY, Mr. MONSON, Mr. CARR, Mrs. BYRON, Mr. FROST, Mr. KOLBE, Mr. MATSUI, Mr. ACKERMAN, Mr. WEISS, Mr. ST GERMAIN, Mr. TAUZIN, Mr. STENHOLM, Mr. SWIFT, Mr. EDGAR, Mrs. COLLINS, Mr. MCHUGH, Mr. WOLPE, Mr. GILMAN, Mr. UDALL, Mr. ROTH, Mrs. BOXER, Mr. BOEHLERT, Mr. DELAY, Mr. CHAPPELL, Mr. CRAIG, Mr. DORGAN of North Dakota, Mr. STALLINGS, Mr. KEMP, Mr. LEHMAN of Florida, Mr. LELAND, Mr. SUNDQUIST, Mrs. BOGGS, Mr. WATKINS, Mr. TRAXLER, Mr. SOLOMON, Mr. SEIBERLING, Mr. PEPPER, Mr. DYMALLY, Mr. MOLINARI, Mr. ORTIZ, Mr. SMITH of New Hampshire, Mr. BEDELL, Mr. LEWIS of California, Mr. WYDEN, Mr. STARK, Mrs. VUCANOVICH, Mr. DWYER of New Jersey, Mr. COURTER, Mr. DANNEMEYER, Mr. SOLARZ, Mr. BUSTAMANTE, Mr. DYSON, Mr. BIAGGI, Mr. WALKER, Mr. COUGHLIN, Mr. DUNCAN, Mr. THOMAS of California, Mr. WIRTH, Mr. TORRICELLI, Mr. ROWLAND of Connecticut, Mr. CHENEY, Mr. GUNDERSON, Mr. MADIGAN, Mr. OWENS, Mr. SKELTON, Mr. HARTNETT, Mr. ROSTENKOWSKI, Mr. ADDABBO, Mr. SHUMWAY, Mr. MCEWEN, Mr. MORRISON of Washington, Mr. CARNEY, Mr. LEHMAN of California, Mr. REGULA, Mrs. JOHNSON, Mr. STOKES, and Mr. BRYANT.

H.J. Res. 192: Mr. FRANK, Mr. MAVROULES, Mr. EDGAR, Ms. KAPTUR, Mr. FEIGHAN, Mr. PORTER, Mr. BEDELL, Mr. RANGEL, Mrs. KENNELLY, Mr. RODINO, Mr. JEFFORDS, Mr. PARRIS, Mr. ANNUNZIO, and Mr. HORTON.

H.J. Res. 193: Mr. LANTOS, Mrs. COLLINS, Mr. CHAPPIE, Mr. TOWNS, Mr. FUSTER, Mr. HERTEL of Michigan, Mr. BONER of Tennessee, Mr. ADDABBO, Mr. WYDEN, Mr. MATSUI, Mr. MCGRATH, Mr. BRYANT, Mrs. BOXER, Mr. LAGOMARSINO, Mr. BUSTAMANTE, and Mr. MURPHY.

H. Con. Res. 5: Mr. STRANG.

H. Con. Res. 15: Mr. LANTOS.

H. Con. Res. 34: Mr. NICHOLS, and Mr. SPRATT.

H. Con. Res. 36: Mr. CLAY, Mr. DELLUMS, Mr. DYMALLY, Mr. EDGAR, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. JACOBS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. MITCHELL, Mr. OWENS, Mr. SEIBERLING, Mr. STOKES, Mr. STUDDS, Mr. TOWNS, Mr. WALGREN, Mr. WEISS, and Mr. DIXON.

H. Con. Res. 37: Mr. BARTON of Texas, Mr. BARNARD, Mrs. BOXER, Mr. CARPER, Mr. CHENEY, Mr. HOPKINS, Mr. KASICH, Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mr. MURPHY, Ms. SNOWE, and Mr. VANDER JAGT.

H. Con. Res. 56: Mrs. BOXER and Mr. BIAGGI.

H. Con. Res. 57: Mr. CONTE, Mr. DIO-GUARDI, Mr. ROBERTS, Mr. SMITH of Florida, and Mr. SMITH of New Jersey.

H. Con. Res. 64: Mr. DELLUMS, Mr. TOWNS, Mr. HOYER, Mr. STOKES, Mr. BONIOR of Michigan, Mr. FRANK, Mr. RANGEL, Mr. PENNY, Mr. LEVIN of Michigan, Mr. BARNES, Mr. ANDREWS, Mr. FAUNTROY, Mrs. JOHNSON, Mr. OWENS, Mr. REID, Mr. BEDELL, Mr. MARTINEZ, Mr. GUARINI, Mr. ADDABBO, Mr. MITCHELL, Mr. WEISS, Mr. PORTER, Mr. MORRISON OF Connecticut, Mr. HAYES, Mr. NEAL, Mr. ACKERMAN, Mr. FAZIO, Mr. HENRY, Mr. WHEAT, and Mr. SMITH of Florida.

H. Con. Res. 67: Mr. TRAFICANT, Mrs. SCHROEDER, and Mr. ADDABBO.

H. Con. Res. 68: Mr. CHAPPIE, Mr. RAHALL, Mr. BORSKI, Ms. KAPTUR, Mr. SAVAGE, Mr. GALLO, Mr. WEAVER, Mr. FOWLER, Mr. HOPKINS, Mr. DAUB, Mr. JEFFORDS, Mr. EVANS of Illinois, Mr. YOUNG of Missouri, Mr. PERKINS, and Mr. SEIBERLING.

H. Con. Res. 71: Mr. YOUNG of Alaska, Mr. ROBERTS, Mr. JEFFORDS, Mr. RAHALL, Mr. BEVILL, Mr. DAUB, Mr. MOLLOHAN, Mr. COELHO, Mr. VOLKMER, Mr. OBERSTAR, Mr. WEBER, Mr. NIELSON of Utah, Mr. RICHARDSON, Mr. DAVIS, and Mr. LIGHTFOOT.

H. Con. Res. 77: Mr. LEHMAN of Florida, Mr. TOWNS, Mr. TORRICELLI, Mr. DOWNEY of New York, Mr. LENT, Mr. LANTOS, Mr. WAXMAN, Mr. ROE, Mr. BIAGGI, Mr. APPLEGATE, Mr. HOYER, Mr. YATES, Mr. DORNAN of California, Mr. PORTER, Mr. BERMAN, Mr. BONIOR of Michigan, Mr. KANJORSKI, Mr. DYMALLY, Mr. SCHEUER, Mr. BEDELL, Mr. MARKEY, Mr. FROST, Mr. KOLBE, Mr. SCHUMER, Mr. WEISS, Mr. SMITH of Florida, Mr. CARPER, Mr. FRANK, Mr. SHELBY, Mr. DELLUMS, Mr. MOAKLEY, Mr. WORTLEY, Mr. EDWARDS of California, Mr. MANTON, Mr. MATSUI, Mrs. BOXER, Mr. WILSON, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. LEVIN of Michigan, Mr. REID, Mr. MITCHELL, and Mr. BARNES.

H. Con. Res. 82: Mr. BEDELL, Mr. HENDON, Mr. MINETA, Mr. WORTLEY, Mr. ATKINS, Mr. WYDEN, Mr. BUSTAMANTE, Mr. HERTEL of Michigan, Mr. HEFTEL of Hawaii, Mr. DIO-GUARDI, and Mr. ACKERMAN.

H. Con. Res. 90: Mr. ANDREWS, Mr. MCCAIN, and Mr. UDALL.

H. Res. 21: Mr. WORTLEY, Ms. MIKULSKI, Mr. LUNDINE, Mr. MACKAY, Mr. FOLEY, Mr. DELLUMS, Mrs. JOHNSON, Mr. WHEAT, Mr. SABO, Mr. DONNELLY, Mr. MURPHY, Mr. RODINO, Mr. SCHEUER, Mr. FASCELL, Mrs. BOGGS, Mr. CONYERS, Mr. COELHO, Mr. MORRISON of Connecticut, Mr. FRANK, Mr. MARKEY, Mr. COATS, Mrs. MARTIN of Illinois, Mr. HUCKABY, Mr. SIKORSKI, Mr. STUDDS, Ms. KAPTUR, Mr. BOEHLERT, Mr. FISH, Mr. WAXMAN, Mr. ECKART of Ohio, Mr. MINETA, Mr. COLEMAN of Texas, and Mr. JONES of Tennessee.

H. Res. 55: Mr. MARTINEZ, Mr. BOEHLERT, Mr. WAXMAN, and Mr. WIRTH.

H. Res. 67: Mr. MINETA, Mr. MOODY, Mr. RICHARDSON, Ms. KAPTUR, Mr. BERMAN, Mr. MARTINEZ, Mr. RANGEL, Mr. CROCKETT, Mr. TOWNS, Mr. RAHALL, Mrs. BOXER, Mr. WALGREN, Mr. OWENS, Mr. SAVAGE, Mr. TRAXLER, Mr. HAYES, Mr. DOWNEY of New York, Mr. LEVINE of California, Mr. SCHEUER, Mr. WEAVER, Mr. COELHO, Mr. SEIBERLING, Mr. EDWARDS of California, Mr. BEDELL, and Mrs. COLLINS.

H. Res. 82: Mrs. JOHNSON, Mr. DURBIN, Mr. SEIBERLING, Mr. SIKORSKI, Mr. STUDDS, Mr. FAZIO, Mr. WEAVER, Mr. MARKEY, and Mr. WEISS.

H. Res. 93: Mr. PERKINS, Mr. HAYES, Mr. DURBIN, and Mr. OBERSTAR.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

67. By the SPEAKER: Petition of the Commonwealth of Massachusetts General Court, Boston, MA, relative to Amtrak; to the Committee on Energy and Commerce.

68. Also, petition of the town of Wilmington, MA, relative to revenue sharing; to the Committee on Government Operations.

69. Also, petition of the Chief Executives' Conference, Federated States of Micronesia, relative to the Compact of Free Association; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

EXTENSIONS OF REMARKS

AMORTIZATION RIGHTS OF BUS OPERATING RIGHTS

HON. ED JENKINS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. JENKINS. Mr. Speaker, today I am introducing legislation to provide tax treatment for bus route operating rights comparable to rules enacted in 1981 for truck route operating rights. This change is needed because of deregulation of intercity buses, enacted in 1982.

Identical legislation was introduced in the House and Senate during the 98th Congress. Hearings were held on the bill in both the House Ways and Means Committee and the Senate Finance Committee. Unfortunately, there was not sufficient time to act on the legislation prior to adjournment in spite of its merits.

The issue for buses is identical to that facing the trucking industry following trucking deregulation in 1980. From 1935 to 1980 the Interstate Commerce Commission granted a limited number of certificates of operating authority to motor carriers. Persons wishing to enter the motor carrier business or expand the motor carrier business often would purchase operating authorities from an existing trucking company. Substantial amounts were paid. The operating rights provided a substantial part of a carrier's asset structure, and a source of loan collateral.

Because of trucking deregulation, provided by the Motor Carrier Act of 1980, truck route operating rights issued by the ICC became virtually worthless. The tax rules applicable to loss of value of a Government license because of deregulation were not entirely clear in 1981. As a result, in 1981 Congress approved legislation allowing tracking companies to deduct over a 5-year period of their basis in the operating rights.

The bill I am introducing today provides the same treatment for bus operating rights. In 1982, the President signed into law the Bus Regulatory Reform Act of 1982, which deregulated intercity buses. This important deregulation bill allows intercity bus companies to enter routes, expand routes, drop routes, and change routes without Federal barriers. Prior to bus deregulation, bus operators were required to acquire route operating rights prior to providing service on a particular route. Issuance of bus operating authorities was highly restricted. As with motor carrier operating rights, bus operating rights were bought and sold for significant sums, used as collateral for loans, and constituted an important part of the capital costs of the company.

The Bus Regulatory Reform Act changed that. By allowing virtually free entry of bus companies into routes of their choice, the existing route operating rights became virtually worthless.

The bill I am introducing today applies to owners of bus operating rights as of November 19, 1982—or persons who acquired the rights after that date as a result of a binding contract in effect on November 19, 1982—the date bus deregulation was signed into law by the President. It allows the owner of the operating rights to deduct ratably over 60 months its adjusted basis in the bus operating authority. The bill requires proper adjustment to the carrier's basis in the operating authority. The bill also contains provisions assuring comparable treatment for noncorporate carriers, comparable to provisions applicable to motor carriers contained in the Technical Corrections Act of 1982.

Mr. Speaker, I submit text of the bill to be printed in the CONGRESSIONAL RECORD following these remarks:

H.R. 1733

A bill to amend the Internal Revenue Code of 1954 to allow an amortization deduction for bus operating rights based on a 60-month period

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION FOR BUS OPERATING AUTHORITY.

(a) GENERAL RULE.—For purposes of chapter 1 of the Internal Revenue Code of 1954, in computing the taxable income of a taxpayer who, on November 19, 1982, held one or more bus operating authorities, an amount equal to the aggregate adjusted basis of all bus operating authorities held by the taxpayer on November 19, 1982, or acquired subsequent thereto pursuant to a binding contract in effect on November 19, 1982, shall be allowed as a deduction ratably over a period of 60 months. Such 60-month period shall begin with the later of the month of November 1982 or the month in which acquired, or, if later, at the election of the taxpayer, the first month of the taxpayer's first taxable year beginning after November 19, 1982.

(b) AGGREGATE DEDUCTION NOT TO EXCEED $5,000,000.—

(1) LIMITATION.—

(A) IN GENERAL.—The maximum amount of basis which may be taken into account under this section with respect to all bus operating authorities—

(i) held by a taxpayer on November 19, 1982, or

(ii) acquired by such taxpayer subsequent thereto pursuant to a binding contract in effect on November 19, 1982,

shall not exceed $5,000,000.

(B) ALLOCATION OF LIMITATION AMONG AUTHORITIES.—In the case of a taxpayer with respect to which there is more than 1 bus operating authority described in subparagraph (A), a portion of the $5,000,000 limitation contained in subparagraph (A) shall be allocated to each bus operating authority so described. Such portion shall be an amount which bears the same ratio to $5,000,000 as the adjusted basis of such authority bears to the aggregate adjusted basis of all bus operating authorities so described.

(2) EQUIVALENT BENEFIT WHERE CONSOLIDATED RETURN FILED.—For purposes of paragraph (1), a corporation which is a member of an affiliated group (within the meaning of section 1504) shall be treated as a separate taxpayer.

(c) DEFINITION OF BUS OPERATING AUTHORITY.—For purposes of this section, the term "bus operating authority" means—

(1) a certificate or permit held by a motor common or contract carrier of passengers and issued pursuant to subchapter II of chapter 109 of title 49 of the United States Code, and

(2) a certificate or permit held by a motor carrier authorizing the transportation of passengers, as a common carrier, over regular routes, in intrastate commerce, and issued by the appropriate State agency.

(d) SPECIAL RULES.—

(1) ADJUSTED BASIS.—For purposes of the Internal Revenue Code of 1954, proper adjustments shall be made in the adjusted basis of any bus operating authority for the amounts allowable as a deduction under this section.

(2) CERTAIN STOCK ACQUISITIONS.—

(A) IN GENERAL.—Under regulations prescribed by the Secretary of the Treasury or his delegate, and at the election of the holder of the authority, in any case in which a corporation—

(i) on or before November 19, 1982 (or after such date pursuant to a binding contract in effect on such date), acquired stock in a corporation which held, directly or indirectly, any bus operating authority at the time of such acquisition, and

(ii) would have been able to allocate to the basis of such authority that portion of the acquiring corporation's cost basis in such stock attributable to such authority if the acquiring corporation had received such authority in the liquidation of the acquired corporation immediately following such acquisition and such allocation would have been proper under section 334(b)(2) of such Code,

the holder of the authority may, for purposes of this section, allocate a portion of the basis of the acquiring corporation in the stock of the acquired corporation to the basis of such authority in such manner as the Secretary may prescribe in such regulations. The preceding sentence shall not apply if an election under section 338 of such Code is in effect with respect to the corporation described in clause (i).

(B) TREATMENT OF CERTAIN NONCORPORATE TAXPAYERS.—Under regulations prescribed

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

by the Secretary of the Treasury or his delegate, and at the election of the holder of the authority, in any case in which—

(i) a noncorporate taxpayer or group of noncorporate taxpayers on or before November 19, 1982, acquired in one purchase stock in a corporation which held, directly or indirectly, any bus operating authority at the time of such acquisition, and

(ii) the acquisition referred to in clause (i) would have satisfied the requirements of subparagraph (A) if the stock had been acquired by a corporation,

then, for purposes of subparagraphs (A) and (C), the noncorporate taxpayer or group of noncorporate taxpayers referred to in clause (i) shall be treated as a corporation. The preceding sentence shall apply only if such noncorporate taxpayer (or group of noncorporate taxpayers) on November 19, 1982, held stock constituting control (within the meaning of section 368(c) of the Internal Revenue Code of 1954) of the corporation holding (directly or indirectly) the bus operating authority.

(C) ADJUSTMENT TO BASIS.—Under regulations prescribed by the Secretary of the Treasury or his delegate, proper adjustment shall be made to the basis of the stock or other assets in the manner provided by such regulations to take into account any allocation under subparagraph (A).

(3) SECTION 381 OF THE INTERNAL REVENUE CODE OF 1954 TO APPLY.—For purposes of section 381 of the Internal Revenue Code of 1954, any item described in this section shall be treated as an item described in subsection (c) of such section 381.

(e) EFFECTIVE DATE.—The provisions of this section shall apply to taxable years ending after November 18, 1982.●

IN TRIBUTE TO SUMIO MIYAMOTO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MATSUI. Mr. Speaker, Sumio Miyamoto, a very special gentleman from my home city of Sacramento, passed away recently, and I would like to reflect briefly on his life and how greatly he inspired those of us who knew him.

When one remembers Sumio, one thinks of a kind husband and father, an excellent businessman, and an outstanding community leader. One also remembers his tremendous accomplishments. Sumio was founding and past president of the Sacramento Area Association of Travel Agents, and a member of the Sacramento Metropolitan of Commerce and the advisory boards of Sumitomo Bank and the Guild Savings & Loan.

Before his retirement in 1978, Sumio had owned and operated Miyamoto Travel Service and had founded insurance and public accountant businesses. Sumio, who spent World War II in an internment camp, was a long-time supporter of the Japanese American Citizens League and an active participant in the California State Redress Committee.

But Sumio was more than the sum of his many achievements. I will always remember how Sumio provided me with work when I was still a young lawyer just beginning my practice. He had confidence in me and other young people, and because he believed in us; we believed in ourselves. Especially for those of us of Asian ancestry, Sumio was a role model whose life and success was a consistent source of inspiration.

I will miss Sumio greatly and will always be grateful for the influence he had on my own life. Mr. Speaker, my thoughts and prayers go out to Sumio's wonderful wife, Kimiko; his son, Jerry; his four daughters, Terry, Beverly, Patti, and Jo Ann; and his sister, Kazuko Kono.●

COMPARABLE WORTH WORKS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. EDGAR. Mr. Speaker, over the past 2 years we have had a number of debates on the issue of comparable worth. Opponents of this principle of equality have argued that it won't work, that it's impossible to figure out the comparability of different jobs. I believe that the following article from yesterday's Washington Post speaks for itself:

CITY NEAR PEAK NO PIKER ON PAY

(By T.R. Reid)

COLORADO SPRINGS.—Can a staunchly conservative, heavily Republican, nonunion city government find happiness with a bold new policy championed mainly by organized labor and feminists?

"You're darn right we're happy with comparable worth," says Robert Isaac, the loyal Reaganite who is mayor of this thriving city of 250,000 at the foot of Pike's Peak.

"Some of my Republican friends back in Washington have been pretty tough on this idea," says Isaac, immediate past president of the Republican Mayors' Conference. "But I tell them, if they'd try it, they'd like it."

Some government officials and business leaders back in Washington have indeed had harsh words for the concept of "comparable worth"—the idea that women working in traditionally female jobs should get the same pay as men in different jobs requiring comparable skill and responsibility.

Former White House economic adviser William A. Niskanen Jr. has called comparable worth "a truly crazy proposal." Clarence M. Pendleton Jr., head of the U.S. Civil Rights Commission, said the concept is "the looniest idea since Looney Tunes."

"Yeah, I heard that," says Isaac with a shake of the head. "We wouldn't call it loony here in Colorado Springs.

"But what we had before—where a secretary is doing a job that's just as hard and just as important as a truck mechanic, and she's getting $300 [a month] less—now, that was loony. It's just basically unfair."

The liberal notion of comparable worth hit this conservative city four years ago. A group of 36 City Hall secretaries, all women, went before the City Council to complain that city auto mechanics, all men, were scheduled to get a much higher raise than they were.

"I was sitting at that meeting and—boom! There was the issue," recalls Richard Zickefoose, the city's personnel director. "We didn't expect it to come up, but all of a sudden we were faced with comparable worth."

Zickefoose knew that the federal Equal Pay Act requires equal pay for the same work, regardless of the worker's gender. But the law does not apply to workers doing different jobs, no matter how "comparable" the jobs may be.

As the second-largest employer in town (the federal government is No. 1 in this military city), the city government was under minimal competitive pressure to take on the problem, and there was no public employees' union here to force the issue.

But as Zickefoose and Isaac looked into the secretaries' complaint, they came to agree that the city had no choice but to set up a comparable-worth pay scale.

"It was fundamentally a moral issue," Zickefoose says. "Sure, supply and demand would have provided us a clerical force at the lower salaries. But that market fact was a result of years of discrimination against women workers. We felt we had no right to take advantage of it."

That settled, Colorado Springs faced the problem that many critics of comparable worth consider insoluble: figuring out which jobs done mainly by women are comparable to different jobs done mainly by men.

"The question is, 'Is a secretary's job the same as a tire repairman's? Is a payroll clerk comparable to a tree trimmer?' And, sure, that's a tough question," Zickefoose says.

Colorado Springs drew its answers from the "Hay Guide-Chart Profile" devised by the Philadelphia consultants Hay & Associates. It assigns points to each job in four areas: know-how (the knowledge and skills required); problem-solving (the ingenuity required); accountability (the degree of supervision required) and working conditions (the degree of danger present).

This "Hay Scale" showed, for example, that the jobs performed by a secretarial supervisor and a probation counselor each totaled 208 points. In 1980, though, the traditionally male probation job paid $1,709 a month, while the female supervisor received $1,389. The woman earned 23 percent less for "comparable" work.

In 1981, the city committed itself to eliminating almost all of that gap in four years. The comparable-worth scheme took full effect in January. Today, the secretarial supervisor's pay is within 4 percent of the probation officer's.

The change brought considerable raises for about 500 female employees and increased the $90 million city payroll by about 2 percent—a relatively small burden for this fast-growing, prosperous metropolis.

For this price the city earned deep appreciation from its female workers. "Morale is sky high," says Betty J. Ketterson, secretary to the public works director and one of the original 36 petitioners. "And when I need to hire somebody, our applicants are the pick of the crop."

But the government has earned the enmity of the local Chamber of Commerce and many businesses. They say the city bought a liberal bill of goods, flouted the free market and raised the pay scale for clerical workers here to astronomical levels.

Mayor Isaac, a real estate lawyer in private life, says the Chamber of Commerce should stop carping.

"We did something fair and just, and in return we got ourselves great employee morale, lower turnover and higher productivity," Isaac says. "Isn't that what the private sector's always looking for?"●

THE GREAT SEAL ACT OF 1985

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Ms. MIKULSKI. Mr. Speaker, last week I introduced the Great Seal Act of 1985. This bill will require that the official seal of the United States be completed according to the original intent of the founders of our country.

The history of the seal of the United States is a fascinating story. I am indebted to Zoh and Robert Hieronimus of Baltimore for the information and insights they have provided me on the Great Seal. America's official seal was created in 1782. It consists of two sides: the American eagle on the obverse and the unfinished pyramid on the reverse. Many people through the years have researched the meaning of the colors and objects on the seal. Fascinating theories have been put forward regarding this historic and esoteric symbolism.

The Great Seal is impressed on official documents signed by our President and Secretary of State. The obverse, picturing the eagle holding 13 arrows and an olive branch, has been used alone as our official seal for over 200 years. But the image of the unfinished pyramid on the reverse has never been cast. The current use of only one side of the seal needs to be corrected. This bill will address the problem of this long-standing oversight.

The seal is now over 200 years old. It's about time that the reverse be cast and America once more utilize a complete seal. I hope that the 99th Congress will act favorably on the Great Seal Act of 1985, in keeping with the original intent of America's founders.●

THE "INSTANT ARAB KIT"

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues a column which appeared in the Washington Post on March 19, 1985. This column, written by Jack Shaheen a professor at Southern Illinois University, clearly presents a convincing argument against the dangers of stereotyping. In this case, it is the Arab who is unfairly stereotyped; but by no means are they the only ones affected. Italians, Poles, Jews, and many other ethnic groups are unfairly typecast. I hope that this article will be of interest to all of us who feel that these attitudes have no place in our society.

THE 'INSTANT ARAB KIT'

(By Jack G. Shaheen)

The media see Arabs as billionaires, bombers or belly dancers.

When I think of the word "Arab," I see 180 million people in the greater Arab world. Most share heritage, religion and history. In 21 Arab countries we see city dwellers and suburbanites, farmers and villagers. Their dress is traditional or Western. The variety of their garb and life style defies stereotyping.

When many of us hear "Arab" we think "anti-American," "anti-Christian," "cunning," "unfriendly" and "warlike." Yet most of us know little of the Arab people, customs or accomplishments. The myths of the media encourage distrust and misunderstanding. Once a negative image becomes ingrained, it endures. The result: a self-perpetuating, dehumanizing stereotype, caricatures rather than human beings.

Several distortions exist:

Arabs are extremely wealthy. In fact, the average Arab has a per capita income of approximately $1,000 per year.

Arabs are barbaric and uncultured. The Arabs gave the world a religion—Islam—a language and an alphabet. Arab scholars contributed sigificantly to medicine, mathematics, astronomy, chemistry and the arts.

They are sex maniacs and white slavers. As a Fulbright scholar who traveled extensively in the Middle East, I found most Arab husbands to be monogamous. Slavery is prohibited.

They are terrorists. A small minority of Arabs, Israelis, Europeans, Americans and others resort to terror.

They are buying up America. The U.S. Treasury reports that Arab investments in America, compared with those of other groups, are minimal. The leading investors are the Dutch, British, Canadians, Germans, Swiss, French and Japanese. Investments made by Arabs are tagged "Arab money" in a way German marks and French francs are not.

OPEC equals Arabs. Only seven of the 13 members are Arabs.

Iranians are Arabs. Iranian are Persians.

When depicting Arabs, TV and screen writers, novelists, cartoonists and other media professionals incorporate these myths with the "Instant Arab Kit." The kit includes belly dancers' outfits, headdresses, veils, dark sunglasses, flowing gowns and robes, oil wells, evil mysticism, limousines and camels. We see Arabs as billionaires, bombers or belly dancers—villains of choice. It is fashionable to be anti-Semitic—provided the Semites are Arabs.

Stereotypical Arabs prowl TV screens. Children see heavies such as The Desert Rat, Ali Boo-Boo, Abdul-O, the Un-Cool-O and Abdullah the Butcher on "Popeye," "Woody Woodpecker" and other shows.

In "Cagney and Lacey," the policewoman deceive an arrogant, oil-rich Arab, whose Rolls-Royce bears a license plate "OILBUX." The rich Arab runs over a poor Jew, but he refuses to pay the victim's hospital bills. In "CHiPs," a reckless sheik tries to bribe the officers—"a way of life" in his country. In "Alice," Ben the oil baron, asks Flo to become Wife No. 4.

Common film portrayal of Arabs—the deprived woman, the stupid sheik and the inept lover—surfaces again in several 1984 films, such as "Best Defense," Bolero," "Cannonball Run II" and "Protocol."

In "Best Defense," Kuwaiti children throw stones at Eddie Murphy's tank. Roars Murphy: "Okay, you desert rats, now you die."

"Bolero" features a kidnapping sheik as an inept lover. In "Cannonball Run II," an ape kissing King Falafel. The king smiles, saying: "If only your mother could kiss like that!" "Protocol's" hordes of Arabs ogle Goldie Hawn—she has, after all, blonde hair. Arabs are so deprived, the stale formula goes, they'll do anything for a sexy blonde.

Comic strips attract our attention. An arrogant would-be suducer of Western women, Sheik Oily-O-leum, appears in "Brenda Starr." "Spiderman" features Dr. Mondo, a nuclear terrorist. My favorite cartoon character, Dennis the Menace, complains on Thanksgiving Day: "Dewey's family's havin' meat loaf. His dad says some Arab is eating their turkey."

I have yet to read a novel featuring heroic Arabs. Sometimes the antagonist is half-Arab, as in "Key to Rebecca." In novels such as "The Haj" and "The Sphinx," Arabs appear as religious fanatics. Other novelists contend they are inept assassins intent on destroying Israel and the West with nuclear weapons. Yet Israel is the only nation in the Middle East with nuclear arms.

We are less inclined to view TV, motion pictures and other forms of entertainment as propaganda because entertainment is supposedly harmless. Yet entertainment performs as propaganda precisely because audiences absorb messages unknowingly.

Stereotypes, endlessly repeated, seem natural, and are thus often perceived as truth. The distorted images should be abandoned along with other stereotypes—the black domestic, the greedy Jews, the savage Indian, the dirty Hispanic and the Italian mobster.

The civil rights movement of the 1960s curbed the Stepin-Fetchit-type portrayal of blacks on television. The movement also helped bring to the screen more realistic portrayals of other groups. But Arabs haven't received the same second look from the media. They deserve the kind of acceptance other ethnics receive.

Today's Arab stereotype parallels that of the Jews in pre-Nazi Germany, when newspapers and films made them dark and threatening. The characterization of Jews as anarchists or devious financiers was intolerable. Yet this caricature has been received and transferred to another group of Semites, the Arabs. Now it wears a robe and a headdress, instead of a yarmulke and a Star of David.

Perhaps the best way to eradicate the mythical Arab is to insist that media professionals accept responsibility. When any group is degraded, we all suffer. The time has come to retire the stereotype. Such redress would reveal a people just as radiantly human as others, gracing and enriching our lives on this marvelously varied Earth.●

ALASKA LOOKS AT BUSINESS IN SOUTH AFRICA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mrs. SCHROEDER. Mr. Speaker, I recently returned from Alaska, where the State legislature, like many others, is considering legislation on divestment of stock in companies that do business in South Africa. Alaska must be the other end of the world from South Africa, but they are speaking out against the outrageous oppression of apartheid. The Anchorage Daily News made a fine statement on the issue of apartheid and divestment. I share that statement with my colleagues.

The statement follows:

[From the Anchorage Daily News, Mar. 23, 1985]

DIVEST ALASKA OF SOUTH AFRICA HOLDINGS

Another racial atrocity in South Africa—the worst single incident in 25 years—has made headlines and assaulted the sensibilities of civilized people around the world. It is not so much that they would blame the frightened and possibly undisciplined South African policemen who shot into a crowd of between 3,000 and 4,000 at a protest march. It is that the incident exposes once again the brutal reality of an apartheid system that too often turns life itself into a slow, grinding atrocity for three-quarters of the population.

The Uitenhage tragedy is one more bleeding outbreak—the 1960 Sharpeville massacre (69 blacks dead) and 1976 killings in Soweto (some 600 blacks killed in one summer) are the best-known others—of a system that oppresses an entire society, but its citizens of color most brutally. Black South Africans are not allowed to vote or own property. They cannot go anywhere without a pass, or work without a government permit. Some 8 million of the black majority of 23 million are banished to impoverished "homelands" where they cannot even claim what meager advantages accrue to South African citizenship. It should be no surprise when this repressive society, for all its technological achievements and outward patina of civilization, erupts in conflict and violence.

Alaskans, like many Americans, hold a small piece of leverage over that society—in the form of investments in companies that do business there. A measure brought before the legislature by Reps. Jim Duncan, D-Juneau, and Don Clocksin, D-Anchorage, would direct the Alaska Permanent Fund to gradually sell off its stock in companies doing business in racist South Africa. The bill allows time and flexibility for the divestment so that the state would not be forced to lose money selling its stock in a rush. But it ultimately would wash Alaskans' hands of businesses that help sustain the system of apartheid.

There is room for serious debate about what guidelines would control the divestment, which companies would be included, what business ties would be considered unacceptable. It's worth discussing whether those companies that provide meaningful avenues for progressive change should be exempted. It goes practically without saying that business investment and commerce are a complex and potentially self-defeating forum for making political statements—and that in general political statements are best confined to political arenas.

But the reality of systematic oppression can overwhelm such cautions. South Africa is such an occasion. Alaska, as a state, should withdraw its financial involvement at the earliest convenience.●

SUCCESS OF THE SMALL BUSINESS DEVELOPMENT CENTER PROGRAM

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MAVROULES. Mr. Speaker, since its inception in 1976, the Small Business Development Center Program [SBDC] has expanded to include 37 centers in 36 States. In a relatively short period of time, this program has demonstrated that it is one of the most cost efficient and effective sources of management assistance available to the Nation's small businessmen and women.

Every dollar appropriated by Congress for the SBDC Program must be matched equally with funds from other sources. As a result, small business development centers have produced a unique partnership between the Federal Government, institutions of higher education, and the private sector to assist new and developing small businesses. Through these cooperative agreements, SBDC's have been established all over the Nation in concert with public and private universities, State and local governments, local chambers of commerce, lending institutions, and other private sector businesses.

SBDC's work for small business; they encourage private investment.

The money we appropriate in Congress is used to leverage an investment of private capital which far exceeds the $28 million the Federal Government will spend on the SBDC this year.

In Massachusetts, we are privileged to have one of the most successful SBDC programs in the Nation. Since its inception in 1980, the Massachusetts Small Business Development Center has counseled 6,808 clients, conducted training seminars for 12,318 current and prospective small businessmen and women, and secured over $32 million in financing, which has resulted in the creation of 1,451 new jobs in the State.

It is one thing to share with you my views on the SBDC Program, but it is quite another to share with you the personal experiences of those individuals who have used the program. The following are two of the many letters I have received regarding the SBDC Program. I feel that they reflect the strong support for SBDC's among the small businessmen and women of Massachusetts.

DONALD J. RIELLY,
27 HILLSDALE ROAD,
Holbrook, MA,

Congressman NICHOLAS MAVROULES,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN MAVROULES: Having been a small business owner, I am greatly disturbed at the prospect of the elimination of the Small Business Administration. Especially the Small Business Development Centers which are of great importance to small business owners.

The concept of the Small Business Development Center program is not one of lending money but to educate the small business person to understand business practices to become better managers. Through one on one counselling and workshops and seminars the program has helped me and many others to become better managers.

The United States Government has finally found an inexpensive positive way to assist small business owners. By utilizing the resources of Universities and professional counselors the program can do much for the economy. Instead of throwing money at small business problems the community of small business owners can become more efficient and offer the opportunity for growth. The Small Business Development program should be expanded not eliminated.

I implore you to take a stand on the S.B.A. issue in favor of all of the small business owners in the State and in the country.

Sincerely your,

DONALD J. RIELLY.

SALEM MA, FEBRUARY 19, 1985.

Congressman NICHOLAS MAVROULES,
U.S. House of Representatives,
Washington, DC

DEAR CONGRESSMAN MAVROULES: As a user of the Small Business Development Center at Salem State College, I urge you to continue the Small Business Administration (SBA) as an independent agency and to allow funding for the Small Business Development Centers (SBDC). Small businesses are creating new jobs for our unemployed. From 1980 to 1983, 3,166 new jobs were created and 1,451 jobs were created through new financing.

Impact studies conducted of clients of SBDC whose cases have been closed for over a year reveal the following: 75 percent of the clients increased sales, 58 percent of the clients increased profits, and 38 percent of the clients increased employment.

These figures indicate how positive the SBDC can be for our total economy. Small businesses have a clear impact on the improvement of our nation's economic health.

When Congress considers President Reagan's proposed budget, please keep the contents of the letter in mind.

Thank you.

Sincerely,

CATHERYNE DRAPER,
Mathematics Education Consultant.

MARCH 18, 1985.

Re: We must not abolish the S.B.A.—we need it.

Mr. NICHOLAS MAVROULES,
District No. 1, U.S. Representative, Longworth House Office Building, Washington, DC.

DEAR MR. MAVROULES: I am deeply disturbed by the plan to eliminate the Small

Business Administration as outlined in the President's budget.

This would mean the abolition of the Small Business Development Center Program (SBDC), sponsored by Boston College and partly funded through the SBA. Small businesses need the quality management assistance and direction provided by the SBDC. It is a superb program and must be saved.

How the SBA (via SBDC) Helped My Business.—Better Communications is now in its seventh year and employs 12 people. In the past year my business has doubled. I attribute much of this success to the guidance and advice the SBDC offers me. I started Better Communications with little knowledge of how to run a business. SBDC taught me how to manage my business for optimum growth—they taught me almost everything I know.

My company is still growing and I need the services that SBDC offers—free of charge. I am not convinced my business would survive without them. I am sure I am expressing the feelings of many other small businesses.

It Does Not Make Economic Sense to Drop the S.B.A.—I realize that budget cuts are necessary if we are to reduce the deficit, but it is illogical to cut programs which in the long run help reduce deficits by creating greater tax revenues and jobs.

Small businesspeople are hardworking, dedicated and driven individuals. But we need SBDC as a foundation and as a guide—it is the S.B.A.'s best program. Therefore we need the S.B.A. to remain intact. I am counting on you to carry on this fight for us in Washington. Many small business' futures across the country depend on it.

Sincerely yours,

DEBORAH DUMAINE,
President.●

LET'S NOT DERAIL THE CONRAIL DEAL

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BROYHILL. Mr. Speaker, on February 8, 1985, Secretary of Transportation, Elizabeth Hanford Dole, recommended to Congress that the Government's ownership interest in Conrail be sold to Norfolk Southern Corp. This decision was made after months of careful deliberation and consideration by the Department of Transportation, and after consultation with both the Department of Treasury and the Department of Justice.

The attributes of a Norfolk Southern purchase are numerous. From a financial perspective, it ensures that Conrail would be returned to the private sector as a strong, viable railroad. It guarantees that rail labor will have a long term, stable employment base, an assurance which is a welcome one given the many sacrifices that rail employees have had to make in the past. Shippers will benefit from more efficient, single line service and will be able to extend their market reach within a large rail network. Regional rail carriers will be given needed access, through the grant of trackage rights, opening of gateways and reinstitution of joint rates. States will begin to receive their tax revenues, which have been forgone for many years. Most important, the risk that Conrail will again need massive Federal assistance will be eliminated once and for all.

As the ranking minority member of the Committee on Energy and Commerce, on March 6, I introduced legislation which would implement the Secretary's recommendation, H.R. 1449, the Sale of Conrail Act of 1985. To date this bill has received strong bipartisan support.

I am hopeful that hearings will soon be scheduled on this bill so that we can proceed expeditiously with the sale. I commend to my colleagues an editorial which appeared in today's Wall Street Journal calling for responsible congresssional action now with respect to the sale of Conrail.

[From the Wall Street Journal, Mar. 26, 1985]

DERAILING THE CONRAIL DEAL

Can Transportation Secretary Elizabeth Dole get Congress to let go of Conrail or will a few irresponsible legislators succeed in blocking the sale? Taxpayers have a large interest in the sale—through the opportunity to rid themselves of a costly and unnecessary burden. Congressional leaders would do themselves a favor by coming to Mrs. Dole's aid.

Mrs. Dole chose Norfolk Southern to buy Conrail for $1.2 billion on Feb. 8. A bill approving the sale was introduced in Congress but quickly derailed in the House. Throwing the switch was a young New Jersey Democrat named James Florio, who has spent most of his legislative career trying to pry the door off the federal Treasury.

Conrail was a taxpayer migraine well before Mr. Florio got into the act. Congress stepped into Penn Central bust in 1973 and generously began handing our money to owners, bondholders, creditors and unions, saving them from the horrible fate of having to sell the railroad to private bidders. By the time Ronald Reagan came to the White House in 1981, taxpayers had invested $7 billion protecting everyone connected with the Penn Central fiasco. The only saving grace was that some of the money had gone to rehabilitate the property, making it worth more than it was in 1973. Mr. Reagan said it was time to sell.

Congress seemed to agree. But when it finally passed a bill to sell Conrail in 1981, it chose to make the task as hard as possible. The bill included a long list of covenants and restrictions, including a continuation of present service and employment levels. These cut the number of prospective buyers and hence the potential recovery of tax dollars. Congress would have to approve any sale before it would cancel Conrail's debt to the government.

Mrs. Dole figured the only way to get the promises Congress wanted was to find a single buyer. Three suitors offered bids: Norfolk Southern, Alleghany Corp. and an investors group led by hotel executive J.W. Marriott Jr. Mrs. Dole chose Norfolk Southern, a well-run railroad with bounteous cash reserves, on grounds that it would be most likely to keep Conrail out of future trouble.

The plan is that after Norfolk Southern makes some divestitures required by the Antitrust Division at Justice, it would add Conrail as its northern link. This would cut switching costs and overhead. The proposed sale has thus received good marks from shippers, who represent the consumer interest.

But enter Congress. Mr. Florio and Ohio's Howard Metzenbaum—the favorite senator of the competing Chessie railroad—say they oppose the sale because Norfolk Southern could end up with lots of depreciation write-offs. Mr. Florio refused to schedule hearings before his Energy and Commerce subcommittee. He dredged up one of those notorious "congressional studies" to show that Norfolk Southern could get more than the $1.2 billion purchase price in tax savings. Even the present management of Conrail—not friendly to the sale either—says savings of that magnitude are unlikely. And, indeed, part of the deal is that Norfolk Southern won't get either Conrail's $2.4 billion in loss carry-forwards and investment tax credits or its total exemption from state and federal income tax.

Most significantly, the stock market obviously sees no taxpayer rip-off. When Norfolk Southern was chosen, its shares were selling at just under $67. Since then they have budged slightly downward.

In an ideal world, Mrs. Dole could have followed the British privatization track by having the underwriters just sell all the stock the government owns. But the ideal world doesn't include those covenants Congress demanded. A few congressmen, like their counterparts in the British left, simply don't want to sell any nationalized property. But these days even some people who call themselves "socialists," in places like France, Italy—even Hungary—have come to recognize that government-owned enterprises are both political and economic albatrosses.

There is always someone who doesn't get the message, however. And given the congressional "reforms" of the 1970s, even a minor subcommittee chairman can undermine four years of legislative and administrative work. The White House should tell congressional leaders that their own best interests would be better served if they didn't let things like this happen.●

INTRODUCTION OF THE SUMMER YOUTH EDUCATIONAL ENHANCEMENT PROGRAM

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. EDGAR. Mr. Speaker, I am very pleased that today Representative HAMILTON FISH and I are introducing the Summer Youth Educational Enhancement Program. Our bill would add a remedial education component to the summer jobs program, title IIB of the Job Training Partnership Act, for economically disadvantaged youth.

The need for this program is acute. Our Nation's workers need to be able to learn new skills constantly as technological innovations transform job requirements. They will not be able to

do so if they have not mastered the fundamentals. Unfortunately, we are currently seeing a decline in reading, writing, and math literacy rates. Moreover, high school dropout rates are on the increase.

In some urban schools the dropout rate is greater than 50 percent. One of the reasons teenagers leave school is from sheer frustration. It is very difficult for them to remain in high school when they lack the most basic education skills.

Disturbing studies recently revealed that up to one-third of our adult population—perhaps 60 million men and women—cannot read the front page of a newspaper. Among adults, 16 percent of whites, 44 percent of blacks, and 56 percent of Hispanic people are either partially or totally illiterate. We cannot let this situation continue.

The legislation we are proposing would target assistance to at-risk youth by adding a remedial education component to the current Summer Youth Employment and Training Program. Local education agencies wishing to receive funding would work out arrangements—such as what services are to be provided, when, by whom, and for whom—with the administrative entity for the service delivery area under JTPA and then apply to the State education agency. The State would then approve or reject these applications.

Let me give a couple of examples of how this program could work. Instead of working the usual 8 hours a day, a teenage might work for 6 hours and spend the other 2 taking intensive instruction in reading, writing, and math. Alternatively a full day out of the work week might be devoted to this instruction. In addition, this could take place in a traditional classroom or at a temporary site close to or on the worksite. These decisions would be made locally, between the education agency and the JTPA administrative entity, depending on their joint assessment of the needs of disadvantaged youth in the community.

This program has been designed to promote real coordination between the education and the employment and training systems, a goal that has long been sought but never completely realized. Since the passage of the Youth Employment and Demonstration Projects Act in 1977, the Congress has an 8 percent set-aside for these purposes. Yet, in spite of these efforts, coordination remains sporadic.

The legislation we are proposing today takes a new approach to coordinating the education and employment and training communities. Funds would be directly allocated to the local education agency. In this way the education system as well as the employment and training community would be enlisted in the effort to improve the employability of disadvantaged youth.

A solid basic education is critical to our workers since they must undergo frequent retraining to keep pace with the changing demands of the workplace. Providing these skills to disadvantaged youth—before they experience the frustration of prolonged and frequent unemployment—is both economically and socially sound.●

PAUSE FOR THE PLEDGE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Ms. MIKULSKI. Mr. Speaker, I am today introducing a joint resolution which urges all Americans to pause at 7 o'clock p.m. e.d.t. on June 14, 1985, to say the Pledge of Allegiance to the flag as part of the national Flag Day celebration.

"Pause for the Pledge" is the dream of a group of dedicated volunteers from the Star-Spangled Banner Flag House in Baltimore, MD. The Star-Spangled Banner Flag House Association has been the official sponsor of the national Flag Week festivities since 1952. Their headquarters is the house where Mary Young Pickersgill sewed the flag that flew over Fort McHenry in 1814 and inspired Francis Scott Key to write the national anthem.

In these troubled and uncertain times, we urgently need to reassess our values and remind ourselves of what we really stand for and who we are as a nation. We need to remember the social contract we made together when the Declaration of Independence and the Constitution were written—A contract our Nation has lived by for more than 200 years.

The joint resolution that I have introduced calls on Congress to recognize the "Pause for the Pledge" as an official part of national Flag Day ceremonies across the country. This resolution has already been passed in the Senate for 1985. I urge my colleagues to join me and other members of the Maryland delegation in this effort to inspire patriotism and pride in our country as well as the commemoration of our history.●

A SALUTE TO CALIFORNIA SPELLERS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MATSUI. Mr. Speaker, on April 20, more than 140 schools from Sacramento, Placer, and Yolo Counties will send their best spellers to the California Central Valley Spelling Bee being held at Sacramento City College.

Mr. Speaker, the future of this Nation depends on excellence in our schools. These students, selected from 140,000 youngsters, represent academic excellence and I want to extend to them my warmest congratulations.

Mr. Speaker, the students in the California Central Valley Spelling Bee will be competing for a number of awards, including a 7-day trip to Washington, DC. I want to emphasize, however, that all of those participating are winners. They are striving toward academic achievement, giving their best, and making a great number of people very proud.●

SPECIAL COUNSEL LAID AN EGG IN EYES OF TIMES

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mrs. SCHROEDER. Mr. Speaker, I want to bring to the attention of my colleagues a March 19 editorial from the New York Times. I am pleased that the Times had made clear why the action of the Office of Special Counsel of the Merit Systems Protection Board to prosecute three Government employees, who have been on leave without pay to serve as heads of Government unions, is silly.

The Special Counsel is supposed to protect Federal and Postal employees from political coercion and removal for political reasons. In this case, he has taken the role of the hatchet man to eliminate those Government employees who have spoken out against this administration's policies especially as it affects Government workers. I wish the Special Counsel had put as much energy into protecting employees, who have been adversely affected for disclosing fraud, waste, and mismanagement.

The editorial follows:

POLITICIZING A POLITICAL PROTECTION

The enforcement arm of the Merit Systems Protection Board, the Office of Special Counsel, is supposed to protect Federal workers from politics. Its recent behavior makes it look more interested in protecting Government from politically active workers.

The counsel charges that three employee union leaders violated Federal law by endorsing Walter Mondale for President last year. The three surely did that, but to call that a Hatch Act violation is to insist on a strained, technical reading of the law. The charges, issued in the name of political purity, themselves smack of politics.

Pursuing them misuses scarce resources that could be better applied, for instance, to protecting whistle-blowing employees from retaliation. The prosecution risks a court ruling that could invalidate sections of the Hatch Act dealing with political expression by all Federal employees.

The act was passed in 1939, long before the Government recognized employee unions. Congress feared that the rapidly growing Federal work force would be ripe for exploitation by politically appointed managers. The law contains a vague prohibition against taking "an active part" in political campaigns. But it stipulates that an employee "retains the right to vote as he chooses and to express his opinion on political subjects and candidates."

The Hatch Act is probably overrated. It does only limited good. The experience of 45 years indicates that Federal workers don't need it to protect themselves against pressure from their bosses. Meanwhile, the act deprives them of the freedom their private-sector counterparts have to engage in politics on their own time. Congress sought to repeal most of the Hatch Act 10 years ago but failed to override President Ford's veto.

The Supreme Court has upheld the act but has warned that attempts to use it to deny free speech or political expression would be carefully scrutinized. If the merit board sustains the charges brought by its special counsel, it will invite that scrutiny.

For many years the Government has followed an inexpensive accommodation with the three men in this case, Moe Biller of the American Postal Workers Union, Ken Blaylock of the American Federation of Government Employees and Vincent Sombrotto of the National Association of Letter Carriers. They have been permitted to take leave without pay to perform their union functions and are for the time being Government workers in name only.

Perhaps, then, the merit board will conclude that the law isn't meant to apply to them. That sensible reading of the law would avoid a constitutional test. The Hatch Act's benefits may be limited but they're worth preserving. It's unfortunate that the board's enforcement office couldn't see this point.●

AMENDING THE DEFINITION OF AN UNRELATED TRADE OR BUSINESS WITH RESPECT TO CERTAIN QUALIFIED CONVENTION AND TRADE SHOW ACTIVITIES OF CHARITABLE ORGANIZATIONS

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. JENKINS. Mr. Speaker, I have today introduced a bill amending the Internal Revenue Code of 1954 to exclude from the definition of an "unrelated trade or business" the qualified convention and trade show activities of section 501(c) (3) and (4) organizations. This bill passed the House in the 95th Congress as H.R. 12828 but was not acted upon by the Senate.

Under the code, section 501 (c)(3) and (c)(4) organizations are generally considered charitable organizations. Under the provisions dealing with exempt organizations, an organization's "unrelated business taxable income" is its gross income from any unrelated trade or business less deductions which are directly connected with the carrying on of such trade or business. An "unrelated trade or business" is a trade or business the conduct of which is not substantially related to the exercise or performance by the organization of its exempt function.

The Tax Reform Act of 1976 amended section 513 of the Internal Revenue Code to exclude from the definition of "unrelated business taxable income" any income derived from a qualified convention and trade show activity carried on by an organization which is exempt under section 501(c)(5) and section (c)(6) of the code and which conducts regularly as one of its exempt purposes a convention or trade show activity which stimulates interest in, and demand for, the products of the industry in which the organization's members are generally engaged. It is believed that section 501 (c)(3) and (c)(4) organizations were inadvertently overlooked in the effort to complete congressional action on that act.

A colloquy between Senator LONG and Senator Talmadge during the Senate's consideration of the conference report on the act indicates that section 501(c)(3) and section (c)94) organizations were entitled to inclusion under the act although the conference committee draft omitted this. My bill would clarify this point.

Specifically, my bill would exempt from "unrelated business taxable income" any income derived from an otherwise qualified convention and trade show activity, including the leasing of exhibition space to suppliers, who take orders from the organization's members, if a purpose of the organization in sponsoring the activity is the education of persons engaged in the industry on the development of products and services or new rules and regulations affecting the industry.

It has become increasingly clear that a clarification of this point is vital. Because the current statute refers only to 501(c)(5) and 501(c)(6) organizations, there has been continuing confusion and concern as to whether the trade show income of other 501(c) organizations are subject to the unrelated business income tax. This concern has been particularly acute among 501 (c)(3) and (c)(4) organizations. The prohibition in the current statute on sales activities discourages many potential exhibitors from attending section 501 (c)(3) and (c)(4) trade shows. Most 501 (c)(3) and (c)(4) trade shows are primarily educational in nature and, to the extent that some exhibitors are discouraged from attending, the overall educational content of the show is diminished. Moreover, the difference in the rules governing the tax treatment of these organizations creates an anomalous and inequitable situation in which a section 501 (c)(3) and (c)(4) organization may be taxed for activities identical to those which are considered exempt for a section 501 (c)(5) or (c)(6) organization. Additionally, the difference in the rules governing the tax treatment of section 501 (c)93) and (c)(4) and those governing section 501 (c)(5) and (c)(6) trade shows cause severe problems where a trade show is jointly sponsored by one of each of these organizations.

The revenue effect is negligible according to estimates by the Joint Committee on Taxation made in 1978. At that time, the bill was projected to decrease budget receipts by less than $1 million annually.

This bill will benefit charitable organizations which sponsor conventions to educate their members. These organizations under the existing Treasury interpretation cannot exclude income derived from their lease of space to exhibitors from their unrelated business taxable income. Public hearings held in the Subcommittee on Miscellaneous Revenues of the Committee on Ways and Means and 1978 documented the desirability of enactment of this bill. In providing equal tax treatment with regard to trade show income for 501(c) (3), (4), (5), and (6) organizations, a major administrative burden will be lifted from the IRS and the Tax Code will be made more equitable and fair.

Mr. Speaker, I insert the text of the bill in the CONGRESSIONAL RECORD following these remarks.

H.R. 1732

A bill to amend the Internal Revenue Code of 1954 to exclude from the definition of an unrelated trade or business qualified convention and trade show activities carried out by organizations described in section 501(c)(3) or 501(c)(4) of such code.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) CERTAIN EDUCATIONAL ACTIVITIES AS CONVENTION AND TRADE SHOW ACTIVITIES.—Section 513(d)(3)(B) (relating to qualified convention and trade show activity) is amended by inserting after "industry in general" the following: "or to educate persons in attendance regarding new developments or products and services related to the exempt activities of the organization".

(b) QUALIFYING ORGANIZATIONS.—Section 513(d)(3)(C) (relating to qualifying organization) is amended by striking out "501(c) (5) or (6)" and inserting in lieu thereof "501(c) (3), (4), (5), or (6)", and by inserting before the period at the end thereof the following: "or to educate persons in attendance regarding new developments or products and services related to the exempt activities of the organization".

(c) EFFECTIVE DATE.—The amendments made by this Act shall apply to activities in taxable years beginning after the date of enactment of this Act.●

51-059 O-86-23 (Pt. 5)

BIRMINGHAM LOSES A LEADER

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. ERDREICH. Mr. Speaker, Birmingham recently lost a citizen whose entrepreneurial skills were matched only by the generosity and concern he showed for his community and the people who lived there.

Isadore Pizitz died on Sunday, March 17, at the age of 81. During his lifetime, he helped turn a local store founded by his father into a chain of 12 stores that span Alabama and add greatly to the vitality of our State and local economy.

He used the financial resources he gained through this successful enterprise to help his community through his participation in a number of civic and religious activities.

Isadore Pizitz helped improve his community in every way possible—through his economic endeavors, his civic-mindedness, and his religious activities.

And while his sons Michael, Merritt, and Richard will certainly continue the outstanding operation of this family business, which began in Birmingham in 1898 when their grandfather opened the first Pizitz store, we all have lost a friend and true community leader who will be sorely missed by Birmingham, AL, and the Nation.

I submit for the RECORD editorials that appeared in the Birmingham Post Herald and the Birmingham News respectively, that describe the full and rich life Isadore Pizitz led and his many contributions to his community.

[From the Birmingham Post-Herald, Mar. 19, 1985]

ISADORE PIZITZ

Isadore Pizitz, who died Sunday at 81, had long since passed leadership of his family's department store chain to his sons, and with it the more visible involvement in a variety of civic activities. But until illness intervened several months ago, Pizitz continued to work six days a week and to be interested in charitable causes.

During Isadore Pizitz's lifetime, the store founded by his father grew into a chain of 12 stores, half of them outside of Birmingham. It is a vital cog in the economic life of this community and state.

But Pizitz, like his father before him, did not limit himself to commercial enterprise. He also gave of himself and his financial resources to help others. He headed many fund drives and helped others from behind the scenes.

Pizitz was not one to seek the limelight, but when it sought him, as it so often did, he used that position to improve the community.

Isadore Pizitz led a long and worthy life. He left his mark on this community and helped to make his family name an honored one.

[From the Birmingham News, Mar. 18, 1985]

ISADORE PIZITZ

If you sell goods to people, you are a merchant. And that's how Isadore Pizitz saw his role during his long life and successful and honorable career as a merchant *par excellence*, and most recently as chairman of Pizitz Inc.

Head of a family that has left its name stamped indelibly on Birmingham and Alabama, Isadore Pizitz saw his family business grow from a single department store in downtown Birmingham to a group which now includes 11 branch stores in shopping centers throughout the state.

Isadore became active in the business in 1924 and worked under the tutelage of his father, the late Louis Pizitz, the patriarch of the family who opened the first store in Birmingham in 1898.

Although dedicated to the retail business, Isadore Pizitz made time for a wide variety of civic, professional and religious activities. He was a member of the Alabama Federal Savings & Loan, Operation New Birmingham, the Downtown Improvement Association, United Jewish Appeal, Greater Birmingham Chamber of Commerce and the President's Council of UAB.

He was also active in the National Retail Merchants Association, the Lions Club, March of Dimes, Temple Emanu-El and Temple Beth-El. He contributed to numerous charities and gave generously to support educational and cultural enterprises.

Characteristically, although he had been ill with cancer for some seven years, Pizitz worked at his desk up until 10 days before his death.

This city and state will miss Isadore Pizitz's dynamic and benign influence on both business and civic affairs. And what more can be said of a man than that ours is a better community and state for his having come this way.●

PENNSYLVANIA HOUSE RESOLUTION 31

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. EDGAR. Mr. Speaker, as this House prepares to review the sale of Conrail, I wish to bring to the attention of my colleagues a resolution passed late last month by the Pennsylvania House of Representatives. My State of Pennsylvania has a major stake in the future of a healthy, competitive Conrail. The railroad maintains thousands of miles of line in Pennsylvania, serves hundreds of shippers, and employs over 15,000 people throughout the Commonwealth.

Therefore, I find it significant that on February 26, the Pennsylvania House passed Resolution 31 by a 198–0 vote. The resolution notes that one-quarter of Conrail's route mileage and 40 percent of its workforce resides in our State, and reviews that various industries served by the railroad. Most important, the resolution calls for a public offering of Conrail, rejecting Secretary of Transportation Dole's proposal to sell it to Norfolk Southern.

I believe that it is important for us to sit up and take notice when legislators in Conrail's most important State, literally her "Keystone State," choose the public offering as the most appropriate mechanism for returning the railroad to the private sector. Even more important than the message that the best alternative is a public offering, which I have introduced in this House as H.R. 787, is their implicit call for careful deliberation on the sale. The Secretary of Transportation has submitted to us her suggestion for the sale of Conrail, and it is time for us to review that suggestion. However, we should not abdicate our responsibility to also examine other options, including a public offering, reopening the bidding process, or not selling the road at all. After years of assistance and a $7 billion taxpayer investment, we should move steadily, but carefully.

We do have a Federal deficit to be aware of, but we also have a responsibility to get the most for our huge investment. Putting the Conrail sale into budget reconciliation or otherwise rushing the process will have negative results for the region served by Conrail. Let's make the right decision on Conrail, not just a quick one.

At this point, Mr. Speaker, I ask that the text of Pennsylvania House Resolution 31 be inserted into the RECORD.

PENNSYLVANIA HOUSE RESOLUTION 31

A concurrent resolution memorializing the President, Congress and Secretary of Transportation to sustain the Consolidated Rail Corporation as an independent rail system by providing for a public stock offering which shall include significant employee ownership

Whereas, the Secretary of Transportation has called for bids on the transfer of the Federal Government's stock in the Consolidated Rail Corporation known as Conrail; and

Whereas, Conrail is the preeminent rail freight carrier in the Commonwealth, employing over 14,000 Pennsylvanians, nearly 40 percent of its total work force; and

Whereas, one quarter of Conrail's route mileage is located within Pennsylvania; and

Whereas, since 1976 Conrail has invested in excess of one-half billion dollars on maintenance and right-of-way improvement projects in this Commonwealth; and

Whereas, Pennsylvania industries rely heavily on Conrail for moving three-quarters of a million carloads of raw materials and finished products annually; and

Whereas, the corporate headquarters of Conrail is located in Philadelphia, accounting for 4,500 jobs in the southeastern region of this Commonwealth; and

Whereas, two of Conrail's five regional offices and four of seventeen divisional offices are located in this Commonwealth; and

Whereas, Conrail maintains high volume classification yards at Conway, Enola and Allentown and many additional classification and industrial yards throughout this Commonwealth that process one-quarter of all Conrail traffic systemwide; and

Whereas, Conrail has spent millions of dollars building and upgrading intermodal

terminals in Morrisville, Harrisburg and Pittsburgh; and

Whereas, Conrail has its major locomotive and freight car maintenance facilities in Altoona; and

Whereas, two-thirds of Conrail's maintenance employees work in this Commonwealth; and

Whereas, members of organized rail labor have contributed to make Conrail a financial success by increasing productivity and agreeing to wage deferrals totaling four hundred million dollars over the last three and one-half years with the expressed goal of preserving jobs in Pennsylvania and elsewhere on the Conrail system; and

Whereas, Conrail is an integral part of moving and marketing Pennsylvania coal, with the railroad directly serving over 100 mines and providing connections to short lines serving over 30 additional mines in this Commonwealth; and

Whereas, the General Assembly recognized the importance of Conrail to the Commonwealth's coal industry and greatly assisted the financing of the coal transfer facility at Pier 124 in Philadelphia by providing 22.6 million dollars in reconstruction funds; and

Whereas, Pennsylvania has more operating short line railroads than any other state, with most of those small carries totally reliant on Conrail for their vital outlet to the Nation's rail network; and

Whereas, Conrail has amply demonstrated its ability to operate and prosper as an independent rail carrier serving Pennsylvania and the northeast quadrant of the Nation by earning one-half billion dollars net income in calendar year 1984; and

Whereas, all other major railroads in the United States are stockholder owned; therefore be it

Resolved (the Senate concurrent), That the General Assembly of Pennsylvania implore the President of the United States, members of Congress and the Secretary of Transportation to select a public stock offering proposal for the return of Conrail to the private sector that includes the following provisions: significant employee ownership; a 10% ownership limitation by any holder or affiliates on common stock that is publicly offered; and the provision of funds from the proceeds of the Conrail sale to states in the Conrail service region for purposes of freight rail service preservation or rail-related infrastructure improvements, including grade-crossings and bridges and the provisions of Title VII of the Regional Rail Reorganization Act of 1973 (Public Law 93-236, 45 U.S.C. Ch. 16, Subch. VII), as amended by the Northeast Rail Service Act of 1981 (Public Law 97-35, 95 Stat. 357); and be it further

Resolved, that copies of this resolution be transmitted immediately to the President of the United States, the Secretary of Transportation, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.●

"STAR WARS" INFATUATION: ENDANGERING SOUND ARMS CONTROL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BROWN of California. Mr. Speaker, as the arms control negotiations between the United States and the Soviet Union begin in Geneva, we have a historic opportunity to reach a mutually beneficial agreement which will enhance U.S. and world security. In spite of the asymetric nature of the force structures of the two countries, the foundations for such an agreement have materialized: Both superpowers have complementary programs that the other side wants to severely limit or reduce. The President's Strategic Defense Initiative [SDI] Program, although only in its research phase, is oriented to defend against the same forces which the United States would like to reduce: Soviet land-based ICBM's. Depite the potential for an agreement based on a tradeoff between star wars and Soviet heavy ballistic missiles, the Reagan administration has stated that the SDI is nonnegotiable. This is a potentially grave error, because unless we are willing to put star wars on the table, prospects for a meaningful agreement will be diminished dramatically.

The administration's position would be more defensible if the structure of the SDI Program were geared toward keeping star wars in the research stage. The United States needs to continue research in this area because the Soviets are believed to be involved in similar efforts, and it would be difficult to verify an agreement restricting research. However, it is obvious that the administration is pushing a program that will lead to decisions concerning testing and deployment in the near future. A decision to test components of the system would violate the ABM Treaty which commits both countries "not to develop, test, or deploy ABM systems or components which are sea based, air based, space based or mobile land based."

Let us examine the SDI in the context of the arms control negotiations in Geneva. Reason and logic would dictate that we use the SDI as bargaining currency at Geneva, rather than pursuing it to the testing and deployment stages, for the following reasons: First, numerous scientists, scholars, and military analysts have questioned the efficacy of a space based defense; second, this program will cost many billions of dollars which could be used more prudently; third, SDI will certainly stimulate an offensive arms race, as the production of more offensive weapons, which can be used to saturate and overwhelm a defensive system, is cheaper and more cost effective; forth, if both nations deploy somewhat imperfect systems, each side would have an incentive to launch a preemptive first strike. The side that strikes first would be able to weaken the retaliatory forces of its adversary, making its own defense more viable and putting it in a position to use political coercion; fifth, SDI provides no defense against low-flying cruise missiles or against other contingencies such as nuclear devices being smuggled in by terrorists; sixth, testing of the star wars program would violate the ABM treaty; seventh, even if we decide to modify or abrogate this treaty, a completed defense could never be tested under realistic circumstances; eighth, if SDI is supposed to strike incoming ballistic missiles in the boost phase, there would be no time for human decision; a nuclear war could be started by a technical malfunction; ninth, such a defensive system, unless extended to Western Europe, could undermine the NATO alliance.

Despite and partly because of these inherent problems with this program, the Soviet Union has adamantly protested its development. The leaders of the U.S.S.R. not only fear U.S. technological superiority, but worry about diverting more resources from their already-neglected consumer sector to compete with the U.S. SDI program. Let us capitalize on this opportunity for a mutually beneficial agreement. While the delicacy of arms control negotiations dictates that our negotiators use a pragmatic degree of posturing, we must be careful not to fall in love with the bargaining chip itself and neglect to use it wisely.

Mr. Speaker, an excellent article on the subject of SDI, from a recent issue of the Christian Science Monitor, appears below.

[From the Christian Science Monitor, Mar. 7, 1985]

DON'T LET "STAR WARS" INFATUATION PREVENT SOUND ARMS ACCORD

(By Jonathan Stein)

When the MX intercontinental ballistic missile was first proposed some 15 years ago, its principal attraction resided in its utility at the negotiating table—the classic "bargaining chip"—in the SALT deliberation coming up then. The MX was to be a 10-warhead missile to penetrate and saturate any Soviet antimissile system more effectively than could our smaller, three-warhead Minuteman III.

Unfortunately the Nixon administration insisted that multiple-warhead development proceed despite the severe restrictions imposed on defensive weapons in the ABM Treaty of 1972. Predictably, the much larger Soviet missiles were able to load several times the number of warheads per missile launcher than their American counterparts could: Fears of a first strike correspondingly grew stronger, and calls for renewed "strategic modernization" (i.e., more-numerous and diverse nuclear weapons) in the face of this new Soviet threat became the reasonable, consensus position.

We seem once again to be caught by the allure of new gadgetry, posing in the guise of a bargaining chip, as the administration insists on the non-negotiability of its "star wars" defense against ballistic missiles. Kurt Gottfried of the Union of Concerned Scientists framed the problem correctly when, before Congress last year, he asked whether we would cash in our bargaining chip in arms talks with the Soviets or leave

the game because we had yet again "fallen in love with the bargaining chip itself."

For Defense Secretary Caspar Weinberger and those others who would like to remove star wars from the negotiating table, the question needs to be put: To what end is the Strategic Defense Initiative leading? The goal, as enunciated on many occasions by the Reagan administration, is to reduce the risk of nuclear war by developing the means to make the ICBM "impotent and obsolete." The ICBM, is singled out because it packs the mightiest wallop, is the most accurate of all nuclear delivery vehicles, and remains the one index of nuclear strength in which the Soviets hold a substantial lead.

Let us assume for the moment that developing and maintaining lasers and particle-beam weapons does not, in the end, result in the elimination or significant reduction of Soviet ICBMs. In fact, the overwhelming consensus within the scientific community points in just this direction—that any space-based defense could be readily defeated or evaded by a variety of countermeasures *presently available*. The likelihood of an *accelerated* arms race between offensive and defensive weapons suggests itself very clearly for the years ahead.

Despite accumulating evidence that no strategic defense system could ever achieve such ambitious goals, Moscow seems genuinely disturbed by the prospect of a space arms race. Soviet political elites are upset, however, not only by the expense and difficulty of keeping abreast with American space weapons technology; they are equally disturbed by the implication for crisis stability, should two leaky or imperfect defensive networks be deployed. With two rickety shields facing each other, "rewards" are doled out to the side that strikes first—so that the aggressor's shield can better deal with the enfeebled retaliatory blow. We should not assume, as this administration does, that it is possible to win a technology race with the Kremlin: History records that in the realm of military technology, the Soviets always field a comparable weapon.

If we truly want to reduce the risks of war and eliminate the theoretical advantages retained by the Soviet heavy-missile force, then we should take Foreign Minister Andrei Gromyko at his word and trade away the fanciful benefits we gain from a space-defense system for the more tangible benefits derived from their first strike ICBMs. This is in accord with Mr. Gromyko's insistence that offensive and defensive talks belinked and is consistent with his pledge that the new negotiating round result in "significant reductions," The objective would also be in line with the last US Geneva position: that of de-MIRVing, or moving back to the era where each missile possessed only one warhead. Eventually, each side would de-MIRV sufficiently that neither would be able to destroy enough enemy ICBMs to make a premeditated or preemptive first strike thinkable.

Prudent negotiating tactics may very well require the US delegation to be coy about star wars, but it can only prove counterproductive to leave your best bargaining chip at home in an effort to lecture Moscow on the advantages of the so-called "defensive transition." There should also be no doubt that, should the Soviet negotiators accept the "wisdom" now in vogue at the Pentagon, the administration itself will be leading the vanguard decrying the perilous Soviet "laser gap" while demanding renewed vigilance in the form of additional "modernization."

Our record in regard to bargaining chips should therefore be uppermost in mind when we return to Geneva. Whenever we have become amorously involved with our negotiating instruments (either old or new weapons systems), like the MIRVed ICBM, the Soviets have always caught up and the strategic balance is said to have shifted further in their favor. It may even be possible—some would say likely—that a defensive world would be more amenable to Soviet interests. For now, however, we must not let our recent infatuation with star wars wizardry stand in the way of negotiating a sound arms control accord firmly in the US interest.●

A BILL TO ELIMINATE MANDATORY RETIREMENT FOR TAX COURT JUDGES

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MATSUI. Mr. Speaker, in 1967 Congress passed the Age Discrimination in Employment Act [ADEA] which prohibited discrimination in employment on account of age. It applied generally to individuals in the private sector. In 1974 Congress amended the ADEA to include within its scope Federal, State, and local government employees, and in 1978 Congress further amended the ADEA by eliminating mandatory retirement in Federal employment. The legislative history makes it clear that Tax Court judges were intended at least by the House to be within the group of Federal employees for which mandatory retirement was eliminated.

* * * Mandatory retirement would be eliminated for the great majority of jobs in the civil service, for positions in the foreign service, for tax court judges, District of Columbia public school teachers, District of Columbia judges, the United States Comptroller General, and the Director of the Federal Judicial Center among others. However, the current provision in section 15(b) which allows the Civil Service Commission to establish maximum age requirements when such age is a bona fide occupational qualification necessary to the performance of job would remain * * * (H. Rept. No. 95-527, 95th Cong., 1st Sess. 11 (1977).)

Yet, the statute appears not to exempt Tax Court judges; it refers only to units of the legislative and judicial branches of the Federal Government having positions in the competitive service. 29 U.S.C. 633(a).

Sec. 633(a). Nondiscrimination on account of age in Federal Government employment.

(a) Federal agencies affected. All personnel actions affecting employees or applicants for employment who are at least 40 years of age (except personnel actions with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code (5 USCS § 102), in executive agencies as defined in section 105 of title 5, United States Code (5 USCS § 105), including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

Thus, the present status of Tax Court judges, of whom several are rapidly approaching the age of 70, is unclear.

In eliminating mandatory retirement for employees generally, the Senate recognized that a new awareness has developed concerning discriminating against the elderly, and public attention has focused on the inequity and lack of wisdom of mandatory retirement. It further recognized that older employees may, in fact, be better employees because of experience and job commitment, and that an age limitation unfairly assumes that age alone provides an accurate measure of an individual's ability to perform work. See S. Rept. No. 95-493, 95th Congress, 2d sess. 505-506 (1978). The express purpose of this legislation supports the view that Tax Court judges should likewise be exempt from mandatory retirement. However, section 7447(b)(1) currently imposes a mandatory retirement age of 70 on Tax Court judges. That section, which was enacted long ago, is effectively obsolete in light of the intent and purpose of the recent legislation prohibiting discrimination in employment solely on account of age. Thus, I urge the amendment of section 7447(b)(1) to eliminate any mandatory retirement imposed on Tax Court judges.

This position is further supported by recent legislation. In 1981 Congress amended section 7443, IRC 1954, to eliminate the ban on initial appointments of individuals age 65 or older as U.S. Tax Court judges. The reason for the change was that such a ban conflicted with Federal policies against age discrimination and could deprive the Tax Court of experienced personnel. S. Rept. No. 96-993, 96th Cong., 2d sess. 3949 (1980). This legislation and the reasons behind it simply reflect congressional concern that qualified and able judges should be allowed to continue in the same capacity irregardless of their age. Moreover, it would seem to me highly unusual to allow the appointment of a Tax Court judge older than 65 only to require him to retire at age 70.

One further note. Recent Social Security amendments, although clearly applicable to active Tax Court judges, raise certain questions with respect to judges who stay on after retirement. Although retired pay is not salary for Social Security purposes, it is unclear

whether a retired judge is thereby precluded from acquiring Social Security quarterly credits necessary for qualification. Therefore, the mandatory retirement provision may prevent some of the older judges from fully qualifying for Social Security coverage although they are required to pay into Social Security up to age 70.

I understand any tampering with the Social Security provisions is a politically sensitive issue, and I do not suggest amending those provisions. However, amending the mandatory retirement provision in the Internal Revenue Code would appear to be a reasonable solution. Then a judge would have the option of continuing on a salary basis and acquire the necessary credits. Federal district court judges do not have any upper age limit and almost without exception are known to carry out their duties efficiently and capably well past the age of 70. To be sure, judges grow with age and experience.

I further note that special trial judges of the Tax Court who hear small tax cases—deficiencies less than $5,000, as Federal employees in the competitive service, are exempt from mandatory retirement. I would like to see the elimination of mandatory retirement for all Tax Court judges, and I believe such a provision is entirely consistent with recent legislation. Indeed, it appears that it may be an inadvertent omission that Tax Court judges have not already been exempted.●

DESIGNATION OF THE NATIONAL STUDY CENTER FOR TRAUMA AND EMERGENCY MEDICAL SYSTEMS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Ms. MIKULSKI. Mr. Speaker, I am pleased today to introduce, on behalf of the entire Maryland Congressional Delegation, legislation designating the National Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems. The National Study Center will serve as a resource center for information and data, and provide technical assistance concerning emergency medical systems nationwide.

Each year 10 million people are disabled from accidents. The disciplines of trauma care and emergency medical services have emerged as integral components of the health care delivery system. However in the last few years Federal support for Emergency Medical Services Systems has declined precipitously. Many States have been unable to provide support for such systems.

Historically Maryland has been the leader in the development of trauma services, trauma research, and emergency medical care. Maryland annually conducts national and international symposia with faculty and participants from this Nation and abroad, and is a recognized leader in the field of emergency medical services system design and development. The National Study Center, located in Baltimore, is a regional system which serves as a model for demonstrating the most up-to-date and cost-effective methods for delivering emergency medical services.

Congressional designation of this study center as the National Study Center for Trauma and Emergency Medical Systems is a vital recognition of this model program. In addition it will provide a focus for access to the essential resources of the study center. I urge my colleagues to support this worthwhile resolution.●

THE NEED FOR HUMANITARIAN AID IN AFGHANISTAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express my deep concern for the plight of the Afghan refugee population.

The United Nations Commission on Human Rights in Geneva was absolutely correct in a recent report which stated that the war being waged against innocent civilians by the U.S.S.R. is in "gross violation of human rights." Because of poor medical attention and facilities, the direct consequence of a Soviet Army gunshot wound is usually death. The United States simply cannot allow thousands of innocent men, women, and children to continue to die.

There are over 3 million Afghans who have sought refuge and medical care inside Pakistan. The Swedish Committee for Afghanistan, in conjunction with the Pakistan Commission for Refugees, operates 12 medical clinics in Afghan war zones. The population inside Afghanistan requires more medical services of this type from the West if we are to pay more lip service to human rights needs in that war-torn country.

I commend the Swedish Government's assistance effort, and strongly urge similar initiatives to provide additional health and paramedical training to help Afghan civilians.

The American people should do everything in their power to help these refugees in their search for adequate health care, and should condemn Soviet attempts to spread misery to every corner of Afghanistan.

I would like to submit the following article for insertion in the CONGRESSIONAL RECORD:

[From the Washington Post, Mar. 5, 1985]

THE REPORT ON AFGHANISTAN

Afghanistanism is a word sometimes used to designate an excessive interest in exotic places remote from American interest. But the real Afghanistan is a place of very great American interest, moral and strategic. This is so because of the epic struggle the Afghan people have been waging against the Soviet invasion of their country for more than five years—the Kremlin now has been fighting Afghans longer than it fought Germans in World War II.

The Soviet Union, naturally, prefers to conduct its depredations quietly and in the dark. To avoid having to cope with an international public stirred by pictures of war on television, it has made a strenuous effort to keep independent observers from viewing its Afghan campaign. But some observers do penetrate, and the millions of refugees—as much as a third of the Afghan population has been forced into foreign exile—also provide information. The latter sources enabled a law professor from neutral Austria, Felix Ermacora, to prepare what the U.S. delegate calls an unprecedentedly "full and fair" report on Soviet conduct to the United Nations Commission on Human Rights in Geneva.

The new report accuses "foreign" troops—they can only be Soviet—of bombing villages, massacring villagers and summarily executing guerrillas. It lists instances in which 100 or more civilians at a time were murdered. It documents some of the specific actions by which the Soviet forces have evidently attempted to destroy the food-producing and irrigation systems so that there would no longer be a viable countryside: a policy of drying up the sea in which the guerrilla fish swim.

Mr. Ermacora's findings are sure to reinforce the deep sympathy that Americans feel for the victims of Soviet imperialism in Afghanistan and the desire to do everything that prudence allows to even the odds. Fortunately, there is a broad American consensus on this score. On the crucial considerations—the heroism and nobility of the Afghan resistance, the absolute wrongness of the Soviet invasion—there is little of the sort of wearing debate that marks the American attitude to, say, Nicaragua. The Afghan people are fighting a clear-cut unadulterated foreign aggression. Americans are, without argument, helping out.

What will make Moscow desist from its aggression in Afghanistan? Its casualties and economic costs go on. It continues to pay heavy political costs for despoiling an Islamic, Third World country. Fair, internationally supported terms for a negotiated solution remain available: withdrawal of Soviet troops, a return of refugees, self-determination, nonalignment. But first the Soviet Union must call it quits to its campaign to conquer Afghanistan, depopulate the country and reduce it to the status of a satellite state.●

MY PLEDGE TO AMERICA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. CHAPPELL. Mr. Speaker, I would like to take this opportunity to recognize Miss Stephanie D. Harris of my district as the Florida State winner of the Veterans of Foreign Wars' Voice of Democracy Essay Contest. This year's theme is "My Pledge to America" and in her essay Miss Harris paints an inspiring picture of that pledge. Miss Harris is a junior at Crescent City High School, and her many accomplishments include student council president-elect, president of the Future Farmers of America, letters in both track and debate as well as several awards for public speaking. Students such as Miss Harris confirm my belief that our future rests in competent hands. I am pleased to insert in the CONGRESSIONAL RECORD Miss Harris' moving and patriotic essay.

MY PLEDGE TO AMERICA

(By Stephanie D. Harris)

As an artist might paint a landscape, I wish to paint for your a picture of my America as I see it.

I want you to hear the spirited voices singing the National Anthem at our high school football game on a Friday night; also the heated discussion of the presidential candidates as they debate for the upcoming election.

I want you to smell the fresh salt air at the beach and the beautiful flowers at the city park which are for all to enjoy. I want you to see the proud look on five year old Jamie's face as he recites, for the first time, the Pledge of Allegiance. I want you to feel the enthusiasm and excitement as a whole community joins together for something like a catfish festival in order to raise funds for a worthy cause. And finally, I want you to sense the same pride I do when I call America my home!

So often we take our American way of life for granted. We don't stop to consider how lucky we really are. Let us compare these economic statistics released by the United States Chamber of Commerce. If we were to bring the United States' economy down to a level equal with that of the Soviet Union, we would have to do the following.

We would have to: remove thirteen out of every fourteen miles of paved highway; tear out two of every three miles of railroad tracks; take away nineteen out of every twenty cars and trucks; cancel out over two thousand colleges; close 85 percent of our museums; subtract seven out of every ten single family homes and require these families to live in small two and three room apartments; and we would have to reduce our total income by two-thirds.

These facts, although startling, do not even consider the important point that we would also be losing our precious freedom. In America, we can go where we want, when we want to and be who or what we want to be. No other country can compare to America's freedoms of religion and human rights.

I am proud and grateful to be an American, although I am not yet an adult, I feel that I still have a lot to give. I can do small things, such as helping my school club keep the landscaping attractive around the newly installed flag in front of City Hall. I can do larger things, like helping campaign for a political candidate that I admire; and most of all, I can learn to be a good citizen now and for the future when my responsibilities as an American increase.

My Pledge to America is that I will stand up and do my best to preserve that very special American way of life, so that I may help to enkindle a flame in the American spirit that cannot be put out—only passed on from generation to generation.

I want each of my children and my grandchildren to be able to paint their own picture of America, as I have, and I want it to be just as lovely for them.

The American way of life is the best in the world and let's not ever forget that.●

ETHNIC STEREOTYPING

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Ms. OAKAR. Mr. Speaker, Americans, quite properly, reject intolerance and prejudice toward any group. Most of us recognize that these kinds of sentiments are destructive and unworthy of us as a nation. Unfortunately, certain stereotypes still persist, depicting people in an unfair, inaccurate, and offensive manner. Prof. Jack Shaheen of Southern Illinois University recently published an article in the Washington Post about the dehumanizing stereotyping of Arabs. The article has a great deal that merits consideration and I urge my colleagues to give it their attention.

Following is the article which appeared in the Washington Post:

[From the Washington Post, Mar. 19, 1985]

THE "INSTANT ARAB KIT"—THE MEDIA SEE ARABS AS BILLIONAIRES, BOMBERS OR BELLY DANCERS

(By Jack G. Shaheen)

When I think of the word "Arab," I see 180 million people in the greater Arab world. Most share heritage, religion and history. In 21 Arab countries we see city dwellers and suburbanites, farmers and villagers. Their dress is traditional or Western. The variety of their garb and life style defies stereotyping.

When many of us hear "Arab" we think "anti-American," "anti-Christian," "cunning," "unfriendly" and "warlike." Yet most of us know little of the Arab people, customs or accomplishments. The myths of the media encourage distrust and misunderstanding. Once a negative image becomes ingrained, it endures. The result; a self-perpetuating, dehumanizing stereotype, caricatures rather than human beings.

Several distortions exist:

Arabs are extremely wealthy. In fact, the average Arab has a per capita income of approximately $1,000 per year.

Arabs are barbaric and uncultured. The Arabs gave the world a religion—Islam—a language and an alphabet. Arab scholars contributed significantly to medicine, mathematics, astronomy, chemistry and the arts.

They are sex maniacs and white slavers. As a Fulbright scholar who traveled extensively in the Middle East, I found most Arab husbands to be monogamous. Slavery is prohibited.

They are terrorists. A small minority of Arabs, Israelis, Europeans, Americans and others resort to terror.

They are buying up America. The U.S. Treasury reports that Arab investments in America, compared with those of other groups, are minimal. The leading investors are the Dutch, British, Canadians, Germans, Swiss, French and Japanese. Investments made by Arabs are tagged "Arab money" in a way German marks and French francs are not.

OPEC equals Arabs. Only seven of the 13 members are Arabs.

Iranians are Arabs. Iranians are Persians.

When depicting Arabs, TV and screen writers, novelists, cartoonists and other media professionals incorporate these myths with the "Instant Arab Kit." The kit includes belly dancers' outfits, headdresses, veils, dark sunglasses, flowing gowns and robes, oil wells, evil mysticism, limousines and camels. We see Arabs as billionaires, bombers or belly dancers—villains of choice. It is fashionable to be anti-Semitic—provided the Semites are Arabs.

Stereotypical Arabs prowl TV screens. Children see heavies such as The Desert Rat, Ali Boo-Boo, Abdul-O, the Un-Cool-O and Abdullah the Butcher on "Popeye," "Woody Woodpecker" and other shows.

In "Cagney and Lacey," the policewomen deceive an arrogant, oil-rich Arab, whose Rolls-Royce bears a license plate "OILBUX." The rich Arab runs over a poor Jew, but he refuses to pay the victim's hospital bills. In "CHiPs," a reckless sheik tries to bribe the officers—"a way of life" in his country. In "Alice," Ben, the oil baron, asks Flo to become Wife No. 4.

Common film portrayal of Arabs—the deprived woman, the stupid sheik and the inept lover—surfaces again in several 1984 films, such as "Best Defense," "Bolero," "Cannonball Run II" and "Protocol."

In "Best Defense," Kuwaiti children throw stones at Eddie Murphy's tank. Roars Murphy: "Okay, you desert rats, now you die." "Bolero" features a kidnapping sheik as an inept lover. In "Cannonball Run II," an ape kissing King Falafel. The king smiles, saying: "If only your mother could kiss like that!" "Protocol's" hordes of Arabs ogle Goldie Hawn—she has, after all, blonde hair. Arabs are so deprived, the stale formula goes, they'll do anything for a sexy blonde.

Comic strips attract our attention. An arrogant would-be seducer of Western women, Sheik Oily-O-leum, appears in "Brenda Starr." "Spiderman" features Mr. Mondo, a nuclear terrorist. My favorite cartoon character, Dennis the Menace, complains on Thanksgiving Day: "Dewey's family's havin' meat loaf. His dad says some Arab is eating their turkey."

I have yet to read a novel featuring heroic Arabs. Sometimes the antagonist is half-Arab, as in "Key to Rebecca." In novels such as "The Haj" and "The Sphinx," Arabs appear as religious fanatics. Other novelists contend they are inept assassins intent on destroying Israel and the West with nuclear weapons. Yet Israel is the only nation in the Middle East with nuclear arms.

We are less inclined to view TV, motion pictures and other forms of entertainment as propaganda because entertainment is supposedly harmless. Yet entertainment performs as propaganda precisely because audiences absorb messages unknowingly.

Stereotypes, endlessly repeated, seem natural, and are thus often perceived as truth. The distorted images should be abandoned along with other stereotypes—the black domestic, the greedy Jews, the savage Indian, the dirty Hispanic and the Italian mobster.

The civil rights movement of the 1960s curbed the Stepin-Fetchit-type portrayal of blacks on television. The movement also helped bring to the screen more realistic portrayals of other groups. But Arabs haven't received the same second look from the media. They deserve the kind of acceptance other ethnics receive.

Today's Arab stereotype parallels that of the Jews in pre-Nazi Germany, when newspapers and films made them dark and threatening. The characterization of Jews as anarchists or devious financiers was intolerable. Yet this caricature has been received and transferred to another group of Semites, the Arabs. Now it wears a robe and a headdress, instead of a yarmulke and a Star of David.

Perhaps the best way to eradicate the mythical Arab is to insist that media professionals accept responsibility. When any group is degraded, we all suffer. The time has come to retire the stereotype. Such redress would reveal a people just as radiantly human as others, gracing and enriching our lives on this marvelously varied Earth.●

DELAYED FUNDS AVAILABILITY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FRANK. Mr. Speaker, today I am introducing legislation that allows banks to place a maximum 4 business day hold on checks deposited by customers. In the case of Government issued checks, a maximum of a 1 business day hold would be allowed.

Banks now put holds on customer's checks anywhere from 1 to 15 days and in some cases longer. During this time customers are unable to use this money. Banks however, once they receive provisional clearance on the deposited check, can use this customer's money to cover their reserve requirements and for investment. According to the Federal Reserve 98 percent of all checks deposited in American banks receive provisional clearance within 48 hours. Banks argue that they need the additional time to insure that the checks receive final clearance. According to a study quoted by the Delayed Funds Availability Task Force only 0.67 percent of all checks deposited in banks do not receive final clearance. It is important to remember that banks are able to use customer's money throughout the hold period, when the funds are unavailable to the customer.

Let us consider the 0.67 percent of checks that do not receive final clearance. As I said, banks receive provisional clearance on most deposited checks within 48 hours. A very sophisticated procedure exists that involves machine readable magnetic tape and a high speed courier system. This procedure wisks the checks through the Federal Reserve System. However, when a bank decides not to honor a check, the return trip through the system takes much longer. A returned check has to travel through the same route, only this time the check is processed by and travels back through the Federal Reserve System via the postal system. So legitimately, in those rare cases when a check is not good, it can take several days for that check to work its way through the system. The Delayed Funds Availability Task Force has come up with a possible solution to this problem that is being tested within the Dallas Federal Reserve region. The early results are encouraging. It appears that technology does exist that would speed up the time it takes for banks to know whether or not a check is good.

Mr. Speaker, the purpose of my bill is to allow customers access to their money as soon as reasonably possible. It is simply unfair that banks have access to this money, and make a profit from this money, at the expense and inconvenience of customers. It is particularly unfair for low-income people who tend not to have a lot of excess money available in the first place.●

HARRISBURG IS TURNING ITSELF AROUND

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. EDGAR. Mr. Speaker, I would like to take this opportunity to call to the House's attention what a lot of hard work and dedication can bring to an aging city. I speak of Stephen R. Reed, the young mayor of Harrisburg, PA, who in his 4 years in office has turned this city around. I think that his efforts are testimony to how government, under the proper direction and leadership, can act as a partner in achieving social and economic progress. I submit for the RECORD the following editorial from the Philadelphia Inquirer which details Mayor Reed's initiatives:

HARRISBURG IS TURNING ITSELF AROUND

(By Neal Peirce)

HARRISBURG.—Few small cities of America—not to mention state capitals—ever sank as deep and fast as this old city of 50,000, set dramatically on the banks of the Susquehanna River.

Population dropped 33 percent in 20 years as a generation of middle-class people abandoned town for the suburbs. Nearly 800 businesses were shuttered. Arson and crime shot up to Pennsylvania's highest level—as did housing abandonment, with 2,486 vacant structures. And to top it all off, Harrisburg in the '70s suffered two crippling floods and the disaster at nearby Three Mile Island.

Neighborhood and business groups were fighting over the scraps of what was left. State-government buildings kept half the city off the tax rolls. "Harrisburg may have been in its last throes as a viable city," says Stephen R. Reed, who beat the entrenched party organizations to win election, at age 31, as a reform mayor in 1981.

Nobody could argue that Harrisburg isn't on the mend today. Any troubled city could find one or two promising strategies from the panoply Reed and his team have implemented.

Housing vacancies were cut in half. How? First, City Hall grabbed every federal or state subsidy and tax break it could get its hands on. Then it encouraged two nonprofit housing corporations, two church groups and the Urban League to plunge into housing rehabilitation. With new townhouse construction, the city has gained 1,370 housing units in four years—925 at market-rate prices for returning yuppies. Harrisburg's painful long population slide has been halted.

Crime is down 18 percent in three years—burglary by 30 percent, arson cut more than half. Why? In large part because citizen crime watches have spread; community "protective eyes" now scan 100 or more blocks. With focus on repeat offenders and police computer technology—in fingerprinting, photos, crime reports—the share of crimes solved is up 26 percent.

City government has become intensely entrepreneurial, corralling outside customers to buy city-produced stream and methane gas from waste-disposal facilities. The dividend: millions of dollars in new city revenues. Volunteering has blossomed as well. Neighborhood groups have cleaned and sealed vacant properties as a prelude to private purchase. A Riverfront Peoples' Park Organization adopted the scenic five-mile green stretch along the Susquehanna and has installed 200 new trees.

And business is coming back to Harrisburg. Last year alone, 55 major new or expansion projects began, valued at $134 million and bringing 2,170 new permanent jobs. A number were lassoed from the suburbs. How? By what Reed calls "a smorgasbord" of incentives. He set up Harrisburg's first economic-development office to help in-town businesses expand and then hunt for new ones. A survey helped firms by targeting unfilled regional market needs. One-stop business permitting was established. A "business incubator" was started. Harrisburg landed one of Pennsylvania's first enterprise zones. And from tax abatements to revenue bonds to urban-development action grants, every conceivable inducement was wheeled into place.

One unique tool in the rebuilding has been a property-tax scheme so far tried only in Harrisburg and five other Pennsylvania cities, including booming Pittsburgh. Most of the valuation is put on the land—not buildings. Harrisburg now taxes land three times as heavily as improvements. The result is that it costs speculators so much to "sit on" vacant or underutilized city land that they either build or sell out to others who will. And homeowners don't get hit with major tax boosts when they improve their property.

(In Pittsburgh, where the land tax has been moved up in stages to six times the building tax rate, construction rose at a heady pace—even through the 1981-83 recession. The dual tax rate should help not just Frost Belt, but also Sun Belt, cities with their huge surpluses of unused land

and open-air parking lots near center city. But most state constitutions would have to be amended to make the practice legal.)

A friendly state government has helped Harrisburg revive. The Thornburgh administration has provided multiple economic aids. And each state government department has "adopted" one of Harrisburg's public schools.

What Harrisburg needed most of all, however, was a thorough political housecleaning. Reed has had his share of fights—with other Democrats, local Republicans, the suburbs. But he abolished the old patronage system, hired professional administrators from outside the city, and purged some old skeletons (including a mess in community development block grant administration that had triggered a freeze of federal money).

Periodic clean sweeps are historically the way American cities gain fresh leases on life. Harrisburg's new leaders are almost all in their 30s and early 40s—a young professional political generation that might not have won power for another decade if the "natural" leaders—those now in their 50s and 60s—hadn't long ago exited to the suburbs.●

IMPROVING THE HOSPITAL SWING BED PROGRAM

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SIKORSKI. Mr. Speaker, today I am reintroducing legislation to improve the Hospital Swing Bed Program. This bill corrects abuses in the administration of this program, establishes a process for verifying local need, applies the same standards to swing bed hospitals as apply to long-term care facilities, and promotes equity in reimbursement.

Congress originally established the Hospital Swing Bed Program in the Omnibus Budget Reconciliation Act of 1980. The purpose of the program was to allow rural hospitals with fewer than 50 beds to "swing" excess beds from acute care to long-term care. This program was designed to provide nursing home beds in rural communities where a shortage exists.

Unfortunately, administrative actions by the Health Care Financing Administration [HCFA] have ignored congressional intent for the Hospital Swing Bed Program. Current law restricts eligibility to rural hospitals with less than 50 beds. Yet in March 1983, HCFA reinterpreted the law to allow swing bed participation by hospitals licensed and/or certified for more than 50 beds, if the hospitals "staff and operate" fewer than 50 beds.

In some areas of the country HCFA's reinterpretation is being used to allow hospitals to establish swing beds in areas where there is no shortage of long-term beds. My bill tightens current law to preclude HCFA's reinterpretation and requires the State health planning and development agency to verify that a shortage of nursing home beds exists in a geographic area before swing beds are approved.

I am particularly concerned that the Hospital Swing Bed Program may be used as a way to solve some of the financial problems brought on by the Medicare DRG system of reimbursement. According to industry data, occupancy for small hospitals (less than 50 beds) averaged just over 50 percent in 1982. Congress did not intend the Hospital Swing Bed Program to be a financial rescue plan for rural hospitals.

Hospitals are designed to provide short-term, high intensity, bed-centered treatment to acutely ill patients. Conversely, long-term care patients require less intensive care and more long range medical and social services and activities. By not requiring the same standards, swing bed patients may be cared for by staff aides that do not have specialized geriatric training.

Swing bed patients should have the right to enjoy the same protections and benefits mandated in nursing homes. My bill requires swing bed hospitals to meet the same standards for long-term care certification, staff training, and licensure as apply to nursing homes.

Finally, my bill encourages equity in reimbursement, regardless of whether the long-term care was provided in a hospital or nursing home. Under the present system hospitals can receive a higher level of reimbursement than nursing homes for the same service. My bill equalizes this payment for hospitals and nursing homes under Medicaid. My bill also mandates that both Medicare and Medicaid rural hospital swing-bed rate be based on average payments for rural nursing homes in the same geographic area as the hospital, rather than on the average of rates paid to both urban and rural nursing homes throughout the State. Currently, the more expensive urban nusing home payments are included in calculating swing bed hospital rates, thereby contributing to the problems of unequal payments to hospitals and nursing homes for the same service. I believe providers of long-term care, whether they are nursing homes or hospitals, should operate under the same financial incentives.

America's elderly deserve to receive the same high quality of care in swing beds as they receive in nursing homes. I urge my colleagues to join me in sponsoring this important legislation.●

A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1954

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FOLEY. Mr. Speaker, today I introduced legislation which amends the Internal Revenue Code of 1954 to allow the investment credit with respect to taxable businesses conducted by certain religious communities exempt from tax under section 501(d) of such code. This legislation addresses a statutory inequity relating to members of certain religious communities organized under section 501(d) and is virtually identical to a bill which the Subcommittee on Select Revenue Measures held hearings on in the 98th Congress.

Section 501(d) of the Internal Revenue Code allows religious communities to engage in the operation of a community business which is exempt from taxation on the condition that members of such communities report as personal income a pro rata share of the organization's income. The pro rata share is then taxed at the member level as a dividend received from the community. In short, the religious community does not pay tax but its members do. Thus, a section 501(d) organization is more nearly comparable to organizations which pass through the tax burden on income—that is, trusts, partnerships, and subchapter S corporations—than to other section 501 organizations.

Because the code stipulates that religious communities organized under section 501(d) do not pay tax on income from exempt activities, the Internal Revenue Service has taken the position that members of such communities cannot receive the investment tax credit for business machinery purchased by the community. This interpretation, although consistent with existing provisions in the Internal Revenue Code, discriminates against members of section 501(d) organizations as compared with partners in a partnership or shareholders in a subchapter S corporation. Members of such organizations pay more tax because they are denied the investment credit available to partnerships and subchapter S corporations. In *Kleinsasser* v. *United States*, 522 F. Supp. 460 (9th Cir. 1982), the ninth circuit court recognized the obvious problem but, because the Internal Revenue Code does not directly address the issue, denied the investment credit to section 501(d) organization members. The court's opinion, however, stated that the failure to provide for the investment tax credit appeared to be a legislative oversight and urged religious communities operating under

section 501(d) to petition the Congress for relief.

The legislation I introduced today clarifies the Internal Revenue Code by extending the investment credit to section 501(d) organizations meeting the demonstrated stability requirements defined in the bill's eligibility provision. The eligibility provision, changed slightly from the language in the legislation I introduced last year, allows 501(d) religious communities to qualify for the investment credit only if each member of the community has substantially the same standard of living. Paralleling the manner in which a religious community's business income is taxed under section 501(d), the legislation apportions pro rata among members the qualified investment and credit for each taxable year. The pro rata apportionment of the investment credit ensures that the fractional amount of credit will be the same on each community member's tax return, thereby simplifying the filing and processing of those returns. In addition, the bill does not allow credit for investment in eligible depreciable property to members who claim another type of investment credit and prohibits the reallocation of any disallowed property credit to other community members.

At present there are only approximately 75 section 501(d) organizations nationwide. Any revenue loss resulting from extension of the investment credit to eligible religious communities, therefore, would be extremely minute. Last year this proposal enjoyed the bipartisan support of a number of my colleagues on the Ways and Means Committee and was favorably received by the Subcommittee on Select Revenue Measures at an October 3, 1984, hearing. This year, the legislation is again blessed with distinguished bipartisan support. The bill's cosponsors include Representative EDWARD P. BOLAND, the distinguished chairman of the House Appropriations Subcommittee on HUD and Independent Agencies; Representative BARBARA KENNELLY, who serves with distinction on the Ways and Means Subcommittee on Select Revenue Measures; Representative RICHARD T. SCHULZE, the distinguished ranking minority member of the Ways and Means Subcommittee on Oversight; and Representative FORTNEY H. (PETE) STARK, the distinguished chairman of the Ways and Means Subcommittee on Health.

Mr. Speaker, I look forward to working with the members of the Ways and Means Committee and the Members of the full House of Representatives to enact this important clarification of the Internal Revenue Code.●

EDUCATION IRA

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Ms. MIKULSKI. Mr. Speaker, today there are over 12 million Americans from all income brackets, all ages, and all walks of life who are students at our Nation's colleges and universities. I believe that every single one of these students and students of future generations should have the opportunity to educate themselves. But, with tuition costs soaring that opportunity is available to fewer and fewer people.

It is for this reason I have introduced a bill to amend the Internal Revenue Code to provide for an education savings account that would function just like the IRA accounts do.

The best ideas come from the people. The idea for this legislation came from the Citizens League of Baltimore. This is how an education IRA would work. Individuals would be able to set aside for educational purposes up to $2,000 per year per student beneficiary and would be allowed to declare a corresponding income tax deduction. The funds would not be taxed until after the student had graduated and then would be taxed as income over a 10-year period in 10 equal parts.

Mr. Speaker, the benefits of a good education accrue not just to the individual but to the society as a whole. I believe this legislation supports my conviction that the best investment a nation can make is in providing educational opportunities for its citizens.

I hope that my colleagues here in the House of Representatives who share those beliefs will join me in cosponsoring the education IRA.●

A CONGRESSIONAL SALUTE TO WILLIAM R. CONLIN, JR.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MATSUI. Mr. Speaker, one of the great sportswriters in the entire West, William Richard Conlin, Jr., is retiring next month after 48 years in the newspaper business. Bill Conlin has been a premier sports editor, columnist and reporter for Sacramento's two daily newspapers, the Sacramento Bee and the Sacramento Union, and today I would like to salute this talented writer and exceptional individual.

Mr. Speaker, Bill Conlin worked as a stringer for the old Marysville's Appeal Democrat, served as a Navy officer in World War II, and even tried his hand as a social worker with the Sacramento Emegency Relief Agency. In newspapers, he has worked as a city editor, editor in chief, and assistant to the publisher. But always Bill Conlin's chief love has been writing about sports. It has been a pursuit that has earned him the title of "Dean of California Sportswriters."

While Bill Conlin has covered it all, from Rose Bowls to the World Series to the 1984 Olympics, his primary concern has been to ensure that local sports and athletics in the Sacramento community received the comprehensive treatment and attention they deserve. He has always believed that readership starts at home, and we in Sacramento are grateful for his commitment to that tenant.

But Bill Conlin is more than a great sportswriter and editor. He is also a humanitarian and a man of exceptional decency. Besides writing about sports, he has used his talents to help those less fortunate, including playing a major role in the March of Dimes basketball tournament, a charity event that has grown consistently in participation and prestige.

Finally, I might add that while Bill's 72d birthday is soon approaching, his talent and love of sports has never dimmed. A fellow columnist, I believe, put it very well indeed. He said:

> Bill Conlin is one step beyond in our business. He still writes like a little girl walks, with fluidity, grace and economy, and just the hint of a wiggle. Some writers lose that wiggle as the years come and go. Bill never has.

Mr. Speaker, I salute Bill Conlin and wish him the very best in his retirement years. He will continue to mean a great deal to all of us who look forward to his weekly column in the Bee.●

NATIONAL FLOWERS BY WIRE DAY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. HORTON. Mr. Speaker, I am introducing a joint resolution to designate August 18, 1985, as "National Flowers by Wire Day." This day marks the 75th anniversary of the founding of the Florists' Transworld Delivery Association and commemorates 75 years of the availability of "flowers by wire."

Rochester, NY, has long been acclaimed the "Flower City" and is host to the nationally renowned Lilac Festival. Few people know, however, that Rochester is also the birthplace of the idea to send flowers by wire.

On August 18, 1910, 15 retail florists attended the Society of American Florists Convention at the Hotel Seneca, in Rochester, NY. These 15 florists formed the Florists' Transworld Delivery Association to allow people to con-

veniently send flowers around the world. This small cadre of 15 retail florists has grown to an organization with over 20,000 members.

Flowers have become an important symbol of good will, hope, and general harmony. My resolution recognizes the importance of "flowers by wire" and asks the President to proclaim August 18, 1985, as "National Flowers by Wire Day." I urge my colleagues to join me in this endeavor.●

THE 74th ANNIVERSARY OF TRAGIC FIRE AT TRIANGLE SHIRTWAIST FACTORY

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. OWENS. Mr. Speaker, this week marks the 74th anniversary of the tragic fire at the Triangle Shirtwaist Factory in New York City which claimed the lives of at least 146 young women, mostly Italian and Russian Jewish immigrants. The Triangle fire created a strong public outcry against the dangerous, unhealthy, and oppressive working conditions under which industrial laborers had suffered since the dawn of the industrial age. The fire was the rallying cry for industrial and labor reform across the United States. When the circumstances surrounding the event are examined they paint a clear picture of the grimness of the scene and the need for improvements in the working situation.

The Triangle factory building was typical of the 790 tower lofts in New York City in the first decade of this century. New York factory laws required 250 cubic feet of air space for each worker, but neglected to anticipate the manufacturers' construction of loft buildings with high ceilings rather than elbow room. There were wicker baskets cluttering up the tiny aisles between the girls' work spaces filled with finished and unfinished material. The cutting tables were covered with layers of fabric and tissue paper patterns. Great bins beneath the tables were filled to overflowing with rags and waste.

The fire started, according to Fire Chief Edward F. Croker, when a cutter's cigarette ignited gasoline used for heating presses on the eighth floor. From the eighth floor the flames spread rapidly throughout the building, feeding hungerily on the scraps of cloth and fabric which littered the factory. The first alarm was sounded at 4:35 p.m. by one of the bookkeepers, "The place is on fire: Run for your lives." Within 2 minutes the entire eighth floor was spouting jets of flame from the windows.

On the eighth floor 225 workers found their normal exit blocked by a sheet of flame. Most of them headed for another door and found it had been bolted to prevent them from leaving the factory with stolen bits of silk and lace. In the panic that followed, the frenzied workers ran into the smoke and flames, fell down elevator shafts, and jumped out of the windows of the factory. They leapt from the windows so fast that one of the firefighters said, "before we could turn the water on, our line was buried under bodies and we had to lift them off before we could get to work." In fact, an investigatory commission reported that it would have taken 3 hours for all of the people on the top three floors to evacuate the building using the fire escape. The very presence of this ineffectual fire escape was coincidental, for at the time there was no law in New York requiring them to be installed in factories.

A week and a half after the fire 80,000 working men and women walked in a funeral procession through the streets of New York City as a show of sympathy with those that had died, and a quarter of a million people lined the streets of the city to respectfully observe the memorial march. The strong public reaction of the fire prompted the unions and labor reformers to press for an investigation into the causes of the Triangle fire and to examine working conditions and labor standards throughout the city.

The factory investigating commission was the group which Frances Perkins—later U.S. Secretary of Labor under President Franklin Delano Roosevelt—helped establish to look into the Triangle disaster. The Triangle Shirtwaist Factory fire and the investigations which followed it revived the labor movement, and the inquiry boards helped to establish basic labor standards. These committees laid the groundwork for the agencies which continue to be mandated to protect workers. The shorter hours, safer workplaces, and improved labor standards of modern American workers can be partially traced to the public pressures which the Triangle fire created.

It is disheartening that working conditions remain unsafe for many American workers. Next year we will mark the 75th anniversary of the Triangle Shirtwaist fire. Let us work together to eliminate the known and preventable hazards of the workplace. The bodies of the Triangle workers lined an East River pier in 1911. The bodies of workers who have died since could cover all of New York City. It is time to stop the carnage.●

C.A.R.E.S.: PEOPLE HELPING PEOPLE

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SAXTON. Mr. Speaker, I wish, today, to pay tribute to Somebody C.A.R.E.S., Inc. of Crestwood, NJ.

C.A.R.E.S., Crestwood Assistance, Referral, Employment Service—an all-volunteer organization—this year celebrates its 10th anniversary of people helping people.

The program reaches out to the more than 15,000 senior residents living in the Crestwood communities.

Its many innovative volunteer activities include daily phone calls to confined residents living alone, Dial-A-Ride service, Meals on Wheels, grocery shopping for the confined, personal counseling, wheelchair vans, loaner cribs and high chairs for visiting infants, and much more.

The people who make C.A.R.E.S. a success deserve our utmost respect and commendation. C.A.R.E.S. truly as is an example of how individuals who care can make a difference.

C.A.R.E.S. began 10 years ago as only a vision. But the one room, two desks and two phones have expanded to a successful organization of 350 active volunteers who last year volunteered almost 30,000 hours to helping others.

In many ways, C.A.R.E.S. is like a family to the residents of Crestwood Village—always there to lend a helping hand.

It is with great pride that C.A.R.E.S. can look back on its 10 years of service, and equally great anticipation that they can look to a continued legacy of successful volunteer service.

C.A.R.E.S. volunteers of the last 10 years are to be congratulated, and their dedication to be admired. The spirit of giving at C.A.R.E.S. is the spirit that makes America great.●

PRESIDENT REAGAN'S REMARKS ON VIOLENCE IN SOUTH AFRICA

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FAUNTROY. Mr. Speaker, like many other American citizens, I was appalled at President Reagan's morally flawed response to the most recent episode of government engendered violence in South Africa.

Responding to the South Africa Government's massacre of blacks marching in a funeral procession by the apartheid government of South Africa last Thursday, March 21, Presi-

dent Reagan took an amoral and distorted view, attempting to balance an unbalanced moral situation. He blamed the victims for the violence of the South African security forces.

By blaming those who dare to resist apartheid in South Africa, a system for controlling and maintaining a cheap labor force, the President regrettably placed himself in a position as an apologist for apartheid in South Africa.

Many have labeled the President a racist, but that is not the issue. The issue is that the massacre at Port Elizabeth should and must be seen as a call to action against apartheid in South Africa.

If the President does not have the moral and political vision to lead our country to the side of the victims of oppression in South Africa, then we must answer that call to action.

We can respond to this call for action by passing H.R. 1460, the Anti-Apartheid Act of 1985. I urge all of my colleagues to cosponsor H.R. 1460.●

ALLARD K. LOWENSTEIN

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. JACOBS. Mr. Speaker, the fifth anniversary of the assassination of our dearly departed colleague, Allard Lowenstein, is at hand.

On March 29 and 30, the Allard K. Lowenstein Symposium will be held at the University of North Carolina at Chapel Hill.

All those who love liberty and who love intelligent means by which to achieve and maintain it, should make an effort to participate in this symposium.

The following is the schedule, together with two memorable quotations from Al and Robert F. Kennedy, as well as the 10th chapter from the book, Elections and Change in America:

PRELIMINARY PROGRAM: THE THIRD ALLARD K. LOWENSTEIN SYMPOSIUM, MARCH 29-30, 1985

FRIDAY, MARCH 29

1:30-2:00—Convening of Symposium, Douglass Hunt, Special Assistant to the Chancellor, UNC-CH (Symposium Chair).

Welcome: Christopher C. Fordham III, Chancellor, UNC-CH.

2:00-3:00—Address, Otis L. Graham, Jr., Distinguished University Professor of History, UNC-CH.

3:00-4:30—Domestic Priorities: An Agenda for 1985, L. Richardson Preyer (D-North Carolina), Former representative (Moderator).

Representative Douglas Walgren (D-Pennsylvania).

Robert Seymour, Pastor, Olin T. Binkley Memorial Baptist Church, Chapel Hill.

Clinton Deveaux, Municipal Judge, City of Atlanta.

3:00-4:30—Human Rights and American Foreign Policy. E. Maynard Adams, William Rand Kenan, Professor of Philosophy, UNC-CH (Moderator).

Michael H. Posner, Executive Director, Lawyers Committee for International Human Rights.

Patricia Derian, Assistant Secretary of State for Human Rights and Humanitarian Affairs in the Carter Administration.

6:30-7:45—Dinner.

8:00-9:00—Address.

SATURDAY, MARCH 30

9:00-9:30—Coffee.

9:30-11:00—Participation and Social Change, Edwin M. Yoder, Columnist, Washington Post (Moderator).

David Hawk, Former Executive Director, Amnesty Internaional.

Paul Luebke, Associate Professor of Sociology, UNC-Greensboro.

Representative Andrew Jacobs (D-Indiana).

Nell I. Painter, Professor of History, UNC-CH.

11:30-12:30—Address, Representative Barney Frank (D-Massachusetts).

12:30-2:30—Lunch.

3:00-4:00—Meeting of The Friends of Al Lowenstein.

"I am constantly quoted as saying the system works. I don't know what the phrase means. I have never used it. I have never, anywhere, said "the system works." What I have said is that things that have gone wrong with the system can be changed more effectively if you elect people committed to change them.

I think there is room for a hundred different ways to try to influence events. I think people who lead good lives and never get involved in politics more than just as transient participants—people who write, people in the theatre, and so on—there are 100 milieu that contribute to the shaping of society. . . To say that politics is the only way is nonsense. But to say that politics is not one of the significant ways is also nonsense."—Allard K. Lowenstein, 1973.

"Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends a tiny ripple of hope, and crossing each other from a million different centers of energy and daring those ripples build a current that can sweep down the mightiest walls of oppression and resistance."—Robert F. Kennedy, 1966.

ELECTIONS AND CHANGE IN AMERICA: INTERVIEW, JANUARY 1973

On September 7, 1972, the New York State Appellate Court ordered a new election for the 14th Congressional District in Brooklyn. Reversing a lower-court ruling, the unanimous decision, in Lowenstein vs. Larkin, said that the primary was "characterized by such irregularities as to render impossible a determination as to who was rightfully nominated." Noting that statutory safeguards were "totally or substantially ignored by election officials," the court observed that hundreds of would-be voters were turned away from the polls, 1,300 Democrats with lapsed registrations were allowed to vote, and at least 1,920 "irregular votes" were cast. "Every dictate of fairness and protection of the voters' franchise," it concluded, "demands a new election."

Primary contests often amount to competitions in pulling out the vote, and this was even truer in the resulting special election. With only a twelve-day campaign period and the absence of other races to heighten publicity and voter interest, organizational strength was crucial. The Brooklyn organization, whose manpower had been partially diffused in other contests in June, poured every available resource into the September battle. Lowenstein campaigned exhaustively, but the court challenge had depleted his finances, and it was difficult to mobilize voters for a second turnout.

In spite of elaborate precautions and the presence of congressional observers, many of the June irregularities were repeated or even accentuated on September 19. Lowenstein's formal tally fell only slightly short of his June showing, but the official Rooney count increased. "The second time was even worse in some crucial ways than the first," said McCloskey, who had observed both contests. "A lot of the earlier violations were repeated, but this time many more blacks and Puerto Ricans were denied the right to vote. My congressional colleagues and I had never seen anything like it." In October, the Fair Campaign Practices Committee condemned nine pieces of Rooney campaign literature for misrepresentation and "appeal to prejudice based on race."

Bereft of money, organization, and time, Lowenstein decided against another challenge, and that fall he devoted much of his time to campaigning around the country for presidential candidate George McGovern and other antiwar candidates. After the November election, he set up a Brooklyn community office and continued his local and national commitments. Early the following year, he was interviewed by Walter P. Loughlin, an editor of a law school journal, about the Brooklyn experience and the potential usefulness of elections as instruments of social change.

Q. Walter P. Loughlin. Would you describe the problems you were confronted with on Primary Day?

A. Well, all during the day of the June primary we were inundated with reports of machines breaking down or polling places opening late, or voters not being allowed to vote in areas which I was supposed to carry heavily. So we knew, by the end of the day, that there was a massive denial of franchise to people who were in areas that were favorable to me.

In fact, it was the first time in the history of American elections where people had to wait for a change of seasons in order to vote. Because they went in on June 20 and there were election districts where they were still voting at 2:30 a.m. on June 21.

But, of course, what we did not know on the day of the primary was the degree to which this was intentional. And what we could not tell was the degree of affirmative fraud as distinguished from what would be called negative fraud of refusing to let people vote or of denying them a reasonable process of voting. In this country elections are not supposed to be endurance contests. Waiting on line for four hours is no more what the franchise is supposed to be than requiring people to walk long distances from one polling-place location to another like some sort of shell game.

As I say, we knew during the voting that day that these things were occurring. Nevertheless, it took the following six weeks of very hard work to reconstruct the events of that day—examining buff cards, collecting affidavits, etc.—in order to establish that what had happened was not merely the deprivation of the right to vote for some people, but also the casting of enormous numbers of votes by unqualified or ineligible people. Ul-

timately, when we went through all the records, we determined, first of all, that 833 more votes were cast than there were voters who voted. Additionally, close to 3,000 votes were cast by people whose registration status was such that they were either unqualified or ineligible—for instance, people who were not enrolled Democrats or whose registration had lapsed.

Even worse was the fact that we discovered that one of the most extraordinary things that occurred was that in Spanish-speaking areas polls were moved to new locations in violation of the law, without notice to the voters, and without any apparent reason. These were polling places where some voters had cast their ballots for twenty years or more. Suddenly they were told they had to go from P.S. 19 to P.S. 200, which was ten blocks away. Of course, they were not told this is in Spanish, either, so the total effect was one of sheer confusion.

This happened on a large scale in many black and Puerto Rican neighborhoods. Hundreds of nonwhite voters—many of whom had been voting all their lives—were premptorily informed they were not registered and could not vote. When that happens, under the present New York law, one's only recourse is to go to the Board of Elections and obtain a court order that allows one to vote. By midevening the night of the primary, there was a massive human traffic jam at the Board of Elections—made up of mostly nonwhite voters all trying to obtain court orders allowing them to vote. At 9:30 that night, Judge Corso, who was in chambers, where he was suppose to be issuing court orders, sent out word that it was late and that people had better just go home.

Q. You assume that these voters were, more likely than not, attempting to vote for you?

A. Well, I assume it and so did Judge Corso, since he provided a corollary, to the scenario that night. After the announcement had gone out that it was too late for court orders to be issued and people should go home, a busload of reportedly "Rooney voters" arrived. Evidently their registrations had been irregular. When Corso was informed that some "Rooney voters" were outside, he issued them court orders in blank! And they went back and voted. We weren't able to trace all their votes, but we traced enough of them to establish in court the whole pattern of their trip to the Board of Elections, their court orders, and their subsequent voting.

There are countless examples of the discriminatory pattern we established—much of it not even contested in the testimony at trial. I remember one polling place, which was the First Election District of the 52nd Assembly District, which I carried by about 80 percent. At that location, the polling place had to be kept open until 2:30 in the morning. Of course, a lot of people did not wait until 2:30 in the morning to vote. But the important thing is that that polling place had always had two machines before this election, and this time they only had one. They enlarged the area that had to vote at this polling place; decreased the number of machines; had a longer ballot, and when the lines developed so that there was a two-hour wait at 6:30, we went into court to get an order to have another machine placed there. There were 350 machines sitting in a warehouse two blocks away, and they refused to send a second machine over. . . .

Q. When you went to court to challenge that election, what was it incumbent upon you to demonstrate?

A. That the result of the election had been tainted by irregular procedures it involved to the point where you couldn't ascertain the outcome. I have touched briefly on the specific occurrences. Generally, I think it is fair to say that almost nothing about that election met the minimal standards set forth in the statute. The statutes itself is in my view an unconstitutional statute, because it places all the authority for conducting the primary in the hands of one faction of one party—they pick all the officials; they decide how the law is to be implemented; they are the ones that set the polling places.

Q. If you were forewarned from your experience in the first primary, how could it happen to you again, after you won your suit and obtained a special primary?

A. I think that is worth explaining very clearly. If all the officials are selected by one candidate and his faction, and all the judges are responsive to that faction, and the law gives the officials the authority to decide who can and who cannot vote—you can have everybody in the world you want watching, but it doesn't change the outcome. The election can still be stolen.

In the second primary we experienced a multiplication of the fraud and the deprivation of voters' rights. More people were turned away at the polls; more buff cards were "missing." So more people had to go down to the Board of Elections to obtain court orders. This time we had four judges instead of one to issue court orders. But when the crowds of mostly black and Puerto Rican voters got large around 7:00 p.m. the night of special election, the four judges went into conference and issued no court orders for two and a half hours. Meanwhile, many people gave up, left, and spread the word that there was no way to get a court order.

In the June election, something like 80 percent of the voting-machine breakdowns and late poll openings occurred in election districts I carried by better than two to one. The second time, something like 95 percent were in election districts which I carried two to one or better. What do you do when a machine breaks down? What do you do when inspectors do not show up to open a polling place? We had six members of the United States Congress and as many deputy attorney generals as we could get trying to insure the rights of the voters were not violated, but nobody could do anything. So, what I am saying is that being forewarned does no good unless one has a chance to wrest control of the process from one's opponents. . . .

Q. What specific reforms is your challenge to the election law aimed at?

A. There were seventy-four sections of the statute that were either ignored or not implemented—or that on their face are unfair to certain candidates. We are in federal court to get the election law knocked out. You cannot have a fair election under the law if you have a machine running the election procedure. . . . The stolen election has a greater importance, though, apart from the fact that one person was deprived of a seat in Congress to which he was elected. I don't want to leave you with the impression that the history of the republic was significantly altered because I was deprived of the seat which I was voted into by the citizens of Brooklyn. But it is true that the taint on the process of election increases the toxic level of the poison in a community like the one that I was elected from, where the feeling is that the government rips you off, that it is insensitive and unresponsive. An election stolen in that type of community confirms the already negative attitude toward the whole system of government. People say, "We finally want to vote for somebody, we went down and nobody would let us vote." In Brooklyn last year the community did get concerned; it did get involved; and then they were cheated. The danger is that cynicism multiplies. But what was amazing about this incident was that each time, instead of getting discouraged, the community got angrier. This is the thing that I think you have to say is hopeful. That what was done didn't destroy or discourage; it in fact engaged a very substantial feeling in the community—so substantial that in the general election, when my name was only on the Liberal Party line, I carried about forty election districts. Which is testament to the fact that people are indignant about everything that was done, and are not about to lie down and play dead.

Q. If, indeed, the election had to be stolen because you would have won, we must conclude that you were a white liberal candidate who managed to establish the coalition between usually polarized segments of the electorate—poor, nonwhite voters and white ethnic voters. Do you think that liberal candidates can succeed in building bridges between polarized communities, or will they have to modify liberal positions to be elected?

A. I think it is very clear that you can take the positions which I have taken since I've been in public life and win. You can win in almost any circumstance in almost any district. It is not always easy. It is not always pleasant. You may get called names. You may get a lot of sewage thrown at you. But if you're willing to fight it through and explain tough issues, you can win.

Q. Are busing and abortion included in those tough issues?

A. First, I don't think you should lump together a lot of separate questions, and I don't think that I know anyone who favors busing, if by favoring busing you mean what Nixon makes it sound like—namely, taking children in buses long distances across communities to inferior schools. Why is that considered a liberal position? That seems to me to be conceding the argument. The argument isn't whether children should be bused across communities to attend inferior schools; the question is why are there inferior schools? What have we done in organizing the economics of this country that we still have schools that we don't want? No mother should be expected to send her children to inferior schools in a country where the gross national product surpasses a trillion dollars a year. No country with the wealth we have should debate busing, as if the choice was between sending children to inferior schools or having just black children attending inferior schools, because we are not doing anything about the schools.

The issue is: why was Nixon vetoing money for education? Why were we engaging ourselves in profligate waste in the war and on the military, when we could have been doing what should have been done? Perhaps if we had, then there would be no children going to inferior schools.

So, if you are asking can liberals get elected, I say yes they can. You can take the positions that I took—I voted against all the appropriations for the military; I voted against the omnibus crime bill; I voted against the pornography bill—which are stands supposedly impossible under the Scammon-Wattenberg doctrine. I did those

things because the legislation was wrong, bad, dishonest, and deceptive, and I ended up running after the gerrymander in 1970, carrying some of the same communities as James Buckley, the Conservative Party candidate for the U.S. Senate. The point is that people were prepared to accept the fact that there is no simple doctrine that defines their position, but they will vote for candidates they think are honest and care about their problems and want to work at them.

People vote on a confused medley of questions. All I'm saying is that you can stand on the positions that I've taken, and it is clear from the results in both campaigns, in Nassau and in Brooklyn, you can carry election districts which include people of all backgrounds without running away from these positions. The tragedy of this election and the national election would be compounded if the lesson people learned from it is that you have to trim and sound like Richard Nixon, George Wallace, or Norman Lent to win an election. It just isn't true.

Q. If you reject the sort of conventional wisdom that liberals have alienated themselves from Middle America, why was McGovern so overwhelmingly defeated?

A. What I said was that one can take liberal positions and win. I did not say that every liberal can be elected and I did not say that no liberals had alienated themselves from anybody. For instance, liberals have alienated themselves from the campus—there are campus precincts that voted for Nixon.

The whole problem is not to make a doctrinaire rebuttal of doctrinaire nonsense that has been peddled. The point is to understand that candidates have an enormous effect on who people vote for. The manner in which issues are couched shapes the answer that you get about what people want done. Nixon's skill in couching questions had people voting on things they weren't voting on. So, the skillfullness of the Nixon campaign, in dissembling and confusing, combined with the failure of the Democratic campaign to communicate effectively what it did stand for, added up to a Democratic defeat. The people, who were deeply troubled, concluded that the Democratic ticket would not be able to govern the country. Those were the things that had enormous impact on communities that might have very clearly voted in a different way if these problems had not developed as they did.

Q. You mentioned that there were campus precincts that voted for Nixon. You have always been associated with the involvement of young people in politics. Have you noticed any trends toward a decrease in that involvement over the years?

A. Well, there are ups and downs. I think to be fair about what happened in the presidential campaign, one must say that a lot of students in the spring of 1972 created a myth about George McGovern. They tried to make him out to be something he never was, and then, when it turned out that he wasn't the myth they had created, they blamed him for changing.

On the basis of this myth they had created they then turned on him. It was really quite a sad phenomenon—to make Edmund Muskie into an archfiend and think Pete McCloskey some kind of fool, as people were doing in the primary, to justify all this fanatical work for George McGovern. It may have been politically useful or politically necessary, but I found it unattractive and was denounced by people when we were doing the Dump Nixon rallies in 1971. It seemed important to me to say that there were several good men and that people could make decisions that they want without trying to pick the alternatives in hostile terms. I did not succeed in conveying this to many people in this period. They remained zealous in thinking that they were right in making this kind of distinction between McGovern and some of the others.

But, then, the same people, six months later were too busy to work for McGovern when he was running against Nixon. And that struck me as being the ultimate absurdity of the whole political season. So it is true that some students and others got uninvolved—found emotional reasons that they were not going to work. And that quite clearly contributed to the magnitude of the Nixon victory. But much as I think that process was absurd, I think it would be a great mistake to think it signals that there is not a potential for deep interest and involvement. I do not believe that has been permanently eroded.

Q. If anyone would be convinced by the argument that the political system won't work—that electoral politics is not the way to achieve fundamental social reform—it seems that you would be. You were gerrymandered out of one congressional seat. You had another stolen from you. And yet you have not given up. What is the basis for your continuing faith in the electoral process?

A. I think it is oversimplified to say that it is continuing faith. There is always the tendency, in print, to oversimplify. I am constantly quoted as saying the system works. I don't know what that phrase means. I have never used it. I have never, anywhere, said "the system works." What I have said is that the things that have gone wrong with the system can be changed more effectively if you elect people committed to change them.

It isn't that I am convinced that the system as it is today can be fixed to the point where it is as it should be. What I've been saying is that nothing is inevitable. It is not inevitable that we will win. It is not inevitable that we will lose. It is only inevitable that we will win or lose. Given what the stakes are, that should be an incentive to work harder. Dogmatism has no place in the prediction of the outcome, in assuring that something is going to occur that should occur. If I knew a better way, if anyone had come up with a better way, a speedier way, to bring about some changes, then we all would pursue that course of action.

Q. How do you react to the argument that politics may not be the best way to work for reform because the electoral process, in requiring a majority consensus of its participants, may have a built-in conservatizing mechanism?

A. I think there is room for a hundred different ways to try to influence events. I think people who lead good lives, and never get involved in politics more than just as transient participants—people who write, people in the theater, etc.—make vital contributions. There are 100 milieu that contribute to the shaping of society. I am not saying everyone should drop everything and become lifetime political people. I am not sure that I'm not going to want to spend more time on other things beside politics. That is a very difficult decision to make.

All I am saying is that there are some things that can only be changed through politics. Those things include the disposition of the national resources, because that's voted by Congress. Lives are squandered in Vietnam or they are not—depending what the voters are or what the President does.

To say that politics is the only way is nonsense. But to say that politics is not one of the significant ways is also nonsense. The degree to which you combine your activities in politics with your other activities is an individual decision, and it is one that can be made honorably in 100 different ways. You can spend relatively little time in politics and be a useful citizen, or you can say that until the war is over we have to stay as active in politics as we can, to prevent it from continuing indefinitely or escalating. How many people would be dead now if we had given in at that point to the Johnson doctrine and Nixon's sequel to it?

So I certainly have no regret about being in politics over this period of time; whether I'm going to stay in it to the same degree I have, I don't know. I am not advocating any one life style. You can spend time with your family and friends; you can teach, write, go into a law firm, sit by a swimming pool, make a debut as a movie star, turn tennis pro. Whatever one's choice, I think you ought to make a contribution in some way in order to achieve the same opportunities for people that you have.

We live in frivolous circumstances—it is easy to forget that there are people who live in less frivolous circumstances, but millions do. We live among people whose whole life may be an example of the gap that exists between what we like to think of America as and what it is to millions of people. You can't see that and say, "This is of no concern to me." Whether you work in politics or not is not the fundamental decision. I do think that to bring about basic changes such as money for housing and hospitals, jobs for people who want to work, fair tax structures—so that Ronald Reagan doesn't go home without paying any state taxes while denouncing poor women as cheats because they gained an extra check for an extra child—is the goal to which we all must dedicate ourselves in some way.

If the government is not going to respond to injustices visited unfairly on people, then there is no reason to say that we are a society that believes in the things we keep saying we do. We are going to have to unravel the contradictions in our society before the hypocrisy becomes too monumental, because people are not going to live two-thirds affluent and one-third in a kind of economic and social servitude. It isn't going to work and it doesn't need to work—the society can be so abundant for everybody and so much fairer.

So what you are talking about is fighting for the future of the country. People now take for granted that their lives are going to be very pleasant for them and their children. But their whole future is in fact imperiled if we don't move the country in a different direction, toward resolving the enormous frustrations that have been allowed to accumulate and embitter, alienate, and divide our people.

It is not that the system works or doesn't work, whatever that means. The system is here. There are people who work the system—the milk lobby, the oil companies, ITT—they all work the system. It is incumbent upon all of us who are committed to turning this nation toward its much needed reordering of priorities to reclaim the system and make it work for the benefit of all Americans.

CONGRESSIONAL SALUTE TO THE HONORABLE CARL MULQUEEN OF POMPTON LAKES, NJ; OUTSTANDING CITIZEN, COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. ROE. Mr. Speaker, on Friday, March 29, a prominent group of concerned citizens from labor, business, civic, and community organizations will gather together in testimony to an outstanding citizen, community leader, and good friend—Hon. Carl Mulqueen, whose lifetime of service to the people of the borough of Pompton Lakes has truly enriched our community, State, and Nation.

Mr. Speaker, I know that you and our colleagues will want to join with me in extending our warmest greetings and felicitations to Carl Mulqueen and share great pride in the success of his long dynamic and active leadership in public affairs with his good wife Evelyn; their sons John of Fort Wayne, IN, and James of Pompton Plains, NJ; and five granddaughters Carleen, Brenda, Jennifer, Lori, and Casie.

Carl Mulqueen has been a staunch supporter and active participant in many civic and community improvement programs and we applaud the quality of his leadership endeavors in the vanguard of service to people's needs. He was born in Susquehanna, PA on December 18, 1895, and attended Laurel Hill Academy, Susquehanna. As a teenager he left Pennsylvania for Canada and worked in the steel mills for a while. Subsequently he journeyed to the Clinton, IA area working at various jobs and on June 26, 1916, joined the U.S. Army. He served with Battery A, 126th Field Artillery, Headquarters Troop, 305th Cavalry and was honorably discharged July 9, 1919, upon the demobilization of his Army unit.

Following World War I he traveled extensively throughout the Midwest. He worked with Davey Lockher, Waverly, NY decorating churches and theaters. He became a meat cutter with E.G. Shinner Co., Flint, MI. He served as manager of Bazley Meat Markets in several Ohio towns. After a serious illness and long recuperative period in the late 1930's he moved to Binghamton, NY and secured work with Ozalid Division of General Aniline and Film Corp. In 1943 he was transferred to New Jersey to service reproduction machines. He resided in West Caldwell, NJ from 1943–49 and in mid-1949 settled with his family in Pompton Lakes, NJ. It is interesting to note that Carl and Evelyn Mulqueen will be celebrating their 50th golden wedding anniversary on August 5, 1985.

Mr. Speaker, the quality of leadership and sincerity of purpose that Carl Mulqueen has imparted to our people in the political, civic, and business world are mirrored in his many accomplishments and the warmth of his friendship that have won him the confidence and support of all of us who have the good fortune to know him.

He was a major bulwark of strength in the Democratic Party from his early days in its organizational structure in Pompton Lakes. Beginning in July 1949 he served as county committeeman of the Third Election District of Pompton Lakes and was president of the Pompton Lakes Democratic Club for one term in mid-1950 soon after its founding.

There is much that can be said about Carl Mulqueen and all of his good works. He received many citations of merit and honor for his many charitable and rewarding contributions to the quality of life and way of life for all of our people.

He served as special policeman for the borough of Pompton Lakes and when the civil defense movement was established locally was appointed deputy civil defense director. He also served as constable for many years. He is a charter and life member, and past president of the Pompton Lakes Lions Club. He is a member of the Kimble Weatherwalks American Legion Post No. 235 and St. Mary's Church, Pompton Lakes, NJ.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life here in America. As we gather together on March 29 in tribute to Carl's leadership endeavors and personal commitment dedicated to service to people, we do indeed salute a great American—Hon. Carl Mulqueen of Pompton Lakes, NJ.●

A SENSELESS DEATH

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SKELTON. Mr. Speaker, on Sunday afternoon, a Soviet soldier shot and killed, or to be more correct I should say murdered, Maj. Arthur D. Nicholson, Jr., an American Army officer stationed with the U.S. Military Liaison Mission in Potsdam, East Germany. The incident reads in many ways like an account from a John Le Carre' novel. In time the event which took place in the small East German town of Ludwigslust will become just another tragic footnote in the history of the Cold War.

Unfortunately, however, a man is dead—a loving father, a beloved husband, a cherished son. Major Nicholson was a Russian area specialist, a man who believed it important to find a way to negotiate arms control agreements with the Soviets. In this belief he was right. One of his former graduate school professors described him as one of the brightest students he had taught in 10 years.

However, his senseless death is a tragic reminder that in dealing with the Soviet Union we are dealing with a ruling group that is ruthless in the pursuit of its aims. It plays by its own rules—rules that take little account of human life. Yet again, the Soviet Union has shown how different it is in the actions it takes. We are always shocked by such incidents, but we really shouldn't be; it's standard operating procedure.●

MIKE WITT DAY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DORNAN of California. Mr. Speaker, I am honored to join the city of Buena Park, CA, and the California Angels in recognizing the outstanding athletic accomplishment and personal integrity of Mike Witt, a young baseball pitcher from Buena Park.

Saturday, May 18, 1985, is "Mike Witt Day" at Anaheim Stadium and gives all of us the chance to salute Mike for the perfect game he pitched on September 30, 1984. Mike was named Major League Player of the Week, Sports Illustrated's Player of the Week, and First Interstate Bank Athletic Foundation's Southland Athlete of the Month.

The ceremonies on May 18 will be nationally televised. I urge all of my colleagues to tune in and observe this tribute to a fine American.●

THE WORLD SUGAR INDUSTRY

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. STENHOLM. Mr. Speaker, the world sugar industry is currently in a crisis as prices continue to remain well below the cost of production. Many key allies throughout the tropics are experiencing economic dislocation as a result of the collapse of the world sugar price.

I am inserting remarks by a leading figure in the Philippine sugar industry, Roberto S. Benedicto, to provide my colleagues with some insights into the perspectives typical of many of the friendly nations which supply our Nation. Of course, many of these ob-

servations will have to be tempered by our own knowledge of the importance of the policies which maintain a viable domestic sugar industry.

STATEMENT BY AMBASSADOR R.S. BENEDICTO, CHAIRMAN, PHILIPPINE SUGAR COMMISSION BEFORE THE U.S. SUGAR USERS COLLOQUIUM

I am grateful to the organizing committee and to Mr. Tipton for the opportunity to discuss with you the Philippine sugar economy and the relations between our countries with respect to this commodity. On issues of this sort it behooves a great nation like the U.S. to look beyond the immediate present.

All in this room are concerned with sugar, but few of you can realize how much it means to my country. Half of the Philippine population of 53 million depends on agriculture for their livelihood, in contrast to about 3% in the U.S. But we have only about 9 million hectares of cultivable land, which means that we have to make the most of our land in terms of productivity and employment. The average size of our 2.9 million farm units is only 2.6 hectares; the average size of even the 4.5% biggest farms—those larger than 5 hectares—is only 6.6 hectares. Sugar cane has been cultivated on 10-12% of the arable area to produce 2.5-2.8 metric tons of sugar of which 50 to 60% was exported. Next to rice, our staple food, sugar cane has been the most widely cultivated crop. More than 30,000 farm units are engaged in its production, almost two and a half times as many as the beet and cane farm units are engaged in its production, almost two and a half times as many as the beet and cane farm units in the U.S. and Hawaii. It is estimated that about 5 million people in 20 provinces are dependent, directly or indirectly, on the sugar industry.

I must not weary you with a lot of figures, but it is necessary to point out that until the last few years, sugar accounted for 15 to 20% of our foreign exchange earnings from traditional exports. The earnings from sugar paid not only for imports of foods and consumer goods, but made possible our industrial, technological and financial development. Earnings from sugar exports supported schools, colleges, and many of our construction and industrial enterprises. Our current foreign exchange difficulties are due to no small extent to the fall in sugar earnings from about 500 million U.S. dollars to less than 300 million in 1983. But for the long term contract which I'll mention later, our earnings would have fallen in 1984 to about 100 million dollars, the lowest in the last fifty years.

Yet even these facts do not reveal the political, social, yes even cultural and psychological, importance of sugar in my country. Sugar is at the heart of our national political life and culture to an extent that people of economically and culturally diversified, pluralistic societies like that of the U.S. simply cannot imagine.

Sugar's unique position in my country's life accounts also for my activities during the last few years. I was serving as Ambassador to Japan when one day in 1977 President Marcos telephoned me to come to Manila, without telling me why. I soon found out. After the demise of the 40 year old U.S. sugar law and the collapse of the world market which followed the price explosion of 1974, our sugar economy was on the verge of collapse. A rescue effort by the Philippine National Bank, which had never been involved in sugar marketing, did not resolve the problems of the industry. It was at this critical juncture that the Philippine Sugar Commission was activated.

What has been the record of the Philippine Sugar Commission-Philsucom, in short? Let me place before you some plain facts which can be objectively tested and supported. Extremely difficult marketing conditions notwithstanding, the mountainous stocks had to be drastically reduced and our transport facilities and ports were organized to handle record shipments. To save the 1977 negotiations of an International Sugar Agreement, we gave up 100,000 tons of quota—a move that was unprecedented in the history of the ISA; but the Agreement was saved to help in supporting the world price—and, let me add, providence rewarded us. The sugar which we could not export because of quota limitation when the world price was 8-9 cents was exported when the price was two or three times higher, and we built a quota record in addition. All of you know of the long-term contracts we made in 1980, mentioned previously. These developments, plus small domestic prior increases—much smaller than in other major producing countries—enabled us to increase prices to producers. The liquidation price of the Commission's trading arm, NASUTRA, was 90 pesos a picul of sugar in 1977-79, and was raised to 172.50 pesos by 1980-81. Although the world price average during 1981-83 some 70% below the 1980-81 average, the price to our producers was reduced by only 4 pesos.

Fearing that the price of 1979-80 would not last, we tried to prepare for a colder future. We make contracts for as long as was possible. We organized research programs to raise productivity and to bring down production costs; we built three refineries to take advantage of changes in the world sugar trade; we opened a Farmers' Bank to facilitate credit at lower cost; we worked on improving internal transportation and took other measures to improve efficiency and to raise the net returns to producers.

It was inevitable that people as devoted to a free economy as are the Philippines should sooner or later become critical of centralized management and show discontent. We are hard-working, resourceful people who flourish best in a free economy. So the President said last year: fine, anyone is free to opt out of the Commission marketing. He instructed the Commission that the conditions of opting out be made absolutely fair and equitable. Although we negotiated the long-term contracts, we made sure that those who opt out get a pro-rata share and of course also the appropriate share of the higher-priced domestic and U.S. quota markets. What happened? When the noise and excitement died down, it was found that only an insignificant percentage of producers wanted to try exporting on their own. Domestic marketing has been privatized, but hardly anyone now wants privatization of foreign marketing. It pains me to have to say that unfortunately farmers and the mills have found out that privatization has not given them higher prices or more prompt payment. But all our rationalization and marketing efforts could not offset the disastrous decline in the world price to less than 4 cents to 5 cents a pound to which we suddenly became exposed recently for the first time since the development of our own industry under the U.S. umbrella. This is the all-important new development, and this brings me to our relations with the U.S.

I wonder how many here realize how long and deep have been the sugar relations between our countries. Our records show that in 1796, 20 years after the birth of your Republic, the good ship Astrea from Salem, Mass., carried back from the Philippines a cargo of sugar, indigo and pepper—on which, by the way, a duty of $24,000 was collected. The U.S. became the primary market for our sugar long before the Philippines became a part of the United States. During the decade 1880-89 exports averaged 199,000 tons, of which almost 60% went to the U.S. After the Philippines became part of the United States in 1898, production and exports expanded greatly, stimulated by the influx of U.S. capital, technical knowledge, and management. Moreover, in belated recognition of fairness with regards to duty free entry of U.S. goods into the Philippines, our sugar exports to the U.S. were eventually exempted from duty. The shortage of production during World War I resulted in the U.S. administration encouraging expansion; by 1932-33 production reached 1.65 million tons, of which almost two-thirds, 1.25 million to be exact, went to the U.S.

The passage in 1934 of the Philippines Independence Act placed duty-free entry to 980,000 short tons; and my country shipped nearly all of its exports to you. Until 1960 the Philippines and Cuba supplied 97.3% of all U.S. imports. But when the Cuban quota was carved up among various countries, the Philippines received a modest increase. During the 14 years from 1961 to 1974, the Philippines supplied an average of 1.28 million tons, 27.6% of total U.S. imports. The Philippines was the largest single supplier by far during this period: 13.7% came from the Dominican Republic, 11.5% from Mexico, 10.7% from Brazil, almost 9% from Peru, and 4.1% from Australia.

When the U.S. Sugar Act was allowed to expire in 1974, the Philippines, with its sugar industry geared entirely to the American market, except for the 35% for domestic use, was suddenly cut adrift to fend for itself. Moreover, our industry had just completed a large and costly expansion program involving the establishment of 18 new sugar factories, solely to ensure fulfilment of U.S. quota commitments. The abrupt termination of the Sugar Act without notice and without any period of adjustment was therefore particularly traumatic for us. Our Quota Administration, which had made for equitable distribution of the U.S. quota domestically and for orderly and reliable shipments to U.S. customers was dismantled and trading became chaotic. Dozens of operators of varying character and description sprang up, as the established, honorable trading channels were disrupted and dismantled. Yet when quotas were re-instituted in 1982, the political, social, cultural, legal and economic ties and relationships built up during four score of years, and cemented by blood in three or four wars, were utterly disregarded, and the Philippines quota was based on a traumatic, chaotic, disruptive period of 6 or 7 years. It pains me deeply to say this, as since my university days in Washington, D.C., I have considered the U.S. as almost my second home; but I would be less than truthful if I did not say that it would be hard to find a person in the Philippines who is not embittered by what is universally regarded as a grave injustice.

I spoke of the 200 year relationship in sugar trade, but the gravity of the matter becomes even more apparent when you consider the larger economic relations—the importance of U.S. agricultural exports to my country, U.S. income from financial investments and services, as well as from exports of industrial goods. As a result of your policy we have to cut back on cane produc-

tion and to grow more corn and other grains we used to import from the U.S. What a policy to force on us—that we should cut back sugar cane which we produce more efficiently than most countries and replace it with corn, for domestic use and possible for export, which you produce so efficiently and which we have wanted to buy from you.

I do not want to re-open the wounds of the sacrifices the Philippines made during the great war; there is hardly a family which cannot tell tales of suffering and sacrifices. Military historians tell us that the second most heavily destroyed city in the last war, after Rotterdam or Warsaw, was Manila. The sugar industry was virtually totally destroyed. How many in the U.S. know that one out of every 17 Filipinos was killed during the war—over a million men, women, and children. But I would be remis if I did not point out a few basic geo-political facts: in the Philippines you have had a true and tested ally of some 53 million people in one of the most disturbed and turbulent areas, where some 2 billion inhabitants are concentrated. The largest American naval and airbases outside the United States are in the Philippines. We are the ones who would be the first to absorb the onslaught of propaganda as well as bombs.

People in my country cannot help but contrast the treatment we have received with that which Britain and the EEC have given to countries with which they had special relations. When Britain discontinued paying premium prices to South Africa and then to Australia, it maintained special prices and quotas for the low income Commonwealth countries. But the recent U.S. policies have not differenciated between high income and low income sugar exporters, between countries which have other high income markets and those which do not, between old, reliable friends and Johnnies-come-latelies. As a result there are today 30 countries which have high price markets for 30 to 50% of their exports, while the Philippines has to depend on the world free market for more than three-quarters of its exports. Between EEC and the U.S. the West Indies, for example, have special high price markets for more than they have exported. If that is fairness, I wonder what inequity is. Of the foreign suppliers, the Philippines is the only country that has been part of the United States for more than 50 years.

But let us be coldly practical. I have mentioned—barely mentioned—the economic, political, military and strategic advantages the Philippines have given; but let me point out something that the people of the U.S. and especially the industrial users of sugar need to consider carefully, and of course from a long-term standpoint.

First, I am sure that no one wants to see the destruction of the U.S. sugar industry; but one can only hope that you will consider realistically what price is necessary for maintaining an efficient, productive industry at a reasonable level. What have been the results of the policy changes and the extraordinary level of prices you have maintained during the last three years? One result has been that you have become one of the highest priced markets in the whole world—if not the highest—when you used to have the lowest prices among the high income and beet countries, A FAO study in 1951 showed that the only countries which had lower consumer prices than the U.S. were the cane sugar exporters of South, Central America and of the Far East—and they in part because their sugar was plantation white, not refined. Half of the countries studied had higher prices—generally much higher than the U.S.—including Austria, Belgium, Canada, France, Germany, Italy, Netherlands, Japan, Switzerland, etc. The same findings were confirmed by other studies down to 1977 or 1978. A well-known FAO/ISO study published in 1957 showed that half of the 125 countries examined in depth had higher consumer prices than the U.S.—again including nearly all the high income countries of Europe, as well as Canada. But data published a few weeks ago by your own USDA, which I have here with me, shows that of the 16 major world capitals, the U.S. had the highest retail prices by far—double the prices of the EEC and of Canada—and 300% higher than the retail prices of refined sugar in my country.

What has been the result of this price policy? You know the answer. At the rate consumption was developing before 1977, you would have consumed today somewhere around 13 million tons. But your consumption this year will be less than 7.5 million tons—and net imports may fall around two and a half million tons. Do you really need such a price policy?

Second, under existing circumstances you do not have the slightest protection—not the slightest—against another rise in the world price, in spite of the fact that you are now paying three to four hundred percent above the depressed world price. You know what happened in 1974-75 and in 1979-80—and history will repeat itself. I know that there are economists and other witch doctors who assure you that another price fever is most unlikely and that if one were to develop at some future time, it would be mild and short-lived. I do not agree. At any rate we in the Philippines recognize that the American consumer is entitled to a real quid pro quo for paying a higher price when the world market price is so depressed. I therefore say for the record: if you restore our historic share of the U.S. market we will guarantee to deliver at the MSP, regardless of how high the world price rises. Indeed, we would be willing to discuss guarantees for even considerably greater shipments at the MSP. Between your domestic production and a supply guarantee of this sort by the two largest off-shore exporters, an effective way can be devised to assure that the U.S price does not rise above the MSP. This is an offer I am making in absolute seriousness. There is not one in the world who can say that I have reneged on a word of mine; but the offer I am putting on the record is not only on my behalf, but on behalf of the Philippine Sugar Commission, and indeed of the Philippine government.

Another idea which I hope will be given fair and deep consideration in framing your new sugar legislation is the suggestion to allow ex-quota imports at the world price for conversion into high fructose. If corn syrup is so efficient and cheap, why not allow fair competition? Indeed, facilitating this sort of competition is an acid test of the sincerity of the professions in the glories of the American economic system. Of course safeguards can be devised to protect the sugar program. And let me say this to corn producers: the market for your corn which this sort of fair competition would win for you abroad, would in all probabilty more than compensate for the losses you could possibly suffer at home. And beyond this, there would be the political, cultural and general economic good-will.

Finally, one more point, I know that there is much skepticism in this country about the ISA; but I am convinced that an ISA can be of real value. It could re-enforce your domestic stability and at the same time help the world sugar economy. But an effective ISA will not be negotiated without positive and vigorous U.S. leadership. I am delighted that the organizers of this Colloquium had the foresight to allow so much time for discussing this aspect. I believe that a new ISA can be negotiated and that an ISA could infuse new life in the world market. Some people thought me naive when I said at the Geneva conference last year that an ISA—even a bad one—is worth 1-3 cents a pound in the price of world sugar. Alas, events have borne me out, unfortunately. But we will not get an ISA without clearer, more dynamic and more far-sighted U.S. leadership.

I hope you will forgive me if I have spoken at length. After all, as Mr. Garrad of the U.K. has said, I, too, have travelled almost 500 miles for every minute on this platform. Above all, I have tried to speak frankly, as a friend should. I don't need to produce credentials of my life-long friendship to the U.S. Like those of President Marcos, my credentials go back to the war years and before. You have a historic opportunity to right a grave injustice and at the same time to lay the foundation for a wise, realistic, politically and economically sound sugar policy for this great country. Pray to heaven that you will use it—and that you will be listened to.

Thank you all.●

ADDRESS BY HIS EXCELLENCY YOSHIO OKAWARA, THE AMBASSADOR OF JAPAN

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MINETA. Mr. Speaker, for nearly 5 years the Government of Japan has been represented in this country by Ambasador Yoshio Okawara, who is returning to Japan after having served here with distinction and honor.

Ambassador Okawara recently spoke to the Japan-America Society of Washington. I believe his remarks on the relationship between our two nations are insightful and timely, and I would like to urge my colleagues to consider them.

The text of the speech follows:

ADDRESS BY HIS EXCELLENCY YOSHIO OKAWARA, THE AMBASSADOR OF JAPAN, JAPAN-AMERICAN SOCIETY OF WASHINGTON, DC, FEBRUARY 21, 1985

It is nearly five years since I arrived in Washington with the duty and honor to represent my Government in the United States. For both my wife and me, the time has passed too swiftly. As many of you know first hand, it has been a busy and exciting period in our line of work!

For Japanese-American relations, it has been a time of occasional frictions and often difficult negotiations. It has also been a time of solid and steady progress in clarifying the terms of our relationship, and strengthening the economic, political and cultural ties that bind us together as partners and allies.

Now, as Mitsuko and I prepare to return to our home in Japan, I am pleased to observe that the commitments of the Japanese and American people to each other have never been clearer, and that our two nations have never been surer about what we must do together to build a more stable, more peaceful and more prosperous world.

This progress is the work of many hands, in government and the private sector, on both sides of the Pacific, including the members of this Society, who have played a patient and constructive role through the years in various aspects of our relations. For the strong foundations you have laid, and for the invaluable help you have given me during the years I have been closely involved in American affairs, my deep thanks.

The importance of Japan and the United States to each other is not simply an invention of diplomats, business people and academics who have specific stakes in the relationship. Our political partnership is deeply rooted in our shared values and interests as sister democracies, dedicated to freedom. Our growing economic interdependence results from the dynamic interaction of our two free-enterprise economies, the first and second most productive societies on earth, generating between us about one third of world GNP.

Because of the values we share, and the power of our combined talents and resources, our partnership is also of enormous importance to the rest of the world. President Reagan put it very succinctly last January 2, following his summit meeting in Los Angeles with Prime Minister Nakasone.

"There's no relationship that is more important to peace and prosperity in the world than that between the U.S. and Japan. * * * We value deeply our close friendship with Japan. As economic powers and as democratic nations, we are committed to the search for peace and prosperity for our people and for all people."

For many years it has been customary in Japan to describe the relationship with the United States, formalized in the Japan-U.S. Treaty of Mutual Cooperation and Security, as the "cornerstone" of Japanese foreign policy. As our relations have become more matured and more interdependent, and as Japan has gained in power and capacity, both the Japanese Government and people have recognized that our partnership cannot be taken for granted and should be treated as a living process of collaboration, working to advance our common interests in the world.

Ours is an activist partnership that can thrive only as we work together, tirelessly, to make it work. Even then, we are bound to have periodic stresses and strains such as those we experienced these last several years. These are the "growing pains" that go with the process of maturing. The challenge to our diplomacy is to accommodate and adjust our differences while expanding the areas of effective cooperation between us.

Currently, some of the more severe growing pains in our relationship are a result of the sometimes awkward fit between two economies that are structually quite different. On this side of the Pacific you have the continent-size and highly diversified American economy, which is comparatively self-sufficient in all but a few critical minerals and industrial raw materials, leads the world in all but a very few branches of industrial technology, and is the world's greatest exporter of agricultural products and manufactured goods.

On the other side of the Pacific we have the Japanese economy that is not quite half the size of the U.S. economy; that depends on imports for all its oil, nearly all its industrial raw materials, and half its food; and has almost nothing to export but manufactured goods and certain technologies where it has established a highly competitive position in world markets.

In most respects these very different economic structures are an excellent fit, making for a complementary relationship. Hence Japan is by far the best customer in the world for the American farmer, buying $7 billion in U.S. farm products last year, or twice as much as any other nation. Also, contrary to a popular myth, about half of Japan's imports from this country consist of manufactured goods, and these imports are expanding steadily. Over all, the $24 billion in U.S. goods shipped to Japan last year was more than the combined U.S. exports to France, Italy and West Germany.

We are also each other's keenest competitors, almost entirely in manufactured goods, from automobiles and consumer electronics to robots and computer-controlled machine tools. This competition is, in fact, a powerful stimulus for the advancement of each other's economies.

Despite the fact that Japan is America's number-one overseas trading partner, and one of America's fastest-growing export markets, there is a widely held view in this country that Japan could buy much more from the United States, if the Japanese market were truly open to imports. The fact of a large and continuing U.S. deficit in our bilateral trade is often offered as proof that, while the American market is perfectly "open" to Japanese goods, American exporters are unfairly disadvantaged by a "closed" Japanese market.

As this informed assembly knows very well, there are some serious flaws to this logic. The era of large U.S. surpluses in trade with Japan was the era, up till the mid-1960s, when the Japanese market was very carefully protected by high import barriers. The U.S. trade deficit grew during the last 10 or 15 years, as Japan has methodically dismanteled its trade barriers.

The "open" versus "closed" market argument tends to overestimate the virtues of one side and underestimate the virtues of the other, a phenomenon that my good friend and colleague, Ambassador Mike Mansfield, has also commented upon as a failing that both sides are capable of. It is also a vastly oversimplified argument, that overlooks the political realities of economic policy in both our democratic societies. In trying to resolve our differences through negotiations, we sometimes expect more from each other than it is politically feasible to deliver, or we expect changes to take place faster than the other side's decisionmaking machinery is capable of functioning.

In fact, our perceptions and expectations of each other across the negotiating table are sometimes the pretty difficult obstacles we diplomats have to overcome. I can think of no better example than our often tense, but finally successful, negotiations last spring which led to the expansion of Japan's beef and citrus imports.

The substance of the talks, plain and simple, was at what pace Japan would expand its beef and citrus import quotas, without causing sudden economic disaster for our uncompetitive beef and mikan orange growers. As recently as 1960 Japan was almost 80 percent self-sufficient in food; today, as a result of progressive opening up of agricultural import markets, Japan imports about 50 percent of the food calories it consumes. No other advanced economy has deliberately relinquished so much control over its own food security, as a matter of national policy.

A common American view has been that it is "unfair" of Japan to maintain any import protection for its very small and very weak beef and citrus industries, but it is perfectly "fair" for the United States to protect its relatively large and highly productive beef, citrus, dairy, sugar, peanut and other agricultural producers.

The Japanese side finds it hard to accept the "unfairness" argument since Japan is already buying 70 percent of America's beef exports to the world and 40 percent of America's citrus exports. Because of growing Japanese consumer demand, and progressive import liberalization, the Japanese market for U.S. agricultural exports has expanded from $1 billion to $7 billion in just the last decade.

The common Japanese view is that while the Japanese farm production should be made much more productive, the United States has sometimes been "unreasonable" in asking too much, too fast, without regard for the economic interests and political clout of hard-pressed Japanese farmers.

The current stormy debate in this country about domestic farm policy touches. I think, the basic nature of agricultural trade. Therefore, I will be following the debates with keen interest.

The American perception that Japan is a "closed" market persists also in our nonagricultural trade. I say "persists" because it is quite true that 20 or even 10 years ago Japan was a relatively more protected market than, say, Western Europe. This is no longer true. By any formal measure—tariffs, quotas, nontariff barriers, export subsidies, customs-clearance procedures—Japan is a considerably more open market than, say, the European Community. By all these measures, Japan's market access is much more comparable with the United States.

This is not to say that either the United States or Japan is a completely free and open market. In the case of the United States, it maintains import quotas on textiles and other products, Buy American criteria for certain kinds of government procurement, and has promoted voluntary export restraints on specific imports such as televisions and automobiles. Last fall the United States decided to introduce import quotas on steel products, and we are now negotiating detailed arrangements on this matter.

When we compare relative access to the U.S. and Japanese markets, in other words, we cannot do so in black-and-white terms. Both countries are shades of grey in the degree to which they are open to imports.

The American perception of Japan as a "closed" market persists, mostly because of the bilateral trade deficit. Yet America's growing trade deficits of the past several years have not been just with Japan; American trade balance with the European Community, Canada, Mexico and several newly industrializing nations have been deteriorating substantially. At the same time, U.S. exports to Japan last year increased 8.7 percent, and much of that growth was in exports of manufactured goods. These facts suggest it is hardly fair to blame Japan alone for America's trade problems with the world.

The chief culprit in America's sluggish export performance over the past several

years has been the overvalued dollar, a fact acknowledged by nearly all trade experts, American as well as foreign. A 60 percent appreciation of the dollar against other major currencies during the past five years has overpriced U.S. exports in world competition, and has made U.S. imports too cheap. The global U.S. trade deficit reflects both lagging exports and surging imports.

The overvalued dollar has little to do with whether foreign markets are marginally open or closed to U.S. exports. Nor can it be blamed on Japanese manipulation of currency markets to maintain an undervalued yen, a theory rejected by a series of official U.S. Government studies. In fact, the yen has maintained relatively greater stability against the dollar than any other major trading currency. Rather, the strong dollar reflects domestic U.S. fiscal and monetary policies, as well as the robust U.S. recovery from the recent worldwide recession.

The remarkable 6.8 percent growth in U.S. GNP last year created a surge in American demand for dollar-cheap imports. These imports helped keep U.S. inflation down, and helped stimulate economic recovery among America's trading partners. But they also contributed to a record U.S. trade deficit. These strong market forces are beyond the control of Japan and your other trading partners, but they remain a serious mutual concern.

Japan, for one, recognizes that our bilateral trade deficit is too large, and we are eager to do our part, and to take every reasonable measure to bring our trade accounts into more manageable size. This can only be a joint effort, and it calls for continuing, concerted moves toward more open world trade. Indeed, I think it is fair to point out that the challenge of Japanese trade competition has been a stimulus, even though bitter, to the revitalization of American industry that is now under way in the steel, automotive, robotics and other U.S. industrial sectors.

The rapid growth of Japanese investment in U.S. manufacturing facilities, and in joint ventures with U.S. companies, is also contributing to the strong U.S. economic performance. This $11 billion in Japanese investments is not only creating new jobs for American workers; it is also bringing in new technologies that are helping revolutionize American manufacturing methods, improve quality control, and provide new products, made by American workers, for both domestic consumption and export. On the other side of the Pacific, innovative American companies are making comparable contributions to Japanese technological growth and diversification with the total investment of $7.9 billion.

At the outset of my remarks I said that the last five years have been a time of solid and steady progress in clarifying the terms of our relationship, and strengthening the ties that bind us together. Despite the growing pains, I believe this firmly. In particular, I believe the Japanese people and their government have come to recognize more clearly than ever before the international responsibilities that accompany Japan's power and rank among the world's industrial democracies, and its role as America's closest ally.

With the support of a growing national consensus, Japan is determined to become what Prime Minister Nakasone has called "a truly international state." The internationalizing of the Japanese economy is an important part of this process. Japan will continue the progressive elimination of barriers until it reaches international levels of open and accessible markets. Deregulation of Japan's financial markets is already moving rapidly. Japan and the United States are in close agreement on the future directions of international economic policy, including the need for a new round of multilateral trade negotiations, under the GATT, with particular focus on the reduction of nontariff trade barriers and barriers to trade in services.

We also recognize that the security of the free world is indivisible, and that the common interests of all the industrialized democracies require expanded economic assistance, trade and cultural exchange with the developing nations of the world. Today's generation of Japanses recognize the need to reach out to the world and to play a role in regional and global affairs.

Finally, we also recognize the need to work harder at removing the policy misunderstandings and out-of-date images of each other that create perception gaps and from time to time lead to frictions in Japanes-American relations. As members of this organization understand very well, good relations between our two countries rest, in the final analysis, on informed public opinion of both countries. I therefore appreciate the efforts and contributions made by the members of this Society to promote the understanding of Japan in its proper perspective. I am also very gratified by the undertakings of our two countries to engage in expanded academic studies of each other's cultures and in student exchanges such as the U.S. Senate Program now in its third year. This program brings 100 high school students to Japan each year for two months of study and home stays. The similar program called the Japan Prefecture Program, which is a year old, brings 47 Japanese students each year to this country for one year of studies and home stays. Both programs are administered by Washington-based Youth for Understanding, an organization I have come to respect and admire.

Learning is a lifetime endeavor, and I promise you that Mitsuko and I will continue to be ardent students of America and Japanese-American relations. We are deeply grateful to all of you, as individuals and as an organization, for all you have done to make our stay here useful, rewarding and enjoyable. We are very happy to return to Japan with such fond memories of Washington and the whole 50 states of this country. We thank you from the bottom of our hearts, and we look forward to seeing you in Tokyo or in our travels.

Sayonara.●

BUDGET CUTS POSE PROBLEM FOR MASSACHUSETTS' STUDENTS

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MOAKLEY. Mr. Speaker, certainly, one of the most damaging areas of budgetary cutbacks and programmatic restrictions proposed by President Reagan in his fiscal year 1986 budget is in the area of Federal student financial assistance, particularly with regard to the Guaranteed Student Loan Program. I would like to share with my colleagues the following letter from my good friend Joseph M. Cronin, president of the Massachusetts Higher Education Assistance Corp., about the devastating impact that these changes will have on students attending Massachusetts' independent colleges and universities. While I knew these cutbacks would be quite serious, even I was surprised at the enormous negative ramifications that will result in these postsecondary institutions. I hope that my colleagues in the Congress will realize the shortsightedness of such funding cuts and will join me in opposing the administration's proposal:

MASSACHUSETTS HIGHER EDUCATION ASSISTANCE CORP.,
Boston, MA, March 19, 1985.

Hon. JOHN JOSEPH MOAKLEY,
U.S. House of Representatives, Cannon Building, Washington, DC.

DEAR CONGRESSMAN MOAKLEY: The Reagan Administration has proposed substantial reductions in student eligibility for a higher education loan. His budget proposal will eliminate 40,000 Massachusetts students from eligibility in order to save $98 million.

I thought you would like to see the effect on Massachusetts students at the larger independent Massachusetts colleges and universities. The impact on U. Mass.-Amherst is more than six million dollars, but the great burden of costs will be felt by those at private colleges.

The biggest surprise may be the impact on Northeastern University. Although 80 percent of their students earn a portion of their tuition through cooperative education jobs, many must borrow the rest to pay for tuition, textbooks, room and board.

School	Loans [1]	Amount
Northeastern University	2,140	$5,353,173
Boston College	1,452	3,793,894
Boston University	1,251	3,711,185
Harvard College	1,056	3,467,540
Bentley College	837	2,001,939
Suffolk University	756	2,125,179
Wentworth College	599	1,410,511
College of the Holy Cross	468	1,110,354
Merrimack College	439	999,075
Stonehill College	433	991,343
Tufts University	418	1,080,519
Worcester Polytechnic Institute	406	894,484
Western New England College	367	922,566
Assumption College	362	843,873
Babson College	339	873,665
Massachusetts Institute of Technology	332	896,340
Brandeis University	281	674,547
Simmons College	262	648,508
Clark University	243	563,350
Springfield College	207	501,100
Smith College	191	421,562
Emerson College	190	492,078
Mount Holyoke College	186	439,970
Regis College	182	414,176
Wheaton College	176	403,650
Nichols College	174	407,071
Wellesley College	155	356,315
Williams College	140	328,592
Emmanuel College	139	299,543
American International College	131	303,518
Central New England College	131	297,760
College of Our Lady of the Elms	127	309,182
Curry College	125	288,606
Lesley College	122	329,116
Anna Maria College	105	259,547
Amherst College	104	210,510
Berkelee College of Music	103	243,925
Gordon College	95	221,974
Massachusetts College of Pharmacy	89	215,854
Eastern Nazarene College	54	125,062
Wheelock College	48	116,553

[1] To students from families with adjusted gross income of more than $32,500.

Again, these figures are for Massachusetts students only; 85 percent of Amherst College students have parents living in other

states. MIT imports from other states 90 percent of its students, 75 percent of whom stay in Massachusetts and add to our famous high tech prosperity.

The most interesting fact is that 70 percent of our student loan recipients are from families with less than $32,500 adjusted gross income. But many of these will be ineligible for loans because of the arbitrary $4,000 cap on all sources of federal aid: Pell grants, work study, and loans. The Guaranteed Student Loan Program serves mainly low income and working class families and middle income families with two or three in college at once.

We appreciate your continued support of this program.

Sincerely,

JOSEPH M. CRONIN,
President.●

H.R. 1082 WILL IMPROVE U.S. HUMAN INTELLIGENCE CAPABILITIES BY FACILITATING CITIZENSHIP FOR CERTAIN SOURCES

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. STUMP. Mr. Speaker, the ability of the United States to collect intelligence on the intentions of hostile foreign countries depends upon the ability of the Central Intelligence Agency to persuade highly placed individuals in those countries to cooperate with U.S. intelligence. The motivation for such cooperation may vary from individual to individual. However, intelligence sources motivated by their belief in the principles of human freedom, justice, and peace, for which the United States stands in the world, have often proved to be of the greatest intelligence value. These individuals cooperate with U.S. intelligence because they wish to contribute to the advancement of high principles of freedom and often because they hope, at the end of their U.S. intelligence service abroad, to be welcomed into the community of freedom we enjoy in the United States. Title VII of H.R. 1082 will enhance the ability of U.S. intelligence to secure the cooperation of these well-motivated, highly placed individuals abroad by permitting them, in certain circumstances, to become U.S. citizens expeditiously at the end of their intelligence service.

1. UNIQUE RELATIONSHIP OF INTELLIGENCE SOURCES TO THE U.S. GOVERNMENT

To carry out its foreign intelligence collection mission, the Central Intelligence Agency depends upon human sources abroad for information and operational assistance. To secure the cooperation of a well-placed individual who can provide the needed information or assistance, the CIA officer who will work with that source must establish with him a secret relationship with three critical elements: secrecy, trust, and mutual benefit.

Secrecy is the first critical element in the relationship between the CIA and a foreign intelligence source. A potential source will cooperate with the CIA only if he believes that the secrecy of his relationship with the CIA will be protected. If he believes that the CIA cannot provide an ironclad guarantee of secrecy and deliver on that guarantee, he will not cooperate. If such secrecy is breached, the source loses his freedom, and in many parts of the world, his life. The Congress has in recent years enhanced considerably the ability of the CIA to deliver on its guarantee of secrecy in human intelligence activities by enacting the Intelligence Identities Protection Act, which protects the identities of intelligence sources, and the CIA Information Act, which excludes CIA operational files from the reach of the Freedom of Information Act.

Trust is the second critical element in the relationship between the CIA and an intelligence source. The intelligence source must be confident that the CIA as an institution of the U.S. Government, and the particular CIA officers with whom he works, will deal with him honestly and fairly, will take care of his interests in the event of mishap, and will honor fully whatever promises are made to him. The CIA takes great care to maintain such trust. Breaches of this trust would alienate foreign intelligence sources, ending their cooperation with U.S. intelligence.

Mutual benefit is the third critical element in the relationship between the CIA and the intelligence source. Neither U.S. intelligence nor an intelligence source will incur the risk which inheres in a clandestine intelligence relationship unless the product of the relationship is judged by both parties to be worth the risk. The U.S. Government benefits from the secret information and operational assistance the intelligence source provides. The intelligence source's benefits vary, sometimes including compensation and sometimes not. Among the most dedicated and effective intelligence sources, however, are those who only want a chance to contribute to the advancement of justice and freedom for which the United States stands and a chance to go to the United States at the end of their intelligence service, to participate in the free society which their secret service has helped to maintain.

2. ADMISSION OF INTELLIGENCE SOURCES TO THE UNITED STATES AT THE END OF THEIR SERVICE

Under section 7 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403h), whenever the Director of Central Intelligence, the Attorney General and the Commissioner of Immigration determine that entry of an alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, the alien is admitted to the United States for permanent residence without regard to U.S. immigration laws. No more than 100 persons may be admitted under this special authority in any fiscal year. This special provision, enacted 36 years ago, provided clear authority to bring U.S. foreign intelligence sources into the United States for permanent residence at the end of their intelligence service. Without such a clear statute that applies notwithstanding any other laws, the CIA would be unable to promise a potential intelligence source that at the end of his secret intelligence service the United States will reward him and protect him with permanent U.S. residence.

The ability of the CIA—with the approval of the Attorney General and the Commissioner of Immigration—to offer permanent residence in the United States at the end of service contributes substantially to the CIA's ability to persuade highly-placed individuals abroad to cooperate with U.S. intelligence. A statute which would permit U.S. intelligence to offer to a key potential intelligence source U.S. citizenship at the end of his service would contribute further to the CIA's ability to persuade key personnel of hostile foreign governments to cooperate with U.S. intelligence.

3. INABILITY TO OFFER CITIZENSHIP TO INTELLIGENCE SOURCES AT THE END OF THEIR SERVICE

Although section 7 of the CIA Act provides extraordinary authority to admit foreign intelligence sources to the United States for permanent residence, no similar statute exists which contains extraordinary authority with respect to citizenship for such persons. Thus, U.S. intelligence cannot offer citizenship to the best potential sources, because no statute exists which provides a clear guarantee that the United States can deliver on that offer after the source performs his secret intelligence service. Regardless of the value to the United States of a source's secret intelligence service, to become a citizen after he has become a permanent U.S. resident, he must qualify under the generally applicable naturalization laws. The requirement to comply with the general naturalization laws fails to take account of the critical contribution of certain intelligence sources to the national security and also fails to take account that, in certain cases, a former intelligence source may be handicapped in qualifying for citizenship solely because of his intelligence service.

Well-placed individuals of good character in hostile countries who risk their lives and livelihood for years to provide vital intelligence to the United States, because they believe in the principles for which America stands,

have proved their fitness for citizenship by that service. Risking one's life and livelihood to assist a nation because of its principles represents the highest demonstration of allegiance to that nation. A foreign intelligence source whose actions contribute substantially to the security of the United States merits special consideration for citizenship.

The citizenship laws of our ally to the north, Canada, provide a clear example of a national determination that certain service of extraordinary value may merit an expedited method for conferring citizenship on the individual performing the service. Thus, section 5(4) of Canada's Citizenship Act (1976), other provisions of which contain detailed and restrictive provisions for becoming a citizen, provides:

In order . . . to reward services of an exceptional value to Canada, and notwithstanding any other provision of this Act, the Governor in Council may, in his discretion, direct the Minister to grant citizenship to any person and, where such a direction is made, the Minister shall forthwith grant citizenship to the person named in the direction.

The Canadian statute provides a useful model for special citizenship consideration based on extraordinarily valuable service to the Nation.

In the absence of a provision for special consideration for U.S. citizenship of America's best intelligence sources, they must continue to qualify for citizenship under the general naturalization laws. In some cases, however, the very activity the source undertook to assist U.S. intelligence may place the source at a disadvantage in qualifying for citizenship. Thus, for example, a source who—at the urging of U.S. intelligence—remained an active member of the Communist Party of a foreign nation to report to U.S. intelligence on the party's activities, suffers due to his cooperation with U.S. intelligence when he comes to the United States at the end of his service. The time spent in service to the United States as an intelligence source does not count in the source's favor in satisfying certain waiting periods imposed by the general naturalization laws. Having been a member of a Communist Party, he must wait 10 years before becoming eligible for citizenship, since the section 313 of the Immigration and Nationality Act (8 U.S.C. 1424) requires that 10 years have elapsed since an individual seeking citizenship has terminated membership in a Communist Party. Thus, under current U.S. law, foreign intelligence sources who have contributed substantially to U.S. security not only receive no special treatment in the citizenship process, but may even be actively handicapped in that process because of their service.

In addition to the substantive handicaps which the Immigration and Nationality Act imposes upon intelligence sources seeking citizenship, that act imposes procedural handicaps as well. Section 316(a) of the Immigration and Nationality Act (8 U.S.C. 1427) requires that an individual seeking citizenship file a petition for naturalization in the court with jurisdiction over his place of residence. This requirement would result in a publicly available court record revealing that the source is in the United States and revealing where he has settled in the United States. The availability of such information could constitute a threat to the safety of the source, whose former country may seek to do him harm.

In some situations, such as that of Soviet MIG pilot Viktor Belenko, the executive branch has secured the citizenship consideration a source deserves by seeking a private bill in the Congress. The private bill procedure, however, lacks sufficient security to serve as a permanent solution to the problem of citizenship for key sources. The private bill procedure reveals that a source is in the United States, since the private bill must include the source's name. Moreover, the private bill procedure requires rather general dissemination in the legislative branch of information, much of which will be classified, concerning the merits of the private bill. Most importantly, the outcome of the private bill procedure is not predictable; the press of other legislative business or the timing of the bill may result in its failure to pass for reasons wholly unrelated to the merits of the private bill. The hit-or-miss nature of the private bill procedure prevents U.S. intelligence from offering the prospect of citizenship to attract key foreign sources to service for the United States, because U.S. intelligence cannot offer citizenship unless it is absolutely sure it can deliver on its offer, and it cannot be sure with the private bill procedure.

Existing U.S. naturalization statutes do not take proper account of the special situation of the most valuable U.S. foreign intelligence sources. Legislation clearly establishing a speedy, secure, and reliable procedure for citizenship for such sources would correct this deficiency, enabling U.S. intelligence in appropriate circumstances to offer citizenship to key potential intelligence sources to attract them to service for the United States and to reward those sources who have contributed substantially to the security of the United States.

4. FOREIGN INTELLIGENCE SOURCE IMPROVEMENT ACT

Title VII of H.R. 1082, entitled the "Foreign Intelligence Source Improvement Act," provides the speedy, secure, and reliable procedure for citizenship for key sources that U.S. intelligence needs. Section 702 in title VII of the bill would permit the President personally, in certain circumstances, to naturalize intelligence sources admitted to permanent U.S. residence under section 7 of the CIA Act of 1949. Section 702 provides:

SEC. 702. Section 7 of the Central Intelligence Agency Act of 1949, as amended (50 U.S.C. 403h) is amended by inserting "(a)" after "SEC. 7." and adding at the end thereof the following new subsection—

"(b)(1) The President may, notwithstanding any other law, naturalize as a citizen of the United States an alien admitted to the United States for permanent residence pursuant to subsection (a) of this section if—

"(A) the Attorney General determines and certifies to the President that the alien is a person of good moral character, attached to the principles of the Constitution of the United States and well disposed to the good order and happiness of the United States, and

"(B) the President finds that the foreign intelligence activities of the alien on behalf of the United States have contributed substantially to the security of the United States,

except that in no case shall the number of aliens naturalized in any fiscal year pursuant to this subsection exceed five.

"(2) Prior to naturalization under paragraph (1) of this subsection, an alien to be naturalized under such paragraph shall, before an officer of the executive branch designated for the purpose by the President, take the oath of renunciation of former citizenship and acceptance of allegiance to the United States required of an alien naturalized under other provisions of law.

"(3) Nothwithstanding any other law, a district court of the United States, upon application of the Attorney General under this subsection, shall, in a manner consistent with the protection of intelligence sources, methods and activities, issue or cause to be issued such documents relating to an alien naturalized by the President under this subsection as are issued relating to an alien naturalized under other provisions of law, and such documents relating to an alien naturalized by the President shall have the same legal effect as documents issued relating to an alien naturalized under other provisions of law.

"(4) The President may not delegate the authority granted in paragraph (1) of this subsection, anything in section 301 of title 3, United States Code, to the contrary notwithstanding.

"(5) The President shall notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate each time the authority granted in paragraph (1) of this subsection is exercised."

Section 702 of H.R. 1082 provides for naturalization of an intelligence source admitted to permanent U.S. residence under the CIA Act if, first, the Attorney General determines that the source is of good character and, second, the President finds that the source's foreign intelligence activities contributed substantially to the security of the United States. To ensure application of the provision in the manner intended, section 702 carefully circumscribes the unusual authority it confers to naturalize individuals whose intelligence activities have made an extraordinary contribution to U.S. se-

curity. Thus, the individual to be naturalized must, to the satisfaction of the Attorney General, meet the good character requirement applicable to candidates for naturalization under other laws (see 8 U.S.C. 1427(a)(3)); the President personally must evaluate the individual's intelligence activity and find that it constitutes a substantial contribution to U.S. security; the President personally must exercise the naturalization authority and may do so only with respect to not more than five individuals per fiscal year; and the President must notify the intelligence committees of the Congress each time he uses the authority.

Section 702 provides a clear and reliable statutory procedure for naturalization of individuals whose valuable secret intelligence service for the United States merits citizenship. The reliability of the procedure will enable U.S. intelligence to offer citizenship in appropriate circumstances to key potential intelligence sources. Enactment of section 702 will enhance the ability of the CIA to collect critically needed foreign intelligence and will properly reward with citizenship the Nation's most highly valuable, deserving intelligence sources.●

UNDERSTANDING AIMS OF IRISH NATIONALISM

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DioGUARDI. Mr. Speaker, on March 17, Saint Patrick's Day, 1982, an Taoiseach—Irish prime minister—Charles Haughey delivered an important message at the White House at the invitation of President Ronald Reagan. At that time, Mr. Haughey, like Tomas O Fiaich, the Archibishop of Armagh and Cardinal Primate of All Ireland, recognized both the historical and the practical validity of an American dimension to Irish affairs. Mr. Haughey also encouraged positive American involvement in the quest for a just and lasting peace for all Ireland.

This month, now as the leader of the opposition, Fianna Fail, party in Dail Eireann, Mr. Haughey returned to the United States to resume his call for American support for the cause of Irish reunification, which is the sine qua non of peace with justice. He asks that the noble principles that inspired the Founding Fathers of this great Nation be applied to Ireland.

In a major address to the Friends of Fianna Fail in America in New York on Friday, March 1, 1985, Charles Haughey dealt plainly with the confused, often negative signals which have emanated from Dublin and issued a call for constructive dialog and cooperation. He also spoke plainly about the situation in Northeast Ireland where there is no democratic government and the six-county area can only be governed by force and the constant deployment on the streets of fully armed troops and police.

Last month British Prime Minister Margaret Thatcher told this Congress that our collective traditions and common heritage included:

> Representative government, habeas corpus, trial by jury, a system of constitutional checks and balances * * * religious toleration.

She reminded us that:

> In the practice of politics—and in our civilization generally—the conscious inspiration of it all has been the belief and practice of freedom under law, a freedom disciplined by morality, under a law perceived to be just.

Charles Haughey came to America this month to remind us that none of those noble principles are put into practice in those six of the divided Irish Province of Ulster's nine counties known as Northern Ireland. He also seeks to enhance our understanding of the legitimate aims of Irish nationalism and of the Irish fundamental, permanent aspiration for sovereign independence which rises Phoenix-like in each generation.

I agree with Mr. Haughey that:

> The time has surely come for America to use her great power and influence to—help—solve one of the major political problems of the West and to eliminate a source of tension and trouble between two nations with whom she has the closest historical ties of friendship.

As I have often said, America's debt to the Irish in no less than the debt she redeemed in France in 1918 and again in 1944.

For the purpose of constructive dialog, I offer, for consideration in the record of this Congress, this address by: Charles J. Haughey, T.D., president of Fianna Fail, on the occasion of the first annual dinner of the friends of Fianna Fail in America, New York, March 1, 1985.

ADDRESS BY CHARLES J. HAUGHEY T.D., PRESIDENT OF FIANNA FAIL

Our dinner this evening is presided over by one of the greatest and finest Irish-Americans of any era, Thomas W. Gleason.

At the age of fifteen Teddy Gleason went down to work on the docks of New York for 10 cents an hour and rose to become President of the International Longshoremen's Association and a member of the Maritime Advisory Committee. Courageous leader, tough negotiator and brilliant organiser, he is at the same time the trusted friend of the longshoremen and the valued advisor of Presidents.

We are honoured by his presence and grateful for his support.

It is with a feeling of great personal pride that I follow in a long line of Irish leaders who have come to this great city of New York to talk about the state of the Irish Nation to those who are either Irish themselves or friends of Ireland.

Let me first of all try to convey to you something of the deep and abiding pride that we at home in Ireland take in the contribution that Irish-Americans have made to the building of America. Let me also, as a representative of the Irish people at home, endeavour to convey to you something of the gratitude we feel for the crucial support the Irish in America have given in Ireland's struggle for independence and in our efforts to achieve political, economic an social progress.

These are difficult times in Ireland, but I want to bring you a message from those who have not lost their faith or their courage. These are troubled times in Ireland, but I want to bring you a message of hope and outline the way in which we can build a new bridge of confidence and forge a constructive partnership between the Irish at home and the Irish in America.

I have come to the USA to chart for Irish Americans a clear course through the fog of confusion that exists today about the state of the Irish nation, its legitimate objectives and the manner in which they can be achieved. I want to set out clear guidelines whereby Irish-Americans can make a significant, positive contribution to the welfare of the people of Ireland without fear or favour and with malice towards none. It is my earnest wish to remove any doubts and uncertainties that exist and show you the clear way ahead, neither the road of faltering appeasement nor the path of self-defeating violence but a way which is securely based on sound principles of justice, freedom and a people's right to self-determination.

Ireland is an ancient nation whose roots and culture go away back into the mists of time beyond the boundaries of recorded history, a nation that embraces all the people of Ireland and whose national territory comprises the whole island of Ireland. She is an ancient nation struggling to establish herself in the modern world, to reaffirm the integrity of her nationhood, to secure for all her people a full and satisfying way of life; and to bring peace and justice to all the different and diverse strands of her national community.

Our herculean efforts to build a modern economy were succeeding beyond our expectations prior to the onset of the present world economic recession. We sought investment from around the world, we brought in new technology, we welcomed international enterprise.

In the last few years the world economic recession has brought a serious interruption to that steady progress. There has been a falling off in endeavour and a loss of will. But those of us who have faith in the Irish people and in their industry and intelligence see this as but a temporary setback, an obstacle to be overcome. While we know that only the Irish people themselves can defeat the difficulties we face and that our economic and social salvation depends on our own efforts we are also conscious that trade and commerce today are international; that investment flows freely across frontiers, that technology is becoming a sophisticated international commodity and industry is increasingly dependent on research. All these factors combine to emphasize that there must be an international dimension to our own endeavours. They tell us to seek out partnerships, and joint ventures, and investment from outside, and especially, from this great economy where so many of the captains of industry are already our friends.

It is our intention in Fianna Fail at the earliest possible moment, to launch a comprehensive programme of national economic recovery for Ireland. We see no reason why Ireland should not take her place firmly

and confidently among the advanced, high-technology nations of the world. We are well placed geographically with a reserve of undeveloped natural resources and a young, intelligent, flexible population. There is a wealth of ability, initiative and enterprise. What is needed is firm political leadership committed to a comprehensive programme of national economic recovery.

When the time comes to implement that programme we shall be looking for a major American input into the process of national recovery. There is already some first-class American participation in the Irish economy. Over 300 U.S. companies have found a very attractive and congenial environment in Ireland where they have invested over 4.5 billion dollars, are employing 37,000 people and achieving a very satisfactory rate of return on investment.

I would like to avail of this visit to make it clear to American business that Ireland is still a very attractive centre for investment. The package of incentives is still the best in Europe; there is ready and easy access to the largest trading entity in the world, the European Economic Community, with a market of 270 million people.

Almost two years have passed since representatives of all the political parties in Ireland who seek to restore the ancient and historic unity of the Irish Nation, by constitutional, political means came together in the New Ireland Forum. We set ourselves the task of examining realistically the present day situation and how in our considered opinion, peace, justice and stability could be brought to the six counties of Northern Ireland, to Ireland as a whole and indeed, to the islands of Britain and Ireland.

We were conscious that the tragic situation which has existed in Northern Ireland has been a constant source of tension in the relations between Britain and Ireland and has prevented the establishment of normal friendly relations between these two neighbouring countries.

We deliberated long and earnestly; listened carefully to a wide spectrum of views, opinions and submissions and finally concluded unanimously that the particular structure of political unity which we would wish to see established was a unitary state achieved by agreement and consent, embracing the whole of Ireland and providing irrevocable guarantees for the protection and preservation of both the Unionist and Nationalist identities. That was the solemn conclusion of the democratically elected representatives of three-quarters of the Irish people after twelve months of detailed and mature discussion and consultation. Despite subsequent attempt to misrepresent the outcome the Forum was unequivocal in its support for a unitary Irish state. It stated clearly that this was the way in which lasting peace and stability could be established in Ireland in our time.

The Forum Report also proposed that the immediate way forward was for the two governments, British and Irish, to convene an all-around constitutional conference to settle by agreement the constitution and structures of the new unified state.

The publication of that Report was acclaimed for its generous approach and its realistic appraisal of all aspects of the situation. There were bright hopes and expectations that real progress was at last about to be achieved on the basis set out in the Report. But then, as has so often happened in the course of Irish history, at a fateful meeting in Chequers in England on 19th November 1984, the British Prime Minister slammed the door on Irish hopes and aspirations and excluded any possibility of progress for the foreseeable future. Disappointment mixed with anger spread through nationalist Ireland. It is from that background of angry frustration and disappointment that I have, as so many Irish leaders before me have done, turned towards America to seek to establish a new and powerful source of support for the cause of Irish unity at this critical stage in our history.

Americans proudly give their loyalty to the great democracy of which they are citizens and which is now the greatest power on earth and in space. More than any other nation, the United States of America shapes our modern world and charts the course of events.

To be a citizen of this great power brings with it its own responsibilities, and, in particular, a duty to ensure that around the world, America is the champion of justice and freedom and that American policy is guided always by the noble principles that inspired the founding fathers of this great nation.

For Irish-Americans there need be no difficulty in discharging that world responsibility. It can be readily and happily reconciled with that deep affinity they have with the land of their ancestors. Their vision of their own country as the powerful defender of freedom around the world will readily and naturally accommodate support for the freedom and independence of Ireland.

Irish leaders at home have a responsibility too; a duty to strengthen and sustain the Irish-American connection, to make sure that Irish-Americans are fully informed of the true situation at home in Ireland, made aware of our hopes and fears, our national political, economic and social plans, our successes and our failures.

I am the first to acknowledge that we have not fully measured up to this responsibility nor done enough to keep Irish-Americans reliably informed of the true position at home. There has been a major failure of communication in recent decades. Conflicting and confusing signals have been coming from Ireland to the Irish in America. There has been no clear message on policy; no specifically enunciated national objectives behind which all right-thinking Americans could rally and to which they could give their unambiguous up-front support. More often than not the official message was negative, condemnatory and critical.

Americans who wished only to offer genuine support and encouragement were met with suspicion, rebuff and disapproval. The time has come for all that to change and change radically. Where there was antagonism and suspicion we must now create a whole new atmosphere of constructive dialogue and co-operation as the basis for an effective, powerful Irish-American voice arrayed in legitimate support for clearly defined Irish national objectives political, economic and cultural. Irish-American public opinion is a sleeping giant that must be awakened and fully motivated with a clear understanding of, and support for, Ireland's real and urgent needs.

The major setback to Irish unity at Chequers last November intensifies and makes urgent the need for Irish-American support and understanding. We must develop a broader, wider concept of the Irish nation; one which includes not alone all the people on the island of Ireland, but embraces also in a friendly, supportive and definable relationship the Irish everywhere and especially here in the United States.

There are many millions of freedom-loving Americans who do not fully understand the enormity of the situation that prevails in the North-Eastern part of Ireland. I believe that if they did understand it, they would not agree that American foreign policy should countenance its continued existence.

How many Americans know that in a part of the island of Ireland, part of the European Community there is not, in fact democratic government and that the area can only be governed by force and the constant deployment on the streets of fully armed troops and police?

How many Americans know that in that area nearly two and a half thousand people have been killed and many thousands maimed as a result of civil strife and the breakdown of the political structure?

How many Americans are aware that the entire judicial system and the administration of justice are discredited; that a system of mass trials is operated by the authorities whereby persons are convicted and sentenced on the evidence of paid informers; that plastic bullets are regularly fired at the civilian population by army and police killing and maiming innocent persons?

How many Americans know that in that area a large section of the community is subject daily to oppression and harassment by armed security forces; that there is open discrimination in employment; that almost half the population is totally alienated from the institutions and processes of government and that normal community life has ceased to exist?

We must arouse Irish-American public opinion, forty million strong, to the true state of affairs in Northern Ireland; to the anachronism that Northern Ireland represents in the Western World, and to the fact that it is a permanent affront to the concepts of western parliamentary democracy.

The regrettable fact is that American foreign policy at present does not acknowledge these realities. It must now become a major Irish objective to build up in America a public opinion which is fully aware of the true situation in the six counties of Northern Ireland and an understanding of the legitimate aims of Irish nationalism.

The deep-seated national desire for Irish unity is not something developed in any one generation or by this or that political leader. It is not the property of any class or creed. It is a fundamental, permanent aspiration which has been cherished by the great majority of the people of Ireland for as far back as we can go. The history of the world can show few similar examples of the aspiration of a people, defeated and disappointed so many times, but never failing to rise again and again, Phoenix-like from its ashes. That desire for freedom and unity is basic and imperishable. It can never be discarded as irrelevant as some would wish to suggest. To understand the reality of that aspiration and to proceed always in full sympathy and harmony with it is a natural and necessary quality of Irish political leadership and government.

Ireland must have a government deeply and totally committed to that belief; a Government which will speak to Britain from an openly nationalist standpoint and which will not seek to disguise its genuine and authentic purpose nor its belief that peace in Ireland will only come through unity.

Such a government should say clearly to Britain that her eventual withdrawal from Ireland is inevitable and that the time to begin to prepare for that withdrawal is now,

so that it can be planned and peaceful and take place with universal international support and approval. The process of discussion is likely to be long, difficult and complex, but that is all the more reason why it should start without delay.

All the friends and supporters of Ireland in America, all those who wish Ireland well must clearly understand that every year that passes proves the futility of violence and the tragic consequences that follow aid and support for violence. Irish nationalism is not inherently a violent political philosophy. On many occasions of great national resurgence, the national effort has been broadened out to encompass a wider ethos, and become a comprehensive cultural, literary and artistic as well as a political movement. In the course of its long history it has embraced great leaders who sought their objectives by constitutional political means and it is a matter of history that Irish-Americans of that time threw their weight behind the New Departure of Parnell and Davitt with great impact and effect.

I believe they can and will do so again if a clearly defined strategy which they can see is designed to secure the unity of Ireland is put before them with honesty and sincerity of purpose.

Let us not be in any doubt that the forces ranged against the Irish cause here in the United States are powerful, active and influential.

We must ensure that all our resources are mobilised effectively and wielded into a great legitimate democratic source of political strength and influence. Our aim must be a powerful Irish-American opinion which is fully informed about and in sympathy with Ireland's national policy objectives. Irish-American public opinion must be mobilised to mount an irresistible force of public opinion which will ensure that their country's foreign policy includes, as a major and specific objective, the solution of the tragic problem of Northern Ireland. The key element in this strategy will be the communication to the Irish in America of a coherent set of national objectives by the Irish Government, a set of objectives behind which they can rally with confidence, trust and enthusiasm.

It must be a primary objective of both Irish Government policy and Irish-American effort to see that American foreign policy is directed to persuading Britain that the tragedy of Northern Ireland has gone on too long; that it is an unnecessary cause of instability and tension between two key countries of the Western democratic world and that the time has come when the suffering and violence and death and destruction should be brought to an end. Secretary of State Shultz has proclaimed that America is opposed to the spectacle of "Germany as one of Europe's oldest nations heartlessly divided". But Ireland is an older nation still and heartlessly divided also.

It would be a natural and internationally acceptable extension of American foreign policy at this time to fully accept the conclusion of the Forum Report and to actively promote the setting up under the auspices of the British and Irish governments of a Constitutional Conference which would settle the political and constitutional structures for a new Ireland united and at peace; an Ireland from which Britain could then withdraw with honour and acclaim. The time has surely come for America to use her great power and influence to solve one of the major political problems of the West and to eliminate a source of tension and trouble between two nations with whom she has the closest historical ties of friendship.

President Reagan at his recent inauguration offered Americans a new beginning and set out for them once more the American dream. I want to offer to one proud, distinctive and powerful section of this nation, the Irish-Americans, their own dream; a dream of their mother country Ireland at peace and looking forward to the dawn of a great new era of dynamic economic development and social progress. Let me hold up to you a vision of an Ireland once more re-united, assured and self-confident, an island from which bitterness, anger and civil strife will have finally faded away and the energy and the genius of all her people are directed into fruitful and enriching endeavour. It is my conviction that no Irish-American can hold back from participating in that noble effort. I believe also that there is no doubt that dream can become a reality if it has the active support of this great and powerful republic. When that day dawns, when the dream is realised the wheel of history will have come a full circle and one of the great debts of mankind will have been paid. America, which owes so much of its modern power and greatness to the work and sacrifice of countless millions of Irish immigrants, will have paid them back in full and generous measure. By doing so America will also have made a permanent and lasting contribution to promoting the cause of freedom and democracy in the Western world.

Friends of Fianna Fáil Incorporated in the United States of America. (Reference: 13-322-1678.)

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Vice President: Jack Stack, 2107 Plymouth Circle, Washington, DC.

Secretary/Treasurer: Bill O'Malley, 43-07 39th Place, Sunnyside, NY.

All correspondence to Barbara O'Neill at above address.●

WHY THE MX

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. GUNDERSON. Mr. Speaker, in many respects, voting today to prohibit funds for the procurement of 21 additional MX missiles would be an easy vote. I've voted against the MX in the past. There remain aspects of the system with which I have serious reservations. Yet at the present time there is one variable of this issue which causes me to support these 21 additional missiles—the promise of arms control.

Maxim Litvinov, a Russian diplomat, characterized Soviet-American relations in 1921 as a "complete lack of confidence on one side; absolute distrust on the other." The more things change, the more they stay the same. In many ways, our relationship with Moscow appears to have changed little in over 60 years. Yet, a warming trend is slowly blowing over Moscow and Washington as perhaps the spring of a new relationship presents itself.

After a year away, the United States and Soviet Union have agreed to again join one another at the negotiating table in Geneva. For those of us who strongly support arms control efforts, this is a welcome effort. Equally positive is President Reagan's recently announced intention to seek a summit meeting with his Soviet counterpart. Finally, the ascension of a new Soviet leader presents additional opportunities to continue this trend.

Some would argue that these signs are all the more reason to cancel the MX as a signal of American willingness to pursue friendly relations. But history teaches us that such gestures rarely receive equal responses. In fact, the past two decades are a prime example of an American willingness to forgo new arms systems, yet the Soviet Union has deployed a myriad of new strategic armaments.

Arms control negotiations are very much children of perception. Perceptions of the other side's weaknesses, its strengths, its objectives and goals, and its capabilities. Anyone participating in a negotiation session—whether it be for a job, a loan from the local bank, or even for arms control—recognizes that the advantage lies with the side that speaks from a position of unity and of strength. In this regard, there is a definite linkage between the MX and the building of a foundation for success in Geneva.

We clearly must indicate our resolve to achieve equal and substantial reductions through these negotiations. But cancellation of the MX at this early stage would preclude that. U.S. arms negotiator Max Kampelman stated at the White House yesterday that the Soviets would welcome a unilateral cancellation of the MX:

> As they enjoy the apple that falls from the tree that they did not have to pay for, they quite understandably wonder what other fruit may fall from that tree that they do not have to pay for.

Linkage has been established between the MX and arms control. In fact, it is a missile system whose very existence is predicated on arms control. Originally, its various basing modes were proposed in order to be verifiable under SALT II; the very size of the missile itself was dictated by a desire to adhere to that treaty's provisions. I, for one, did not support the system in its race track and closely spaced basing modes. It was only when the Scowcroft Commission report established a linkage, by connecting the MX to the development of the Midgetman and progress on arms control, that procurement went forward.

But soon after, in response to the deployment of the Pershing and cruise missiles in Europe, the Soviets walked out of the START and INF arms talks. In response, we again connected the MX to arms control by permitting the

release of fiscal 1985 funds only if the Soviets returned to bargaining table to negotiate in good faith.

They have returned to the table and some now suggest that we should cancel the MX, that we should not use the missiles as an expensive bargaining chip. We must ask, however, what message this cancellation would send to Moscow. Again, perception in negotiations is important and a cancellation only 3 weeks after the talks have begun would be the wrong message for this Congress to send to the Soviets. In addition, the availability of this weapon in our inventory to be traded for an equal Soviet reduction presents a means to achieve true equitable arms reductions.

The MX is no more a bargaining chip than any other weapon in either our own or the Soviets' weapon inventories. They are all extremely expensive, and destructive. They will all be on the negotiating table in Geneva. And the facts are that we have already authorized and appropriated funds for the MX system; in essence, the money has been spent.

Congress will have the opportunity to review further procurement of this system again in the coming months. The Department of Defense has asked for funds for 48 additional missiles in fiscal year 1986. I will be hard pressed to support funds for these additional missiles.

The MX today has become a test of American resolve. We have indicated to the Soviets that if need be we will make the hard decisions necessary to rebuild our strength and match their own efforts. They should now recognize that they can not achieve security simply by building greater numbers of larger weapons systems.

For some, a vote for or against the MX is a relatively easy decision, not that decisions on matters of this significance are by any means easy. But their constituency or their ideology dictates a firm position which usually varies little, even as conditions and circumstances change.

For others, such as myself, decisions to support weapons such as this do not come easy. Clearly, the security of our Nation is a top priority, but we must also recognize that this security can be achieved through arms control. In this regard, a linkage between new weapons and arms control is a key.●

ATKINS LETTER TO REAGAN SETS FORTH REASONS FOR OPPOSING MX

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. ATKINS. Mr. Speaker, earlier today I sent President Reagan a response to his letter asking me to support the MX missile. In the letter I set forth my reasons for opposing the missile. The fact is that whatever military rationale there may have been for the MX has dissolved with the decision to base it in Minuteman silos, and the weapon now represents a destabilizing force in the arms race. Furthermore, the $30 billion the President would have us spend on the MX would be much better used to reduce the swollen Federal deficit.

In addition to outlining my reasons for opposing the MX, I also urged the President to submit a rescission request for the remaining funds for the missile as a means of ending the bitter divisions on the issue.

The text of the letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 26, 1985.

Hon. RONALD REAGAN,
The President,
The White House,
Washington, DC:

DEAR MR. PRESIDENT: Thank you for your letter outlining your arguments in support of the MX missile. I want you to know that I have given those arguments long and careful thought. I feel, however, that in the interests of national security, we should reject further funding for the missile.

As a new member of the House of Representatives, this is my first opportunity to vote on the MX. It is also the first time an issue has come before the House on which the people who elected me in November have expressed a strong preference. That preference was to stop funding this missile.

In formulating my position on the MX, both in talking with the voters last fall and in talking with my colleagues in the House, I have tried to avoid what I believe is the great pitfall in the national debate. The case for the MX has been made more and more in symbolic terms. Supporters of the missile describe it as if the country would be defenseless without it, completely vulnerable to Soviet attack.

The fact is that the vote on the MX is not a referendum on whether the United States will have a strong national defense. It's not a vote on standing up to the Soviets. It's a vote on whether this costly and militarily useless weapons system should be built. The rhetoric may support building the MX. The realities—both of our military posture and of the budget—say no.

According to your own budget submission, we will spend, in the current fiscal year, some $28 billion on strategic forces, not including research and development, and well over a quarter of a trillion dollars on the Pentagon. The MX represents less than five percent of our total commitment to a modernized strategic force.

While the MX funding by no means represents the lion's share of the strategic forces budget, cancelling the weapon will produce substantial savings. In my view, the national interest would be better served by applying those savings to reduce the federal deficit.

This year's debate over the MX has focused on the implications of the decision on the arms negotiations in Geneva, and whether terminating the MX at this time would "send the wrong signal" to the Soviets. What signal do we send the Soviets, or our allies, or the rest of the world, by wasting a billion and a half dollars on a weapons system that has no credible military rationale.

The original purpose of the MX was to improve the survivability of the land-based leg of the strategic triad. With the decision to base MX in existing Minuteman silos, the principal military justification for the missile was cast aside. We now have a missile which, because of its accuracy and flight time, poses a threat to Soviet missiles and other military targets. But with ten warheads, and in an unsatisfactory basing mode, MX also presents a very vulnerable target to the Soviets. In time of crisis, Soviet strategic planners could decide to strike first against the MX rather than risk having them launched.

Last year, the MX was defended as a means to get the Soviets to the bargaining table. Now that they are at the table, the rationale is that we need MX to keep them there. In either case, the telling fact is that the missile is no longer promoted on strategic or military grounds, but in terms of its political value.

My view, as a new member of Congress and a member of the House Budget Committee, is that every expenditure of public funds must be justified as serving a vital public policy purpose. The MX fails to meet that test.

In the report you submitted to Congress of March 4 giving the views of the Administration on the future of the MX, you state, "The time has come to place this issue behind us." I believe you have an obligation and an opportunity to do just that. In the interests of national unity, I urge you to submit a rescission request for the remaining funds for the Peacekeeper missile for 1985. Such an action would have no affect on the 200 warheads for which Congress has already provided funds. Should the Geneva talks produce an agreement, as we all hope, that stops the growth of offensive nuclear weapons systems, you will have saved the taxpayers $1.5 billion. Should the talks fail, you would still have the option of continuing the program.

Sincerely yours,

CHESTER G. ATKINS,
Member of Congress.●

PRICETAG OF WESTWAY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. WEISS. Mr. Speaker, those of my colleagues who are familiar with the exorbitant pricetag of Westway, the 4.2-mile-long interstate highway project proposed for my district, will appreciate an article that appeared in the March 4 issue of the New Republic.

Through his tongue-in-cheek proposal, author David Kemper lampoons the preposterous cost of an economically, socially, and environmentally unsound public works project at a time when the Federal Government is running enormous deficits.

I commend this insightful article to my colleagues.

[The article follows:]

MIDWESTWAY

Pliny the Elder, feeling that a bit of distance could help one's perspective, used to retreat to his villa on Lake Como to write helpful essays on how better to run Rome. In the same vein, as a man of the provinces, I might offer a modest proposal on how to resolve the Westway muddle currently confusing many of the best minds of New York City and the Department of Transportation. As all interstate highway and scenic waterway buffs now know, New York City and our government are planning to spend $4,200,000,000 to build four miles of highway and reclaim 169 acres from the murky Hudson on Manhattan's West Side. Although we in the Midwest aren't used to such large numbers, I just don't feel the citizens of New York and New Jersey are getting a good deal.

To begin with, reclaiming 169 acres from a perfectly good river seems extreme when for years the Corps of Engineers has been creating recreational lakes in Missouri and Kansas by flooding thousands of acres of perfectly good farmland. At the same time, farm prices in the Midwest have plummeted so that one can now purchase excellent land for under $1,000 an acre that would be within an easy hour's drive to downtown Kansas City. Beautiful untrammeled six-lane federal interstate highways radiate out through this unappreciated farmland, a veritable Elysian Field for the harried motorist used to New York's severed arterial road system. Why should anyone spend $4,200,000,000 to build what currently exists?

I would therefore like to propose an alternative that would give New York and New Jersey residents far more choice, help two parts of the country, and be consistent with the Reagan administration's supply-side economics. My simple five-part plan would also reinforce our American tradition of a melting-pot society tied to the frontier, while accomplishing all that Westway has set out to do to alleviate pressure on New York City's highway system.

The plan would use the $4,200,000,000 in the following way:

(1). Take the first billion dollars and buy 200,000 five-acre homesteads within an hour's commute of downtown Kansas City. Many of these could be bought from foreclosed farms now owned by the FmHA, thus helping the budget deficit. These parcels would be distributed free to any present commuters in New Jersey or Westchester County who can show they have been commuting by car into Manhattan. The commuters and their families would have to homestead the land—that is, live there—for at least five years before selling. Tolls across the Missouri River are only 25 cents.

(2). Take the next billion dollars and offer 50,000 current residents of the Upper West Side free $20,000 downpayments on $75,000 townhouses, all of which could be built within a half hour's drive from downtown Kansas City, complete with two-car garages, garbage disposals, and outdoor barbecues. The difference between rent currently paid in New York and the modest mortgage payments could be used to buy cars or sailboats for use on our new lakes mentioned above.

(3). Take another billion dollars to any large New York City bank and borrow an additional three billion dollars to start a revolving leveraged buy-out fund. The fund could purchase a half-dozen or so large companies now based in New York City, and relocate them to downtown Kansas City. These companies could be carefully chosen so that they would create 150,000 new jobs to be offered to our new citizens. As new office space in downtown Kansas City rents for only about $16 a square foot, compared to as much as $65 per square foot in Midtown Manhattan, there would be an annual $100,000,000 in rent savings, which could be used to run a van fleet for any new residents who didn't want to buy a car. The stock and dividends from these companies would be held in another revolving fund so that as cash reserves were built up, additional companies could be purchased and relocated to Missouri.

(4). The fourth billion dollars would be split into two funds. Since there would be 250,000 fewer commuters now using Manhattan's West Side streets, there would be no need for an elaborate new road. Nevertheless, we would use $500 million to recurb, pave, and improve 500 miles of streets in western Manhattan and New Jersey. We in Kansas City have been known to redo our streets for only $100,000 a mile. The other $500 million would be put into a "Ride The A Train" trust fund so that the $60,000,000 in annual income would give 100,000 former auto commuters free passes to and from work. Those remaining above ground could probably even ride bicycles to work. The driving commuter would be thus virtually eliminated.

(5). The final $200 million could be used to ease the cultural transition of the 250,000 families relocating to a new land. I suggest that a commission be set up to carefully choose institutions to be purchased and moved so that the people feel more comfortable in their first few years in Kansas City. Options include the Knicks ($15,000,000), the Giants ($50,000,000), Zabar's ($10,000,000), and selected ethnic restaurants. A stage front to duplicate a couple of one-mile shopping strips of New Jersey Route 17 could be built along the major Kansas City commuter routes to help the people from New Jersey in the first painful days. (Two sets at $10,000,000 come to $20,000,000.) The remaining $100,000,000 could be donated to some worthy New York cause.

This five-point plan would markedly improve the lives of at least 750,000 former New York and New Jersey workers and their families, while reducing competition for resources among those who remain. The striped bass now living on those watery 169 acres in the Hudson would be undisturbed, and the midwestern farmer could sell his excess land and have more demand for his fresh produce grown on the remaining acres. I realize that the plan's very simplicity might work against it, especially with the vast amount of time and effort already invested in Westway. Still, as Pliny the Elder was so fond of pointing out to his nephew, Pliny the Younger, if all roads led to Rome, the Plinys never could have gotten up to Como for the weekend.●

WOMEN IN FOREIGN AFFAIRS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FASCELL. Mr. Speaker, as this Chamber was going into recess about 10 days ago, the administration announced the U.S. delegation to the U.N. World Conference To Review and Appraise the Achievements of the U.N. Decade for Women scheduled for Nairobi, Kenya, this July 1985. Maureen Reagan, the President's daughter, has been named to head the U.S. delegation. Two women with Cabinet rank—Ambassador Jeane J. Kirkpatrick and Margaret Heckler our former colleague now Secretary of Health and Human Services are on the delegation along with Senator NANCY KASSEBAUM and Representatives LINDY BOGGS and MARJORIE HOLT. I ask unanimous consent that the list of the delegation be inserted in the RECORD at this point.

U.S. Representative

Maureen Reagan—Businessowner, Lecturer, Broadcaster.

Alternate Representative

Nancy Clark Reynolds—U.S. Representative to the UN Commission on the Status of Women.

Members

Lenora Cole Alexander—Director, Women's Bureau, Department of Labor. Delegate to U.N. Women's Conference, Vienna, 1982-83.

Virginia Allan—Project Director—National Consultative Committee: Planning for Nairobi NGO Conference for Overseas Education Fund/League of Women Voters.

Donna Alvarado—Deputy Assistant Secretary of Defense for Equal Opportunity and Safety Policy. Nominee for Director of ACTION.

Mitzi Ayala—Vice President, American Agri-Women.

Lindy Boggs—Member of Congress since 1973 from Louisiana. Member, Select Committee on Children, Youth and Family.

Linda Chavez—Staff Director, U.S. Commission on Civil Rights.

Esther Coopersmith—Former Delegate to the U.N.; Delegate to U.N. Women's Conference, Vienna, 1984-85.

Holly Coors—Homemaker, Philanthropist, Businessowner.

Maureen Corcoran—General Counsel, Department of Education.

Patricia Diaz Dennis—Member, National Labor Relations Board.

Betty Dillon—Director, U.S. Secretariat for the World Conference of the U.N. Decade for Women, Department of State.

Rhoda Dorsey—President, Goucher College.

Carrie Francke—Assistant Attorney General, Missouri.

Mary Grefe—President, American Association of University Women (1977-81). Delegate to U.N. Mid-Decade Conference, Copenhagen, 1980.

Patricia Goldman—Vice Chair, National Transportation Safety Board.

Margaret Heckler—Secretary, U.S. Department of Health and Human Services.

Lois Herrington—Assistant Attorney General, U.S. Department of Justice.

Marjorie Holt—Member of Congress since 1972 from Maryland.

Donna Ikeda—State Representative, Hawaii.

Nancy Landon Kassebaum—U.S. Senator, Kansas.

Alan Keyes—U.S. Representative on U.N. Economic and Social Council.

Jeane Kirkpatrick—U.S. Ambassador to United Nations.

Barbara Mahone—Director, Human Resource Management, General Motors Corporation.

Beryl Milburn—Member, Board of Regents, University of Texas, Delegate to U.N. Women's Conference, Vienna, 1984.

Ruth Miller—President, Tower City Center, Cleveland, Ohio.

Nancy Risque—Deputy Assistant to the President for Legislative Affairs.

Evone Sidney—Representative, Hopi Federation, Arizona.

Ann Stanford—Director, International Women's Programs—Bureau of International Organizational Affairs, Department of State.

Arliss Sturgelewski—State Senator, Alaska.

Alice Roxana Thompson—Director, Information Center, International Brotherhood of Teamsters.

Sarah Tinsley—Deputy Administrator for External Affairs—AID.

Margaret Tutwiler—Assistant Secretary of Treasury (Public Affairs and Public Liaison)—designate.

Arlene Violet—Attorney General, Rhode Island.

Jeri Winger—International President, General Federation of Women's Clubs.

The administration is to be commended for appointing the delegation almost 4 months before the Conference and I hope their early designation will allow them to prepare fully for this Conference and achieve a successful outcome. The Nairobi Confernece will be the third U.N. Conference on Women. The first was held in 1975 in Mexico City and a second took place in Copenhagen in 1980. Both have not only drawn together large numbers of women from around the world, but have provided the occasion for the United States to field delegations composed of a majority of women. The delegation just appointed is like its predecessors in terms of its composition. This one consists of 35 women and 1 man.

In this regard, I want to call to your attention two recent reports on the situation of women in major U.S. foreign affairs agencies. The first, "Women at State" prepared by the Women's Educational and Research Institute of Congresswomen's Caucus in 1984 analyzes the situation of career women in the foreign and civil services and as members of U.S. delegations to international conferences since 1981. It finds room for a good deal of improvement especially at the mid-high levels of the career services.

The second report, "A Profile of Women in AID: The Challenge Continues" updates and expands a 1979 profile prepared by the Women's Action Organization in AID. It focuses on the numbers of women employed, recruitment of women, appointments to executive positions, promotions of career officers, training, problems facing tandem couples, sexual harassment and the effects of the Obey amendment. In 1978, that amendment to the Foreign Assistance Act authorized AID to draft and submit regulations that would govern a new unified Foreign Service personnel system and encourage Civil Service employees to convert to foreign service. Its findings show that the status of women in AID has improved in two areas—those politically appointed women and those recruited for the international development intern program. However, it reports that like the Department of State, women in the career services at the high and mid-levels have fared much less well.

Finally, both reports contain useful statistical tables as well as sets of recommendations for improving the situation of women. Our committee and subcommittees will be considering these in hearings this spring. Meanwhile, I commend these reports to the attention of the Members.●

MY PLEDGE TO AMERICA

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BEDELL. Mr. Speaker, I am so very pleased to announce today that the Iowa winner of the Veterans of Foreign Wars Voice of Democracy scriptwriting contest is Susan Suntken from Sioux City, IA. The Voice of Democracy Program was started by the VFW 37 years ago to award scholarship money to worthy high school students nationwide. This year's theme was "My Pledge to America," and it is my understanding that many outstanding scripts were submitted from the 8,000 schools that participated.

Ms. Suntken is a 17-year-old East High School student whose school activities and achievements are impressive. She hopes to continue her education at Harvard University, and the heartfelt understanding Ms. Suntken displays in her script will well prepare her for her chosen future in psychology.

Ms. Suntken's "Pledge to America" shows a good grasp of history as well as empathy for those in different times. I am confident she will continue to have success in her endeavors, and I am pleased and honored to provide a copy of Susan Suntken's winning script, which follows:

MY PLEDGE TO AMERICA

The year is 1607. In a small cottage in London, England, a young man contemplates his decision to leave London and to voyage to America.

I'm scared to death. I don't want to leave my wife and children behind, but this is the only way that I can make a better life for the four of us. I know this new land called "America" won't be as physically comfortable as England at first, but I really need to try it.

I want freedom. Freedom to be and freedom to do. Freedom to worship as I please and I want my family to experience those same freedoms. I don't yet know what hardships may occur, but I am determined to help form that country in which Freedom is King. This is my pledge to America.

The year is 1861. A young lady in Boston is reflecting on her role in the Civil War. This war has really upset my everyday life. My husband has been gone for two months now and I miss him dearly. The war wouldn't be so confusing if we were fighting a different foe, but we're fighting our neighbors to the South. Some fighting even pits members of the same family on opposite ends of the rifle.

The only thing that makes any sense at all is that we're fighting to keep America together; because once she's lost her unity, she can never be as strong as she was before. I'm giving my time, my help, and my labor to this country by rolling bandages and treating the wounded. But I might also be giving my husband's life to this country. I will continue with my efforts just as long as my country needs me. This is my pledge to America.

It is now 1943. A nineteen-year-old American is in a trench during a pouring rain in World War II.

I can't lie—this war stinks. It's dirty and it's bloody, and I like to think that it's not really happening most of the time. I never realized how cold Italian winters could be. I'll bet Hitler is sleeping snug and sound while I'm getting shot at. I'd love it if everybody could just go back home to their families—that's where I belong.

But what would happen if Americans weren't over here? Next thing you know, the Nazis would be knocking on my door at home. That's why I'm here. I'm sacrificing a part of my life here so that my way of life once I get back to the States will not have changed. I'm going to return to a free nation and a secure nation—a nation in which I can feel free and secure. And if I get back home, I'll fight to keep my liberties free and secure too. This is my pledge to America.

I'm a high school senior in 1984. I am actively involved with student government, and I will participate in my state's 1984 Model Session Legislature, and I will serve my state in 1985 by being a Page in my state's Senate. All of these activities help me to fulfill my pledge to America.

My pledge to America only comes about because of the pledges made by Americans in the past; the Colonist, the wife of a soldier in the Civil War, and the one who puts his life on the line as a pledge to America—the soldier of World War II.

I am enthusiastic about government and getting to know how it works. I want to be a part of the legislative process in America. But most of all, I want to uphold the ideals that have kept this nation united, free, and secure for over 200 years. This is my pledge to America.●

COOPERATION IN THE FIGHT AGAINST TERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BROOMFIELD. Mr. Speaker, this is the time to work together to combat international terrorism. Now, more than ever, our Government is facing the threat of terrorism. I com-

mend the Secretary of State for his recent remarks to the American Society for Industrial Security on the subject of cooperation. In addition to calling for expanded cooperation with our allies around the world in the struggle against terrorism, the Secretary also called for greater cooperation between the U.S. Government and the private sector.

Not unlike our Foreign Service and military personnel, American businessmen and their families are assigned to a variety of countries around the world. As American citizens, they are not exempt from terrorism, crime, and petty thievery. As the real economic backbone of the United States, American businessmen are also obliged to protect their homes and investments. Although there has always been cooperation between the Office of Security at the Department of State, and the U.S. private sector, both here in the United States and overseas, the new program will expand and formalize the relationship. This new joint venture between the private sector and the Department is called the Overseas Security Advisory Council.

Deputy Assistant Secretary of State for Security David Fields is to be commended for his abiding commitment to helping the business community overseas. Thanks to the foresight of professional corporate security officers such as Steven Van Cleave, Fred Bornhofen, Robert Disney, Myron Weinstein, Ed Meserve, Eugene McCarthy, Warren Metzner, and George Murphy, all members of the society's standing committee on terrorism, progress was made in expanding cooperation between the Government and the U.S. business community.

In addition, Mr. John Thomas brings to the standing committee unique experience in that he served as Assistant Secretary of Administration at the Department of State, and later worked as the vice president of international assets at Norton-Simon Inc. Other members of the committee also had similar backgrounds in government and the private sector.

Since U.S. businesses and our diplomatic missions face similar security problems, they will be able to share their solutions to these common problems, or pool resources to develop new approaches in the fight against terrorism. Through this joint effort, and this new spirit of cooperation, let us hope that the lives of innocent citizens serving their country overseas can be saved.

With these thoughts in mind, I eagerly recommend these extracts from the Secretary of State's speech to my colleagues in the Congress.

AMERICAN GOVERNMENT AND AMERICAN BUSINESS: OUR COMMON DEFENSE AGAINST TERRORISM

(Address by the Honorable George P. Shultz, Secretary of State)

International terrorism has rapidly become one of the gravest challenges to American interests around the world. In the Middle East, in Latin America, and in Western Europe, we have suffered heavy casualties and the threat has not diminished.

Terrorism poses a foreign policy problem of immense proportions, and as a foreign policy-maker I consider the reduction and eventual eradication of terrorism one of our most important goals. But I also see the terrorist threat on a much more personal level. A Secretary of State is obviously responsible for helping the President set the direction of American foreign policy. But he is also responsible for the health, safety, and well-being of the thousands of men and women who work for the State Department both here and overseas. And not only the State Department, but those assigned overseas from other agencies of the government. And not only employees of government, but private citizens working or visiting overseas. I feel that responsibility deeply.

When a terrorist attack kills or injures our people abroad, it is a loss for our foreign policy, but it is even more a deeply personal loss. Some may think that deaths and injuries at the hands of terrorists are the cost of doing business in some regions.

But if anyone stood in the bombed-out ruins of the courtyard at our Beirut Embassy Annex, as I did, and saw first-hand the terrible destruction wreaked by terrorism, they would agree that the price is unacceptable and intolerable. Clearly we cannot retreat in the face of the terrorist threat, but, just as clearly, we have to do more to protect our people.

Part of the answer comes from understanding the nature of the terrorist phenomenon. We have learned a great deal about the scope and nature of international terrorism in recent years, though our education has been painful and costly. We have learned about the terrorists themselves, their supporters, their international links, their diverse methods, their underlying motives, and their eventual goals. We have learned that terrorism is, above all, *political* violence. What once may have seemed the random, senseless, violent act of a few crazed individuals has come into clearer focus.

Today we are confronted with a wide assortment of terrorist groups which, alone or in concert, orchestrate acts of violence to achieve distinctly political ends. Their stated objectives may range from separatist causes to revenge for ethnic grievances to social and political revolution. Their techniques may be just as diverse: from planting homemade explosives in public places to suicide car-bombings to kidnappings and political assassinations.

We must also take steps to educate ourselves and our personnel abroad, to raise our awareness of the terrorist threat and what needs to be done to counter it. I myself meet every morning with Ambassador Oakley and our security and intelligence officials to stay abreast of the very latest information on terrorist activities and to discuss ways of improving security. But *all* our personnel must learn to adapt to the new and dangerous circumstances that the terrorist violence has created. The State Department is now developing a comprehensive multi-disciplinary program using our security, medical, training, and public affairs officials as educational resources. As long as the terrorist threat persists, all our people must be vigilant and ready to respond to any crisis quickly and effectively.

State Department officers around the world in many ways represent the frontline of the U.S. government. But the men and women who work for American businesses abroad are also on the frontline, and their safety and well-being are also at the forefront of our concern, as I know they are of yours. I'd like to turn now to the ways American government and American business can pool their energies and resources to enhance the security of all Americans overseas, whether they represent the public or the private sector.

Obviously, terrorism poses the same kind of difficulties and dangers to businessmen abroad as to government officials. And the security measures needed to protect businesses are also substantially the same. There is much room, therefore, for collaboration. We can share information on terrorist activities and on the new technologies for enhancing security. We can coordinate our security efforts overseas. In short, we can meet the threat together.

In July I convened a Blue Ribbon Panel on Overseas Security chaired by retired Admiral Bobby Inman. I asked this panel to look into the security of our Embassies abroad and to tell us, in essence, how much security is enough. One of the specific questions posed to this panel was "what responsibility does the U.S. Government have for the protection of American business people abroad."

For a number of years now, we have worked informally with many American firms on local security issues. The main players have been the Regional Security Officers at overseas posts and our Threat Analysis Group here in Washington. This has been a good and growing relationship. But we would like to put it on a more formal footing and make it available to more American firms and organizations.

In this regard, I am pleased to announce today the formation of a new joint venture between the State Department and the private sector: the Overseas Security Advisory Council.

The Members of this Council will come from a wide range of American businesses that operate abroad, as well as from the State Department, American law enforcement agencies, and other foreign policy agencies. Its goal is to establish a continuing liaison between officials in both the public and private sector in charge of security matters; to provide for regular exchanges of information on developments in the security field; and to recommend plans for greater operational coordination between the government and the private sector overseas. The creation of this Council marks an important step forward. There are many ways our security officers overseas can assist businesses abroad with emergency communications, information about specific threat conditions, and even advice on the best locales for residences overseas. I am sure that, by working together to enhance security, we can be more effective in saving lives and reducing the dangers of doing business abroad.

Obviously, all our efforts will not eliminate the threat. That will require time and a broad, consistent strategy combining elements of defense, response, and international cooperation. But we must stand firm.

So long as terrorism continues to be a grave problem, we must not waiver or bow to terrorist intimidation. The United States cannot allow the actions of terrorists to affect our policies or deflect us from our goals. When terrorist intimidation succeeds in changing our policies, when it forces businesses to close down overseas, we hand them a victory; this only opens the door to more terrorism. It shows that terrorism works; it emboldens those who resort to it; and it encourages others to join their ranks.

If we remain firm, we can look ahead to a time when terrorism will cease to be a major factor in world affairs. But we must face the challenge with realism, determination, and strength of will. Not so long ago we faced a rash of political kidnapings and embassy takeovers. These problems seemed insurmountable. Yet, through increased security and the willingness of governments to resist terrorist demands and to use force when appropriate, such incidents have become rare. In recent years, we have also seen a decline in the number of airline hijackings—once a problem that seemed to fill our newspapers daily. Tougher security measures and closer international cooperation have clearly had their effect.

I have great faith that we do have the will, and the capability, to act decisively against this threat. It is really up to us. We must work together and apply ourselves to the task of ensuring a safer future.●

NIH ROLLBACK ON RESEARCH GRANTS WOULD HURT NEW YORK MEDICAL SCHOOLS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BIAGGI. Mr. Speaker, the proposal by the National Institutes of Health to reduce the number of research grants—against the stated intent of Congress—would have serious and damaging effects upon our Nation's medical schools which conduct basic research.

As a strong opponent of this proposed reduction, I wish to provide, for the benefit of my colleagues, a copy of the statement of impact by the Associated Medical School of New York, under the direction of Dr. Robert Friedlander. The association correctly notes that New York medical schools alone conduct almost one-fifth of all medical-school-based research in this country. I commend Dr. Friedlander's statement to the careful attention of my colleagues and urge that they join me in fighting this ill-conceived proposal.

The statement follows:

IMPACT OF ROLLBACK OF NIH RESEARCH GRANTS ON NEW YORK MEDICAL SCHOOLS

The Associated Medical Schools, representing 12 medical schools in the State of New York, has completed a survey of research directors of the New York schools to determine the possible impact on our institutions of the reduction in NIH research grants by the Office of Management and Budget.

The dollar impact itself is considerable, not surprising since New York Medical schools conduct some 18 percent of all medical school—based research in the country. A very conservative estimate is that the Administration's decision will mean the loss of research grants to New York schools totaling more than $30 million. According to our research directors, these are grants that had an excellent chance of getting funded.

As serious as the dollar impact may be, our faculty and administrators have been unanimous in stating that the most damaging outcome of the Administration's decision will be played out in human rather than economic terms.

I am referring to very promising research projects coming to a halt; laboratories being shut down; and medical students suddenly re-evaluating decisions to pursue biomedical research careers.

At the crux of the problem is the fact that, while a research project can be terminated and a laboratory shut down quite quickly, these activities cannot be re-started for months and, sometimes, years, should funding be restored in the future. Reorganizing a laboratory and getting the necessary people back in place is very involved and precious time is inevitably lost.

The opportunity to expand our knowledge of a wide variety of medical issues is also seriously delayed. Our faculty indicated that many projects that will be sacrificed had the potential to yield valuable knowledge in such areas as childhood leukemia, musculoskeletal disease, venereal disease, heart disease, hypertension, vision impairment, metabolic disease and malignant cell growth. Again, these are specific projects that, in our view, would have had an excellent chance of being funded, but which appear to be lost if the Administration action is allowed to stand.

The human impact that we see already is the chilling effect of this decision on our research faculty, particularly those younger members whose work will be abruptly halted and whose careers are profoundly disrupted. In addition, the spirit of scientific inquiry, which is a crucial ingredient in the environment in which the medical student works, will be diminished.

No state in the country will be more devastated by this decision than New York, given the enormous volume of research that we do and the fact that several of our institutions are world-renowned research centers. I should add that this survey was done only among our member institutions, and did not include the many other centers of biomedical research in the state.

I respectfully urge New York's Senators and Representatives to take whatever action is necessary to reverse this seriously damaging move. So much of this State's magnificent biomedical research program is at stake.●

DRAFT-DODGING WIMP

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. WEISS. Mr. Speaker, our colleague from California [Mr. DORNAN] made headlines a couple weeks ago when he referred to another Member as a "draft-dodging wimp."

I think, therefore, that our colleagues will be interested in an article appearing in the March 26 edition of the Village Voice, a weekly publication located in my district.

The text is reprinted below:

BOB DORNAN'S MILITARY BRASS

WASHINGTON.—Just about everyone is out to get "B-1" Bob Dornan. Ever since he called his fellow congressman Long Island Democrat Tom Downey a "draft-dodging wimp" and a "liar," reporters have been sifting through the Californians colorful career. (Downey had a 1-Y medical deferment during Vietnam because of a perforated eardrum.) They've been turning up unsettling questions about Dornan's military past.

"I was getting my Air Force wings when Downey was in kindergarten," Dornan told Time, which, adds the congressman, "was in flight training at the tail end of the Korean conflict."

"Dornan has had an extensive military career," said Congressional Quarterly in 1976 soon after he first came to Congress. "He learned to fly at the age of 16 and has piloted a variety of different craft during Air Force service that began during the Korean war." The 1983-84 edition of Who's Who in American Politics has Dornan in the Air Force from 1953 to 1958 with service in southeast Asia. Other biographies say he worked as a journalist in southeast Asia as well.

Dornan, who was born April 3, 1933, was 17 when the Korean war broke out in the summer of 1950. Soon after the war began, draft calls were escalated to the highest levels in American history. Draft boards grew frustrated by able-bodied young men avoiding the war by taking student deferments.

"Dornan joined Loyola University to get into officer candidate's school," Brian Bennett, the congressman's administrative assistant explained to my colleague Van Metaxas. "At the Air Force you had to have two years college education. He joined Loyola, got two years college education then quit so he would be accepted into the Air Force."

"Dornan volunteered and joined the Air Force during the Korean war and went to flight training school to be a jet fighter pilot during the war. By the time he got out of flight training school the war was over," said Bennett.

But Dornan's biography shows him entering Loyola in 1950, just as the war began and leaving—without graduating—three years later in March 1953, just as it was concluding. An Air Force historian told Metaxas there was such a shortage of pilots during the war that educational requirements were dropped in 1951 from two years of college to a high school diploma.

As for Air Force service in southeast Asia, Bennett said Who's Who made a mistake. Dornan took flight training in Texas, and was never stationed outside the U.S. Whatever construction one wants to make of these events, it's clear enough that the patriotic Dornan sat out the Korean war in college.

Presumably, as a qualified pilot he might have served during Vietnam, but Bennett explained that by then Dornan was a freelance journalist in southeast Asia, working for, among others, Gene Autry's TV channel in Los Angeles, and in this capacity "flew at least a dozen combat missions to cover the war," and "was shot at many times while he was in Vietnam."

One thing that's not in any of the biographies is Dornan's plane crash. He was pilot-

ing a plane in the California Air Guard in the early 1960s, when it crashed. "He had to bail out over Point McGoo one time," Bennett said. "He was shepherding the plane from northern California to southern California when it malfunctioned. He flew over the Pacific where he bailed out so that it wouldn't hit the ground."

While Dornan is a keen supporter of the military, he has opposed the draft in the past. When asked about draft registration during a campaign appearance in 1980, he said, "I don't want my two sons drafted—not after we killed 57,000 men in Vietnam and can't tell them why. I don't want my sons sucked up into that, and if that sounds like Tom Hayden, tough."

Dornan's career as a congressman, first from Santa Monica, and after Phil Burton gerrymandered him out of that district, from Orange County, is legendary around the Capitol. His capers have been original:

As a freshman he jumped into the headlines by unsuccessfully trying to trade himself for hostages being held by the Hanafi Muslims at the B'nai B'rith headquarters in Washington, D.C.

He rose on the House floor to warn his colleagues that Soviet KGB agents probably were watching them from the visitors' galleries.

There was an audible gasp from his colleagues when, in a June 17 floor speech against abortion funding, Dornan launched into a detailed description of the Manson murders to argue that Susan Atkins had tried to save Sharon Tate's baby by starting a cesarean operation. He befuddled his listeners by saying that proabortionists were racists, and that even Communists had the sense to oppose abortion.

But he's probably best known as "B-1" Bob for fiercely supporting the B-1 bomber and arguing in 1977 that should the U.S. fail to build the plane, it will "so feed this malignant growth of Soviet power that they will feel we're weak" and the result will be "a war we may lose." When President Carter canceled B-1 production, Dornan made the news once more with his charge that Soviet pilots would "break out the vodka bottles." He threatened to sue former defense secretary Harold Brown if he was not cleared to fly the B-1.

Dornan narrowly held his seat in a tough 1978 race against 30-year-old Carey Peck, son of Gregory Peck and a man whom Dornan described as "a sick, pompous little ass." during a rematch against Peck, insinuating he had received an illegal cash campaign contribution. Dornan visited one James H. Dennis, then in an Alabama prison serving a six-month fraud sentence, and sought to use his influence with the director of the federal prison system to win Dennis better treatment in hopes that on his release Dennis would come to California and accuse Peck of taking $13,000 illegal contribution. But Dennis never did so, and the Justice Department formally cleared Peck of Dornan's claim that he had improperly handled the gift in 1978. The contribution proved to be illegal, and was returned to Dennis by Peck in 1979.

During the 1982 Republican senatorial primary Dornan ripped into Pete Wilson, then mayor of San Diego, for frequently changing his mind, calling him "Flip" Wilson and "cry baby."●

VIEWS FROM A YOUNG KENTUCKIAN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. HUBBARD. Mr. Speaker, I recently received an excellent letter from one of my constituents, Kevin Henson of Benton, KY. Kevin has written to me about several issues of concern and interest to him, which I wanted to share with my colleagues.

Indeed, I believe the Members of the House of Representatives will be interested to read the thoughts of an individual who has just turned 18 years of age. I believe Kevin's views about control of handguns, stricter drunk driving laws, Federal aid to education and America's space programs show an insight far beyond his 18 years.

His letter follows:

BENTON, KY.

Congressman CARROLL HUBBARD,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN HUBBARD: I recently celebrated my eighteenth birthday and am looking forward to exercising my rights and responsibilities as a Kentuckian and as an American. I consider one of these responsibilities to be that of informing my representative of some of my views. I hope you will consider some of the things I have to say when the appropriate legislation comes to a vote.

Firstly, I would like to give you some of my feelings on the idea of handgun control. It is obvious that most violent crimes are committed with a handgun. It is also true that most people who successfully defend themselves against such attacks do so with handguns. I believe that the banning of handguns will only succeed in taking the guns out of the hands of honest citizens. Criminals though will still have the illegal means of obtaining guns, from black market dealers or stealing them from licensed gunholders or from any other illegal means necessary. For this reason and numerous others I strongly oppose any laws supporting gun control.

Secondly, I would like to express my support of stricter drunk driving laws. As a high school senior and soon-to-be college student, I have seen the terrible results of drinking and drunk drivers. Anyone would agree that drunk drivers are a danger to others and to themselves. The thing that concerns many people is the growing number of police roadblocks to check the sobriety of drivers. I am one of those that see such actions as an infringement on the civil rights of all people. If any legislation is proposed that does not involve such police action, I would ask that you consider supporting it.

Another thing I would like to ask is for your support of federal aid to higher education. I plan to attend college soon and see financing my education as my most pressing problem. The rising cost of tuition, books, room and board, and just living is making college difficult for many students. The number and amount of scholarships are declining because of cuts in support for universities. The funding of many important areas is being cut because of lack of money. What kind of generation will emerge from low-budget colleges that students have borrowed thousands of dollars to pay for? I ask that you oppose any further cuts in the budget of education. I also ask that you support programs such as Project Upward Bound which help high school students get into college and stay in once they get there.

Last, and most important in my view, is the continuing development of America's space program. At this time of widespread budget cuts, I fear for the future of America in space. The space shuttle is just the beginning of America's possibilities in space. I feel a strong need for increases in the budgeting of space oriented programs. The next step needed is a place for the shuttle to go. A permanently manned space station is necessary. There are numerous scientific, agricultural, and medical advances that would be developed more rapidly and at less expense in space. Unfortunately there is also a military need for advanced technology in space. Some military experts have reported that the Soviets have anti-satellite and possibly missile destroying satellites in orbit. I fear nuclear war as any sane person would, but I see defensive weapons in space as a way of diverting that terrible end. For these reasons I ask that you support the construction of a permanent space station and the President's "Star Wars" defense system.

Thank you for taking the time to read this. I hope you will consider some of the things I have proposed. If I think of anything else, I will be sure to write you again.

Respectively,

KEVIN HENSON.●

AMY C. GREER: VFW VOICE OF DEMOCRACY WINNER

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SAM B. HALL, JR. Mr. Speaker, I am proud to announce that a young lady from Mount Vernon, TX, which is in my congressional district is this year's winner of the Veterans of Foreign Wars of the United States Voice of Democracy essay contest for Texas. She is Amy C. Greer, the daughter of Mr. and Mrs. D. Kenneth Greer of Mount Vernon. Amy is a senior at Mount Vernon High School.

The VFW Voice of Democracy Scholarship Program is among the most outstanding programs of its type to be found anywhere. Millions of young people have participated in Voice of Democracy since its inception 37 years ago, and the VFW is to be commended for its sponsorship and support for this great patriotic endeavor.

Amy Greer has written a very inspiring essay entitled "My Pledge to America." I can certainly see why she was selected as the Texas winner for this project, because her essay is just magnificent. It deserves to be read by everyone who loves America and who is dedicated to the principles and ideals of our great country.

Mr. Speaker, I include the VFW essay by Amy Greer as part of my remarks.

MY PLEDGE TO AMERICA

(By Amy C. Greer)

Although most Americans have a deep-seated patriotism, they are usually embarrassed to show it. We give such emotional patriotic displays tags such as "corny". But for one brief moment in August of 1984, when the Olympic games came to Los Angeles, Americans were blatently, brazenly and boisterously patriotic. It felt good. It felt good to see tears in the eyes of athletes competing for their country—it felt good to hear the chants of USA! USA! It all felt good . . . it felt very good.

At this time I realized how much I need this country, and how much she needs me. America needs me and she needs me in several ways.

America needs me to be a well-informed citizen. She needs me to be well-educated. Woodrow Wilson describes it this way: "The educated man is to be discovered by his point of view, by the temper of his mind, by his attitude towards life, and his fair way of thinking. He can see—he can discriminate—he can combine ideas, and perceive wither they lead; he has insight and comprehension. His mind is a practiced instrument of appreciation. He is more apt to contribute light than heat to a discussion."

America also needs me to use perhaps my most precious right—the right to vote. But to vote with enthusiasm and pride and an unflagging appreciation of this semi-miraculous right.

Furthermore, America needs me to actively support her democracy. She needs me to take action whenever necessary—be it writing my senator, making a speech at a local club or organization or mailing in this week's allowance to have the Statue of Liberty repainted.

America needs me—she needs an investment of my time. Not only in the use of my rights guaranteed in the Constitution, but she needs me whenever somone is needed to take part in a local play to raise money for the county library. She needs me whenever somebody has to work in the PTA concession stand, or when the local Scout troop needs a Den Mother. America needs me.

America also needs me to be a decent and worthy individual. She needs me to have a winning attitude. She needs me to be open with my patriotism and to be enthusiastic—enthusiasm is contagious. To be a winner I must lace my ideas with less of I Have To, and more of I Want To. And a winner must realize the always vital but sometimes tiny role he plays in the entire scheme of things:

As William Howard Taft's great-granddaughter in her third grade autobiography wrote—"My great-grandfather was president of the United States, my grandfather was a United States Senator, my father is an Ambassador and I am a Brownie. While Miss Taft's position as a Brownie may seem insignificant when compared to the office of President, Senator or Ambassador, she was contributing in the most positive way possible for a third-grader. So, though I may be a mere Brownie, America needs me.

And finally, America needs us to work together. There is a story that in a tiny French village, the peasants decided to honor their parish priest by each one bringing to the parish house the next Sunday a bottle of wine for the pastor's empty wine barrel. The pastor was delighted and asked them all to join him in a glass of wine from the now full barrel. But when the tap was opened, only water came out. You see, each peasant had brought water instead of wine—thinking that all the others would bring wine and that one bottle of water would never be noticed. America cannot afford any citizen who depends on someone else to carry his load. How many times have you heard "well, I'm not going to vote, my vote doesn't really count" . . . America needs 100%.

When I think of 100%, the Olympic athletes are again called to mind. In their single-minded dedication, striving for excellence, regardless of their race or origin, they were all winners. And for a brief moment, we all cheered.

America, needs a pledge—my pledge to her is to be informed, to vote, to support her democracy, to invest my time, to express my opinion and take an active part, and to be a decent individual.

Yesterday is not ours to recover, but tomorrow is ours to win or lose. I know that America needs me, but she needs you too.●

HOUSE OF REPRESENTATIVES—*Wednesday, March 27, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Lift our eyes, O God, to see the hope and beauty of a better world; open our hearts, O God, to understand the needs of all people; encourage our minds, O God, to seek truth and honor; lead our hands, O God, to do those good works that glorify You and heal the hurt of our world. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

APPOINTMENT OF CONFEREES ON H.R. 1239, URGENT SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Mississippi? The Chair hears none and, with out objection, appoints the following conferees: Messrs. WHITTEN, NATCHER, OBEY, TRAXLER, MCHUGH, CONTE, KEMP, and Mrs. SMITH of Nebraska.

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 1239, URGENT SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

STOP THE USE OF PLASTIC BULLETS IN NORTHERN IRELAND

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, when Prime Minister Margaret Thatcher of Britain visited this Chamber in February, she spoke sincerely of her desire and intention to reach a peaceful settlement of the Northern Ireland conflict. We should all applaud that sentiment and support her goal, but there is much that can be done to facilitate that process that Prime Minister Thatcher continues to ignore.

In recent years, violent clashes between British forces in Northern Ireland and angry demonstrators in Belfast and elsewhere have resulted in terrible and unnecessary losses. In seeking to control uneasy mobs or combat a threatening situation, British forces have resorted to the use of plastic and rubber bullets to break up a throng. These bullets, labeled innocuously as "crowd control" can and do maim and sometimes kill innocent people. In recent years, plastic bullets fired by British security forces have killed more than 10 people, some of them children under the age of 15. Some 160 others have been badly injured, some permanently, by these projectiles which can cause brain damage, internal injuries, and easily take out a person's eye.

Many of these civilians have been shot with plastic and rubber bullets in nonriot situations. That is inexcusable. Moreover, the British Home Secretary has described plastic bullets as "lethal." British forces do not use plastic bullets to control riots in England; their use has been exclusive to Northern Ireland. What's more, the European Parliament voted overwhelmingly in favor of a ban on the use of these bullets against civilians. Why do the British authorities continue to be intransigent on this issue?

The use in Northern Ireland of methods to control a situation that would be unacceptable in England may have many causes; it could be that the British security forces have a lower tolerance for or understanding of disturbances or volatile situations in foreign areas of the British Commonwealth. But it is untenable, when other means are at a security forces disposal for dealing with a riot situation, that the British police should continue to have these weapons as a first resort. It is too easy, Mr. Speaker, for plastic bullets to be used before a crowd becomes a riot, as the most effective way of dispersing what may be an orderly crowd.

The Congress has spoken out before on this issue, and yesterday I introduced a resolution calling on the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians. This is no more than a confirmation of what has been said by this Congress time and time again: That we abhor the use of excessive force against civilians, that we object to the indiscriminate use of lethal weapons by a government against its people, and that plastic and rubber bullets constitute an irresponsible and unnecessary use of lethal force in Northern Ireland.

I urge my colleagues to join me in this effort, to send a strong message to our oldest and most faithful ally, that because of our friendship and because of our common commitment to peace and peaceful coexistence, we hold them to the very highest standards of conduct. That conduct must not include using these weapons against the civilians of Northern Ireland. Peace cannot come from without until peace is the standard within.

INTRODUCTION OF LEGISLATION TO GRANT LORI BURR, OF EL PASO, FULL U.S. CITIZENSHIP

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, today I am introducing legislation to grant Lori Burr, of El Paso, full U.S. citizenship.

Lori Burr was born in Mexico on April 30, 1966, and was abandoned by her natural mother. She was adopted immediately by a missionary, Mr. William Burr, and his wife, in May 1966, and Lori has been their daughter ever since. They believed that they had legally adopted Lori, and, until this time, there had never been any question about the legality of the adoption.

When Lori applied for a Social Security card, the Immigration and Naturalization Service challenged her citizenship and is now preparing to deport

her to Mexico despite the fact that she has no other family and is without any relatives in Mexico.

Mr. Speaker, is it justice to tear apart the Burr family by deporting Lori, who grew up in the United States, was raised since infancy by American parents, and who has never known anything except the American way of life?

Surely, we cannot let bureaucratic redtape stand in the way of justice. Let us see if we can make the wheels of government turn on behalf of those who need its help the most.

Mr. Speaker, I urge my colleagues in the House and in the Judiciary Committee to support this bill.

U.S. COMPANIES SHOULD HAVE RIGHT TO PURCHASE TELECOMMUNICATIONS EQUIPMENT IN JAPAN

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker and my colleagues, in the Saturday past Washington Post, the following headline appeared: "Japanese phone negotiations seen making little progress."

The article goes on to point out that an internal U.S. document notes "few aims achieved."

I think it is outrageous that there is even a question about the right of the U.S. companies to bid and participate in the sale of telecommunications equipment in Japan. In the past year, 30 percent of the total trade deficit of almost $37 billion, the United States was incurred with Japan.

□ 1210

Japanese manufacturers sold about 1.8 million automobiles in the United States, to say nothing of millions and millions of dollars worth of electronics, and yet they want to deny U.S. firms even a miniscule right to participate in the telecommunications market.

These are examples of nontariff barriers that are constantly erected against the companies that would sell into the Japanese market. I think it is very typical of agreeing to do nothing or agreeing to do something and then erecting barriers to make it impossible to achieve the objectives.

It is about time that we no longer tolerate this kind of conduct. We should either say to the Japanese open up your markets or risk being closed out of ours. Free trade must be fair trade.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 885

Ms. MIKULSKI. Mr. Speaker, I ask unanimous consent that Congressman GERRY SIKORSKI's name be withdrawn as a cosponsor of the bill, H.R. 885, the Professional Franchise Community Sports Team Protection Act.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

PATRICIA ROBERTS HARRIS

(Ms. MIKULSKI asked and was given permission to address the House for 1 minute.)

Ms. MIKULSKI. Mr. Speaker, I would like to bring to the House's attention that today is the funeral of a very gallant woman: Former Secretary of Housing and also Health and Human Services, Patricia Harris.

On behalf of the people of Baltimore, I would like to express to the Harris family our deep and heartfelt sympathy. Mrs. Harris was an example of what the American dream was all about. The daughter of a railroad porter, she pulled herself up by her own bootstraps, pursuing an academic career, and then obtaining a law degree from Howard University to go on and be the dean of law at Howard University, and also to become an ambassador and then as Secretary of not one, but two, Cabinet posts.

In the process of self-help and self-reliance, she wanted to institutionalize those concepts, and we in Baltimore thank her for the kind of administration she provided, whether through the tools that she developed that enabled a great city like Baltimore to renew itself and revitalize ourselves.

We thank Mrs. Harris for her contribution which will be long lasting.

THE COMFORTS OF INDOOR PLUMBING

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, I grew up on the Montana prairie and freeze branded vividly into my mind and elsewhere is the early morning 100 yard dash to a place of repose called an outhouse, so I appreciate first hand the comforts of indoor plumbing.

But all comforts aside, I read with amazement and mortification a story in this morning's paper which indicated the Government is not only considering building Indian housing with no indoor bathrooms, but that these bathrooms cost about $24,000 per home.

Who's building these things? General Dynamics?

Without question these homes should contain indoor plumbing, but without question it should cost far under $24,000 to do so.

What's going on here? The Indian Health Service, Health and Human Services Department, and Bureau of Indian Affairs may suffer from the "Pentagonese" procurement syndrome, which may merit a checkup by the GAO.

Something smells here; and the odor is worse than the privy out back.

THE MEDICARE TRUST FUND

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, I read in this morning's Washington Post that the Medicare trust fund, which has been in a severe nose dive, is now recovered and is flying high. I wonder why this has taken place because I have been told for the past several years that if something was not done, this trust fund, in the most pessimistic views, would be out of money by 1988, and most optimistically, by 1992.

Is this trust fund suddenly pulled out because it is accumulating so much money at the expense of some 30 million senior citizens in this country and those who are disabled by increasing their copayments and their deductible? Or is it because we now have prospective reimbursement? Or is it because we have a freeze on physician fees? Or is it because it is being done at the expense of the private sector now?

It really looks good to have this trust fund have so much money. What kind of economic assumptions are being used to say that this is actually what is going to be taking place?

I recall in 1977 that we were told after increasing the Social Security tax that that system would be solvent until the year 2030. Mr. Speaker, I really question and will look forward to seeing what the trustees are going to tell us about this when we receive their report, which I believe will be some time in the month of April.

SOCIAL SECURITY

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, last week the Senate Budget Committee approved a budget that requires senior citizens to share in the task of reducing the Federal deficit by forgoing next year's cost-of-living adjustment. Such an action would save about $5 billion in the first year and more in succeeding years, however, we would be losing far more in terms of sacrificing the security and health of the majority of our seniors.

The Social Security COLA was enacted in 1972 to protect the purchasing power of benefits. It is the only means that retirees have to compen-

sate for the rising medical and general living expenses that eat away more and more of their income every year. With these expenses as well as high utility and heating bills, senior citizens in my district are at times barely able to maintain a decent standard of living; denying them next year's COLA will push many into poverty.

The American Association of Retired Persons provides some staggering statistics on the economic status of older Americans which merit close attention and further prove my point. For example, the median elderly household income is only half that of the nonelderly and over 2 million older persons or 8 percent of the elderly population are in the near poverty category, placing them in an extremely precarious financial situation.

Mr. Speaker, if the deficit is to be reduced, those factors which are actually causing the deficit must be addressed and Social Security is not one of those factors. My constituents have suffered enough through previous budget cuts—why intensify their hardship by unfairly forcing them to solve the deficit?

STUDENT AID CUTS MUST BE REJECTED

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, the administration's proposals to gut our Federal student aid programs takes a direct hit at educational opportunity for hundreds of thousands of students.

To demonstrate the real life impact of these proposals upon students and the schools they attend—consider what happens at just one school—Mercy College in New York:

The proposal to eliminate loans for those with incomes above $32,500 would deny loans to 720 students, 24 percent of enrollment, totaling $1.2 million;

The proposed $4,000 megacap on all aid would affect 200 students, 4 percent of total enrollment, totaling $150,000;

Zero funding of campus-based programs would hit 100 students, 2 percent of enrollment, for a total of $125,000;

Denying Pell grants, NDSL's and college work-study to those above $25,000 affects 1,600 students—with a loss of $1.6 million; and

Failure to pay the full amount authorized for Pell grants by Congress last year hits 5,000 students, 66 percent of enrollment, for a total loss of $1 million.

The budget resolution adopted by the House should reject these proposals—the impact on one campus would be intolerable—the impact on all schools would spell the death knoll for educational opportunity.

MEDICARE AREA WAGE INDEX

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, my colleagues in the House, I have served in this body going on 11 years and during that time I have had my share of disagreements and confrontations with the Federal bureaucracy. But I do not remember when a department has so flagrantly demonstrated its arrogance and disregard for congressional intent than what we have witnessed in past months over the Department of Health and Human Services' refusal to correct inequities in the Medicare prospective payment formula.

The inequities in the formula—specifically the indexes used to adjust for differences in area wages—have resulted in rural hospitals being shorted millions of dollars in Medicare reimbursements. The situation threatens to close the doors of many rural hospitals, leaving rural Medicare beneficiaries without access to community-based hospital services and endangering the overall availability of quality health care in rural America.

We have lots of serious problems out in farm and ranch country right now, and there is no excuse for letting one problem go uncorrected when the means is there to set it right—and when Congress has mandated that it be set right!

In the Deficit Reduction Act enacted last July, Congress recognized the serious flaws in the wages indexes and directed the Secretary of Health and Human Services to develop revised indexes, and we mandated she report back to use within 30 days. Well, that deadline came and went months ago, and since then we have had nothing more than lame excuses, broken promises, and missed deadlines.

HHS has put the blame on Congress, on the hospitals, on unreliable data. We've listened to excuse after excuse about the need to verify data. Well, that data has been checked, double-checked, and checked again. Now we are supposed to buy the argument that separate rulemaking to implement the revised indexes as soon as possible is unreasonable and would compromise the public's right to offer informed comment on the revised indexes. HHS says sorry, you'll have to wait until October 1, 1985.

I say enough is enough. We in Congress have been patient, we have been accommodating, and we have been cooperative. It is time for HHS to produce the goods. I ask for the support of my colleagues in demanding HHS immediately issue the revised wage index report and put in progress the rulemaking process that will result in rural hospitals being reimbursed fairly from Medicare.

Thank you.

□ 1220

FREEDOM DOES NOT COME FREE

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, the President won a tough vote on the MX yesterday. It passed because our chief arms negotiator reminded us of the realities of dealing with the Soviet Union. Do not deal from weakness, he said. Do not give up something without getting something in return, he said.

These arguments were good enough to win, but barely. Frankly, a problem facing and hurting defense support is the hypocrisy in the administration's position that while we need a strong, expensive national defense, we do not have to pay for it.

Let me say to the President again that he cannot keep offering the Pentagon a blank check. A $300 billion defense bill demands better management, demands multibid contracts, demands a unified chain of command, demands weapons built on time at a price and performance advertised, demands consideration of a peacetime draft, demands a sense of priorities, demands the full support of our allies.

As we cut back on all Federal spending, the best we ought to do for the Pentagon is a freeze. If the President wants to spend more, he should ask the American people to pay for it.

Mr. President, if there is no such thing as a free lunch, then surely there is no such thing as a free army. Freedom does not come free. Let us stop pretending that it does.

WORLD AWAITS GORBACHEV REACTION TO KILLING OF AMERICAN SOLDIER

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, a new, younger generation has taken over in the Soviet Union now that Mikhail Gorbachev is the head of the Communist Party.

The whole world is watching now to see if it will mean a change in Soviet goals, attitudes, philosophy, and behavior.

A few days ago, an American soldier, Maj. Arthur Nicholson, was murdered in cold blood by the Soviets in East Germany.

He was left to bleed to death from his gunshot wounds, and the Soviets prevented another American from administering first aid to the dying officer.

51-059 O-86-24 (Pt. 5)

What is Gorbachev's reaction?

What does the new generation of Soviet leadership have to say about this crime?

The whole world is watching to see whether Mr. Gorbachev will call this action a crime, or whether he believes it was just.

To date, all the talk about the new generation of Soviet leadership has been speculation. There is no evidence that Gorbachev favors free speech, that he opposes invasion of Afghanistan, or that he protested when KAL 007 was shot down.

The world awaits his reaction to this atrocity. So far, he has done nothing to distinguish himself from his Stalinist predecessors, and there is regrettably no evidence that he has any plans to do so in the near future.

FIRST ANNIVERSARY OF UNITED STATES AS DEBTOR NATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. ALEXANDER. Mr. Speaker and my colleagues, there will be another anniversary this year, a first anniversary, the first anniversary of the year when the United States becomes a debtor nation.

The United States trade deficit has tripled in the last 3 years and is forecast to be, at the end of the current year, $135 billion—$135 billion which hangs over America like a poisonous cloud of noxious fumes that many are unable to see, a cloud that affects our economy, that puts farmers out of business, that closes down shoe factories and textile mills. While it is invisible to some people, there is an inextricable connection between our trade deficits and our economic depression, especially in the farm community.

Today, in response to the trade crisis and the mounting crisis, the gentleman from Washington, DON BONKER, will be leading a series of special orders on the subject of the coming trade crisis in America. I invite all Members to join in those special orders beginning today.

POLL CLOSING LEGISLATION

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, we are all aware that the time difference between the coasts has prejudiced voting in the West.

The networks' agreement of last year is a valuable first step, but we cannot stop there.

A number of my colleagues have introduced legislation to set a national poll closing time, and I commend them for their efforts.

Mr. Speaker, I have reviewed these proposals, and today I am introducing legislation, with my colleagues, Mr. LAGOMARSINO, and Mr. MARTINEZ, which is comprised of the best elements of all of them. Our bill simply requires all polls in the continental United States to close at 10:30 p.m. eastern standard time.

This allows the States the flexibility to set their own opening time.

This provides the networks with postelection prime time coverage in all regions.

This provides hours that will maximize voter turnout.

And this treats all regions of the country equally.

I urge my colleagues to join in the bipartisan approach to fair and flexible election reform.

□ 1230

NATIONAL INFRASTRUCTURE ACT

(Mr. YOUNG of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Missouri. Mr. Speaker, I am very pleased to join the distinguished chairman of the Public Works Committee today in introducing the National Infrastructure Act. This important legislation is an innovative, practical, long-term investment in the future of our country. For years, we have pursued a policy of ignoring the maintenance of our highways, bridges, sewage, and water supply systems. Only the periodic crises—bridge or tunnel collapses, overloaded sewer systems which cause raw sewage to run directly into rivers, water supply systems which collapse due to age and excessive demand—make headlines. The continuing crises, the leaking pipes which cause the loss of 15 percent of the water supply in St. Louis and 25 percent in Boston, receive little public notice. Similarly, renovation and extension of sewer facilities is often ignored until a locality discovers that it can no longer attract new industry or build new homes because of outdated facilities which are at or above capacity.

Recently, I received a letter from a constituent which stated the situation very well. She said:

I would suggest that some national program for repairing the infrastructure is long overdue. You and all other national legislative representatives and the administration need to be doing some long-range planning as well as immediate short-term planning which too often turns out to be a Band-Aid/tinkering approach that does not recognize and treat the interrelatedness of persons and institutions in our country. It would give me great pleasure to see the congressional Representatives from Missouri take the lead in such long range national planning.

Mr. Speaker, I could not put the challenge better than Ms. Hudzinski did. I am proud to represent constituents who are concerned about our future and express that concern so eloquently. And I am particularly pleased to fulfill her request by joining Chairman HOWARD today in the introduction of the National Infrastructure Act.

WISDOM IS KEY TO TOMORROW'S MX VOTE

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the vote coming up tomorrow on releasing the funding for the production of the 21 MX missiles presents the perfect opportunity for this House to extricate the President from the trap he has dug for himself and the American negotiators in Geneva.

Mr. Kempelman has now gone back to Geneva with the demonstration of resolve he sought from the Congress. There is no need to appropriate or spend the money. Let us keep it fenced in. In that way, having demonstrated resolve, we can now demonstrate wisdom.

All of humanity may ultimately be grateful for such an action. Having survived 40 years in the nuclear era, we have no guarantee that we will continue to be as lucky.

Mr. Speaker, I implore my colleagues who voted to authorize MX funding yesterday to vote against releasing the MX funds in the vote we take tomorrow.

YESTERDAY'S VOTE WAS ON GENEVA, TOMORROW'S ON MX

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Yesterday, Mr. Speaker, we voted to authorize 21 additional MX missiles. We voted to give Max Kempelman $1.5 billion to put on the table at Geneva to serve as a bargaining chip with the Soviet Union. We have authorized the money for him. We have to decide now whether we are going to actually appropriate the money and produce the missiles after we have given him the bargaining chip of money on the table.

We have given the President the bargaining chip. Let us not fuel the arms race now by producing the MX missiles. We have got another vote tomorrow.

Mr. Speaker, yesterday we voted on Geneva. Tomorrow we vote on the MX.

AMERICA NEEDS PROGRAMS FOR BOTH UNEMPLOYMENT COMPENSATION AND JOB TRAINING

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, as the Members know so well, over 300,000 American workers are threatened with the loss of unemployment benefits just next week, and last week the President expressed his opposition to extending FSC benefits because, as he said, the place now for people who are having problems is our job training program.

What the President did not say last week is that he has proposed cutting in half that program, one-half for this year and one-half for next year.

Mr. Speaker, we need both a decent unemployment compensation program and an effective job training program, and the sad fact is that under the President's approach we will have neither.

WHO PAYS THE BILL FOR NEWLY AUTHORIZED MX MISSILES?

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, the President now has his MX missiles authorized. I guess the question I would like to ask the President is: "How are you going to pay for them?"

We have a country in which, when you buy something, you are normally expected to pay the bill. My guess is that the President will once again say, "Well, we'll charge this. We'll charge it to our kids or our grandkids."

Mr. Speaker, I would say this to the President: "Mr. President, you have added about $600 billion to the Federal debt with your proposals. The Congress hasn't had the courage to resist your proposals for deficits, but at some point somebody has to pay the bill. You ask for a missile we don't need and you want us to spend money we don't have. You weaken the American economy with these kinds of proposals, Mr. President. We ask you to rethink your policies that ask us to spend money we don't have on something we don't need."

UNEMPLOYED AMERICANS MAY BE VICTIMS OF CRUEL APRIL FOOLS' DAY JOKE

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, next Monday is April 1, April Fools' Day. We will be playing a cruel joke next April 1 on 340,000 unemployed Americans who are currently collecting Federal supplemental compensation and who will be cut off immediately. They will wake up and find they are entirely without benefits.

These are people who are not unemployed by choice. These are people who have had jobs for many years, often for 20 or 30 years for the same employer. These are people who desperately want jobs but must seek them in communities where the unemployment rate is 8, 10, 12, or 14 percent.

Mr. Speaker, we must not break faith with these people. There is a last-minute effort being made in the Unemployment Compensation Subcommittee to mark up a bill and have it ready for us so that we can continue the eligibility of these unemployed workers. I ask my colleagues to join us in that effort.

GENERAL LEAVE

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles, and that I may be permitted to include certain tables and extraneous material.

The SPEAKER pro tempore (Mr. LEVIN of Michigan). Is there objection to the request of the gentleman from New York?

There was no objection.

MAKING APPROPRIATIONS FOR THE MX MISSILE

Mr. ADDABBO. Mr. Speaker, pursuant to Public Law 98-473, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. ADDABBO].

The motion was agreed to.

□ 1237

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 181, with Mr. KILDEE in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Without objection, the first reading of the joint resolution is dispensed with.

There was no objection.

The CHAIRMAN. Pursuant to section 101(h), Public Law 98-473, the gentleman from New York [Mr. ADDABBO] will be recognized for 5 hours and the gentleman ffrom Pennsylvania [Mr. MCDADE] will be recognized for 5 hours.

The Chair recognizes the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, my colleagues may wonder why we have to continue to debate a matter we have debated for the last 2 days concerning the MX missile. Today's measure is completely different from what we have debated during these last 2 days.

□ 1240

Yesterday we voted on the question of authorizing the release of the fencing of funds for the procurement of 21 MX missiles at a cost of $1.5 billion.

The question of the MX being a bargaining chip and the question of its effect on the Geneva talks was fully debated, so yesterday by a close margin of 219 yeas to 213 nays we voted to release the authorization of that $1.5 billion for the 21 missiles.

Today and tomorrow we will be debating the question whether it is absolutely necessary to appropriate the money at this time to commence the procurement of those missiles. As I pointed out yesterday and I will again go into it in greater detail, the actual expenditure of that $1.5 billion at this time is not necessary, because it cannot be spent and it will not be spent and missiles funded in fiscal year 1984 will be delivered out through May 1987 so the production line will remain open.

Mr. Chairman, I rise in strong opposition to House Joint Resolution 181, which is the actual funding of the 21 MX missiles in unobligated balances of $1.5 billion.

I am sure everyone in this distinguished body is in favor of a strong national defense, but I believe there are many different opinions as to what constitutes a strong national defense.

The preamble to the Constitution of the United States reads as follows:

> We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity * * *

Et cetera.

The preamble states that we should "provide for the common defense" and "promote the general welfare." Our forefathers felt it was equally important to maintain a needed defense and to adequately support the needs of the people of this great Nation. If our

people are not properly educated, our farmers not assisted in producing needed commodities, our financial matters not properly balanced, and our senior citizens not properly taken care of, we will have no strong national defense. The people and the economy of our Nation provide as much for our national defense as do more tanks, guns, and missiles. I personally believe that spending $25 billion for vulnerable MX missiles does not contribute to our national defense. This money could be better used to further the needs of our youths, farmers, senior citizens, and the American people in general.

Let me point out to my colleagues that 2 years ago when we were considering the Defense appropriations bill for fiscal year 1983 on the floor of this same House of Representatives, we, the Congress, overwhelmingly rejected funds for the initial procurement of the first five MX missiles. The administration had requested $1.5 billion for the procurement of nine MX missiles; however Congress only authorized $988 million for the procurement of five missiles. When the Defense appropriations bill was on the floor, I offered an amendment to delete all the funds for the procurement of MX missiles, and it was approved by a record vote of 245 yeas to 176 nays. The basic reason for this denial of procurement funds for the MX was that a basing mode had not been approved. The arguments at that time were that placing the MX in Minuteman silos was a nonoption because of their vulnerability. That has not changed. That is the exact situation today. No appropriate basing mode has been selected, and we should again reject the release of procurement funds overwhelmingly.

Last year we were told we had to build the MX because the Russians had broken off the talks in Geneva. Now we are told we must build the MX because the Russians have come back to Geneva.

Previously we were told that we had to build the MX because Minuteman silos were vulnerable. Now we are told we must build the MX to put it in Minuteman silos.

Previously we were told that we had to build the MX because there was a "window of vulnerability." Now we are told we must build the MX even though that "window" never existed.

Previously we were told that we had to build the MX because it could be used as a bargaining chip. Now we are told we must build it because it is not a bargaining chip.

The President has submitted a report which repeats the same old arguments, but which fails to answer the same old questions, and therefore fails to make the case that we need these procurement funds for the MX missile at this time.

How does buying more MX missiles and putting them in Minuteman silos solve the old vulnerability problem? The answer is that it does not. The President says so in his report when he admits that MX vulnerability, and I quote, "will be roughly equivalent to the Minuteman."

The reason for starting the MX in the first place, the claimed vulnerability of Minuteman silos, remains unaddressed. Buying more MX missiles changes nothing.

How does buying more MX missiles solve the old "attractive target" problem? The answer is that it does not. The President fails to address this question in his report. He fails to note that a 10-warhead MX in a vulnerable silo is a far more attractive target than a three warhead Minuteman in the same silo. He fails to do so even though General Scowcroft has admitted this in testimony before the Appropriations Committee.

How does buying more MX missiles solve the old problem of making the world safe? The answer is that it does not. The President believes that peace will be strengthened by adding 1,000 more nuclear warheads to our stockpile. Well, we already have 9,000 strategic nuclear warheads. Adding to a stockpile already beyond reason makes the world less, not more, safe from the threat of annihilation.

How does buying MX missiles address the old question of overall balance of forces? Again the answer is that it does not. The President says that he wants more MX missiles because "the asymmetry in ICBM's between the United States and Soviet strategic forces remains very much in their favor." The President is silent on SLBM's, sea launched ballistic missiles, because the asymmetry there is very much in our favor. The fact remains that there is approximate parity overall in strategic nuclear forces.

Mr. Chairman, the basic and overriding concern remains arms control and the reduction of nuclear weapons. Building more MX missiles takes us in the opposite direction. It keeps us locked in the same old trap of move and countermove, of build and build even more. It is the same discredited strategy that has brought us to the sorry state that we are in today.

The President says that building and deploying 100 MX missiles is consistent with U.S. arms control policy; but what is that policy? How can we say we are controlling arms by building more of them? In this Member's opinion, the way to control arms is to control them and the first step in reducing nuclear weapons is to stop building more of them.

The President says that we need to build and deploy 100 MX missiles to induce the Soviets to negotiate. There is nothing sacred about the number 100. The Scowcroft Commission spoke of deploying "on the order of 100 MX missiles," implying thereby that the number was not fixed.

I would point out that it was not too long ago that the Pentagon was telling us how vital it was to deploy 200 MX missiles. Mr. Chairman, we have already funded 21 missiles which are on contract and are to be delivered between May 1986 and May 1987. In other words, we already have 21 bargaining chips—bargaining chips which are not actually in our inventory until between 1 and 2 years from now. We need no more. If 21 MX missiles do not induce the Soviets to negotiate, by what logic will 42 MX missiles make them do so?

Also, keep in mind that during the last 3 or 4 years, Congress has provided research and development funding which has allowed the procurement of 20 research MX missiles. Seven of these missiles have been expended, but 13 of those missiles remain which could be used for deployment. In fact, in the conference report accompanying the fiscal year 1983 defense appropriation bill, the following language was included:

> The conferees note that the MX research and development program includes the acquisition of missiles. When both the House and Senate have approved a permanent basing mode, missiles which have been acquired under the research and development program may be deployed in the approved permanent basing mode. The conferees intend by this action to emphasize their firm commitment to modernization of our strategic nuclear forces.

□ 1250

My colleagues, I would like to call your attention to this chart. In 1983 and other years, as I have stated before, we appropriated funds for 20 research and development missiles, of which 13 missiles remain to be delivered in the next 3 years. In calendar 1985, we will only receive four of those R&D missiles.

We will receive in calendar year 1986, six more missiles. The balance of those missiles, three will not be delivered until May 1987. That is the missiles which we have funded back in 1983 and other years.

In fiscal year 1984, we appropriated $2.1 billion for 21 missiles. None of them, none of them are going to be produced in calendar year 1985.

In calendar 1986, we get the first one in May, and we get a total of 12 missiles for the entire year. We do not get the balance of the fiscal year 1984 funded missiles until May 1987.

So how can we say if we do not free this $1.5 billion we are cancelling the MX? The funds are there. The line is open until May 1987. At any given time in view of the fact that we have authorized the release of the funds yesterday, we can appropriate the

funds for these missiles. We do not have to appropriate the funds at this point in time.

There has been a question as to whether we are committed to the modernization of our strategic forces, and there can be no doubt that sufficient bargaining chips are already funded to convince the Soviet Union that the United States means business. To further this commitment, the Congress is supporting, and has funded, as I have just pointed out, the MX missile, the Midgetman missile, the air-launched cruise missile, the sea-launched cruise missile, the ground-launched cruise missile, the Poseidon, the Trident I and Trident II missiles, the Pershing II missile, the B-1 bomber, the advanced technology bomber, the Trident submarine, warhead and nuclear devices for the various systems, and modernization of the Minuteman missile force.

Congress has supported the President in most of his strategic programs and the Soviet Union is aware of this increased and continuing support.

The President says that each Member of Congress should join him in a bipartisan, united effort to approve funds for additional MX missile procurement, but this is the same President who says his budget deficits are entirely the fault of the Congress. This is the same President who says it is up to the Congress to cut irresponsible spending. He is the same President who demands that Congress "rein in the budget monster."

Mr. Chairman, we have already spent far too much of our Treasury on a vulnerable weapon of questionable military value. Do we have an extra $25 billion lying around to finance this complete missile system when the deficit will exceed $200 billion this current fiscal year and will continue to mount in the years to come?

We have already funded enough MX missiles to induce the Soviets to negotiate. And we were told last year when this House passed the fencing amendment that if the Russians come back to negotiate we do not have to unfence the money, but those same people now are saying that we have to make the funds available.

Mr. Chairman, my colleagues, on yesterday the House voted to allow the authorization of $1.5 billion to fund the procurement of 21 additional operational MX missiles. Today and tomorrow the House will be considering House Joint Resolution 181 which actually makes available the $1.5 billion in unobligated balances for the procurement of these missiles.

I contend these funds should not be released at this time. The House has shown its resolve in supporting the President on this issue by approving the authorization yesterday. The actual funds to carry the additional MX procurement forward should be held up as we watch the progress of the arms negotiations in Geneva.

If there is no progress made, these funds could be made available later because these funds will not be spent. They cannot be spent until 1986 or 1987.

The unobligated balances are fenced and cannot be used for any other purpose except for these 21 missiles. Why not wait to see what results from the Geneva negotiations before committing the American taxpayers to the expenditure of additional billions of dollars for a missile of questionable value when there are so many unquestionable needs in our society?

Mr. McDADE. Mr. Chairman, I yield myself 14 minutes.

Mr. Chairman, I want to say at the outset that I believe the House yesterday conducted a debate that was in the highest traditions of this body. Members on both sides of the aisle, with deeply felt emotions and feelings, addressed the merits of unfencing the money for the MX missile. And the House worked its will in the finest tradition after a long, lengthy discussion.

It is my own view that we do not need 10 hours once again to replow that ground. I hope that as we work through the day that perhaps some agreement can be made and Members can be given previous advice about what might happen in order that we do not redo the entire area that was done yesterday.

Let me take a moment to pay my compliments to my colleague from Pennsylvania [Mr. MURTHA], who I thought spoke eloquently yesterday in this House, and very movingly, and who was a cosponsor of this resolution with me that is before us today. I am very grateful to him.

I want to address myself to one question, and that is this argument which seems to be surfacing from some place that since we authorized the money yesterday we do not need to approve it today. Well, I think I can point out initially that the people making that argument to you today are the very same people who yesterday said we do not need to authorize the MX missile, period. The very same faces that are aligned to try to prevent the appropriation were aligned to prevent the authorization.

Do not undo the good and hard effort that was made yesterday to make sure that our colleagues at the negotiating table understand where this Congress is. We started to send a message yesterday. Today we deliver the goods. This is when we appropriate the dollars.

May I say to my friends, this is the day when we follow the will of the House as expressed yesterday when it authorized money for this purpose.

So I want to urge my colleagues not to be dissuaded by that, to see who is making the argument, to recognize that they are the same people who would like to stop the MX period.

I need to address myself as well to some comments that were made by my distinguished chairman, my good friend from New York, Mr. ADDABBO, who conducts this subcommittee with great skill, and that is the chart that he put up and the argument that he made that we had funded a series of MX missiles through a given calendar year and, therefore, we did not need to appropriate money in this bill.

My friends, nothing could be further from the facts. The facts are that while it is accurate to say that there will be delivery of MX's into the future, as indeed there ought to be, it takes 3 years to build an MX. If you do not appropriate the money today, the front end of the production line for the MX is dead next month.

□ 1300

The brains of the MX missile is the guidance system. Any missile without a guidance system is not a missile, it is nothing.

If you fail to appropriate the money today the contractor who makes the guidance system is out of business next month. Let me say to you once again it is an effort and a skillful one by those who are opposed to the missile to undo what you did yesterday. Yesterday you voted to produce 21 additional MX missiles. If you stop the production line, you do not end up with an additional 21 missiles, you end up back with 21 and some R&D missiles. It is a little bit technical but, my colleagues, you need to know that if you stop this line of production you have stopped what you voted to do yesterday and you are back to square one with an uninterrupted line, with contractors and vendors and people working all over this country contributing their best efforts to build an MX missile which results in delivery 3 years subsequent to the date of order to the people who are ordering, in this case the Department of Defense.

So I would ask you please to focus on that issue and to recognize the importance of appropriating this money to carry out what you did yesterday and to keep the production of the MX at 21 additional for our negotiators in Geneva.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield, when he concludes? Would the gentleman yield to me?

Mr. McDADE. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

I only wanted to respond, once the gentleman had concluded his remarks, but I appreciate the gentleman yielding at this time. I only want to comment with respect to his earlier remarks with respect to the lack of ne-

cessity for going forward with 10 hours of debate on the appropriations process. I would not challenge the gentleman's assertion that on the last 2 days this body debated in the finest tradition of this House. But I do believe that we were not in a position, given the 10 hours' time constraint when Members are asking for an allocation of 2 minutes, 3 minutes, 4 minutes, 5 minutes. It does not lend itself to an open and honest and free exchange of debate. What it does is create a procession of speeches. It may be a pro speech and a con speech, a Republican speech and a Democratic speech, but nevertheless certainly this gentleman found himself in the incredible position of not being able to yield to one of my distinguished colleagues on his side of the aisle who serves on the Armed Services Committee with me. We do not tend to agree politically but we have always yielded to each other in the hope that we could achieve a level of intellectual honesty.

Mr. McDADE. Let me say to my friend that I was not aware of individuals who were denied time yesterday or could not get time under the 10-hour rule. Let me say that we would be glad to cooperate and facilitate their appearance on the floor today to debate. It is my feeling that a full 10-hour rerun, so to speak, of all the issues involving the MX were laid out in front of the body by Members on both sides; I am not aware of many issues or any issues, this Member is not aware of any issues that were not discussed.

If individual Members want to express themselves, I think perhaps we can work something out to try to make sure that happens today. If the gentleman will let me know who did not get time, we will try to see that they get time.

My point is, may I say to my colleague, that the issues were addressed, the body made an informed judgment and it is now time to move on. I do not think we need to go back to all of those same issues.

Mr. DELLUMS. Would the gentleman yield again?

Mr. McDADE. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I appreciate the gentleman yielding.

But this gentleman is making a little different point. It is not that the issues were not presented but that we did not have the possibility, given the structure of the discussion, to allow each other to challenge the assertions that we made. We were able to present our argument but we did not have time to expose our argument to critical analysis and critical debate and free exchange.

This, as the gentleman points out, is an incredibly important marketplace of ideas and when we cannot challenge each other in the marketplace of ideas and it is simply a procession of points of view that never get a chance to be debated, where critical analysis can be applied, then I am not sure it is a debate. Maybe it is more speech making than it is a debate.

This gentleman likes the intellectual and political challenge of debate. I am saying that perhaps these 2 days gives us an opportunity to actually exchange with each other.

For example, I would like to debate LES ASPIN on the MX missile. I did not have an opportunity to do that, because he spoke, we spoke, someone else spoke. So that is the problem.

Mr. McDADE. Let me say to my colleague that I am sure he and his chairman have had a lot of debates in their committee and here on the floor. I encourage them to have as many as they wish.

I believe that the body performed in a way that is consistent with what it is supposed to do; that is, namely, address the issues, put forward those issues as strongly as we can, and then work our will. That is I believe what we did.

Mr. DELLUMS. The gentleman has been very generous and very kind and I appreciate and respect my colleague.

Mr. McDADE. I am delighted to at any time yield to my colleague—almost any time.

Mr. Chairman, the need for the MX militarily has been documented, in my judgment, for some time. It has been documented because the Soviets have seen fit to deploy over 600 MX class missiles which have prompt hard target kill capability. We do not. That means that our entire LCBM force, a critical part of our triad, is put at a risk which we do not present to the Soviet Union.

That, my friends, is a term that some people call a symetrical, it is a term that people call destabilizing. What it means to me is that it puts at risk a triad which has kept the peace, a system that thoughtful people have worried over for almost half a century and that has kept peace in the world. And the stakes are that if we lose any one of those legs of that triad to an advantage on the Soviets' behalf, then we risk the kind of destabilizing conditions that will lead to nuclear war, because the premise of deterrence is parity or equality. Neither side, if deterrence is to be effective, can have an overwhelming advantage over the other. And today our land-based missiles are at risk, our command and control is at risk; theirs is not.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I listened very carefully to words of the very distinguished subcommittee chairman from New York and he said something that struck me as very important. He said the way to control nuclear weaponry is to stop building them; the way to reduce nuclear missiles is to stop building them.

That had a great plausible ring to it. It really clutched my innermost soul.

But then I thought that yesterday I heard some other speaker say that the Soviet Union has 308 intercontinental ballistic missiles called SS-18. Somebody said they are twice the size of the MX. They have a range of 6,000 nautical miles. They are MIRV'd warheads. Then they have got another array called the SS-17. Then they have got one so-called SS-19.

Then I read a little bit more and I found that they have two new missiles they are testing, the SS-X-24 and the SS-X-25.

I could not help but wonder about the logic that says the way to get reduction of missiles is to stop building them.

Now, a great effort is being made on the part of some Members of this body to get us to stop building missiles. I wonder what leverage we are going to have with our adversaries who have continued to build and build and build and build.

Harold Brown, Secretary of Defense under the previous administration, said "When we build, they build; and when we stop building, they build."

Now, how do we persuade them to stop building, to get in line with the marvelous thought that the gentleman from New York had?

I am going to wait and I am going to listen to every minute of the debate today and maybe I will get a hint of how we can stop them from building, especially if we stop building and modernizing our antique intercontinental ballistic missile system.

□ 1310

Mr. DICKS. Will the gentleman yield on that very point?

Mr. McDADE. I am happy to yield to the gentleman.

Mr. DICKS. Mr. Chairman, this is one of the major points made by the Scowcroft Commission. I do not think there is any doubt that in their analysis of our strategic posture, they were troubled about some of the issues surrounding MX and the difficulty of finding a survivable basing mode.

But one thing they said very clearly:

It has been, 12 years since we last deployed a new land based ICBM. We have been struggling with this issue since then.

During that same timeframe, the Soviets have deployed seven new ICBM's, 648 heavy ICBM's, SS-18's and SS-19's, which have an aggregate of 5,000 MX-quality warheads aimed at this

country, at our ICBM's, our command and control, and our leadership.

Now at some point we have to demonstrate national resolve that a program that we have started and debated, can finally be completed. I will just tell the gentleman in the well. He knows this very well. The very people who were saying we do not need this because we will be for Midgetman, we will be for improving our submarine leg, we will be for new bombers; they are going to turn around the moment this progrm is dead and lead the fight against these systems. They will say "Well, we didn't know Midgetman was going to be quite that expensive." And, "Oh, no, we didn't really want those accurate missiles on submarines, either." And "We can't afford the B-1."

So at some point I think those of us in this Congress who are concerned about defense and national security have to stand up and level with the American people. It is not good policy to keep spending $10 billion of their money without putting something of significance into the field.

In my view, getting this 21 missiles for a total of 42 will give us what I consider a very substantial and significant military force to deploy. I happen to think that 21 missiles—that is all we have in the procurement stage now, represents a token force.

Now the administration in 1981 talked about 40 missiles, to be deployed in existing silos.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDADE. I yield myself an additional 3 minutes.

The CHAIRMAN. The gentleman is recognized for an additional 3 minutes.

Mr. McDADE. I yield to the gentleman.

Mr. DICKS. The administration talked about a program of about 40 missiles to be deployed in existing silos in 1981, and that we should examine how to get increased survivability for additional missiles.

Yesterday I heard all my friends here who talk about survivability saying, "We don't want this missile because it's vulnerable in existing silos." I disagree with this assertion because of synergism—there is no one foolish enough that he is going to attack our land-based ICBM's when we have 50 percent of our retaliatory force in submarines and 25 percent in bombers; no Soviet would be so foolish to launch a first strike.

My friend, the gentleman from California [Mr. DELLUMS], I consider the father of synergism, talked about this in 1979. He and my colleague, TOM DOWNEY said it would be outrageous for a Soviet war planner to think about trying to strike our ICBM's.

Yesterday we heard it again, "But wait a minute now. If you are talking seriously about survivability and you want to spend $20 billion for the hardening of those silos, we're not for that."

So on the one hand they say we want survivability and this missile is flawed because of a lack of it, and then when we propose a way to make it survivable they say, no, that is too expensive and it is outrageous; we do not need it.

Now, I do not think you can have it both ways. I think if you want survivability, you are going to have to pay for it and we can do it. I happen to believe that about 3 years from now, we will have the technology in place to increase by about tenfold the hardening of these silos, and we can produce about a 50-percent rate of survivability. When ICBM's are viewed in isolation.

We are going to have to make a judgment at that point, whether we are prepared to invest that kind of resources. We may say that there are other priorities within the strategic budget; the Stealth bomber, the D-5, cruise missiles and advanced cruise missiles, that may have a higher priority, because we are all faced with the reality that the defense budget is going to be cut.

But since we have spent $10 billion, let us at least get a force in the field that has military significance. I happen to believe that once these 21 missiles are paid for—this is fiscal year 1985 money—once it is released, then we will have reached the threshold of a significant force.

I went to Geneva as an observer. I sat there for a week, I watched our negotiators, and I must tell you I am convinced that these people are serious about getting an arms control agreement. When we are only weeks into these negotiations—how can we pull the rug out from underneath the negotiators, out from underneath the President of the United States, out from underneath our NATO allies? We are facing the most unbelievable pressure from the Soviet Union in Europe and adverse public opinion about the NATO INF deployments.

How can we pull the rug out from under the entire alliance? I just happen to think it would be a serious mistake. I happen to believe that these missiles in existing silos, through perhaps not the best approach, is the only one that is viable. I think the best part of the Scowcroft conclusions, in my judgment, was that they threw out this notion of a window of vulnerability. They agreed with Mr. DELLUMS, they agreed with Mr. DOWNEY; they said "That's preposterous."

And it was a blow to the President and the Committee of the Present Danger who had talked about this before. And so, I think they put us on an intelligent, rational course.

The CHAIRMAN. The time of the gentleman had expired.

Mr. DICKS. If the gentleman would yield me just a couple more minutes.

Mr. McDADE. I yield myself 3 additional minutes.

Mr. CHAIRMAN. The gentleman is recognized for 3 additional minutes.

Mr. McDADE. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding additional time to me.

Mr. Chairman, what has worried me about this whole issue from the start is, how do we make some progress? How do we move from a position of not having an arms control agreement ratified in the last 10 years?

I happen to believe the only way we are going to get there is through bipartisanship, where sensible people work together for the national interest.

I must tell you when this President came to office, I was concerned about his track record on arms control. I was concerned about some of the people that he had in high official positions in this administration and their record on arms control. That is why I thought the recommendations in the Scowcroft report gave us the basis to move ahead and make some progress in this, the most important area of activity.

Mr. McDADE. I want to just interrupt my friend to tell him that that word, "bipartisanship" is a word that is important to all of us, and I want to offer my compliments to him because he has conducted himself through this entire matter in a very expert way; he is an expert member of the Defense Subcommittee; and in a thoroughly bipartisan way.

He has advanced the peace process that is taking place in Geneva, and may I say to my friend and colleague were he not a Member of this body, that may not be the case.

So I just want to compliment you for what you have done, and commend you on your statement.

Mr. DICKS. I appreciate the gentleman's remarks and his continuing to yield to me.

Mr. Chairman, I would just like to say I still believe that the President, when he made the agreement to go along with the Scowcroft recommendations, he had to eat a little crow, because they did debunk the "window of vulnerability."

He said he would do two things: That he would pursue arms control vigorously and he would develop the small, single-warhead missile because the experts believe that is a more stable system down the road.

He said to us, and we have some reluctance about this—"Would you support the strategic modernization, the MX"—and we agreed to a certain extent to go along with some deploy-

ment of those MX missiles. We thought that was a good bargain, and give us the chance, hopefully, to make some progress.

I was not convinced in the first 2 years of this administration about their seriousness in arms control. I am convinced that the team they have in Geneva today wants to get an agreement, will fight for an agreement. I am convinced that the President is serious about arms control and wants to get an agreement; I think he can get an agreement through the Senate.

So in a sense we are faced with the same historic opportunity that was had during the Nixon administration, when we got most of the major arms control agreements enacted. Then we had a conservative President who had the faith of the American people in terms of his commitment to defense and national security. He presented agreements to the Senate that were ratified and are the basis for our whole arms control program today.

I believe the President has delivered on his part of Scowcroft. I think it is the responsibility, of those of us who believe in national defense, to help him at the start of these negotiations by going ahead with these 21 missiles.

I recognize that it is a very difficult choice for some because priorities are an issue, and the budget problems are serious. The deficit is a question that troubles many Members.

I just believe that supporting his position, hanging tough, is the way to get the arms control agreement that every American wants.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDADE. I yield myself an additional 2 minutes.

the CHAIRMAN. The gentleman is recognized for 2 additional minutes.

Mr. McDADE. I thank my colleague for the contribution that he had made, and I want to reference back, in concluding my statement to my colleague from Illinois who indicated that there had been such tremendous growth in the Soviet ICBM force and the question of how we get some kind of handle on what they are doing in putting the world at risk.

The answer to that is the second major reason that I believe that we need to vote to appropriate this money today, and that is to advance the peace process which is taking place in Geneva.

Everyone in the Scowcroft Commission, representing many Secretaries of Defense, Secretaries of State, Directors of the CIA, were unanimous in their comment that there was no way to get a arms agreement with the Russians unless we built this missile; that there was no other candidate missile available in this decade to try to achieve arms control in Geneva except for the MX. Therefore without it, they said it was illusory—that is their word—to believe that we could ever achieve any kind of progress with the Soviets at Geneva.

They are right. I share that concern. I attended the meeting at the White House, as many of you did, when we heard our chief negotiator say, we have got to go ahead, or we are going to see ourselves delayed in Geneva; we are going to give something unilaterally to the Soviet Union which they will misinterpret as a lack of resolve, and we will see the peace process delayed, at the very least.

□ 1320

So I say to my colleague that the way for us to advance that process is to show our resolution, appropriate this money, and let our negotiators in Geneva know that as part of their bargaining process, right in the middle of it is this weapon that the U.S. Congress stands behind, appropriating the money for, putting on the table in Geneva, and noticing the Soviets that they will no longer posses a hard-target kill monopoly, that the United States of America is going to redress that imbalance.

Mr. ADDABBO. Mr. Chairman, I yield myself 4 minutes, just to clarify a couple of points.

Number one, the ICBM, the land-based missile, as presently configured, especially in the Minuteman silo, will never be our firstline defense. It may be our first-strike weapon because it is so vulnerable, but we know that land-based missiles are vulnerable, and that is why we have funded the Midgetman, the air-launched cruise missiles, the sea-launched cruise missiles, the ground-launched missiles, the Poseidon missiles, the Trident I missiles, the Trident II missiles, the Pershing missiles, the B-1 bombers, and others. We know that the ICBM, the land-based missile, is the weakest link and it cannot be made strong by putting a 10-warhead missile in existing silos.

We have heard about the "antique" Minuteman III. Let me tell my colleagues and the gentleman from Illinois, how antique our Minuteman III's are. We are today funding and have funded for the last several years and will continue to fund very expensive programs at the cost of hundreds of millions of dollars to keep the Minuteman III current. Those programs include replacing the motor propellants, modernization of the guidance system, and upgrading the command and control system. The result is a more accurate and reliable system. It is so reliable that even the Air Force has admitted we will have a system life past the year 2000.

So I do not believe our Minuteman III is antique. It has the strike capability and it is a viable weapon which the Russians must contend with.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, yesterday the House voted 219 to 213 to authorize the release of $1.5 billion to procure 21 more MX missiles. I was on the losing side of that vote. But I acknowledge the fact that the majority of the Members of this House evidently felt it was important, in view of the start of the Geneva talks, not to deauthorize those funds.

The purpose of my remarks today is to suggest to those who are in the majority that it is entirely consistent for them and entirely prudent for them now to vote no on this vote with respect to the appropriation of those funds.

The fact of the matter is that those funds are now on the bargaining table at Geneva, for whatever that is worth. Those 21 missiles are there at Geneva. But it makes no sense at all, from an appropriations point of view, from the point of view of the testing and the production of this missile, now to obligate the funds to purchase missiles Nos. 22 to 42.

We should understand that those missiles are not due to go into production until 1987 and 1988. They can readily be appropriated in this year's fiscal year 1986 defense appropriation bill or next year's fiscal year 1987 appropriations bill as needed. And if those of you who are in the majority are right that this is an effective bargaining chip, and if indeed we are able to bargain the MX for a Soviet concession of equal worth, then by not appropriating the funds at this time we will have saved ourselves the enormous termination costs which we would otherwise incur if these funds are appropriated and obligated, as the administration will surely obligate them if we appropriate them.

I would also suggest to you that, from the point of view of prudence, the testing status of the MX does not justify entering into procurement contracts for these missiles at this time. My information on the testing comes from testimony in the Defense Appropriations Subcommittee of the other body by the General Accounting Office. Their testimony informs us that only 7 of the 20 tests, only 35 percent of the tests, have been completed. They further testify that major changes in the system will occur prior to flights 9 through 11, including the stage 4 propellant storage assembly tank, the ground and flight software, the warhead fuse, an item that is particularly important on the accuracy issue, the reentry vehicle substructure, and indeed that fully operational configuration guidance and control system will not be flown until flight test No. 14 in the third quarter of 1986.

GAO further testified that—

Retention of the current range capability is dependent upon successful repair of the stage 3 extendable nozzle exit cone which failed in the third and seventh test flight.

In other words, it has failed two of seven times, 29 percent of the time, and that includes the most recent test.

So I would simply say to those of my colleagues who voted yes yesterday that you have now accomplished what you set out to accomplish by that vote, you have seen to it that these missiles will remain authorized, that the President and his negotiators can brandish them at Geneva and extract for them whatever concession they can get, and that authorization will remain on the books and we will make it available for us to appropriate these funds if needed in the future.

But I would suggest to you it makes no sense, it does not undercut the President's position not to appropriate these funds today. The state of the testing of the missile does not justify it. The time when this procurement must actually occur does not justify it. If you are successful in what you set out to accomplish by voting yes yesterday, you will simply saddle our Government with unnecessary termination costs if you vote yes instead of no today.

So I strongly urge my colleagues who voted yes yesterday to vote no today or tomorrow when this vote occurs, in order to keep the bargaining chip but to save us some money while doing so.

Mr. McDADE. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, nobody believes that the MX missile will by itself force the Soviet Union to bargain seriously in Geneva, and nobody believes or asserts that the MX missile will by itself deter the Soviet Union should it decide to launch some new aggression.

The MX missile works no miracles. No submarine, no rifle, no artillery shell, no fighter plane will by itself deter aggression, and none of them by themselves will force the Soviet Union to sign an agreement to reduce the number of weapons in the world.

But the MX missile is an absolutely essential part of the combined force which both keeps the peace and enhances the prospects for a new arms reduction agreement.

Destroy the effectiveness of the triad, let our missiles grow both old and absolete—and they do grow both old and obsolete, no matter how many times we try to do a quick overhaul of them—take away from our negotiating team the systems that the Soviets most want to limit and most fear, and we encourage Soviet intransigence at the bargaining table and we increase the possibility of war.

In yesterday's debate, the majority leader, the gentleman from Texas [Mr. WRIGHT] said correctly that this investment in weapons to protect us against the Soviet Union has gone on now for 40 years. It has. And 40 years ago the general wisdom, the accepted knowledge was that the United States and the Soviet Union would be at war with each other in less than a decade.

□ 1330

American strength, the American deterrence has prevented that war. We do live in a perpetual fear of war. But living in fear of war is better than dying in the reality of war. It is the triad that keeps nuclear war a horrible prospect rather than a fatal reality. It is American strength that can lead the Soviet Union to an agreement that can ultimately remove the fear of nuclear war.

We have an obligation to preserve both peace and liberty. If we are weak, we may or may not preserve the peace; we will almost certainly lose our liberties. Only if we are strong can we preserve both peace and liberty. If we build the MX unnecessarily, then we spend unnecessarily an amount equal to a small part of what we spend each year on foreign aid. But if we do not build the MX, and if that decision is wrong, then we may leave our children a legacy not of higher taxes and bigger deficits, but of nuclear war, and that is too great a risk to take.

I urge my colleagues to vote today to appropriate the funds to build this system. I very strongly disagree with my colleague from New York [Mr. GREEN]. Fail to appropriate the funds, and you take the MX off the bargaining table. The Soviets are not stupid, and if they see that we have not appropriated the funds, they will understand that they have no incentive and no need to negotiate seriously.

Yesterday, we voted to strengthen not only our national deterrence capability, but to strengthen the hands of Max Kampelman and our negotiators. Today, by appropriating the funds, we can keep the commitment we made yesterday so Mr. Kampelman can try to force the Soviet Union to understand that it is in the best interests of the Russians, as well as the Americans, to remove nuclear weapons from our arsenals.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. DELLUMS. I thank the gentleman for yielding to me.

Mr. Chairman, the gentleman made a very interesting comment. He said, "Living in the fear of war is better than dying in the reality of it."

It is a very interesting phrase; I would like to go beyond it for a moment, and with all due respect to my colleague. Every single study that this gentleman has seen indicates that when you ask children in this country whether they will live to be adults, the overwhelming majority of them believe that they will not achieve adulthood because they believe sincerely, in their tiny, little hearts, that they will be killed in thermonuclear war.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. EDWARDS] has expired.

Mr. ADDABBO. Mr. Chairman, I yield 3 additional minutes to the gentleman.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. DELLUMS. I thank the gentleman for yielding further.

Mr. Chairman, it seems to me that the phrase, "Living in the fear of death," also means dying, because I believe that when you kill children's hopes and dreams and futures, you are indeed destroying those children; you are indeed killing those children.

Mr. EDWARDS of Oklahoma. If I may respond to the gentleman, 30 years ago I was a teenager, and 30 years ago I was afraid of war. Thirty years ago I knew that there was a danger of war with the Soviet Union and I knew there was a possibility that my friends and myself might die in that war. But the people who were teenagers 30 years ago and were afraid of war and were afraid they would never live to be adults, have lived to be adults. They have lived to be adults because we remained strong.

I would tell the gentleman it is not as bad for a teenager to be afraid that something might happen and there might be a war, that is not as bad as the teenagers who died in World War II. It is not as bad as the teenagers who have lived in war.

Mr. DELLUMS. Mr. Chairman, would the gentleman yield further?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. DELLUMS. Teachers and psychologists and scientists today have observed a behavior pattern that they have never seen in the history of this country. It is called "futurelessness." This is where our young people are beginning to act out in behavior patterns that we have never seen before, with a sense that they will not achieve adulthood. They are starting to act this out, many of them in adverse and negative ways.

The point this gentleman is making is that living with the fear of war is not something that this gentleman can feel comfortable with. It seems to me the way we remove it is to go to the table and negotiate hard; not come to the floor of Congress building new weapons systems whose only objective is ultimately to destroy human life on

this planet. That is the argument that this gentleman is making.

Mr. EDWARDS of California. I would say to the gentleman that the reason that some of those young people are alive today is because their parents were not killled in war because we maintained a deterrent capability. It is a better to be a youngster in this country, aware that there is a prospect of war, than it is to be a youngster in Afghanistan dying because of it.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield further?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. DELLUMS. What we are talking about in this debate with MX missiles, which are strategic nuclear weapons, if we talk about war, we are not talking about war as World War II or war as war took place in Vietnam; we are talking about war with the potential of destroying all life on this planet. That is a very different concept.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. EDWARDS] has again expired.

Mr. YOUNG of Florida. Mr. Chairman, I yield 1 minute to the gentleman.

Mr. EDWARDS of Oklahoma. I thank the gentleman for the additional time.

Mr. Chairman, I would just say to the gentleman in response that if the gentleman wishes to stand here on the House floor and say that it is not better to fear war than to die in the reality of war, then I think I am beginning to understand the basic argument that his side is making.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield further?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. DELLUMS. This gentleman would never fire that kind of a shot at the gentleman because I respect the gentleman. I know the gentleman realizes that that is not the assertion that I am making.

What I am saying here is that we have a responsibility not only to remove the reality of war, but I am saying to remove the symptoms of the fear of war as well, because the fear of war is also killing our children. That is the point the gentleman makes.

Mr. EDWARDS of Oklahoma. I will say to the gentleman that I agree with that, and that is why it is necessary to be strong enough to force the Soviets to bargain because they respect strength.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the gentleman.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I think what is being missed here is that there is a real difference between a gun in the hand of an officer of the law, and a gun in the hand of a known criminal. I think that is really what we are talking about in arms negotiations with the Soviets.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. I thank the gentleman for yielding to me.

Mr. Chairman, two issues preying on the minds of the American people are the massive deficits plaguing our economy, and the needs of our national defense.

It is essential that this Congress act to provide a strong defense. A defense capable of deterring Soviet aggression in areas vital to U.S. security, and more importantly capable of protecting our Nation and in the event of war, winning.

However, with $200 billion deficits in the administration's projections for the foreseeable future it is also essential that we ensure that we are providing a strong defense without wasting our resources.

Throughout my career in this body I have continually supported defense requests that truly increased our national security. Increased funding for our conventional forces, which will be called upon to prevent Soviet incursions into areas vital to our security; increased funding for air- and sea-launched missiles which have been determined to be highly accurate, but difficult for the Soviets to locate; and other weapons designed for situations expected in modern warfare.

The MX missile does not increase our security. The President has stated that MX is necessary for agreement at the arms talks in Geneva. However, the Soviets came back to the bargaining table after Congress had delayed funding for the MX, and they have never shown much interest in discussing MX at previous talks. They would greatly prefer to discuss items such as the Trident and B-1, which they consider true threats to their own security.

Almost all of the Nation's defense experts have agreed that the Minuteman missiles are extremely vulnerable to attack. However, following the recommendations of the Scowcroft Commission this administration is recommending placing the MX in those same Minuteman silos which they insist are vulnerable. Their rationale is that by hardening the silos the missiles will no longer be vulnerable. A Soviet missile that can destroy a city however, would be expected to destroy a missile silo regardless of what steps were taken to harden the silo. And missiles destroyed while sitting in the silos are of no deterrent value to the United States.

It is important that the United States use the money and resources available to it to provide for the best defense of our Nation and our interests. That requires that we evaluate our needs, what systems contribute to our defense, and how we will react to events that may arise.

The United States and the Soviet Union each possess the ability to destroy the world, to end life as we know. This capability has fortunately made each reluctant to engage the other in serious conflict. Hopefully, this will continue to be the case. However, if it is necessary to use our nuclear arsenal it is imperative that we be able to rely on an arsenal that will be effective. Again, missiles which cannot get out of their silos, regardless of how accurate they may be are of no use to our defense.

At a time when Congress has been asked to make very real and difficult choices on where to spend and where not to spend Federal money the President has asked for a weapons system that could cost over $40 billion, not counting ever-present cost overruns. That is $40 billion for a system of highly questionable value. Not only is the MX an expensive weapons system, it is also a flawed weapons system.

This administration has never presented a comprehensive defense plan to Congress. They have never fully defined what the needs and purpose are of not only MX, but of many of the other systems they have asked us to allocate billions of dollars on.

I will oppose the MX because it will not strengthen our strategic readiness nor enhance our national security. It is nothing but another means of wasting precious Federal resources on a vulnerable and ill-conceived desire of the Department of Defense.

Mr. ADDABBO. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank the gentleman for yielding me this time.

Mr. Chairman, yesterday and the day before, because of the nature of the process, we all had to make our speeches. It seems to me today we now have an opportunity to go beyond our speeches and begin to explore the intellectual credibility of the assertions that each of us make on the floor of Congress.

Mr. Chairman, during the course of my remarks, I wish to challenge one of my colleagues on our side of the aisle with respect to the need for the MX missile. But since the gentleman has walked off for a moment, let me make this initial point.

On yesterday, I tried to respond to the argument that the MX missile is terribly important to the negotiations in Geneva. This gentleman would assert that that is an incredible overstatement of the reality and the significance of the MX missile. I tried to assert yesterday that on the public record this President of the United States has said, "The objective is deep

reduction in our nuclear arsenal." The Soviet Union has also publicly responded by saying, "It is equally our objective to engage in deep reductions in our nuclear arsenal."

Now, we have in our present arsenal over 10,000 strategic nuclear weapons, over 15,000 tactical nuclear weapons; some of them more powerful than the bombs we dropped on Hiroshima and Nagasaki. So at this very moment, as this debate goes forward, let the record show that we have in excess of 25,000 nuclear weapons in our arsenal. The Soviet Union has similar numbers.

Now, if the leaders of both nations have stated that it is their objective to engage in deep reductions in our nuclear arsenals to move us back from the brink of thermonuclear war, then clearly there is great incentive to stay in Geneva and stay at the table.

□ 1340

I would assert that to make the argument that the MX missile is the factor upon which this conference will turn is at best an absurd argument.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Washington on that point.

Mr. DICKS. I would say to the gentleman that I think it is easy for each of us to put ourselves in the position of deciding this, as if we were in fact the Commander in Chief and the President of the United States. But the fact is that Ronald Reagan is the President of the United States and Ronald Reagan named a very distinguished commission called the Scowcroft Commission to evaluate how we coordinate arms control efforts and strategic modernization at the same time.

In my judgment, when you are looking at a situation like this, you have to look at what is possible, what can be achieved in the political world.

The President of the United States came to office convinced that our strategic forces had not been modernized and that there needed to be an improvement in those strategic forces before he could get the Soviets to agree to the kind of reductions that are necessary to reduce the threat and enhance stability. This goal was to get down to 5,000 ballistic missile warheads, on each side as a first step. I am sure the gentleman from California and I could agree this would be a good objective, assuming it is done in a stabilizing way.

It is the President who, by adopting all the recommendations of Scowcroft, committed himself to arms control if we in the Congress in turn would support his modernization program. So for those of us, the so-called group of moderates, this was a difficult choice. Not all of us were thrilled about the MX missile. But we were interested in getting Ronald Reagan, the Commander in Chief, the President, who now has been reelected, onto an arms control path and off of what we saw as a very dangerous confrontational path with the Soviet Union that might lead to war.

We only have one President at a time. We have to do what is possible with the individual who is the Commander in Chief, and we felt, although it was a difficult choice, that the responsible effort was to get the President committed to arms control, and I believe he is now committed to arms control, and I believe Mr. Kampelman is a serious negotiator.

Mr. DELLUMS. Mr. Chairman, if I may reclaim my time, let me respond to that, and then the gentleman and I will go on to our discussion of synergism.

Let me respond to the gentleman by saying that the President of the United States, Ronald Reagan, was indeed elected President of the United States. He was not coronated King. We have a triumvirate form of government. The gentleman and I were also elected to exercise our intellectual prerogatives to engage in making our own independent, political judgment. The founding persons of this country decided to engage in a careful check and balance, and so for us, as Members of the Congress of the United States, to walk in lock step with the President as if we have no capacity to exercise judgment in these matters, are in my estimation derelict in our responsibilities and not assuming our duties. The President is not the King.

Mr. DICKS. Mr. Chairman, if the gentleman will yield, the gentleman and I led the fight against dense pack, of 200 missiles closely spaced, because we thought that basing mode was not going to work. It was very expensive, and we together fought and voted against that. So we did exercise judgment. And then the President put together a group of distinguished former Secretaries of Defense, Secretaries of State, the best minds available, and they came up with a course for modernization which appeared to be plausible.

The most important point in that whole exercise was when Ronald Reagan said that he would get personally serious about arms control. The gentleman from California knows, I think, because of his chairmanship on military construction and his travels around the world in meeting with foreign leaders, that there was a great doubt around the world whether this President would ever be serious about arms control. I happen to believe that getting him committed to that was worth going ahead with some deployments of these missiles which, in fact, do give us some additional military capability.

In the late 1970's, I even think before that, there was discussion whether we had to have a mobile system. I supported that system as a prudent approach to the question of survivability. But the gentleman from California and the gentleman from New York stood up here and explained to the House at that time a very fundamental point still relevant today. This was all before Scowcroft. They argued that there was a synergistic relationship between the submarines, the bombers, and the land-based leg; that you could not view these missiles in isolation, you could not attack them in isolation, and no fool would because you would be devastated, it would wreak havoc on the Soviet Union and totally destroy it.

What I would argue with the gentleman from California is that that synergism still exists today and no rational nation is going to attack, so why are these missiles now vulnerable? All I hear is this vulnerable, vulnerable, vulnerable, but they are not vulnerable when viewed in the context of the triad. The gentleman was right.

Mr. DELLUMS. Mr. Chairman, If I may reclaim my time, let us set up the argument.

In April of 1977, to be more precise, this gentleman offered an amendment on the floor to strike the MX missile, castigated very strongly, this is some way-out, fringe argument. What we tried to do in 1977 was to explode the absurd notion of the window of vulnerability.

Let us set up the argument. The way the argument flowed was as follows: One leg of our nuclear triad; namely, our fixed-based missiles, would be in the mid-1980's vulnerable to a nuclear attack from the Soviet Union. This gentleman, and the gentleman from New York [Mr. DOWNEY], argued the synergistic argument. What we said was, it is absurd to assume that the Soviet planner, looking at one leg of our nuclear triad, would attack that knowing that we have two additional legs of our triad that could inflict unacceptable damage upon the Soviet Union.

Mr. DICKS. If the gentleman will yield, there was 75 percent of our warheads and our capability in those 2 remaining legs.

Mr. DELLUMS. Exactly. Therefore, we said, "Look, this notion of the window of vulnerability at worst is a fraudulent argument and at best an argument that lacks intellectual competence."

All right. But we were considered the radical extreme people on the floor in 1977. We argued that we were trying to solve a problem that does not exist. All right? But they did not buy that argument in 1977.

A fantastic thing happened a couple years ago when the President of the

United States commissioned Scowcroft. Scowcroft then came forward and said, "Let us put 100 MX missiles in the same Minuteman-III silos." That is why we are here today. Some people stood up and said, "Wait a minute. Are you placing MX missiles in the same hole that you considered vulnerable a few years ago, that you argued against the Dellums-Downey assertion a few years ago?"

The Scowcroft Commission came back and said, "But these holes are not vulnerable. The Soviet planners would have to look at the entire aggregate of our nuclear triad and realize that we were not indeed vulnerable."

Here is my point that I do not think the gentleman from Washington [Mr. DICKS] is really fully dealing with: Once Scowcroft accepted the efficacy of our argument with respect to synergism, they not only closed the window vulnerability, it vanished, and with it the need for the MX missile. That is the point this gentleman is not dealing with.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

Mr. ADDABBO. Mr. Chairman, I yield 5 additional minutes to the gentleman from California [Mr. DELLUMS].

Mr. DICKS. If the gentleman will yield further, this is where we get down to it. This is where I think the major argument exists that we have to focus on.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. Let me argue with this gentleman, and then you and I can have at it. I love it.

Mr. DICKS. We will yield in a minute.

Mr. Chairman, what the Scowcroft Commission said was this: That one, after 12 years of arguing about this, there was a question of our national resolve and commitment to be able to finish a program that we had started, and a question of whether the Soviets would view it as weakness if we did not proceed.

Second, there is the military utility argument that everybody has been trying to get to. Scowcroft said this program provides important leverage in the arms control talks, but most importantly, important leverage in getting the Soviets to recognize that their land-based missiles are vulnerable as well, and that they would be well served to move away from their heavy ICBM's toward mobile missiles which are more survivable. Survivability on their side is important because we do not want to have a destabilizing situation.

At the same time they argued that we should only deploy 100 of these, not 200, as Mr. Carter had recommended, and Mr. Ford, but 100, and they said we should start the development of a single warhead missile which would be probably mobile in order to give us a more survivable system and an increased stability on both sides.

□ 1350

So the key point is leveraging them out of their vulnerable silos so they are not subject to a first strike, just as we move toward Midgetman, and on both sides have enhanced ability. Hans Mark, former Secretary of the Air Force, said once that the best thing we could have is 500 single-warhead missiles on each side; then there would be no incentive by either side to strike first, and on both sides you would have survivability and that would be the most stabilizing, because in a crisis we would not put ourselves into a hair-trigger situation.

Mr. DELLUMS. Mr. Chairman, if I may reclaim my time now, we have wafted this far, and what the gentleman has asserted was that the window of vulnerability was a fraudulent argument and——

Mr. DICKS. I did not use that language.

Mr. DELLUMS. All right, you did not use that language. Let us say it was a flawed argument.

Mr. DICKS. Yes, I agree with that.

Mr. DELLUMS. It was at best a flawed argument. And this gentleman is saying that once Scowcroft accepted the efficacy of that assertion, then not only did the window of vulnerability disappear but the need for the equipment disappeared.

Now, you argue in response to that, but there was need to finish the program and there was need to develop important leverage in negotiating with the Soviet Union. Let us start with your first point.

Mr. DICKS. And leveraging them out of their vulnerable silos toward a more survivable mode.

Mr. DELLUMS. All right. Let us start with the first argument, to finish the program.

Here is what the gentleman is saying. The program was started on the basis of a flawed argument at best. What this gentleman was asserting all along was that they knew there was no window of vulnerability, and what we really did want was a first-strike nuclear weapon.

Mr. DICKS. No, that is wrong. That is not correct.

Mr. DELLUMS. They wanted a hard-target, time-urgent silo-killer. That is exactly what it was.

Mr. DICKS. That was for window-of-vulnerability reasons, not for first-strike reasons. The gentleman knows very well that we do not have a first-strike policy. It is not our intention to strike first.

What this does in a crisis, in a sense, is it would give us some capability against their silos, their command and control, and their leadership that we presently do not have that the Soviets have to take into account in deciding whether they would attack us. They have a sanctuary now, and they get enormous political benefit from that. What we want to have is some of that similar capability, but not enough to constitute a destabilizing first strike.

Mr. DELLUMS. Mr. Chairman, I have let the gentleman finish his argument. You said, "Let's finish the program." What I am saying to my colleagues and the American taxpayers is that that is the game that got run on them.

The MX missile was a game at first, and then we said, "Let's finish the program" when there was never any need for the program, and that is the very basis of the argument that we make. Once there was no vulnerability, there was no need for it. If there was no need, why are we going forward with the MX missile? To build a time-urgent, hard-target silo-killer weapon, which takes us beyond the principle of nuclear deterrence, which takes us into a very destabilizing and dangerous situation.

Mr. DICKS. I would argue with the gentleman that if we do not develop so much that it presents a first-strike potential against all 1,300 of the Soviet missiles—and this does not; this level of deployment we are talking about does not—it does not present a first-strike threat and, therefore, is not destabilizing. But it also gives us some military capability against the weapons systems that the Soviets hold closest and dearest to their hearts.

I think in that respect, by getting more equality in that one area that we do not have, hard-target capability, that it strengthens deterrence. It does not weaken deterrence. It makes the Soviets less likely to strike first, and that is what we are attempting to achieve with this system.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

Mr. ADDABBO. Mr. Chairman, I yield 5 additional minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I ask, how can we maintain a commitment to the concept of deterrence which means we would not strike first, that we would only respond? Why do we need a hard-target silo-killer if we are not talking about striking first? Because if we are talking about striking second, those silos are empty. Why do we need a hard-target capability when the silos are empty?

Mr. DICKS. Mr. Chairman, if the gentleman will yield, not all of them may be empty. As I said to the gentleman, if the Soviets recognize that we have some of that capability, they are going to move out of their silos to

mobile forces which are more secure and, therefore, more survivable, as well as less accurate. And that is what you want.

Not everything is done in an arms control agreement, by the way. Some things can be achieved indirectly, and in my view this is one area where, by deploying some MX, it will convince the Soviets to move toward a more stable force structure.

Mr. DELLUMS. All right. And your second argument is——

Mr. DICKS. Hopefully they will agree to make deep cuts in those large offensive weapons, recognizing that they are in a sense vulnerable, too. And their force structure is different than ours. Seventy percent of theirs is land-based missiles.

Mr. DELLUMS. Exactly.

Mr. DICKS. So they will move toward a more synergistic relationship in their triad, which will make them have a more secure deterrent, as we will do the same thing. That winds up making it a more stable situation.

Mr. DELLUMS. Let us accept that. But you assert that under this second argument, to provide important leverage. Now, you have not suggested that the MX missile is not a weapon capable of first strike. What you argue then is the numbers you have to put forward to do it.

Mr. DICKS. If the gentleman will yield——

Mr. DELLUMS. Let me finish. The President, as per the Scowcroft Commission, is asking us to deploy 100 missiles. Now, there are some Democrats in the other body and, I think, this gentleman as well who does not want the 100. You want to cap it at 50.

Now, if I ask you, "Why do you want to cap it at 50?" you will say very honestly, because the gentleman is a man of integrity, that you do not want to go forward developing a force that appears to threaten the Soviet Union with first strike. That was the argument this gentleman made yesterday.

Once you accept that 100 missiles are not sacrosanct and you are willing to talk about the 50, then this gentleman is saying that you already have 21 and you cannot argue competently that 50 missiles at the negotiating table is going to do something magically that what we already have is not going to do. That is the bottom line.

Mr. DICKS. Let us assume the gentleman's hypothetical situation of 50 missiles.

Mr. DELLUMS. All right.

Mr. DICKS. I think, No. 1, those who recognize political reality know that the defense budget is going to be cut, and I happen to have other areas in the strategic budget that are more important—the stealth bomber, cruise missiles, and things of that nature. We have to prioritize within defense. I would favor that over going further in expenditures on this.

But, most importantly, I believe a force of 21 would not be taken seriously. A force of 40 to 50 of these missiles once was recommended by the Air Force in 1981 as an interim program until they came up with a more survivable basing mode, which they have not yet been able to do, and in my judgement a limit along those lines gives us a chance to look at progress in the arms control talks and it gives us a chance to look at hardening, to see if we want to go back and harden those first 40 or 50 missiles.

Plus it gives us the leverage at this important point when we are starting into these negotiations, and it keeps the production line warm. So I think there is a rational basis for making a judgment on 40 to 50 missiles.

Mr. DELLUMS. Mr. Chairman, if I may reclaim my time, and if I have enough time, I will yield back to the gentleman, let me respond to the two arguments the gentleman makes.

You said the 21 missiles they presently have may not be taken as seriously as the 40 or 50 you would be willing to cap. I think the gentleman would agree that is at best a judgment call. That is the gentleman's judgment.

Mr. DICKS. Certainly.

Mr. DELLUMS. There are some of us who do not agree that the difference between 21 and 40 is that big or that the difference between 21 and 50 is that big a thing, except it means spending billions of taxpayers' dollars.

Let me make the final argument. The final point you made is that we must accept the political realities. Once you make that assertion, then we get away from this high-falutin' military strategy and we get away from this high-falutin' tactical strategy. We come down to the "political realities," and again political realities are judgment calls.

This gentleman is perfectly correct in asserting a political reality in opposition to the gentleman and is not un-American as a result of it.

Mr. DICKS. No, no one is suggesting that. I have the greatest confidence in the chairman of the Military Construction Subcommittee of the House on authorizations.

I just want to say one thing. There is one thing we are agreed on. The President has said we will not develop a first-strike capability against the Soviet Union. What we have to make sure of, as we look at MX, D-5, and Midgetman, is that we do not develop so much prompt hard-target capability that it poses that threat. I think that is where the gentleman and I will be in agreement as we go down the road looking at these modernization programs, making sure that we cap each one of them so in the aggregate we do not develop that capability. And there is a report coming in on April 15 where the President is going to have to tell us how he is going to avoid developing a first-strike capability.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has again expired.

Mr. ADDABBO. Mr. Chairman, I yield 2 additional minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank the gentleman from New York for this time. The gentleman has been very generous with allowing me more time. My distinguished colleague and I have appreciated the opportunity to have some exchange, even within the confines of the limitations we find ourselves in. This gentleman has been willing to expose his arguments, and the other gentleman has been willing to expose his. Hopefully, people out there listening to this debate will make up their minds one way or the other.

I would just like to close with this comment: I think what this exchange has demonstrated to this gentleman and, I hope, to others is that what we are really down to is judgment calls here—40 or 50 missiles against 21 missiles. And so banging the table about resolve and strategic capability, those things fly out the window. The Soviet Union is not about to attack the United States. They know what our capability is. I think the hope for the future of this country, for the future of the world, for the future of our children, and for the future of humankind does not rest on building more and more MX missiles and spending bigger and bigger dollars on larger and larger military budgets, but it is in sitting down at the negotiating table and developing a negotiating strategy that backs us significantly away from the brink of nuclear war.

In conclusion, as I said yesterday, nuclear weapons cannot be viewed as military weapons because, I say to my brother, they can never be used. Once you start down that road, exploding nuclear weapons, we will destroy all life on this planet.

We are not now talking about war in World War II terms; we are talking about war that will annihilate the entire planet, and this gentleman is not arrogant enough or presumptuous enough to believe that it is within my right and my privilege and my prerogative to destroy all life on this planet.

□ 1400

When you start talking about moving in that direction, then we ought to be understanding what the American people and the world want and they do not want nuclear war and I do not believe they want the MX missile.

Mr. DICKS. What both of us agree on is that we are trying to achieve deterrence, to avoid war, to maintain the

peace. I will just argue that I believe the approach that we are on is the way to achieve that.

Mr. DELLUMS. I respect the gentleman and I thank the gentleman very much for the opportunity for this exchange.

Mr. ADDABBO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FRANK] having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balance made available for fiscal year 1985 for the procurement of additional operational MX missiles, had come to no resolution thereon.

PROVIDING SCHEDULE OF TIME FOR FURTHER DEBATE ON HOUSE JOINT RESOLUTION 181

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that further debate on House Joint Resolution 181 be limited to not to exceed 3 hours, the time to be equally controlled by the gentleman from Pennsylvania [Mr. MCDADE] and myself; 2 hours of such debate to be consumed today and 1 hour to be consumed tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. McDADE. Reserving the right to object and, Mr. Speaker, I shall not, of course, object. I do think that it would be useful for the Members of the House to know that it is the intention to come in tomorrow at 11 o'clock, as the House has been set to come in, not have 1 minutes, have the half hour on either side then in vogue at noon. I think the Members of the House would be convenienced, all of us, knowing that we are looking at a vote certain at 12 o'clock tomorrow noon.

Mr. ADDABBO. Mr. Speaker, this is my understanding from the leadership.

Mr. McDADE. Mr. Speaker, I commend the gentleman and I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. ADDABBO]?

There was no objection.

MAKING APPROPRIATIONS FOR THE MX MISSILE

Mr. ADDABBO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. ADDABBO].

The motion was agreed to.

□ 1402

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution, House Joint Resolution 181, with Mr. KILDEE in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Pursuant to section 101(h) of Public Law 98-473 and the unanimous-consent agreement agreed to earlier today, the gentleman from New York [Mr. ADDABBO] will be recognized for 1 hour today and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 1 hour today.

The Chair recognizes the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. Mr. Chairman, I yield 13 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the chairman of the subcommittee for yielding to me. I want to express my admiration for the job he has done.

Mr. Chairman, the MX question is a very complex one, not so much because of the missile itself, but because of the maneuvering that accompanies it. I would like to touch on a couple points in the debate. One has to do with survivability.

There has been a lot of argument about survivability. I want to concede that the MX has had a survivability capacity that far exceeds anything that I have seen in what is becoming an increasingly political life. The MX missile has survived a 180-degree change in its justification. We originally needed a new missile because the existing missile was fixed in place and we needed a mobile one, so the MX missile then survived 35 changes in where to put it.

Then the Scowcroft Commission decided that we really could not do anything about the fact that it was immobile, except to proclaim that was not as bad as we said it was, but that it was an important test of our resolve to have it, so we switched the justification. It survived all those changes in basing mode and then we decided we would have it.

Then last year we were told by several people, including the gentleman who now chairs the Armed Services Committee, that we needed the MX missile because we were not having talks with the Russians; so a majority voted for the MX missile because we were not having talks with the Russians.

Then we were told if we were having talks with the Russians, then we would not need it; so we began to have talks with the Russians.

Once again the MX showed that incredible capacity for survival, because having been put forward as something we needed because we were not having talks with the Russians, it then became something we needed because we are having talks with the Russians.

I will make one prediction, Mr. Chairman. You can be wrong about things here. I agree with what one of the gentlemen said yesterday, we should not have such certainty. I will certainly admit that I have been wrong in this. I was wrong when I voted for the chairman of the Armed Services Committee in January. I will admit the fallibility, but I can make a prediction right now very confidently that we were told last year we needed this because we were not having any talks with the Russians and we need it this year because we are having talks with the Russians and if the talks break down, we will be told next year that we need the MX missile because we used to be having talks with the Russians.

The MX missile survives. There are Members in this body who have an attachment to it that defies any specific set of reasons and there is no want of ingenuity in this body. There is no change in circumstances, no feat of engineering, no fact of physics, no question of international strategy so stark that people cannot weave it into a justification for the MX missile, so it will continue to survive.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I will be glad to yield to my friend, the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank my friend for yielding.

You know, in listening to our negotiators and in looking at the background of the MX missile, I think there are some compelling reasons to have it and I tThink you have gone over the fact that the Russians are back at the table and implied that somehow that is because of the MX missile. Of course, I think the consensus is that it is probably because of the SDI.

Mr. FRANK. Well, I will take back my time. No, I did not imply for a minute that the Russians are back at the table because of the MX missile. That is the people on the gentleman's side, their argument. I do not think the Russians care much about the MX missile. I see no signs that is one of the things they worry about. They worry about the SDI. They worry

about Pershing. I do not think they worry about the MX missile; so I would never suggest that it has anything to do with their being back at the table.

Mr. HUNTER. Mr. Chairman, will the gentleman yield back for my question?

Mr. FRANK. Yes, in a minute. We have got a lot of time to kill. The gentleman does not have to worry. We are just eating up the time here because we do not want to vote until tomorrow, so there will be no problem. We all know that. The gentleman from New York will give me some more time. In fact, if the gentleman from Oregon takes over, he will give me 15 or 20 minutes, so do not worry about it. Let us get to these things one at a time.

Mr. HUNTER. If the gentleman will yield.

Mr. FRANK. Yes. I just want to finish.

The point is the MX missile has nothing to do, in my judgment, with whether or not we come back. My point was there were people, mostly on our side—the gentleman has been for the MX missile. He was for it a long time ago. It is an old missile. I am not sure who is older, the gentleman or the missile, but I am sure that since that time they both have existed simultaneously and will continue to be and I respect that consistency.

What I was talking about here were the people on my side who have to keep thinking of new reasons why they are for it. Last year their reason was that we were not having talks and if we were to have talks, we would not need it any more. Now that we are having talks, they threw that out, so I was referring to only two people there.

I yield to the gentleman from California.

Mr. HUNTER. I appreciate the gentleman yielding.

Let me just make a statement, or read a statement, that was made by Soviet physicist and Nobel Peace Prize winner, Andrei Sakharov, and ask my friend if he agrees with the basic thrust of this argument. He says:

> It seems very important to me to strive for the abolition of powerful silo based missiles at the talks on nuclear disarmament. While the USSR is the leader in this field, there is very little chance of its easily relinquishing that lead. If it is necessary to spend a few dollars on MX missiles to alter this situation, then perhaps this is what the West must do.

So I would ask the gentleman, does he not agree there is an argument beyond simply saying that we are at the table and we are always going to be at the table for the next couple years.

Mr. Sakharov says basically that you cannot negotiate with the Soviets. You should not negotiate with the Soviets for reductions in their heavy missiles if you do not have something else to counterbalance that and to give the full faith and credit of the U.S. Congress behind that position if necessary.

Mr. FRANK. I would say to my friend, he said will I not admit there is an argument. As long as there is an MX missile, there will be an argument. I do not know what the argument will be. It may be a direct contradiction of the last argument.

Mr. HUNTER. Does the gentleman agree with Mr. Sakharov, is my point.

Mr. FRANK. I will take back my time. It is my turn and then it will be the gentleman's turn. I will give him plenty of time. His side has some time, too, so we will not run out of time.

The point is this. There will always be an argument. I do not agree with Mr. Sakharov on this particular point and I do not think the gentleman from California does, either, because as he read that statement, Mr. Sakharov said that we should be negotiating for the abolition, as I understood it, of silo based missiles. I do not know that anyone thinks that it is realistic to expect the Soviet Union to agree to give up all its silo based missiles. I am afraid that Mr. Sakharov, a distinguished physicist, a martyr, a victim of terrible and brutal Soviet persecution, greatly to be condemned, his family has been victimized, denied medical treatment, all those things are savage facts that confront the Soviets and are an eternal shame to them; but on this particular point, I think he is wrong and I do not think the gentleman from California thinks, Ronald Reagan does not think, Max Kampelman does not think, no one thinks that abolishing the silo based missile is a goal for negotiation.

□ 1410

So Mr. Sakarov simply makes a mistake on that. That is not what we are trying to do. It is not achievable. No one thinks it can be done and therefore I have to disagree with him.

I just want to get to this point: The gentleman said the good faith and credit of the Congress, because there is this thing that disturbs me. My friend from Washington—I do not see him here and I hope that the gentleman from Washington [Mr. DICKS], who has been a very valiant advocate here will return because I had some questions for him—but one of the things several people said is we have one President. We have one President and therefore we must do what he thinks.

I agree we have one President. I had hoped that we would also have at least one Congress. I do not think the question about whether or not we have one President is at issue. The question is will we have no Congress because the one President, whom we undeniably have, has his responsibility. But I had thought that the one Congress, to which people were at a minimum entitled, had an independent function.

The question is not whether we have a President. We stipulate to that. He is the President. He appoints negotiators. He brings them on planes so that they can fly back here.

Why, one of the greatest surprises of this past week, apparently, was that the man that Ronald Reagan appointed to be this chief negotiator happened to agree with him on this particular issue. You know, maybe because of the problems they have had with Mr. Nitze and General Rowney they are unused to having this kind of an agreement among themselves, and it was a cause for celebration that Mr. Kampelman agreed with his boss, and it was worth bringing him back here to tell us that he thought his boss was right.

I worry about people who say we only have one President. In the first place, the fact that we have one President, it seems to me, is substantially irrelevant to what the Congress should do. The Congress has an independent function.

What people are saying is this, and they have said it in so many words, that once the President has made a proposal the Congress has to accept it. That I think is nonsense. It is bad constitutional law. It is terrible political theory.

Then we are told that the President was elected. Well, nobody appointed is sitting in here. Everybody here also got elected.

The fact is that Congress has that responsibility.

And I have to ask my friend from Washington, because one of the things we have heard is that we are going to vote—one of the things we get with the MX missile, I hear people talk about the MX missile and they sound like I used to do and my friend from California before we must have resolved to diet, and I congratulate my friend from California because he and I and some others have dieted. But we remember the old days when we had the "gonnas" and we were "gonna" diet the next day.

Mr. HUNTER. Will the gentleman yield?

Mr. FRANK. I yield to the gentleman from California.

Mr. HUNTER. I thank my friend for not having the before and after pictures as exhibits.

Mr. FRANK. I think that they would have been not in order, and we would not want to have our pictures taken down.

The issue is that the people have the "gonnas." They are "gonna" do that, they are "gonna" stop eating, they are "gonna" do this. Well, people with the "gonnas," they are "gonna" stop voting for MX's and one of the things, of a variety of things, is first you have some Members of the other party in the other body—I got that right under

the parliamentary rules, I got all of the others—it is the Republican Senators, I will say once, but I will go back to say other Members of the other body of the other party. And it is very, very interesting what happens. Some of them now are against the MX missiles. And there are some people who are not, and they never met a weapon that they did not like, and that is okay. They are entitled, and that is an honest argument to make, that we think it is a tough world and we need to do everything we can.

Go right ahead. But there are other people who will tell you that it is not a good weapon and we do not really need it; we cannot afford it. And they are not going to vote for any more next time. But they vote for it each time it comes up, then they read in the paper that the President says that he is not going to campaign, on them and they say they do not care that he won't campaign. We have people on the other side that say "I am not going to be intimidated by the President who says he is not going to campaign for me, and I am not going to be intimidated." Then everyone who has announced that he is not going to be intimidated gave up, so one thing that I would note as a symbol, any time you hear a Member of the other party announce he cannot be intimidated by the President, look for a cave in.

Now we have the people who say, "Well, I am going to vote for these 21, but I am not going to vote for the next 48." I have to ask them—I do not think the 21 makes sense. We are told by many people privately and publicly on both sides from both parties that "I will vote for the next 21, but no more."

Now, the gentleman from Washington, my good friend, says we have to do this now because we are in negotiations and we have only one President. If he has to vote for the 21 now because we only have one President, does he not then have to vote for 48? I have to ask those who say they are going to vote for 21 but not for the next 48, and they have said it, you heard them, "We only have one President," a simple, fact. Question: How many Presidents will we have in June? Will we have four Presidents, seven Presidents? If the fact that we only have one President now means they are going to vote with him, why does the fact we will still only have one President in June mean that they will not have to vote with him?

Is Max Kampelman going to be the President? Is John Tower also going to be the President? I do not understand this.

So what we are getting again, I think, is another round of "gonnas." They cannot justify voting for the MX.

I think it is extraordinary that they justify voting for this weapon not because it is a needed weapon but because the President told them to, and they are not going to vote for it the next time, and that is justification for all of this.

Mr. HUNTER. Will the gentleman yield?

Mr. FRANK. If the gentleman would get more time, and he can do it, because I am running out of time and your side has some time, too.

The point I think we have is this: If we need to spend for our national security so that it will not be begrudged—the gentleman from New York read a very impressive list of weapons, some of which I support, a few of which I do not, most of which I support, nuclear submarines all over the globe, air-launched cruise missiles, the Stealth bomber which I support and I hope we will get. No one is talking about being vulnerable to the Soviets. No one thinks we are vulnerable to the Soviets.

I will tell you the decision that we are making today. Are we serious about the deficit? We are told by the gentleman from Wisconsin [Mr. ASPIN], the chairman of the Armed Services Committee, "Do not worry about it," that that is $1.5 billion in this year's deficit. Tell that to the people who are about to lose their supplemental unemployment compensation. We have several hundred thousand Americans who are now unemployed through no fault of their own because of imports, and a high dollar and other problems. They are about to be thrown off the unemployment compensation, thrown on to the rocks of fiscal disaster, personally for themselves and their children because we are told we cannot afford $1.5 billion for the rest of this fiscal year. But we can afford it because some people think if we only have one President and national security, we have to do everything he says.

This would have its comic aspects to me if we were not talking about $1.5 billion now, and a lot more later.

I would at this point insert in the RECORD an editorial by JOHN GLENN as support material in which he points out that it is going to cost us a great deal more than this. And he says that superhardening this, all that cement, is going to cost another $180 million per silo, three times as much as it already costs. So we are talking about vast expenditures to which you are committing people.

The article referred to follows:

INSTEAD OF THE MX

(By John Glenn)

We've had far too much jumbled rhetoric, conflicting testimony and macho political posturing on the MX. But administration lobbying efforts notwithstanding, the only way to truly increase deterrence is to modernize our strategic systems so that we can ensure an effective retaliatory capability in the event of a Soviet first strike. These new systems will include the Trident submarine with the D5 missile, the B1B bomber and a replacement for our aging Minuteman ICBM force. But in my judgment—and despite the outcome of the Senate's first vote on this issue yesterday—the Minuteman replacement should not be the MX.

The administration has bullied Congress, implying that opposition to the MX is unpatriotic and that failure to fund the missile would "knock the legs out from under the bargaining table" in Geneva. But Soviet planners are less interested in rhetoric than they are in reality. And the reality is that placing MXs in the same old silos that the Soviets have had targeted for more than 20 years would simply perpetuate the existing vulnerability of our ICBMs.

The only effective way to reduce that vulnerability is to make our missiles mobile, so that Soviet planners will not know where to shoot. Mobility, of course, is the key concept behind our submarine-based missiles, which make up over 50 percent of our nuclear forces. Not surprisingly, the Soviets fully recognize this principle and are now starting to deploy their own mobile ICBMs, the new SS24s and 25s.

The time has come to make America's ICBM force mobile as well. The mobile missile—already well on the road to development by the U.S. Air Force—would be a much less attractive target than the MIRVed MX and, more important, would be nearly impossible to locate for a preemptive strike. Nor would accuracy be a problem, since the mobile missile could equal the MX's accuracy.

Cost, of course, is another important factor, and a small mobile system might actually be cheaper than the MX. The administration wants us to believe otherwise, but its cost figures deal only with the price of the missiles themselves, ignoring the additional basing expenses. In congressional testimony two weeks ago, for instance, the administration put the cost of each MX missile at $74 million. But that is far less than what they would actually cost. The reason is that sticking MX missiles into the same old vulnerable Minuteman silos makes sense only if we "super-harden" those silos, so they could withstand a Soviet attack. The only alternatives would be a "launch-on-warning" or a "launch-under-attack" strategy, both of which are unacceptably dangerous.

But here's the kicker: super-hardening would cost at least $180 million per silo, bringing the actual cost of each MX missile to at least $254 million—and that doesn't even include the additional costs of research and development or program support. And let me add that I'm not making those figures up; they were given to the Senate Armed Service Committee last week by the U.S. Air Force. Furthermore, silo hardening won't work if Soviet missiles become more accurate, as they assuredly will.

Finally, we should consider the effects of the MX on the Geneva arms talks. I don't deny that we should proceed with building new strategic systems that will bolster deterrence and stabilize the nuclear balance. But we must show the Soviets that we are willing to negotiate seriously in the area of arms control.

Lately, administration supporters have been touting the MX as a "bargaining chip." Indeed, Secretary of Defense Weinberger wrote to me on March 14 explicitly stating that "every aspect of our modernization program, *including MX*, is on the bargaining table, [emphasis added]. Yet as Gerard Smith, Clark Clifford and Paul Warnke

pointed out in a recent letter to The Post [Free for All, March 16], "the MX, if approved, will be a weapon with tens of billions spent, entrenched constituencies pressing for its continuation, if not expansion, and a bargaining chip that will have lost its ability to bargain." Exactly so. In the area of weaponry, there is a long history of supposed "bargaining chips" suddenly becoming nonnegotiable once they are approved. There is no reason to think the MX will be different.

In sum, the small mobile ICBM is superior to the MX by almost every measure; it is less vulnerable and costly; more stabilizing and amenable to arms control. For all these reasons, I will oppose MX missile appropriations and support the small, mobile alternative. It would give us a deterrent that is stronger, not weaker, than the one proposed by the Reagan administration.

Mr. FRANK. Tell the old people that they have to pay more when they get sick, and throw them off unemployment, and vote for this, and you make a mockery of deficit concerns.

Mr. McDADE. Mr. Chairman, I yield 10 minutes to my good friend from Florida [Mr. YOUNG], an able member of our subcommittee.

Mr. YOUNG of Florida. Mr. Chairman, the debate that I have listened to today indicates to me that there are no further arguments from the opponents, and they have resorted to humor, which is fine because I enjoyed it as well, and fast talking that was so fast that I could not quite keep up with some of it. But I think it indicates that the debate has run long enough. We have listened to this debate for hours, weeks, months, and years.

And throughout the debate I would like to compliment the leader of my committee, the gentleman from New York, Chairman ADDABBO, and the Republican leader, the gentleman from Pennsylvania [Mr. MCDADE], and those who have taken part in the debate, because while there have been obvious disagreements, Members have conducted themselves with distinction.

Mr. FRANK. Will the gentleman yield?

Mr. YOUNG of Florida. I am happy to yield.

Mr. FRANK. I apologize. I was slightly distracted and I did not hear the point that the gentleman said that he had trouble following. If he will get me more time from his side I will say it again slower.

Mr. YOUNG of Florida. I did hear the gentleman's remark where he indicated that all he was doing was using up time anyway. So, I do not think that that will be necessary, because I plan to use up some time now, and it will balance out.

What I was saying was that the gentleman from New York [Mr. ADDABBO], the gentleman from Pennsylvania [Mr. MCDADE], and those who have played a major role in this debate for days and weeks and months have conducted themselves with distinction and with honor. The differences have been strong but they have been very genuine.

I do not detect on the part of a proponent or an opponent a desire to weaken the United States. To the contrary, I detect a strong desire that the United States be a strong Nation.

But I also detect some inconsistencies. I was interested in the comments of my distinguished chairman, the gentleman from New York [Mr. ADDABBO], when he said that what we ought to do is take the additional 13 missiles that we have scheduled for the testing program and go ahead and deploy them.

□ 1420

And I assume he suggests that we do that because the testing program is going so well that we can afford to take the 13 test missiles and deploy them. But one of those who supports his same position, our colleague from Pennsylvania [Mr. GREEN], was complaining because we had only tested seven missiles. So I am not sure whether the opponents want to test more missiles or do not want to test any more missiles.

I think it is important that we find where the consistent line here is.

The debate has suggested that we are being asked to appropriate $1.5 billion for these 21 MX missiles. If anybody would pay attention to what the debate actually is about, today it is House Joint Resolution 181, and House Joint Resolution 181 says that the Congress approves the obligation and availability of prior-year unobligated balances made available for fiscal year 1985. It is not a new appropriation. We are not asking for any additional money.

What we are doing is asking to release the funds that have already been appropriated by this Congress for those 21 additional MX missiles.

It has been suggested that the arms talks in Geneva have been a show and that President Reagan led us to that negotiating table strictly so that he could get the MX missile. It has been indicated that President Reagan is not sincere.

One of my colleagues in debate yesterday said that President Reagan came to the White House opposed to arms control and will leave the White House opposed to arms control. I say nothing could be further from the truth. Anyone who will take a lesson from history as our friend from Pennsylvania suggested yesterday should recognize the fact that from November 1981 to August 1984 the United States under President Reagan made 11 separate formal negotiating proposals dealing with arms control. Four of these were START proposals. Arms reduction, not limitation, but actually reduction. Four were INF proposals. There were one each in the areas of conventional land forces, chemical weapons, and confidence-building measures.

Also during this same period the U.S. administration under the leadership of Ronald Reagan has called for arms control negotiations with the Soviet Union on at least 21 separate occasions for the purposes of reducing or limiting nuclear weapons; on three separate occasions with regard to space weapons and on three separate occasions with regard to nuclear test limitations.

Mr. Chairman, while the House was in the House I asked unanimous consent to insert additional material, and at this point I would like to have that material inserted into the RECORD, because this outlines by date the specific proposal that President, Ronald Reagan, has sincerely made in an attempt to free the world from the threat of nuclear confrontation.

A CHRONOLOGY OF REAGAN ADMINISTRATION ARMS CONTROL PROPOSALS AND SUBSTANTIVE COMMUNICATIONS, NOVEMBER 1981-AUGUST 1984

From November 1981 to August 1984 the United States made eleven separate formal negotiating proposals in various arms control fora. Four of these were START proposals, four were INF proposals, and there were one each in the areas of conventional land forces, chemical weapons, and confidence building measures.

Also, during this same period, the U.S. Administration has called for arms control negotiations with the Soviet Union on at least twenty-one separate occasions for the purposes of reducing or limiting nuclear weapons; on three separate occasions with regard to space weapons; and on three separate occasions with regard to nuclear test limitations.

A summary of these proposals and communications follows:

START

1. November 18, 1981

President Reagan announced at the National Press Club that he has proposed to President Brezhnev to open negotiation on strategic arms as soon as possible next year.

2. May 9, 1982

President Reagan announced in a speech at Eureka College the US START proposal. It called for: reductions in deployed ballistic missile warheads to a level of 5000 for each side, of which no more than 2500 would have been on ICBMs; a limit of 850 deployed ballistic missiles, roughly one-half the current US inventory; sub-limits of 210 medium-sized missiles, of which no more than 110 would have been heavy missiles; and equal levels of heavy bombers, including the Soviet Backfire bomber. In a second phase, the US sought equal ceilings on other elements of US and Soviet strategic forces including equal limits on ballistic missile throw-weight at less than current US levels. Significant progress towards throw-weight equality was to be accomplished in phase one.

3. May 31, 1982

The US and the USSR jointly announced agreement to begin formal negotiations on the limitation and reduction of strategic

arms on June 29, 1982 in Geneva, Switzerland.

4. June 8, 1983

At Round IV of START, the US proposed:

A relaxing of the proposal to limit the total number of ballistic missiles on each side to 850;

A shift from an approach which envisioned two phases of negotiation, with the initial emphasis on ballistic missiles, to an approach embodied in a single phase agreement, with everything on the table;

The proposal of limits on the number of bombers on each side and limits on the number of cruise missiles permitted to be carried on each bomber which are below SALT II levels;

An offer to explore alternative approaches to limiting the destructive capability of ballistic missiles.

5. October 4, 1983

At Round V of START the US tabled the build-down proposal:

A provision which links reductions to modernization using variable ratios which identify how many existing nuclear warheads must be withdrawn as new warheads of various types are deployed;

A provision calling for a guaranteed annual percentage build-down (an approximately 5% mandatory build-down per year);

A provision that ensures that the reductions would be paced by whichever above rule produces the greatest reductions.

In addition, the US delegation proposed:

A concurrent build-down of bombers;

To discuss additional limitations on the air-launched cruise missiles (ALCMs) carried by US bombers;

To negotiate trade-offs, taking into account Soviet advantages in missiles and US advantages in bombers, in ways that provide each side maximum flexibility consistent with movement towards a more stable balance of forces; and,

The establishment of a working group in START to discuss the US build-down initiative in Round V.

6. December 8, 1983

US START Delegation proposed resuming negotiation at Round VI beginning on February 1, 1984.

INF

1. US Proposal, November 1981

The US INF Delegation, headed by Ambassador Paul Nitze, opened negotiations with the Soviets in Geneva in November 1981, shortly after the main elements of the US negotiating approach were set forth by President Reagan in his speech of November 18. The President made a far-reaching proposal for the mutual elimination and renunciation of longer-range land-based INF missile systems on a worldwide basis. Specifically, the US offered to cancel deployment of Pershing II and GLCM in exchange for the elimination of all Soviet SS-20s, SS-4s, and SS-5s—the zero/zero proposal. Although the US subsequently proposed an interim solution as described below, the zero/zero proposal represents the most desirable outcome. By eliminating the Soviet threat, it would make the NATO response to it superfluous.

2. The "Walk-in-the-Woods"

In July 1982, during the so-called "walk in the woods," Ambassador Nitze and his Soviet counterpart discussed ideas for an agreement on an informal, exploratory basis. As developed by the negotiations for consideration in their respective capitals, the formula contained the following main elements: The US and USSR would each be limited to 75 LRINF missile launchers in Europe. The USSR could deploy only ballistic missile launchers, containing no more than one missile each with three warheads. The US could deploy only GLCM launchers carrying four missiles with one warhead apiece. In addition, the Soviet Union would be limited to 90 LRINF missile launchers in the eastern USSR. Specified US and Soviet nuclear capable aircraft would be limited to equal levels in Europe, and their shorter-range INF missiles would be limited to existing levels. Finally, verification measures were to be negotiated within three months.

Although the US had several problems with the proposal as it stood, we were interested in keeping this informal channel open. The Soviet reaction, on the other hand, was completely negative, both as regards the proposal itself and further use of this informal channel.

3. The US Interim Proposal, March 1983

In an effort to break the stalemate and after intense consultations with our Allies, the President on March 30, 1983 presented an interim proposal under which the US would agree to substantial reductions in the number of warheads on planned deployments of longer-range INF missiles, provided the Soviet Union reduced the number of warheads on its longer-range INF missiles to an equal number on a global basis. He instructed Ambassador Nitze to indicate to the Soviet side that while our zero/zero proposal remained on the table as our ultimate goal, we would consider any number between zero and 572 the Soviets might propose which would result in an agreement at substantially reduced equal global levels.

4. The New U.S. Initiative, September 1983

Determined to achieve a sound, equitable and verifiable agreement, the US made a third major effort designed to move the talks forward. President Reagan announced in his September 26, 1983 speech to the UN a US initiative in Geneva which authorized Ambassador Nitze to put forward a package of steps designed to advance the negotiations as rapidly as possible. These initiatives built on the interim proposal and addressed concerns that the Soviets have raised:

First, the United States proposed a new initiative on equal global limits. If the Soviet Union agrees to reductions and limits on a global basis, the United States will consider a commitment not to offset the entire Soviet global missile deployment through US deployments in Europe. We would, of course, retain the right to deploy missiles elsewhere.

Second, the United States would be prepared to consider mutually acceptable ways to address the Soviet desire that an agreement should limit aircraft as well as missiles.

Third, the United States would address the mix of missiles that would result from reductions. In the context of reductions to equal levels, we would be prepared to apportion the reductions in deployments appropriately between Pershing II ballistic missiles and ground-launched cruise missiles.

5. 420 Warhead Proposal, November 1983

After consultation with its Allies, the US decided to elaborate on the September initiatives by indicating that we would be prepared to accept an interim equal global ceiling of 420 warheads on LRINF missiles. This would equate to the global limit of 140 Soviet SS-20 missile systems, a number the Soviets proposed in October for SS-20 levels in Europe. This proposal was made in an attempt to be responsive to the Soviets and to show continued flexibility in reaching an agreement.

6. November 23, 1983

At the end of Round VI, Ambassador Nitze made the following statement (excerpts): "The US profoundly regrets the unilateral decision of the Soviet Union to discontinue the present round of the INF negotiations without setting a date for resumption. This decision is as unjustified as it is unfortunate. . . . The US remains committed to reaching a negotiated solution which meets the legitimate security needs of all concerned. The US Delegation has sought, both formally and informally, to explore all opportunities for reconciling the differences between the two sides. The US proposals are flexible and designed to meet expressed Soviet concerns.

The United States stands ready to halt or reverse its deployments if an equitable agreement to reduce and limit or eliminate US and Soviet INF missiles can be achieved.

For its part, the US remains prepared to continue the INF negotiations until an agreement has been reached and our two countries have thus fulfilled their responsibility to contribute to the cause of Peace."

During the press conference held on the same day, Ambassador Nitze stated "As far as this delegation is concerned, part of our delegation is permanently stationed here in Geneva. Some of the rest of us may go back to Washington for consultation. But the entire delegation is prepared to return here to Geneva at any time that the Soviets are prepared to continue or resume the discussions with us." In response to the question "Do you think they'll come back?", the Ambassador said "All I can say is I hope they come back. We're ready for them to come back; they should come back."

COMMUNICATIONS WITH SOVIET UNION ON START AND INF

1. November 29, 1983: North Atlantic Council Press Release (excerpt) stated "Ambassador Nitze reported on the latest session of the current round of negotiations, and on the unilateral Soviet decision to discontinue this round without setting a date for resumption . . . The Council discussed and deplored the Soviet decision and confirmed its belief that there is no justification for this decision. The Allies hope that the suspension will be temporary."

2. December, 1983: President Reagan reportedly sent a letter to Andropov suggesting that the U.S. was ready to move forward in START by discussing frameworks and possible tradeoffs, and a possible summit meeting on those issues.

3. January 16, 1984: In a major public address, President Reagan stated "our negotiators are ready to work toward agreements in INF, START, and on MBFR. We will negotiate in good faith. Whenever the Soviet Union is ready to do likewise, we will meet them halfway."

4. February 14, 1984: Vice President Bush stated the following during a press conference in Moscow following the meeting with the new General Secretary Chernenko. "I delivered a letter from President Reagan to the General Secretary . . . It conveyed the President's determination to move forward in all areas of our relationship with the Soviets, and our readiness for concrete, productive discussions in every one of them . . . I (Vice President Bush) stressed the particular importance of real results in reducing nuclear weapons . . . Let me direct a few parting words to the Soviet people and the

Soviet leadership . . . we are dedicated to arms reduction . . ."

5. February 29, 1984: In an interview, Secretary of State Shultz said the U.S. is engaged in "private diplomatic efforts" or "quiet diplomacy" to explore areas of agreement on arms control and other issues. Contacts included his regular meetings with Soviet Ambassador Dobrynin and meetings between U.S. Ambassador Hartman and Soviet officials.

6. March 8, 1984: Ambassador Rowny stated the following in a speech before the Los Angeles World Affairs Council: "The United States is prepared to return to the START negotiations immediately, with no preconditions or reservations. I would therefore challenge the Soviets to respond positively to this proposal and indicate their readiness to return to the START talks in Geneva.

7. March 16, 1984: President Reagan, in a statement on the resumption of MBFR, stated "I also urge the Soviet Union to return to the INF and START negotiations, where very important work in the cause of building a more secure and peaceful world has been suspended by them. . . . It is in the interest of all mankind that these vital efforts be resumed now."

8. March 27, 1984: NATO Special Consultative Group Chairman's Press Statement—"We wish to reiterate our own readiness to return to Geneva at any time. The Soviet Union should match this spirit."

9. April 5, 1984: Presidential News Conference on US draft CW Treaty and announcement of Vice President's trip to the CD: "The US and many other countries have urged repeatedly that the Soviets return to these talks (START and INF) . . . I hope that the Soviet leadership will respond to our new initiative, not only by negotiating seriously on chemical weapons but also by joining us in the urgent task of achieving real reduction in nuclear arms."

10. April 18, 1984: In a speech at the CD in Geneva, Vice President Bush stated: "Here today, I again invite the Soviet Union to return to the two nuclear arms negotiations it suspended five months ago and to resume with us the crucial task of reducing nuclear arms. The US remains ready to explore all ideas, without preconditions, at a time the Soviet Union chooses, to renew the dialogue."

11. April 26, 1984: Ambassador Rowny stated in a speech in Dallas, ". . . the United States has made it clear to the Soviets, both in public statements and through diplomatic channels, that we remain ready to return to the negotiations at any time, without preconditions . . . President Reagan raised this issue yet again in his most recent press conference when he said the Soviets 'have ignored the will of the world' by refusing to resume negotiations. He once again called for the Soviet Union to 'join us in the urgent task of achieving real reductions in nuclear arms.' "

12. May 2, 1984: ACDA Director Adelman stated in a public address "We remain prepared to return to the negotiating table without preconditions at the earliest possible time."

13. May 5, 1984: President Reagan stated the following on the occasion of the resumption of the Conference on Disarmament in Europe: "The opportunity for meaningful progress in arms control exists. The Soviet leaders should take advantage of it. Our representatives are ready to return to the two negotiating tables on nuclear arms, and we will negotiate in good faith. As I have said before, whenever the Soviet Union is ready to do likewise, we will meet them halfway."

14. June 1, 1984: In an address before the Foreign Policy Association in New York, Ambassador Nitze stated "We are ready to return to the negotiating table on 24-hour's notice. Part of our INF delegation is in Geneva at the present time. The rest of us are prepared to return on a moment's notice."

15. June 13, 1984: In an address to the Leningrad UN Conference on World Disarmament Campaign, ACDA Deputy Director said "We remain prepared to renew the talks at anytime."

16. June 29, 1984: White House Statement regarding the Soviet proposal for talks in Vienna on outer space: ". . . the United States Government has informed the Government of the Soviet Union that it is prepared to meet with the Soviet Union in September, . . . to discuss and define mutually agreeable arrangements under which negotiations on the reduction of strategic and intermediate-range nuclear weapons can be resumed."

17. July 27, 1984: White House Statement regarding the Vienna talks on outer space: ". . . we simply point out that we wish to restore exchanges on the subject of offensive nuclear arms."

CHEMICAL WEAPONS

On April 18, 1984 Vice President Bush presented to the 40-Nation Conference on Disarmament (CD) a U.S. draft treaty for a comprehensive, worldwide ban on chemical weapons. The treaty would prohibit development, production, possession, transfer and use of chemical weapons.

Verification measures include a system of regular international on-site inspection for checking declarations, monitoring stocks and facilities prior to destruction, confirming destruction, and monitoring permitted activities such as commercial production of specified chemicals which pose a particular risk. A special mechanism, involving challenge on-site inspection any time, anywhere, for military and government-owned or controlled facilities would be established to deal with suspected violations.

When the Vice President presented the U.S. draft CW treaty, he indicated that the U.S. looked forward to serious negotiations and steady progress. Obviously multilateral progress is dependent upon U.S.—USSR progress toward agreement. The Soviet Union is a member of the CD. To this end, we have indicated to the Soviets our willingness to meet bilaterally with a view to facilitating the multilateral treaty negotiations. Although the Soviets have been openly critical of the U.S. draft treaty, they have indicated their willingness to conduct such consultations in Geneva.

THRESHOLD TEST BAN TREATY

The Administration has been examining steps it might take in its efforts to strengthen significantly the verification provisions in the signed but not ratified Threshold Test Ban and Peaceful Nuclear Explosions Treaties, to which the United States and the Soviet Union are parties.

We have approached the Soviets on the three occasions since early 1983 to discuss our concerns, but so far they have refused to meet with us on this issue.

ADDITIONAL PROPOSALS AND COMMUNICATIONS

CSCE (COMMITTEE ON SECURITY AND COOPERATION IN EUROPE)

In February 1981, in one of his first major foreign policy decisions, President Reagan endorsed the proposal that a European Conference on Disarmament (CDE) be organized to discuss first confidence building measures and later general disarmament issues. Meeting in Madrid, the 35 CSCE states finally agreed on a CSCE conference document which contained a mandate for the CDE as well as new human rights proposals. The meeting closed in September, 1983.

MBFR (MUTUAL BALANCED FORCE REDUCTIONS)

The U.S. developed a new approach to the Vienna talks based on President Reagan's stated arms control criteria: substantial, verifiable, and militarily-significant reductions to equal ceilings. Concluding that the establishment of military manpower parity in Central Europe would enhance stability and security in the region, the U.S. introduced this approach in NATO in May 1982 in the form of a draft treaty; after intensive Allied consultations, it was tabled in Vienna on July 8, 1982.

Following a thorough U.S. review of MBFR policy and of extensive consultation within the NATO alliance, in an effort to move the stalled talks a new Western proposal was tabled in Vienna on April 19, 1984. This proposal amended the West's 1982 draft treaty by showing greater flexibility and reducing our previous demands. This proposal calls for limiting initial data exchange to combat and combat support forces, which are the most easily identifiable.

CDE (CONFERENCE ON DISARMAMENT IN EUROPE)

The United States, together with its NATO allies, tabled a proposed package of confidence and security-building measures at the Stockholm CDE on January 24, 1984. This was the first day of regular business for this new conference. The Western package calls for information exchange on ground and air forces in the CDE zone; forecasts and notifications of military activities in the zone; mandatory invitations to observers at these activities; verification provisons including inspections; and provisons for impoved communication between participants.

On June 4, 1984, in an effort to advance the CDE negotiations, President Reagan, in a speech in Dublin, offered to enter into discussions on Soviet non-use of force proposal if the Soviets would negotiate on measures to give concrete meaning to that principle.

COMMUNICATIONS WITH THE SOVIET UNION ON OUTER SPACE

1. June 29, 1984

The US informed the USSR that it was prepared to meet with the Soviet Union in September at any location agreeable to the Soviet Union, to discuss and seek agreement on feasible negotiating approaches which could lead to verifiable and effective limitations on ASAT weapons, and to discuss and define mutually agreeable arrangements under which negotiations on the reduction of strategic and intermediate-range nuclear weapons could be resumed.

2. August 1, 1984

The White House issued a public statement that the United States has made clear to the Soviet Government in a series of high-level messages that it accepts the Soviet Union's June 29 proposal, and is pre-

pared for serious talks in Vienna on outer space, including anti-satellite weapons. We have expressed our view that the problem of weapons in space cannot be considered in isolation from the overall strategic relationship, but that we have no preconditions on the Vienna agenda.

In response to the Soviet proposal of a mutual moratorium on anti-satellite tests from the outset of the talks, the United States expressed a readiness to have our negotiators consider what mutual restraints would be appropriate during the course of the negotiations. However, any joint Soviet-American statement on the content and objective of the Vienna talks should not prejudge the outcome of the negotiations.

COMMUNICATIONS WITH THE SOVIET UNION ON DEFENSIVE TECHNOLOGIES

1. May 14, 1984: Secretary of State Schultz stated the following in an address before the League of Women Voters. "Shortly after the President announced the initiative (SDI) last year, the Soviets proposed that scientists from the two countries meet to discuss the implications of these new technologies. We proposed, in turn, that experts of our two governments—including scientific experts—meeting in the context of appropriate arms control forums would be a more appropriate and effective vehicle for such discussion. We have recently renewed our offer, and it still stands."

Mr. Chairman, opponents have also suggested throughout this debate, that if we build the MX missile or build too many MX missiles, we are creating a first-strike capability. That is not so. We are building a deterrence. We are improving the deterrent capability that has kept us out of a nuclear war or a world war since the nuclear weapon was first created.

We want to make sure that there are no more Pearl Harbors, we want to make sure that no other nation ever again believes that the United States is so weak that they can attack, wipe us out, or eliminate our ability to respond.

We want to make sure that never happens again.

And as was so aptly pointed out in an earlier debate, times are different now than they were at the time of Pearl Harbor. We would not have months to rebuild, or prepare our defense as we did in 1941. In the missile age we would have only minutes.

Should the Soviets begin an activity that convinced us that they were leading up to a nuclear strike, we would not have time to start to produce our weapons then. It is too late.

We have also heard the argument that to build the MX missile is destabilizing and it is always the U.S. missile, the Peacekeeper, the MX, call it whatever you like, that is the destabilizing weapon. The Soviets have built the SS-18, the Soviets have built the SS-19, why does not somebody say that they are destabilizing? They are building SS-24's and SS-25's. Why in the world does not somebody stand up here and say that these Soviet weapons are destabilizing?

I do not think we are destabilizing when we upgrade our capability to defend ourselves and to defend freedom.

Look at the history of the United States. Our history is not a first-strike history. Our history is not one of destabilizing the peace of the world. Our history is not one of threatening the peace of the world.

At the end of World War II the United States had the only real credible military force left. The rest of the world had been pretty badly beaten.

At the end of World War II the United States had the only nuclear capability anywhere on the face of the planet.

Despite that, the Soviets have expanded their control of formerly free people far beyond their own borders. The people of the Baltic States no longer have a national identity; Latvia, Lithuania, Estonia no longer exist.

The freedom fighters of Hungary were trampled by the Soviet tanks. So were the people of Poland and Czechoslovakia. We have never done any thing like that. We have not created any surrogate hoodlums to roam the world as the Soviets have done with Cuba in Angola and other parts of Africa or with Vietnam, in Southeast Asia. We have never done that.

Despite that, look where the Soviet control has expanded in the world. Despite the fact that we had the nuclear weapon, and that we had the military force left, what do you think the map of the world would look like today had it been the Soviet Union that had the only military power left after World War II? What would the map of the world look like today if it had been the Soviet Union that had the only nuclear capability in the world?

I would ask you, and listen carefully, pay attention to history, listen to the voices of those freedom fighters from Hungary, listen to the voices of those people from Latvia, Lithuania, and Estonia who no longer have a country; listen to the people of Poland, Hungary, and Czechoslovakia; listen to the people of Cuba who came to the United States en masse in the Mariel boatlift to escape the Soviet kind of communism.

Listen to these people and learn what it means to be weak while the Soviet Union is strong. We have a sincere effort under way in Geneva today and I would like to believe that the Soviets are sincere as well. We need to make sure that our negotiators in Geneva who are trying to remove the world from a possible confrontation, nuclear or otherwise, that we give them every opportunity that we can to be successful in limiting or reducing the number of devastating arms that are available in this world.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Chairman, I want to say that the Soviet Union has built a destabilizing missile with the SS-18, and shame on them for building it.

The question is whether or not because they have done something stupid we should do something stupid. It is the question of building not what they have built, but building what we need.

Let us deal for a minute if we can with the history of the triad. The United States of America invented the triad. When we put weapons at sea we recognized that, at some point, weapons on land would be vulnerable, and we decided to hide our weapons.

That was a wise decision. I do not think anybody disputes that decision.

I want to deal with another question. How many times do you have to repeat, and I say this with all due sincerity to my Republican friends, over and over again the notion that we were at rest during the period of 1970 to 1980 while the Soviets were building up their forces?

□ 1430

No one is disputing the fact that the Soviets built up their forces; that is a matter of fact. But please, please concede the argument that in 1970 this country had 4,000 warheads aimed at the Soviet Union in 1970 and in 1980 it had 9,200 aimed at the Soviet Union.

That is not a nation at rest; we modernized every single aspect of the triad during the 1970's. The fact that we did not go ahead and build new weapons systems is testimony to the fact that we're not stupid. We did not, every time we wanted a 25-percent increase in accuracy, decide to build a new weapons system; we improved the very fine weapons systems we have.

Now, let me deal with this question of Geneva, because I know my colleagues over here are dying to be little arms negotiators and tell us what we should be doing and what we should not be doing with respect to Geneva.

It is important for us to remember that it is Ambassador Kampelman and not President Reagan who believes that there may be some fiddling at the margin of the talks; the President of the United States believes they will be ended; that they cannot go on.

Let us be honest with the American people and say to them that our responsibility here is to determine what is in the best interests of national security policy. So when we structure our arsenal, let us do so with our security interests in mind.

Mr. HUNTER. Will the gentleman yield?

Mr. DOWNEY of New York. I would be happy to yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding, because I think his last statement that we should leave,

we should trust the negotiators in Geneva, we should not try to be 435 would-be Secretaries of State or arms negotiators, is well taken by the President and by the Members who voted for the MX missile yesterday.

Essentially, Mr. Kampelman said this: The message I got was, "I need your trust. I am asking you for something." He did say clearly that he wanted us, if anybody comes away from the White House saying Mr. Kampelman did not really want us to go with the MX missile then they are not being fair.

Mr. DOWNEY of New York. I am not suggesting that.

Mr. HUNTER. OK, that is why he came forth, and I would ask the gentleman if that was not the thrust of his statement; he said "trust us," and I am telling you that this is what we need to present, a united foreign policy to the Soviet Union.

Mr. DOWNEY of New York. Well, let me just say that I do not quarrel that Mr. Kampelman advocated for the MX missile at his White House meeting. He did that. I would not want to mislead anybody into thinking that that was not the certain purpose for his visit back here.

Mr. HUNTER. I agree with that point.

Mr. DOWNEY of New York. I think it is instructive that what Ambassador Kampelman did not say was as important as what he did say. He did not say, as President Reagan said, that this would be the end of the arms talks, and the people of the United States spend more time listening to President Reagan than they do to Ambassador Kampelman, because he is the President.

The President and Caspar Weinberger have repeated over and over and over again that this is the end of the road; if this missile is not there, things are finished. That is clearly not the case.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADDABBO. I yield 2 additional minutes to the gentleman from New York.

Mr. DOWNEY of New York. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding to me.

Mr. Chairman, the gentleman earlier stated something that I would like to bring the colloquy back to, and that was his statement that this is not a Nation that has been at rest, when it comes to providing needed defenses for this great country.

We have modernized, we have built, we have not been unfunding things, and I think when we hear speeches to the contrary, we ought to put that into context. The context is that that is so much hokum.

I would like to ask the gentleman in the well when it comes to what this Nation has funded, which of the two superpowers funded and built and deployed MIRV'ed ICBM's first?

Mr. DOWNEY of New York. The United States.

Mr. AuCOIN. And, how many years later did the Soviet Union follow?

Mr. DOWNEY of New York. Five years, six years. There is some argument as to whether or not they were ready to test right after us, but they certainly deployed multiple, independently retargetable reentry vehicles at least 5 years after we did.

Mr. AuCOIN. That squares with the information I have from the posture statement of the Joint Chiefs of Staff, and I think it is an accurate statement.

That is not a nation at rest when it comes to any stretch of the imagination; when it comes to funding systems. We can disagree with them or agree with them, but to say that we have been at rest, we have been disarming, is absolutely absurd.

What about submarine-launched ballistic missiles?

Mr. DOWNEY of New York. Well, we are talking the Soviets at least 7 or 8 years behind us.

I want to deal with an issue that we have not dealt with; at least I have not heard dealt with here in terms of cost, and that is this preposterous notion that you can protect the MX missile in the hardened silos.

Is my understanding correct from the Appropriations Committee that there is no money in this budget to harden the missiles?

Mr. ADDABBO. Will the gentleman yield?

Mr. DOWNEY of New York. I am happy to yield.

Mr. ADDABBO. The gentleman is absolutely correct.

Mr. DOWNEY of New York. Does that square with the information?

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADDABBO. I yield 1 additional minute to the gentleman from New York.

Mr. DOWNEY of New York. There is no money, no money in the budget to harden the silos. Is there money in this budget to do point defense for the Minuteman fields?

Mr. ADDABBO. I believe the gentleman is correct.

Mr. DOWNEY of New York. I will be happy to yield to the gentleman.

Mr. COURTER. Does the gentleman argue that it is important to do so. If he wants to add the money for hardening or point defense, I would be happy to join him.

Mr. DOWNEY of New York. Let me ask the gentleman a question. Does the gentleman believe that the missiles can be protected with hardened silos?

Mr. COURTER. The missiles can be protected, and are protected now because of the fact that we have other legs of the triad. We have gone through this argument.

Mr. DOWNEY of New York. Does the gentleman believe that in a race with the other side—I take back my time to ask the gentleman a question.

Mr. COURTER. Go ahead.

Mr. DOWNEY of New York. Does the gentleman believe that in a race between hardening and accuracy that we can harden missile silos faster than the Soviets can improve their accuracy? Can the gentleman answer that question?

Mr. COURTER. I would argue that when you have a triad, something that you are arguing against, you have defenses, you can defend yourself because of the strategic or the synergistic effect of three legs of the triad.

Mr. DOWNEY of New York. I congratulate the gentleman for having read my speeches 5 years ago.

The point that the gentleman has not answered is the fact that you cannot harden silos to protect them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDADE. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Louisiana [Mr. LIVINGSTON], a member of our subcommittee.

Mr. LIVINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Colorado.

Mr. KRAMER. I thank the gentleman for yielding to me.

Mr. Chairman, I rise in reluctant support of this resolution, releasing funds for fiscal year 1985 MX procurement.

My reluctance stems from my fervent wish that we could vote today to banish such terrible weapons of mass destruction from the face of the Earth forever.

We do have within sight the prospect of transforming this dream into reality, but we must get there from here. And "here"—the reality with which we are faced—is a massive Soviet advantage in strategic nuclear strike power, an advantage gained despite—perhaps it would be more accurate to say because of—SALT I and SALT II, the arms control agreements that were supposed to give us a nuclear arms freeze.

The Soviets, with their highly accurate, MIRV'd force of SS-18 and SS-19 ICBM's now have the ability to launch a devastating first strike against our land-based missile force. Alone, the more than 300 SS-18's now deployed have the capability of knocking out 80 percent of our ICBM silos. The nearly 400 SS-19's currently deployed have virtually the same ability to destroy hardened targets.

Add to this first-strike threat the Soviets' program of superhardening their ICBM launchers and command and control facilities, their comprehensive civil defense program, designed to bring their industrial infrastructure through all-out nuclear war, their violations of the ABM Treaty, which seem to be part of an effort to "break out" with a nationwide antiballistic missile defense, and their clear intent to deploy the SS-X-24 and 25—two new, highly accurate, hard-target-killing ICBM's—with a large proportion of them mounted on mobile launchers.

Add to this the Soviets' continued and blatant attempts—in violation of SALT—to conceal most of their efforts to gain a decisive strategic advantage with which to cow the United States and our allies into submission.

Add to this the fact that our most accurate ICBM's—our Minuteman III's—have neither the accuracy nor the punch to crack the Soviets' superhardened launchers and command and control centers.

Since SALT I was signed in 1972—while the United States stuck to the terms of the SALT I treaties and even of the unratified SALT II Treaty—the Soviets have deployed 28 new or significantly modified strategic weapons systems. And as we debate whether or not to buy 21 more MX's this year, they have at least 8 more systems—including the SS-X-24 and 25—either poised for deployment or under development. Moreover, there is evidence that indicates they may have deployed the SS-16 ICBM—once again, a violation of SALT.

"Here" is a very frightening and dangerous reality indeed.

The comprehensive arms talks now going forward in Geneva offer the shining hope that we may at last achieve real arms control, as opposed to the cosmetic and dangerous arms control we have known to date. They offer the hope that the generation of strategic weapons which we will deploy in this decade—including MX, the Trident D-5, and the B-1B—will be the last of their kind.

Regrettably, because of the arms and arms-control policies of past administrations, this last generation of offensive nuclear weapons systems must be put in place to restore the strategic balance, give us a basis of strength from which to go forward with arms negotiations, and carry us through the period from now until the day we will be able to implement the sort of real arms control I believe is possible and that I believe President Reagan is pursuing in the Geneva talks and with the strategic defense initiative.

Let me take a moment to share some thoughts about real arms control.

The key ingredients of real arms control are: First, substantial and lasting reductions in strategic nuclear weapons; second, the nonnuclear defensive technologies to ensure that any failure to adhere to arms control accords will not upset the strategic balance; and third, policies that encourage defense over offense.

To be "substantial," reductions in strategic nuclear weapons must reduce stockpiles on both sides below the levels the United States and the Soviet Union believe necessary to achieve "assured retaliation."

The only way it will be possible to begin reducing nuclear arms stockpiles significantly is if the United States and the U.S.S.R. can be reasonably certain they have the means to offset such a reduction with defensive weapons—a "star shield."

This is the promise of President Reagan's strategic defense initiative. This program of intensive research will determine and demonstrate the feasibility of strategic defense technologies. Once these defensive weapons have been proven practical, we will be in a position to begin a step-by-step cutback of nuclear offensive weapons coupled with a symmetrical fielding of nonnuclear defensive weapons—the star shield.

This would introduce a "new look" in strategic arms, a policy new look based on genuine reductions in strategic nuclear weapons backed up by nonnuclear defenses. And reducing stocks of offensive nuclear weapons while putting in place "offsetting" nonnuclear defensive systems maintains the strategic balance—and does so at a less threatening level.

I am convinced that this is an imminently practical approach to achieving real arms control and a safer world. With it, we can change the name of the strategic arms game from offense to defense. With it, we can begin the process of dramatically reducing the danger of nuclear war. With it, we can transform the strategic arms race into a "peace race."

But we cannot get there from here without first going through a difficult and perilous time, a time of negotiations and changing policies and perceptions, a time demanding unity and strength of purpose, a time that will sorely test our courage and creativity and mightily try our patience and resolve.

We now face one such test, my friends and colleagues. I urge you to join me in standing up to it in supporting the resolution now before us and in dedicating yourselves to the support of arms and arms control policies that will make the MX and its terrible sisters the last generation of their kind and give all humankind the precious gift of a world forever free of the threat of nuclear holocaust.

Mr. LIVINGSTON. I yield to my friend from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding to me.

In the previous colloquy, I was interested in our colleague from Oregon asking our colleague from New York about how long after the U.S. deployed MIRV'd missiles did it take the Soviets? He was not exactly sure; 5 or 6 years.

I am not exactly sure, either, but it depended on how long it took the Soviets to either buy or steal our technology. That is where the timeframe is established.

Mr. KASICH. Will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding to me.

Mr. Chairman, I think the gentleman from New York did not characterize the President's statement on MX accurate, or the Secretary of Defense's statement on MX.

Secretary Weinberger appeared before the Committee on Armed Services. We have heard numerous briefings from the President and Mr. Weinberger on the need for MX; what the President said was really almost dovetail what Mr. Kampelman said; that if we did not give them the MX it would seriously undermine our negotiating process; he says, as the President said, that if we unilaterally give up the MX, viewing it like an apple that drops off a tree, the Soviets prepared to wait a heck of a long time to see what else we give up unilaterally; that we need strength and resolve and we need strength behind the talk and negotiating position. That is what the President said.

The President did not say that not having an MX means we have no more arms talks; he says in order to have effective arms talks—that is the same thing that Mr. Kampelman says; effective arms talks, we must have something that they want.

So I think it is proper that we clarify what the President's position is on the MX missile.

Mr. LIVINGSTON. I appreciate the gentleman's comments.

Mr. Chairman, I might say that Mr. Kampelman also said that act of good will are looked upon as absence of will be the Soviets rather than acts of good will; and I think that that dovetails with what the gentleman said.

Mr. Chairman, I rise in support of continued funded for the MX missile and against the House appropriations resolution disapproving funding for 21 more MX missiles.

□ 1440

In the last few day there is no doubt we have been rehashing arguments we have heard for years. In fact, over the last 10 years the Congress has voted over 200 times on the MX issue in one form or another here or in the other body. I believe it is safe to say that

had we not gone through these endless fire drills and had we gone ahead and approved the MX during the Carter years when perhaps we should have, we might not be here today; we could very probably be much further along the road in vital arms control negotiations, which of course we all want to succeed.

But indeed we are beginning new negotiations. And I am convinced that that is true primarily because the Soviets have agreed to begin again, only because our Nation has shown some resolve in the last few months, by reelecting President and an administration that is committed to keeping the Nation strong; and an administration which the Soviets now believes that peace can be preserved only by preserving our strength.

Most people agree, including critics of the MX and, most importantly, our bipartisan negotiation team in Geneva, that the Soviets only react to strength.

I might quote former Soviet Maj. Gen. Petrol Grigorenko on September 28, 1983, who said:

> The MX program, it is wise. President Reagan understands the world situation better than the liberals in America. He knows the Soviets will not talk until you show them the fist. Pay no attention to what the pacifists say or do.

So this is the time to send a message to Geneva that we are going to be strong. It is not the time to send such a message that we are going to be weak, or that we lack resolve.

As my colleague from Louisiana [Mr. HUCKABY] said just yesterday, timing is everything in politics, whether local, national or world politics.

This is not the time to send a negative message to Geneva. This is not the time to send a negative message to our ally Belgium that has just recently shown resolve by deploying cruise missiles, or to the Netherlands, for that matter, where debate on deployment of cruise missiles is occurring today.

Oddly enough, the debate in the Netherlands on deployment of cruise missiles centers on the number of medium range SS-20's the Soviets plan to deploy in Eastern Europe. This is odd, inasmuch as the critics of the MX missile and of the defense increases in general never seem to concern themselves with Soviet buildups.

But we cannot afford to ignore the Soviet military buildup. In fact, Soviet military strength is much greater than the United States and its NATO allies, as is abundantly illustrated by the comparative trend charts that I have gotten declassified by the Department of Defense. And I show these to my colleagues at this time. A number of these charts have been distributed to the leadership tables on each side of the aisle, and they illustrate that in instance after instance the United States, in a comparative basis to the Soviet Union, is remarkably inferior in one item of warfare after another. In instance after instance the Warsaw pack exceeds the capabilities of the NATO allies. And I would encourage my colleagues to take a look at these. These are declassified material. I have them available for the Members' inspection.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield to me now?

Mr. LIVINGSTON. I would be happy to yield to the gentleman just for a casual remark. I still have comments to make.

Mr. AuCOIN. I appreciate the gentleman's yielding for a casual remark, and I will make one.

I would like to ask the gentleman how it is that he believes that the construction of a vulnerable weapon is a projection of American strength? If this weapon can be taken out, and it will be taken out because there are no plans to harden silos, and there are no plans for a point defense for these missiles so they will be vulnerable. If it is vulnerable, how is it a projection of American strength? How can a vulnerable weapon be a projection of strength?

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I would be happy to yield to the gentleman from California.

Mr. HUNTER. I thank my friend for yielding.

Mr. Chairman, this is a question we have answered four or five times on the floor, and I have not yet seen a contradiction to the answer that has been given, and that is simply that we have three parts to the triad. And in fact if you look at a system in an isolated situation, most of our bombers are vulnerable right now. They could be taken out before they could escape. But it is a fact that if the SS-18 is launched on our ICBM's, our bombers would be able to escape. And if their SLBM's should launch on our bomber fields, our ICBM's should escape. So in a sense if the gentleman speaks of vulnerability, the Minuteman is vulnerable and our bombers are vulnerable, and Bill Perry, who is Secretary for R&D, said that he could not guarantee the invulnerability of our submarines past 1990. That is why the triad is important, and that is why the MX adds a deterrent force to our defensive systems, to our strategic systems, because of the Soviet Union should launch, for example, on our bombers, if they should decide to launch with SLBM's, they would see a much larger number of warheads coming back in our ICBM force that would escape. The triad has been explained many times.

Let me say one last thing that the gentleman raised and the gentleman from New York raised. We did stand still largely during the decade of the 1970's. They built 758 ICBM's between 1972 and today, SS-17's, SS-18's, and SS-19's, they built 38 ballistic submarines. We got a total of five Tridents in the water. They built 200 strategic long-range bombers. We built zero long-range bombers.

Now, if that is not standing still, I do not know what is. And your very argument that the MX missile is vulnerable today basically backs that point up. They have made it vulnerable during the 1970's when we stood still.

I thank my friend for yielding.

Mr. LIVINGSTON. I appreciate the gentleman's answer. I think he responded to the gentleman's question.

I will be happy to yield to the gentleman for an additional question at the end of my time, if I have any left.

But I would like to just reiterate, in support of the answer of the gentleman from California to the gentleman's eloquent question, that these charts that I have available show the relative strength of the United States versus the Soviet Union, of the NATO allies versus the Warsaw Pact, and show that in such instances as intercontinental supersonic bombers the Soviets are ahead of us by some 4 to 1. In tactical combat aircraft they are ahead of us by 3 to 1.

Mr. AuCOIN. Does the gentleman know that the long-range bomber of the Soviet Union is a propeller driven bomber?

Mr. LIVINGSTON. I will be happy to answer that and yield to the gentleman later on, although any bomber can drop a nuclear bomb.

These trend charts clearly show for the first time in an easy-to-read fashion that the Soviets currently hold a clear margin of superiority over the United States in 31 of 36 defense categories. These categories include significant Soviet advantages in nuclear stockpiles, ballistic missile submarines, deployed ICBM's and ICBM warheads.

These trend charts are disturbing, but I believe they are very relevant to the MX debate. They clearly reveal true Soviet intentions, not for defense, but for offensive warfare.

We all hope that Soviet intentions are good. We hope that the Soviets react to our good intentions. But can anyone remember when the Soviets have demonstrated good intentions? Ask our military mission in East Germany about Soviet good intentions.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

Mr. McDADE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Louisiana.

Mr. LIVINGSTON. Ask our military mission in East Germany about Soviet good intentions. Ask the wife of the soldier who was killed a couple of days ago. Ask the families of the thousands of Afghans killed over the last 5 years.

Ask the families of the men, women, and children who died aboard KAL 007.

When we have not modernized our land-based ICBM's in over a decade, and by so doing have unilaterally weakened our strategic triad during the same period, the good intentions of the Soviets have resulted in at least 5 new and modernized land-based ICBM's alone—the SS-17's, SS-18's, SS-19's, and, most recently, the mobile SS-24's and SS-25's.

Mr. Chairman, we cannot escape the fact that we need to modernize our land-based strategic systems. We cannot escape or ignore the number of weapons the Soviets are deploying. Most importantly, we cannot escape the timing and circumstances of the situation we are in.

We must finally show some resolve and must move ahead today to modernize our land-based strategic forces. We cannot rely on the single warhead Midgetman scheduled to be deployed in the next decade as an excuse not to. As the history of this MX program has shown, and the Soviets clearly realize, the resolve of the United States to actually deploy or even significantly modernize a new land-based strategic system is nonexistent, unless we vote to fund these missiles.

Let us listen to our negotiators in Geneva who have sat face to face with the Soviets over the years. They know the Soviet intentions. Let us listen to them and let us vote to fund 21 more MX missiles.

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. DORGAN.]

Mr. DORGAN of North Dakota. I appreciate the gentleman's yielding some time to me.

Mr. Chairman, I have to confess I wonder how some of the folks in this House sleep at night if they really think this country is that weak and the Soviets are that strong. I get a little tired hearing how this country has let its defenses lag and the Soviets are 25 feet tall.

The fact is, the question has been asked—and all of you would answer the same way—would you trade our nuclear strength for the Soviets? Of course you would answer "no, we would not trade for the Soviets' nuclear strength. Of course we would not trade for the Soviet strength because our nuclear strength, with the triad that we have built in this country, is much, much stronger than the Soviets."

□ 1450

Now, let me say as many others have said, I do not trust the Soviets; we need to be vigilant. We need to invest in what is necessary to protect freedom. But, I ask you: If you live in a country that has invested $1.3 trillion in 5 years in its defenses, are you really able to make the case that we are not a strong country; that we are not able to compete with the Soviets militarily; that we must fund every single weapons system proposed by the generals and the admirals no matter how illogical that weapons system might be?

Let me ask about some realities. All the debate around here is about perception. We are spending real dollars, not perceived dollars. Incidentally, these are real dollars we do not have. But what we are debating is perception. If we do this, the Soviets perceive that; if we do this, we are perceived not to have that chip; if we do not do that, someone else perceives the other thing. The reality is this: For one thing, we have land-based missiles in my State, we have 300 of them underground; I drive by them every weekend; they are sunk there in the prairies; Minuteman III's with three modern Mark XII-A warheads on each one.

Now, in this case, in North Dakota's case, we have 300 of those missiles underground. You say that we ought to replace those Minuteman III's with something new called the MX. I suppose that if we are going to get to reality, we must ask what strength will that give us? What will it give us when we finish putting this MX missile in the old silo? What will it make the Soviets afraid of?

If the President is accurate in spending 2 years telling us those silos are vulnerable to Soviet attack, and he explained it to us only as the great communicator could, if he is accurate, what does it give us to put a big, new missile in a silo that is vulnerable? Isn't that buying a pig in a poke?

Maybe someone will answer that later, I doubt it.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I said to the gentleman I would be happy to yield to a question when I have completed my address.

Mr. COURTER. You keep posing questions, and I was wondering when you would give us a chance to respond.

Mr. DORGAN of North Dakota. I will be glad to give the gentleman an opportunity to answer those questions. In fact, his side has had plenty of time over the last 2 days to address those questions, and unfortunately I have not heard any answers and that is why I am asking them.

Mr. Chairman, what does it give us to put the MX missile in a Minuteman silo that the President says is vulnerable to attack? A greater component of accuracy with the MX missile? Well, maybe that is true. The MX missile does have a greater component of accuracy.

But for what purpose? Well, if the President was wrong, and the Minuteman silo is not vulnerable, ostensibly you could put the MX missile in there and put at risk the Soviet silos. My guess is you would not want to aim at a Soviet silo that is empty, so you would probably want to put at risk a Soviet silo with a Soviet missile in it. That suggests to me that those who want the MX missile want the opportunity, at least the opportunity, to launch a first strike that this President has said this country will never launch.

Let me conclude by asking this question: There are so many stout-hearted men and women in this House who, whenever we have a public spending question, rush to the well of this House and say, "We cannot afford that. Let us evaluate every period, every comma, every word in that bill, because I think it is going to cost somebody some money and we have the biggest deficit in the history of humankind."

Where are those stout hearts when we talk about defense? I want to invest in the right things for defense, but where are those stout-hearted men and women when it comes to a proposition like the MX which spends money we do not have for something we do not need. Where are they? They want to spend the money and charge it, and I say that is more destabilizing, more detrimental, and riskier to this country than most anything else we can do. We will choke on red ink before we will suffer at the hands of the Soviets, because we are taking this country's economy into a position from which it cannot survive unless we begin understanding that what we spend on the floor of this House we must pay for. I ask you: Where do you get the $14 billion to pay for a missile we do not need?

Mr. YOUNG of Florida. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the gentleman for yielding me this time.

Mr. Chairman, a number of questions were posed. I do not want to spend all my time answering them; let me just answer a couple of them right now.

First of all, I regretably conclude, after having been a member of the Armed Services Committee for 6 years in this body, after having listened to the testimony in the full committee and the subcommittee, that indeed, when it comes to strategic arms and strategic capabilities, there is no doubt in my mind that the Soviet Union is superior to us, and that the trend line is going in the wrong direction; not the right direction. That they are increasing their capabilities as we are decreasing our capabilities relative to the Soviet Union, No. 1.

No. 2, the gentleman poses the question: "Where are we getting with the MX missile?" Very simply I am sure

the gentleman was here, had the gentleman had an open mind yesterday, he would have realized we would be achieving a credible deterrent which is something we do not now have.

I am sure the gentleman recognizes that what we want to have is parity with the Soviet Union when it comes to strategic capabilities. They can put our command and control centers, our leadership, our military targets at risk by their land-based leg of their triad. We do not have similar capabilities at all. It will be only the MX that will give us those capabilities which will give us a credible deterrent, and that is in fact what we are buying with the deployment of the MX missile.

The real question I have is what are we doing here today? Everybody knows what we are doing here today. We are doing today precisely what we did yesterday and the day before. The vote tomorrow is going to be the same vote as the vote yesterday; precisely the same.

This debate scenario, which was structured last year, gave simply four cracks at the apple; four cracks at the MX. Four times to kill the project. We attempted in the U.S. Senate, the other body, it failed. There was an attempt, obviously, yesterday, and it failed. We are going to have a redundant vote tomorrow.

As a matter of fact, why are we deferring the vote for tomorrow rather than having it today? With the time limitations on the debate, we could have the vote in the very early evening. We could have the vote before dinner. The reason we are going to defer the vote to tomorrow is to give the opposition additional time to work and twist and use whatever persuasive powers they can to turn around some votes, and everybody knows it.

This is precisely the same vote that we had yesterday; precisely the same vote that the Senate had. It is a redundant vote; it is another crack at the apple, and I think that this body can make better use of its time.

Finally, it has been argued that this vote today is an appropriation vote and therefore it is different than the authorization vote. That is not the case whatsoever. If this appropriations vote failed, the MX procurement would end. The Peacekeeper missile production is a 3-year production. Production is divided basically in three parts. The first phase is the purchasing of raw materials, parts, and manufacturing of small assembly items. There is literally hundreds and hundreds of small subcontractors and contractors that are involved. If this vote is a negative vote today, contrary to the vote yesterday, what will happen in the real world? It is not like a light switch, it is not like baking cookies where you can take them out and put them back in if the guests come later. There are long lead items. There are contractors that will leave. As a matter of fact, all of the testimony before the House Armed Services Committee was the fact that if we do not go ahead and have two affirmative votes in the House of Representatives today, that will kill the production of the MX missile. The only way to bring it back would be at great expense.

It is possible; we did stop B-1, and then we brought it back. But we have to recall that when we did that, we spent $1 billion more than we otherwise would have had to. The testimony that we have is if we vote no today, which is the identical vote of yesterday, we will have to come up with an additional $1.3 billion to put Humpty Dumpty back together again. What is the $1.3 billion going to buy? The old Humpty Dumpty.

We can vote yes today or tomorrow; the $1.5 billion will permit the construction of the 21 missiles which will increase our deterrent capability which will give it credibility or, if we vote no, we can later on, when we find out that we need it, spend an additional $1.3 billion for no missiles.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

Mr. McDADE. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. COURTER. I thank the gentleman for the additional time.

We can spend $1.3 billion which will give us no missile whatsoever, which will mean, if we feel that we need to have it in the future, have to come up with the $1.5 billion again.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman.

□ 1500

Mr. KASICH. I thank the gentleman for yielding.

Would the gentleman just for a second enter into a discussion with me concerning the deployment of MX today, as Scowcroft calls for. Scowcroft Commission says deploy that MX today because that modernizes that leg of the triad today, but would the gentleman not agree that it is critical that when we are talking about MX we recognize that MX is just the link to a more stable system that Scowcroft and the supporters of MX want, and that is the deployment in that Midgetman, that low warhead missile that gives us greater stability.

I wonder if the gentleman would comment on that feature of deploying MX today to breathe modernization into that system today with the link to that Midgetman in the future.

Mr. COURTER. I thank the gentleman. He brings out a very important point.

The credibility of deterrent, and that is what we have today until we go to some sort of defensive system, which I think the gentleman wants, as I do, the research and development, depends basically on a couple of things. It depends basically on the invulnerability of the entire defense capability, not to perceive vulnerability with regard to one silo or one leg of the triad, No. 1; and No. 2, a credible threat to the other side to make sure that they recognize that we could render unto them and make certainly unreasonable any type of attack against the United States.

It requires both those things. Therefore, it is essential that we give credibility to our deterrent today by deploying MX, and at the same time move, and this is extremely important, move toward a mobile system. The Soviet Union is moving toward a mobile system. We had the artist's rendering yesterday that it will be moving toward a mobile system this year, in 1985.

The gentleman points out a very good thing. It is important to shore up the credibility today by deploying MX, and then moving to a Midgetman, a single-warhead, mobile missile that will be invulnerable sometime as soon as we can in the early 1990's.

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding time to me.

Mr. Chairman, the debate on continued production of the MX missile has become so polarized that a central point has been lost. It is that intelligent, well-motivated people on both sides of the issue are seeking the same goal: Reduction of nuclear arms.

I am as sincerely dedicated to that goal as I know the hundreds of people are who have called and written on this issue.

I have decided to support continued, limited production of the MX Peacekeeper missile at the present time.

I believe this course provides the best chance to encourage serious arms reduction negotiations in Geneva and to reduce the overall threat of nuclear war. Those are the fundamental principles that have guided me in making this decision involving the defense of our Nation and the free world.

The most important, and often overlooked, word in this debate is "reduction." It is not enough to control arms, because all we are doing is controlling the growth and expansion of nuclear arsenals. It is not enough to freeze nuclear arms, because that preserves a status quo which is an unacceptable balance of terror.

We must think and negotiate beyond the narrow limits of control and freeze, and achieve at Geneva a mutually advantageous agreement to reduce nuclear arms.

My reading of history indicates that the Soviets will join us in that effort only if they clearly see it is the best alternative open to them. That is why I've supported the consensus of the bipartisan Scowcroft Commission, which made the critical link between a careful, measured modernization of U.S. forces—including limited production of the MX—and arms reduction negotiations.

Congress endorsed this critical link last year by passing legislation which I supported, embracing the idea that if the Soviet Union returned to the negotiating table and thereafter sought real reductions in strategic nuclear arms, the United States would not have to build any more MX missiles. That the Soviets have come back to the table is a good sign. In the course of negotiations we shall now learn if they are willing to seek real reductions—similar to those we suggested in our build-down proposal offered in Geneva during the previous negotiations before the Soviets walked out.

We have been successful in generating a resumption of negotiations. Those talks are in their delicate, early stages, with no clear indication of how they will progress. I believe we should continue to follow the guidelines of the Scowcroft blueprint. I sincerely feel that abandoning the MX now would mean the Soviets would retain their current monopoly on MX type missiles—of which they have over 600. Sensing a lack of U.S. resolve in that we would permit such a destabilizing monopoly to exist, the Soviets would have no incentive to reduce the number of their large, accurate, multiple-warhead missiles, which is one of our primary goals in Geneva.

None of us can see the future. I believe the present course offers mankind's best hope for a real, meaningful step toward mutual arms reduction. However, I will not allow that hope for arms reduction to cloud a realistic view of the Soviets. I sincerely believe that the Soviets are shrewd negotiators who will not agree to mutual arms reductions if they think we will reduce ours unilaterally, without requiring an equitable response by them.

It must also be recognized that the Soviet negotiators returned to the bargaining table only when it became obvious that the United States—and the Western Alliance—would not continue to defer strategic modernization if the Soviet Union continued to refuse to respond in kind.

However, in supporting the MX, I do not agree with the belief that maintenance of an adequate defense should not have to take into account budget concerns. My voting record illustrates that I look at new weapons systems in a careful and independent manner. It should be pointed out that the cost of the entire MX program—over half of which has already been spent— is less than the B-1B bomber program and is almost half that of the F-18 aircraft program, both of which I consistently have opposed.

Let me say, in closing, that as a former Sunday school teacher and military officer, I seek a world at peace. I do not believe that unilateral disarmament will maintain and secure a lasting peace. Bilateral arms reduction is possible at Geneva if both parties are serious.

I will continue to make critical evaluations and independent votes on America's defense needs. I thank the many citizens of the Second District of Michigan who have offered their guidance on both sides of this critical issue for our Nation and the World.

Mr. AuCOIN. Mr. Chairman, I now yield 5 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. I thank the gentleman for yielding this time to me.

Mr. Chairman, I think this has been a very meaningful debate. I think the last couple days has been excellent. So far today it has gone quite well, and it is my understanding we will finish it off tomorrow.

I might answer my dear friend from New Jersey that no matter what debate we do, it has got to be meaningful and healthy because all nations see us as a legislative body willing to take on the hard issues and to talk about them and finally make a decision. I just want to talk about a couple things here this afternoon that we really should touch upon.

I do not think either nation is trying to become superior to the other. So long as we have that deterrent factor, so long as one nation understands that indeed at the time of an attack the other has the capability of raining total destruction on the other nation, I think we have that today. If we want to be candid and honest with ourselves, we have that today.

The MX missile in my judgment, at least my opinion, to those I have talked to, those who have testified, and from what I have read, is not the weapons system that brought the Soviet Union back to the negotiating table. SDI plays a far greater effective role in what brought the Soviet Union back to the table. Let us not kid ourselves. Let us put all the cards on the table. We are all grown people here. It is the SDI Program they are concerned about, not so much the technical aspect of it, but I think the economic aspect of it, because that one really is going to cost an awful lot of money.

We have to make some decisions here pretty soon. Are we willing to make that commitment as a nation, Republicans, Democrats, and we are going to separate those very shortly.

The thing that has bothered me from day one on this issue is the talk that is prevalent on both sides of the aisle, Democrats and Republicans alike, that feel that they are going to get off very easy on this one, but they are not. Those who feel that, "Well, we are going to give the President 21 more so that he can continue those arms control talks in Geneva because we do not want to cut the legs from under our negotiators," and then in the 1986 budget, and as sure as we are here today it is going to happen, there is going to be a movement from both sides to say to the President, "You have had enough, Mr. President. We are giving you 42 missiles, and maybe 50 if you can find the money for the other 8."

I said yesterday here, and I hope that people do not take it personally, and I do not mean to be disrespectful, but in my judgment that is being intellectually dishonest because either you believe in a program or you do not believe in a program, and this is funny coming from me: To those who truly believe in the MX missile, I am not going to offer any advice, but if you believe in it, give it to the President. Give him 100. Give him the 223 that he is asking for, because that is what we are talking about, 223 missiles. Give it all, because 42 missiles will not do, will not give you the deterrent factor, at least from the point of view of the administration.

So are we wasting our time here today? Have we wasted our time during the last 2 days in this so-called meaningful debate? Are we going to say to the President in about 3 or 4 weeks, or right after the Easter recess, that "You have had enough of your missiles"? What is going to happen to the arms control talks in April should we take that position, perhaps later on in the summer, should we take that position?

Are we being honest with ourselves? That is the question we have to ask. I am not sure we are about ready to answer it. Maybe I am saying that today, and I stated it yesterday, to give those who are thinking in that direction some thought.

I oppose the system. I think it is a waste of money. The MX missile probably would give you more fire power as part of the triad. If you honestly believe that 1,000 warheads on 100 MX missiles is going to take the greatest brunt from the Soviet Union, you are mistaken, because what they are going to do is build more missiles, and they can build them. Let us not kid ourselves. They will build more missiles, and they can aim them right at the MX missiles.

The fact here is this: It is deterrent. Do we have a force? Do they recognize the fact that we can retaliate, and I think they do.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MAVROULES] has expired.

Mr. AuCOIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding this additional time to me.

Mr. Chairman, I am not here to take anybody on. I think we have all expressed our views. For 6 years I have been hearing the statements on this floor about a balanced budget. Let us talk about it, because this plays a hard part in the economy.

Cut the budget. That is all I keep hearing. When we cut out $50 million for a particular program, there are those who say, "Well, you have to cut it out because you are adding to the deficit." Let me say this: that of those who have spoken from both sides of the aisle in the last couple days, I can honestly tell you they are not the same people talking about a balanced budget. I want to hear from those who come and take the floor of the House every single day and say no matter what we do we are going to tie that into the budget deficit so we can reduce the budget deficit.

Where have they been? Where are they today? Why are they not calling for budget reductions today, because this is part of the economy? Those are the questions that I think have to be answered and I think we have to be honest with ourselves.

□ 1510

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I wanted to take this opportunity to respond, I hope thoughtfully, to some of the things the very distinguished gentleman from Massachusetts has said.

No. 1, on this point of 223 missiles, this, I do not recall, has ever come into a debate before on missile systems, keeping track precisely of all of the surplus missiles that are built to use in the test program. I did a lot of research yesterday because of a thoughtful conversation two of us had on the House floor about this; 150 of the additional 123 missiles will be regularly fired as we have done in the Minuteman or the Titan Program. The Pershing II missile has been averaging 20 test firings a year to ensure the viability of this system, and it had its problems early on, which the peacekeeper MX missile never had. They hold 15 missiles back in reserve generally to take care of that area years from now where a missile system begins to deteriorate, age, or decay.

If we had talked about, say, the Minuteman Program, which had been firing right up until this year an average of seven missiles a year, then in that program of 1,000 missiles, after we had retired the obsolescent Minuteman I missiles, we still would have averaged hundreds of missiles that we have used in that test program.

I have had a lot of constituents call after watching yesterday's debate on C-SPAN, and they were really confused about the number of missiles. I just wanted to clarify that.

Nobody is ever going to get anything by Aviation Week and Space Technology, let alone your excellent committee or the distinguished gentleman from New York, with two jeweler's eyepieces watching every line of the markup of every subcommittee and committee in the appropriations process, or to ever sneak, as the Soviets may have done it to EURATOM, test missiles into strategic combat-ready holes.

Now, at one point the gentleman made a statement, if I heard the line correctly—and please, I will get more time if I did not hear it correctly—he said that neither country, the Soviet nation or the great United States of America, wants to achieve military superiority. If you listen to what Arkady Shevchenko says or probably what we are going to hear from the Soviet diplomat who defected while jogging in India last week, I think a reasonable case can be made, without making your case to be any less intellectually solid or patriotic, that the Soviet Union, after the missile crisis, when some gentleman in the news media coined an historical phrase, "We were eyeball to eyeball, and they, the Soviets, blinked," made a decision among those old men in that Politburo that never again would they find themselves in a position of 5 to 1 superiority on the U.S. side.

I do not believe they drove to a 5-to-5 perfect standoff. Their Communist plan, their doctrine is to drive for and maintain overwhelming military superiority in biochemical warfare, overwhelming 4 to 1 superiority in conventional, which our bishops want us to address, and overwhelming strategic superiority in land, sea, and air. That is my judgment.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

The Chair recognizes the gentleman from Oregon [Mr. AuCOIN].

Mr. AuCOIN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, a great many things have been said about this missile, some of them probably accurate and some of them not accurate.

Just recently in the conversation there was this talk about 123 or 223 missiles. I heard the testimony before the Committee on Armed Services, and my impression is that they do not really expect to use all those additional 123 missiles just for testing. It was left a little bit up in the air about what they were going to be used for. My own impression is that it will not be very long after we get 100 missiles in 100 sites that we are going to want to build another 100 missile silos.

In the discussion earlier, late last night, about other things that this money can be used for more profitably, discussion was had about conventional weapons, and I would like to refer to some of those facts that I was not able to give specifically within that time element that we had, and then talk about not only conventional weapons but strategic weapons. This program for the future costs about $32.5 billion, and if we decided to scrap these missiles and go to conventional weapons, which I think is the wise thing to do because of our danger in Europe about having to go to a nuclear war because of not being able to win a conventional war there, we could build, for instance, the following:

Eight hundred and forty M-I Abrams battle tanks for $2.3 billion; 716 M-2 Bradley fighting vehicles for $1.2 billion; 144 Apache attack helicopters, $1.4 billion 44 multiple-launch rocket systems with 72,000 rockets, $0.6 billion; 180 F-16's, $3.7 billion; 48 F-15's, $2.2 billion; 2 DDG-51 guided missile destroyers for $2.4 billion; 3 CG-47 Aegis cruisers for $2.8 billion; 4 SSN-688 attack submarines, $2.8 billion; Army and Marine munitions for 1 year, $6.4 billion; and annual operations costs for 5 Army infantry divisions for $3 billion; 8 squadrons of 24 F-15's for $1 billion; and 6 carrier battle groups for $2.6 billion; for a total of $32.4 billion.

Now, after I said that, from similar statistics before the Congress earlier in the debate, some people said, "Well, we do not think you ought to go to conventional war. That would require a draft or something like that." They say they would not like to do that, but they would like to strengthen the so-called triad.

The interesting thing about the triad is that we really have a triad without the ICBM, because if a triad consists of land-based, air-based, and water-based missiles, we have the nuclear cruise missiles as well, and they can be fired from land, sea, or air as well. So we have a triad even without the ICBM, and it is a very good triad, as a matter of fact.

Now, if you wanted to go to nuclear weapons, here is what you could do. The money saved by canceling the MX, $33 billion, could fund the following nuclear weapon systems:

Twenty Trident submarines at $33 billion, or the following cruise missile triad: 2,000 ground-launched cruise missiles at $12 billion; 4,000 submarine-launched cruise missiles at $11.5 billion; and 3,400 air-launched cruise missiles for use on modified B-52's, $8.4 billion. That is a total of $31.9 billion.

Or you can have a combination of nuclear weapons systems adding up to $33 billion, such as: 1,000 ground-launched cruise missiles, $6 billion; 4,000 submarine-launched cruise missiles, $11.5 billion; 1,700 air-launched cruise missiles for use on modified B-52's, $4.2 billion; and 6 fully equipped Trident submarines, $11.0 billion.

It is my opinion that this particular missile, the MX, should be canceled because it is not a good weapon. Weapons should be used to do harm to the enemy. This particular weapon has as much chance of doing harm to us as it does to the enemy. It is so very vulnerable that it incites an attack. It incites the possibility of the other side fearing that we have a first-strike possibility. It increases the chances of nuclear war. All of these things added together seem to me to make it a very, very faulted weapon.

We can look at the very people who are now testifying for it and see that a year or so ago, with the same silo, they said, "For heaven's sake, don't do it."

It is a waste of money. The money could be put into conventional weapons or could be put into other nuclear weapons, and that is a much worse thing for the enemy than is projected here with this particular MX missile.

I would like to conclude my remarks by saying that there is a reason for having this debate today. This is not an endless or useless debate we are having today because it is focusing on the next thing, and that is the appropriation.

The CHAIRMAN. The time of the gentleman from Florida [Mr. BENNETT] has expired.

Mr. AUCOIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, just to conclude my remarks, I say that this is not a useless debate because the debate yesterday was on authorizing these missiles. They have now been authorized. The money has been fenced, $1.5 billion for the immediate purchase, and the next thing would be the appropriation. If we turn down the appropriation today, that would be just something that would be hanging over. It would be something we could respond to at the Geneva talks on the basis of what is best for us.

So it is just like any other authorization. The authorization would be there. We do not have to make the appropriation today, and I urge those of us who feel, as I do, that it is a bad missile, that we really ought to postpone the appropriation for this missile until such time as we really know that we need it.

□ 1520

Mr. McDADE. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, the United States has not deployed a new land based strategic missile for 15 years. During that same period of time the Russians have deployed four generations of new missiles and are developing two additional ones as we speak here today, an unprecedented and relentless nuclear buildup across the way.

While the Soviets have been moving ahead, America has been falling behind. I am convinced that in this country and even in this body there are those who had they been here during the continental congressional years would still be saying there is no need to upgrade the muskets we have. They are absolutely effective against whatever enemy may be out there, or if you want to upgrade those muskets you may intimidate or scare or destabilize the world situation and perhaps cause war. That is an archaic and I think moldy opinion of the world situation. We must upgrade. We must modernize. We must keep up with whatever is the threat against us at the moment; but there are those who say, "Oh, but to upgrade our system and to modernize our muskets would cause a destabilizing situation in the world."

How can you say that? How can you say the United States building 21 missiles would destabilize a world where during the past decade the Soviet Union has deployed over 800 Peacekeeper-type missiles.

They have 308 SS-18's, 360 SS-19's, 150 SS-17's, all of which are larger and more powerful than any of the U.S. missiles.

How can they say that us building 21 missiles of equivalent force would be destabilizing? Is it not destabilizing what the Russians have done over the last 15 years? They have deployed 800. We are talking about 21. Of the 1,400 or so Soviet ICBM's, 308 are SS-18's, the most powerful missle on Earth.

Let me make this point clear. The SS-18 is eight times as large, eight times as powerful, as the newest U.S. ICBM, the Minuteman III; yet I am convinced when we decided to make the MX, we made a mistake. We should have called the MX the Minuteman IV. That way we would not be destabilizing the world. That is what the Russians do. They have the SS-14, SS-16, SS-18, and so they say that is not a new missile, that is only an upgrade of an earlier missile.

I think we should call ours Minuteman VII, because that is how many rockets the Russians have deployed since we deployed the Minuteman III.

To build 21 missiles of less power than the Russians is destabilizing? Come on, give me a break.

The Soviets are testing two new ICBM's. Is that destabilizing? I do not hear an answer on the other side.

The multiple warhead Peacekeeper, SS-X-24, and the single warhead SS-X-25, the latest, are directly in violation of the SALT II Treaty. And we are destabilizing to build 21 MX missiles?

The current U.S. ICBM force which consists of 500 Minuteman III's, 450 Minuteman II's, and about 30 old Titan II's, all these missiles were developed before 1971, not too long after we flew to the Moon. That is how old these missiles are, many of them much older than that. the Titans, in fact, were used to launch some of the first satellites the United States ever launched back in the sixties. We are still depending on that old, unreliable rocket even today.

All these missiles were developed before 1971 and since that time the Russians have put out over 800 rockets of the size and power of the MX. Overall, the Soviet ICBM force is three to five times as powerful as the U.S. force. And for us to add 21 missiles to that is destabilizing?

I maintain that whether it be MX missiles or strategic missiles, whether you put trucks or howitzers or airplanes or whatever——

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. McDADE. Mr. Chairman, I yield my colleague 2 additional minutes.

Mr. ROGERS. Whether you put trucks, missiles, planes, or what have you, you have got to modernize, you have got to have a system that is up to date to take advantage of whatever technology there may be.

Finally, let me say this. We have heard it is the MX missile, the building of this small quantity which will, in fact, destabilize the world's strategic balance. We all know that it is not weapons that destabilize the world balance. We have had weapons ever since we have been a nation that hopefully were among the world's best. We have never used any weapon we have had for a first strike or in an aggressive capacity. We have always been defensive. The Russians know that. The world knows that. The United States will never be the aggressor nation; so you cannot say that the United States is building a weapon for aggression or a destabilizing force, because it has never been in our history to do that; but when the Russians build these huge quantities of missiles, they are not called destabilizing, even though the history of the Soviet Union has been of aggression and taking over defenseless countries and those who could not defend themselves. Somehow when they build these huge quantities of destructive weapons, eight times more powerful than ours, they are not destabilizing the world strategic situation.

I really think we need to reexamine whether or not when you say these weapons, these 21 MX missiles are destabilizing the strategic situation in the world, I really think when you examine the numbers and the history of the Soviet Union, the numbers of missiles involved in their buildup, I really doubt you can make that point stick.

Mr. AuCOIN. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, yesterday some Members in this body felt compelled to give a vote for Max. Max Kampelman had returned from Geneva. We wanted to symbolically strengthen his hand by putting $1.5 billion on the negotiating table that he could use as leverage with the Soviet Union.

Well, yesterday this House cast a vote for Max. We gave him $1.5 billion. It is on the table now sitting across from his Soviet counterpart negotiator. He can now give it away or retain it and say that it will be converted into missiles, if in fact he determines or recommends to the Congress and to the President that the Soviet Union is not negotiating in good faith, the classic definition of a bargaining chip.

Tomorrow's vote is another vote, though. Tomorrow's vote is on whether or not we have to break our pattern of the past year of keeping this money in the form of a bargaining chip to be given away or retained by our negotiators and convert it into actual missiles.

Now, I ask the Members of this House if they believe it is a wise decision to switch their votes from last year to a new position that takes us into an era of production?

Yesterday's vote was a vote for Max. Yesterday's vote was a vote for Geneva.

Tomorrow's vote is a vote on the production of the MX.

Let us make the distinction between giving him a bargaining chip and actually beginning to produce additional nuclear MX missiles.

For the Members that want to in fact be perceived as consistent on this issue, the only logical choice tomorrow which they can make is tc stay with the same position which they have had for the past year, which is to fence this money, give it to the negotiators, but tell them that with great personal reservations, they have done so because they do not want to see this missile go into production unnecessarily because of the economic and strategic questions which they have about it, but they will reserve their right to make that decision pending recommendations which return to this House, to the Senate and to the President, as to the sincerity and good faith of the Soviets in their negotiating positions over the next year in Geneva. But they will reserve their right to make that decision.

□ 1530

That is the responsible position that Members of this House can take. It is in fact the only position that those that wish to give the President a pure bargaining chip can in fact take.

I would hope Members tomorrow would understand that they are not going to be perceived as being inconsistent if they stick with the position which this House has had for the past year but, rather, they will be perceived to be inconsistent if they move it from the bargaining chip of money to the bargaining chip of missiles which this President is requesting.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. Mr. Chairman, yesterday we voted 219 to 213 in support of the authorization for the MX Peacekeeper. I hope we will stand firm in our resolve and vote again for our national security and a strong negotiating position at the bargaining table in Geneva by adopting this resolution.

The MX is needed to enhance our bargaining position, but it should by no means be considered a bargaining chip—something to be given away. Any delay in ICBM modernization will threaten the already weakened ability of our land-based forces to perform their triad mission. We have not deployed a modernized land-based ICBM since the early 1970's. Our Titan II force is being retired, and extensive rehabilitation of Minuteman missiles is already required to keep them operational; 75 percent of U.S. strategic weapons are 15 years old or older. By contrast, 50 percent of the Soviet force is less than 5-years old.

Should we fail to approve funding for the MX—the only system immediately available to redress the imbalance in land-based forces which exists—we will be voting to unilaterally disarm through obsolescence.

We must have a modernized land-based force.

For more than 30 years, our triad of strategic defense forces has successfully maintained the peace, but only because it has been of sufficient strength and credibility to provide effective deterrence. Each leg of the triad has contributed unique capabilities not found in the other two components. The land-based force offers prompt response, alert rates near 100 percent, high accuracy, flexible target coverage, responsive command and control, greater throw weight, and sufficient penetration to counter Soviet ABM defenses.

Sea-based forces remain virtually invulnerable to attack, and possess important accuracy and throw weight characteristics. Air-based, bomber forces can be recalled; they can penetrate Soviet air defenses.

Together, the three legs of the triad severely diminish the effectiveness of any Soviet attack. Together, they serve as a credible deterrent.

However, the credibility of the triad is significantly reduced if one of its components is allowed to become obsolete. Obsolescence would sacrifice strategic force diversity, flexibility, and military capability, and would reduce overall force survivability by allowing the Soviets to concentrate on the remaining two components.

If we vote down this resolution—if we demonstrate a lack of resolve in ensuring our national security—what incentive do the Soviets have to bargain in good faith in Geneva?

While we demonstrated unilateral restraint by not deploying new ICBM's since the early 1970's, the Soviets built and built and built.

They deployed at least three new types of systems involving over 800 missiles and are already testing at least two more new types, including the SS-X-24, which should achieve initial operational capability in 1985, and the SS-X-25, which is believed to be designed for mobile deployment.

The Soviets haven't given up any systems prior to coming to the bargaining table, and you can bet they won't give anything up at the bargaining table unless they can get something in return.

Let's not determine the outcome of those talks here in this Chamber. Let's give our negotiators the tools they need to negotiate from a position of strength and achieve mutual deep reductions in nuclear arsenals. I urge my colleagues to support this resolution.

Mr. ADDABBO. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. I am sure that as many people have said today, that just about all has been said here that needs to be said many, many times over. It is very unlikely that anybody who voted yesterday would change his mind or her mind. But there is always the hope that a few will, and that it is well worth speaking out in that maybe unlikely eventuality.

I have followed this debate as everybody has for the last few days, and last year, and the year before. I have listened to all of the intricate arguments about the negotiating strategies and how that ties in with the MX.

It just seems to me that that may be a little bit beside the point and that the real point here is that the MX, if you look at it over a period of time, just has not represented a good value and we all know that it is vulnerable. It never has acquired a basing mode that was worth a darn.

It is a first-strike weapon. We now find that to make use of it at all we

are going to have to harden the silos. I had a general come down and see me 1 week ago and we talked about hardening the silos. And he said we do not even know how to do it. It cannot possiblly be done until 1990, because the technology is so foreign to us. I could hardly believe that, but that is what he said.

We heard the Scowcroft Commission report 2 years ago. They basically said the device is a transitional device. It is not the kind of thing that will really do us much good. He did say to build a few, but he said go ahead all out with the Midgetman because that is a mobile missile that will be equally powerful, equally accurate, and it will do us so much good, and I bought that argument. I think it made sense.

The President said to me face to face, 2 years ago, I said:

How many of these missiles will you need to build, Mr. President?

Then he said:

Very few, just don't worry about it.
Will you ever build 100?
Never. We will bargain them away.

Well, he did not bargain them away and this year he says we have to have the missile because of negotiations. I do not think that anybody really, really believes that the MX has much to do with the negotiations in Geneva. It is just not conceivable that a missile of this nature that has had a 14-year history as spotty as the MX has had that barely got even a majority in the Congress year by year could possibly in any sense be the reason that the Russians came to the bargaining table.

It is inconceivable that a swing of a couple of votes is going to make the difference in the negotiations. It does not make sense.

Ambassador Kampelman said earlier this week to the question of what will happen if we do not get the MX, and he said: "Well, my negotiations might take a little longer."

For $30 billion, $12 billion for the MX's and $18 billion to harden the silos, and we would not get that done until 1990 when we will have the Midgetman, negotiating a little bit longer in Geneva is a very good, very good thing, and a good bargain as compared to $30 billion of money that we do not have.

I thank the gentleman for yielding.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. MILLER], a very able member of the Defense Subcommittee.

Mr. MILLER of Ohio. Mr. Chairman, it is hard to know what additional points or arguments can be made in this debate. In recent weeks, as the other body and now we in the House consider these resolutions, every conceivable aspect of this difficult problem has been examined—not only on the floor of our two Chambers, but also in the media, and in free and open debate among our citizens. But it is not only in recent weeks that we have examined this issue. We in this country have been agonizing about the MX for years.

The President appointed the Bipartisan Scowcroft Commission 2 years ago to examine this issue and make recommendations. We all know what those recommendations were. The Commission recommended deploying 100 MX missiles in silos, proceeding with the development of a small, single-warhead missile, and pursuing arms control negotiations. That, of course, did not put a stop to our national debate. As Nicholas Brady, former Senator from New Jersey and a member of the Scowcroft Commission, wrote in a recent Wall Street Journal article, the Commission's recommendation was 2 years and several million words ago.

We have all been deluged with articles and commentary on both sides of this isue. We have heard from our constituents—again, on both sides of this issue. This is all as it should be. That is our free and democratic process in action. We all love and want to preserve this free and open society. And that is exactly the point I want to make now.

Unfortunately, not all the people of the world have the privilege of living in free societies. Was there a great public debate in the Soviet Union, involving citizens and free media, questioning the production and deployment of over 600 SS-18's and SS-19's, both of which carry multiple warheads? Are Soviet citizens writing to the bosses in the Kremlin to express their views, and are these views being taken into consideration in determining Soviet policy? Of course not. It is a tragedy, but the fact of the matter is that the Soviet Union is ruled by a few powerful men, who oppress their own people, and seek to dominate other nations. That is what we are up against in dealing with the other superpower. And that is what makes our decisions so difficult.

We ourselves are peaceloving, and would much rather see our national resources used for purposes other than military might. But we are up against a regime which, every since seizing power, has been willing to deny the domestic needs in its society in order to increase Soviet military might.

There is no one on the floor of this Chamber who is not concerned about the dangers of nuclear weapons. We are all committed to seeing our Nation pursue policies that will prevent nuclear war and will preserve our Nation's freedom and security. The point at which we differ is in determining whether the addition of 21 MX missiles will contribute to the goals we are all seeking to achieve.

I think it is important to bear in mind that we possess nuclear weapons as a deterrent to aggression and attack. We have not used our nuclear capability to intimidate or blackmail any other nation, even when we had a monopoly on this awesome power. Anyone who thinks that the United States possesses nuclear weapons in order to take an aggressive stance toward other nations does not know this country very well.

The Soviet military buildup, to which I referred earlier, has gone far beyond reasonable defensive needs, and has destabilized the strategic relations between our two nations. The MX is designed to restore the balance between the two superpowers, to give us once again a credible deterrent capability. Deterrence is all we seek, and deterrence helps keep the peace. We will not be promoting the deterrence-based peace if we do not upgrade our strategic missile capability in the face of the Soviet advances in this area.

But another aspect of this equation—and it is a complex equation—is that we are earnestly seeking a mutual, balanced, and verifiable arms reduction agreement with the Soviet Union. And that is why our negotiators are at Geneva. It makes absolutely no sense for us to negotiate with ourselves, and deny ourselves an improved strategic missile capability, without getting anything from the Soviets in return. As I pointed out earlier, if we unilaterally disarm ourselves, there will not be free editorials, and peace marches, and sit-ins in the Kremlin, urging the Soviet bosses to follow the American lead. Anyone in the U.S.S.R. who tries that gets a one-way ticket to Siberia.

So if we want to see a genuine two-sided arms reduction agreement, we simply must not cut the ground out from under our negotiators in Geneva. They have to bargain from a position of strength if they are to obtain reciprocal reductions with the Soviet Union.

Like everyone else, I wish we did not have to spend the $1.5 billion on the MX. I doubt there is a Member of this Chamber who is more reluctant to spend the taxpayers' dollars than I. But we can't fall into the trap of thinking that when we spend money for national defense, we are not getting anything for this expenditure. We are buying peace and freedom, which is to the benefit of each and every American. I ask my colleagues: isn't peace worth $1.5 billion? Isn't the freedom of our Nation worth $1.5 billion? Isn't improving the chances for a genuine arms reduction agreement worth $1.5 billion?

I have weighed the issues carefully in my own mind, and have come to the conclusion that the additional 21 MX missiles will, in fact, contribute to these goals, which we all seek. I urge my colleagues to vote to release the funds for the MX.

□ 1540

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. I thank the chairman.

I have two quick points which need to be stressed.

First of all, if the 21 missiles are a bargaining chip, or a leverage for Geneva, there is no reason why that bargaining chip has to be played now. A tough bargainer, and we should always be tough bargainers with the Soviets, a tough bargainer would play his bargaining chip at the right moment, not at the beginning of the game. He would put it in his back pocket and he would play it when the right time comes. Why give it away now? Why not hold it and see how the Russians in fact do behave in Geneva and then play it if that is appropriate?

Second, the vote on Thursday is not necessarily slamming the door on those 21 missiles. If that vote goes against the MX on Thursday they can always be brought back later. However, if you vote yes on Thursday you will never de-deploy them.

Finally, on costs, it is not $1.5 billion as some people say, we are talking about a $5.3 billion program because of the hardening cost that will greatly increase the amount of money that must be spent. So we are not just talking about $1.5 billion.

Mr. McDADE. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Ohio.

Mr. KASICH. I appreciate the gentleman yielding.

Mr. Chairman, I want to say initially that I think the gentleman from Kentucky [Mr. ROGERS] made some very good points in the debate when he talks about the deployment of SS-17's, SS-18's, and SS-19's. Now we are off the drawing board on the SS-24's and SS-25's. I am told that we could see deployment of the mobile 24 or 25 any day. When we take a look at the fact that the Soviets have deployed over 600 MX-type missiles and what we are looking at in this country essentially is 42, an additional 21, but 42, when you see that the Soviets have deployed over 600 of these same MX-type missiles, and the fact that people say "Why do we need this MX when you put it in a vulnerable silo?" We have already heard the arguments about the synergy. We understand the fact that the MX, if we read the Scowcroft Commission report, understand that the MX really is an effort to modernize our forces today, that to not have this leg as a viable leg of our triad is in itself destabilizing; that the Scowcroft Commission says that for the Soviets to be able to place at risk a variety of our targets were thus being unable to place at risk the same number of targets in their nation, that that situation is destabilizing and that the movement to put MX and to deploy MX today and to modernize that leg of the triad is in fact stabilizing.

Now, let us move on from that because we must all understand that MX is linked to Midgetman. Midgetman, viewed as an effort to try to remove the importance of each individual platform, to try to have more platforms, thus making each target less important. What we hope is by moving toward Midgetman that we encourage the Soviet Union away from the heavy missile dependency and move them in the direction of more mobility, less emphasis on every single platform.

Let it be further pointed out that Scowcroft also said that we do need to continue to modernize our submarine force by moving toward the D-5, by building smaller subs which again is more stabilizing, because then we deemphasize the importance of each platform and at the same time they advocate the continued development of cruises and B-1.

All this is designed to maintain, to have a modern triad, a deterrent that has kept the peace in the nuclear age.

We also heard from Mr. Kampelman who said: "Please let me go to Geneva," and in fact he was here the day before he went to Geneva and sat down to eyeball the Russians and said:

Let me have it, don't undercut my negotiating position, don't hurt my negotiating posture, don't send me to Geneva and pull the rug from under me. Let me use this as a bargaining chip.

To me I think it will be great if it is a good bargaining chip, if we could not deploy the MX and get the Soviets to reduce some of their 18's and their 19's and their 17's. That would be fantastic but that argument about the bargaining chip goes by the wayside because if we won in Geneva we would still recognize the need to renew America's insurance policy and breathe modernization into this land-based system.

Let me though for a second dwell on one issue that we have been hearing about and I will tell you people on this side of the aisle, and the conservatives are concerned about this is any issue in America, and that is the issue of deficit and of cost.

I want to make it clear that Mr. COURTER of New Jersey and I have been working on programs designed to figure out how we can stop momentum that can be built into a defense budget, how we can start to look at deficit reduction and have defense play a part; what we can do to look at what the President requests and what we think we can do without in terms of modernization or what we can delay or what system may not be needed or try to figure out what we can do to try to slow the deficits and slow the growth in the defense budget.

Now, you must recognize that when you look at strategic programs in the defense budget, when you talk—and this is very interesting—when you talk about the B-1 bomber, the maintenance and general operations of the B-52, the Trident, the MX, the antisatellite program, the Midgetman development, the Pershing II, the cruise missile, the Stealth bomber technology, the shuttle cost, the development in command control and communications, add it all up, Trident, MX, B-1 ASAT's, CQ, add them all together and what does it come out to? You add it all together and it comes out to about 10 percent of the entire military budget.

Now, mind you, let me tell you no one is more concerned about nickels and dimes, not even talking billion but nickels and dimes and hammers and wrenches and screws; I have my own legislation to control spare parts, excess property, waste in the military, and not producing systems that do not work. We are going to hear more about all of that. But when you are looking at deficit reduction and a way to stop the momentum that is built into this defense budget you cannot pick on a section of this and claim this is a panacea when it represents about 10 percent of the total defense budget. If you really want to take a look at where the big costs lie, you have got to look at conventional systems, you have to look at munitions, where we are going to go from $12 to $20 billion in 3 years or support a command and control which goes from $23 to $46 billion, or RDT&E, research, development and testing which increased 100 percent over the last 4 years. There is a variety of areas where we are talking big areas, big possibilities of categories that affect momentums built into the defense budget. We all know that what you authorize today you end up spending tomorrow.

So while we must look at it all, let us not mislead the American public into letting them think that the strategic programs comprise a vast majority of the DOD budget, because it just simply is not true, ladies and gentlemen. In fact it is about 10 percent and at times less.

Now former President John F. Kennedy invested about 50 percent of the budget resources that he had at his command in defense. This President is investing about 26 percent of the resources at his command in defense. I think it is very interesting to look, that when you have a President like John F. Kennedy recognizing the threat that existed to the world and investing 50 percent of the resources and this President recognizing the threat, and the bipartisan commitment, stressing it to the tune of about 26 percent of the budget, I think we must recognize that while defense must play a vital role in deficit reduction, let us not build a house of cards, let us not build a straw man and let us

not mislead the American public into understanding the difficulty of our task and recognizing how each component ought to play, or what its role is in deficit reduction.

Strategic programs, 10 percent of the overall military budget; let us not just look at strategic, let us look at everything and let us recognize the need for modernization.

□ 1550

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I was listening patiently to the remarks of the gentleman from Ohio a minute ago, who made a statement that we should not mislead the American people on cost of our military defense, nor should we mislead the American people on the cost of any parts of that defense.

As a member of the Committee on Appropriations' Subcommittee on Military Construction, I suggest that some of the representations made to Members of Congress in the last 48 hours on the cost of the MX missile do not square on figures that I have heard over the last several years.

So I called a man whom I judge to be the Nation's most influential and credible authority on the question of defense, and that is the Senator from Ohio, Mr. GLENN. And Mr. GLENN came over to the House side today and talked with several of us about the MX program. And here is what he had to say:

He said first of all that the cost of the MX program is far beyond the figures that are being represented by the White House. Instead of the $74 million per missile, the real cost is about $254 million. The White House has not told Members of Congress that the cost of hardening the silos and modernizing the silos to receive the new missile will run up to $180 million per silo.

So instead of a $10 billion program, we have about a $40 billion program.

Another thing that the Senator from Ohio, Mr. GLENN, stated was that the MX missile actually weakens our Nation rather than strengthening our Nation because it uses up funds unnecessarily to deploy a vulnerable weapon which then crowds out the use of those funds for a Minuteman missile—a mobile and defendable missile and which protects America far better than the MX we authorized yesterday.

I was very impressed with the remarks of Senator GLENN not only because he is a patriotic American but because he is recognized, not only in our great nation, but around the world as an authority on missile defense.

So if there is any one of us who wants to ask a question where he may be in doubt, I say call upon the person who knows the most about the program, and that is Senator JOHN GLENN.

I yield to the gentleman from Texas [Mr. COLEMAN] who was in the meeting with Senator GLENN and I when we discussed these matters.

Mr. COLEMAN of Texas. I thank the gentleman for yielding to me.

Mr. Chairman, I ask the gentleman whether it is his understanding that each MX missile is to cost approximately $74 million. That is just for the missile alone; is that your understanding?

Mr. ALEXANDER. That is for the missile itself; that is for the bullet.

Mr. COLEMAN of Texas. OK.

From the meeting this morning, from what I understood, that the Air Force had testified to in the other body, was that the hardening of the silos if in fact we are going to place these in hardened silos, would cost in excess of—let us use the number of $180 million per silo.

Is that your understanding?

Mr. ALEXANDER. That is what the gentleman from Ohio [Mr. GLENN] said.

Mr. COLEMAN of Texas. So the total cost for one MX missile comes to approximately $254 million?

Mr. ALEXANDER. $254 million per missile, deployed in each silo.

Mr. COLEMAN of Texas. In other words, your statement was, I believe, that we will receive only four missiles for every $1 billion that is spent?

Mr. ALEXANDER. That is correct. For each $1 billion the American people receive four MX missiles deployed in the silo.

Mr. COLEMAN of Texas. I would only like to comment, if the gentleman from Arkansas will continue to yield.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALEXANDER. Mr. Chairman, I ask for 1 additional minute.

Mr. ADDABBO. I yield 1 additional minute to the gentleman from Arkansas.

Mr. ALEXANDER. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. The comment, I think, that was the most telling of all of that discussion that came from Democrats who were at that meeting, was that there was a total unified statement, the Democrats wanted a stronger defense, not one that was weaker, and the feeling at least voiced by this particular Member, was that the MX was effectually creating us a problem in terms of building and buying the modernization we need for all of the other systems; the D-5, Tridents, the Midgetman and all the rest.

Is that what you gained from that meeting?

Mr. ALEXANDER. My understanding is that because of this enormous cost of the MX missile of the overall effect will be to weaken our defenses. We simply will not be able to buy the kind of defenses that we need in the future to make our Nation strong and to defend us against the Soviet threat.

Mr. COLEMAN of Texas. Does the gentleman understand that nobody has yet told us how we are going to even pay for the $1.5 billion much less than the four per billion?

The CHAIRMAN. The time of the gentleman has expired.

The Chair will announce that there remains 9 minutes on each side.

Mr. ADDABBO. I yield 1 additional minute to the gentleman.

Mr. ALEXANDER. Mr. Chairman, in response to the question of the gentleman from Texas, I raised that question yesterday with the President when he called me; the President asked me about my position on the program and I told him that I have supported his defense modernization program and in fact Members of Congress from the South have a tradition of voting for defense programs, and I have carried out that tradition.

I told him that his modernization program, I believe, was defective because there was no plan for payment, and that I felt that the cost of this program which created these enormous deficits was linked to the depression in the farm community, and the closing down of our textile mills, and so on.

We engaged in a conversation of that type, and it went on to the question of the deficit. I said, "By the way, Mr. President, I have heard your speeches about a balanced budget." I said, "There has been a question that I've wanted to ask you now for the 4 years that you have been President." I said, "If you want a balanced budget, Mr. President, why don't you submit one?"

And there was this silence.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADDABBO. I yield 1 additional minute to the gentleman.

Mr. ALEXANDER. There was a silence on the other end of the line; the President obviously had not thought that he would be questioned about his plans for a balanced budget, and he said, "You know, that is the most hypocritical question I've ever heard."

I said, "Mr. President, that is the most reasonable question that could be asked at a time when you are pursuing a credit card defense policy which, by your own definition and figures will leave the American people with an $185 billion deficit when you leave Washington and return to California."

Defense policy is inextricably linked to deficits and those deficits are

having a devastating impact upon our economy, especially in the farm sector, in the textile mills that are closing down, and in the shoe factories that cannot compete with these foreign products that are subsidized because of the economic policy of the President.

Mr. AuCOIN. Will the gentleman yield to me?

Mr. ALEXANDER. I yield to the gentleman.

Mr. AuCOIN. The gentleman has made an excellent contribution in pointing out how much higher the cost if we have to add hardness to the cost of the system.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADDABBO. I yield 1 additional minute to the gentleman from Arkansas.

Mr. ALEXANDER. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, the gentleman has made an excellent contribution by indicating how much more expensive this program will be if we have to factor in the cost of hardness in order to try to make these silos that we are placing these missiles in, if we approve them less vulnerable to attack.

Mr question to the gentleman is, however, how much more expensive would it be, beyond the numbers he has already developed, if the Soviets merely increase their accuracy? Does not it follow that the cost of additional hardness, on top of what he has described, will run the cost up even further.

Would the gentleman agree?

□ 1600

Mr. ALEXANDER. I will agree with the gentleman. And, further, the MX is a vulnerable weapon, no matter how much concrete we put on top of its deployment.

Mr. AuCOIN. Would the gentleman yield for just one further question?

Mr. ALEXANDER. I yield to the gentleman.

Mr. AuCOIN. That gets to another point that I should like to make, and that is that there is nothing in the administration's arms control proposal in Geneva that would in any way limit Soviet accuracy.

Mr. ALEXANDER. The gentleman is correct.

Mr. McDADE. Mr. Chairman, I yield 4 minutes to my colleague, the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I do not think there is any doubt that a defeat for MX today would be cause for partying in the Soviet Union tomorrow and that the vodka glasses would not be lifted high, toasting the victors.

Yes, it would have an impact on the talks at Geneva. I do not think anybody doubts that. But what about beyond Geneva? What is the impact of a defeat for MX on the other parts of the Soviet foreign policy-defense policy continuum? What is the impact of a defeat for MX on Afghanistan, on the war that they back in Southeast Asia, on the war in Ethiopia, on the war in Angola, on the wars in Central America?

The Soviets view defense and foreign policy, the strategic, the tactical, the wars of national liberation together as a continuum.

The defeat of MX in Washington is a victory for the Soviets in Moscow. And I do not think anyone would argue that the Soviets are not unalterably opposed to our production and deployment of MX.

Will this defeat, if it came to pass, embolden the Soviets to put more painful pressure on the people of Afghanistan? Would it embolden them to be more forceful in the conduct of their war in Southeast Asia and their wars in Africa and their wars in Latin America? Would it encourage greater repression against Soviet Jews and nationalities inside the U.S.S.R.? Of course it would. Why? Because they view competition with the West as a whole, where the different parts come together and because one victory is cause for persevering in, and seeking, others.

On behalf of those seeking freedom from Soviet domination, we should deny the Soviets a victory on the MX.

Mr. Chairman, at this point I would like to add some additional comments of mine.

Mr. Chairman, I want to give my children a world in which the threat of nuclear war is reduced. I do not want them to face the threat we face today.

Last year Congress voted to go slow on MX procurement. I supported the Aspin compromise to put a moratorium on these 21 MX's for 6 months. This gave the Soviets time to reconsider their ultimatum when they walked out of last year's arms control talks. The Soviets had time to realize that we would not be bullied into submission.

Since then, Mr. Reagan has been reelected, showing the Soviets that they must deal with him if they want to deal, and the Soviets have decided to return to the table to talk. Now it's up to us to show them that we're very serious about mutually beneficial arms control.

Some of my colleagues are making it sound as if the entire question today is "the MX or not the MX." Fortunately for us, that is not the choice. What we need to remember is that we are voting to release funding for only 21 MX missiles, less than one quarter of the total requested for deployment. House Members in doubt will have another vote later in the year on the remainder of the administration's MX missile request, well after the talks in Geneva are underway.

I say to my colleagues: now that we and the Soviets have shown that we want to talk, let's give them something to talk about rather than deciding now to do away with one of our most advanced weapons systems. Many Americans find the technicalities of arms control, such as throw weight, hard-target accuracy, MIRV's, MARV's, and so forth, difficult to swallow. However, we are all familiar with labor negotiations and there is a parallel here. How many union members would support a labor negotiator who, as bargaining talks were getting organized, would promise management that labor would not use one of its more powerful weapons, the right to strike, without similar concessions from management? That may be a reasonable concession later on, after tough, head-to-head negotiations, but certainly not up front.

Mr. Chairman, I support releasing money for 21 MX missiles now, so that both the administration and the Soviets know that we will go ahead, slowly, with putting this weapon into our arsenal, until we can come to a mutually acceptable agreement to reduce them and the over 600 Soviet MX missiles already deployed. Let's go ahead with MX until we can mutually agree to reduce.

I agree with the Scowcroft Commission: The MX is not the best weapon we might have. It's more vulnerable than we would like, but integrated into our total strategic forces, it's the best we have under difficult circumstances. Let's make sure, as we give the President the MX, which he has stated is crucial to his success at Geneva, that we can look with some hope for success at Geneva. The President has promised to do his best in Geneva. We hope for a similar strong commitment from the Soviets in return for our commitment to support mutually acceptable and significant arms reductions. The Soviets should know that we would prefer not to have to build the MX. Their actions at Geneva could make that preference possible.

I say to Mr. Reagan: Mr. President, we will increase these 21 MX's, but we implore you to be creative, be innovative, keep an open mind, and most importantly, press the Soviets for a workable arms reduction package, and bring it back as soon as possible.

Mr. ADDABBO. Mr. Chairman, I yield myself 30 seconds. I think we should give a victory to the American taxpayers by saving this $1.5 billion, and I think the $300 billion that we are spending on defense should be enough message to the Soviets that we are sincere in our national defense.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, yesterday we voted to authorize the release of $1.5 billion for 21 MX missiles. Tomorrow we will vote on the resolution to appropriate the $1.5 billion. We now have a few hours to consider more carefully some of the arguments that have been presented in the course of this debate, and to stress again why opposing the missile is so important.

Mr. Chairman, it seems that all the Members of this House are now supporters of arms control, and that is a development that I applaud. But I think that we are fooling ourselves if we think that this $1.5 billion and these 21 missiles will buy arms control. The President suggests that the expansion of our arsenal of nuclear weapons will cause the Soviets to agree to reduce their arsenal. But common sense and history suggest that the expansion of our arsenal will cause the Soviets to expand their arsenals in turn. And then, Mr. Chairman, we're off the arms race.

Building these missiles is a gamble, if what we are really trying to do is gain an arms control agreement. It is a gamble where losing will have very high costs. If we buy the 100 MX missiles, and get no arms control, we will be $41 billion poorer, $41 billion that we need to provide for our security at home if we don't get security from Geneva. Buying the MX to get arms control is a gamble at very long odds with the American taxpayers' money.

If we build 100 MX missiles and get no arms control, then, Mr. Chairman, we will be stuck with the missiles. Even many of the supporters of the MX missile have said that they do not like it as a weapon, that they do not like it as an investment, that it is a dangerous and destabilizing anachronism. But they have to face up to the fact that if this body votes to appropriate the $1.5 billion, and the next $3 billion, and so on, America will probably have 100 dangerous missiles and no arms control.

There is one more point I would like to make. In news reports this morning we have read that some Members on this side of the aisle, some Members who reportedly voted against the MX resolution, were secretly happy that the MX was funded. Supposedly, these Members were concerned that by voting this missile system down, we Democrats would appear soft on defense. Let me tell those Members, if in fact that is their belief, that they are wrong, and that they are worried about the Democrats' image at the expense of our country.

We were not, and are not, soft on defense. We were being, and will be tomorrow, hard-nosed about spending money on bad defense. And it is ironic that those who now criticize us for refusing to waste money on this bad investment are the same people who criticize Democrats for being big spenders and trying to solve problems only by throwing money at them.

If we want to avoid looking soft on defense, voting for this missile system is not the answer. What we may save in image, we lose in serving the national security interests of the American people. And if we think we can fool the American people, or the Soviets, by buying this pig in a poke of a missile system, guess again. In a Washington Post-ABC national poll published this morning it is reported that the public is opposed to our Government building the MX. The only ones we are fooling are ourselves, and the only ones who benefit are those who receive the $1.5 billion dollars of taxpayers money. America will be less rich, less strong and less safe.

Arms control cannot be bought by spending $1.5 billion for 21 more missiles. The idea that anyone will be safer if we spend this money for 21 more MX missiles defies all reason. I urge my colleagues to vote against the resolution and against releasing the $1.5 billion.

Mr. McDADE. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding me this time to make a few remarks in response to my friends on the other side of the aisle, and a few on this side of the aisle, who have raised a question, I think a common question, throughout this debate, and that is: How can a missile help arms control? And I think that was the question that was manifested in the statements earlier today of the gentleman from California [Mr. DELLUMS]. I think surely the gentleman from Oregon [Mr. AUCOIN], my friend, the gentleman from New York [Mr. DOWNEY], and several others. I think the best answer to that question was given in the letter that was written on the danger of thermonuclear war by Soviet physicist Andrei Sakharov, the winner of the Nobel Peace Prize, and he said this:

> It seems very important to me to strive for the abolition of powerful silo-based missiles at the talks on nuclear disarmament. While the United States is the leader in this field, there is very little chance of its easily relinquishing that lead. If it is necessary to spend a few billion dollars on MX missiles to alter this situation, then perhaps this is what the West must do.

And that is what Max Kampelman was talking about at the White House the other day. And my friend, the gentleman from Massachusetts [Mr. FRANK], said,

> Well, I think, with all due respect to this great physicist and this peace prize winner, that he is wrong, because we cannot expect the Soviets to give up their SS-18 missiles, their 308 SS-18 missiles.

That may be so. That is very clearly the centerpiece of their strategic force. But we cannot expect reductions in that force, maybe not complete abolition, but we cannot expect reductions in that force unless we have something that is very similar in throw weight and accuracy. That is the message that Andrei Sakharov gave.

Let me just say that my friend, the gentleman from California [Mr. MINETA], said the MX is a gamble. If it is a gamble, it is a gamble that is recommended by America's arms negotiator Max Kampelman. And he said, in response perhaps to some [illegible] ations—and I will be happy to yie[illegible] my friend in a minute—that he should not be, as a Democrat, leading this charge for the Reagan administration with regard to arms control, and he said—and I think my friend from Massachusetts talked about his statement—"I go on the philosophy that we only have one President at a time," and he thinks that if we give up this MX unilaterally the Soviets will, in his estimation, delay the arms talks. That should be of great interest to everybody who, No. 1, trusts Mr. Kampelman and, No. 2, is interested for these arms talks to go ahead.

Let me just conclude by saying that Paul Nitze said that if we unilaterally cut MX, then the Soviets will escalate their demands.

Now, if these gentlemen have bad judgment, maybe we should fire them from their jobs upon which the very existence of our country depends. If they do not have bad judgment and we do trust them, then we should trust them in this case and we should let American foreign policy this one time go from these shores with a single voice.

I very much agree with my friend, the gentleman from Massachusetts [Mr. FRANK], who says it is Congress' right to fight with the President. Absolutely. But not every time.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Massachusetts.

□ 1610

Mr. FRANK. I had yielded to the gentleman in similar circumstances.

Mr. Chairman, let me just say, I want to quote what the gentleman said about Mr. Sakarov. Of course I want to see missiles reduced. He asked me a specific question. He quoted Mr. Sakharov, I happen to have the transcript here: "It seems very important to me, Mr. Sakharov, to strive for the abolition of missiles."

My point to the gentleman from California is that no one is striving in these negotiations, as a realistic goal, for their abolition, and therefore, I disagree.

Mr. HUNTER. I take back my time to say but they are striving for the reduction of those missiles, and if the MX will allow us to get reductions, that is just as good as abolition.

I yield to the gentleman.

Mr. FRANK. Let me also say, again, if he meant reduction, I would have talked reduction. I was only talking abolition.

Second, I have to profoundly disagree with the notion that we should speak on foreign policy with one voice.

Mr. HUNTER. I take back my time to say that I agree that we should not always speak with one voice, but in this particular instance, when we have our negotiators telling us we need it, we should go with the President, we should not fight with the President. We should let foreign policy go from the shores with one voice under these circumstances.

Mr. FRANK. I would just ask the gentleman to yield so I can express my disappointment that he would not show me the consideration and yield that I showed to him earlier.

The CHAIRMAN. The Chair would announce that the gentleman from Pennsylvania [Mr. McDADE] has 2 minutes remaining. The gentleman from New York [Mr. ADDABBO] has 2½ minutes remaining.

The Chair recognizes the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. Mr. Chairman, I yield 2½ minutes to the gentleman from Oregon [Mr. AuCOIN].

Mr. AuCOIN. I thank the gentleman for yielding me this time.

Mr. Chairman, I was impressed with the statement of the gentleman from California, who quoted the words of Andrei Sakharov, because I am sure the gentleman understands and remembers that Sakharov also had supported ratification of SALT II, and if his position today is that we should follow the advice of Mr. Sakharov, then I am sure the gentleman also supports the SALT II agreement, although I have not heard him say that he supports SALT II. But I hope that he does.

Mr. Chairman, we really return to the point that is that this is a vulnerable missile. It is vulnerable; some of my colleagues, the gentleman from California and the gentleman from New Jersey, said that this great concept of synergism in the triad is somehow going to protect the MX missile in vulnerable, fixed-base silos.

The only trouble with that is that the Scowcroft report said that synergism is going to die. To whatever extent that it exists today, it is going to ultimately die. The reason the report said that was that with the accuracy of Soviet SLBM's, ultimately that synergistic relationship that provides theoretical protection for these silos will no longer be there.

If you want to keep this synergistic relationship that you say provides us protection, then only the freeze will do so. Not the START proposal that our negotiators are putting on the table in Geneva; not the build-down proposal or any combination thereof, but only a freeze on a mutual basis, a verifiable basis on production, deployment and testing of nuclear weapons. If you do not do that, then we are left with what we have said from the beginning. We have a vulnerable weapon; a vulnerable weapon does not deter; a vulnerable weapon invites the other side to hit us in our glass jaw.

Our glass jaw in our missile fleet is the MX missile. One point five billion dollars this year in a totally indefensible weapons system. At a time when we are seeing the vetos of farm credit legislation, that is a dismal bargain militarily and for the taxpayer. I hope my colleagues will vote against the MX.

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to address myself first to the notion that some people have floated on the floor that this is somehow a vastly different vote from the vote that the House expressed itself on the other day. That it is an appropriation vote that does not matter.

That could not be more erroneous. If you want to undo the good that was done in the vote yesterday, then you have got to continue and appropriate the money that will deliver the production of those 21 missiles. To fail to do so will be to negate, in an even more meaningful way, our efforts to be supportive of our negotiators in Geneva.

Let me say that it was the Scowcroft Commission that recommended that we do this. Now, the gentleman who just preceded me somehow seems to think that the Commission is not in favor of the MX, or at least he purports to put that proposition to the House, and that is not the case.

The case is that they recommended that we produce a limited number of MX's and then move to a Midgetman missile in order to preserve the triad concept which has maintained peace in the world. They do this by recommending that in the 1990's we transition to the Midgetman and we are spending R&D money for that missile now. It is a missile in concept, on a drawing board, in a computer. It is not extant anywhere.

There is only one missile that we have for the rest of this decade that we can negotiate with the Soviets about, and that is the missile, that not just the Scowcroft Commission but, indeed, four Presidents of the United States, dating back to 1972, recommended that we build because the Soviets had deployed over 600 hard target capable weapons and disturbed the equality and the symmetry that existed between our ICBM's.

They have the capacity today to destroy our ICBM's. It is essential that tomorrow we carry the vote for the appropriation and continue on with our negotiations for peace in Geneva.

● Mr. WAXMAN. Mr. Chairman, I wish to express my strong opposition to funding the MX missile.

First, let's look at the military merits of this missile. The MX does exactly the opposite of what a weapons system is supposed to do—deter. In order to deter a nuclear strike, a weapon has got to be able to survive that strike and fire back. The MX, in, its fixed silos, cannot do this.

That would be a serious problem for any missile. But it is especially serious for the MX, because this missile has 10 warheads on it. These warheads make the MX more attractive than any other missile as the target of a first strike. The Soviets or any other adversary would know they could get "10 for 1"—they could knock out 10 of our missiles with only 1 of theirs. So from the standpoint of deterrence, MX is not only useless, it is counterproductive, it is actually an invitation to attack.

Second, let's look at the budgetary merits. We are in a year of terrible budget sacrifices. As the debates now going on in the House and Senate Budget Committees make clear, we are going to have to make terribly painful choices of domestic programs to cut this year. I cannot justify voting for billions for a weapons system that would add nothing to our security, while the same sums would fully fund many of the programs that will be frozen or cut.

Finally, let's look at the argument that we need MX for the arms talks in Geneva. You would think from those who make such arguments that MX is the only weapon in our arsenal, the only thing the Soviets would want us to give up. In fact, the Soviets are looking at accurate new warheads on our Minuteman III missiles; first-strike missiles coming from our Trident II nuclear subs; Pershing II missiles in Europe with pinpoint accuracy and 8-minute flight time to Moscow; a new generation of cruise missiles; and Stealth, radar-evading bombers—not to mention the prospect of an elaborate space-based missile defense in the future.

Mr. Chairman, for these three reasons I believe the MX is dangerous and unnecessary and I urge my colleagues to vote against funds for it. Thank you.●

● Mr. FEIGHAN. Mr. Chairman, the current debate over whether or not to release the $1.5 billion in fiscal year 1985 funds for the production of a second increment of 21 MX missiles focuses primarily on three considerations: The military merit of the MX, its political value at the Geneva arms negotiations, and the overall cost of the program. Under each consider-

ation, the MX fails to be a worthwhile investment.

There is no military rationale for pushing ahead with the production of the MX. The missile was originally designed to replace the Minuteman ICBM's because these missiles were assessed to be vulnerable in fixed silos. If the silos are responsible for the vulnerability of our land-based forces, then placing the MX in the same silos clearly does nothing to address the vulnerability issue. The threat of the MX to Soviet ICBM silos, moreover, is highly destabilizing; we should not be taking a posture that encourages rash decisions on the part of the Soviets such as a launch-on-warning policy (Subject to computer error and heightening the risk of accidental war) or a decision in a time of crisis to launch a preemptive first strike.

The administration has all but abandoned efforts to justify the MX on military grounds. Instead, it has focused on the political rationale, claiming that it is needed for negotiating purposes. Both President Reagan and Secretary Weinberger have stated explicitly that the MX is not a bargaining chip, but credit the MX with bringing the Soviets back to the negotiating table. This argument makes no sense. Congress approved production of the first 21 missiles in November 1983; 1 month later the Soviets walked out of the Geneva START talks. Congress suspended production of the MX in October 1984; 3 months later the Soviets agreed to resume negotiations. If a correlation is to be drawn between MX production and progress on arms control, the conclusion must be that suspending MX production improves the atmosphere for talks.

Finally, and perhaps most important in these difficult economic times, the MX is a prohibitively expensive weapon. The General Accounting Office has estimated that the total program will cost $29 billion. A decision to continue production of the MX will be a blatant misuse of our financial resources, especially in light of its negligible military worth and considering the sacrifices we are asking our constituents to make in other areas.

Mr. Chairman, the MX is not fiscally, militarily or politically sound, and I believe strongly that it does not and cannot serve the interests of this country. In subcommittees, committees and on the floor, Members of this body have voted nearly one thousand times on the continuation of this program. I sincerely hope my colleagues will join me in making this vote the last.●

● Mr. ROYBAL. Mr. Chairman, I was very disappointed in the results of the vote on the MX missile yesterday. I can only hope that my colleagues will reconsider before the final vote is taken.

There were good, sound reasons why the Appropriations Committee voted down the MX. The bottom line is that the American people are being asked to pay for a weapons system that is expected to cost more than $40 billion when it is finally completed. $40 billion! And what will we be getting for our $40 billion that can justify that kind of expenditure? A good defense? Hardly. The MX will be almost as vulnerable as the Minuteman it is supposed to upgrade. An effective retaliatory weapon? Not likely. CBO estimates less than 5 percent of MX missiles would survive a Soviet attack after 1996. A deterrent force? Absolutely not. A system with no other conceivable use than as a first strike weapon can hardly be said to deter. With all our other defense options, with all the more credible weapons systems that have been proposed, with all our pressing operations, maintenance and personnel needs, the MX missile is, to say the least, not a wise use of our defense dollars.

How did our priorities get that twisted? How can we even consider spending that kind of money on a useless weapons system and at the same time ask the American people to absorb large cuts in domestic spending for programs which serve millions but which the President deems wasteful? Let's look at what we could buy for the $4.7 billion—$1.5 billion now and $3.2 billion later—we are being asked to approve for the MX this year.

For starters, we could restore all $2.3 billion the President wants to cut from student financial assistance. Then we could take the remaining $2.4 billion and use it to make up for some of the after-inflation cut of 22 percent sustained by the elementary and secondary education budget between 1980 and 1984. A wise investment in the future of our Nation.

Or we could devote some of those funds to health care. We could restore the $1.1 billion the President wants to cut from Medicaid next year. We could also restore some of the funds we cut when we consolidated 20 health programs into four block grants back in fiscal year 1982. The President is proposing less money for these block grants now than we spent in 1981, in spite of the way health costs have risen. For just what we're being asked to approve this year alone on the MX we could fund almost all of the National Institutes of Health.

Or we could take just half of the MX funds and pay for the entire school lunch program. For an extra $1.4 billion we could pay for the Women, Infants and Children [WIC] Nutrition Program as well. The possibilities are endless but the point is clear: That money can be put to far, far better use.

In spite of the high stakes, this is not a poker game. It is a debate over a nuclear weapon system that can kill millions of people and give destruction a new meaning. Every time we seem to be getting ready to put the brakes on this panic-like military buildup, we allow the President to redefine the basic argument. Every time the President tells us we will be harming the arms control negotiations if we do not approve the latest superweapon someone has dreamed up we back away from our duty. From what I've seen of this administration, its only real interest in arms control is in using negotiations as a bargaining ch[illegible] get all those new superweapons. The strategy seems to work every time, and all the while the deficit continues to grow and future generations are being saddled with the cost of our mistakes.

It is ludicrous to build the MX in the name of peace, for it is no peacekeeper. It is ludicrous for Congress to keep falling into the same trap. Let's return to common sense and vote down further funding for the MX.●

● Mr. OBERSTAR. Mr. Chairman, the argument that the MX missile is needed as a bargaining chip has been made for the past 6 years by two Presidents, and the argument has been unsound every time. President Carter said that he needed the MX to bargain with the Senate for ratification of the SALT II treaty. President Reagan asserts that he needs it to bargain with the Russians at the arms control negotiations in Geneva. It didn't work in 1979 and it won't work in 1985.

I've been voting against funding research, development, and production of MX for 6 years under a President of my own party and a President of the opposite party because I have been and am convinced that the MX missile is a waste of money and a grave threat to world peace and consequently to our national security. In addition, our Treasury cannot afford this kind of waste.

Ideally, Congress should have resolved the MX question long ago. We should have acted responsibly and directly to kill the MX. We haven't and we again face the cliffhanger outcome upon which the decision to spend $26–$40 billion ultimately depends. An affirmative vote by even the smallest of margins will set us on a course to waste even more money on this system—and the decision will have been made not on the merits of the MX as a weapons system but on its extremely questionable status as a symbol of national resolve.

The MX, like any weapons system, should be evaluated by assessing its contribution to national security. Under this evaluation, the MX is clearly deficient. The MX is extremely vulnerable to a Soviet first strike because the Minuteman silos are vulnerable. Hardening of the silos will not be completed until after deployment of the MX missiles and after the expenditure of $18 billion for hardening

alone. Furthermore, by the time the hardening is completed, the Soviets will have made significant improvements in accuracy overcoming the benefits of hardening, and we will have the Trident D-5 and the Midgetman ready for our arsenal.

The Congressional Budget Office estimates that less than 10 percent of our MX missiles would survive a Soviet attack in 1990, and less than 5 percent after 1996 because of improvements in Soviet missile accuracy.

Consequently, the MX will be of little use in responding to a Soviet first-strike attack. Rather, its only potential effective use would be in a first-strike by the United States, a use which this administration has foresworn for the MX. Consequently, either the system is of no use or we intend to increase our first-strike capability.

The Soviets can either conclude that we would spend up to $40 billion on a useless system or that we intend the MX to be a first-strike weapon. Assuming at least a minimum of rationality on the part of the Soviets, this Congress must expect that the Soviets will conclude the latter—that, we intend the MX to be effective, and it is effective only as a first-strike offensive weapon. Their reaction will be to increase their arms development, and move to a "launch-on warning" response system, further accelerating the arms race.

So much for the argument that the MX will encourage the arms control negotiations and that we need an affirmative House vote to provide an incentive for the Soviets to bargain seriously at Geneva. Furthermore, although the President has proclaimed the MX a symbol of national resolve, I cannot see how the U.S. Congress approving a colossal waste of money can demonstrate national resolve to the Soviet Union.

In addition, the record of arms control negotiations actually suggests that MX production is not a bargaining chip. The Soviets withdrew from the talks when Congress had approved MX funding, and agreed to resume last year when we suspended MX funding for new missiles. Paul Nitze, President Reagan's arms control advisor, has said that the MX was not key to the arms talks and that they would not make a dramatic difference in the outcome of the negotiations.

Today's vote will be to authorize the release of an additional $1.5 billion for 21 new missiles. Today's vote may be the last chance to stop the MX and the ultimate expenditure of $40 billion.

It is the last chance because the issues are clear, the defects of the system obvious, the cost to our Treasury unaffordable.

This House should end the madness, reduce the risk of nuclear war, and stop the waste of taxpayer money.

We already have the capacity to destroy every major Soviet military and civilian target. Further funding of the MX system will divert resources not only from necessary and effective defense programs, but from critically needed nonmilitary uses. The MX will continue to be part of the deficit crisis facing the United States. We are borrowing from the future to fund the MX missile, and the effect is a significant erosion of true national security which this administration fails to appreciate.●

The CHAIRMAN. All time agreed upon for today has expired.

Mr. ADDABBO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SHARP] having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles, had come to no resolution thereon.

PERMISSION FOR MEMBER TO REVISE REMARKS IN DEBATE ON HOUSE JOINT RESOLUTION 181

Mr. FRANK. Mr. Speaker, I ask unanimous consent, which I did not previously ask, that I be allowed to revise, slightly, my remarks that the Parliamentarian called to my attention that I had inadvertently transgressed a rule by referring, in less than glowing terms, to the other body. I ask unanimous consent that I be allowed to conform my remarks to the rules.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

□ 1620

GENERAL LEAVE

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of the special order speech today by the gentleman from New Jersey [Mr. HOWARD].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

GENERAL LEAVE

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of the special order speech today by the gentleman from Texas [Mr. WRIGHT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ARGONNE NATIONAL LABORATORY: BUILDING A BETTER FUTURE WITH NUCLEAR ENERGY

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. O'BRIEN. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial that appeared in the March 18, 1985, edition of the Chicago Tribune.

The subject of this article is a laboratory of international renown: Argonne National Laboratory. Long recognized as a leader in the field of nuclear energy, its discoveries and the technologies it has pioneered will have far-reaching effects and lasting significance for generations to come. One major initiative developed at Argonne is the integral fast reactor. This new generation of nuclear reactors will breed its own fuel and provide a steady, inexpensive, and nearly inexhaustible supply of energy needed to meet the growing energy demands of American industry. Yet deep cuts in the Department of Energy's fiscal 1986 budget threaten the viability of the integral fast reactor research program and a spate of other equally important projects at Argonne.

For 40 years, a cadre of hardworking researchers has charted undiscovered areas in the field of science in search of ways to improve the quality of life. Innovation, ingenuity, creativity, and a commitment of excellence to quality research have made Argonne a leading scientific force. The technologies it has developed have benefited American industries in fundamental, significant ways. Argonne is a friend, helping hand, and handmaiden—all in one—to industry. With the innovative ideas and solutions it provides, industry will continue to remain strong, competitive, and prosperous. Visionary ideas like the integral fast reactor could help this country not only to regain its technological superiority but also to build a better future. But ideas, like anything else, need nurturing and support. Snuff out the fires of invention and creativity with cuts like those proposed in the Energy Department's

budget, and the bright future is gone. Tend the fires by fueling them with needed research funds and they will burn brightly forever.

I commend this editorial to my colleagues and include it in the RECORD:

[From the Chicago Tribune, Mar. 18, 1985]

A BETTER NUCLEAR REACTOR

The nuclear reactor was developed by Argonne National Laboratory and its antecedents beginning with the Manhattan Project during World War II, and reactors that run ships and commercial power plants the world over trace their origins to the southwest suburban facility. Unfortunately, research into more advanced reactors at Argonne is now threatened by reductions in the U.S. Department of Energy's 1986 budget.

Argonne's subsidies from DOE may be reduced by $45 million next year, the bulk of that intended for research into advanced reactors. The cuts would result in the advanced reactors. The cuts would result in the cancellation of a program to develop what physicists there believe is a major breakthrough that has worldwide implications—a device called the integral fast reactor.

Other federal budget cuts will also gut research programs in such areas as development of improved batteries that could ultimately power cars, application of improved technology to the ailing U.S. steel and agricultural machine industries and removal of pollutants to permit high sulfur Midwest coal to be burned by utilities without raining acid on the East.

But the most important program in jeopardy is the integal reactor.

Over the years, Argonne's physicists naively believed that the scientific merit of the proposed machine would prove itself. What happened was that a succession of politically motivated decisions in Washington has kept the integal reactor on the back burner while the government undertook such boondoggles as the now canceled $4 billion Clinch River Breeder Reactor and discovered, as a result of the Three Mile Island accident, major safety problems with its existing commercial program.

The Three Mile Island machine is an evolutionary successor to the world standard light water-cooled reactor that Argonne originally developed. Cooling it requires a complex system of pipes and pumps. But the proposed integral reactor would be fueled by metal rods and cooled by a pool of liquid sodium that Argonne physicists claim would not be vulnerable to the same quality control and human failing that have plagued existing reactors.

Each integral reactor could also breed its own fuel, eliminating the need to transport hazardous radioactive fuel and waste across the country.

Argonne officials fear that cancellation of the integral reactor project will cost the United States its lead in nuclear technology and force it to buy that technology back from France or Japan at some future time.

There appear to be sufficient funds in the more than $370 million that the Energy Department plans to spend on nuclear research next year to continue work on the integral reactor project. Congress should order the department to do so.

THE KILLING FIELDS—AGAIN?

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DORNAN of California. Mr. Speaker, an article in the Sunday Washington Post came to my attention that I believe has a powerful message for all of us in the Congress—both Chambers. It's about a 10-year anniversary that is coming up next month, a tragic gut-tugging double anniversay that we refer to as the fall of Phnom Penh, Cambodia, on April 17, 1975, and then, 13 days later on April 30 the fall of Saigon. "Fall" is such a weak word to describe the mind numbing events that followed the Communist conquest of Southeast Asia.

This Post guest column is by a gentleman I have never met. His name is David M. Fitzgerald. He is the president of a Washington, DC, political and public affairs consulting firm. In April 1975 he was a young Naval assistant attaché assigned to our Embassy in Phnom Penh. His article is entitled "The Killing Fields—Again?" It sears my memory and I hope my colleagues remembrance of that disgraceful month in American history.

Mr. Fitzgerald refers in his column to one of the many inspiring sayings carved in stone around our Archives Building. There are two statues on the north side of the Archives, the side that our Presidents drive in front of or walk in front of on the day they are inaugurated as the President of our country. Beneath the statue of wisdom to the left of the north door are the words "The Past Is Prologue," and beneath the statue on the right is the admonition "Study the Past." Will we ever, ever heed those words.

Dave Fitzgerald hits Congress hard, and I think every Member of this great deliberative body and every Member of the other body, particularly those who served here in April of 1975 must read his warning "The Killing Fields—Again?" I submit it for our RECORD. History will judge us and its only guide will be the truth.

The article follows:

[From the Washington Post, Mar. 24, 1985]

THE KILLING FIELDS—AGAIN?

(By David M. Fitzgerald)

As we approach the tenth anniversary of the communist takeover in Cambodia, one may wonder when fighting and hardship will cease in that torn land. Mired in death and destruction, the Cambodian people have experienced a scenario of horror. The film, "The Killing Fields," grimly reminds us of the final days before their sentence to genocide. What is missing, however, is the role in bringing catastrophe that was played by actors whose interest in posturing overwhelmed Cambodia's cries for survival. At twenty-nine and a Navy Lieutenant, I was on the ground during that final year. I watched as Congress crafted a future that many today would rather forget.

A Seal commando first and intelligence officer second, I was one of the military attachés selected for duty in Phnom Penh. Our charter was clear—get the Cambodians through the offensive.

It was deja vu Vietnam. Phnom Penh, the capital city, was surrounded by thousands of communist gunners. By day and night, thundering rockets tore open the city. Bloodshed and hunger were everywhere.

Attachés did not suffer politicians easily. Congress was divided over whether Cambodia's problems were to be settled by conquest or negotiation. We wondered if anyone bothered reading combat intelligence reports written by the people who were there.

Days began at 5 a.m. It was then that I read press clips sent by my mother. Breakfast took conditioning: warm bread from the local market baked with insects, coffee and half-ripened fruit. Attachés lived off the local economy. Our thoughts drifted often to Congress at mealtime. It cut our cost-of-living allowance in its rift with the White House.

"The Killing Fields" reminded me of how tough it was for correspondents living at the Hotel Phnom. It was Phnom Penh's Plaza Hotel. Sitting by the pool at night they sipped cool drinks served by short-coated Cambodians. Constantly on the prowl, they dogged us by day to get a combat lead or a picture surreptitiously taken of an American officer poring over a map with a Cambodian. They would label it unlawful advising.

As deputy naval attaché, I observed the Cambodian performance in moving supplies from Saigon up the Mekong. It was nightmarish. Blasted by sophisticated rockets and mortars, raked by machine-gun fire, the small Cambodian navy paid the price. Expert communist gunners became better. The river became littered with battered hulks, rusting sentinels in a riverine graveyard.

As communist lethality on the rivers increased, so did the din of congressional outrage. The lawmakers tightened down on personnel numbers. In time only 200 Americans could lawfully remain in the country. It made our task more difficult. President Ford pleaded for humanitarian and military assistance. Congress needed to act quickly to save lives. We wondered if the politicans could see the Cambodians through this hurricane gate of bloodshed.

In Washington, Sens. Kennedy, Tunney, and McGovern painted a dismal picture of Americans' economic stagnation. They urged that not another dime be spent on Southeast Asia. Only Cambodians could solve Cambodian's problems, they said. Emergency supplemental assistance was not the answer.

News came that Bella Abzug and some congressional friends would visit—to menace, we feared—the U.S. embassy in Phnom Penh. Their actual reactions were sober and respectful after viewing first-hand the Cambodians' bone-chilling agony.

The war's reality was especially strong and discordant for young staffers. Some had dodged the draft only to find themselves, strangely, on a Navy combat vessel viewing remnants of war along the Mekong.

In Washington, debate continued, President Ford warned that without near-term relief the Cambodians would not make it to the rainy season: negotiations would have no chance. America's heartland was reaching out with sympathy and concern to the Khmer people. Would not Congress respond?

Assistant Secretary of State Philip Habib told the House Foreign Affairs Committee, "I guarantee 100 to 0 that without aid Cam-

bodia won't survive." In the Senate, Edward Kennedy bellowed, "Once again we are hearing the same old arguments and the same old controversies over the same old war. The lingering and bloody conflict there deserves more of our diplomacy and not more of our ammunition."

Intelligence reports told that the Khmer Rouge were on the march to Phnom Penh. Communist field commanders crushed skulls with hammers and chained men to machine guns in the face of government fire.

On March 13, 1975, the Senate Democratic Caucus voted 38-5 against further military aid to Cambodia, 34-6 against any supplemental aid in FY '75. This followed a similarly lopsided vote by House Democrats on March 12. The House resolution stated "the sense of the Democratic caucus to firmly oppose" any further aid. Senate Minority Leader Hugh Scott said he too favored a new government in Cambodia that could negotiate a truce and safe treatment of refugees.

The news came to us like a fusillade of Soviet rockets. We in the embassy felt scorched, deserted, betrayed. Saddened military attaches wept with their Cambodian comrades. The final indignity was having to explain away congressional justification for sending Phnom Penh down the drain into hell.

Ten years have passed since this devastation of humanity. Untold innocents still suffer. Graphically, the movie shows communist justice monstrous and murderous.

What about the Congress that played a leading part? Many still try to cleanse their souls by speaking out on hunger and refugee problems worldwide. Many villains, however, remain behind cold marble walls waiting for the next "Killing Fields."

Engraved in stone at the face of the National Archives building less than a mile from the Capitol is the message, "What Is Past Is Prologue." Will these words be ignored as Congress sets the stage again, this time for millions of people in Central America?

Clearly, the country, including the Reagan administration, contemplating lessons for dealing with Central America now, has lessons to sift from Cambodia's ashes. Close attention must be paid to the guardians of liberal politics and to their kind of commitment against communism. A Latin policy crafted after the Cambodian tragedy may result in another cinema that none of us may wish to see.

(The writer is president of a political and public affairs consulting firm.)

PROBLEMS WITH HEALTH SERVICES

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, I could not believe my eyes when I read a letter earlier this week that my colleague from Iowa, [Mr. TAUKE], received from Dr. Carolyne Davis regarding the revised wage indexes under Medicare. Dr. Davis states that the revised wage indexes would not be proposed until October 1, 1985. Considering congressional efforts this past year, this is a terribly unfair turn of events.

Let me first briefly summarize the events and important dates that led up to this most recent correspondence.

January 1984: It had already become very obvious that the new prospective payment system had calculated a large inequity in its rural wage indexes, which penalized our Nation's small cost efficient hospitals.

July 18, 1984: Congress enacted the Deficit Reduction Act of 1984 which directed Secretary Heckler to conduct a study for the purpose of developing more equitable hospital area wage index to be reported to Congress within 30 days of the bill's enactment.

August 1984: After missing the first deadline, Secretary made a second commitment that the report would be complete by December 31, 1984.

February 28, 1985: Secretary Heckler stated in testimony before the House Appropriations Committee that the wage index report would be issued to Congress within 2 weeks.

Well it is now March 27, with no report in sight, and even if the report was issued tomorrow, Dr. Davis tells us that revised wage indexes would not be released until October 1, 1985. I have written six letters to the Department of Health and Human Services during the past year describing the plight of my rural hospitals and enclosing copies of hospital balance sheets showing tremendous losses, despite staff layoffs and other budget cutting efforts. Yet, no action. In this most recent response from HHS, Dr. Davis continues to fail to recognize two very important facts:

Without immediate relief, some of our Nation's most cost-efficient hospitals will close their doors, leaving access to care for rural elderly an even larger problem to deal with than it had been.

The retroactivity of the revised wage indexes will cause hardship for those hospitals who have been receiving larger than justified payments, and further delay will only compound their financial hardship.

I believe the Congress has been more than patient with HHS, considering three unmet deadlines. But we cannot tolerate this bureaucratic runaround any longer. Congressional intent was obvious on this matter and I urge Dr. Davis to relent and release the revised wage changes as soon as possible.

Mr. Speaker, the gentlewoman from Nebraska [Mrs. SMITH] has clearly pointed out the details of the problem we face with Health and Human Services. The problem is pure and simple. It is that since it costs less money to provide equal health services in rural hospitals, Health and Human Services has said that the differential is going to be even much greater than the difference in cost.

What that Department would do is close up our rural hospitals, which they admit are less expensive, and have our people have to be transported to urban hospitals which they admit are more expensive. Time after time after time they have told us they would change those regulations, and now they tell us it is going to be next October.

I ask my colleagues what kind of an administration we have, Mr. Speaker. Everybody acknowledges that the family farm is the most efficient method of producing agricultural products. This administration would eliminate that family farm. Everybody is well aware of the fact that small business is more efficient than big business. This administration would eliminate the Small Business Administration.

Everybody recognizes, including the administration, that small hospitals are less costly than big hospitals. This administration would eliminate small hospitals.

I believe it is time to put some sense back into what we do.

PATRICIA ROBERTS HARRIS

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I want to say a few words about someone we lost over the weekend—someone who appeared on many occasions before the HUD-Independent Agencies Appropriation Subcommittee that I chair. Of course, I am talking about Patricia Harris.

When one dwells on the tributes that have been said in remembering Patricia Harris—one picks up a constant reference to her toughness on the one hand, and her uncompromising efforts to help those less fortunate Americans on the other. People talk about Pat Harris and her firsts—and there were many.

The first black woman to become a law school dean—the first black woman ambassador—the first black woman Cabinet member—the first black to ever serve as a delegate to the United Nations—but the most impressive first is the one in which she led a sit-in by a group of Howard University students protesting a segregated lunch counter in Washington in 1943.

As she herself described it, that was before the days of media events—before the days of constant TV coverage—in other words you were out there by yourself. That was a real first.

And that was precisely the kind of woman Pat Harris was. When she appeared before this subcommittee she was unyielding in her principles and always extremely effective in her efforts to help those who most needed help in this country.

We didn't always see eye to eye on every issue—we had our differences—but no matter which side of an issue one was on—you always knew you were dealing with someone who had the best interests of all Americans in mind. She was a tough lady—there was no doubt about that—but maybe that explains why she was as principled and dedicated as anyone I came to know in my 34 years in Congress.

Meg Greenfield in a piece in Sunday's Washington Post probably said it best—"Pat Harris finally had to yield in her fight with cancer, but she never gave up."

I am pleased to include Meg Greenfield's tribute in the RECORD.

PAT HARRIS: A FRIENDSHIP

(By Meg Greenfield)

When I met Pat Harris 16 years ago, she was recovering from the shock of her one-month career as dean of the Howard University Law School. I went to her house on Holly Street for an interview and we talked the afternoon away in her big sunny living room. The subject was the circumstances that had led to her abrupt departure from Howard amid great controversy. So it was a working encounter. But we also became friends that day.

Over the years, this friendship grew and it was, as you would expect, put severely to the test as she took on a series of public jobs and I found myself in the role of editorial commentator on them. There were some awful ruckuses during her time at HUD, and when The Post endorsed her opponent, Marion Barry, in the last mayoralty election, communication all but ceased for a year. It resumed, though, as did the friendship. Over the years, there were many more amicable times than strained ones.

I admired Pat for precisely those qualities that landed her in the soup so often and which made her, I thought, hopeless as a practicing politician, but awesome as a public figure. She was a woman of stunning, electric intelligence, obdurate, uncompromising, given to searching out the moral principal in an issue and, once deciding she had found it, refusing, come what may, to budge. Pat was always independent and (therefore) often desolately alone.

There was a poignancy in this. I felt it that first day we met as I came to understand both the temptation she had resisted in the Howard Law School conflict and the terrific assault she was taking as a result. The students were protesting violently. Their grievances had been essentially against law school teachers and officials who were there before this brand new dean took over. She in fact sympathized with some of the student's complaints.

But they had, among other things, seized the law school building and held it for a time, and she would not, absolutely not—that's spelled N-O-T—negotiate under that sort of unlawful pressure. She was outraged that law students of all people should do such things. Just about everybody on all sides of the dispute—the protestors and the old regime that was being protested against—wanted her to give in on this point. She wouldn't. She was ousted. She was right.

The Pat Harris I saw that day in the living room on Holly Street was the woman I was to see many times again over the years, as she recurrently got in this kind of predicament: strong, sad, angry, beat-up and yet undefeated all at once. There was a vulnerability, a gentleness mixed with her ferocity.

I sensed and saw this complexity of feelings as Pat fought her way through the baffllements of the past decade and a half, taking stands on racial issues and questions of public policy that often alienated people she wanted as friends and that regularly defied the easy, fashionable, self-protective wisdom of the moment.

But I never saw this particular spirit so strong or moving as it was when I visited her in the hospital and spoke with her on the phone in the last painful months of her life. She had lost Bill and now she was losing her battle to cancer. Pat was, as usual, forthright, strong, outspoken about her illness and her prospects, concerned about how she should die, determined to do the thing right. And all the while, in her physical agony and what must have been deep fear, she maintained the familiar sharp interest in what was going on in the public world around here. Pat Harris finally had to yield. But she never gave up.

NICARAGUA—THE STOLEN REVOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 5 minutes.

Mr. PEPPER. Mr. Speaker, all of us have been very much concerned about the situation in Nicaragua. On March 12 of this year, I wrote President Reagan a letter in which I asked the President to consider following the recommendation of Congress embodied in Public Law 98-215, December 9, 1983, that the President should seek a prompt reconvening of the 17th Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua, and then upon that inquiry being made, it be determined whether or not the Sandinista Government of Nicaragua has kept that promise that it made to the Organization of American States in 1979, and if it is found that it has not kept the promise it made, that the President do what he could to induce the Organization of American States to see to it that Nicaragua did live up to the commitments that it made to the Organization of American States as a condition of which the Organization of American States recognized that group, the group that became the Sandinista Government in Nicaragua.

I discussed my letter with the Secretary of State, and Mr. McFarlane, our National Security Adviser, Mr. Freidersdorf, the congressional liaison for the White House, and other White House personnel. The President was kind enough to call me up personally and thank me for my suggestions and said that they were being very warmly considered.

So this morning I was very happy to have an invitation from Hon. J. William Middendorf II, our permanent Ambassador to the Organization of American States, to join him at a formal meeting of the Organization of American States Council in their beautiful building here in Washington.

At that meeting, Ambassador Middendorf made a magnificent presentation, from our point of view, of the situation in Nicaragua and how the Sandinista group that they now call the government of that country, had flagrantly violated the solemn commitment they made to the Organization of American States when the Organization of American States recognized them in 1979. He was kind enough to refer in his address to the fact that I had written this letter to which I referred to the President, and that I was sitting with them this morning while he was making that presentation.

Mr. Speaker, I simply wanted to put into the CONGRESSIONAL RECORD this magnificent statement by our permanent representative to the OAS because he very strongly insisted that it was the responsibility of the Organization of American States to make the Sandinistas live up to their promise that they would, if recognized and supported by the OAS, would conduct a government that was a free, democratic government which respected human rights, private property, and expression of political opinion as the people wish to express it, and the other accoutrements of a free and democratic state. He very strongly indicated that the OAS should discharge that responsibility and intimated that if it did not do so, he reserved the right to introduce a resolution on behalf of the United States calling upon the OAS to discharge its responsibility to see to it that that promise made to the OAS by the Sandinista group shall be kept by what is now the Sandinista government.

I thought this address by our able and permanent Ambassador was worthy of the consideration of the Congress and I include the address of Hon. J. William Middendorf II, our Ambassador and permanent representative to the Organization of American States, delivered to the permanent council meeting of the OAS this morning:

NICARAGUA—THE STOLEN REVOLUTION

(By Ambassador J. William Middendorf II, Ambassador, Permanent Representative, Organization of American States, March 27, 1985, OAS Permanent Council Meeting)

The U.S. delegation wishes to note that on July 18, 1984, we last raised the matter of Nicaragua's failure to live up to its solemn promises of July 12, 1979, to the Secretary General of this body. They promised to hold early free elections, to establish an independent judiciary, and to uphold human rights.

It is my delegation's sad duty to report that, since that date, nothing has happened to change the situation.

When Sandinista troops entered Managua on July 19, 1979, they were met by joyous throngs of Nicaraguan citizens who believed that, at long last, freedom and economic well-being were at hand. We all know now that the Sandinista revolution was stolen—stolen by a small, hard-core group of Marxist-Leninists who did not represent majority opinion within the Sandinista movement, but who had long conspired to take the movement over, and who were armed to make it possible to carry out their plan.

Let us look first at the impact almost six years of Sandinismo have had on the ordinary Nicaraguan people. We are not talking now about political figures, or business leaders, but about the Nicaraguan "man-in-the-street," the ordinary Nicaraguan whose only ambition is to make a decent enough living to support his family.

What is happening to this ordinary Nicaraguan today?

His children don't have enough to eat. Robert Leiken, who initially strongly supported the revolution, wrote in the New Republic on October 8, 1984, that children were supposed to be the "spoiled ones" of the revolution. Instead, he noted, on his visit last year, he noticed far more naked children with signs of malnutrition than he had ever seen before in Nicaragua. Most foodstuffs are rationed, with the local committees for the defense of Sandinismo handing out ration cards—or withholding them—for citizens who show "insufficient revolutionary fervor."

His older children, from age 11 on up, face the possibility of being drafted into the Sandinista Armed Forces. Strong-arm recruiters snatch them off the streets or from their school rooms to fill the ranks of the Sandinista military. Which now outnumbers all of the other military forces of Central America combined.

His freedom of speech is sorely limited. The Committees for the defense of Sandinismo keep their eye on him. If he complains to a neighbor about something the government has done, he may find himself hauled before a neighborhood court, with no appeal of any sentence that court hands down allowed.

His freedom to be informed about national and international events is restricted. Radio and televisions news are under government control, and they broadcast only what the Sandinista party wants them to. There is only one opposition newspaper. La Prensa, and it is so heavily censored by government censors that it frequently suspends publication because after the censors are through, there is not enough news left to print. And sometimes the government orders it to suspend publication anyway.

His livelihood is threatened. If he works in the private sector, the gradual elimination of private enterprise by the Sandinista government may leave him without a job. If he is a farmer, under the laws establishing state agencies which are the only entities to which he is allowed to sell his produce, at a non-negotiable price fixed by the government, he may not even hold back seed for next season's planting. He may not receive enough income to make ends meet.

The average Nicaraguan has always been religious. He has usually been a devout Catholic, or in the case of the Miskito Indians, a devout Moravian. Now, he finds his church leaders, including the Pope, harassed by Sandinista youth mobs, the "Turbas Divinas." He finds his priest or pastor accused of being "a counter-revolutionary" when he refuses to praise the Sandinista government in his sermons. He can no longer hear the archbishop's homily on radio or television, because the Sandinistas do not allow it to be broadcast without their prior censorship, something to which the archbishop has understandably refused to submit.

Compare his situation with that of ordinary citizens in neighboring Costa Rica and Honduras, and you will see the contrast. While those countries have problems, they are working democracies where people can say what they please, don't have to worry about their children being drafted, and where farmers can sell their produce in the market themselves or choose among several competing middlemen, who will buy the produce for resale.

Yet, the Sandinista leaders say that countries such as Honduras and Costa Rica must undergo their own revolutions. Interior Minister Tomas Borge, in his interview in Playboy magazine of September 1983, was asked to respond to the Reagan administration contention that, following its triumph in Nicaragua, the revolution will be exported to El Salvador, then Guatemala, then Honduras, then Mexico. Borge replied, "that is one historical prophecy of Ronald Reagan's that is absolutely true."

On the second anniversary of the Sandinista revolution, Borge gave a speech in Managua, in which he said: "This revolution goes beyond our borders. Our revolution was always internationalist . . ."

In our special session on February 29, 1984, my esteemed colleague from Nicaragua told this body: "If we had wanted to attack Costa Rica with a specific end in mind, we would have done so, and they wouldn't even have had enough time to ask that a special session be called, because by then they would have been occupied . . ." While supposedly denying an intention of invading Costa Rica, this statement shows how confident the Sandinistas are in their ability to invade their southern neighbor successfully, if they ever feel the desire to do so.

I think it is worth asking, taking into account these statements I have just mentioned, as well as many others, what makes anyone believe that the Sandinista government is willing to live in peace with its neighbors? Just because they have stated their peaceful intention?

You will recall that promises made to this body on June 12, 1979, have not been kept. How, then, can we assume that promises not to attack their neighbors will be kept by the Sandinistas? When almost daily we observe shots fired by the Sandinistas across the Honduran and Costa Rican borders, and guerrillas trained by the Sandinistas carry on their activities in El Salvador and Guatemala, and Managua has been the command center for guerrilla activities throughout Central America. Can we believe their approval of peaceful intentions?

Let us review the record again. In 1979 the Sandinista junta promised the Secretary General that it would respect human rights, set up an independent judiciary, and hold "the first free elections in this country".

As I have already pointed out, human rights have been violated on a massive scale. The mistreatment of the Miskito and other Indian tribes was especially noteworthy. Shortly after the revolution. The Miskito Indians' traditional homelands were flooded with Cuban and Nicaraguan personnel who said they were there to "rescue" them. The attempt was made to force them to give up their traditional way of life and adopt the Marxism-Leninism of the revolution. As Freedom House said at the time, the program "is to deprive them of their socio-cultural identity". Their traditional, freely-elected leaders were replaced with Sandinista-appointed authorities—some of them Cubans.

Massive relocation of the Miskitos, as well as other tribes, as the Sumo and the Rama, were undertaken. In some instances where they resisted, Miskitos were killed. Men, women and children were forced to walk long distances on foot. Their farm animals were ofter appropriated by the state. Ominously, we hear reports today of a similar involuntary forced relocation of people from a wide area in rural northern Nicaragua, and of Sandinista army personnel putting the torch to the fields left behind. So much for respect for human rights!

In 1979, the Sandinista junta promised this body that an independent judiciary would be established. Yet justice has become the servant of Sandinista totalitarianism. The neighborhood courts, where people are judged for such "crimes" as failing to attend Sandinista Party rallies, hand down sentences which are not subject to judicial review. The nominally independent Supreme Court of Justice has limited power to review decisions handed down by lower courts. The right of habeas corpus has been practically eliminated.

The recent Urbina Lara case illustrates the lack of respect Sandinista justice has for the traditional Latin American doctrine of asylum. Mr. Urbina Lara, who had taken refuge in the Costa Rican Embassy, was forcibly removed from the embassy building, wounded and imprisoned, by Sandinista authorities at a moment when the Costa Rican diplomats had briefly left the embassy building unoccupied except for Mr. Urbina Lara. Mr. Urbina Lara was allowed to leave Nicaragua only after the incident threatened to disrupt the Contadora peace process. We understand that President Ortega has told high-level visitors to Managua that Urbina Lara left the embassy of his own accord. On his arrival in Colombia. However, Mr. Urbina Lara confirmed the details of this breach of the principle of diplomatic asylum. Meanwhile, his defense lawyer was detained for several days in a Managua jail without charges. So much for Sandinista justice!

Finally, in 1979 the Sandinista junta promised early, free elections. Late last year, "elections" were held. But they were nothing but a sham, as the Sandinista government refused to create the conditions whereby the largest opposition coalition, the Coordinadora Democratica, could have any chance to compete. That group's candidate, Arturo Cruz, who had at one time been the Sandinista government's own Ambassador to Washington, had his rallies disrupted by Sandinista youth mobs—the so-called "Turbas Divinas"—on repeated occasions during the pre-electoral period. His pronouncements were censored from the opposition newspaper "La Prensa", and were not carried by the government print and broadcast media. Indeed, Sandinista censors have assured that criticism of the government is all but absent from the media.

Faced with the situation in which the Sandinista government would not allow Cruz to conduct a full and free campaign, after many attempts to negotiate campaign

guarantees, the Coordinadora refused to participate in the election campaign.

Two other parties intended to pull out also. In one case, mobs broke up a meeting of the Partido Conservador Democrata at which a vote to pull out of the elections was about to be taken, with a clear majority in favor. In the other case, Partido Liberal Independiente candidate Virigilio Godoy announced on October 21 that he was withdrawing his candidacy, but the government press continued to run his campaign advertisements, and La Prensa was censored when it attempted to report the withdrawal.

No matter how honest the vote-counting itself, an election is nothing more than a sham if parties who wish to run are not given the chance to mount a full and fair campaign.

I think it would be interesting to see what Sandinista leaders themselves have said about elections.

In May 1984, Comandante Bayardo Arce, one of the nine members of the Sandinista Directorate gave a speech to the Nicaraguan Socialist Party. He did not realize that the speech was being tape-recorded. A text of it appeared in the Barcelona newspaper, La Vanguardia, on July 31, 1984, and I note that the Sandinista government has never denied the authenticity of the text.

Comandante Arce said, ". . . of course, if we did not have the war situation imposed on us by the United States, the electoral problem would be totally out of place in terms of its usefulness . . .".

If we analyze this statement, we are led to believe that if the Freedom Fighters had not waged their valiant fight to force Sandinistas to live up to their promises, the junta never would have held elections.

Comandante Arce also said ". . . We think the electoral process . . . was and continues being an offensive tool from the standpoint of confronting U.S. policy . . . It is well to be able to call elections and take away from American policy one of its justifications for aggression against Nicaragua . . . bourgeois democracy has an element which we can manage and even derive advantages from for the construction of socialism in Nicaragua . . . we are using an instrument claimed by the bourgeoisie, which disarms the international bourgeoisie, in order to move ahead to matters that are for us strategic . . . we believe that the elections should be used in order to vote for Sandinismo, which is being challenged and stigmatized by imperialism, in order to demonstrate that, in any event, the Nicaraguan people are for that totalitarianism, the Nicaraguan people are for Marxism-Leninism . . . we see the elections as one more weapon of the revolution . . .".

There you have the affirmation, in Comandante Arce's own words, that the elections were held not because of the Sandinistas love for democracy, but for purely tactical reasons. Is it any wonder, then, that they established conditions under which only the Sandinista Party had any chance of victory? Had they given the Coordinadora Democratica a fair chance to campaign on an equal footing, the Sandinistas have been in danger of being swept out of office, something they could not risk. Thus, on November 4, 1984, the election which was held had to be the sham that it was. So much for the Sandinista promises to the OAS Secretary General in 1979.

In this connection, Mr. President, I would like to note that Congressman Claude Pepper, who honors us with his presence today, has written my country's President, Ronald Reagan, to call attention to the recommendation of the U.S. Congress, embodied in Public Law 98-215 of December 9, 1983. This recommendation proposes that the President seek the prompt reconvening of the Seventeenth Meeting of Consultation of the Ministers of Foreign Affairs for the purpose of evaluating the compliance of the Sandinista government with respect to the promises to the OAS and also to consider whether that Government is living up to the terms of the OAS Charter.

I would also note that I have received the text of House Congressional Resolution 81 of March 7, 1985, sponsored by 56 members of the U.S. Congress, which calls on the President to grant explicit recognition to the democratic Nicaraguan resistance, and urges the President and all members of the OAS to support the Nicaraguan resistance—the so-called "contras"—in their quest for peace, human rights, free elections and national reconciliation. Yesterday, Sen. Durenberger spoke to the National Press Club about the Nicaraguan situation.

My government's efforts to get the Sandinistas to live up to their promises has often been branded by them as a lonely effort by President Reagan which does not have the support of the American people or their elected representatives in the Congress. I would submit that the existence of these Congressional initiatives by Congressmen from both the Democratic and Republican parties shows the deep concern of the American people about the danger to the peace and security of the hemisphere posed by the actions of the Sandinista dictatorship.

I would also like to take note of the recent document on national dialogue of the Nicaraguan resistance, proclaimed in San Jose, Costa Rica, on March 2, 1985, by the Coordinadora Democratica, which has named as its representatives Arturo Cruz, Alfonso Robelo and Adolfo Calero.

In it, they request that the Sandinista government engage in a National Dialogue, leading to democratization of Nicaragua, a political system which guarantees real separation of power, development and reconstruction, recognition of civilian primacy over the state, full respect for human rights, de-militarization of the society, a foreign policy which emphasizes good relations with neighboring states, an economic system which gives importance to the development of the private sector, institution of a multi-party system which guarantees alternation in power and respect for minorities, freedom to organize labor unions, agrarian reform, municipal autonomy, respect for the culture and traditions of the Atlantic Coast, a general political amnesty, and expulsion from the country of advisors from Cuba and other Communist countries.

In this connection, the Coordinadora is not asking that Daniel Ortega be ousted as president, but only that he live up to the 1979 promises to the OAS.

Mr. President, it is Sandinista government did not take advantage of this opportunity to resolve Nicaragua's problems by peaceful means.

Up to now, the Sandinistas have refused calls for dialogue with the opposition. Yet in El Salvador and Colombia, we have recently seen the occurrence of dialogue with the armed opposition, so why should Nicaragua be a special case where dialogue is inadmissible?

We are told constantly by the Sandinistas that the armed resistance in Nicaragua is nothing more than a movement of former Somocistas who are battling to return to power. This lie has been repeated so often that even some of my own country's press seems to have accepted it as true.

I note also that the Contadora group will meet next month in the hopes of establishing a final solution to the Central American problem. It is my hope that this process will finally resolve the crisis not only in Nicaragua but in all of Central America. I would like to say at this point, however, that any agreement is only so many pieces of paper until it is put into practice. Once again, foolproof measures of verification must be included in any such agreement if it is to be effective. I note the words of Lenin, as quoted by C.L. Sulzberger in the New York Times of June 13, 1956. Lenin said "We must be ready to employ trickery, deceit, law breaking, withholding and concealing truth". The Sandinista leaders have proclaimed many times that they are Marxist-Leninists. Are they in accord with this statement by Lenin?

Mr. President, my government only asks that the Sandinista government live up to its commitments to the OAS. I would note, that no government provided more aid to the Sandinistas during its first 18 months in power than the United States, which gave $118 million in aid. The Sandinista government began its inordinate military buildup immediately upon taking office, when the resistance had not yet formed. Texts used in literacy programs and elementary education from the beginning of the revolution used perjorative terms against my country. Radio Sandino, from the beginning of the revolution, attacked my country in the most vicious terms. On 15 different occasions over a period of four years, President Ortega falsely and irresponsibly accused my government of organizing an imminent invasion of his country, a tactic similar to that used by Castro 20 years ago in Cuba to consolidate power. The record shows that militarism and hostility to the United States were hallmarks of this Cuba-Soviet style revolution from the very beginning.

It is my hope that peace will return to Nicaragua through one or another of the processes that I have mentioned here, but, if no process is successful, I would remind this body of its responsibilities. In the final instance, the Organization of American States has a responsibility to assure peace in Nicaragua, since in 1979, it took the unprecedented step of withdrawal support from a sitting member government in Nicaragua and replacing it with the Sandinista junta. My government does not intend to allow this Organization to ignore its responsibilities in this regard, and reserves the right at some future date to introduce a resolution leading toward the satisfactory resolution of the Nicaraguan problem, if the processes which I have already detailed do not bear fruit.

Thank you.

THE UNITED STATES AS A DEBTOR NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, since the establishment of the Bretton Woods agreement and the system which was put into place following that agreement after World War II, the American economy has grown at a

fantastic pace, and that growth was exported into the world economy.

As late as 1981, our current export account in the United States was in surplus by over $6 billion, but by 1984, America's current export account surplus had turned to deficit, with the deficit rising about $100 billion. For the first time in history, we are buying more than $100 billion a year than we can afford to pay for. It is like an individual who goes to the store and charges more than they can afford. The United States is buying about $100 billion a year more than it can afford.

Our international trade and financial position has, in fact, become so precarious that the United States will become a debtor nation this year. By the end of 1985, the United States will become, in fact, the largest debtor in the world.

Fred Bergsten, an authority on international economics, and many other authorities, have estimated that unless the value of the dollar, which is now overvalued by as much as 60 percent, is corrected, U.S. external debt by 1989 could exceed the debt of all the developing nations of the world combined.

□ 1630

The problem is so severe that our external debt could rise above $1 trillion—I repeat, $1 trillion—by the end of the decade. If you started out spending a million dollars a day from the birth of Christ until today, you would not spend one-half of $1 trillion. That is how much a trillion dollars is.

The result, which we are beginning to see already, is a crisis in confidence in the soundness and the integrity of the American economy. The pain is now severe among many, many sectors of our economy. Farmers, for example, are in a state of economic depression. Workers in textile manufacturing and in shoe manufacturing, as well as many other businesses across our country, are in a state of depression because of the trade deficit which is mounting and which no one is doing anything about.

Mr. Speaker, for every $1 billion in trade deficit, over 25,000 American jobs are destroyed. They are exported. Last year, in my hometown of Osceola, AR, two textile manufacturing firms were closed because they could not compete with the cheap, subsidized foreign exports, and 1,000 of my fellow townsmen lost their jobs, not because they were not productive or efficient but because our trade deficit in effect subsidizes foreign imports which put them out of work.

Shoe factories are closing as well from Maine to Arkansas. Farmers are going bankrupt in record numbers every day. Someone from my district sends me full-page advertisements giving notice of foreclosure sales of farmers who are bankrupt because of our current economic policy. Textile workers are being laid off, and high-technology workers are facing intense foreign competition.

Today a number of my colleagues and I are beginning a series of special orders on the current and the increasing crisis in the trade deficit. The special orders are designed to discuss and to develop a set of trade policies for the future of all America. We will look at trade problems from the farms to the factories. We will explore the challenges facing new and old industries alike. We will look at foreign trade barriers and propose new export promotion initiatives. We will suggest new ways to make American industry and American agriculture more competitive with their competition around the world.

I invite my colleagues on both sides of the aisle to join in this special-order effort, with the hopes that it will be worthwhile to all Americans.

Madam Speaker, as we begin these special orders, I would like to emphasize a few points that I believe are fundamental to our national economic health.

The SPEAKER pro tempore [Mrs. BURTON of California]. The time of the gentleman from Arkansas [Mr. ALEXANDER] has expired.

AGRICULTURAL EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. SHARP] is recognized for 5 minutes.

Mr. SHARP. Madam Speaker, I join my other colleagues this afternoon who have been speaking about the need for a more effective trade policy for this country and I particularly want to highlight the serious nature of the problems we are facing in agricultural exports.

This is of great concern to my part of the country, but I think it also is very important to the entire Nation, because exports have in the past, certainly in the last 10 years, been a critical part of the farm economy of the United States, and yet for the last several years we have been slipping in this area of exports as in too many others.

I trust that there are going to be many speakers in the House this year to address the ramifications of trade, whether in agricultural or industrial products, and we are going to find it very difficult to find a sensible long-term policy for this country that somehow can avoid the dangers of extreme protectionism and at the same time not follow the false flag of free trade, which I believe is a very noble goal and which would be nice if we could follow it, but which we find very few countries around the world in fact who do follow it.

Today I simply want to join my colleagues who are focusing attention particularly on the plight of our farmers and the need for us to pursue far more aggressively than we have in recent years efforts to see that we export more through our own initiative and our own improvements in competition, as well as trying to get our trading partners to more aggressively alter the trading practices that work against their purchase of our products.

Madam Speaker, American agriculture is facing a wide range of problems, all of which cannot be solved by increasing farm exports, or any one specific action. We can however, make a dent in them, which is more than has been done up to this time to solve problems farmers face.

The Department of Agriculture's reluctance to stimulate farm exports is inexplicable. At a time when the administration is extolling American business to compete, it does nothing to stimulate competition in agriculture abroad. In fact, it has opposed many of our efforts in the House over the last 4 years to expand farm exports and other exports.

A central point which must be addressed, as in any discussion of import-export policy, is the high value of the dollar overseas. It is automatically giving our foreign trade competitors a massive advantage which is extremely difficult, if not impossible, to overcome. In the past, up to 40 percent of U.S. farm produce went to foreign markets. That percentage has been dropping, and the domestic consequences alone should lead us to the development of an effective and aggressive farm export policy. Many farmers across the country are in deep trouble for various reasons, some so deeply that the Government cannot save them. Others can and should be helped. Because it appears increasingly unlikely that direct Government aid will be forthcoming, we can and should aid on other fronts.

Farm income has been catastrophically low for several years. American farmers are unjustly paying a high price for massive and efficient production. In any other industry or business, a combination of efficiency and productivity would produce large profits. The domestic market, however, has limited capacity to absorb production. Surpluses have resulted in lower prices, less farm income, and widespread bankruptcies should surprise no one. Is bankruptcy an acceptable policy?

We live in an increasingly complex world, one which has changed greatly in the last 20 years. Part of the change we face is stiff competition in international markets, played by rules that have also changed. Unless we can adapt, and meet the challenges, we

will fail—in agriculture policy and in every other basic industry in this Nation.

A major revision of current farm programs will be undertaken this year. There will be many hard decisions to be made. One part of it, however, must be to help get our massive and costly surpluses to markets overseas. We can minimize the costs to taxpayers while boosting farm income. We will have such an opportunity, and I urge that we take it by developing a strong, aggressive farm export program.

THE RELATIONSHIP BETWEEN FISCAL POLICY AND THE TRADE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Madam Speaker, we have had in the last year a $123 billion products trade deficit. This year we are probably going to have a trade deficit that will be substantially higher than that. There are no quick fixes in any of this. The real problem is not trade policy; the real problem is domestic economic policy, specifically the fiscal policy that we follow.

Being very specific, this country is now running in this year at the present time a $248 billion fiscal deficit. It has run that kind of fiscal deficit for quite some time. The impact of all of that is a monetary policy that causes real interest rates to rise, and while we have almost a zero inflation rate, the average interest rate on Federal obligations is now around 11 percent. Therefore, we have a very high real interest rate of around 10 percent.

In no place on Earth can money earn that kind of real growth just by letting money sit in a bank. So investments in American obligations are very profitable for everyone, particularly for foreigners. Not only is an investment in an American obligation safe, but it is also at the highest real return you can get for your money. All of this drives up the value of the dollar. As the value of the dollar goes up, it acts like a tax on exports of American products and it acts like a subsidy on imports of foreign products.

So the real cause of our trade deficit is our fiscal policy, our domestic economic policy. The results of it are as natural as night following day. You cannot run the kind of deficits that we have been running year after year, and particularly for the last 4 years, and have any other result than the result we are currently seeing.

Now, it is easy to call for changes in trade policy. It makes good political fodder, but it will not solve the problem. The problem is that most of the remedies that have been suggested in the area of trade policy will not solve the problem but will only make it worse. So the challenge facing this Congress and the challenge facing the President and the White House is, how do we get the fiscal deficit down?

It is a very tough challenge. Obviously it must be done by limiting Government expenditures to the very bare bones, with belt-tightening of the most inordinate kind. It also means that at a time when we are talking about revising our basic tax policy—and this is a general criticism of all the proposals I have seen—most of them shift the burden away from the individual taxpayer to the business taxpayer. Now, there is no excuse for any business not paying any taxes, but we could cure that by imposing an effective minimal tax.

□ 1640

But you cannot add more taxes to business in total in America and make it anything other than less competitive in the international scene; so at this time I hope that the administration and all people who are advocating tax reform will realize that you cannot throw a distressed, perhaps drowning industry, farms and factories, greater weight to carry and expect anything other than the responsibility for a greater rescue effort of them.

What is happening to the farms of Iowa and the factories of the United States is an economic consequence of the policy we follow. You cannot run these high fiscal deficits without having a high trade deficit.

Now, there are other problems in the trade picture. Some of our trading partners are greedy. We do have remedies for those. Some of them are not following the law. They are subsidizing product into our markets. But why anybody would want to subsidize into this market today with the vast incentives that are given, almost subsidies by this Government, with the overvalued dollar, I do not know why anybody would want to subsidize them, but they do.

OUR TRADE PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

Mr. JONES of Oklahoma. Madam Speaker, I want to follow the distinguished chairman of the subcommittee, the gentleman from Florida [Mr. GIBBONS] in talking about this trade deficit problem. It is a very real problem; but what concerns me in the Congress and in the administration is that we may be wanting to treat the symptom and not get at the root cause. I think very clearly the root cause of our trade deficit, which is growing larger and becoming a problem all across this country, the root cause is the Federal budget deficit, because you can clearly show a connection between the high Federal budget deficits and the real rates of interest, which are still at record highs. Those high interest rates have had an effect of attracting foreign investments and foreign purchasing of our debt. That has had an effect of overvaluing the U.S. dollar in relation to the other currencies by something like 30 percent. Therefore, it really matters not how efficient our management is or how productive our workers are. The overvalued dollar puts the American worker and American management at a disadvantage in the international marketplace or in our own marketplace. It is the same as producing an American item, an American piece of equipment as efficiently as any other piece of equipment, but putting a 30-percent tax on the American item, or conversely, giving a 30-percent subsidy to the foreign produced item. That is the effect of the overvalued dollar in making American products noncompetitive in the international marketplace. That is why primarily we have the trade deficit that is also setting all time records.

In order to reverse that, in order to become competitive again, we are going to have to deal with this Federal budget deficit.

Quite frankly, I am very disappointed in the Reagan administration to this point because the signals they have sent are that deficits do not matter. We are going to have to have some strong leadership from the President, from the administration and from both parties in the Congress if we are going to deal substantially in getting these budget deficits under control. Until we do that, we are not going to see a harmonious or complimentary monetary policy that will allow this economic recovery to continue and to allow a soft landing of the overvalued dollar so that we can again become competitive in the international marketplace.

So I would hope that Members on both sides of the aisle and that the administration, the President and his leaders in the administration, will give very serious attention to this Federal budget deficit, that we will reach some bipartisan consensus or some sort of an across-the-board freeze, plus other eliminations and reductions in Federal programs so that we can send a positive signal to the financial markets that we do have some fiscal discipline and send some signals to the Federal Reserve Board to loosen up on monetary policy so that we can bring the value of the dollar down in relation to other currencies and can have continued economic recovery.

I might also say in the meantime that there are going to be some individual problems with individual countries and the President has the tools,

thanks to the law passed by Congress last year, called the reciprocity trade legislation, the President does have the tools to deal on a case-by-case basis with those countries who are discriminating with tariff and nontariff barriers, discriminating against U.S. products.

I would hope that the President would use those tools to reciprocate and to tell those countries that discriminate against our products that we are going to reciprocate against your products in our own markets.

These two items, the reciprocity trade legislation that is on the books, plus a resolve to lower these Federal deficits, can have a marked improvement in our international trade deficit and can get us on the road to increased productivity, get us back on the road to job development in our own country.

THE STAGGERING TRADE DEFICIT

The SPEAKER pro tempore (Mr. KANJORSKI). Under a previous order of the House, the gentleman from Washington [Mr. BONKER] is recognized for 5 minutes.

Mr. BONKER. Mr. Speaker, I want to commend the gentleman from Arkansas and the gentleman from Oklahoma who have addressed this very important and timely topic.

This week the Secretary of Commerce will once again announce the trade deficit for the preceding month. He does this on a regular basis and each month the trade deficit is staggering. It is usually a record setter. Every month when the Secretary announces this amount, it was $10.3 billion last month and it may be higher this month, everybody expresses concern. There is a problem with the trade deficit, but each time that the announcement is made, there is no particular plan announced. There is no proposal. There is no strategy. There is no effort by this administration to deal with that staggering trade deficit, no policy recommendations to the Congress. There is nothing but a shrug of the shoulders. "It's too bad that the trade deficit is this high," they say, "but we cannot do anything about it". Well, the truth is, if we do not do something about it soon, that so-called soft landing to which the gentleman from Oklahoma referred will be a crash landing.

There are two serious problems now associated with the trade deficit. The first is the new status that we take on this year as a debtor nation. For the first time in 65 years, the United States will be a debtor nation. We will owe more than we own abroad. The amount will be somewhere around $1 trillion by the end of this decade, $1 trillion that we will owe foreign sources.

The head of the Federal Reserve Board testified before congressional committees and made reference to this as not being sustainable. While it may not pose an imminent danger at the moment, it simply is not sustainable.

He also said that we are living on borrowed time. We are living on borrowed money and borrowed time, money borrowed to service this debt, not only from future generations of Americans, but also from abroad to help finance the staggering budget deficit this administration has created.

□ 1650

The second problem associated with our massive trade deficit is the dramatic shift it has caused in this country's economy. We are experiencing a deterioration of our industrial base. We are seeing the export of our manufacturing capability and the export of American jobs.

In a headline last week it was pointed out that we are now seeing a rather dramatic slowing of our production capability. Our GNP growth for the first quarter was pegged at 2.1 percent, which is a very dramatic decline. At the same time our production capability is down while the consumer demand is up. And what makes up the difference is the large volume of imports that are now flooding American markets.

There is no way that you can reconcile the trade deficit without looking at the inflated dollar. The inflated dollar has been called variously the strong dollar, the bloated dollar, the overvalued dollar, the high flying dollar. But however you characterize it, it is like a 40-percent tax on American exporters and a 40-percent subsidy on imports into America.

Those imports, if they are the result of an artificially high dollar, or unfair trade practices, threaten American domestic industries.

And what does this administration expect to do about the strong dollar? First of all, they do not even recognize that there is a problem. The President at press conferences has said that the strong dollar is really good for the American economy. He says that it is helping to support the present economic growth of this country by keeping inflation down. But he doesn't recognize the staggering cost the inflated dollar is exacting from vital industries and productive American workers. He has no plan whatsoever to deal with the overvalued dollar.

Meanwhile we are experiencing the export of American jobs and American industrial capability. All of our European friends and other trading partners are concerned about the inflated dollar. They realize that the capital flows are moving artificially and that not only are they bringing forth cheap imports to this country but they are denying capital that is vital to their own industrial growth. Yet this President has no plan and no policy, no program. Indeed, he has no concern at all about the inflated dollar.

So unless America can get its act together fiscally, until we can deal with both deficits, the twin deficits, we are going to go through a very agonizing period of watching our industrial base decline and watching those jobs be exported abroad.

I call upon the President and his Secretary of Commerce to come forth with a bold plan to deal with this embarrassing trade deficit and to do it now.

HEALTH INSURANCE AVAILABILITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. KENNELLY is recognized for 5 minutes.

● Mrs. KENNELLY. Mr. Speaker, I am introducing today a bill to provide incentives for States to create "risk pools" to provide health insurance for individuals and families who cannot purchase this insurance on the open market due to poor health.

A vast majority of Americans are covered by private health insurance. In 1982, 162 million Americans under age 65 were covered by some form of group health insurance, and millions more were covered by individual health insurance policies. However, some Americans still fall between the cracks of our current system for one reason or another. Many of these people are working, are willing and able to pay for private health insurance, are financially solvent but in poor health, are not in any group health plan, and are not covered or eligible for individual insurance; they are, in effect, uninsurable.

In 1975, my own State of Connecticut enacted a program to solve the problem by guaranteeing the availability of comprehensive major medical coverage for all Connecticut citizens. Under Public Acts 75-616 and 76-399, the Connecticut Health Reinsurance Association was established to provide for a State pool for uninsurables which offered comprehensive health insurance to all citizens of Connecticut regardless of the status of their health. The coverage is expensive since the pool is composed of individuals who cannot obtain coverage on the open market due to their health problems.

There is an upper limit on the premiums charged, which when combined with the health status of the people in the pool, can be generally expected to produce pool losses. These losses are shared on a pro-rata basis among all the members of the pool in the State; that is, all the competitors in the insurance market in the State including

insurance companies, Blue Cross/Blue Shield, health maintenance organizations, and self-insured employers. Thus, the losses experienced by the pool do not disadvantage anyone competitively and are spread evenly across the entire spectrum of good business in the State. Four other States currently have similar pools.

The Health Insurance Availability Act provides a powerful incentive for all States to establish this type of pool by levying a 10-percent excise tax on health plans which do not participate in a qualified risk pool after January 1, 1987, this guaranteeing to all Americans the opportunity to purchase comprehensive health insurance. It also resolves a problem created by a provision in the 1974 Employees Retirement Income Security Act [ERISA] which precludes the States from regulating employees benefit plans. This provision prevents the States from requiring self-insured employers to participate in any pool losses, driving up the cost of the pools for those who do participate. This bill encourages self-insured employers to join the pool through the mechanism of the excise tax.

This bill does not directly address the high cost of health care. But it does give a number of people the opportunity to obtain the same protection now available to the vast majority of Americans.

It will ease the increasingly serious uncompensated care problem faced by hospitals and other health providers when unprotected Americans face higher and higher medical bills.

It does not resolve the health care problems of the poor. But it does protect those middle-class Americans who want protection from catastrophic medical bills and who are willing and able to pay for it. It does not guarantee insurance coverage for everyone, only its availability.

Finally, the bill does not require the appropriation of a single Federal dollar. All costs of administration are borne by the insurance pool. All pool losses are borne by private competitors in the insurance marketplace. No new Federal bureaucracy or program is involved. The plans will be established in the States, on a State-by-State basis, and are to be regulated by the States just like any other insurance.

This bill simply lays down minimum standards for qualification of the pooling associations for Internal Revenue Service purposes. The bill makes available health insurance with deductibles not to exceed $2,500, coinsurance not to exceed 20 percent, out-of-pocket payments for covered medical expenses not to exceed in the aggregate $3,500 per individual per year adjusted for inflation, and a preexisting conditions clause not to exceed 12 months.

I believe this legislation cures a large problem for a small group of Americans. I am inserting the legislative language in the Record at this point.

H.R. 1770

A bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Insurance Availability Act of 1985".

SEC. 2. FINDINGS AND DECLARATION OF PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) there is a significant number of persons not covered by health insurance who, because of health conditions, cannot qualify for health insurance;

(2) the unavailability of coverage to such persons may adversely affect the availability of health care to them;

(3) the lack of adequate health insurance for such persons jeopardizes the viability of health care financing and aggravates the bad debt and cash flow problems of health care providers; and

(4) such persons include some who lose their employment related coverages under both insured and self-funded employee benefit plans.

(b) PURPOSES.—The purpose of this Act is to—

(1) establish minimal standards for voluntary State action to establish pooling mechanisms for such persons resident in each State;

(2) encourage the establishment of such pooling mechanisms through the initiatives and resources of the State and private sector; and

(3) provide incentives for participation by all private health care financing mechanisms including self-funded employee health benefit plans.

SEC. 3. TAX ON HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER B—HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS

"Sec. 4912. Tax on expenses of health plans of large employers not members of qualified State pooling associations.

"SEC. 4912. TAX ON EXPENSES OF HEALTH PLANS OF LARGE EMPLOYERS NOT MEMBERS OF QUALIFIED STATE POOLING ASSOCIATIONS.

"(a) Tax Imposed.—In the case of a large employer, there is hereby imposed a tax equal to 10 percent of the amount of the nonqualified employee health expenses paid or incurred during the taxable year.

"(b) LARGE EMPLOYER.—For purposes of this section—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'large employer' means an employer who, on each of some 20 days during the taxable year or the preceding taxable year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 25 or more individuals.

"(2) EXCEPTION FOR GOVERNMENTAL UNITS.—The term 'large employer' shall not include the United States, any State or political subdivision thereof, or any possession of the United States or any agency or instrumentality of any of the foregoing (including the United States Postal Service and Postal Rate Commission); except that such term shall include any nonappropriated fund instrumentality of the United States.

"(c) NONQUALIFIED EMPLOYEE HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'nonqualified employee health expenses' means the expenses paid or incurred by the employer for a group health plan to the extent such expenses are allocable—

"(A) to employment within a State, and

"(B) to a period during which neither

"(i) the employer, nor

"(ii) any entity through which benefits under the plan are provided,

is a member of a qualified pooling association in such State.

"(2) GROUP HEALTH PLAN.—the term 'group health plan' has the meaning given to such term by section 162(i)(2).

"(3) QUALIFIED POOLING ASSOCIATION.—The term qualified pooling association' means any organization which—

"(A) is a nonprofit corporation established pursuant to and regulated by State law;

"(B) permits any of the following doing business in the State to be participating members:

"(i) insurers writing expense incurred health insurance,

"(ii) hospital and medical service plan corporations,

"(iii) health maintenance organizations, and

"(iv) employers and other health financing entities;

"(C) makes available (without regard to health conditions) to all residents of the State not eligible for Medicare levels of health insurance typical of the levels of coverage provided through large employer groups with deductibles not to exceed $2,500, coinsurance not to exceed 20 percent, with out-of-pocket payments for covered medical expenses by the insured not to exceed in the aggregate $3,500 per individual per year including amounts paid to satisfy the deductible (such dollar amounts to be adjusted according to the Medical Care Component of the Consumer Price Index), except that variations in the amounts and applications of such deductibles, coinsurance, out-of-pocket limits and other policy provisions such as restrictions on coverage for pre-existing conditions (not to exceed 12 months) shall be permitted in accordance with customary insurance practice;

"(D) charges a pool permium rate expected to be self-supporting based upon a reasonable actuarial determination of anticipated experience and expected expenses, such pool premium rate in no event to exceed 200 percent of average premium rates for individual standard risks in the State for comparable coverage; and

"(E) assesses losses of the pool equitably among all participating members.

"(4) MEDICARE.—The term 'medicare' means the insurance program established under part A of title XVIII of the Social Security Act.

"(d) CROSS REFERENCE.—

"(1) For provisions denying deduction for tax imposed by this section, see section 275(a)(6).

"(2) For provisions making deficiency procedures applicable to tax imposed by this section, see section 6211 et seq."

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking out the chapter heading and inserting in lieu thereof the following:

"CHAPTER 41—PUBLIC CHARITIES; CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

"Subchapter A. Public charities.
"Subchapter B. Health plans of large employers not members of qualified State pooling associations.

"Subchapter A—Public Charities".

(2) The table of chapters for subtitle D of such Code is amended by striking out the item relating to chapter 41 and inserting in lieu thereof the following:

"Chapter 41. Public charities; certain health plans of large employers."

(3) Subparagraph (B) of section 6104(c)(1) of such Code is amended by striking out "or chapter 41 or 42" and inserting in lieu thereof ", subchapter A of chapter 41 or chapter 42".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after January 1, 1987.●

Mr. HUTTO. Mr. Speaker, I ask unanimous consent that my 10-minute special order for today be vacated, and I be allowed to address the House for 5 minutes.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from Florida?

There was no objection.

LIVER TRANSPLANT FOR A 6-MONTH-OLD INFANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. HUTTO] is recognized for 5 minutes.

Mr. HUTTO. Mr. Speaker, I come before you today with a very serious plea for your help and attention. An opportunity is before us to assist a young family in a matter quite literally involving life and death. Daniel J. Gasparini, 6-month-old son of Mr. and Mrs. Jeffery Gasparini, is in desperate need of a liver. Technically, Daniel was born without a bile duct, and consequently suffers from biliary artresia, a debilitating disease affecting the liver. In layman's terms, that medical parlance translates into the stark reality that Daniel will die if a suitable transplant organ is not found for him in time.

Efforts to locate a healthy, appropriate liver for Daniel are ongoing. As you may imagine, however, it is a monumental task for the persons directly involved to keep abreast of potential donors from across the Nation. This is where your help, and the help of your staff, is needed. I would like to ask you or someone in your office to contact the hospitals in your district, alerting them to the need of a liver for Daniel. Your calls may turn up nothing; nevertheless they will be an important, personal exercise in humanity and compassion. Your calls, on the other hand, may unearth a donor, and give hope and life to a family that too long has agonized over a perilously ill infant. No description I can give adequately conveys the pain experienced by Daniel and his parent. No appeal I make can approach what a few phone calls on your part might accomplish for this family. Therefore I ask you simply, please help.

Daniel is currently a patient in Yale New Haven Hospital, New Haven, CT. Dr. Flye, his physician, may be contacted at the Yale New Haven Hospital Transplant Center at (203) 785-2565. Any information concerning the availability of an organ for transplant may be directed to my office (202) 225-4136, or passed on directly to Dr. Flye at the number above. Your timely attention to this situation is critical, and cannot be underestimated. The thanks and overwhelming gratitude of the Gasparinis, of myself, and my office, and of all persons who have ever been faced with the same life-sustaining need of an organ donor, attend your efforts. Thank your for your service and care.

AGRICULTURAL EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 60 minutes.

Mr. SKELTON. Mr. Speaker, I have asked for this special order today so that Members of Congress can discuss the current state of U.S. agricultural exports, the causes of the problems we are experiencing in this area, and offer their suggestions as to what, if anything, we can do to reverse the downward trend in U.S. agricultural exports we have seen in recent years.

According to recent forecasts by the U.S. Department of Agriculture, both the value of U.S. agricultural exports and U.S. agricultural export volume continue to lag well behind the historic highs reached in the years 1979-81. Although this decrease in agricultural exports is not the sole cause of the financial crisis facing American farmers today, it certainly has been a major factor. The area of agricultural export trade must be addressed by Congress as it considers the 1985 farm bill this session. It is my belief that there will be no substantial, long-term improvement in our farm economy until we reverse the decline in agricultural exports and begin to create new markets for our agricultural products, and expand existing ones.

A brief review of the agricultural export boom of the 1970's helps explain the current situation. U.S. agricultural exports increased tremendously in the 1970's and into the early 1980's. The value of U.S. agricultural exports increased over sixfold from 1970 to 1981. The volume peaked in 1980 at two and one-half times the 1970 level. The main reasons for this boom were rapid economic growth, especially in the developing countries, the easy availability of credit, the relatively steady depreciation of the dollar throughout the decade, and a policy change in the Soviet Union and other nations with centrally planned economies to import food and feedstuffs instead of tightening the belt. The United States was in a good position to respond to increased global demand for food and feedstuffs. First, we had surplus stocks which enabled us to respond to short-run demand changes. In addition, as an efficient producer with abundant agricultural resources, we had the capacity to increase production.

In the early 1980's, however, a dramatic reversal of the economic conditions of the previous decade led to a sharp drop in U.S. agricultural exports. The major causes were the worldwide economic recession, the enormous debt problems of developing countries, the rapid appreciation of the U.S. dollar, increased worldwide production of major agricultural commodities, and agricultural trade policies including both the partial U.S. embargo on grain sales to the Soviet Union and policies of our competitor nations. As a result of this declining demand for U.S. agricultural exports, we lost export market shares, especially for wheat and corn, while our competitors gained or maintained shares.

This decline in agricultural exports played a major role in the financial stress we see on American farms today. Our agriculture is no longer national in scope. In the 1950's only 10 percent of farm income was from exports. Today, production of 4 acres out of every 10 is destined for foreign markets. We export one-fourth of our corn crop, one-half of the soybean crop, 60 to 65 percent of our wheat, and over 40 percent of our cotton and rice.

Agricultural exports are also important to the national economy. They represent one-fifth of all merchandise exports, they reduce the overall deficit in the balance of trade, and they help pay for imports. Moreover, U.S. agricultural exports generate employment, income, and purchasing power across the entire economy. Each dollar of agricultural exports generates an additional dollar of domestic business activity. Every $1 billion in farm exports creates 35,000 jobs. To put it another way, in 1982, more than 580,000 jobs in the nonfarm sector existed because of agricultural exports.

These statistics establish how important it is for our Nation to maintain and expand our share of foreign agricultural markets. Accomplishing this will not be easy. There is no one magic solution to our export problems. If the world economy remains in recession, with heavy debt inhibiting growth in the developing nations that have the most potential for agricultural export

expansion, then there will be strong competition for world agricultural markets. This is a realistic scenario, and we must be prepared to deal with it. We must be prepared to meet our competition with flexible credit terms and we must be prepared to counter the predatory export subsidies used by many of our competitors and to fight unfair trade barriers.

In my opinion we should aggressively use the agricultural export credit revolving fund which has laid dormant since being authorized by Congress in 1981. This would make funds available for short-term financing of commercial export sales of U.S. agricultural products, export sales of U.S. breeding animals, and the establishment of grain-handling and storage facilities in important nations. It would make use more competitive, and moreover, since it is a revolving fund, the program would be fully self-supporting. In addition, I advocate the passage of legislation such as I introduced last year, and which other Members have also sponsored, which would provide the Secretary of Agriculture with the authority to use Government surplus commodities to promote the increased use of U.S. agricultural products by tendering them as bonuses to U.S. exporters, processors, and foreign purchasers.

What we need, Mr. Speaker, is an aggressive U.S. agricultural export policy. We need to take advantage of our strengths—farm productivity and an efficient agribusiness marketing system. We must also recognize and correct our weaknesses. We can take nothing for granted. We will have to do our homework and become export oriented. We will have to analyze our customers' needs and tailor our export programs to meet those needs. We will have to recognize that demands has leveled off in the industrial countries, and that the developing world offers the best opportunities for expansion in the years ahead, if and when those nations begin to grow economically once again.

This brings me to a final point, Mr. Speaker. We can do nothing in international agricultural trade unless we preserve the production capacity of U.S. agriculture. If the world economy returns to a reasonable level of growth and prosperity, we must be able to respond. We must, therefore, Mr. Speaker, adopt policies, both in the Federal budget and the 1985 farm bill, which will preserve and protect an agricultural structure based on the owner-operated family farm. These family farmers are not only a significant part of our productive capacity, but they also are a vital part of the social and cultural fabric of rural America.

□ 1700

Mr. Speaker, at this time I yield to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the gentleman from Missouri for the very fine statement that he is making and note that the speaker is the chairman of the rural caucus of the House of Representatives, on which I am privileged to serve as a member of the executive committee.

I want to commend the chairman of that caucus for the leadership that is showing in inquiring into a number of our export-related problems and say that I think this effort of the rural caucus can hold some real promise. I hope we can come up with some suggestions and solutions that we will share with the Agriculture Committee as we deliberate on the 1985 farm bill. And beyond that, that we share with other committees which have jurisdiction in the trade area.

I commend the gentleman for his statement and for his efforts.

Mr. SKELTON. Mr. Speaker, I wish to thank my colleague from Missouri for his kind comments and also thank him for the work that he is doing in the area of agriculture. Agricultural exports are so terribly important to us.

For so many years it has been agricultural exports that kept our balance of trade in the black. For so many years it is agricultural exports that have kept us from being a debtor nation.

Now we see that agricultural exports have begun to slip. As a result, we have and we are becoming a debtor nation. This must be reversed, Mr. Speaker. We in this Congress have an opportunity through the farm bill of 1985 to reverse the trend, to cause our export policy to be one that is positive rather than something that for so many years has been taken for granted.

So with the determination that I know that we have in this body we can make our agricultural export policy a positive one, one that will put us back in competition throughout the world so that we can get the balance of trade where it should be, we can assist our American farmers, and that we again will be a proud exporting agricultural nation.

I thank the Speaker.

● Mr. ROTH. Mr. Speaker, I commend my colleague from Missouri for calling a special order to focus on the need to do more to promote agricultural exports. Personally, I find this special order very timely, since Secretary of Agriculture John Block will be visiting my district this Friday, March 29. I will be hosting a farm forum so that the farmers of northeast Wisconsin can question the Secretary on the administration's agricultural proposals. A longstanding interest of the farmers of my district has been increasing their markets through exporting.

Given our overall 1984 trade deficit of $123 billion, it is ironic that the United States pays so little attention to its most profitable export, agricultural products. Last year alone, the United States exported $38 billion in farm goods and imported only $18.9 billion.

U.S. agriculture enjoys a comparative advantage over other countries for many products. The reasons are the favorable American climate, an abundance of fertile land, and modern farming technology. As a policy, the United States should maximize these advantages and take additional steps to enhance farm exports.

Last year, I proposed a four-point plan to enhance the potential of our agricultural community by increasing its exports. Steps have been and are currently being taken to follow through with the ideas that I put forth, but we can do more.

First, I called for a vigorous and hardline bargaining approach by the U.S. Government in pursuit of expanded markets, and elimination of restrictions against U.S. agricultural products. The 1985 farm bill addresses the importance of agricultural exports and the need to expand our trade. The major provisions would provide a commitment on the part of the U.S. Government to promote open access in world markets for U.S. farm products. They call for expanded trade through the elimination of restrictive trade deficits.

Second, I urged congressional action to ensure that agriculture be given equal treatment with other export interests in multilateral trade negotiations. We cannot afford to play "innocents abroad." Many nations are agressively selling products in traditional U.S. markets at below the cost of actual production.

I will soon be introducing a resolution calling on the President to negotiate with our trading partners to revise GATT rules so that agricultural export subsidies would be treated the same as tariffs. Primary products would be treated the same as manufactured products. Current rules make an artificial distinction between primary and manufactured products. They provide an excuse for subsidized agricultural exports by many of our friends and allies.

The protectionist nature of the European Community's common agricultural policy has been widely documented. GATT procedures should explicitly recognize that domestic subsidies alter trade by reducing the demand for imports and increasing the supply of exports.

Third, I declared the need for the U.S. Government to more fully utilize the barter and countertrade provisions of the last farm bill to acquire strategic materials in exchange for our agri-

cultural products. This provision was responsible for $13.6 million in dairy for bauxite trade with Jamaica in 1983. Last year the trade was increased by almost $7 million. This is only the tip of the iceberg. From 1960 to 1968, we were engaged in countertrade or barter up to about $1.2 billion; I believe we can make this a goal for the future.

Fourth, I called for new and innovative marketing techniques to expand our farm exports. Wheat, corn, and soybeans form the bulk of agricultural exports. But there is no reason why we cannot compete in other areas. As the representative of the third largest dairy district in the Nation, I believe we are overlooking the many opportunities this agriculture sector provides. Recent sales of dairy products to Egypt and Iraq show there is an international market for our products. We must tap new markets and aggressively meet overseas competition.

There is much to be gained if the U.S. dairy industry can expand into these new foreign markets. Dairy products containing low levels of lactose may find a new home in the People's Republic of China and other Asian countries. I have seen some innovative marketing schemes for low lactose yogart. The sales potential here is enormous. Imagine what this could do for our trade account.

In 1983, Land O' Lakes, with assistance of the Agency for International Development, devised a private sector mechanism to utilize dairy products being held by the CCC to promote economic development in developing countries. Under the plan, Public Law 480 commodities are granted to a small nonprofit foundation in Jamaica. It then contracts with the lowest bidder in the country to have the bulk commodities processed into value-added products. The products are then sold commercially in markets outside the United States and which are not available to U.S. dairy products. The profits generated from the sale of these products are used for two purposes: First, to provide financing in the form of loans, loan guarantees, investments of grants, for large or small scale projects to increase Jamaican production. Second, to promote the growth of the Jamaican economy. The goal is to assist Jamaica to become a viable trading partner with the United States. I would like to see more of these types of projects—partnerships between private enterprise and government that benefits developing countries, as well as the United States.

In conclusion, I'd like to say that I am pleased that the U.S. Government is finally recognizing the importance expanding its agricultural exports. This importance has been recognized by the administration which has made export promotion title I of the 1985 farm bill. The United States has everything to gain from encouraging farm exports. In promoting agricultural exports, we can both help the American farmer and the citizens of a hungry world. And, from a national perspective, we can reduce the trade deficit to the benefit of our entire economy.●

● Mrs. SMITH of Nebraska. Mr. Speaker, agricultural exports are of particular importance to my district and so I greatly appreciate the chance to join in this important discussion today. My home State of Nebraska ranks sixth of the 50 States in the value of agricultural exports.

I especially would like to address my urban colleagues as to why they should be concerned about agricultural exports. First of all, a great deal of nonfarm economic activity is generated by agricultural exports. Each dollar earned from farm exports stimulates $1.23 of output in the U.S. economy. Approximately 80 percent of this additional economic activity accrued to the nonfarm sector. USDA estimates that $81.8 billion in total U.S. business activity was generated by farm product exports.

Second, an estimated 1.1 million fulltime jobs were related to the production, processing and transportation of U.S. agricultural exports. Less than half of these jobs were on the farm. Keep in mind these are just the jobs directly related to exports. More than 1 in 5 jobs in America can be traced to the farm. USDA estimates that 23 million people earn their living in the food and fiber system.

A third reason agricultural exports are so important to every person in the United States is that the overall U.S. trade deficit is expected to reach $140 billion this year, far surpassing last year's record trade deficit of $123 billion. Over the last 5 years farm exports, on the other hand, contributed a positive $112 billion to the balance of trade. Agricultural exports are a bright light in an otherwise dark trade picture.

Of course to farmers exports are even more important, accounting for 28 percent of farm income. Approximately 1 of every 3 crop acres—112 million—are used to produce agricultural commodities for export. By the year 2000, 50 percent of the crop acreage in the United States may be harvested for export.

Export embargoes, unstable fiscal and monetary policies, and an overvalued dollar have dealt repeated and brutal blows to agricultural exports. The strong dollar has been particularly burdensome to grain farmers, especially considering, for example, that nearly 2 of each 3 bushels of wheat produced by American farmers must find an overseas market.

The value of the U.S. dollar has increased over 100 percent compared to the franc since 1979, and over 750 percent compared to the peso. Using August 1981 exchange rates as the base and a price of $3.25 per bushel for wheat in western Nebraska, the effective price of U.S. wheat is $4.36 in The Netherlands, $5.40 in Great Britain, and $5.78 per bushel in Spain. This is before any transportation costs are added to get the wheat from the farm to the ports and overseas.

The dollar is so strong that European Economic Community wheat export subsidies have been reduced from $1.77 per bushel in 1982 to only 40 cents per bushel today.

Our competitors are shielded by the dollar's own subsidizing effect. The strength of the dollar is responsible for $5 to $6 billion of the $9 billion drop in farm exports between 1981 and 1983.

The dollar's strength has eroded our market share and has encouraged a flood of imports into the United States. It makes imports cheaper while our foreign customers must pay more for our exports. Again, a good example is wheat. The U.S. market share for wheat is around 38 percent. This compares to 48 percent in 1981. In July 1980, a Japanese buyer would have had to pay 860 yen for a bushel of U.S. wheat. Three years later it would cost a U.S. purchaser the same price, but to a Japanese buyer, the price increased to 916 yen per bushel.

The European Community has captured 14 percent of the world wheat market, and is threatening to expand its share. One study indicates that a 1 percent change in the value of the dollar in relation to special drawing rights [SDR's] will inversely affect wheat exports by 1.9 percent.

Not only does the relative value of the dollar make foreign wheat more price attractive to the buyer, but it also translates into a higher domestic price for the producer in a foreign country. This stimulates production, and given the marketing system of other countries, this stimulated production is place on the world market at a level that will clear their granaries.

The high value of the dollar has hurt the livestock industry as well. Canada's pork exports are up 10 times from their 1981 level, and 1.5 million head are expected to cross the border this year.

Positive action must be taken to ensure agricultural exports do not continue their current slide. As a start I introduced the Agricultural Export Expansion Act on March 7. This legislation would assist in the export of U.S. agricultural commodities and improve farm income through the exemption of those farm commodities sold through export promotion programs from cargo preference requirements. This is vitally important to the success of our export programs. Shipping costs on U.S. bottoms are 100 to

300 percent higher than non-U.S. vessels, and a recent U.S. district court ruling has placed this burden on the American farmer, thus effectively killed the congressionally authorized blended credit and other USDA commercial export programs.

This is only a beginning. The 1985 farm bill must have the strongest export title ever enacted in long-term farm legislation. This country is the breadbasket of the world and we must work to keep it that way.●

● Mr. JONES of Tennessee. Mr. Speaker, I appreciate this opportunity which has been arranged by the gentleman from Missouri to discuss one of the more important issues facing American agriculture today, both in terms of farm operators and agribusinesses.

During the decade of the 1970's, the market for agricultural exports from the United States seemed limitless. American farmers were told by Secretary of Agriculture Earl Butz to plant fence row to fence row, and to base their future plans on continued growth in the export market.

As a lifelong soil conservationist, I was appalled by the total disregard for our agriculture resource base associated with Secretary Butz' policy. When I look out across the thousands of acres of soybeans growing today on some of the steepest farmland in west Tennessee, I see topsoil washing away down the Mississippi River at levels 10 to 20 times the acceptable rate for soil loss. These highly erodible acres were sodbusted from pastureland and timberland and brought into new cropland production as a direct result of Secretary Butz' evangelical call to the American farmer to expand his production and export his way to financial health.

For a while this policy seemed to work. Millions of acres of new cropland—much of it highly fragile—were brought into production in the 1970's, and the volume and the value of U.S. farm exports continued to increase every year. The value of U.S. agricultural exports increased almost sixfold from 1970 to 1980. Agricultural exports reached their peak value in 1981 at nearly $44 billion, and the volume of U.S. agricultural exports peaked at almost 164 million metric tons in 1980, 2½ times the 1970 level.

For more than 10 years American farm policy was based chiefly on this never-ending export prosperity. Then the bubble burst.

From 1981 to 1983, the value of U.S. agricultural exports fell by more than $9 billion, and the volume of agricultural exports fell by more than 19 million metric tons. Worldwide economic recession, the enormous debt problems of the developing countries, and the rapid appreciation of the U.S. dollar have been major contributors to the declining demand for U.S. agricultural exports. In addition to these factors, there also have been an increased worldwide production of major agricultural commodities, the unfair and anticompetitive agricultural and trade policies of foreign countries, and several U.S. embargoes of sales of farm commodities.

Unfortunately, not much can be done in the 1985 general farm bill to address the real problems which have crippled our exports. In my opinion, these problems can only be addressed in the larger context of our overall economic and foreign relations policies.

In any event, I do intend to do all I can in this year's farm bill to enact a long-term land retirement conservation reserve. Such a program would take out of production some of the most erodible land which was sodbusted in the 1970's, and which today is contributing excessively to the total annual erosion rate. In addition, I intend to work for a strong antisodbusting program to discourage additional fragile land from being brought into production in the future unless proper conservation systems are applied.

We may not be able to change the past, but we must certainly learn from it. Overreliance on export markets was a foolish policy 10 years ago, and we shouldn't allow ourselves to be sucked into that false promise again.

Instead, I believe we should face up to a few facts. As long as real interest rates in this country remain at record rates and the rest of the world's economy remains stagnant, American exports, especially agriculture exports, will not be the cure-all to our economic ills. As long as American farmers receive market prices for their commodities which are lower than the cost of production, I fail to understand how they can make a profit by selling more overseas at a larger loss.

In my opinion we need to take a serious look at our agriculture policy as we have known it for the past decade. I believe we have reached the point where we need to decide whether American agriculture should continue chasing the elusive export rainbow. As distasteful as it may be to some people, I think it's time we returned to a policy of strong supply controls to get our surpluses down and our production more in line with demand for our farm products.●

GENERAL LEAVE

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE NATIONAL CHILDHOOD VACCINE-INJURY COMPENSATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MADIGAN] is recognized for 30 minutes.

● Mr. MADIGAN. Mr. Speaker, today, I am introducing the National Childhood Vaccine-Injury Compensation Act of 1985. We have heard much talk about vaccine safety, availability and affordability over the past few years. The Subcommittee on Health and the Environment, of which I am the ranking minority member, has held two hearings on these issues within the past 6 months. I am introducing this legislation today to get the ball rolling and force all of us in Congress to address this crucial situation in a timely fashion.

This legislation is based on three major principles: First, the childhood immunization program in this country is one of our most important health efforts; second, the future availability of some vaccines is in severe jeopardy; and third, those children injured by vaccines deserve fast and equitable compensation.

First, the use of vaccines in children has had a dramatic impact on diseases which one claimed thousands and thousands of lives each year. Widespread use of DPT vaccine has brought about reductions of greater than 99 percent in the incidence of diphtheria, pertussis and tetanus when compared with the prevaccine era.

Second, the future availability of certain childhood vaccines is now in severe jeopardy. Aside from the health departments in Michigan and Massachusetts, there is only one remaining distributor of DPT in the United States. This is a drop from three distributors in less than a year. As a direct consequence of that drop in distribution capacity, we are currently experiencing a shortage of this vaccine.

At hearings conducted by the Health and Environment Subcommittee in September and December 1984, manufacturers testified that the major reason they are dropping out of the vaccine market is that the number and size of liability claims is increasing astronomically. The remaining distributor of DPT must renew its liability insurance by midyear. Its ability to renew that insurance is in jeopardy unless its insurers can predict potential liability with some certainty.

Finally, approximately one dose of DPT vaccine in 310,000 will cause a severe adverse reaction. Other vaccines also cause problems in some recipients. These children have a right to prompt compensation.

The bill I am introducing today will address all of these concerns by estab-

lishing, at very little government expense, a fast, reliable, no-fault compensation system for those injured by vaccines. It will assure continued availability by establishing liability ceilings which enable insurers to predict the potential liability associated with manufacturing and administering a vaccine. The bill will also encourage the development of safer vaccines by hopefully keeping existing companies in the business, bringing others back in, and establishing an advisory commission on childhood vaccines and a program to provide incentives for safer vaccines. Finally, this legislation will bring greater awareness of the benefits and potential risks of vaccines by requiring mandatory dissemination of parent information.

A section-by-section summary of the bill and outline of the major points are available for you today. I thought I would just briefly address some of the key provisions.

First, the Secretary of the Department of Health and Human Services must compile a list of experts for eleven regions of the country to serve on hearing panels. A victim must then file a claim with the Secretary who will arrange for the convening of a three-person hearing panel. Respondents, including both manufacturers and health care providers, would be asked to make an irrevocable election to participate in the hearing and be bound by an award. The parties would choose their hearing panel from the list of experts, and the panel would determine if the injury was caused by a vaccine and, if so, calculate the damages. Respondents would pay all costs.

A hearing panel would enter a binding award for actual and projected out-of-pocket expenses, including costs of medical and custodial care and special education and therapy; actual and projected loss of earnings; pain and suffering; and reasonable attorneys' fees. Compensation would be capped at $1 million per claim, with $100,000 of this being available for pain and suffering. Claimants who accepted the hearing panel decision could receive immediate compensation from respondents.

If a claimant rejects the hearing panel decision for any reason, he/she is free to file a normal civil action for damages, but the statutory ceiling of $1 million would still apply. If any respondent refuses to participate in the administrative hearings, the claimant can file a civil action and no cap on awards would apply.

I know that many of you are aware of the bill developed last year by the Parents' Group and the American Academy of Pediatricians, as well as a new, revised version which I understand will soon be ready. I commend them for their work, but I feel that this legislation is superior to that introduced during the last Congress for a variety of reasons:

First, the Federal expense is very minimal as respondents pay all awards directly. This is particularly important at a time when deficits are at historical highs.

Second, it does not restrict awards to individuals who have suffered one of a limited number of symptoms.

Third, it is administratively simple—there would be no need to levy surcharges to finance a government compensation pool.

Fourth, it encourages manufacturers and providers to minimize risk by making them individually, directly responsible for their actions.

And, finally, it makes the maximum liability that manufacturers and health professionals may be exposed to more predictable and, therefore, more insurable.

I understand the risks associated with vaccines. At the same time, our childhood immunization program in this country saves many thousands of children's lives each year. If manufacturers and distributors are not able to get insurance, there is a possibility that manufacture and distribution may have to cease until an alternative can be implemented. I would like to preempt that type of crisis by authorizing a system that is fair to the manufacturers as well as the recipients of vaccines.

I am not wedded to every provision of this bill. I look forward to continued talks with the chairman of the Health and the Environment Subcommittee and other interested parties as we work with this legislation to develop a thoughtful, bipartisan markup vehicle. Only in that way can we assure quick action on this important issue.

One last note—this legislation is designed to address the childhood vaccine injury problem specifically and exclusively. There is no relation between this legislation and legislation that would establish a uniform product liability standard. There is a unique public interest in assuring the availability of vaccines that is not applicable to any other product sold in interstate commerce. Childhood vaccines, for all intents and purposes, are mandatory and there is therefore no consumer choice allowed. I will strongly and quickly disavow any claim that this legislation is designed to be a forerunner to a uniform product liability bill. That issue is separate; vaccines are different.

NATIONAL CHILDHOOD VACCINE-INJURY COMPENSATION ACT OF 1985 SECTION-BY-SECTION ANALYSIS

SECTION 1—SHORT TITLE

Section 1 is the "short title" provision, stating that the Act may be cited as the "National Childhood Vaccine-Injury Compensation Act of 1985."

SECTION 2—FINDINGS

The Act rests on a number of Congressional findings relating to the Federal Government's involvement in childhood vaccination programs, the value of those programs, the occurrence of injuries associated with vaccinations, the pendency of large numbers of tort claims relating to those injuries, and the threat to the continued supply of certain vaccines caused by this litigation.

SECTION 3—NATIONAL VACCINE-INJURY COMPENSATION PROGRAM

This section contains a new title, to be added as Title XXI of the Public Health Service Act, that would establish a National Vaccine-Injury Compensation Program. The sections to be added to the Public Health Service Act are discussed below.

Section 2101.—This section establishes the basic requirement that administrative remedies under the Program be exhausted before a civil action for damages for vaccine-related injuries can be filed in any court. It also provides that, with the exception of appeals filed under section 2108(b) and actions to recover awards paid under section 2111(b), no new federal court jurisdiction is being established under either section 1331 or 1337 of title 28, United States Code, which govern "federal question" cases and cases arising under statutes regulating commerce.

Section 2101.—Lists of persons willing to serve as members of hearing panels would be published by the Secretary of Health and Human Services. These lists, which are to be published within 90 days after the date of enactment and after appropriate consultation with interested persons, would include persons the Secretary deems qualified to make the determinations required by the Act. The lists would be divided into regional groups and would contain a sufficient number of persons in each region to provide for the staffing of the predicted number of panels. Compensation for hearing panel members would be paid through assessments levied, pro rata, on respondents at the conclusion of each proceeding.

Section 2103.—This section sets forth the basic procedural requirements relating to the filing and initial processing of claims. No action for damages for a vaccine-related injury can be filed against any person unless that person is first named as a respondent in a claim filed pursuant to the Act, and unless that claim is filed within the time periods specified in section 2112 (ordinarily, two years after the first manifestation of a vaccine-related injury).

The content of claims and procedures for filing them are to be governed by regulations to be issued by the Secretary, although certain basic requirements are set forth in the Act. This section, in conjunction with the related definition contained in section 2114(1)(B), requires that all claimants and all respondents who are seeking compensation, or from whom compensation is sought, with respect to a vaccine-related injury alleged to have resulted from the vaccination of a single individual must be joined as parties in a single claim. After service of this claim, and after the joinder of any additional respondents, each side in the proceeding would select a hearing panel member from the lists compiled by the Secretary under section 2101. These two members would meet and select a third member. If selections are not made as required, the Secretary would make them. The section also provides procedures for the replacement of hearing panel members who

become unable to continue to serve and for removal of members for personal bias and prejudice.

Section 2104.—Before hearing panel members are selected, respondents would have the opportunity to file a consent, in the form specified by the Secretary, waiving any right they might have to a trial by a judge or jury and agreeing to be bound by the decision of the hearing panel. Such consents would remain in effect unless and until revoked on 90 days advance written notice. Hearing panels would be convened, and the hearing process would proceed as provided in the Act, as to all respondents who filed the required consent. Those respondents who did not file such a consent would be subject to immediate tort suit in a State or Federal Court, and the award of damages in such a suit would not be subject to the limitations prescribed by section 2110(b) and 2107.

Section 2105.—Claims are to be processed through informal procedures designed to elicit all relevant information in a cost-effective manner. Decisions of the panel would be by majority vote and would be in writing.

Section 2106.—The hearing panel would decide, based on the evidence presented to it and the experience and expertise of its members, whether any injuries alleged in the claim met the statutory definition of vaccine-related injuries, i.e., whether they were caused by a covered vaccine or by the manner in which it was administered. The panel would have the power to dismiss the proceedings against a respondent if that respondent established, by the preponderance of the evidence, that it did not participate in the manufacture, distribution, sale, or administration of the dose or doses of vaccine that are alleged to have caused the claimant's injury. If the panel found that the alleged injuries were vaccine-related, it would render a decision in favor of the claimant and against any respondents that had not been dismissed as parties. It would then proceed to determine the amount of damages suffered by the claimant.

Section 2107.—Damages could be awarded for actual and projected reasonable, unreimbursed expenses of medical care and other related costs; for loss of earnings and projected earnings; for non-economic, general damages arising from pain, suffering, and emotional distress; and for reasonable attorneys' fees. The total award with respect to all injuries claimed to have resulted from the administration of a covered vaccine to a single individual could not exceed $1,000,000, and no more than $100,000 of this total could be for non-economic, general damages arising from pain, suffering, and emotional distress. No punitive or exemplary damages could be awarded. Unless a notice of objection or an appeal is filed under section 2108, the award would be entered jointly and severally against all participating respondents not previously dismissed as parties to the proceeding.

Section 2108.—Decisions of the hearing panel would generally not be subject to appeal and would be final and binding. Nevertheless, the claimant would retain the right to reject a decision for any reason by filing a notice of objection. If no notice of objection is filed, respondents would have a limited right of appeal, and the award could be set aside if it were found to have been procured by corruption or fraud, that the panel exceeded its authority, or that a party was denied a fair hearing. If neither a notice of objection nor an appeal were filed within the applicable time periods, the award would become final and would be enforceable in a State or Federal Court as a final judgment.

Section 2109.—If a claimant rejected an award he could thereafter maintain an action for damages in a State or Federal court against any participating respondent. The standards of liability applicable to the hearing panel proceeding would not apply, and substantive and procedural issues would be governed by otherwise applicable State or Federal law, except that the applicable limitations period would be modified by section 2112(c), which generally provides for the tolling of the statute of limitations during the pendency of the hearing panel proceedings. At a trial of the claimant's tort suit, the decision of the hearing panel would be admissible in evidence unless it were excluded on grounds identical to those applicable to a respondent's appeal under section 2108. Upon admission of the decision into evidence, it would be presumed to be correct, and a party who contends otherwise would bear the burden of proof. No eligible hearing panel member could be called to testify with respect to the performance of any duty under the Act, although a hearing panel member could testify with respect to any issue of fact raised on a motion to exclude a decision of the hearing panel on such grounds as fraud or denial of a fair hearing.

Section 2110.—Money judgments in a tort suit would be subject to the same limitations applicable before a hearing panel, except that with respect to persons who did not file consents pursuant to section 2104(a), or who waived compliance with the procedures prescribed by the Act, monetary damages could be awarded to the full extent provided by otherwise applicable State or Federal law.

Section 2111.—After a participating respondent has paid a vaccine-injury claim, the respondent would be authorized to bring a civil action seeking to recover all or part of the payment made. In such an action, liability would be reallocated on the basis of comparative fault, except that if the court should find that the claimant's injury was not caused by the fault of any party, liability would be assessed in equal shares against the manufacturers of the vaccine administered which are parties to the action. Actions for contribution or indemnification could be filed on behalf of persons who had not filed a consent pursuant to Section 2104(a) or who waived compliance with the procedures specified by the Act only to the extent permitted by otherwise applicable law apart from this section, and no such action could be filed against either a participating respondent or against someone whom the claimant had not named as a respondent.

Section 2112.—Except during the first two years after enactment, claims filed more than two years after the first manifestation of a vaccine-related injury would be barred. Claims on behalf of minors or incompetent persons would have to be filed by their parents or guardians within the same limitations period applicable to other claims. During the first two years after the date of enactment, claims could be filed notwithstanding the otherwise applicable two-year limitation period unless, on the date the claim was filed, the applicable statute of limitations would prohibit the filing of an action for damages with respect to the subject matter of the claim. Applicable statutes of limitations would also be tolled during the pendency of proceedings under the Act.

Section 2113.—The Act would apply to all claims for injuries first manifested after March 27, 1985, and to those claims for vaccine-related injuries first manifested before that date as to which no action for damages had yet been filed. If such an action were pending, the Act would apply only if all parties so stipulated.

Section 2114.—This section contains definitions of certain terms used throughout the Act.

SECTION 4—ADVISORY COMMISSION

An Advisory Commission on Childhood Vaccines would be appointed to advise the Secretary on (1) the implementation of the Program, (2) actions to encourage the availability of an adequate supply of safe and effective vaccines, (3) available ways to obtain and use credible data on the frequency and severity of adverse reactions, and (4) research priorities. The Commission would have eleven members including health professionals, parents of injured children, attorneys, manufacturers, and government officials (who would serve as ex officio, nonvoting members).

SECTION 5—PARENT INFORMATION

The Secretary would, within one year, develop parent information materials for distribution by health care providers to the parents or legal guardians of any child receiving a vaccine. The materials would include information on (1) the frequency, severity, and potential long-term effects of the disease to be prevented by the vaccine; (2) reactions to the vaccine that should be brought to the attention of the health care provider; (3) precautionary measures; (4) early warning signs or symptoms; (5) reporting procedures; (6) contraindications; (7) a summary of relevant State and Federal laws; and (8) other relevant information. Health care providers would be required to provide these materials to parents or legal guardians prior to the administration of a vaccine.

SECTION 6—INCENTIVES FOR SAFER CHILDHOOD VACCINES

The Secretary would be required to encourage the development or refinement of vaccines that result in fewer major adverse reactions, and to make or assure improvements in licensing, manufacturing, testing, labeling, warnings, distribution, storage, and administration of vaccines to reduce the risks of major adverse reactions. Reports to Congress would be required every two years.●

HOUSING FOR THE HANDICAPPED ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. McKINNEY] is recognized for 30 minutes.

● Mr. McKINNEY. Mr. Speaker, today I am introducing the Housing for the Handicapped Act of 1985, a measure which will assist the plight of the mentally ill homeless of this Nation.

This legislation is largely a response to the policy of deinstitutionalization of the mentally ill. For a number of years I have been stating that during the past 20 years, the noble philosophy of deinstitutionalization has resulted, in part, in a plethora of desti-

tute, ill-equipped, chronic mentally ill individuals being dumped on the streets of our Nation's communities. While the original intent of deinstitutionalization—that is, care of the chronic mentally ill in the community rather than "warehousing" in an institution—was laudable and one that I support, it remains a fact that the community support structures are lacking resources to care for this population.

In essence, deinstitutionalization has been achieved far more easily than the complementary development of community-based service networks and residential opportunities appropriate to the needs of the chronically mentally ill. As a result, many deinstitutionalized chronically mentally ill persons are found on the grates in American cities and have been unable to gain access to supportive and habilitative services and, more importantly, shelter.

Mr. Speaker, with this as background, I have been reviewing existing Federal programs to find a mechanism to further the goal of deinstitutionalization. I found such a program under section 202 of the Housing Act of 1959. Most of us know this as section 202 housing for the elderly. However, this program has also been providing housing for the handicapped, that is, physically handicapped, developmentally disabled, and chronically mentally ill. The housing for the handicapped component of the section 202 program is one of the best kept secrets of our federally assisted housing programs.

The Housing for the Handicapped Act of 1985 would improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that the existing program meets the special housing and related service needs of physically handicapped, developmentally disabled, and chronically mentally ill persons. The primary goal of this legislation is to enhance the present statute based on recommendations from previous congressionally mandated demonstration studies as well as the Department of Housing and Urban Development's own 9-year experience in providing housing for nonelderly handicapped persons.

Unlike other legislative proposals presently being considered, this proposal calls for no new funding or duplicative demonstration programs. This legislation is a far more practical and reasonable approach which would improve an existing program for the handicapped and would assist in providing shelter and treatment for mentally ill persons who comprise a significant segment of our homeless population.

I urge my colleagues to incorporate this legislation in the housing authorization bill that is being developed and which I hope the House will adopt. To further acquaint my colleagues with the purpose of my bill I am inserting a summary of the provisions and the bill itself for the RECORD:

SUMMARY OF THE HOUSING FOR THE HANDICAPPED ACT OF 1985

PURPOSE

The purpose of this Act is to improve the direct loan program under Section 202 of the Housing Act of 1959 to ensure that the existing program meets the special housing and related service needs of nonelderly handicapped persons.

BACKGROUND

The Section 202 program was first enacted as part of the Housing Act of 1959 to provide direct Federal long-term loans for the construction of housing for the elderly or handicapped. The program was intended to serve elderly persons whose income was above public housing levels but still insufficient to obtain adequate housing in the private market. The Section 202 program was amended by the Housing and Community Development Act of 1974 to change the method of determining the interest rate (which had been set at a 3 percent statutory maximum in 1965) and to permit the use of Section 8 housing assistance payments for projects constructed or substantially rehabilitated under the program. The original Section 202 program was restricted to elderly persons and families and later expanded to include physically handicapped people. The HCD Act of 1974, deleted the word "physically" from the term "physically handicapped" in response to the urgings of advocacy groups concerned for the eligibility of persons with developmental disabilities. The Housing and Community Development Amendments Act of 1978 provided further expansion of handicapped to include the chronically mentally ill. The 1978 Conference Report required the Secretary to promptly "develop criteria and standards for housing for the chronically mentally ill so that such persons can become active participants in the Section 202 program."

HUD contracted this task out to an independent consulting firm. The consulting firm developed the standards and criteria and HUD has not sanctioned the standards and criteria, but rather has made the document available to sponsors of housing for the handicapped as background information only.

Presently, in addition to serving the special housing needs of the elderly, the Section 202 program serves the developmentally disabled, physically handicapped, and chronically mentally ill. Since the 1974 Act through 1984, over $6 billion has been reserved representing almost 3,000 projects and 166,000 units. Of this amount, approximately 10 percent of the funding goes to the handicapped; primarily those with developmental disabilities.

WHY THERE IS A NEED FOR THIS LEGISLATION

Although projects for the handicapped have been somewhat successful in accessing program funding, once selected projects for the handicapped in comparison with projects for the elderly, have a poor track record of progressing through the HUD processing system up to the point of start of construction. On the average, based on actual program experience, projects for the handicapped take generally 2½ to 3 years to start construction from the time funds are reserved for the project. Projects for the elderly, on the other hand, average a little under the HUD regulatory requirement of 18 months.

The processing problem is aggravated by other procedural difficulties in developing small community-based projects for the handicapped. The other difficulties are primarily attributable to ambiguities in program policy and processing requirements. These ambiguities stem from the fact that Section 202 was originally created as a multifamily rental housing program, not a program to provide small-scale single family type housing for the handicapped.

This fact was the overall finding of the independent consulting firm chosen to evaluate the HUD/HHS Demonstration Program for the chronically mentally ill. Although this demonstration was geared to housing for the chronically mentally ill, the findings are also applicable to the other two disability groups served under the Section 202 program.

WHAT THIS PROPOSAL ACHIEVES THAT OTHER SIMILAR PROPOSALS DO NOT

On May 30, 1984, H.R. 5752 was introduced, entitled "Homeless Persons Housing and Supportive Services Act of 1984". This same bill was included in Section 411 (entitled Second Stage Housing for the Homeless and Displaced) of H.R. 1, the Housing Act of 1985. These provisions provide $100 million in FY 1986 for a Second Stage Housing Demonstration program for the homeless and displaced. The legislation would require HUD to administer a demonstration program to determine the feasibility of assisting nonprofit organzations in providing housing and supportive services for the intended residents. While the Section 411 provision of H.R. 1 does not specifically state it, it appears that this proposal deals with the chronically mentally ill who form a large portion of the homeless population.

In view of the HUD/HHS Demonstration Program, this proposal calling for yet another demonstration is unnecessary and duplicative. The additional $100,000,000 funding is a poor use of scarce federal resources. The information desired from the proposed demonstration has already been derived from the experience of sponsors who are currently operating small group homes for the chronically mentally ill under the 202 Program.

This proposal is better able to improve an existing program for the handicapped and will assist in providing shelter and treatment for mentally ill persons who are homeless.

Testifying on March 7, 1985 before the Housing Subcommittee, the Consortium for Citizens with Developmental Disabilities (CCDD), a group representing a number of major national disability organizations representing persons with handicaps whose housing needs are addressed in part by various federal programs, stated that:

"The time has come to face the situation directly and proceed to design and implement a program based on housing needs of persons with handicaps. The information base that is required to effectively implement such a program exists; *no further studies or demonstration programs are necessary*". (Emphasis added.)

KEY PROVISIONS OF THE LEGISLATION

1. General Provisions: (Housing for Handicapped Families)

A. Not less than 15 percent of such sums appropriated for the Section 202 Program shall be available for loans for the development of housing for handicapped families.

B. In allocating funds and processing applications for housing for handicapped fami-

lies, the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and housing for the elderly.

C. The Secretary may, in a demonstration, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype design.

2. Revised Subsidy Mechanism

The present fair market rents of the Section 8 program are particularly inappropriate for the development of group homes and other facilities for the handicapped since often there are inadequate market comparables.

It is proposed, therefore, to abandon the Section 8 Program and to provide a rental subsidy that is specifically designed to assist projects for handicapped families that are financed under the Section 202 Program.

The proposed subsidy would be based on HUD's determination of what it would cost to build a specific project, after applying standard HUD cost containment policies with respect to design and amenities. Since only a few thousand units are involved and since HUD as the maker of a 202 loan now looks very closely at costs, the additional fine tuning involved in this proposal should not impose significant additional burdens on HUD. The result should be a subsidy that is more reflective of the actual cost and would not require time-consuming requests for waivers. It would also allow projects to go forward that are presently falling by the wayside.

3. Tenant Rent Contribution: (Fixed Subsidy and Minimum Rent)

Another feature of the Section 8 Program that has encouraged waste is that the subsidy is open-ended while the tenant rent contribution is fixed. Thus rent increases that were not really needed were imposed because the subsidy must expand to meet higher rent levels. The lack of any absolute, predictable ceiling on the rental subsidy over a twenty-year period has been one of the main concerns with Section 8. The bill fixes on aggregate twenty-year limit on the amount of subsidy based solely on the amount of the initial rents. The maximum subsidy would equal 90 percent of the sum of the initial rents times twenty. By contrast, the aggregate subsidy under Section 8 is 100 percent of the sum of the initial rents plus an indefinite amount through amendments of the subsidy contract whenever needed. Many Section 8 projects currently need amendment authority.

In order to provide a specific ceiling to the subsidy, and one that would be lower than prevailing under Section 8, the bill would introduce flexibility in the required tenant rent contribution. Not only would this provision permit a limit to the commitment of federal dollars, but it would encourage restraint in the costs of operating the project over the years. A minimum rent contribution of 25 percent of gross income would be required. Currently, under Section 8, tenants pay exactly 30 percent of adjusted income. In terms of gross income, current tenants pay rents equivalent to a wide range of percentages of income, generally from 20 percent to 29 percent. The administration of various adjustments to income has proven to be burdensome and contentious and can become greatly distorted when applied to many handicapped persons. In view of the gross income standard and the risks of higher than minimum rent contributions that would be imposed by the bill, the minimum percentage is set at 25 percent, rather than at 30 percent. It should be noted also that the minimum rent as a percentage of gross income currently in effect under Section 8 is only 10 percent. The owner would propose and HUD would approve as reasonable all tenant rent contributions.

4. Definitions

A. Housing for handicapped families: housing and related facilities to be occupied by handicapped families who are primarily nonelderly handicapped families.

B. Nonelderly handicapped families: elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this program.

5. Exemption: Davis-Bacon Wage Rates

In keeping with the overall goal of enhancing the Section 202 statute to better serve housing for the handicapped on a cost effective basis, this bill would provide an exemption to the application of Davis-Bacon prevailing wage requirements for all nonelderly handicapped projects developed under Section 202. In a 1983 CBO study, CBO found that "Derived by various techniques, estimates of the additional federal costs attributable to Davis-Bacon wage determinations have ranged from $75 million a year to nearly $1 billion.

Presently, the United States Housing Act of 1937, exempts Section 8 projects of fewer than nine (9) units from paying Davis-Bacon wages. The new Housing Development Grant Program contains an exemption for fewer than twelve (12) units. The present Section 202 statute provides no such exemption.

6. Supportive Services for Elderly and Handicapped Families

A. Service Benefit Plan—

This section provides a statutory base to provide incentives for states and local financial resources to support projects developed for handicapped families.

The bill requires applicants proposing housing for handicapped families to submit a "service benefit plan" describing the manner in which such services will be provided and the extent of state and local funds available to assist in the provision of such services.

B. Clarification of Occupancy Policy—

As the Section 202 program has become a dual purpose program (housing for the elderly and housing for the nonelderly handicapped) some advocacy groups argue that any program-eligible person has a right to occupancy in any 202 project, regardless of whether the project offers the supportive services deemed necessary by program requirements for the individual's particular handicap or age category. Clarification of this issue will relieve project sponsors from having to provide housing for individuals whose service requirements are outside the experience training or resources of the sponsor who was selected to serve a different client group.

This bill amends the Section 202 statute to clarify the authority of Section 202 owners to limit occupancy to the client group or groups the project sponsor was selected to serve.

H.R. 1774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Housing for the Handicapped Act of 1985".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that—

(1) housing for nonelderly handicapped families is assisted under section 202 of the Housing Act of 1959 and section 8 of the United States Housing Act of 1937;

(2) the housing programs under such sections are designed and implemented primarily to assist rental housing for elderly and nonelderly families and are often inappropriate for dealing with the specialized needs of the physically impaired, the developmentally disabled, and the chronically mentally ill;

(3) the development of housing for nonelderly handicapped families under such programs is often more expensive than necessary, thereby reducing the number of such families that can be assisted with available funds;

(4) the program under section 202 of the Housing Act of 1959 can continue to provide direct loans to finance group residences and independent apartments for nonelderly handicapped families, but can be made more efficient and less costly by the adoption of standards and procedures applicable only to housing for such families;

(5) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families is time consuming and unnecessarily costly and, in some areas of the Nation, prevents the development of such housing;

(6) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families should be replaced by a more appropriate subsidy mechanism;

(7) both elderly and handicapped housing projects assisted under section 202 of the Housing Act of 1959 will benefit from an increased emphasis on supportive services and a greater use of State and local funds; and

(8) an improved program for nonelderly handicapped families will assist in providing shelter and treatment for mentally ill persons who are homeless.

(b) PURPOSE.—The purpose of this Act is to improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that such program meets the special housing and related needs of nonelderly handicapped families.

SEC. 3. HOUSING FOR HANDICAPPED FAMILIES.

(a) IN GENERAL.—Section 202(h) of the Housing Act of 1959 is amended to read as follows:

"(h)(1) Of the amounts made available in appropriation Acts for loans under subsection (a)(4)(C) for any fiscal year commencing after September 30, 1985, not less than 15 percent shall be available for loans for the development of housing for handicapped families.

"(2) The Secretary shall take such actions as may be necessary to ensure that—

"(A) funds made available under this subsection will be used to support innovative methods of meeting the needs primarily of nonelderly handicapped families by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(B) housing for handicapped families assisted under this subsection will provide families occupying units in such housing with an assured range of services specified

in subsection (f), will provide such families with opportunities for optimal independent living and participation in normal daily activities, and will facilitate access by such families to the community at large and to suitable employment opportunities within such community.

"(3)(A) In allocating funds under this subsection, and in processing applications for loans under this section and assistance payments under paragraph (4), the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and other housing assisted under this section.

"(B) The Secretary may, on a demonstration basis, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype designs.

"(4)(A) The Secretary shall, to the extent approved in appropriation Acts, enter into contracts with owners of housing for handicapped families receiving loans under, or meeting the requirements of, this section to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by lower income families that is not met from project income. The annual contract amount for any project shall not exceed 90 percent of the sum of the initial annual project rentals for all units and any initial utility and services allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The term of a contract entered into under this subparagraph shall be 240 months.

"(B) The Secretary shall approve initial project rentals for any project assisted under this subsection based on the determination of the Secretary of the total actual necessary and reasonable costs of developing and operating the project, taking into consideration the need to contain costs to the extent practicable and consistent with the purposes of the project and this section.

"(C) The Secretary shall require that, during the term of each contract entered into under subparagraph (A), all units in a project assisted under this subsection shall be made available for occupancy by lower income families, as such term is defined in section 3(b)(2) of the United States Housing Act of 1937. The rent payment required of a lower income family shall be approved by the Secretary and shall not be less than 25 percent of the gross income of the family, as defined by the Secretary.

"(D) The Secretary shall coordinate the processing of an application for a loan for housing for handicapped families under this section and the processing of an application for assistance payments under this paragraph for such housing.

"(E) The aggregate amount of budget authority that may be obligated for contracts for payments under this paragraph for fiscal year 1986 shall not exceed such sum as may be approved in appropriation Acts.".

(b) DEFINITIONS.—Section 202(d) of the Housing Act of 1959 is amended by adding at the end thereof the following new paragraphs:

"(9) The term 'housing for handicapped families' means housing and related facilities to be occupied by handicapped families who are primarily nonelderly handicapped families.

"(10) The term 'nonelderly handicapped families' means elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this section.".

(c) EXEMPTION.—Section 202(c)(3) of the Housing Act of 1959 is amended by inserting ", other than housing for handicapped families," after "section".

SEC. 4. SUPPORTIVE SERVICES FOR ELDERLY AND HANDICAPPED FAMILIES.

Section 202(f) of the Housing Act of 1959 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraphs:

"(2) Each applicant for a loan under this section for housing and related facilities shall submit with the application a service benefit plan describing—

"(A) the category or categories of families such housing and facilities are intended to serve;

"(B) the range of necessary services to be provided to the families occupying such housing;

"(C) the manner in which such services will be provided to such families; and

"(D) the extent of State and local funds available to assist in the provision of such services.

"(3) The sponsor of housing and related facilities assisted under this section may limit occupancy of such housing and use of such facilities to—

"(A) the category or categories of families described in the service benefit plan submitted under paragraph (2); or

"(B) the category or categories of families described in the application for assistance under this section, in the case of an application submitted before October 1, 1985.".

SEC. 5. TERMINATION OF SECTION 8 ASSISTANCE.

Housing for handicapped families assisted under section 202 of the Housing Act of 1959 using only authority approved in appropriation Acts for fiscal years beginning after September 30, 1985, shall not receive assistance under section 8 of the United States Housing Act of 1937.

SEC. 6. EFFECTIVE DATE; APPLICABILITY.

"(a) EFFECTIVE DATE.—The provisions of, and amendments made by, this Act shall become effective on October 1, 1985.

"(b) APPLICABILITY.—Unless otherwise provided in this Act, the provisions of, and amendments made by, this Act shall not apply with respect to projects with loans or loan reservations under section 202 of the Housing Act of 1959 using authority approved in appropriation Acts for fiscal years beginning before October 1, 1985.●

MAJORITY LEADER OFFERS SALUTE TO JOSEPH B. SWANNER FOR LONG, DISTINGUISHED SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. WRIGHT] is recognized for 15 minutes.

● Mr. WRIGHT. Mr. Speaker, today I want to offer a salute to one of the most conscientious and dedicated Federal administrators it has ever been my privilege to know—Mr. Joseph Bailey Swanner of Brownwood and Austin, TX.

A few weeks ago Joe Swanner retired as Regional Director of the Economic Development Administration in Austin, climaxing a 35-year career with the U.S. Government.

To me, Joe Swanner personified all that a top-level Federal administrator should be. He believes devoutly that the Government exists only to serve the people, not the other way around. He likes to use the tools of bureaucracy to get things done, not to keep things from happening.

Over the years Joe Swanner has served our country in many ways. In World War II he was a young seaman in the U.S. merchant marine. Later, in 1950, Joe began his civilian governmental service here as a staff member in the House of Representatives, helping prepare the daily Journal.

From 1953 to 1959 he was a legislative assistant to Congressman O.C. Fisher of Texas, assisting the Congressman's constituents, preparing testimony and statements, and monitoring and evaluating legislation.

From 1960 to 1963 Joe was chief file clerk of the House, and between 1964 and 1966 he was director of the Office of Congressional Relations of the Small Business Administration.

In 1966 he became special assistant to the Administrator of the Economic Development Administration. Two years later he became Deputy Regional Director for the EDA in Austin and then, in 1973, he was promoted to Regional Director. In this position he administered and managed EDA programs in Texas, Arkansas, Louisiana, New Mexico, and Oklahoma.

To this job Joe Swanner brought his characteristic vigor and dedication. He never lost sight of the fact that his job was not to shuffle paper but to help people. He scoured Federal regulations for ways to accomplish worthwhile projects, not to find ways to enhance his own career or the fortunes of his agency.

Today thousands of Americans in the Southwest—including many in Fort Worth's revitalized North Side—live better lives because of jobs created by EDA projects promoted and brought to fruition by Joe Swanner.

During his years of dedicated and selfless work, Joe has won many honors and citations, including the prestigeous U.S. Department of Commerce Special Achievement Award.

And now, as Joe B. Swanner leaves the Government he has served so well for so long, his countless friends in the administrative agencies and on Capitol Hill will want to offer him a sincere, "Well done," and to wish him well in all his future endeavors.●

● Mr. BROOKS. Mr. Speaker, I am pleased to have this opportunity to express my deepest appreciation to Mr. Joe Swanner, who has been an outstanding public servant for 35 years, and who has earned a most rewarding

retirement from the Federal Government.

It isn't often that one finds such an individual working within the Federal Government who is so dedicated to resolving problems—to ascertaining exactly what the requirements are, and then setting about determining not if, but how the problem can best be resolved or the program can best be implemented.

It was always a good feeling to know that if a problem arose under the jurisdiction of the EDA, I could pick up the phone and call Joe Swanner with the knowledge that my request would receive fullest and prompt attention.

Through his retirement, the Federal Government has lost a valued employee and Members of Congress from Arkansas, Louisiana, New Mexico, Oklahoma, and Texas have lost a trusted friend, who was always there to help their constituencies whenever he could.

I wish Joe Swanner every continued success in whatever way he chooses to spend his retirement. He has my warmest regards and sincere best wishes for a rewarding future.●

● Mr. UDALL. Mr. Speaker, I want to congratulate a big, gregarious Texan named Joe Swanner on the occasion of his retirement from Federal service. Joe was a fixture in this House for years, both as an employee on the floor as well as an aide to Congressman O.C. Fisher.

Joe has proved that you can overcome Potomac fever because he has gone home again, back to his beloved Texas after a total of 35 years of Federal service.

I remember Joe well, and recall his doggedness in always trying to find a way to get the job done. His work in the fifties on the Journal and later, as the chief file clerk for the House is typical of so many of the unsung people who labor long and hard in the background to make our jobs easier.

I wish Joe all the best in his retirement.

● Mr. DE LA GARZA. Mr. Speaker, every now and then we find an employee of the Federal Government who is more than just a name in an agency. We find an individual who not only performs his or her tasks, but performs them with gusto. Joseph Bailey Swanner, is just such a person.

Mr. Swanner, after 35 years of Federal executive service, has retired. For the last 12 years, he was regional director of the Economic Development Administration's southwest region with offices in Austin, TX. Few Members of Congress in Texas—especially me—will ever forget the million helping hands Joe gave us in his attempt to aid our constituents.

Mr. Swanner was deputy regional director for EDA from 1968 through 1973 before assuming the regional directorship. From 1966 to 1968, he was special assistant to the Administrator of the EDA. With great pride, Joe recounts his beginning career steps in the U.S. House on the staff of Representative O.C. Fisher of Texas during the 1950's. His career in Government is long and brilliant.

This man gave new meaning to the word "commitment." We hear so much about the negative qualities of some Federal employees—but surely the detractors don't have Joe in mind. This gentleman was responsible for some stunning developments in my south Texas area—economic improvements that are still contributing to the lifeblood of our south Texas economy.

It was with Joe Swanner's help that the Military Highway Water Supply Corp. was born—and it is now pumping water to thousands of people who had never enjoyed indoor plumbing until Joe saw to it that EDA would lend a hand. The McAllen, TX, Foreign Trade Zone bears the hand and mark of Joe Swanner. This FTZ has been one of the single greatest boons to Hidalgo County in many a decade. The Port of Brownsville, the shrimp turning basin, U.S. Highway 281—all these projects would still be drawn in chalk on a blackboard if Joe Swanner had not been in his chair.

Always I found myself sitting with great pride before the Committee on Public Works to tell my colleagues that EDA in Texas not only worked, it succeeded. Joe Swanner's stewardship of EDA's southwestern region enabled my south Texas area to enjoy the building of a infrastructure that still holds the economy together—still vibrant and still contributing.

After so many years a fellow becomes accustomed to working with people who are truly committed to their jobs: A phone call from me to Joe Swanner always had one guarantee to it: no matter what the problem or question, I could count on 1,000 percent from Joe. He is the kind of man who lends pride and dignity to public service—he was genuinely a civil partner and he will be sorely missed. We wish him the best that the world can bring him in retirement. He's gone from the EDA—but his many works remain as a testament to his leadership.●

● Mr. SAM B. HALL, JR. Mr. Speaker, the distinguished majority leader is to be commended for calling to our attention the retirement of our dear friend, Joe Swanner. I want to be first in line to join this well-deserved tribute to a gentleman of the first order.

Joe Swanner just retired from the Federal Government with his last assignment as regional director of the Economic Development Administration for the southwestern region. He enjoyed a long and successful career both as a congressional assistant and a key administrator in the Federal service.

I know how proud Joe Swanner is of his staff days here in the House. He can trace his House work all the way back to 1950, and his respect and admiration for the House is very strong. That's why Joe Swanner was a successful Federal employee. He understood the relationship of Congress to the executive branch, and rather than playing an adversarial role, he sought a strong working relationship between the two branches.

Joe Swanner was present at the beginning of EDA. He helped create it, and he helped to develop it into one of the most successful and productive Government programs ever written for the purpose of providing jobs for the American people. The Economic Development Administration is his legacy, and it is truly an outstanding legacy.

I know for a fact that Joe Swanner eyed every request for EDA assistance under his jurisdiction as a request for money out of his own pocket. If a project didn't appear to have merit, Joe Swanner wouldn't cut corners. In short, he always had the courage and conviction to say "no" to anyone if he felt an EDA project would not give maximum bang for the buck. We need a lot more public employees like Joe Swanner.

Of course, the Office of Management and Budget has slated EDA for termination. I hope this doesn't take place. For 20 years this small agency has helped to revitalize rural America, and it's done it with a modest budget and a small, dedicated staff. A major reason for its success is Joe Swanner.

So, Mr. Speaker, I salute Joe Swanner on his retirement. It's well deserved. He is a great Texan and a patriotic American, and I'm proud of him.●

● Mr. WILSON. Mr. Speaker, it is with pleasure that I add my name to the list of those standing today to express their thanks to a fellow Texan, Joseph B. Swanner, for his 35 years in the service of the U.S. Government.

The more senior of my colleagues have been aware of Joe's dedication since he first began working on the floor of the House of Representatives in 1950. Most Members—both past and present—from Southwestern States have had the pleasure of working with Joe on EDA projects since he began his career there in the late 1960's.

Our wishes for a pleasurable retirement and for continued success in whatever challenges he may encounter go hand in hand with our congratulations on a job well done.●

INTRODUCTION OF NATIONAL INFRASTRUCTURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from New Jersey [Mr. HOWARD] is recognized for 30 minutes.

● Mr. HOWARD. Mr. Speaker, today I am reintroducing the National Infrastructure Act, a bill that I consider vital to maintaining and improving the quality of life in this country for the rest of the century.

As in the last Congress, I am again joining with the gentleman from Indiana [Mr. HAMILTON], the vice chairman of the Joint Economic Committee, in introducing this legislation. It was Mr. HAMILTON's work in the JEC that laid the groundwork for this bill and has formed the structure for this debate.

The Joint Economic Committee's study, "Hard Choices: A Report on the Increasing Gap Between America's Infrastructure Needs and Our Ability To Pay for Them," estimated a $1 trillion bill for highways, roads, mass transit systems, water supply, and wastewater treatment systems for the rest of the century. But the study also found that we will be $450 billion short of meeting that goal based on current funding.

There should be no doubt that there is a pressing need for action on the Nation's infrastructure. The reports of need come from the older, deteriorating urban areas, from the newer suburban areas and from the parts of the Nation that are in the midst of growth.

There are numerous examples of the enormous need for additional funds:

The Environmental Protection Agency has submitted a 1984 needs survey estimating the need for funds for construction of sewage treatment plants in the rest of the century at more than $108 billion.

The County and Municipal Government Study Commission in New Jersey estimates the annual unmet capital investment needs at $264 million.

The Federal Highway System estimates that it will cost $495.7 billion to remove all deficiencies in the Nation's highway system.

The city of New York is on a 200-year cycle in repairing its streets but that looks good compared to the 800-year cycle in Elizabeth, NJ.

These are needs that cannot be tolerated. There is no question the American people must pay for these necessary repairs in one form or another unless we are prepared for commerce and industry to come to a complete halt in the not-too-distant future. The demands of leadership require that we in the Federal Government must play a major role in finding a solution to this problem.

There will not be one solution that takes care of the entire problem. However, we must begin the debate now on how we can effectively deal with the infrastructure problem. Every day waste increases the job ahead of us and simply increases our total cost.

For that reason, I hope to make the 99th Congress the Congress of the infrastructure. I had introduced the National Infrastructure Act in the last Congress for discussion purposes and I hope the dialog will be intensified this year.

We are faced with a problem of huge scale that cannot be approached through the traditional Federal grant mechanism. It is time for us to develop new, innovative approaches that minimize the role of the Federal bureaucracy and do not intrude the Federal Government into State and local decisionmaking.

The National Infrastructure Act, with a simple mechanism that requires no Federal strings and emphasizes local decisionmaking, provides one answer to the problem. It is a new approach that would enable us to close almost one-fourth of the funding gap that has been estimated for the rest of the century.

The act creates a National Infrastructure Fund in the Department of the Treasury that will distribute funds to the States on the basis of population. It does not require any complex formula that could pit States against each other.

The Fund will receive $3 billion annually through an advance entitlement for a period of 10 years. It will then be distributed to the States which must establish revolving loan funds. The States are required to distribute a minimum of 30 percent of the money to local governments.

The States and the local governments will have the authority to decide whether the money will be spent on roads, bridges, mass transit systems, wastewater treatment or water supply systems. They will also have the option of deciding whether the funds will be used for construction or for rehabilitation.

The money is to be repaid to a sinking fund within the National Infrastructure Fund over a 20-year period at no interest. At the end of the 30-year period, States will have an additional $25 billion to continue their infrastructure efforts.

This approach limits the cost to the Federal Government, it allows local decisionmaking and it provides funds for our infrastructure work. It is the type of program that this Congress must consider if Government is going to continue to provide the basic necessities.

I have been extremely gratified by the response that has been received from both public officials and the private sector since I introduced the bill. It is my intention that hearings be held in all parts of this Nation to receive input on the bill in the coming months. We have tentatively scheduled the first hearing for next month in Fort Worth, TX.

I am also pleased to have the support of all six subcommittee chairmen on the Committee on Public Works and Transportation as cosponsors of this legislation. I look forward to working with them as well as all the members of the committee in developing legislation that meets the needs of this Nation.

It is important that we take action on this pressing problem, possibly later in the year.

Without action, we will be faced with an ever increasing problem that will not go away. We must not allow our infrastructure to deteriorate when we have the means to prevent it.

NATIONAL INFRASTRUCTURE ACT—SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

Section 1 provides that this Act may be cited as the "National Infrastructure Act".

SECTION 2. FINDINGS AND POLICY

This section addresses the findings and policies regarding the Nation's infrastructure.

Subsection (a) states that the Congress finds that—

(1) by the year 2000, the gap between anticipated revenues and infrastructure needs will be $450 billion;

(2) public capital investment at all levels of government have declined in recent years by more than 50%;

(3) infrastructure needs affect all regions of the country;

(4) delay in meeting infrastructure needs further compounds the costs; and

(5) a sound infrastructure system is essential to a healthy national economy.

Subsection (b) states the policy of the United States that—

(1) the declining trend in public capital investment should be reversed;

(2) infrastructure investment should be based on a long-range and sustained plan; managing infrastructure projects; and

(4) a Federal instruction program should be established to assist state and local governments.

SECTION 3. NATIONAL INFRASTRUCTURE FUND

Subsections (a), (b), (c). These subsections establish a National Infrastructure Fund [NIF] within the Treasury of the United States to provide funds for interest-free repayable grants to states. Guaranteed appropriations to the Fund will be made at a rate of $3 billion per fiscal year for ten years beginning in fiscal year 1986.

Subsection (d) establishes as part of the NIF a separate account to be known as the "Sinking Fund Account," to receive funds repaid by the states. Repayment will begin in the second year of each loan and will be completed at the end of twenty years. The Secretary of the Treasury will invest these funds in interest-bearing obligations of the United States. Rate of repayment will be determined by the Secretary considering the interest to be earned on such obligations. The Secretary shall report to the Congress at the end of each fiscal year on the financial condition of the Account, and on its expected condition during the succeeding five fiscal years.

SECTION 4. REPAYABLE GRANTS

Subsection (a). This section provides the criteria under which the $3 billion will be distributed to the qualifying states. Funds

will be allocated using the same ratio as the state population bears to the total population of the states for each fiscal year.

Subsection (b). Provides that funds will be available to each state on October 1 of each fiscal year.

Subsection (c). Grants shall be repaid as instructed under subsections (d) and (e) of this section.

Subsection (d). States shall make annual payments in the amounts determined by the Secretary to repay the grants by the end of a 20-year period. This determination will consider interest income earned on the obligations secured for the Sinking Fund Account under section 3(d) of this Act.

Subsection (e). Adjustments will be made in the payment schedule to ensure that the aggregate amount of payments received and the interest earned is equal to the amount of each grant. Any deficit in the amount will be paid by the states, and any excess will be returned to the states. Upon completion of repayment of each twenty-year loan, the Secretary shall transfer the funds to the general funds of the Treasury.

SECTION 5. QUALIFICATION REQUIREMENTS FOR REPAYABLE GRANTS

This section defines the qualifications of the states for repayable grants. This Act requires that there be an agreement between the Secretary of the Treasury and the states that includes the following provisions:

(1) The states must establish an infrastructure revolving fund within the Treasury of the states;

(2) The infrastructure funds will be used by the states within a reasonable period, as deemed acceptable by the Secretary, to make interest-free loans to state and local government departments, agencies and instrumentalities;

(3) These loans will be made in accordance with state laws and procedures regulating loans to governmental entities from state funds. These loans will be repaid in annual payments starting in the second year of each loan with final payment as soon as practicable, but within the life of the project or the end of the 20-year period beginning when the loan is made, whichever is sooner. These loans will be used only for construction and improvement of highways, streets, bridges, and water supply and distribution systems; and acquisition, construction and improvement of mass transportation facilities and equipment; and wastewater treatment facilities. Loans are only for projects which otherwise would not be carried out within a 24-month period initiated at the time of the loan. Loans may not be utilized to provide the non-Federal share of the cost of any project carried out under any other provision of Federal law, nor will they be used to pay the cost of operation and maintenance of any project. Loans will be repaid with user fees and dedicated taxes to the extent practicable.

(4) The state will not use amounts from the infrastructure revolving fund to repay loans made under paragraph 2 of section 5 of this Act.

(5) At least 30% of the funds allocated to a state will be used to make interest-free loans to local government departments, agencies and instrumentalities.

(6) Repayment of the grant by the states will be in accordance with section 4 of this Act.

(7) The states shall adhere to accounting, audit and fiscal procedures guidelines designated by the Secretary after consulting with the Comptroller General of the United States.

(8) After reasonable notice, the state shall make available to the Secretary and the Comptroller General such records necessary to review compliance and operation under this Act.

(9) The state will comply with the requirements of sections 6 and 7 of this Act.

SECTION 6. AUDITS, INVESTIGATIONS, AND REVIEWS

Subsection (a). This section provides that each state shall have an annual independent audit of the financial statements of the state to ensure compliance with this Act under the government auditing standards as issued by the Comptroller General.

Subsection (b) allows that audits being performed in compliance with other laws of the United States may be substituted for the required audit under this Act for a fiscal year.

Subsection (c). A state may submit a written waiver of the audit requirement if the financial statements of the state are annually audited by independent auditors under state law and if the state certifies that the audit adheres to the government auditing standards, and that the audit applies to the fiscal year of the waiver.

Subsection (d). The Secretary may waive these auditing requirements for a state for a fiscal year under the following provisions, when the state demonstrates progress in complying with these regulations, and:

(1) the financial statements are not auditable; or

(2) the audit is conducted, but is not independent or does not adhere to the issued auditing standards.

Subsection (e). An opinion on an audit shall be provided to the Secretary as required and the audit will be made available by the state within 30 days for public inspection.

Subsection (f). The Secretary will set specific time limits to perform audits and reviews, or investigations of possible violations of this Act.

Subsection (g). The Comptroller General shall review the activities of the Secretary and the states necessary for Congress to evaluate compliance and operations under this Act.

SECTION 7. PUBLIC HEARINGS

Subsection (a). This section requires that the states hold at least one public hearing prior to issuing an interest-free loan under this Act. This hearing shall encourage public participation providing opportunities for written and oral questioning relative to the proposed loan.

Subsection (b). Adequate notice shall be provided by the state of all hearings relative to this Act, including, but not limited to newspaper notice.

SECTION 8. REPORTS

Subsection (a). Before June 2 of each fiscal year the Secretary is directed to report to Congress on:

(1) the status and operation of the fund during the prior fiscal year; and

(2) the administration of this Act, including a report on the distribution of funds to the states and any legislative recommendations for improving the program.

Subsection (b). Each state government receiving funding shall submit a report at the end of each fiscal year as prescribed by the Secretary. This report shall state an account of the funds received in terms of the amounts and purposes, and the differences between the planned and actual budget.

SECTION 9. BUDGET TREATMENT

This section provides that the amount of repayable grants made to the states under this Act shall not be included in the budget of the U.S. Government and shall be exempt from statutes governing budget outlays.

SECTION 10. POPULATION INFORMATION

This section establishes the criteria for determining the state populations to be used in this Act. The Secretary of Commerce shall provide adjusted population figures based on the 1980 census, to more accurately reflect current populations.

SECTION 11. DEFINITIONS

This section provides the definitions for the terms "construction" and "state", as used in this Act.

Mr. HAMILTON. Mr. Speaker, one useful byproduct of our national economic afflictions has been increased attention to the issue of productivity. Unfortunately, the discussion has not focused upon one important component of economic efficiency: The condition of our infrastructure.

While we have stressed the development of a fifth generation of computers, we have neglected the preservation of the current generation's transportation and water systems. Years of declining investment in our basic life-support systems have undermined—and will continue to increasingly undermine—our Nation's productive and commercial capacity. Between 1971 and 1981, spending by all levels of government on highways, bridges, mass transit, water, and sewer dropped from 1.5 percent of GNP to 0.78 percent.

The longer we delay restoring our transportation and water systems, the harder and more expensive the task will become. But the issue is larger than paying for public works projects. The ability to move people and goods quickly and to provide an adequate supply of clean water is essential for future economic growth.

Fearing that we could face a crisis of growing proportions, the Joint Economic Committee commissioned an advisory panel under the direction of its former chairman, Henry Reuss, to study the condition of our infrastructure and to make recommendations on how to finance its repair and construction. The study was based on a survey of 23 States, and its conclusions represent the best available data.

The advisory panel discovered a severe problem. Although the country's regions have differing requirements, all have widespread needs. While the Northeast and Midwest encounter growing deterioration of facilities built decades ago, the South and West cannot keep up with new demands for expansion.

The advisory panel estimated that to meet tomorrow's demands, the United States must increase planned spending by $450 billion through the year 2000. It is estimated that to finance repair and reconstruction of highways and

bridges, we will need $720 billion through the end of the century. Of that, only $455 billion will be available under existing programs, leaving a shortfall of $265 billion. For water supply and distribution, the spending gap is $41 billion; for wastewater collection and treatment, $49 billion; and for mass transit, $88 billion.

The advisory panel found that, while the financial requirements are large, they are also manageable. Although the $450 billion needed for infrastructure spending in the next decade and a half is a large sum, it is within our means. The Joint Economic Committee's estimates are less alarming than some, which have put the cost of needed investment in the trillions.

We cannot ignore these needs. If we do, we will endanger the health of our economy. The public takes its transportation and water systems for granted. We had better not.

What can we do? The Joint Economic Committee has made several recommendations. These include establishing a capital budget to help define our resources and needs, reviewing obsolete technical standards which impair intelligent investment, and, where appropriate, granting the States greater latitude to determine how to spend scarce Federal infrastructure dollars.

But, most important, Congress, we believe, should establish a national infrastructure fund, which would help the States address the deterioration the JEC advisory committee, as well as others, have so conclusively documented.

That is why I am pleased to join Congressman HOWARD and other members of the Public Works and Transportation Committee in introducing the National Infrastructure Act to create such a fund. This bill, which Senator HART will also introduce, rests on five assumptions.

First, infrastructure renewal and development is of clear national importance. Each State, as our study has shown, will have unmet needs in the next 15 years.

Second, because of the budget crisis, the Federal Government is unable to respond to the emergency by simply increasing spending, as it has done in the past.

Third, we must establish a new long-term, sustained commitment to building and repairing public works which recognizes the advantages of our federal system of government.

Fourth, infrastructure renewal represents an investment in the future. It is not wasted money, particularly when, as we are proposing, Federal loans are repaid.

Finally, as I have already noted, a competitive national economy depends upon a sound infrastructure.

The national infrastructure fund, which we are proposing, would be financed by the U.S. Treasury at the rate of $3 billion a year for 10 years. It will be a small office in the Treasury Department, whose sole function would be to make 20-year, interest-free loans available to the States and to make certain that they are repaid. It will allocate funds to the States according to a formula based on population, though that could be modified.

The States, in turn, will set up infrastructure banks or revolving funds which will lend the money to finance infrastructure construction and repair. This money will be paid back to the State fund through taxes and/or user fees in equal, annual increments, thereby permitting the original Federal loan to finance more infrastructure construction and/or repair. We have calculated that $30 billion in loans will create about $76 billion in new infrastructure spending over the 30-year period the program lasts.

The States will be required to spend the loans only on roads, bridges, mass transit, water supply and distribution systems, and sewerage systems. These, we consider, the core, life-support systems of our economy. Each State will determine how to allocate its Federal funds. Obviously, New Mexico's priorities will differ from New York's, but each will decide separately how to invest its capital. The States will be required, however, to set aside at least 30 percent of its loans for municipal and county governments to invest.

The States will not be permitted to substitute the funds for projects which otherwise would have been carried out. Nor will they be permitted to provide the non-Federal share of the cost of any project from the loan. The national infrastructure fund is designed to supplement existing programs.

After 1 year, the States will be required to pay a percentage of their loan, determined by the Secretary of the Treasury, into a "sinking fund" in the national infrastructure fund. There, the deposits will earn enough interest to repay the original "repayable grant." This will limit the impact of the program somewhat, but it will ensure repayment. At current interest rates, we estimate those combined payments will average $65 million per year.

After the States have completed repaying their last loan, 30 years after the program begins, a permanent pool of infrastructure capital equal to the interest income earned by the sinking fund will remain. We calculate that that will be around $26 billion. This money will continue to be recycled to finance additional infrastructure projects.

The Comptroller General and the Secretary of the Treasury will be empowered to review compliance, conduct audits, and to issue reports to Congress on the status and operation of the program.

As I noted earlier, we regard infrastructure expenditures as an investment in the future. The projects funded will have a real and tangible value. They should not, therefore, be regarded as operating expenses. Rather, they represent an investment for which, as any good business recognizes, it is proper to borrow. We have consequently proposed that the moneys appropriated for the national infrastructure fund, which will be repaid, be considered off-budget in a separate capital account.

This proposal has three overriding attractions. It provides a steady, dependable stream of capital to the States so that managers can plan for future needs. It leaves selection and direction of projects with State and local governments, though the projects would be restricted to infrastructure needs whose impact on the national economy is greatest: Roads, bridges, mass transit, sewerage, and water supply and distribution systems. Finally, because the funds would be repaid, the cost to the Treasury will be contained.

In conclusion, I want to address a question we have been asked many times since we first introduced the National Infrastructure Act last June. How, when the Federal budget deficit is so large, can we propose that Washington undertake a new spending program, no matter how necessary, meritorious, or fiscally prudent?

The answer, I believe, is clear. We must increase our investment in infrastructure because failure to do so will hurt us in the future. Without a sound infrastructure, economic growth becomes more difficult. Without strong growth, all our other social and economic goals, including a balanced budget, will be harder to achieve.

In short, the cost of continuing to neglect our national infrastructure needs is truly something we cannot afford.

Others have asked if it would not be more appropriate for the States to meet the challenge of revitalizing our infrastructure, rather than the Federal Government. They note that, after all, most States have budget surpluses and that infrastructure spending has historically been a State responsibility. They also point out that the State share of total spending on public works has declined from 70 percent in 1959 to 52 percent in 1983.

Unfortunately, the nationwide task of infrastructure renewal is too large and too important to leave to the States alone. So great are the needs for repair and expansion that all levels of government must participate in order to keep our national economy strong.

Our proposal will raise only a fraction—about one-sixth—of the total revenue the Joint Economic Committee study indicated we will need by the year 2000. The States, and the cities, therefore, will have no choice but to increase spending, though today, unfortunately, too few have concrete plans to do so.

By requiring the States to establish infrastructure banks, or revolving funds, our bill in fact creates a catalyst which will stimulate the process of infrastructure renewal. It recognizes that Washington cannot today simply increase its grants for development. Rather, we wish to utilize the virtues of our federalist system of government, with its shared responsibility for the tasks of government. By creating cooperation between Washington and the States, the proposal addressed the problem in what, I believe, is a new and potentially very productive way. At the same time, the bill underlines the Federal Government's two century commitment to the building and security of this Nation.

We must increase investment in infrastructure. Because our economy depends on it, we have no alternative. Failure to increase essential public works spending will only crimp our economy's competitiveness in the future, something we cannot afford.●

INTERNATIONAL TRADE AND OUR DOMESTIC ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

Mr. MICA. Mr. Speaker, I would like to take a few moments to address the House on the issue of trade.

I would first say that I think every Member of Congress and every American needs to recognize that from this year forward, and possibly a few years before this, no longer can we talk about addressing the domestic deficit, our $200 billion annual deficit, our $1.4 trillion national debt, without talking about our problems in the world and the international trade deficit.

For years I have been talking around my district in my State about the fact that this is becoming a global and, indeed, when we are facing a $200 billion deficit, now we are talking about $100 billion deficit with regard to international trade and the two will have to be addressed together, not one or the other, but the two together. I think that is going to take a change in attitude in this Nation, in the very fibers of our bureaucratic system.

Approaches and concerns that we have as Americans are going to have to change somewhat or we will not be able to compete and we will not be able to solve these problems. Let me give some examples. In recent studies, some time ago when I visited Japan, I noticed that the Japanese bureaucy, the Japanese Government, considered themselves not as antagonists of their businessmen but as an entity there to help their business people.

I was told by many businessmen in Japan when they go to talk to their government agency the attitude is not that "We have laws on the books to stop you from doing this or prevent you from doing that," but, in essence, to say, "Here are our laws and here is your approach. How can we work together to solve this so that you can have an appropriate business, create jobs, export, if you will, and therefore help your nation?" We do not have a good deal of that attitude in this Nation today, and we do not have the attitude that this is a global economy. We have been working for some 18 months in this body on the Export Administration Act simply saying that we would like to make it easier for American businessmen to export their products overseas.

Many of our laws, when it comes to international laws, are antiquated. We have the example of the Embassy official who bought a little "talk speak and spell," a little toy computer that talked and spells words, and he was told he could not take it out of the country, just a few years ago, because it was militarily critical, because it had an imbedded microprocessor.

Then we have the situation where the quartz watches that most of us wear, that electronic watch, was on the restricted list in this Nation for years, for years because our laws were outdated to the point where it said that we could not ship that watch because it had a chip in it and that chip was on a special list that was restricted. Never mind the fact that almost every industrialized nation on the face of the Earth was shipping and making those chips, our laws were such that we could not ship that. It took an Executive order of the President.

These are the kinds of approaches that I think are going to have to change and our laws will have to be changed in order to put us in a competitive position in the world market.

I might also add that we have representatives, by way of our embassies, all over the world acting on behalf of the United States who could help and assist us in our international trade problems.

□ 1710

I would tell the story that happened to me just a few weeks ago in my home district. A businessman indicated to me that he had gone to a country to seek a contract with two other nationals. Each agreed to visit their own embassy in the morning, meet for lunch and then call on their principal to see if they could sell this product. A three-nation agreement trying to sell a product.

He went to the American Embassy and said he was treated rather rudely, told that they did not have the time and was sent on his way. His two colleagues, each from other nations, were given reams of information, calls were made to be helpful; they were given all kinds of assistance—one embassy even offered to send personnel to help introduce.

His comment to me was he was embarrassed to even tell his colleagues the treatment he had, let alone the situation. We have tried to address that just yesterday in the State Department authorization bill, saying in effect that our Embassies and our Embassy personnel should be directed by the Secretary of State to do everything they can to assist American business interests.

What we are talking about essentially is the loss of tens of thousands of American jobs; a multibillion-dollar trade deficit that as I said when I started out, must be solved in conjunction with the solution to our domestic deficit.

If we do not solve the international trade imbalance, we will not solve the domestic deficit problem, and I think the same is true in reverse. Both have to be attacked; they have to be attacked on all fronts. Bureaucratic thinking, governmental thinking, congressional approaches, legislative approaches, Executive orders from the White House, changes in all of our laws and our attitudes around the world.

I think finally we have to enforce some of the antidumping laws we have on the books. One need only mention the Houdillie case, where millions of dollars were spent by a private company to prove that there was indeed infractions on our laws, and eventually nothing was done about it.

So the point is we do have some laws on the books; they also need to be enforced, we just want to compete, as the saying goes, "on a level playing field." It is important not only to me and my colleagues here, but literally to every single American, because everytime another country gets a contract or makes a sale that American businessmen or businesswomen could make, it is a job in this country.

CONFERENCE REPORT ON H.R. 1239

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 99-29)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1239) "making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 7, 10, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 3, and 11, and agree to the same.

Amendment Numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert *$400,000,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 6, 8, 9, 13, and 14.

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DANIEL K. INOUYE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery if Africa, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommeded in the accompanying conference report.

The conference agreement has not included H.R. 1189 as an amendment. The conferees do expect H.R. 1189 to be considered during April 1985, and the Department of Agriculture, in the meantime, is to proceed with applications and actions to be ready to use the existing guarantee authority during the month of April.

TITLE I

CHAPTER I

AFRICAN FAMINE RELIEF

PUBLIC LAW 480

Amendment No. 1: Provides $400,000,000 for title II of Public Law 480 instead of $600,000,000 as proposed by the House and $285,000,000 as proposed by the Senate.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

of which $384,000,000 is hereby appropriated to be available through December 31, 1985, and $16,000,000 shall be derived from unobligated balances in the Commodity Credit Corporation

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $384,000,000 for title II of Public Law 480 to remain available through December 31, 1985, and provides for the use of $16,000,000 in unobligated Commodity Credit Corporation balances. The House bill provided for an appropriation of $480,000,000 and the Senate amendment provided for an appropriation of $269,000,000 and a transfer of $16,000,000 in unobligated balances.

It is the intention of the conferees that the commodities provided in this Act be delivered to Africa no later than December 31, 1985.

Amendment No. 3: Deletes House language providing $120,000,000 (of which $90,000,000 was made available by Public Law 98-332) for competitive sales to Africa from Commodity Credit Corporation stocks.

Amendment No. 4: Deletes Senate language and restores House language which provides that not to exceed $100,000,000 is available for inland transportation under certain terms and conditions.

CHAPTER II

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

International disaster assistance

Amendment No. 5: The Conferees agreed to delete language proposed by the Senate. This language indicated that "such sums as may be necessary" were available and established a ceiling at the House appropriated amount. The conferees felt that funds should be available through a specific appropriation, as proposed by the House.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

, to be available only for such purpose and to remain available until March 31, 1986: Provided, That the Committee on Appropriations of each House of Congress is notified five days in advance of the obligation of any funds made available under this paragraph, unless the emergency is life threatening and immediate action is necessary

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to inclusion of the Senate language which requires a five day notification to the Committee on Appropriations before funds being provided for International Disaster Assistance may be obligated. This action is not to be taken as a precedent for future action on the regular International Disaster Assistance account. The conferees included this language because the authorization legislation has expanded the purposes for which these funds may be used, in essence creating an account which is part disaster assistance, part development assistance, and part Economic Support Fund.

The conferees have recommended additional language which will allow a waiver of this requirement if the situation is life threatening and requires an immediate response. The conferees expect that this waiver provision will be used only when absolutely necessary. In addition, the administration must immediately report to the Committee on Appropriations of each House of Congress if the five day notification is waived. This report shall contain the justification for waiving the notification requirement and a detailed report on the use of such funds.

DEPARTMENT OF STATE

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Amendment No. 7: Deletes language proposed by the Senate which required a five day notification prior to using emergency refugee and migration assistance funds. The purposes and scope of this particular account, unlike the International Disaster Assistance account, have not changed, and, therefore, the conferees agree that additional notification requirements are unnecessary.

MIGRATION AND REFUGEE ASSISTANCE

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

notwithstanding any other provision of law,

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to delete language proposed by the Senate. This language indicated that "such sums as may be necessary" were available and established a ceiling at the House appropriated amount. The conferees felt that funds should be available through a specific appropriation, as proposed by the House.

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

, to be available only for such purpose and to remain available until March 31, 1986

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to delete the Senate language requiring a five day notification prior to obligation of funds under this account. The conferees are aware that these funds will be subject to the normal notification process.

TITLE II

FUNDS APPROPRIATED TO THE PRESIDENT

EMERGENCY RESERVE FOR AFRICAN FAMINE RELIEF

Amendment No. 10: Deletes Senate language which provided that funds under the Emergency Reserve would be available only to the extent an official budget request is transmitted to the Congress.

TITLE III

GENERAL PROVISIONS

Amendment No. 11: Inserts technical center head change as proposed by the Senate.

Amendment No. 12: Restores House language and deletes Senate language waiving sections 10 and 15 of the State Department Basic Authorities Act. The conferees agree that since the authorization for this bill has

been passed, the proposed Senate waiver is no longer required.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language providing that the Administrator of the Agency for International Development shall have responsibility for determining the emergency food and disaster assistance needs for funds appropriated in this Act.

The conferees expect that the amendment will in no way alter the way the Public Law 480 program is currently administered by the Department of Agriculture and the Agency for International Development.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

DISPOSITION OF ADDITIONAL AGRICULTURAL COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available, through Private Voluntary Organizations for donation to African nations requiring emergency food assistance, for calendar year 1985, not more than two hundred thousand metric tons of agricultural commodites: Provided, That 50 percentum of the commodities made available under this sentence shall be in the form of wheat or wheat products: Provided further, That none of the commodities made available for donation under this sentence shall be made available until the Secretary of Agriculture has certified to the appropriate committees of the Congress that the commodities shall not be distributed through or otherwise be allowed to come under the possession or control of the Government of Ethiopia. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides for the distribution of equal amounts of wheat and dairy products. The conferees will expect the Department to distribute 200,000 metric tons of commodities under this agreement during calendar year 1985.

The conferees agree that the language in the second proviso should not raise any obstacle to the rapid and effective distribution of commodities made available to the people of Ethiopia. The language of the conference agreement will prevent the Government of Ethiopia from gaining control of donated foodstuffs through seizure of commodities donated by the American people.

The conference agreement further supports the Senate floor debate on the amendment. The legislative history established by that debate would allow the participation of the Ethiopian government, in cooperation with UN agencies and United States Private Voluntary Organizations (PVOs), in the transportation and distribution of commodities provided under the amendment.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1985 recommended by the Committee of Conference, with comparisons to the fiscal year 1985 budget estimates, and the House and Senate bills for 1985 follow:

Budget estimates of new (obligational) authority, fiscal year 1985	$235,000,000
House bill, fiscal year 1985.	880,000,000
Senate bill, fiscal year 1985	669,000,000
Conference agreement, fiscal year 1985	784,000,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1985	+549,000,000
House bill, fiscal year 1985	−96,000,000
Senate bill, fiscal year 1985	+115,000,000

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DANIEL K. INOUYE,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MICA, for 5 minutes, today.

(The following Members (at the request of Mr. HENRY) to revise and extend their remarks and include extraneous material:)

Mr. MOORE, for 10 minutes, today.

Mr. MADIGAN, for 30 minutes, today.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. MCKINNEY, for 30 minutes, today.

Mr. BOULTER, for 5 minutes, March 28.

(The following Members (at the request of Mr. SKELTON) to revise and extend their remarks and to include extraneous material:)

Mr. SHARP, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WRIGHT, for 15 minutes, today.

Mr. HOWARD, for 30 minutes, today.

Mrs. KENNELLY, for 5 minutes, March 28.

(The following Member (at the request of Mr. HUTTO) to revise and extend his remarks and include extraneous material:)

Mr. LELAND, for 60 minutes, April 3.

EXTENSION OF REMARKS

By unamimous consent, permission to revise and extend remarks was granted to:

Mr. EMERSON.

Mr. FRANK, to include extraneous material in debate on House Joint Resolution 181 in the Committee of the Whole today.

Mr. YOUNG of Florida, to include extraneous material while in the Committee of the Whole.

(The following Members (at the request of Mr. HENRY) and to include extraneous matter:)

Mrs. JOHNSON.

Mr. FAWELL.

Mr. GREEN.

Mr. HILLIS.

Mr. WEBER.

Mr. PARRIS.

Mr. YOUNG of Alaska in two instances.

Mr. KRAMER.

Mr. KASICH.

Mr. PURSELL.

Mrs. SCHNEIDER in two instances.

Mr. O'BRIEN.

Mr. YOUNG of Florida.

Mr. DORNAN of California in two instances.

(The following Members (at the request of Mr. SKELTON) and to include extraneous matter:)

Mr. KOLTER in two instances.

Mr. DORGAN of North Dakota in two instances.

Mr. HAMILTON.

Mr. FLORIO.

Mr. NOWAK.

Mr. MRAZEK.

Mr. UDALL in two instances.

Mr. MAZZOLI.

Mr. LIPINSKI.

Mr. DYMALLY.

Mr. STARK.

Ms. MIKULSKI.

Mr. SCHUMER.

Mr. SAM B. HALL, JR.

Mrs. BOXER.

Mr. FEIGHAN.

Ms. OAKAR.

Mr. NICHOLS.

Mr. ASPIN.

Mr. GORDON.

Mr. FASCELL in two instances.

Mr. WRIGHT.

Mr. STOKES.

Mr. TRAFICANT.

Mr. EDGAR.

Mr. BONIOR of Michigan.

Mr. RANGEL in three instances.

Mr. GAYDOS.

Mr. SOLARZ in two instances.

Mr. LANTOS.

ADJOURNMENT

Mr. MICA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p.m.), the House adjourned until to-

morrow, Thursday, March 28, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

887. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the proposed sale of defense articles in excess of $50 million to Saudi Arabia, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

888. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the proposed sale of defense articles in excess of $50 million to Pakistan, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

889. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent to offer to sell certain defense articles and services to Pakistan, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

890. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent to offer to sell certain defense articles and services to Saudi Arabia, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

891. A letter from the Director, Defense Security Assistance Agency, transmitting a report of political contributions by Vernon A. Walters to be Ambassador to the United Nations, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

892. A letter from the Inspector General, Department of State, transmitting a report of the results of the confidential audit of the Department's emergency expenditures, pursuant to 22 U.S.C. 2671(c) (the act of Aug. 1, 1956, chapter 841, section 4(c) (97 Stat. 1024)); to the Committee on Foreign Affairs.

893. A letter from the Assistant Attorney General, Antitrust Division, Department of Justice, transmitting a report on the leasing and production of coal lands under the Mineral Lands Leasing Act, and the Attorney General's report on competition in the coal and energy industries, pursuant to the act of February 25, 1920, chapter 85, section 8B (90 Stat. 1089); to the Committee on Interior and Insular Affairs.

894. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting a report on the state of domestic mining, minerals, and mineral reclamation industries, including a statement of the trend in utilization and depletion of these resources, pursuant to Public Law 91-631, section 2; to the Committee on Interior and Insular Affairs.

895. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the fiscal years 1986 and 1987 for certain maritime programs of the Department of Transportation; to the Committee on Merchant Marine and Fisheries.

896. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to eliminate the requirement for decennial census of drainage; to the Committee on Post Office and Civil Service.

897. A letter from the Administrator, Environmental Protection Agency, transmitting the Environmental Protection Agency's legislative proposal for reauthorization of the Clean Water Act; to the Committee on Public Works and Transportation.

898. A letter from the Administrator, Veterans' Administration, transmitting a report on the disposition of cases granted relief from administrative error, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

899. A letter from the Acting Secretary of Energy, transmitting the 1985 annual report on the high-level radioactive waste management demonstration project at the Western New York Service Center, West Valley, NY, pursuant to Public Law 96-368, section 4; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

900. A letter from the Comptroller General of the United States, transmitting a report entitled: "State Rather Than Federal Policies Provided The Framework for Managing Block Grants"; jointly, to the Committees on Government Operations, Education and Labor, Energy and Commerce, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee of conference. Conference report on H.R. 1239 (Rept. No. 99-29). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATES (for himself, Mr. LAGOMARSINO, Mr. MARTINEZ, Mr. LEVIN of Michigan, Mr. DELLUMS, and Mr. MILLER of California):

H.R. 1759. A bill to provide that the polls in the continental United States for Presidential general elections shall close at 10:30 p.m., eastern standard time; to the Committee on House Administration.

By Mr. BEREUTER:

H.R. 1760. A bill to amend the Commodity Credit Corporation Act regarding the export of agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture, Foreign Affairs, and Merchant Marine and Fisheries.

By Mrs. BOXER:

H.R. 1761. A bill to permit persons who will be 18 years of age on the date of a Federal election to vote in the related primary election; to the Committee on House Administration.

By Mr. BURTON of Indiana:

H.R. 1762. A bill to amend the Internal Revenue Code of 1954 to exempt bonds for solid waste disposal facilities from the volume limitation on the issuance of private activity bonds; to the Committee on Ways and Means.

By Mr. COURTER:

H.R. 1763. A bill to amend the Mutual Security Act of 1954 to add the minority leader of the House of Representatives to the list of those who can provide authorization for Members and staff of the House to obtain local currency for foreign travel expenses; to the Committee on Foreign Affairs.

By Mr. DAVIS:

H.R. 1764. A bill to provide that pay for certain types of Federal civilian powerplant employees be determined in the same manner as that in which pay is determined for employees of the U.S. Army Corps of Engineers performing similar functions; to the Committee on Post Office and Civil Service.

By Mr. DONNELLY (for himself, Mr. HEFTEL of Hawaii, Mr. MATSUI, and Mr. ATKINS):

H.R. 1765. A bill to amend the Internal Revenue Code of 1954 to allow contributions to tax-exempt social welfare organizations to be deducted for gift and estate tax purposes; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota:

H.R. 1766. A bill to promote the export agricultural commodities owned or acquired by the Commodity Credit Corporation by facilitating the use of barter for materials produced in foreign countries, to develop markets for U.S. agricultural commodities, to protect the assets of the Commodity Credit Corporation, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. DYSON (for himself, Mrs. BYRON, Mrs. HOLT, Mr. BLILEY, and Mrs. BENTLEY):

H.R. 1767. A bill to amend the Deficit Reduction Act of 1984 to provide that an amendment made by such act relating to Federal guarantees of industrial development bonds shall not apply to obligations issued for certain solid waste disposal facilities for which substantial sums and effort have already been expended; to the Committee on Ways and Means.

By Mr. FASCELL (for himself, Mr. WRIGHT, Mr. MICA, Mr. SMITH of Florida, Mr. FEIGHAN, and Mr. GILMAN):

H.R. 1768. A bill relating to international narcotics control; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. GREGG (for himself, Mr. ROSE, and Mr. CHAPPIE):

H.R. 1769. A bill to amend section 705 of the Communications Act of 1934 to provide for a 2-year moratorium on the encryption of satellite cable programming to allow for the development of marketing systems under the recent amendments made to such section, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. KENNELLY (for herself, Mr. GRADISON, Mr. MATSUI, and Mrs. HOLT):

H.R. 1770. A bill to amend the Internal Revenue Code of 1954 to provide incentives for the establishment of statewide insurance pools to provide health insurance to high-risk individuals; to the Committee on Ways and Means.

By Mr. KRAMER (for himself, Mr. BROWN of Colorado, Mr. SCHAEFER, and Mr. STRANG):

H.R. 1771. A bill to direct the Secretary of the Army to develop a comprehensive plan for the cleanup of contaminated sites, structures, equipment, and natural resources at or near the Rocky Mountain Arsenal near Denver, CO; to the Committee on Armed Services.

By Mr. LIVINGSTON:

H.R. 1772. A bill to limit the use of foreign icebreakers in U.S. waters; to the Committee on Merchant Marine and Fisheries.

By Mr. LUNGREN:

H.R. 1773. A bill to require the Secretary of the Treasury to issue a portion of certain Treasury obligations in the form of obligations indexed for inflation, and for other purposes; to the Committee on Ways and Means.

By Mr. McKINNEY:

H.R. 1774. A bill to amend section 202 of the Housing Act of 1959 to ensure that the direct loan program under such section meets the special housing and related needs of nonelderly handicapped families; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MOORE:

H.R. 1775. A bill to amend the Internal Revenue Code of 1954 to revise and extend the taxes used to finance the Superfund Program; to the Committee on Ways and Means.

By Mr. HOWARD (for himself, Mr. HAMILTON, Mr. ANDERSON, Mr. ROE, Mr. MINETA, Mr. OBERSTAR, Mr. NOWAK, Mr. YOUNG of Missouri, Mr. EDGAR, Mr. RAHALL, Mr. APPLEGATE, Mr. DE LUGO, Mr. SAVAGE, Mr. SUNIA, Mr. BOSCO, Mr. MOODY, Mr. BORSKI, Mr. KOLTER, Mr. TOWNS, Mr. LIPINSKI, Mr. ROWLAND of Georgia, Mr. WISE Mr. GRAY of Illinois, Mr. ATKINS, Mr. VISCLOSKY, Mr. TRAFICANT, Mr. PERKINS, Mr. ACKERMAN, Mr. FORD of Michigan, Mr. LANTOS, and Mr. MATSUI):

H.R. 1776. A bill to establish a national infrastructure fund to provide funds for interest-free loans to State and local governments for construction and improvement of highways, bridges, water supply and distribution systems, mass transportation facilities and equipment, and wastewater treatment facilities, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ROBERTS:

H.R. 1777. A bill entitled: the "Farmland Conservation Acreage Reserve Act of 1985"; to the Committee on Agriculture.

By Mr. WALGREN:

H.R. 1778. A bill to suspend for 3 years the duty on 1,5 naphthalene diisocyanate; to the Committee on Ways and Means.

By Mr. WALGREN (for himself, Mr. BROYHILL, Mr. FEIGHAN, Mr. OXLEY, Mr. MILLER of Ohio, Mr. RAHALL, Mr. REGULA, Mr. MURTHA, Mr. RIDGE, Mr. ECKART of Ohio, Mr. LUKEN, Mr. MURPHY, Mr. MOLLOHAN, Mr. KOLTER, and Mr. DIOGUARDI):

H.R. 1779. A bill to clarify the application of the Public Utility Holding Company Act of 1935 to encourage cogeneration activities by registered gas utility holding companies; to the Committee on Energy and Commerce.

By Mr. MADIGAN (for himself, and Mr. BROYHILL):

H.R. 1780. A bill to amend the Public Health Service Act to establish a National Childhood Vaccine-Injury Compensation Program; to the Committee on Energy and Commerce.

By Mr. GEJDENSON:

H.J. Res. 216. Joint resolution authorizing the President to designate the third week of June 1985 as "National Veterans' Health Care Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.J. Res. 217. Joint resolution designating April 26, 1985, as "National Nursing Home Residents Day"; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Oklahoma:

H. Res. 115. Resolution to amend the Rules of the House of Representatives to restrict the consideration of supplemental appropriation bills by the Committee on Appropriations; to the Committee on Rules.

By Mrs. SCHNEIDER (for herself, Mr. UDALL, Mr. ATKINS, Mr. BARNES, Mr. BENNETT, Mr. BLILEY, Mr. BOEHLERT, Mr. BOSCO, Mrs. BOXER, Mr. CARPER, Mr. CONTE, Mr. COUGHLIN, Mr. COYNE, Mr. CROCKETT, Mr. DARDEN, Mr. DICKS, Mr. DYMALLY, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. FOGLIETTA, Mr. GARCIA, Mr. GORDON, Mr. GREEN, Mr. HORTON, Mr. HUCKABY, Mr. HUGHES, Mr. HUTTO, Mr. JEFFORDS, Mrs. JOHNSON, Ms. KAPTUR, Mr. LAFALCE, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LEHMAN of California, Mr. MCKINNEY, Mrs. MARTIN of Illinois, Mr. MATSUI, Mr. MITCHELL, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. NEAL, Mr. PEASE, Mr. PEPPER, Mr. RAHALL, Mr. REID, Mr. RICHARDSON, Mr. ROTH, Mr. RUDD, Mr. SAVAGE, Mr. SEIBERLING, Mr. SHAW, Mr. SILJANDER, Mr. STRATTON, Mr. TALLON, Mr. TORRES, Mr. VENTO, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. WEAVER, and Mr. ZSCHAU):

H. Res. 116. Resolution expressing the sense of the House with respect to an exchange of travel between leaders of the United States and the Soviet Union; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

54. By the SPEAKER: Memorial of the Legislature of the State of Illinois, relative to grain; to the Committee on Agriculture.

55. Also, memorial of the Legislature of the State of Kansas, relative to taxation of aircraft; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLEMAN of Texas:

H.R. 1781. A bill for the relief of Lori Annette Burr; to the Committee on the Judiciary.

By Mr. GRAY of Illinois:

H.R. 1782. A bill for the relief of Madhav Prasad Sharma; to the Committee on the Judiciary.

By Mr. HUTTO:

H.R. 1783. A bill for the relief of Mary E. Stokes; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 43: Mr. WILLIAMS, Mr. HOYER, and Mr. BONIOR of Michigan.

H.R. 50: Mr. TOWNS, Mr. FAUNTROY, Mr. MCGRATH, Mr. MAVROULES, Mr. CROCKETT, and Mr. WAXMAN.

H.R. 281: Mr. BATES, Mr. BROWN of California, Mr. BONIOR of Michigan, Mr. DIXON, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. HAWKINS, Mr. KOSTMAYER, Mr. LOWRY of Washington, Mr. MURPHY, Mr. PEPPER, Mr. WILLIAMS, Mr. WILSON, Mr. MOODY, Mr. ROE, and Mr. FORD of Michigan.

H.R. 360: Mr. SOLOMON.

H.R. 587: Mr. CAMPBELL, Mr. DAUB, Mr. LELAND, Mr. LUJAN, Mr. BONER of Tennessee, Mr. HAMMERSCHMIDT, Mr. BOEHLERT, Mrs. LLOYD, Mr. DICKS, Mr. LAGOMARSINO, Mr. AKAKA, Mr. SMITH of Florida, Mr. COELHO, Mrs. VUCANOVICH, Mr. STALLINGS, Mr. SWINDALL, Mr. RUDD, Mr. YOUNG of Alaska, Mr. WORTLEY, Mr. LOWERY of California, Mrs. BOXER, Mr. ANDREWS, Mrs. COLLINS, Mr. KINDNESS, Mr. TAUZIN, Mr. FROST, Mr. BUSTAMANTE, Mr. BADHAM, Mr. ARMEY, Mr. MCCOLLUM, Mr. FIELDS, Mr. WOLF, Mr. WHITTAKER, Mr. KANJORSKI, Mr. MONTGOMERY, Mr. GLICKMAN, Mr. DEWINE, Mr. BEDELL, Mr. MARTINEZ, Mr. GROTBERG, Mr. HUGHES, Mr. PORTER, Mr. FAZIO, Mr. MCKINNEY, Mr. ROWLAND of Connecticut, Mr. GEJDENSON, Mr. CONTE, Mr. KILDEE, Mr. HENDON, Mr. WALGREN, Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. GREEN, Mr. NEAL, Mr. SHELBY, Mr. BERMAN, Mr. SEIBERLING, Ms. KAPTUR, Mr. WHEAT, Ms. MIKULSKI, Mr. CROCKETT, Mrs. BOGGS, Mr. DICKINSON, Mr. CONYERS, Mr. KOLTER, Mr. DYSON, Mr. YOUNG of Missouri, Mr. WEISS, Mr. ROSE, Mr. YATRON, Mr. HEFTEL of Hawaii, Mr. WEBER, Mr. KILDEE, Mr. HOWARD, Mrs. SHARP, Mrs. SCHROEDER, Mr. WAXMAN, Mr. SISISKY, Mrs. COLLINS, Mr. BADHAM, Mr. EDWARDS of Oklahoma, Mr. WYLIE, Mr. DOWDY of Mississippi, Mr. KOLBE, Mrs. SMITH of Nebraska, Mr. LANTOS, Mr. MOODY, Mr. MAVROULES, Mr. ACKERMAN, Mr. JACOBS, Mr. FUSTER, and Mr. WEAVER.

H.R. 600: Ms. KAPTUR, Mr. DORNAN of California, Mr. PURSELL, and Mr. GALLO.

H.R. 709: Mr. EDWARDS of Oklahoma.

H.R. 749: Mr. COELHO and Mr. YATES.

H.R. 951: Mr. HEFTEL of Hawaii and Mr. CROCKETT.

H.R. 1000: Mr. EVANS of Iowa and Mr. STENHOLM.

H.R. 1068: Mr. WOLPE.

H.R. 1082: Mr. LIVINGSTON.

H.R. 1142: Mr. SILJANDER.

H.R. 1190: Mr. YOUNG of Missouri, Mr. ANDREWS, Mr. BUSTAMANTE, Mr. FUQUA, Mr. WILSON, Mr. DE LA GARZA, Mr. GRAY of Illinois, Ms. KAPTUR, Mr. BENTLEY, Mr. MOLLOHAN, Mr. PERKINS, and Mr. STOKES.

H.R. 1195: Mr. RICHARDSON, Mr. HUGHES, Mr. OLIN, Mr. NIELSON of Utah, Ms. KAPTUR, Mr. FAZIO, Mr. BATES, and Mr. MOODY.

H.R. 1245: Ms. MIKULSKI, Mr. MCCOLLUM, Mr. ADDABBO, and Mr. SEIBERLING.

H.R. 1319: Mr. LEHMAN of California, Mr. ACKERMAN, Mr. BEDELL, Mrs. BOXER, Mr. CONYERS, Mr. DURBIN, Mr. HEFTEL of Hawaii, Mr. LAFALCE, Mr. LEVINE of California, Ms. MIKULSKI, Mr. MITCHELL, Mr. MRAZEK, Mr. SCHUMER, Ms. SNOWE, Mr. STOKES, Mr. VENTO, Mr. CARPER, Mr. WEISS, Mr. GUARINI, and Mr. BERMAN.

H.R. 1335: Mr. WIRTH, Mr. MILLER of California, Mr. WYDEN, Mr. NEAL, Mrs. BOXER, Mr. EDWARDS of California, Mr. CONYERS, Mrs. COLLINS, Ms. KAPTUR, Mrs. KENNELLY, Mr. TORRES, and Mr. RANGEL.

H.R. 1338: Mr. SMITH of Florida, Mr. CONYERS, Mr. PERKINS, Mr. ACKERMAN, Mr. FRANK, Mr. BONIOR of Michigan, Mr. DELLUMS, Mr. MRAZEK, Mr. KASTENMEIER, Mr. OWENS, Mr. FAZIO, Mr. MARTINEZ, Mr. MITCHELL, Mr. LUNDINE, Mr. FAUNTROY, Mr. KILDEE, Mr. BERMAN, Mr. GLICKMAN, Mr. ANDREWS, Mrs. BOXER, Mr. ROWLAND of Georgia, Mr. RICHARDSON, and Mr. JEFFORDS.

H.R. 1359: Mr. HAYES.

H.R. 1361: Mr. WHITLEY, Mr. CHANDLER, Mr. COATS, Mr. BUSTAMANTE, Mr. VENTO, Mr. MURPHY, Mr. OWENS, and Mr. HILER.

H.R. 1371: Mrs. SCHROEDER and Mr. LEHMAN of California.

H.R. 1399: Mr. JONES of North Carolina, Mr. MARTINEZ, Mr. MOLLOHAN, Mr. YOUNG of Alaska, Mr. MOODY, Mr. LANTOS, Mr. PERKINS, Mr. DANIEL, Mr. APPLEGATE, Mr. DYSON, Mr. COLEMAN of Texas, Mr. RANGEL, Mr. EVANS of Illinois, Mr. WORTLEY, Mr. FORD of Tennessee, Mr. DURBIN, Mr. GRAY of Illinois, Mr. WHEAT, Mrs. BOXER, Mr. HAYES, Mr. WHITLEY, Mr. ECKART of Ohio, Mr. DORGAN of North Dakota, Mr. SLATTERY, Mrs. BOGGS, Mr. SKELTON, Mr. LIPINSKI, and Mr. BONIOR of Michigan.

H.R. 1421: Mr. PERKINS and Mr. MCMILLAN.

H.R. 1550: Mr. HEFNER.

H.R. 1613: Mr. ACKERMAN, Mr. BUSTAMANTE, Mr. COELHO, Mr. DELLUMS, Mr. HENDON, Mr. LELAND, Mr. MATSUI, Mr. OBERSTAR, Mr. OWENS, Mr. RAHALL, Mr. VENTO, and Mr. FAUNTROY.

H.J. Res. 27: Mr. KOLBE and Mr. PACKARD.

H.J. Res. 58: Mr. CHAPPELL.

H.J. Res. 146: Mr. ROGERS, Mr. KOLTER, Mr. FISH, Mr. SPRATT, Mr. HERTEL of Michigan, Mr. SUNIA, Mr. BRYANT, Mr. PACKARD, Mr. SIKORSKI, Mr. MCCAIN, Mr. HORTON, Mr. HUTTO, Mr. BORSKI, Mr. FLIPPO, Mr. GUARINI, Mr. FAZIO, Mr. DASCHLE, Mr. MOODY, Mr. BUSTAMANTE, Mr. HOPKINS, Mr. COYNE, Mr. MCCOLLUM, Mr. TORRICELLI, Mr. ERDREICH, Mr. MURTHA, Mr. JONES of North Carolina, Mr. CHAPPELL, Mr. SMITH of Florida, Mr. DOWDY of Mississippi, Mr. RICHARDSON, Mr. MCHUGH, Mr. ADDABBO, Mr. SMITH of New Jersey, Mr. WILSON, Mr. COOPER, and Mr. DWYER of New Jersey.

H.J. Res. 183: Mr. MOAKLEY, Mr. BERMAN, Mr. O'BRIEN, Mr. RODINO, Mr. FUSTER, Mr. CONTE, Mr. BONER of Tennessee, Mr. LELAND, Mr. LANTOS, Mr. WEISS, Mr. BUSTAMANTE, Mr. BEILENSON, Mr. SABO, Mr. DARDEN, Mr. MCGRATH, Mr. ROE, Mr. TOWNS, Mr. DYSON, Mr. ANDREWS, Mr. HUGHES, Mr. BROWN of California, Mr. DOWDY of Mississippi, Mr. OWENS, Mr. DWYER of New Jersey, Mr. BARNES, Mr. MARTINEZ, Mr. ADDABBO, Mr. REID, Mr. SCHEUER, Mr. KLECZKA, Mr. CROCKETT, Mrs. BURTON of California, Mr. FROST, Mrs. BOXER, Mr. GREEN, Mr. RICHARDSON, Mr. WYDEN, Mr. MCCOLLUM, Mr. WORTLEY, and Mr. BRYANT.

H.J. Res. 188: Mr. HENDON, Mr. WEAVER, Mr. MCGRATH, Mr. STRANG, Mr. SILJANDER, Mr. MCMILLAN, Mr. LANTOS, Mr. BOUCHER, Mr. VALENTINE, Mr. ROGERS, Mr. BONIOR of Michigan, Ms. KENNELLY, Mr. HALL of Ohio, Mr. CONTE, Mr. MCKERNAN, Mr. KRAMER, Mr. DREIER of California, Mr. RIDGE, Mr. SMITH of Iowa, Mr. BERMAN, Mr. KLECZKA, Mr. MANTON, Mr. FOWLER, Mr. YOUNG of Florida, Ms. KAPTUR, Mr. LEVINE of California, Mr. SHAW, Mr. SCHAEFER, Mr. EMERSON, Mr. SKEEN, and Mr. LAFALCE.

H. Con. Res. 26: Mr. LUNDINE.

H. Con. Res. 32: Mr. BROWN of Colorado and Mr. WEBER.

H. Con. Res. 64: Mrs. BOXER, Mr. RICHARDSON, Mr. CONYERS, Ms. KAPTUR, Mrs. COLLINS, Mr. LUNDINE, Mr. CROCKETT, Mr. BUSTAMANTE, and Mr. DURBIN.

H. Con. Res. 67: Mr. FISH.

H. Con. Res. 77: Mr. SKELTON, Mr. CONYERS, Mrs. COLLINS, Mrs. JOHNSON, Mr. SAXTON, Mr. HERTEL of Michigan, Mr. DURBIN, Mr. FIELDS, Mr. CHANDLER, Mr. RANGEL, Mr. CROCKETT, Mr. LOWRY of Washington, Mr. DIOGUARDI, and Mr. WOLPE.

H. Con. Res. 99: Mr. MAZZOLI, Mr. DYMALLY, Mr. DELLUMS, Mr. HORTON, Mr. LELAND, Mr. OWENS, Mr. BENNETT, Mr. ROE, Mr. MORRISON of Connecticut, Mr. BONIOR of Michigan, and Mr. MATSUI.

H. Res. 42: Ms. KAPTUR, Mr. GLICKMAN, Mr. DARDEN, Mr. ROWLAND of Georgia, Mr. DANIEL, Mr. WHITEHURST, Mr. HENRY, Mr. LIVINGSTON, Mrs. MARTIN of Illinois, Mr. MCCOLLUM, and Mr. KOLBE.

H. Res. 82: Mr. CROCKETT and Mr. LOWRY of Washington.

H. Res. 91: Mr. LUJAN, Mr. FUSTER, Mr. Dowdy of Mississippi, Mr. SMITH of Florida, Mr. TORRICELLI, Mr. HENRY, Mr. CONTE, Mr. RAHALL, Mr. RICHARDSON, Mrs. COLLINS, Mr. OWENS, Mr. MITCHELL, Mr. WEISS, Mr. DARDEN, Mr. KANJORSKI, Mr. MRAZEK, Mr. KOLTER, Mr. BERMAN, Mr. MARTINEZ, Mr. SAXTON, Mr. AKAKA, Mr. DE LA GARZA, Mr. GROTBERG, Mr. GARCIA, Mrs. BURTON of California, Mr. ROE, Mr. BEDELL, Mr. KILDEE, Mr. MARKEY, Mr. DYSON, Mr. DANIEL, Ms. KAPTUR, Mr. HOWARD, Mr. FISH, Mr. RANGEL, Mr. FAUNTROY, Mr. ADDABBO, Mr. DUNCAN, Mr. DEWINE, Mr. MCCOLLUM, and Mr. SCHEUER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 885: Mr. SIKORSKI.

PETITIONS, ETC.

Under clause 1 of rule XXII,

70. The SPEAKER presented a petition of A. Hamilton, Melbourne, Australia, relative to trade; which was referred to the Committee on Ways and Means.

51-059 O-86-26 (Pt. 5)

EXTENSIONS OF REMARKS

FAIR TREATMENT FOR U.S. ETHANOL INDUSTRY

HON. RICHARD J. DURBIN

OF ILINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DURBIN. Mr. Speaker, today my distinguished colleagues from South Dakota [Mr. DASCHLE], and from Iowa, [Mr. BEDELL], and I introduced legislation that will provide fair treatment of the U.S. ethanol industry and close egregious tariff loopholes that permit certain ethyl alcohol marketers and traders to evade a 60-cent duty on their product.

The domestic fuel ethanol industry has been nurtured since 1978 through a variety of Federal economic incentive programs, including the imposition of a duty on the importation of foreign fuel ethanol. These incentive programs were initiated out of a recognition of the value of a strong domestic ethanol industry. Multifold benefits include greater energy independence, a growing market for U.S. feedgrains—particularly corn—and an economically viable and environmentally sound replacement for lead as an octane enhancer in gasoline.

The recent strides made by the domestic ethanol industry are threatened today by practices of certain ethyl alcohol marketers and traders designed to circumvent the 60-cent per gallon duty that is imposed by statute on the importation of fuel ethanol. At present, there are at least three methods employed to avoid payment of duties: One, importation of ethanol mixed with gasoline; two, importation of fuel grade ethanol as industrial ethanol; and three, importation of fuel grade ethanol under the terms of the Caribbean Basin Initiative Act. Our legislation addresses all three of these problems in a just and effective fashion.

Ethanol imported as a fuel or for fuel purposes is not only subject to duty under item 427.50 of the Tariff Schedule of the United States [TSUS], but also to an added duty of 60 cents a gallon under item 901.50 TSUS. However, ethanol imported as a mixture with gasoline is not subject to this additional duty. Thus a legal loophole exists for importers to bring in fuel ethanol in imported gasoline stocks on which they need only pay a duty of 1.25 cents per gallon. Our measure would close this loophole by requiring the additional duty to apply to mixtures.

Furthermore, in contrast to ethanol intended for use as a motor fuel, alcohol which is to be used industrially is not subject to the 60 cents per gallon duty. As it now stands, marketers and traders can import a shipment of ethanol for industrial purposes—avoiding the duty—and have up to 3 years to redeclare its use if in fact it is used for fuel rather than for industrial purposes as originally declared, without paying any interest or penalty. This translates into a 3-year interest free loan to ethanol traders. More unscrupulous traders have been known to set up dummy corporations that import ethanol ostensibly for industrial use, thus avoiding the 60-cent duty. They then go out of business just before the 3-year end use reporting and duty deadline. Our measure would require that all imported ethyl alcohol be subject to the 60-cent import duty at the point of entry into the United States. However, this duty would be refunded upon proof that such product was not used and can no longer be made suitable for use as fuel ethanol.

Finally, this bill would clarify the eligibility criteria for duty free importation of ethanol under the Caribbean Basin Initiative statute. Under the current interpretation of this statute, ethyl alcohol and ethyl alcohol mixtures which originate in non-CBI countries can be upgraded in CBI countries to fuel ethanol quality, then imported into the United States duty-free. This practice of transshipping subverts the intent of the CBI statute. The purpose of the CBI Act is to encourage indigenous projects which would promote long-term economic development, not to establish laundering operations to avoid payment of legitimate import duties.

It is high time that these loopholes be closed to afford the ethanol industry the full protection Congress intended when it established the duties on imported fuel ethanol. Strengthening the Tariff Schedule of the United States is the least we can do to ensure the steady growth of such a valuable domestic industry.

H.R. 1720

A bill to ensure payment of the regular duties imposed on imported ethyl alcohol and payment of the additional duty imposed on ethyl alcohol when imported for use in producing a mixture of gasoline and alcohol or used otherwise as fuel

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLASSIFICATION OF ETHYL ALCOHOL.

(a) The item description for item 901.50 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended to read as follows: "Ethyl alcohol (provided for in item 427.88, part 2D, schedule 4) or any mixture containing such ethyl alcohol if such ethyl alcohol or mixture is suitable, or can be made suitable, for use as a fuel or for use in producing a mixture of gasoline and alcohol or a mixture of a special fuel and alcohol for use as a fuel".

(b)(1) The amount of any duty provided for under item 901.50 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) which is paid with respect to any ethyl alcohol or mixture containing ethyl alcohol shall be refunded by the Secretary of the Treasury upon proof that that ethyl alcohol or mixture was not used and can no longer be used or be made suitable for use—

(A) as a fuel,

(B) in the production of—

(i) a mixture of gasoline and alcohol, or

(ii) a mixture of special fuel and alcohol, which can be used as a fuel.

(2) Allowance of a refund under paragraph (1) of this subsection shall be subject to compliance with such rules and regulations as the Secretary of the Treasury shall prescribe, which may include, but need not be limited to—

(A) fixing of a time limit within which claims for refund under any of the provisions of this subsection shall be filed and completed;

(B) establishing the method of and documentation necessary for the required proof; and

(C) the designation of the person to whom any refund shall be made.

SEC. 2. CARIBBEAN BASIN ECONOMIC RECOVERY ACT.

Section 213(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)) is amended by adding at the end thereof the following new paragraph:

"(4) No ethyl alcohol provided for in item 427.88 of the Tariff Schedules of the United States, and no mixture containing such ethyl alcohol, shall be considered to be—

"(A) an article that is wholly the growth, product, or manufacture of a beneficiary country;

"(B) a new or different article of commerce which has been grown, produced, or manufactured in a beneficiary country;

"(C) a material produced in a beneficiary country; or

"(D) otherwise eligible for duty free treatment under this Act;

merely by virtue of having been subjected to—

"(i) distillation, dehydration by molecular sieve, or other similar process (including azeotropic distillation or dehydration to anhydrous ethyl alcohol);

"(ii) denaturing; or

"(iii) blending with other ethyl alcohol which is then subjected to the processes described in clause (i) or (ii);

within a beneficiary country."

SEC. 3. CONFORMING AMENDMENT TO THE GENERAL HEADNOTES OF THE TARIFF SCHEDULES.

General headnote 3(a) of the Tariff Schedules of the United States (19 U.S.C.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

1202) is amended by adding at the end thereof, the following new subdivision

"(iv) No ethyl alcohol provided for in item 427.88, and no mixture containing any such ethyl alcohol, shall be considered to be—

"(A) the growth or product of an insular possession;

"(B) manufactured or produced in an insular possession from materials which are growth, product, or manufacture of any such possession; or

"(C) otherwise eligible for exemption from duty under this headnote;

merely by virtue of having been subjected to—

"(I) distillation, dehydration by molecular sieve, or other similar process (including azeotropic distillation or dehydration to anhydrous ethyl alcohol); or

"(II) denaturing; or

"(III) blending with other ethyl alcohol which is then subjected to the processes described in subclause (I) or (II);

within an insular possession."

SEC. 4. EFFECTIVE DATE.

The amendment made by this Act, and subsection (b) of the first section of this Act, shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

WHY CAN'T THE PRESIDENT TAKE AGRICULTURE'S PROBLEM SERIOUSLY

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. LIGHTFOOT. Mr. Speaker, yesterday I picked up the Washington Post. In a story about the Gridiron Club, President Reagan was quoted as falling on his face, with an attempted joke, the punch line being "I think we should keep the grain and export the farmers." If this was intended to be funny, it was a guffaw of monumental proportions. A spokesman for the White House has said the remark was made as a joke.

Mr. President, there is nothing funny about going out of business. There is no humor in watching a lifetime of effort and sacrifice be washed away in a tide of high interest rates and low commodity prices. The farm problems are not a laughing matter and I am offended and angered by those remarks. There is a time and a place for humor. What we need is action to correct the farm debt situation.●

VILLANOVA ADVANCES TO FINAL FOUR

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. EDGAR. Mr. Speaker, this weekend I had the distinct pleasure of watching Villanova University's basketball team advance to the final four of the NCAA basketball tournament. It was a moment made all the more special because of the seniors on the team who had come so close twice before. Ed Pinkney, Gary McLain, and Dwayne McClain were freshmen on the Cinderella team that lost to North Carolina in the 1982 regional finals. The 1983 Villanova Cinderella team left the ball early again, this time at the hands of the University of Houston.

These three seniors met at a Five-Star Basketball Camp the summer after their junior year in high school. There they became fast friends and eventually Gary McLain and Dwayne McClain convinced Ed Pinkney to leave the Bronx for Villanova University in Pennsylvania's Seventh District, which I am proud to represent in Congress. For 3 years these young men played some fine basketball but always ended up a little short. Finally they made a pact to do a little better this year, to reach the final four.

This Sunday, these same three players carried Coach Rollie Massimino to his first final four appearance. Although Villanova has reached the final four in the past, it has been through a long dry spell. I extend my heartiest congratulations to Coach Massimino and his whole Villanova team as they enjoy a level of success that most basketball teams can only dream about. Now that the Wildcats have reached the final four, I wish them well in their next two games.●

STOP HUMAN RIGHTS ABUSE IN TURKEY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FEIGHAN. Mr. Speaker, in the beginning of April, the Prime Minister of Turkey, Turgut Ozal, will be visiting the United States. Although I believe we can all support his efforts to address Turkey's human rights problems, the people of that country continue to live under harsh conditions. Prime Minister Ozal's visit gives us the opportunity to urge him to take further steps to ameliorate prison conditions, end the practice of torture, release those persons imprisoned for their political beliefs, ease the repression of religious freedom for the Greek minority, and lift restrictions on political participation.

The State Department's Country Reports for 1984 details continued human rights problems in Turkey, including hundreds of claims of torture throughout the year. The report cites "the trial of 56 signatories of a petition on human rights and democracy in Turkey; the opening of a second peace association trial; slow progress in overcoming poor prison conditions and dealing with continued reports of torture; a series of large-scale hunger strikes by inmates; and the continuation of martial law in 34 provinces, including the most populous."

We welcome the Turkish Government's public condemnation of torture and mistreatment of prisoners. But these efforts should be enhanced by taking steps such as eliminating the 45-day period of incommunicado detention during which time many detainees report being tortured; granting access to places of detention by an amnesty for those prisoners incarcerated for the nonviolent expression of their political views.

Of great concern as well is Turkey's treatment of its Greek minority. The Eastern Orthodox Church's most important seminary was forced to close following restrictions placed on its enrollment allowing only Turkish citizens. Turkish citizens who are Greek Orthodox have been greatly reduced—120,000 in Istanbul in 1955 to 4,500 today—as a result of continued Turkish repression. The Turkish constitution and the Treaty of Lausanne both guarantee minority rights and provide for the maintenance of separate schools for religious minorities. This commitment should be honored by giving permission for the reopening of the Eastern Orthodox Church's theological seminary, closed since 1971.

Prime Minister Ozal, who was elected in November 1983, has made some attempts to begin addressing Turkey's pervasive human rights problems, including the appointment of a parliamentary commission to investigate prison conditions. Unfortunately, however, the military retains complete authority on human rights matters and the Turkish parliament has not been able to address effectively the questions of amnesty for political prisoners, torture and poor prison conditions, restrictions on the press, or continuing political trials. In light of the hunger strikes to protest conditions in the prisons, the Prime Minister might at least reconvene the commission of inquiry into prison conditions and grant it access to places of detention on a regular basis.

The House will soon be considering the Foreign Aid Authorization bill, which includes a sizable allotment for Turkey. As with all countries which receive significant foreign aid, we have a responsibility to urge that those funds are spent in support of that nation's people. Prime Minister Ozal's vigilance toward addressing the human rights problems affecting his country would strengthen the friendship that already exists between our two nations, and assure the Congress that our foreign aid dollars are being used in the pursuit of peace.●

THE MURDER OF MAJOR NICHOLSON: SOVIET BRUTALITY IN ACTION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BROOMFIELD. Mr. Speaker, the senseless murder of Maj. Arthur Nicholson is a clear case of Soviet brutality in action. While the Kremlin leaders call for cooperation and understanding, their actions around the world reveal their real intentions. Beneath their peace-loving image is an aggressive and confrontational state which ignores agreements and resorts to brute force to attain their needs.

According to recent reports, Major Nicholson was performing routine surveillance in Soviet-dominated East Germany when he was shot by a Soviet guard. Major Nicholson was unarmed and was performing his duties in accordance with operating procedures which date back to 1947. The agreements between the United States and the Soviet Union allow liaison and surveillance duty and provide for an exchange of such missions in East and West Germany. Major Nicholson was clearly following the agreement when he was senselessly shot down without warning in East Germany by a Soviet soldier. Available evidence reveals that he was shot well outside a permanently restricted area that is off limits to U.S. liaison teams.

Major Nicholson was reportedly hit in the chest and was denied medical treatment for a long period of time. An American officer accompanying the major was prevented from administering first aid.

To add insult to injury, the Soviets fabricated a false story describing the incident. Even if Major Nicholson had accidentally strayed into a restricted zone, accepted rules dictate that he be detained and then returned to his unit. Brute force should never be used in such a situation. Once again, the civilized world is disgusted to see another example of how the Soviets shoot first and ask questions later. Who can forget Korean Air Line flight 007, and the incredible slaughter of hundreds of innocent people?

This terrible tragedy comes at a time when both the United States and the Soviet Union are trying to come to an agreement to reduce the weapons of mass destruction. It comes at a time when both sides are trying to establish mutual trust and closer relations with each other. While I support the administration's efforts to better our ties with the Soviets, this sad incident deeply troubles me and leads me to question whether the Kremlin is really sincere about wanting peace and understanding in the world.

If they are willing to break agreements regarding simple military liaison efforts, what might they do with a high-level arms reduction accord?

My heart goes out to Major Nicholson's widow and family. I am certain that they know he died in the service of his country while performing a mission that the free world must continue to perform. I know that my colleagues join me in sending our deepest sympathy to the Nicholson family during this moment of supreme sadness.●

IN SUPPORT OF JOBS CORPS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BIAGGI. Mr. Speaker, as a senior member of the House Education and Labor Committee, and a cosponsor of House Resolution 72, I rise to express my strong and unqualified support for this program.

As a representative from a large, industrial State, I am well aware of the large number of unemployed, disadvantaged youth who remain discouraged and unable to locate work. Unemployment statistics are distressingly high—over 20 percent and are nearly double that rate for minority youth.

The Jobs Corps Program has proven to be one of the most effective means of training and educating youth for professional and service-oriented job opportunities, both full and part time. This program has proven its ability to place willing and capable youth, who are ready to work. In New York, there are 8 centers, 2 of which are located in my home city of New York, serving 2,358 enrollees and a total of 5,000 statewide.

Training under this program lasts from 8 months to 2 years and involves an open-ended schedule, devised according to individual ability. Enrollees are placed in a number of job areas, including clerical and business positions, automotive and building trades as well as cosmetology and food services.

The program is also cost-effective. The thousands of youth who have participated in the program have repayed the program 145 percent of its costs in taxes. This resolution, reaffirms the importance of continuation of this program and recognizes its role in helping young men and women hold—and keep jobs.

The President's proposals to eliminate this important program were rejected last week when the Committee on Education and Labor presented its report to the House Budget Committee. The report recommends rejection of the administration's budget for fiscal year 1986 and proposes freezing all programs under the committee's jurisdiction at last year's levels.

In the words of the committee report, this proposal represents a cut—because you can't freeze inflation. However, I believe that it represents a far better alternative than that of the administration.

I pledge my own efforts to work to assure that the Job Corps Program remains alive and well in the year ahead.●

FACTS CONCERNING MILITARY RETIREMENT

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DioGUARDI. Mr. Speaker, on February 5, Office of Management and Budget Director David Stockman testified concerning the subject of military pensions. The service to our country rendered by our military—Active, Reserve, and National Guard—is a unique service, essential to national security. It has seemed to some that the tone of Mr. Stockman's remarks suggest that he might not properly appreciate the sacrifices of the men and women who saved the world from Adolph Hitler and have defended the free world ever since. What is appreciated, however, is the need for fiscal responsibility at all levels of Government. The matter of military pensions does, in fact, deserve a look, but it must not be the proverbial cold eye of the accountant alone, for military retirement is a very complex subject necessarily tied to personnel management and promotion/retention policies as well as being a very human question involving men and women who, even in peacetime, make great sacrifices for their country.

The Reserve Officers Association of the United States has recently promulgated some important facts concerning military retirement which must be taken under consideration in any study of the military retirement system. I cite these facts here for the information of this House:

The average annual gross retired pay for a full career nondisability military retiree is $13,716.

Nondisability military retired pay is fully taxable.

The median rank for all military retirees is sergeant—or chief petty officer—that is, pay grade E–7.

Only 13 percent of those who enter military service remain long enough to earn retired pay.

Military personnel do not retire with 20 years service at 50 percent of their compensation. The actual amount is 35 percent for 20 years of service or 58 percent for 30 years service.

Changes implemented in the military retirement system since 1980

alone have already reduced the lifetime retirement pay by approximately 20 percent for those fully affected.●

TRIBUTE TO GREEK INDEPENDENCE DAY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to Greek Independence. On March 25 in the year 1821 freedom returned to its ancient homeland. After nearly 500 years of Ottoman oppression, Alexander Ypsilanti and his fellow Greek patriots rose in open revolt against their Turkish rulers. To win their goal of Greek independence, the partisans struggled for 11 cruel years, but courage and perseverence have ever been the hallmark of Greek culture. On May 7, 1983, their victory was ratified by the Treaty of London.

The Olympian torch of freedom reignited that day has burned brightly ever since. It lit the way for the entire Balkan independence movement that followed the Greek example. It survived despite the devastation of two world wars. And even Hitler's occupation forces could enshroud the torch but not extinguish its flame.

As citizens of an established democracy we owe our legacy of freedom and self-government to the ancient Greek traditions that were reaffirmed on this date. As legislators—and that very word is of Greek derivation—we are doubly indebted. We are responsible for preserving the equality and fairness that Aristotle taught were the fruits of independence. Our history has been forged in the effort to apply and perfect these principles. So long as we uphold the responsibility the torch of Greek freedom and independence will continue to prosper.

But this is only part of the significance of Greek independence. Oppressed people the world over struggling for self-government can take heart in the victory won by a tiny nation against a great and powerful oppressor. The Greek's courage and perseverence that prevailed against the Ottoman empire in 1821 has been passed to the island of Cyprus, where Greek Cypriot partisans continue to struggle against the modern Turkish invader.

I trust that the Greek Cypriots, in time, will prevail in their campaign for freedom. And I consider it part of the responsibilities of every deomcracy to support them and people everywhere, from Afghanistan to Central America, who are fighting to be free.

Freedom and equality, the gifts of ancient Greece, were returned to their homeland on March 25, 1821. As the beneficiaries and stewards of these gifts, it is fitting that we commemorate this date.●

USA FOR AFRICA

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BRYANT. Mr. Speaker, on January 28, 1985, recording artists from across the Nation and from every branch of the music industry joined together as "USA for Africa" to raise desperately needed funds for relief of the spreading famine in Africa, and to respond to the growing problems of hungry and homeless people in America. It is conservatively estimated that the efforts of the United States Support of Artists for Africa, along with the generous support of fans and charitable people throughout the country, will raise at least $50 million. All of the proceeds from the recording will be channeled through existing relief agencies. Already sales of "We Are the World" have exceeded the most optimistic hopes of its producers and performers.

Although governments from around the world have responded generously to relieve the suffering of famine-stricken Africa, the proportions of this prolonged disaster have overwhelmed normal governmental channels and private relief efforts. The call is to each of us to help the people of Africa and the hungry in America in the realization that "We Are the World." Through the initiative and talents of this group which came together with a common purpose, a common concern, and a common commitment, "USA for Africa" has given each of us the chance and, I hope, the inspiration to save a life in this truly critical time.

Today I am introducing a resolution commending the participants in "USA for Africa" for their individual and collective initiative and generosity. They have given each of us the opportunity to make a difference and I invite my colleagues to join me by cosponsoring this resolution.

We are the ones who make a brighter day. So let's start giving.●

NICARAGUA'S GOVERNMENT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. WHITEHURST. Mr. Speaker, the following brief news item appeared in the April 1, 1985, issue of U.S. News & World Report, and I am taking this opportunity to share it with my colleagues by inserting it in the RECORD.

It is the Contras' great misfortune that they do not have the financial resources to employ high-priced public relations and law firms to present their side of the issue to the American people. That may be one of the reasons we in the Congress are so reluctant to provide aid to the freedom fighters in Nicaragua.

Nicaragua's government is pulling out all the stops to halt U.S. support of the contra guerrillas. Besides a fierce public-relations campaign, the Sandinistas are encouraging mothers of Nicaraguan soldiers to write members of the U.S. Congress, urging them to vote against continued funding of the rebels.●

UNION LOCAL HONORED FOR 60 YEARS OF COMMUNITY SERVICE

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SMITH of Florida. Mr. Speaker, today I rise to commemorate the 60th anniversary of the International Brotherhood of Electrical Workers Local 728 in Hollywood, FL. This union local has served Broward County well, playing an active role in the community's charitable and volunteer activities in addition to protecting the interests of its members.

A particular tribute must be paid to Edward P. Harvey, who was elected financial secretary of the union in July 1964 and retired some 20 years later, having served the union with exceptional dedication, hard work, and personal integrity. Edward Harvey worked tirelessly for our community over the years and deserves our highest praise and greatest thanks for his devotion.

Another key figure in this local's successful history is James H. Gilbert, who served as business manager from 1925 to 1948. Gilbert was the guiding spirit and pioneer behind local 728, a staunch trade unionist who truly dedicated his life to the advancement of his brothers and sisters.

IBEW Local 728 has played a prominent role in voluntary labor efforts on behalf of the city of Hollywood. Projects to which union members have selflessly devoted their time and energies include building community playgrounds and ballparks, rewiring facilities for charitable organizations, and general volunteer labor for needy causes. This union local also operates one of the largest blood banks in our city, donating several thousand pints of blood to area hospitals each year.

Working in concert with the Broward County Building Construction & Trade Council, this local union always has fought to obtain and promote the best possible standards for its workers. Local 728, under the able

leadership of business manager James Weldon, continues today its important tradition of providing support and assistance to the electrical workers of our area and participating in activities to make the city of Hollywood a better place for all of its residents.

I am proud to salute local 728 of the International Brotherhood of Electrical Workers and its members who have made it a most remarkable thread in the fabric of our community.●

MX MISSILE

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. LUNDINE. Mr. Speaker, this week we will be deciding whether to release money for procurement of MX missiles. A decision to spend $1.5 billion is not to be taken lightly in these times of fiscal constraint but this decision has even more far-reaching implications than that. At this point in the multiyear MX program, we have paid only one-third of the eventual $41 billion price tag. Thus, I feel that we have an excellent opportunity to save $27 billion if the MX cannot withstand a logical and critical assessment of its value to national security.

The MX is absolutely deficient from this point of view. First, the basing mode proposed for this missile is not sensible. Even with hardening of the silos, I believe that survivability of the system is questionable. Noted defense expert William W. Kaufmann of the Brookings Institution has stated that survivability of our land-based ICBM force after a Soviet attack could fall from 20 percent to 5 percent within a decade. Why deploy 100 MX missiles with 1,000 warheads if no more than 5 missiles and 50 warheads could be expected to survive an enemy attack?

Moreover, we should not merely imitate the Soviets by procuring the MX missile in response to their buildup in large, land-based missiles. The Soviets have emphasized these weapons in their strategic forces because it suits their particular geographic situation. America has always maintained a more balanced and flexible triad of strategic forces that is better suited to our defense needs.

To maintain this desirable balance in our forces, we have selected new aircraft with Stealth technology for one leg of our triad; new, more accurate, submarine-launched Trident II missiles for the second leg; and smaller, more mobile, land-based Midgetman missiles for the third leg. All of these are less vulnerable to attack than MX missiles in existing Minuteman silos. In fact, the MX makes us weaker rather than stronger if it diverts resources from timely procurement of these less vulnerable weapons systems.

Mr. Speaker, my decision to vote against the MX is based upon this rational assessment of the value of the weapon for national security and I resent any implications that MX opponents are "weak on defense." I am a strident proponent of national security, which requires both a strong national defense and a strong national economy. I believe that we will achieve both of these by allocating our finite resources wisely and not by automatically approving the purchase of every proposed weapons system. I have supported acquisition of the Trident II and Midgetman missiles and I have supported the President on deployment of intermediate-range nuclear forces in Europe. These are sensible weapons systems that enhance our national security. The MX is not.

I do not accept that the MX is necessary as a "bargaining chip" for our negotiators in Geneva. I fully support the President's initiative in restarting the arms control and I am as hopeful as any American that these negotiations will lead to mutual and verifiable reductions in the nuclear arsenals of the two superpowers. To be a valuable "bargaining chip," the MX would have to pose a credible threat to the Soviet Union. In the absence of a survivable basing mode for the missiles, the MX does not meet this criterion.

Furthermore, I do not believe that we will be willing to bargain away the MX if we continue to sink money into it. I propose that we delay any further funding for the project for 1 year. At that time, we can decide to fund the MX for fiscal year 1987 if reasonable progress is not being made toward arms control in Geneva. This threat to renew MX funding next year is as credible a "bargaining chip" as the missile itself and it is far less expensive in the interim.

In conclusion, Mr. Speaker, I urge my colleagues to join with me in voting against continued funding for the MX. Acquisition of this expensive weapons system is not in the best interest of our national security.●

HELPING FIND MISSING CHILDREN

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. COATS. Mr. Speaker, Mobil Oil Corp. has recently announced that it will work with WTTG/Channel 5 and the Acacia Group to begin a year long effort to help locate missing children and to increase public awareness of the scope of the problem.

The campaign begins with the showing of three 1 hour specials starting tonight, March 26. Daily missing children reports and hundreds of informational messages will be brought to the attention of Washington area television viewers in this year long campaign. Photos of missing children will be posted in Mobil stations, schools, and libraries, and some Mobil dealers are appearing in television spots discussing various aspects of the campaign.

The purpose of the campaign is threefold: To increase public awareness of this national tragedy; to provide the WTTG audience and consumers with solid, useful advice; and to help locate missing children and return them to their homes.

Approximately 1.8 million children are missing from their homes each year. Many of these children are never returned home. The problems and sometimes tragic consequences surrounding the plight of missing children is a real concern that deserves attention.

I applaud the efforts of Mobil Oil Corp., WTTG/Channel 5, and the Acacia Group for making missing children a focus of national attention. It is a timely and much needed public service.●

THE CASE FOR VOA MODERNIZATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. COURTER. Mr. Speaker, the Voice of America is our way of telling America's story abroad. As the appropriations request for VOA came under our consideration, I would ask my colleagues to keep in mind the unquestionable value of telling that story. In many places, it is the only corrective for the fables and lies told by some others.

I recommend to the House the appraisal James Reston makes in the New York Times of March 20, 1985, of the Voice of America's technical and financial requirements:

[From the New York Times, Mar. 20, 1985]

A SHORTWAVE RADIO BATTLE FOR MINDS

MARRAKESH, MOROCCO. The Voice of America is heard every morning in Morocco as clearly and regularly as the crowing of the roosters at sunrise. "This is the news from Washington," it says, as if the Atlas Mountains outside your window were as close as the Blue Ridge of Virginia.

With a careful touch on the radio dial, you hear the conflicting babble of the world: the Moscow radio on more channels than anybody else, loud and accusative; the less frequent voices of the West from West Germany, France and the Netherlands, and the quiet cadences from London: Here is the news, read by so and so in the World Service of the BBC.

These government shortwave stations are indeed a "world service," neglected because they are not heard in their own countries, but they are bringing the news to hear Africa as never before, and reminding at least a remnant of leaders and listeners of what's going on beyond their borders.

Charles Z. Wick, Director of the U.S. Information Agency, was here the other day to note the beginning of a new Voice of America shortwave relay station in Morocco. Others are in the process of negotiation in Israel, and under construction in Sri Lanka and Thailand. Agreements have been reached for new medium-wave transmitters in Costa Rica and Belize to extend the reach of the V.O.A. into Central America.

For while the Voice of America's signal comes clear into Morocco, it is weak in many parts of the Middle East and the eastern provinces of the Soviet Union, where shortwave radio is the main source of information.

What is going on now is not only an argument about "Star Wars" but a different star war, not about missiles but about news and ideas, carried by radio into the remotest valleys of the world.

The balance of radio power between the United States and the Soviet Union is much more favorable to Moscow than the balance of military power. But the Voice of America and its partners, Radio Free Europe and Radio Liberty, still do fairly well.

Broadcasting in 42 languages, they estimate that they reach 110 million listeners, many of whom never hear the news in any other way.

But in this other star war, as in the military war, technology changes the balance, and money makes a difference. For example:

More than 80 percent of the V.O.A.'s 108 transmitters are 15 years old, and more than 35 percent of them are 30 years old.

The V.O.A. broadcasts 989 hours a week in 42 languages, while the Moscow radio broadcasts 2,175 hours a week in 81 languages.

Among the other nations in this other star war game, the United States ranks fifth in hours of broadcasting here in Africa, fifth in hours to Latin America and the Caribbean, and sixth in hours to Eastern Europe and East Asia.

This need not be a worrying thing, for if you listen to the broadcasts in Morocco from the Moscow radio and also from the V.O.A., the BBC and from West Germany, France and the Netherlands, the contrast between Moscow's vicious propaganda and the West's objective reporting of the news—even news the Western countries don't like—is startling.

Nevertheless, there are many areas of Africa, Asia and even Latin America where the reach of the Moscow radio is longer than the reach of the V.O.A. or the BBC. Hence Mr. Wick's travels around the world trying to negotiate new shortwave facilities; in addition, he will be spending the next few months appealing to Congress for money to extend his reach.

His main problem is that the modernization of the V.O.A. cannot be done effectively on a yearly basis but requires at least a five-year building program, which he estimates at a cost of $1.3 to 1.6 billion.

On Capitol Hill, where lawmakers are trying to cut the Federal budget deficit and are even rejecting President Reagan's military budget, getting appropriations for this other propaganda star war won't be easy. But fortunately it's the main war we have these days, and deserves more attention from Congress than it's getting.

The Senate has approved the President's MX missile program by a 55-to-45 vote at a cost of $1.5 billion, which is about the suggested cost of the V.O.A. over the next five years.

Maybe this will have a more powerful influence on the Russians than five years of effective broadcasting by the Voice of America. But in Morocco and in Geneva, the power of the word and the daily sound of America's voice may be more important.●

RECOGNITION FOR EDWARD A. KELLY, JR.

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. SMITH of New Jersey. Mr. Speaker, I rise today to recognize the hard work and dedication to his community demonstrated by one of my constitutents, and good friend, Edward A. Kelly, Jr., of Burlington County, NJ.

Mr. Speaker, Ed Kelly is a servant to the public in the fullest sense of the word, having served the community of Willingboro and Burlington County in a myriad of ways. Currently in his fourth 5-year term as Burlington County clerk, Mr. Kelly has also served on the school board and as mayor of Willingboro.

The list of Ed. Kelly's involvement in community and professional activities causes one to wonder how he has found the hours in a day to fulfill so many obligations. But fulfill them he has, Mr. Speaker, in a cheerful, professional and unselfish manner.

Ed Kelly, is a longtime member of the Corpus Christi Roman Catholic Church, where he dedicated long hours to the drive to build a new church and school. He continues to devote time and energy to the parish as a lector, usher, and carnival worker.

Ed, Mr. Speaker is a member of 10 community service clubs, including the Willingboro Chamber of Commerce where he was elected president. He is a member of the Willingboro Rotary Club, a life member of the Veterans of Foreign Wars, and Ed has served as director of the Burlington County American Red Cross.

A member of the Knights of Columbus since 1945, Ed was twice selected as Knight of the Month in 1974 and 1981. In 1967, his accomplishments led to his selection as an "Outstanding Civic Leader of America" and he has received awards from the Congressional Medal of Honor Society, the Jaycees, the Rotary Club of Willingboro, and the Boy Scouts of America.

Ed has been blessed with a marvelous, supportive companion for all of his endeavors in the person of his wife, Mildred. For the past 35 years, she has worked side by side with Ed, an invaluable source of encouragement and assistance to him.

Truly, Mr. Speaker, one would have to search long and hard to find a more self-sacrificing, generous member of his community. At home, at work, at church, through his involvement in dozens of community projects, Ed Kelly has distinguished himself as a model public servant. I doubt that many have equaled the depth—and breadth—of commitment he has demonstrated over the years.

I congratulate Ed Kelly for a distinguished career of true service to the public. Through his efforts, the lives of senior citizens, young adults, the handicapped, indeed all of the citizens of Burlington County have been greatly enriched.

Mr. Speaker, I know that my colleagues will want to join me in congratulating Ed Kelly for his tremendous accomplishments and in expressing our gratitude to Americans like him who are willing to give so tirelessly of themselves.●

DEFICIT REDUCTION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. PORTER. Mr. Speaker, at a time when the Congress is once again struggling with the very serious task of deficit reduction, I would like to call the attention of my colleagues to an editorial that recently appeared in the Chicago Tribune:

The nation's governors, Republicans and Democrats alike, showed more sense in their new deficit-reduction proposals than have most of their colleagues in the White House and in Congress. Maybe that's because the governors don't have to take the heat by voting on them.

The governors want everything on the table when the carving begins. The Reagan administration is aiming its knives at federal subsidies for state and local government services and a few forms of middle-income aid, but the governors would go further. At their annual winter meeting in Washington, they asked for a similarly tough-minded approach to the defense budget and to Social Security, Medicare and veterans' pensions. Changes in that rapidly growing trio of entitlement programs are necessary now, the governors said, so that their costs can be controlled in the future.

They're right. President Reagan is not going to make much of an impact on the deficit by continuing to squeeze the small portion of the federal budget that goes to domestic aid while the rest balloons much faster than the inflation rate, year after year. The governors were smart, too, in deciding to concentrate on bringing down the deficit rather than complaining about proposed cuts that will affect their own treasuries. In the long run, an out-of-control federal debt will hurt their governments and their constituents more than the losses the President is asking them to absorb.

If Congress could take a secret ballot, probably most members would endorse the governors' proposals. But since they're the

ones who ultimately have to stand up against the President and against the powerful interest groups that oppose entitlement cuts, they should ask the governors for some help. Will the state executives simply go home and keep quiet now that they've approved their resolution, or will they lobby for the measures they've proposed?

A number of the governors hanker for a tax increase to trim the deficit, but at least their resolution has its priorities in the right order: After the cuts are in place, they said, it "may be necessary" to go after the remaining deficit by increasing revenues. Cut first. Worry about tax increases later. Otherwise the race will be on to use the extra money to restore trims in popular programs.

And, since the governors are taking a long-range view, they should realize that it's in their interest to keep a lid on federal taxes even if that means cuts in state aid. The less money their states send to Washington, the more leeway they have to raise their own revenue and manage their own programs—without the burden of restrictive and costly federal mandates.●

THE CORONA-EAST ELMHURST BRANCH OF THE NAACP HONORS HARRY STEWART

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. ACKERMAN. Mr. Speaker, I rise now to pay tribute to a visionary and courageous man, Harry Stewart, who is being honored this Saturday by the Corona-East Elmhurst chapter of the NAACP in Queens County, NY.

Harry Stewart has been fighting the senselessness of bigotry all of his life. He took a stand against racial discrimination in 1949, when he took the 25 people then belonging to the Corona branch of the NAACP and built a coalition of justice and brotherhood in the community. Mr. Stewart triumphed in this challenge, as he has throughout his illustrious career. He was elected president of the Corona branch, and served in that capacity for 7 years. Under his leadership, the nucleus of 25 people grew to a stronghold of 500.

In 1956, he left the NAACP to join a labor union to help break down the color barrier there. He later renewed his service in the organization's community branch, and in 1980, he again became president of the chapter, the position which he now holds.

Mr. Speaker, we all know what a force for peace and truth the NAACP has been in this Nation. The National Association for the Advancement of Colored People is the oldest civil rights organization in the United States. It launched the attack against bigotry long before many other Americans so actively shared that vision.

The Corona-East Elmhurst branch has served the Queens community for 35 years. During that time, our Nation has seen factions at war with each other, divided by prejudice and hatred. We have seen blatant, brutal bigotry that takes the form of violence or intimidation. Many also have experienced subtler forms of discrimination, as they were ignored by neighbors or isolated by the community.

But through organizations like the NAACP, tangible progress has been made in the United States. We are closer to our goals, nearer to our ideals. The Corona-East Elmhurst branch has brought this message to us, in times of upheaval and in times of peace. Its fine officers and others dedicated to its cause have given this community strength and rightness of purpose.

Mr. Speaker, we in Queens owe Harry Stewart a debt of gratitude for his courage. I would also like to commend the dedicated officers of the Corona-East Elmhurst branch for their service: Jeanne Ratteray, first vice president; Robert Majors, second vice president; James Bullard, third vice president; Carolyn Riddick, recording secretary; Maria Atterbury, corresponding Secretary; Edgar Mandeville, treasurer; Helen Wolfe, financial secretary; and Charlotte Braxton, advisor-youth council.

These people have enriched our community, and have enabled some residents in Queens to clasp hands for the first time without fear or hate. Mr. Speaker, I ask all of my colleagues in the U.S. House of Representatives to join with me now in honoring Harry Stewart and the officers of the Corona-East Elmhurst branch of the NAACP.●

THE CIVIL RIGHTS RESTORATION ACT OF 1985 AND THE RIGHTS OF THE HANDICAPPED

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. WILLIAMS. Mr. Speaker, the education and Labor Committee is holding a series of hearings on the Civil Rights Restoration Act of 1985, which will soon be taken up by the full House. This is the major piece of civil rights legislation in this decade. I think it is important to discuss fully this legislation, particularly in the face of distortions about what it would do. As chairman of the Subcommittee on Select Education, I am also particularly concerned about the restoration of the rights of the handicapped people under section 504 of the Rehabilitation Act and want to draw attention to the important role that H.R. 700 plays in restoring those rights.

The Civil Rights Restoration Act of 1985 is necessary to restore fully the basic civil rights laws which have governed this country for 20 years and which have extended the fundamental rights of this democratic experiment to all of our citizens independent of race, sex, age, or handicapped condition. The 1984 Supreme Court ruling in Grove City College versus Bell seriously narrowed the coverage of existing civil rights laws, reversing year of enforcement. Both Republican and Democratic administrations have in the past fairly said that tax dollars paid by all Americans should not be used to subsidize discrimination against some. The Civil Rights Restoration Act of 1985 recognizes the intention of the law that institutions which receive Federal money cannot discriminate and removes the artificial and discriminatory distinction established by the courts in the Grove City decision.

Often when the Civil Rights Restoration Act of 1985 is discussed, its impact on title IX of the Education Amendments of 1972 or title VI of the Civil Rights Act of 1964 is highlighted. Today, I would like to draw attention to the impact that this legislation will have on section 504 of the Rehabilitation Act of 1973.

Section 504 is the major civil rights legislation for disabled individuals. It prohibits recipients of Federal funds from discriminating against disabled people. It prohibits discrimination in employment, education, housing transportation, health services, or any other federally aided programs.

Roughly, one out of six Americans or 37 million people are disabled. Disabled people because of a condition of birth or accident are more often poor or minorities, and thus they suffer from double discrimination and reduced opportunities. According to a 1983 report of the Civil Rights Commission our public education system consistently underserves and undereducates handicapped people—half of whom do not receive an appropriate education.

Rates of unemployment for handicapped workers range from 45 percent to 75 percent despite the fact that most disabled people are willing and able to work. This represents a loss of $1 billion annually in earnings for disabled people because of employment discrimination. We have a long way to go in ensuring full equality for our disabled citizens.

The Grove City court decision represented a major step backward in the fight for equality for disabled Americans. After the decision the Department of Education stopped work on 60 discrimination cases—a fourth of which involve section 504 cases. These included, for example, the case of a deaf women enrolled at West Georgia College who was working to obtain certification as a teacher of disabled students. The college denied her a sign

language interpreter and she filed a complaint with the Office of Civil Rights which found that the college had violated section 504. The case was dropped after Grove City because the specific program in which she had enrolled did not receive Federal funds, although the college does receive almost $2 million in Federal aid, including ironically a $40,000 grant under the Education for all Handicapped Children Act.

Full enforcement of section 504 is the mainstay of providing truly equal opportunity to disabled Americans and integrating them with dignity as full productive citizens in our country. This kind of case makes a cruel mockery of our commitment to the equality of all people in this country.

We have made it a top priority of the 99th Congress to restore the full enforcement of our civil rights legislation including section 504. I commend all of my colleagues in both the House and the Senate and all of the organizations who have joined in this effort.●

SUBMINIMUM WAGE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. MITCHELL. Mr. Speaker, there has been so much false rhetoric concerning a subminimum wage for youth, it is good to receive a thoughtful, analytical approach on the subject. I am pleased to share with you attorney Donaly Grant's comments on the proposed subminimum wage:

DEAR SIR: The Wednesday, March 13, 1984 edition of the New York Times reports that the National Council of Black Mayors, among others, have endorsed the Reagan Administration's proposal to establish a "subminimum wage" of $2.50 per hour for workers age 16 to 19. The Times also reports that the U.S. Labor Department claims that reducing the minimum wage for teenagers would "induce" businesses to create as many as 400,000 jobs. Given historical realities, I am unable to understand how the proposed bill would redound in any way to the alleviation of unemployment among Black teenagers. My concerns are several and I am convinced that they are not only valid but rooted in the acts of this administration.

First, Labor Department statistics for February 1985 indicate that the unemployment rate for the nation remained "steady." The statistics also indicate that several hundred thousand more people were at work than previously reported. However, as William Raspberry eloquently observed in the Washington Post on March 13, 1985, the jobless rate for blacks "increased" by a statistically significant 1.4 percentage points. Most of which increase is reported to have affected black males.

Second, I am constrained to say that I strongly disagree with the "free enterprise" myth that businesses are anxiously waiting to hire young blacks if they are not required to pay the present minimum wage of $3.35 per hour. My reason is that, as I understand it, the growth in jobs is limited generally to service jobs which require little or no training and allow the easy replacement of workers. There is no empirical evidence that I know of that supports the administration's proposition.

Third, if black male teenagers are not being hired at minimum wages, in a "growing" service economy, what evidence is there that they would be hired merely because the wage was a few cents lower? The Administration's proposition requires us to believe that whites are being hired in increasing numbers at minimum wage and that blacks will only be hired in the same market at lower wages. The implications of that proposition are frightening.

I am opposed to the bill for a far more basic reason. It creates, in my mind, a class of person whose labor is without value. It establishes a class which society has no stake in educating, and the legislation, whether it says so or not, is race specific, as well as segregative in effect, if not purpose. I am sympathetic to the plight of the mayors who support this bill, no doubt in desperation. Of course crime, delinquency and moral problems abound in our cities, however, they will not be eliminated by consigning black youth to this indignity. The problems will not be eliminated in this fashion. It cannot be that these astute men and women are oblivious to the inherent dangers in this legislation. Education is the key to economic and social liberation, not some faulty notion that "slave" labor whose only effect will be to minimally (if at all), reduce the unemployment rates, all without concomitant benefit to the very people who require our best efforts.

In this climate of "Reconstruction politics" it is not too surprising that blacks are willing to acquiesce in the passage of such a law since their condition may be likened to the plantation mentality wherein the "slave" constantly accommodated himself to the pressures of an authoritarian society. The history of this country and others teaches that laws which are segregative and diminutive of the psyche of a specific class or race are destructive and must be resisted. Revanchists, particularly those who lead this country and who seek daily to turn progressive civil rights laws on their head, attempt by this bill to legitimize what is presently a prejudicial and racist system.

I urge you to act in visible opposition to the bill and like attempts to establish sophisticated "black codes."●

UNITED STATES STRATEGIC INTERESTS IN THE MIDDLE EAST

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. LANTOS. Mr. Speaker, a persuasive and important statement was made by Mr. Thomas A. Dine of AIPAC during the course of hearings held by the Subcommittee on Europe and the Middle East. I want to share a summary of his testimony with my colleagues:

TESTIMONY OF THOMAS A. DINE, EXECUTIVE DIRECTOR OF AIPAC, BEFORE THE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST, COMMITTEE ON FOREIGN AFFAIRS, MARCH 7, 1985

The United States has a strategic interest in Israel. Israel is the only country of the Middle East with meaningful free elections, a robust free press, checks and balances to prevent and correct abuses of authority, extensive protections for the rights of individuals and minorities, basic equality for women, and other safeguards and rights that are typical of a free society. It stands in sharp contrast to the other countries of the region, which include feudal monarchies like Saudi Arabia, where all power is permanently concentrated in the hands of a few wealthy princes and where average citizens are under constant surveillance by the religious police and internal security forces; dictatorships like Syria, where the government slaughtered 10,000 of its own citizens three years ago; or radical fundamentalist regimes like Iran, which terrorizes its minorities, suppresses its middle class, and ships off its youth to be slaughtered in a meaningless war.

The American people have long felt an affinity with Israel because of our shared democratic traditions and values. Precisely because of these moral and political ties, the United States has developed a strategic interest in Israel's well-being. As President Reagan has noted, Israel and the United States are "partners in the defense of freedom." Israel, like the United States, is a fighting democracy. The people of Israel, from the ordinary citizen to the leaders of all significant political parties, conceive of their interests in the same way as we do. They stand ready and able to help the United States defend the Free World. In this sense, Israel is an "organic ally." It will be there when we need it. In the vitally important part of the world that Israel inhabits, this is a rare phenomenon indeed. Israel is our only permanent ally in the Middle East and one of only two in the eastern Mediterranean.

This is not to suggest that the United States has no other friends in the region. But it is to suggest that the good relations we enjoy with those other countries are based on understandings with unelected ruling elites in societies where the ordinary person has no special love for the United States or the Western world. As we learned in Iran, such alliances with autocratic and unstable elites can be ended by the next coup or revolution. Moreover, as we are witnessing today, the increasing attraction of anti-Western, Islamic fundamentalism to the Arab masses is already forcing these elites to distance themselves from the United States. The refusal of the Gulf Arabs to grant the United States access rights, Egypt's unwillingness to live up to its strategic commitments at Ras Banas, and Morocco's alliance with Libya, are some of the more egregious examples of the unreliability of most states in the region.

By contrast, the bond between the people of the United States and Israel gives them more than a common sense of purpose. It means that Israel will be allied with the United States over the long term, long after these erstwhile allies of convenience are gone. That Israel is indeed a strategic ally of the United States has been formally recognized in the President's November 1983 announcement of strategic cooperation between the two countries. Since then, over a

14 month period, Israel has demonstrated on multiple occasions its strategic value to the United States. Israel has:

Undertaken military planning with the United States to meet threats to mutual interests in the Middle East and the eastern Mediterranean.

Participated in a joint naval exercise with the Sixth Fleet designed to strengthen U.S. anti-submarine warfare capabilities in the eastern Mediterranean.

Provided access to its ports for regular ship visits by the Sixth Fleet.

Made facilities available for the storage and maintenance of U.S. matrial for American use in a conflict.

Provided twelve of its KFIR fighter aircraft to the U.S. Navy's "aggressor" squadron to help train American fighter pilots.

Engaged in military training exchanges with the United States Marines.

Entered into formal arrangements to provide access to its sophisticated hospital facilities for U.S. military casualties in a conflict. (These facilities have been tested in two joint medical exercises and have already been used to treat U.S. personnel injured in the bombing of the U.S. Embassy annex in east Beirut).

Shared with the U.S. the lessons of its combat experience in Lebanon where Israel successfully used American equipment against Soviet weapons.

Undertaken joint research and development projects with the Pentagon to build on the technological expertise acquired from decades of conflict.

Stepped up its cooperation with the United States to combat international terrorism.

These undertakings have considerable strategic significance for the deterrent posture of the United States in the Middle East and eastern Mediterranean. They provide tangible evidence to the Soviet Union and its clients that U.S. capabilities are supported by Israel. Although, of course, Israel is a small nation, the Soviet Union understands better than some in the West just what this means:

Israel's knowledge and experience with Soviet equipment have for many years helped the United States develop more effective weapons, counter-measures and tactics.

Israel's naval and air forces are sufficiently strong to challenge Soviet naval forces in the eastern Mediterranean and therefore make a significant difference to the Soviet calculus of the balance of power in that area when added to American force deployments.

Israel has demonstrated the vulnerability of Soviet SAMs and MIGs in Lebanon, forcing the Soviet Union to divert expenditures from force expansion to force renovation, and discrediting the weapons on which much Soviet influence depends. This experience deters Soviet trouble making in the region and provides Moscow with a powerful incentive to discourage adventurism in its regional clients.

Nevertheless, strategic cooperation between the United States and Israel is only the most recent visible sign of Israel's vital role as a strategic ally of the United States. Long before the United States entered into these formal strategic arrangements, Israel was playing a critical role in the promotion and protection of U.S. strategic interests in the Middle East. For example:

Israel's relinquishment of the Sinai, at great economic cost and strategic risk, helped to consolidate U.S. ties with Egypt and wean this largest and most powerful Arab state away from the Soviet Union, while stabilizing the Arab-Israeli conflict.

Israel's willingness to mobilize its forces against the Syrians has helped to protect Jordan and maintain the pro-Western regime there on more than one occasion—and the threat of Israeli action remains the only effective deterrent to Syrian designs on Jordan.

Israel's war against the PLO in Lebanon dealt a vital blow to international terrorism and eliminated its global headquarters.

Moreover, Israel's role as an ally of the United States goes well beyond the confines of military cooperation in the Middle East region.

At the United Nations, Israel voted with the United States on more than 93 percent of the General Assembly resolutions introduced in the 38th Session, the highest rate of cooperation of any country in the world. This contrasts with 40.5 percent for Turkey and 26.8 percent for Greece—America's NATO allies in the eastern Mediterranean; it also contrasts with 23.4 percent for Egypt, 19.3 percent for Saudi Arabia and 17.2 percent for Jordan—America's "friends" in the Arab world.

In the Third World, Israel is using its expertise and experience to provide technical assistance to pro-Western developing countries in coordination with the United States. Similarly, Israel is providing security advice and assistance to pro-western governments in other parts of the world.

In the information war, Israel has agreed to install a Voice of America transmitter on its territory to enhance American broadcasts to Soviet Central Asia and Afghanistan, despite the inherent risk of worsening the plight of Soviet Jews. By contrast, America's NATO allies, Greece and Turkey, both refused to host the VOA transmitter because of their unwillingness to endanger their relations with Moscow; reportedly, Oman has also turned the U.S. down.

In short, the people of Israel have demonstrated time and again that they are more than willing to live up to and enrich the ideals and values that we share, and that they are more than able to help defend them in an alien and hostile part of the world. Moreover, in the process of acting together, Israel has demonstrated that it is a capable and reliable partner—a country that we need on our side and a country that we can safely expect to be on our side. Accordingly, the United States has both a serious moral commitment and a vital strategic interest in Israel.

Israel is also a country laboring against great odds, and it is a friend of America whose burdens have, at this moment, accumulated to pose a considerable challenge.

Israel needs America's help now, if its plan for reconstruction and recovery is to succeed. U.S. assistance at this time is essential for several reasons: (1) to ensure that cuts undertaken to strengthen the economy do not weaken Israel's defense and undermine its deterrent; (2) to help manage the debt burden and reserves so that the recovery plan is not capsized by financial disturbances; and (3) to offer the people of Israel a ray of hope for the future, to help them accept the sacrifices that are necessary today.

The sums that the United States spends on aid to Israel are substantial in an absolute sense, but in comparative perspective aid to Israel is one of the least expensive and most effective national security expenditures our country makes.

In FY 1985 for example, we are spending $2.6 billion on aid to Israel, but U.S. expenditures in support of European security are estimated by the New York Times to be $129 billion, and our expenditures for the security of Japan and the countries of East Asia are $47 billion. In this perspective, we spend 50 times as much on Europe, and 18 times as much on Japan and Korea, as we do on Israel.

Put another way, contained in the U.S. defense budget is an average of $10 billion to support the security of each of the 13 European members of NATO, and $8 billion to support the security of each of our six allies in East Asia. While it is difficult exactly to compare expenditures in the foreign aid programs with those that happen to fall within the defense budget, these broad comparisons suggest that our assistance to Israel is actually less than a third as costly as the average amount we spend on other allies. Israel has never asked that American soldiers participate in its defense.

Israel is a democracy, and our one reliable ally in the Middle East. It is a willing partner in the peace process, and a country that shares many of the goals and values that are important to Americans. It is also an ally in trouble, a friend asking for our help.

Israel has a plan to get back on its feet, but needs a special effort on our part during the transitional period. Israel's economy is the foundation of its defense capability, and for this reason the United States has a vital interest in extending the assistance needed to keep our ally strong.●

AMENDING THE HOBBS ACT TO ADDRESS LABOR VIOLENCE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. CRANE. Mr. Speaker, today I am introducing legislation to eliminate the exemption of union officials from Federal prosecution under the Hobbs Act.

The language of this bill states:

Conduct that occurs in or associated with a labor dispute is wrongful if such conduct would be wrongful in the absence of a labor dispute, and the purpose of such conduct, even if legitimate when furthered by other means, does not make such conduct less wrongful.

The inclusion of the word "wrongful" is the key to continuing problems with decisions regarding union violence. In 1946 Congressman Hobbs defined "extortion" to include the obtaining of property from another, with his consent, induced by wrongful use of actual or threatened force, violence, or fear.

In 1973 the Supreme Court decided in U.S. versus Enmons, that this law would not apply where a legitimate union objective was the goal of the extortionate behavior. The Court felt that the word "wrongful" would not have been included in the definition of extortion if the Hobbs Act had been meant to apply to all labor violence. However, the Enmons decision

reached by the Supreme Court is in error, because the insertion of the word "wrongful" was to assure opponents that the Hobbs Act was not meant to restrict legitimate activity. Today, it is unfortunately all too evident that this unintended loophole actually encourages the intimidating lawlessness and destruction wrought by unions that is sometimes the mark of labor-management disputes.

My bill will amend the Hobbs Act to restore equity, making sure that labor violence is treated no differently than any other violence falling within the Federal realm. It will eliminate the special exemption now enjoyed by labor, clarifying congressional intent so that the law cannot be again misinterpreted by the courts.●

CONGRESSIONAL SALUTE TO HON. ANTHONY PASQUARIELLO OF PATERSON, NJ, DISTINGUISHED CITIZEN, COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. ROE. Mr. Speaker, on Saturday, March 30 residents of the city of Paterson, my congressional district and State of New Jersey will join together in testimony to a distinguished citizen, community leader, and good friend—Hon. Anthony Pasquariello of Paterson, NJ—whose lifetime of good works and standards of excellence in his daily pursuits have truly enriched our community, State and Nation.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our deepest appreciation to Anthony Pasquariello for all of his good deeds and share great pride in the success of his achievements with his good wife Anne, their children, daughter Marlene and husband Ronald Neal, daughter Toni Ann, son Robert and wife Julie, and nine grandchildren.

Anthony Pasquariello is an outstanding individual who throughout his lifetime has earned the respect and esteem of all of us who have had the good fortune to know him. This is particularly manifested in the strong support and depth of friendship that he enjoys among his colleagues who organized the friendship dinner on March 30 in his honor. His personal commitment to the economic, social and cultural enhancement of our community has been a way of life for him.

For four terms Mr. Pasquariello was an alderman in the ninth ward of the city of Paterson. He was also alcoholic beverage commissioner for 12 years and served as clerk to the board of aldermen. He was appointed to the Passaic Valley Water Commission for three terms, served as president and is currently serving as secretary of the commission. He was appointed to the board of elections as a field representative and in 1979 was appointed to his current office of public trust as superintendent of elections.

Mr. Pasquariello has been a staunch supporter and active participant in many civic and community improvement programs. He is also to be commended for his outstanding dedication and sincerity of purpose in seeking to improve the standards of living for our working men and working women and their families as former vice president of United Auto Workers Union—UAW No. 669. He is a member of the Benevolent and Protective Order of Elks No. 2111, the Knights of Columbus No. 6805, and St. Anthony's Church, Paterson, NJ.

Mr. Speaker, there is so much that can be said of the friendship and goodwill that Anthony Pasquariello has so willingly and abundantly given over these many years that mean so much to the lives of many, many people. As we join together on March 30 in testimony to a good friend and distinguished citizen, we extend the appreciation of the Congress to Anthony for his outstanding contribution to the quality of life and way of life here in America. We do, indeed, salute a great American, Hon. Anthony Pasquariello of Paterson, NJ.●

INTRODUCTION OF THE SUMMER YOUTH EDUCATIONAL ENHANCEMENT PROGRAM

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. FISH. Mr. Speaker, today I am pleased to introduce, along with the gentleman from Pennsylvania, [Mr. EDGAR], the Summer Youth Educational Enhancement Program. This bill would enhance the current Summer Youth Employment and Training Program (title IIB of the Job Training Partnership Act) by adding an educational component to the current work program in which up to 800,000 youths participate each summer.

Over the course of the last few years, the role of education in our society and economy has received much justified attention. The ensuing drive for excellence in education has prompted many needed reforms in Federal, State, and local governmental approaches to education.

Our Nation's greatest resource is its young people and I applaud the many efforts underway in the States to improve our educational system. I am growing increasingly concerned, however, that the reforms being implemented are unlikely to help the most severely disadvantaged young people in our education system. Recent reforms most often take the form of more—more demanding course requirements, more frequent exams and more hours spent in the classroom. For disadvantaged youth, many who have serious educational deficiencies, new and different approaches are needed.

In the past decade we have invested many billions of dollars to test and develop the most effective aproaches for youth employability. What is clear is that disadvantaged youths, given the chance to work, are eager to do so. However, research by employers reveals that a frequent lack of job readiness as well as deficiencies in basic reading and computations skills greatly lessen the productivity of youth and hamper their efforts to find jobs.

The legislation we are proposing—the Summer Youth Educational Enhancement Program—would address these concerns and target aid to those youths most at risk. In addition, the program would attempt to directly address a concern raised by recent research by the Ford Foundation which revealed that a significant difference exists in the experiences of advantaged and disadvantaged youths during the summer months. During the summer, advantaged youths maintain and even improve upon learning gains. Disadvantaged youth, however, may actually lose ground. Each year these youths fall further and further behind, increasing their in-school frustrations, causing many of them to eventually drop out of school.

In brief the legislation:

Would complement the current activities of the summer jobs programs and provide more comprehensive services to program participants.

Channels funds through chapter I of the Education Consolidation and Improvement Act. For years, the Congress has sought through various mechanisms to improve coordination between the education systems and the employment and training community. The fact is that coordination occurs only sporadically.

Our bill differs from the previous set-aside approach to coordination, in that the incentives and mandates for cooperation between the systems exist equally of both sides. Coordination between the local education agency and the employment community would keep duplication of services at a minimum as well as provide more comprehensive assistance to disadvantaged youths; and

Avoids the need to amend the Job Training Partnership Act or alter any current chapter I program.

This legislation was developed during a series of field hearings held

by the Northeast-Midwest Institute. Two hearings, which I had the privilege of chairing, were devoted to examining how youths can improve their educational skills level and employability. Particular attention was paid to the special problems and needs of disadvantaged youth.

In times of growing Federal deficits I have thought very carefully before introducing this bill which authorizes $100 million to carry out these activities. What prompted me to introduce this legislation is the serious and growing problem facing disadvantaged youth which necessitates prompt Federal action. Second, I would emphasize that we are very flexible on the funding issue and have been exploring ways to fund this program while not losing sight of our serious Federal debt problem. In our search for funding sources we propose one possible way to provide the needed funds for this program while not increasing funding above last year's levels.

In each of the last sessions, we appropriated an additional $100 million for the 1984 and 1985 summer jobs programs in order to correct a problem created inadvertently by a formula change in the transition from CETA to the Job Training Partnership Act. In the transition, many central cities would have lost substantial program funds without this supplemental which brings those areas most adversely affected by the new formula back up to 90 percent of the previous year's levels.

A correction in the formula would allow the $100 million that would have been needed in the absence of a formula change to be used to fund the legislation we are proposing. In this way the Federal Government would be responding to the urgent need to addressing this Nation's serious youth unemployment problem while not raising the funding level of the chapter I and Job Training Partnership Act above last year's levels.

Mr. Speaker, I believe this bill is timely and appropriate. I request that a copy of my complete remarks as well as a copy of the bill be printed in the RECORD.

H.R. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Summer Youth Educational Enhancement Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

(1) there exist serious deficiencies in basic educational attainment among many youth, particularly among those youth who are economically disadvantaged;

(2) findings from research show that these deficiencies are aggravated during the summer months when disadvantaged youth actually regress in educational attainment compared to their more advantaged peers; and

(3) Congress has previously stated its interest in enhancing basic educational attainment in both chapter 1 of the Education Consolidation and Improvement Act and part B of title II of the Job Training Partnership Act (summer youth employment and training programs).

STATEMENT OF PURPOSE

SEC. 3. It is the purpose of this Act—

(1) to reaffirm the Congress intention that the summer youth employment and training programs include a component for remediation of basic educational deficiencies; and

(2) to provide additional incentives, beginning in the summer of 1985, to encourage State and local authorities to prepare disadvantaged youth for sustained academic achievement and entry into the workforce.

AUTHORIZATION AND ALLOCATION OF FUNDS

SEC. 4. (a) There are authorized to be appropriated to the Department of Education for fiscal year 1985 and each of the three succeeding fiscal years $100,000,000 to carry out this Act.

(b) Funds appropriated pursuant to subsection (a) for any fiscal year shall be allocated among State education agencies in proportion to their allocations for the preceding fiscal year under chapter 1 of the Educational Consolidation and Improvement Act of 1981.

(c) Section 594 of such Act (relating to the availability of appropriations) shall apply to funds appropriated to carry out activities under this Act.

USE OF FUNDS; AGREEMENTS AND APPLICATIONS

SEC. 5. (a) Funds allocated to a State educational agency pursuant to section 4(b) for any fiscal year shall be made available by such agency to local educational agencies within that State for expenditure for programs that—

(1) provide basic and remedial education to participants in the summer youth employment and training programs operated under part B of title II of the Job Training Partnership Act; and

(2) are operated in conjunction with such employment and training programs.

(b) In order to receive funds under this Act from a State educational agency, a local educational agency shall enter into an agreement with the administrative entity (under the Job Training Partnership Act) for the appropriate service delivery area. Such agreement shall provide for the operation of programs under this Act in accordance with the requirements of subsection (a).

(c) The State educational agency may approve an application by a local educational agency for a grant from funds under this Act if the application—

(1) contains or is accompanied by the agreement required by subsection (b); and

(2) provides assurances satisfactory to the State educational agency that the programs described are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting the special educational needs of the youth being served.

DEFINITIONS

SEC. 6. As used in this Act—

(1) the terms "State educational agency" and "local educational agency" have the meanings provided in section 595(a) of the Education Consolidation and Improvement Act;

(2) the term "administrative entity" has the meaning provided in section 4 of the Job Training Partnership Act; and

(3) the term "service delivery area" means a service delivery area established under section 101 of such Act.●

THE PURSUIT OF FREEDOM AND UNITY FOR IRELAND ENCOMPASSES MOST OF THE 20TH CENTURY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs, I have been actively involved in urging a more positive U.S. role in the pursuit of a political solution to the ongoing problems in Northern Ireland.

One of the most commonly discussed future political solutions is a united Ireland. If one goes back to the Proclamation of Easter 1916, it is spelled out in the context of the Irish people's fundamental constitutional rights to sovereignty, independence, and unity. Subsequent statutes, including the Constitution of Ireland of July 1, 1937, the Republic of Ireland Act of 1948, and the unanimous Declaration of Dail Eireann of May 10, 1949, reiterated these principles.

On May 2 we observe the first anniversary of the final report of the New Ireland Forum, an important and constructive group which reiterated many of these principles as part of their recommendations. Yet almost 1 year later we continue to see intransigence and resistance on the part of the British Government to even consider these recommendations in the context of a political solution. One hopes that this shortsightedness can be remedied in the very near future and progress can go forward and the path to peace is a forward-moving one.

In an effort to place this issue in its proper historical context, I wish to place two items in the RECORD at this point. One is a document entitled, "Ireland's Right to Sovereignty, Independence, and Unity Is Inalienable and Indefeasible," which includes a foreword by Hon. Sean MacBride, S.C., a former Nobel Peace Prize winner. The article will be preceded with an introduction by Father Sean McManus, National Director of the Irish National Caucus, an organization which has been in the forefront of work in America on behalf of peace and justice for all of Ireland.

INTRODUCTION BY: FATHER SEAN MCMANUS

The purpose of the Irish National Caucus is to get the United States to recognize that Ireland, too, has the right to be One Nation, under God, indivisible, with liberty and justice for all.

One of our most esteemed advisors in Ireland is the Honorable Sean MacBride, Nobel Peace Prize and American Medal of Justice Winner.

Mr. MacBride is one of the greatest Irishmen of this Century. Throughout his illustrious life he has championed Ireland's cause. He has provided a very practical and timely service by producing "Ireland's Right to Sovereignty, Independence, and Unity Is Inalienable and Indefeasible."

I urge all Members of Congress to use it as a basic guideline on the Irish issue.

IRELAND'S RIGHT TO SOVEREIGNTY, INDEPENDENCE, AND UNITY IS INALIENABLE AND INDEFEASIBLE

(The Irish People's fundamental Constitutional Rights to Sovereignty, Independence and Unity in this Century are set forth in the Proclamation of Easter 1916, the Declaration of Independence of 21 January 1919, the Constitution of Ireland of 1 July 1937, the Republic of Ireland Act 1948, and the unanimous Declaration of Dail Eireann of 10 May 1949 transmitted to all the Parliaments of the world)

FOREWORD BY SEAN MAC BRIDE, S.C.

For centuries, Britain has sought to conquer, dominate and rule Ireland. For centuries, the Irish People have sought to free Ireland from British rule. Britain, a large, powerful and ruthless colonial power, was able to defeat the numerous and sustained efforts of the Irish People to liberate themselves. In the course of the 19th century, as a result of British oppression and famine, the population of Ireland was halved.

It was only in the course of this century, following upon the Rising of Easter 1916, that Britain in 1921 had to relinquish her military and political occupation of the greater part of the island of Ireland. However, concurrently, she was able to impose under threat of "immediate and terrible war" the Anglo-Irish Treaty of 1922 whereby Britain was enabled to continue to occupy six of the nine counties of the province of Ulster. The imposition of the Treaty of 1922, of the partition of Ireland and of the Constitution of the Irish Free State led to a bitter Civil War in Ireland, the political effects of which have continued to the present date. It is thus that the partition of Ireland was imposed on Ireland against the wishes of the overwhelming majority of the people of Ireland.

It should be noted that neither the Treaty of 1922 nor the Constitution of 1922 were ever submitted to the Irish People. Indeed, the Constitution of 1937 which was adopted by the Irish People by referendum, abrogated both the Anglo-Irish Treaty of 1922 and the Constitution of the Irish Free State of 1922, insofar as these ever had any validity.

Centuries of English misrule in Ireland have led to oppression and famine which have caused many millions of Irish to die. British interference in Ireland led to the Civil War which has disrupted the life of the country for several decades. The imposition of partition has led to a permanent insurrectionary situation in the six North Eastern counties of Ireland which, since 1969, has caused over 2,300 deaths and the maiming of some 24,000 people. In the past 14 years there have been over 43,000 separate incidents of shootings and bombings. In the North, unarmed Republican suspects are shot at sight by British forces; many sectarian and political assassinations have been carried out either directly by British forces or have been instigated by British secret service agents. British appointed judges have justified the operations of police and military assassination squads in the North.

Persons employed by the British secret service have carried out criminal activities, including bank robberies and assassinations, within the territory of the Republic in order to promote greater destabilisation. British secret service moles have on occasion infiltrated the security services of the Republic in order to create confusion and dissension. The spillover of the insurrectionary situation in the North has caused many problems in the Republic and a departure from the normal and proper application of the Rule of Law. British and Irish jails are bursting at the seams with Irish Republican political prisoners. many of these prisoners have been illtreated and subjected to degrading and inhuman treatment.

In order to impose her conquest of Ireland, British expropriated the lands of the Catholic population of Ireland and gave them to settlers from Britain. While the majority of these became absorbed in the Irish population, a number of them were encouraged by Britain to maintain their allegiance to Britain instead of Ireland. This was done by political patronage and financial inducements; it is this minority of the Irish people, who with the encouragement and support of the British Government, opposed the reunification of Ireland. The partition of Ireland only exists today by virtue of the vast financial and military resources which Britain uses to maintain it.

The British Government like to pretend that they are merely playing the role of the "honest broker" between that minority of the British settlers and the Irish people and that they are prepared to withdraw from Ireland if they are asked to do so by that minority. However, this is not borne out by the confidential minutes of the British Cabinet which have been released recently and which state categorically:

"So far as can be foreseen, it will *never* be to Great Britain's advantage that Northern Ireland should form part of a territory outside. His Majesty's jurisdiction. Indeed, it seems unlikely that Great Britain would *ever* be able to agree to this *even if the people of Northern Ireland desired it.*" (Public Records Office, London: Cabinet Papers 49(4).)

Ireland's right to sovereignty, independence and unity are inalienable and indefensible. It is for the Irish people as a whole to determine the future status of Ireland. Neither Britain nor a small minority selected by Britain has any right to partition the ancient island of Ireland, nor to determine its future as a sovereign nation. The precept laid down by President Abraham Lincoln on 18 February 1861 is as applicable to Ireland as it was applicable to the United States when it was fighting for its independence and unity:

"On what rightful principle may a state, being not more than one-fifth part of the Nation in soil and population, break up the nation and then cause a proportionately larger sub-division of itself in a most arbitrary way?"

The Anglican Bishop of Salisbury, Most Reverend Dr. John Austin Baker, a leading Church of England theologian, who was Chaplain to the British House of Commons, made the truest and most concise analysis of British policy towards Ireland in 1980 during the Long Kesh hunger strike:

"No British Government ought ever to forget that this perilous moment, like many before it, is the outworking of a history for which our country is primarily responsible. England seized Ireland for its own military benefit. It planted Protestant settlers there to make it strategically secure. It humiliated and penalised the native Irish and their Catholic religion; and then, when it could no longer hold on to the whole island, it kept back part to be a home for the settlers' descendants, a non-viable solution from which Protestants have suffered as much as anyone.

"Our injustice created the situation; and by constantly repeating that we will maintain it so long as the majority wish it, we actively inhibit Protestant and Catholic from working out a new future together. This is the root of violence, and the reason why the protesters think of themselves as political offenders."

The historic constitutional documents reproduced hereunder represent the Charter of Liberty of the Irish People.

THE PROVISIONAL GOVERNMENT OF THE IRISH REPUBLIC

TO THE PEOPLE OF IRELAND

Irishmen and Irishwomen: In the name of God and of the dead generations from which she receives her old tradition of nationhood, Ireland, through us, summons her children to her flag and strikes for her freedom.

Having organised and trained her manhood through her secret revolutionary organisation, the Irish Republican Brotherhood, and through her open military organisations, the Irish Volunteers and the Irish Citizen Army, having patiently perfected her discipline, having resolutely waited for the right moment to reveal itself, she now seizes that moment, and, supported by her exiled children in America and by gallant allies in Europe, but relying in the first on her own strength, she strikes in full confidence of victory.

We declare the right of the people of Ireland to the ownership of Ireland, and to the unfettered control of Irish destinies, to be sovereign and indefeasible. The long usurpation of that right by a foreign people and government has not extinguished the right, nor can it ever be extinguished except by the destruction of the Irish people. In every generation the Irish people have asserted their right to national freedom and sovereignty: six times during the past three hundred years they have asserted it in arms. Standing on that fundamental right and again asserting it in arms in the face of the world, we hereby proclaim the Irish Republic as a Sovereign Independent State, and we pledge our lives and the lives of our comrades-in-arms to the cause of its freedom of its welfare, and of its exaltation among the nations.

The Irish Republic is entitled to, and hereby claims, the allegiance of every Irishman and Irishwoman. the Republic guarantees religious and civil liberty, equal rights and equal opportunities to all its citizens, and declares its resolve to pursue the happiness and prosperity of the whole nation and of all its parts, cherishing all the children of the nation equally, and obvious of the differences carefully fostered by an alien government, which have divided a minority from the majority in the past.

Until our arms have brought the opportune moment for the establishment of a permanent National Government, representative of the whole people of Ireland and elected by the suffrages of all her men and women, the Provisional Government,

hereby constituted, will administer the civil and military affairs of the Republic in trust for the people.

We place the cause of the Irish Republic under the protection of the Most High God. Whose blessing we invoke upon our arms, and we pray that no one who serves that cause will dishonour it by cowardice, inhumanity, or rapine. In this supreme hour the Irish nation must, by its valour and discipline and by the readiness of its children to sacrifice themselves for the common good, prove itself worthy of the august destiny to which it is called.

Signed on Behalf of the Provisional Government,

THOMAS J. CLARKE.
SEAN MAC DIARMADA.
P. H. PEARSE.
JAMES CONNOLLY.
THOMAS MACDONAGH.
EAMONN CEANNT.
JOSEPH PLUNKETT.

DECLARATION OF INDEPENDENCE

21st January 1919, First Dail Eireann, Enacted by the Parliament of the Republic of Ireland

Whereas the Irish People is by right a free people:

And whereas for seven hundred years the Irish People has never ceased to repudiate and has repeatedly protested in arms against foreign usurpation:

And whereas English rule in this country is, and always has been, based upon force and fraud and maintained by military occupation against the declared will of the people:

And whereas the Irish Republic was proclaimed in Dublin on Easter Monday, 1916, by the Irish Republican Army, acting on behalf of the Irish People:

And whereas the Irish People is resolved to secure and maintain its complete independence in order to promote the common weal, to re-establish justice, to provide for future defense, to ensure peace at home and good will with all nations, and to constitute a national policy based upon the people's will with equal right and equal opportunity for every citizen:

And whereas the threshold of a new era in history the Irish electorate has in the General Election of December, 1918, seized the first occasion to declare by an overwhelming majority its firm allegiance to the Irish Republic:

Now, therefore, we, the elected Representatives of the ancient Irish People in National Parliament assembled, do, in the name of the Irish Nation, ratify the establishment of the Irish Republic and pledge ourselves and our people to make this declaration effective by every means at our command:

We ordain that the elected Representatives of the Irish People alone have power to make laws binding on the people of Ireland, and that the Irish Parliament is the only Parliament to which that people will give its allegiance:

We solemnly declare foreign government in Ireland to be an invasion of our national right which we will never tolerate, and we demand the evacuation of our country by the English Garrison:

We claim for our national independence the recognition and support of every free nation in the world, and we proclaim that independence to be a condition precedent to international peace hereafter:

In the name of the Irish People we humbly commit our destiny to Almighty God. Who gave our fathers the courage and determination to presevere through long centuries of a ruthless tyranny, and strong in the justice of the cause which they have handed down to us, we ask His Divine blessing on this the last stage of the struggle we have pledged ourselves to carry through to freedom.

(Dail Eireann: Minutes of the Proceedings of the First Parliament of the Republic of Ireland, 21st January 1919.)

THE CONSTITUTION OF IRELAND

(Enacted by the People on 1st July 1937)

In the Name of the Most Holy Trinity, from Whom is all authority and to Whom, as our final end, all actions both of men and States must be referred,

We, the people of Eire,

Humbly acknowledging all our obligations to our Divine Lord Jesus Christ, Who sustained our fathers through centuries of trial,

Gratefully remembering their heroic and unremitting struggle to regain the rightful independence of our Nation,

And seeking to promote the common good, with due observance of Prudence, Justice and Charity, so that the dignity and freedom of the individual may be assured, true social order attained, the unity of our country restored, and concord established with other nations,

Do hereby adopt, enact, and give to ourselves this Constitution.

THE NATION

ARTICLE 1. The Irish nation hereby affirms its inalienable, indefeasible and sovereign right to choose its own form of Government, to determine its relations with other nations, and to develop its life, political economic and cultural, in accordance with its own genius and traditions.

ARTICLE 2. The national territory consists of the whole island of Ireland, its islands and the territorial seas.

ARTICLE 3. Pending the re-integration of the national territory, and without prejudice to the right of the Parliament and Government established by this Constitution to exercise jurisdiction over the whole of that territory, the laws enacted by that Parliament shall have the like area and extent of application as the laws of Saorstát Eireann and the like extra-territorial effect.

THE STATE

ARTICLE 4. The name of the State is Eire, or in the English language, Ireland.

ARTICLE 5. Ireland is a sovereign, independent, democratic state.

EIRE

Number 22 of 1948.

THE REPUBLIC OF IRELAND ACT, 1948

An Act to repeal the Executive Authority (External Relations) Act, 1936, to declare that the description of the State shall be the Republic of Ireland, and to enable the President to exercise the executive power or any executive function of the State in or in connection with its external relations.

[21st December, 1948.]

Be it enacted by the Oireachtas as follows:

1.—The Executive Authority (External Relations) Act, 1936 (No. 58 of 1936), is hereby repealed.

2.—It is hereby declared that the description of the State shall be the Republic of Ireland.

3.—The President, on the authority and on the advice of the Government, may exercise the executive power or any executive function of the State in or in connection with its external relations.

4.—This Act shall come into operation on such day as the Government may by order appoint.

5.—This Act may be cited as The Republic of Ireland Act, 1948.

UNANIMOUS DECLARATION OF DAIL EIREANN ADOPTED ON THE JOINT PROPOSITION OF: AN TAOISEACH: JOHN A. COSTELLO AND LEADER OF THE OPPOSITION EAMON DE VALERA ON 10TH MAY, 1949

"Dail Eireann,

"Solemnly re-asserting the indefeasible right of the Irish Nation to the unity and integrity of the national territory,

"Re-affirming the sovereign right of the people of Ireland to choose its own form of Government and, through its democratic institutions, to decide all questions of national policy, free from outside interference,

"Repudiating the claim of the British Parliament to enact legislation affecting Ireland's territorial integrity in violation of those rights, and

"Pledging the determination of the Irish people to continue the struggle against the unjust and unnatural partition of our country until it is brought to a successful conclusion;

"Places on record its indignant protest against the introduction in the British Parliament of legislation purporting to endorse and continue the existing Partition of Ireland, and

"Calls upon the British Government and people to end the present occupation of our Six North Eastern Counties, and thereby enable the unity of Ireland to be restored and the age-long differences between the two nations brought to an end."

On the same date Dail Eireann directed that the above Declaration be transmitted to the Governments and the Parliaments of all countries with whom Ireland had diplomatic relations.

(The foregoing Resolution of Dail Eireann represents the only Declaration of Policy in regard to Partition adopted by Dail Eireann since the Constitution of Ireland was enacted by the People on the 1st July 1937.)

"THE ANGLO-IRISH TREATY 1922" AND THE IRISH FREE STATE CONSTITUTION

The present Constitutional status of Ireland is set forth and defined in the Constitutional instruments that are included in the foregoing pages. It is noteworthy that insofar as the Anglo-Irish Treaty of 6th December 1921 and the Constitution of the Irish Free State of 1922 are concerned, these were never submitted to, or adopted by, the Irish People; insofar as any validity was claimed for them, it is clear that the Constitution of Ireland, 1937, and the Republic of Ireland Act, 1948, had the effect of repealing both the Anglo-Irish Treaty of 1921, and the Constitution of the Irish Free State of 1922.

THE NEW IRELAND FORUM

The New Ireland Forum, composed of representatives of the Fianna Fail Party, the Fine Gael Party, the Labour Party, and the Social Democratic Labour Party, met in Dublin on 30th May 1983 and produced its Final Report on 2nd May 1984. The proceedings of the New Ireland Forum were constructive and the research work undertaken under its supervision was valuable. Its Report is somewhat discursive but in Chapter Five, Paragraph 7, it concludes:

"The particular structure of political unity which the Forum would wish to see

established is a unitary state, achieved by agreement and consent, embracing the whole island of Ireland and providing irrevocable guarantees for the protection and preservation of both the Unionist and Nationalist identities."

Some of the other options canvassed in the course of the New Ireland Forum Report appear to envisage a limitation on the right of the Irish people to exercise sovereignty over "the whole island of Ireland, its islands and the territorial seas". Such options would be manifestly unconstitutional and divisive.

However, no solution will be viable unless the British Government can be persuaded to recognize that Ireland's right to sovereignty, unity and neutrality are inalienable and that Britain must refrain from interfering directly, or indirectly, by overt or by covert means, in the affairs of Ireland North or South.●

NATIONAL CORRECT POSTURE WEEK

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. HORTON. Mr. Speaker, today I am introducing legislation that would designate May 1-7, 1985, as "National Correct Posture Week."

For many years, the American Chiropractic Association has sponsored a National Correct Posture Week on May 1-7. Throughout the country during this observance each year, professional and community groups, public officials, and perhaps most importantly, public and private schools have been encouraged by the chiropractic profession to focus attention on correct posture's contribution to overall health and physical appearance. The chiropractic profession's efforts to augment the fine purpose of the President's Council on Physical Fitness deserves our support.

The chiropractic profession in particular has researched and studied the spine for nearly 100 years. Chiropractors are health care specialists in knowledge of the spine and its effect on general body health.

The tenet that correct posture is one of the most important paths to good, general health is not exclusive to chiropractic practitioners, but is one shared by medical and chiropractic authorities alike, public health officials, nurses, psychiatrists, the armed services, pediatricians, and industrial relations specialists to name a few. There is general unanimity within the healing arts that good posture and good health are inseparable.

It is, then entirely appropriate that the Congress join in this effort this year, in promoting correct posture and in encouraging the President to involve every American, through Presidential proclamation, in getting back to basics in personal health care.

The United States has some of the highest standards of health, sanitation and general well-being of any country in the world. All too often, however, we have failed to take as seriously as we should the familiar, but all too easily dismissed, exhortation of every mother, father, grandparent, and aunt and uncle: "sit up—mind your posture!"

Of course, in any campaign for good posture, our focus must be on our youth. The business of a strong body is not something obtained overnight. You have to start early and work at it. If we are to be the strong, growth-oriented, vigorous Nation that we have always been, it requires a healthy, robust, and self-confident citizenry—qualities that must carry over from correct posture learned as a child and good physical development.

In a time when so many Americans are concerned about physical fitness and health, the discipline of good posture is possibly the easiest means toward better health and personal appearance.

Since President Kennedy, this Nation has dedicated itself to national fitness. I urge my colleagues to join me in this resolution to highlight one of the simplest approaches to fitness and health.●

HOUSE PASSED NEW GI BILL

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 26, 1985

● Mr. DASCHLE. Mr. Speaker, I want to express my support for a bill passed by the House yesterday, H.R. 752, "New GI Bill Amendments of 1985." This legislation, introduced by the distinguished Chairman of the Veterans Affairs Committee, SONNY MONTGOMERY, was reported unanimously by our Committee as well as by the Armed Services Committee, to which the bill was jointly referred.

By way of background, the Veterans Educational Assistance Act of 1985, title VII of the fiscal year 1985 Defense Authorization Act, Public Law 98-525, established a new educational assistance program for those individuals who initially enter active duty on or after July 1, 1985. A similar program was established for those in the selected reserve. A major purpose of this new GI bill is to assist in the recruitment and retention of high quality personnel for the Nation's Armed Forces.

As passed by the House last year, the new GI bill would have had an effective date of October 1, 1984. Because the other body insisted in Conference that the effective date be July 1, 1985, the House conferees were forced to reluctantly accept this provision. As expected, the services soon contacted this committee, telling us that the delayed effective date of the new program would cause serious recruitment problems for them. They feared that the bright young people the program is designed to attract would delay enlisting in the Armed Forces until the first of July so that they would qualify for the new GI bill. This surge of new entrants would disrupt and overburden military training programs which are geared to an orderly flow of new recruits.

Additionally, the House-passed GI bill would have extended educational assistance benefits to those on active duty as of October 1, 1984, who continued on active duty for the required period of time. At the insistence of the other body, the conferees were forced to accept a provision limiting benefits to those who first enter on active duty on or after July 1, 1985. The effect of this provision is to prohibit those individuals with prior service who choose to reenter the military from establishing entitlement to the GI bill benefits. Prior service personnel are particularly attractive recruits because they require little training and often reenter the military with high tech skills that are needed in today's sophisticated Armed Forces. To refuse to provide the armed services with a tool they need to attract these experienced personnel is shortsighted and poor management.

H.R. 752, which addresses both of the above-mentioned concerns, would do two things. First, it would move back the effective date of the new GI bill to the date of enactment of H.R. 752, thus enabling the armed services to avoid major disruptions of their training schedules and possible recruiting shortfalls. Second, it would extend eligibility for the active duty GI bill benefits to prior service personnel who return to active duty after a break in service, thereby providing the services with an attractive incentive to bring these people back into the military.

H.R. 752 is a good bill, and I commend our chairman, SONNY MONTGOMERY, for introducing this legislation and facilitating its rapid passage. I also want to commend JOHN PAUL HAMMERSCHMIDT, the ranking minority member on the Veterans' Affairs Committee, for his cooperation and support. Finally, I want to express my thanks to the chairman of the Armed Services Committee, LES ASPIN. I appreciate his efforts on behalf of H.R. 752, and I know he will be working with us in the future to see that the new GI bill is as efficient and effective as possible.●

THE SHIFTING TIDE OF TAXES

HON. ROMANO L. MAZZOLI
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues the following article which appeared in the Wall Street Journal about tax reform.

It may take a surge of public sentiment to bring about an overhaul of the Federal Tax Code—as this article suggests—but such a overhaul will be well worth the effort.

[From the Wall Street Journal, Mar. 22, 1985]

THE TIDE SHIFTS TOWARD TAX REFORM

(By Albert R. Hunt)

Oscar Wilde once noted that "a man cannot be too careful in the choice of his enemies." That probably occurred to Jim Baker at his recent confirmation hearings before the Senate Finance Committee.

The incoming Treasury secretary was greeted warmly, but the department's tax-simplification plan—which would lower individual and corporate tax rates and broaden the base by eliminating most write-offs—picked up almost as many enemies as there were senators there.

Committee Chairman Bob Packwood (R., Ore.) criticized proposed taxes on fringe benefits; New York Democrat Daniel P. Moynihan complained about not permitting deductions for state and local taxes; David Boren, Oklahoma Democrat, warned that the measure would hurt the oil and gas industry, endangering National Security; Steve Symms, Idaho Republican, complained about the effects on the life-insurance industry; and Sen. Spark Matsunaga, Hawaii Democrat, warned that under such a plan the macadamia nut industry never would have flourished.

With so many enemies, the conventional wisdom—on Wall Street as well as in Washington—is that any tax-overhaul scheme won't fly.

Don't bet on it. Actually, the odds are improving for some combination of a revised Treasury plan with the Democratic Bradley-Gephardt and GOP Kemp-Kasten bills. Despite the vehement protest from affected interests, public support is there for these concepts.

PUBLIC DESIRE FOR CHANGE

"There clearly is a public desire for tax change," says Republican poll taker Bob Teeter, "and the fundamental idea of less deductions and lower rates is gaining acceptance. Public opinion is moving very fast the last couple of weeks. This is an idea whose time is coming."

Mr. Teeter's Democratic counterpart, Peter Hart, agrees. "The public thinks the current tax system is unfair, doesn't work very well and is too complicated," he says. The Treasury and congressional tax-simplification schemes "fit in the broader theme of reducing special privileges, which has a huge amount of popular support, whether it's getting welfare queens or big boys ripping off the tax system."

Both agree that the keys are Mr. Reagan's active support for a tax measure and its proponents' ability to capitalize on the fairness issue. "The strongest desire here isn't for simplification, but for fairer taxes," says Mr. Teeter. "Much of the public feels, not so much that they are paying too much, but that a lot of people get away without paying their fair share."

The public resentment is illustrated by some of the exaggerations and distortions paraded forth by tax-overhaul critics in recent weeks. A major theme is that any plan would cause cataclysmic dislocations. Sen. Bill Bradley of New Jersey, the main Democratic proponent of tax change, responds simply: "You don't find all the people who're going to get tax cuts complaining about dislocation."

A quick glance at the critics underscores this point. The National Association of Manufacturers, for example, recently released a study on the effects of the Treasury plan, using a model prepared by Wharton Econometric Forecasting Associates. The study concluded that by curbing accelerated depreciation and other tax breaks, the proposal would cause a substantial reduction in business investment.

But this study gave the back of its hand to an economically attractive feature of the proposal: Its neutral treatment of different sorts of income, which should channel some capital out of tax-sheltered enterprises and into more productive ones. Moreover, models such as Wharton's "are designed only to look at short-run effects," says Harvey Galper, an economist at the Brookings Institution. "They are not designed to capture structural changes such as the Treasury plan."

To be sure, even some champions of tax simplification acknowledge that some investment could be stifled. So, they say, some adjustments are necessary. But as long as major companies like General Electric, General Dynamics and W.R. Grace haven't been paying federal income taxes—whatever the economic justifications—the average taxpayer will think the system is unfair.

The NAM's criticism pales next to the rhetoric of the National Association of Realtors. The Realtors claim that in embracing the tax-simplification proposal, then Treasury Secretary Donald Regan "was reneging on President Reagan's commitment . . . to preserve the home mortgage interest deduction.

Mr. Regan's egregious offense here wasn't that he touched the basic home mortgage interest deduction, which the Treasury would leave intact. What upset the Realtors is the proposal to limit this write-off for second or vacation homes. Now, my wife and I recently bought a weekend home, which we expect to enjoy immensely. But to expect taxpayers to underwrite this enjoyment is ludicrous. The Treasury should eliminate, not just modify, this $700 million annual subsidy of vacation homes.

Some critics also express concern at taking away the deductions for state and local taxes, especially in high tax states such as New York. Gov. Mario Cuomo denounces this proposal as unfair to his state's poor working citizens.

The governor overlooks some facts. In 1986, according to Treasury calculations, the median family income in New York State will be $35,160. Under the current code, the average Empire State citizen would pay $3,205 taxes on that income; under the Treasury proposal—even without deductions for state and local taxes—this average taxpayer would pay $3,182, or $23 less. The marginal tax rate of this average New Yorker would drop to 15% from 22%. Moreover, Gov. Cuomo usually neglects to point out that 60% of New Yorkers don't itemize state and local deductions, and thus those he champions so fervently are predominantly upper-income taxpayers. (Nationally, two-thirds of all taxpayers don't itemize.)

Critics also distort public opinion. Recently, a group called the Committee for a Responsible Tax Policy released a survey by New York pollsters Penn & Schoen concluding that "when given the outlines of the proposed Treasury tax revision, U.S. voters reject the plan by a wide margin"—better than 2 to 1 against.

Consider, though, the question: "The Treasury Department has proposed changing the tax system. Three tax brackets would be created but most current deductions from income would be eliminated. Non-federal income taxes and property taxes would not be deductible, and many deductions would be limited. Do you favor or oppose this proposal?" There's no mention that rates would be cut sharply or that personal exemption would double. The only surprise is that 27% of the respondents actually supported the position as stated.

Pollsters Teeter and Hart say that public opinion decidedly favors any proposal that cuts rates, broadens the tax base and reduces the number of tax brackets from 15 to three.

Still, there are big hurdles. Mr. Reagan must make this a top priority; his abysmal ignorance of the Treasury proposal in a recent interview with this newspaper wasn't an auspicious sign. And if Jim Baker, a superb politician with a penchant for compromise, is perceived to be taking care of groups like his Texas oil buddies, public support "could bleed from a thousand cuts," warns Mr. Hart.

Nevertheless, the more these proposals are aired, the more support they pick up. This is evident in a small, but growing, segment of the business community that is impressed by the idea of simplicity and by the cut in the corporate tax rate from 46% (the effective rate paid now is only about half that) to 30% or 35% under various proposals.

Two weeks ago the four principal congressional sponsors—Sens. Bill Bradley and Robert Kasten and Congressmen Jack Kemp and Richard Gephardt—trotted out endorsements from more than a dozen executives for the concept of lowering rates and broadening the base. There was impressive diversity, ranging from the chief executive officers of such major companies as IBM and Singer to J. McDonald Williams, managing partner of Trammell Crow Co., the huge Dallas-based real-estate concern.

Real-estate write-offs supposedly are clobbered by tax simplification, but Mr. Williams offered a cogent case for his support. "The real-estate industry has too much tax-driven investments, and that's resulting in overbuilding and a series of problems, he said. Under tax simplification, If there is a fair comparison of returns in real estate vs. other investments, then we can pay more taxes. . . . In the long run, that will be healthier for our industry, although in the short run it's difficult and means higher taxes."

FAVORABLE POLITICAL WINDS

David McLaughlin, president of Dartmouth College, took a similarly long-range view on the issue of limiting charitable contributions. "In the short run, undoubtedly, there are effects . . . that would have some negative consequences to an institution like Dartmouth," he said. But, he argued, "tax simplification and tax revision make a

stronger economy," which in the long run will help such institutions.

There are favorable political winds, too, especially in House Ways and Means Chairman Dan Rostenkowski's enthusiasm for passing a tax measure this year. Privately, more and more Democrats lament the disastrous blunder Walter F. Mondale made last year when he flatly rejected making the Bradley-Gephardt bill a centerpiece of his campaign.

Finally, the similarities between the Treasury proposal and the two major congressional initiatives are far more striking than are the differences. That will facilitate any compromise. "The thrust in all three is the same," says Ronald A. Pearlman, acting assistant treasury secretary for tax policy. "Everyone wants rates down and the base broadened."

A few months ago, optimists were saying that tax simplification was an idea whose time was coming. A few months from now, it may have arrived.●

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The date of the vote;
6. My vote, in the form Y=yes, N=no, and NV=not voting;
7. The vote of the entire Arizona delegation in the form (yes-no-not voting);
8. An indication of whether the motion or amendment was approved or rejected; and
9. The vote total.

101. H.J. Res. 537. Edwin B. Forsythe Refuge. Breaux, D-La., motion to suspend the rules and pass the joint resolution to designate the Brigantine and Barnegat units of the National Wildlife Refuge System, located in New Jersey, as the Edwin B. Forsythe National Wildlife Refuge, in honor of the late Rep. Forsythe, R-N.J. (1970-84). who died March 29. Motion agreed to 416-0: Y(5-0-0), May 1, 1984.

102. H.R. 5050. Fisheries Loan Fund. Breaux, D-La., motion to suspend the rules and pass the bill to extend for two more years, until Oct. 1, 1986, the authorization for a fisheries loan fund established under the Fish and Wildlife Act of 1956. Motion agreed to 309-104: Y(2-3-0), May 1, 1984.

103. H.R. 5076. Pennsylvania Wilderness Act. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to designate certain areas in the Allegheny National Forest as wilderness and recreation areas. Motion agreed to 387-28: Y(3-2-0), May 1, 1984.

104. H.R. 4263. Tennessee Wilderness Act. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to designate certain lands in the Cherokee National Forest in Tennessee as wilderness areas, and to allow management of certain lands for uses other than wilderness. Motion agreed to 404-12: Y(4-1-0), May 1, 1984.

105. H.R. 4596. Women's Rights Historical Park. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to permit the Interior Department to acquire McClintock House in Waterloo, N.Y., as part of the Women's Rights National Historic Park. Motion agreed to 404-13: Y(4-1-0), May 1, 1984.

106. H.R. 3787. California and Pony Express Trails. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to authorize the Interior Department to study the Pony Express Trail and the California Trail for possible inclusion in the national historic trails system, and to designate the Daniel Boone Heritage Trail. Motion agreed to 401-14: Y(4-1-0), May 1, 1984.

107. H.R. 5100. Holocaust Memorial Council Authorization. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to authorize $2,051,000 in fiscal 1985 and $2,151,000 in fiscal 1986 for activities of the U.S. Holocaust Memorial Council. Motion agreed to 410-5: Y(5-0-0), May 1, 1984.

108. H.R. 3472. Lamprey Eel Control. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to amend the Wild and Scenic Rivers Act to permit control of the lamprey eel in the Pere Marquette River. Motion agreed to 410-5: Y(4-1-0), May 1, 1984.

109. H.R. 4952. Indian MX Assistance. Nichols, D-Ala., motion to suspend the rules and pass the bill to authorize assistance to certain Indian tribes, similar to that already provided state and local governments, for community planning related to the planned deployment of MX missiles. Motion agreed to 402-11: Y(5-0-0), May 1, 1984.

111. H.J. Res. 492. Department of Agriculture, Fiscal 1984 Urgent Supplemental Appropriations. Conte, R-Mass., motion to instruct House conferees on the bill to meet with Senate conferees. Motion rejected 159-245: N(3-2-0), May 2, 1984.

112. S. 64. Irish Wilderness Act. Adoption of the conference report on the bill to establish as federal wilderness and protect from development the Irish Wilderness Area of about 16,500 acres in the Mark Twain National Forest, Missouri. Adopted 254-142: Y(2-3-0), May 2, 1984.

114. H.R. 4275. Hoover Dam Power Allocation. Boxer, D-Calif., amendment to require the energy secretary to auction hydroelectric power from Hoover Dam and award it to the highest bidder or bidders. Rejected 176-214: N(0-5-0), May 3, 1984.

115. H.R. 4275. Hoover Dam Power Allocation. Passage of the bill to authorize the interior secretary to increase the generating capacity of existing equipment at the Hoover Dam and Powerplant, and renewing contracts for allocation of hydroelectric power generated from Hoover Dam. Passed 279-95: Y(4-0-1), May 3, 1984.

116. H.R. 5121. Virginia Wilderness. Seiberling, D-Ohio, motion to suspend the rules and pass the bill to designate as federal wilderness approximately 59,000 acres in the Jefferson and George Washington National Forests, Virginia. Motion agreed to 376-20: Y(3-2-0), May 8, 1984.

117. S 1129. Domestic Volunteer Service Act. Adoption of the conference report on the bill to authorize $158.4 million in fiscal 1984, $166.1 million in fiscal 1985 and $175.2 million in fiscal 1986 for volunteer progams administered by ACTION. Adopted 369-25: Y(3-2-0), May 8, 1984.

119. H.R. 5119. Foreign Assistance Authorization. Feighan, D-Ohio, amendment to set a $670 million limit on military aid to Turkey and authorize $250 million in additional assistance to Cyprus if the president certifies that an agreement has been reached between Greek and Turkish Cypriots that makes substantial progress toward settlement of the Cyprus dispute. Adopted 376-27: Y(4-1-0), May 9, 1984.

120. H.R. 5119. Foreign Assistance Authorization. Hall D-Ohio, amendment to eliminate the $25 million in grant military assistance to the Philippines. Rejected 149-259: N(0-5-0), May 9, 1984.

121. H.R. 5119. Foreign Assistance Authorization. Rahall, D-W. Va., amendment to prohibit the use of foreign military sales funds by foreign countries to develop their own weapons systems outside the United States. Rejected 40-379: N(1-4-0), May 9, 1984.

122. H.R. 5119. Foreign Assistance Authorization. Dorgan, D-N.D., amendment to freeze the military assistance program grants to non-Central American countries at the fiscal year 1984 appropriations level of $422.5 million. Rejected 207-208: Y(2-3-0), May 9, 1984.

124. H.R. 5119. Foreign Assistance Authorization. Studds, D-Mass., amendment to prohibit any military aid to El Salvador in fiscal year 1985 unless the president had certified to Congress that the Salvadoran government had achieved three objectives: removing from the security forces individuals responsible for or associated with "death squads" and establishing effective control over the security forces; complying with international agreements on the protection of civilians in civil wars; and participating in good faith negotiations with all parties to the Salvadoran civil war. Rejected 128-287: Y(1-4-0), May 10, 1984.

125. H.R. 5119. Foreign Assistance Authorization. Broomfield, R-Mich., amendment to authorize President Reagan's requests for military, economic and development aid for Central American countries in fiscal 1984-1985, and to allow military aid for El Salvador in fiscal 1985 if the president certified to Congress that the government had made "demonstrated progress" on human rights and other issues. Adopted 212-208: N(3-2-0), May 10, 1984.

126. H.R. 5119. Foreign Assistance Authorization. Broomfield, R-Mich., amendment to authorize President Reagan's requests for military, economic and development aid for Central American countries in fiscal 1984-1985, and to allow military aid for El Salvador in fiscal 1985 if the president certified to Congress that the government had made "demonstrated progress" on human rights and other issues. Adopted 211-208: N(3-2-0), May 10, 1984.

127. H.R. 5119. Foreign Aid Authorization. Passage of the bill to make $361 million in supplemental authorizations for foreign aid programs in fiscal 1984 and $10.95 billion in

authorizations for fiscal 1985. Passed 211-206: Y(4-1-0), May 10, 1984.

129. H.R. 5345. Equal Access Act. Perkins, D-Ky., motion to suspend the rules and pass the bill to allow student religious groups to meet in public secondary schools during non-class hours if other groups do so. Motion rejected 270-151: N(2-3-0), May 15, 1984.

130. H.R. 89. Puerto Rico Passenger Service. Biaggi, D-N.Y., motion to suspend the rules and pass the bill to permit foreign-flag vessels to transport passengers between Puerto Rico and other U.S. ports when U.S.-flag ships are not available. Motion agreed to 390-25: Y(4-1-0), May 15, 1984.

131. H.R. 5505. War Risk Insurance. Biaggi, D-N.Y., motion to suspend the rules and pass the bill to extend through fiscal 1989 the authority of the government to provide war risk and certain other insurance to cover U.S. merchant marine vessels, cargoes and crew in an emergency. Motion agreed to 413-0: Y(5-0-0), May 16, 1984.

133. H.R. 5167. Department of Defense Authorization. Mavroules, D-Mass., amendment to the Bennett, D-Fla., amendment, to bar procurement of MX missiles in fiscal 1985. Rejected 212-218: Y(2-3-0), May 16, 1984.

134. H.R. 5167. Department of Defense Authorization. Dickinson, R-Ala., amendment to the Mavroules, D-Mass., substitute to the Bennett, D-Fla., amendment, to allow the production of 15 MX missiles subject to certain conditions. Adopted 229-199: N(3-2-0), May 16, 1984.

135. H.R. 5167. Department of Defense Authorization. Bethune, R-Ark., amendment to bar the production of binary chemical munitions. Adopted 247-179: Y(2-3-0), May 17, 1984.

136. H.R. 5167. Department of Defense Authorization. Weiss, D-N.Y., amendment to delete funds for production of the Trident II missile. Rejected 93-319: N(0-5-0), May 17, 1984.

137. H.R. 5167. Department of Defense Authorization. Smith, D-Fla., amendment to bar the use of funds to purchase Sergeant York anti-aircraft guns (also called DIVADs) until certain test results have been reported to Congress. Rejected 157-229: N(1-3-1), May 17, 1984.

138. H.R. 4280. Retirement Equity Act. Rostenkowski, D-Ill., motion to suspend the rules and pass the bill to amend the 1974 Employee Retirement Income Security Act and the Internal Revenue Code to strengthen the pension rights of workers who interrupt their careers to raise a family and of homemakers who depend on the pensions of their working spouses. Motion agreed to 413-0: Y(5-0-0), May 22, 1984.

139. H. Con. Res. 310. New Ireland Forum. Fascell, D-Fla., motion to suspend the rules and adopt the concurrent resolution to commend the New Ireland Forum and urging the British and Irish governments and all parties in Northern Ireland to consider the forum's recommendations. Composed of Irish political leaders, the forum issued a report on May 2, 1984, suggesting options for resolving the troubles of Northern Ireland. Motion agreed to 417-0: Y(5-0-0), May 22, 1984.

140. H.R. 4145. State Justice Institute Act. Kastenmeier, D-Wis., motion to suspend the rules and pass the bill to create a state justice institute to make grants to state courts to help them improve their operations. Motion rejected 243-176: Y(2-3-0), May 22, 1984.

141. H.R. 4249. U.S. Marshals and Witness Security Reform. Kastenmeier, D-Wis., motion to suspend the rules and pass the bill to tighten controls on a Justice Department program that gives witnesses in federal criminal cases new identities in exchange for their testimony. Motion agreed to 376-41: Y(3-2-0), May 22, 1984.

142. H.R. 5665. Public Debt Limit. Passage of the bill to increase the federal debt ceiling by $30 billion from $1.49 trillion to $1.52 trillion to keep the government financed through June 22, 1984. Rejected 150-263: Y(3-2-0), May 22, 1984.

143. H.R. 5653. Energy and Water Development Appropriations, Fiscal 1985. Adoption of the resolution (H. Res. 501) waiving certain points of order against consideration of the bill to appropriate $15,470,725,000 for energy and water development for fiscal 1985 or any other fiscal 1985 general appropriation bill reported by the Appropriations Committee. Adopted 246-166: Y(3-2-0), May 22, 1984.

144. H.R. 5653. Energy and Water Development Appropriations, Fiscal 1985. Ottinger, D-N.Y., amendment to delete $43.1 million from breeder reactor research and add $33.1 million to solar energy research, demonstration projects for extended burnup of nuclear fuel and university research reactors. Rejected 171-229: N(0-5-0), May 22, 1984.

145. H.R. 5653. Energy and Water Development Appropriations, Fiscal 1985. Passage of the bill to appropriate $15,470,725,000 for energy and water development for fiscal 1985. Passed 349-46: Y(5-0-0), May 22, 1984.

147. H.R 5167. Department of Defense Authorization. Lowry, D-Wash., amendment to bar the purchase of additional Pershing II missiles until April 1, 1985, allowing such purchases after that date only if the president certified to Congress that the Soviet Union showed no willingness to limit such weapons and if the Congress thereafter approved resumption of Pershing II purchases by joint resolution. Rejected 122-294: Y(2-3-0), May 23, 1984.

148. H.R. 5167. Department of Defense Authorization. Dellums, D-Calif., amendment to delete $7.1 billion for procurement of 34 B-1 bombers. Rejected 163-254: Y(2-3-0), May 23, 1984.

149. H.R. 5167. Department of Defense Authorization. Schroeder, D-Colo., amendment to limit appropriations for procurement in fiscal 1985 to 106.5 percent of the amount appropriated for procurement in fiscal 1984. Rejected 173-250: Y(1-4-0), May 23, 1984.

150. H.R. 4170. Deficit Reduction Act. Vander Jagt, R-Mich., motion to order the previous question (thus ending debate and the possibility of amendment) on the Vander Jagt motion to instruct House conferees on the deficit-reduction bill not to agree to the Senate amendment to lengthen the depreciation period for real estate and to reduce tax credits available for the rehabilitation of old buildings. Motion agreed to 296-128: N(0-5-0), May 23, 1984.●

LET'S NOT PUNISH OUR VETERANS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to bring my colleagues' attention to a critical problem—namely, President Reagan's attempt to severely cut veterans' benefits.

The Treasury Department's tax-simplification plans calls for a tax on compensation received by veterans with service-connected disabilities beginning in January 1987. This proposal violates historical precedent by abandoning a longstanding commitment to those Americans who have given to their country. It is also clearly an example of Government giving with one hand and taking with the other.

In addition, the President's 1986 budget proposes a means test for veterans 65 years and over and those with nonservice-related disabilities to determine if they are eligible for compensation. If the test determines that their present incomes are sufficient, aid will be withheld. Denying this health care is not only inhumane, but inefficient as well. The Veterans' Administration provides quality health care at costs between 10 to 15 percent below those supplied by private facilities and often paid for by other Federal assistance programs. Moreover, for most 10th CD veterans and their families, these benefits are not a luxury but a necessity just to make ends meet.

Beyond the economic impact of a benefits cut, there's the moral question of whether or not the U.S. Government is honoring its obligation to those men and women who have served, fought, and sacrificed to keep our country safe. Veterans and their families have already contributed more than their fair share and should not now be asked to sacrifice again. That is why I will vigorously oppose any effort to cut important benefits received by veterans.●

REFORMING JOBLESS BENEFITS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. STARK. Mr. Speaker, I would like to include in the RECORD the excellent editorial of the Washington Post of March 25 entitled "Reforming Jobless Benefits."

The ideas mentioned in the editorial—using UI more creatively to help provide retraining and short-time compensation—are almost all included in a series of bills I have introduced and which I invite my colleagues to join in sponsoring. These bills, H.R. 758, 759, and 1143, would transform the 50-year-old, tired UI Program into a major tool for worker retraining and adjustment.

The editorial follows:

REFORMING JOBLESS BENEFITS

Even before last week's press conference at which President Reagan announced his firm opposition to continuing federal sup-

plemental unemployment benefits, chances were small that Congress would continue the program when it expires at the end of this month. Unemployment is still very high in many states, and hundreds of thousands of workers who have run through their state entitlements will no longer be helped. But Congress is reluctant to continue the program partly because of the already imposing federal deficit, and also because of a growing concern that the unemployment insurance system needs a substantial overhaul.

One worry is that a simple extension of cash benefits for the long-term unemployed may hinder—or at least not help—their efforts to find new jobs. Responding to this concern, state governments have been trying to use unemployment funds to help workers find new jobs, acquire needed skills or even create new jobs. A conference sponsored last week by the Boston Federal Reserve Bank and the Kennedy School at Harvard suggested considerable agreement among state officials, business leaders and academics—and, to a more limited degree, labor officials—that programs such as these can help some workers adjust to a rapidly changing economy and can rebuild public support for the unemployment insurance program.

Almost all states have been strengthening links among private employers, job training programs and state-run employment services. California and Delaware have gone farther to earmark part of the unemployment benefit tax on employers for programs for retraining workers permanently displaced from their jobs. Canada—following the example of California—is using unemployment funds to pay workers who have agreed to reduce their days of work so that other workers won't be laid off. In Great Britain and France, where small-business ventures are much rarer than in this country, some unemployed workers are receiving lump-sum benefit payments to help them get new businesses off the ground.

A major barrier to the extension of these efforts is the fact that unemployment insurance in this country is funded by a payroll tax that is itself a considerable discouragement for employment. Even if new types of jobless help ultimately pay off, higher payroll taxes will simply aggravate the already large bias in the tax system toward substituting machines for people. The problem is compounded by the requirement that each state fund its own program, so that states with the most severe unemployment problems are least willing and able to pay for innovative kinds of help.

Unfortunately, coming up with a better and fairer way to finance jobless benefits would require addressing the unpleasant subject of the inadequacy of federal revenues to cover necessary national expenses. That's why Congress isn't likely to do anything about reforming unemployment insurance in the foreseeable future.●

TRIBUTE TO MARIE KERBESHIAN

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, today I would like to express my congratulations to Marie Kerbeshian of Grand Forks, ND. Marie was the North Dakota winner of the VFW Voice of Democracy Scholarship Program. I am proud to share Marie's "Pledge to America" with my colleagues:

MY PLEDGE TO AMERICA

(By Marie C. Kerbeshian)

In 1620, a group of refugees set foot on Cape Cod, looking for a new beginning. All that greeted them was a cold, empty shore; but a promise of freedom from religious persecution and a hope for a bright future also awaited them. They were willing to sacrifice their comfortable homes, their jobs, their friends and relatives, and even their lives to create the foundation of the nation that we know today as the United States of America.

In 1913, my great grandfather set foot on Ellis Island. Just like the Pilgrims, he was looking for a new life, a life free from religious, political, and economic persecution. Just like the Pilgrims, he believed in the promise of freedom and prosperity that America offered him, and he was willing to work just as hard as they had to achieve a better life. Yet unlike the Pilgrims, there was someone waiting there to greet him; a proud, yet compassionate Lady who assured him that America was willing to welcome "your tired, your poor, your huddled masses yearning to breath free."

In 1984, the Statue of Liberty, a victim of age and neglect, sits outside of New York covered in scaffolding and lacking the torch that used to proclaim America as the beacon of freedom and democracy. Many Americans seem to feel that the United States is in the same condition as the Statue of Liberty. They complain that the government is too big, or too small, or that it ignores the people. They complain that their taxes are too high or that the state is not spending enough on highways, or schools, or hospitals. They complain that big business tramples "the little guy", or that there are too many bureaucratic laws restricting free enterprise. They complain. And strangely enough, that is all they seem to do. Why is it that the same people who spend hours griping about America's shortcomings can't even spend 30 minutes to vote, or five minutes to write a letter to their congressman, or even two seconds to sign a petition? America is no more and no less than the people who live here. Too often we take our Constitution for granted, expecting that everything will be handed to us on a silver platter.

Maybe we can take a cue from those who came to this country expecting to work for their freedom. America is a lot like the Statue of Liberty, so taken for granted that we forget nothing is infallible and that everything needs to be repaired. But the Statue of Liberty is being repaired and restored to her former glory, so can America, if we realize that it is we who are responsible for the well-being of the country, and not some far off stranger in Washington. Once this is understood, my pledge to America becomes quite clear. Never will I blame someone else for something that I can fix, nor will I assume that it is someone elses responsibility, for I soon will possess three of the most powerful tools in a democracy, the pen, the vote, and the willingness to use them to improve America.

When the Statue of Liberty receives the finishing touches on its repairs in 1986, it will be ready to face another 100 years of representing freedom and democracy; America, however, will never be finished growing, changing, or improving. I pledge myself to this continuous job of making a better life for myself and my country. Today, America, is quite different from the rough wilderness that greeted the Pilgrims in 1620, and I am sure that America will be quite different 365 years from now. I pledge myself to making the future of America even better than its past.●

A TRIBUTE TO ASSEMBLYMAN DAVID C. SCHWARTZ

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. FLORIO. Mr. Speaker, it is my privilege today to bring to the attention of my colleagues a distinguished legislator from New Jersey, Assemblyman David C. Schwartz. Assemblyman Schwartz, who has represented the 17th Legislative District since 1978, is a clear example of a highly dedicated and concerned public official. He has introduced and has had signed into law many pieces of legislation that have benefited thousands of residents of our State.

Mr. Schwartz is the recipient of the Citizen of the Year 1985 award from the National Association of Social Workers—New Jersey. I can think of no one who is more deserving of this honor. This fine organization is conferring its award on Mr. Schwartz for his manifesting outstanding leadership in furthering the causes of human services and social work. Mr. Schwartz is receiving this prestigious award in recognition of his great integrity and his willingness to take risks in his role as an elected official to support unpopular causes for the welfare of disadvantaged individuals and groups.

Mr. Schwartz's legislative initiatives and local activities have demonstrated a deep compassion for his fellow citizens. As one among many examples of this, Mr. Schwartz was the author of legislation that created the New Jersey Hunger Commission and sponsored other legislation to provide several million dollars to provide emergency and long-term shelter and assistance to the thousands of homeless people in our State.

As chairman of the assembly housing and urban policy committee since 1982, Assemblyman Schwartz has been a leader in the critically important effort to revitalize our urban areas. Mr. Schwartz has drafted and helped shape and implement a comprehensive urban revitalization strategy in New Jersey that has drawn bipartisan praise and which can serve as a model for urban areas throughout the Nation. As a professor of political science at Rutgers University, Mr. Schwartz has drawn on his wide-rang-

ing expertise in sponsoring a package of legislation to create urban enterprise zones, an urban youth corps, urban action grants, the housing finance agency and programs to provide business assistance communities and a revolving loan fund and tax increment financing.

As a vice chairman of the assembly committee on aging, Mr. Schwartz addressed the needs of our senior citizens. His legislation in this area includes the grandparents rights bill, the Retirement Education Act, and the Alzheimer's Disease Study Commission. He has obtained funding that significantly increased home health care in New Jersey, and has obtained numerous grants for senior citizens programs in his district, which includes parts of Middlesex and Union Counties, and in his own town of Highland Park.

But Mr. Schwartz' fine effort extends beyond these areas. He was sponsor of the Public Employees Occupational Health and Safety Act, which was signed into law in 1983; his legislation established the New Jersey Developmental Disabilities Council in 1979 and his resolution established the first functioning municipal commission on the handicapped in America. In addition, Mr. Schwartz sponsored the Technical Training Act for Women in 1984, the job training center for women, and the Displaced Homemakers Act, also in 1984.

Mr. Schwartz' excellent legislative record demonstrates his outstanding service to New Jersey and his commitment to our fellow citizens. Mr. Speaker, I'm sure that my colleagues will want to join with me and the New Jersey Chapter of the National Association of Social Workers in congratulating and honoring David C. Schwartz.●

THE FEDS CAN'T SEE THEIR LOSSES IN THE TREES

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mrs. BOXER. Mr. Speaker, I insert the following commentary published on the editorial page of the Wall Street Journal on November 14, 1984, in the CONGRESSIONAL RECORD:

THE FEDS CAN'T SEE THEIR LOSSES IN THE TREES

(By Peter Emerson, Anthony T. Stout, and Deanne Kloepfer)

Last month, President Reagan signed a piece of "timber relief" legislation under which the federal government will bail out speculative buyers of national-forest timber for their losses. Signing the bill gained him a few votes he didn't need in the Pacific states, forgave the judgment errors of some timber-industry executives and will end up costing the American public dearly. However, the bill represents only a small part of the public "relief" extended to those segments of the timber industry dependent on the national forests.

In 1982, during a deep recession, the U.S. Forest Service lost $740 million selling timber from the national forests for lumber, paper and other wood products. These losses, a result of below-cost timber sales on many forests, confirm what public land experts have long known: National forests are managed uneconomically at best, to the detriment of taxpayers, the environment and the timber industry. Over the last decade, if below-cost timber sales had been eliminated in both good and bad years, the federal treasury would have netted at least $2 billion more.

While lamentable and contrary to the clear intent of the law, this situation is far from surprising. Born of the need to conserve the nation's timber resources nearly a century ago, the Forest Service has traditionally shunned the use of economic criteria in planning and management decisions. It continues to rely on an absolete pricing system that frequently fails to recover the government's cost of growing and selling trees. Moreover, the Forest Service does not even track the costs of individual timber sales!

As a result, the Forest Service engages in commercial timber harvesting on millions of acres of public land where timber values are so low that profit-oriented landowners would not consider building roads and cutting trees. Several studies show the most consistent losses are in the Rocky Mountains and Alaska. The Forest Service's recent annual report acknowledges that 37% of timber volume was sold below cost in 1983. Agency data for Alaska yield especially disturbing results: On average, each dollar spent for federal timber sales returned merely two cents in timber sales receipts. A recent U.S. General Accounting Office analysis of 3.244 national forest timber sales in the West found that "in two Rocky Mountain regions . . . over 88% of the sales were below cost in 1981 and over 96% were below cost in 1982."

Concern about such unecomonic management goes beyond taxpayer losses. As accessible old-growth timber is depleted in the Western states, the timber industry is gradually shifting to more productive forest lands where tree farming is most profitable. In particular, private forest lands in the South have a vast, untapped timber-growing potential. The Forest Industry Council estimated in 1980 that domestic timber demand in the year 2030 could be supplied by private forests alone, using intensive timber management practices, if landowners could realize a 10% annual return on investment. Unfortunately, the continuation of below-cost timber sales in the national forests retards this development. Federal timber sold below cost depresses the market price, weakening economic incentives to invest in private forest lands. Timber firms are being encouraged to rely too heavily on the national forests as a source of wood at the expense of private timberland owners and investors.

Now that Congress has passed wilderness bills for many states, upward of 30 million acres of roadless national forest land have been released for development consideration in coming Forest Service plans. Much of this land consists of remote, high-elevation forests, with low timber-growing potential, on the Pacific Coast and in the Rocky Mountains. Many attributes of these roadless lands—wildlife habitats, unique natural ecosystems, potential discoveries in genetics and other sciences, and the solitude available—play an integral part in the development of Western communities. Financially unsound logging destroys wilderness values, hindering the growth of recreation industries and the diversification of the local economy.

Further, the Forest Service has not provided convincing documentation that below-cost sales yield significant non-timber benefits. The agency has said even less about the wilderness values that are forgone when roadless lands are cut or about the environmental impacts of logging and road building. In short, the Forest Service—with an admittedly complex management task—demonstrates little knowledge of the non-timber benefits associated with either cut or uncut forests.

The Forest Service also contends that many below-cost timber sales are necessary in order to replace existing trees with new, highly productive stands that will show a profit. The GAO examined eight representative below-cost timber sales. In each case, the GAO found that future net returns from regenerated timber stands were negative, even using the Forest Service's economic assumptions.

Reform of timber sales practices need not be economically painful and can be accomplished under public ownership of the national forests if: First, the Forest Service would stop selling timber at prices that do not recover the government's production costs. Only if there is a proven overriding benefit to other forest uses should below-cost timber be cut.

Second, the government should encourage better use of untapped timber growing capacity on private lands. While the elimination of federal below-cost timber sales from the market is an important first step in attaining this goal, other steps will be necessary. These include long-term research and technical information from the Forest Service and others, and continued industry support for cooperative timber-management programs between industry and private landowners.

Finally, in response to a situation mostly of its own making, the government may need to assist communities dependent on national forest below-cost timber in the transition to new areas of employment. Below-cost timber sales could be gradually phased out.

Limiting timber harvesting on the national forests to lands that are economically suitable will save taxpayer dollars, encourage timber production on private land, reduce environmental damage and retain society's future options for the uncut forests.

(Mr. Emerson and Mr. Stout are resource economists and Ms. Kloepfer is a policy analyst with the Wilderness Society in Washington, D.C.)●

TRIBUTE TO JOSE DE RIVERA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. GREEN. Mr. Speaker, as the Member of Congress privileged to represent New York City's 15th District, I feel honored to be able to recognize and pay homage to the memory of an

extraordinary artist, Jose de Rivera, who lived in Manhattan. Mr. de Rivera an internationally known sculptor of monumental talent and vision, died on March 19, 1985, of pneumonia.

Jose de Rivera truly personified the adage that one man can make a difference. After struggling for years in obscurity, he rose to the top of the art world and left a legacy that will be appreciated by millions of Americans for years to come. With great technical mastery, he produced a body of work as endless in subtle variation and nuance as space and time suggest. Technical mastery and de Rivera became synonymous. Although he is best known for his "Infinity", a curvilinear form that rotates atop a black granite pylon in front of the National Museum of History and Technology of the Smithsonian Institution, Mr. de Rivera has numerous works on permanent display in museums throughout the country. Among others, his showings have included two world's fairs and, in 1965, the White House.

Time and space are forever inseparable in the world of Jose de Rivera. Whether one moves around a sculpture, or stands transfixed as it slowly revolves, the line continues unbroken by the slightest hesitancy. The incredibly refined curvilinear forms dissolve into traces of light or liquid, while the voids within become the forms, swelling and diminishing with such ease as to belie the complex geometry of their being. Time/space forms one element of de Rivera's work, the use of light is another. The sculptures are polished through many gradations of abrasive to an impeccable, gleaming surface. Light plays on the forms and reflects from them. When in motion, another and even more complex form is released. The ultimate impact of the sculptures is one of beauty and grace.

Mr. Speaker, I know my colleagues in the House will want to join me in mourning the passing of this great man who gave so much to our country, and whose memory will live on "infinitely" through his work.●

A SALUTE TO RUBIE J. McCULLOUGH

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. STOKES. Mr. Speaker, it is a distinct honor and a pleasure to share with my colleagues the tremendous work and numerous achievements of my good friend, Mrs. Rubie J. McCullough of Cleveland, OH. The founder of the Harvard Community Services Center, Mrs. McCullough has dedicated her life and talents to improving the quality of life for the residents of the Lee-Harvard and Lee-Miles areas. She has made an indelible mark on these communities and the Cleveland metropolitan area.

In 1968, Mrs. McCullough was the president of the Lee-Harvard Community Association. During her tenure, she became painfully aware of the unmet needs and problems of the residents of her area. Mrs. McCullough decided to resolve some of the problems of her neighbors and friends in the area. Combining her strong sense of commitment to the community with several foundation grants, Mrs. McCullough established the Harvard Community Services Center.

Mr. Speaker, through the years, the Harvard Community Services Center staff, under the guidance of Mrs. McCullough, has provided a host of counseling, community and outreach programs. The critical work and achievements of the center have helped to make the Lee-Miles and Lee-Harvard areas amongst the most attractive to live and work in the Cleveland metropolitan area. This is probably the greatest tribute to the center and Mrs. McCullough.

The fervor and commitment with which Mrs. McCullough has pursued the problems of the area through the Harvard Community Services Center, have earned her the respect and admiration of people from all walks of life. I am proud to be associated with such a dynamic human being like Rubie J. McCullough.

At this time, I would like to insert a Cleveland Plain Dealer article on Mrs. Rubie J. McCullough into the RECORD. I ask that my colleagues join me in saluting Mrs. Rubie McCullough.

The article follows:

LEE-MILES, LEE-HARVARD AREA PAYS FOR MIDDLE-CLASS STATUS

(By Thomas S. Andrzejewski)

The fact that the Lee-Miles and Lee-Harvard neighborhoods have the highest household income in the city shows there is more to a neighborhood than statistics.

And attaining the American dream is not easy.

"My concept of middle-class is that my husband works and I have time to go volunteer at a hospital or something," said Rubie J. McCullough. "In this neighborhood, middle-class means everybody works. Even the kid has a paper route, and sometimes, the husband has two jobs."

The industrious residents have well-kept houses. Tracts in the eastern sections of the neighborhood were built in the 1950s and 1960s.

It looks like the suburbs—but again, appearances are deceiving.

The houses around Charles W. Eliot Junior High School are especially well-maintained, which makes it hard to believe the playground and athletic fields near the school, at 15700 Lotus Dr., north of Miles Ave., have been hangouts for street gangs that have harassed schoolchildren.

The drive for achievement has taken a toll on youth. Among the most-used services of the Harvard Community Services Center, of which McCullough is director, are programs such as day camp, because parents are not home days.

"They write about us being middle-class, but if that were true, we'd have much more parental participation in the schools," said McCullough.

McCullough, 66, has spent nearly three decades in the neighborhood, most of those years serving it as well as living there. Youth has been a special interest.

In 1968, as president of the Lee-Harvard Community Association, she received a letter from the principal of Eliot, asking her help in stopping school vandalism.

With some money from the old Cleveland: Now! and foundations, she founded the Harvard Community Services Center in the old convent of St. Henry's Catholic Church, near E. 183rd St. and Harvard Ave. It began as a drop-in center for teen-agers.

Another related incident helped. The old Montgomery Ward & Co. catalogue store at Lee Rd. and Harvard installed iron grating over its windows.

"I said, 'Oh my God, there goes the neighborhood! They're putting iron bars up on the windows,' " she said.

But the neighborhood didn't "go." The median household income in the 1980 census for the Lee-Miles statistical area was nearly $21,000, compared with $12,300 for the city and $18,000 for the county.

Housing prices, which have been increasing, have median of $37,000 and are among the highest in the city. The neighborhood had been all-white, but panic selling and real estate industry malpractice turned it all black in the 1960s.

To blame teen-agers for the ills of the neighborhood is wrong, said McCullough and LaJean Ray, program director at the center. Much of the street crime is done by older people, they said. Some are stirring up youngsters.

"There's a group of individuals who are out testing their oats," said Ray. "But most of the kids who live in the neighborhood are not the kind to belong to gangs."

What they want is to belong to something, so the Harvard Community Services Center is trying to draw youngsters into a community organization. It surveyed 900 students at Eliot, Whitney Young and Robert H. Jamison junior high schools and found more than 60 groups that the youths called gangs.

In all but a handful of cases, they were small groups, perhaps three or four youths, who formed a club they called a gang. The major ones, which are believed to be a problem, are gangs called the Harvard Home Boys and the Q-Dogs & Dolls. A number of youths in the survey said they were members of them.

"I don't see it as much of a gang problem, but a desire to belong to something," said Ray. "If you're not part of something, you're not something."

"What we would like to stress is the positiveness of the neighborhood," said McCullough. "The good kids—let's say the conforming kids—have standards, respect for themselves and the community. What we are trying to do is provide a vehicle, for those so-called good kids to develop."

It goes to show that money doesn't buy everything.

"We keep hammering that we need more police protection," said McCullough. "What we need is more community involvement."●

DU PAGE COUNTY: WILLING TO "BITE THE BULLET" ON BUDGET CUTS

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. FAWELL. Mr. Speaker, by now the impact of the President's proposed budget for fiscal 1986 on State and local governments is well documented. Of the $35 billion in budget authority in domestic cuts in the President's budget, $20 billion would come out of Federal aid to cities and States—an 18 percent cut from current levels of $112 billion. These cuts, which are part of the administration's effort to reduce the massive Federal deficit and eliminate red-ink spending, affect a great cross section of our country's populace.

Although most Federal, State, and local officials consider deficit reduction a priority for the 99th Congress, few of these officials have come forward to say that they would forfeit their Federal funds.

Du Page County, which is a part of my district, is the beneficiary of Federal funds through the General Revenue Sharing, Community Development Block Grant, and Job Training Partnership Act programs—just to name a few. Recently, I received a letter from the chairman of the county board, Jack Knuepfer, who eloquently expressed the concerns of the county government. His message was that the economic health of our Nation takes precedence over the channeling of Federal dollars to State and local governments.

Although Du Page County would lose millions of dollars in Federal support under the President's proposed budget, the county government realizes that it must share in the effort to balance the budget and reduce the $200 billion Federal deficit. The Du Page County Board knows that the strength of our State and local governments is contingent upon the welfare of our Federal Government. However, it is Congress which must have the political muscle to bite the bullet and fairly implement the necessary austere measures.

I ask unanimous consent that the text of Mr. Knuepfer's letter be printed in the RECORD.

FEBRUARY 28, 1985.

Hon. HARRIS FAWELL,
U.S. Congressman, Cannon Building, Washington, DC.

DEAR HARRIS: The purpose of my letter is to relate to you the action taken by the DuPage County Board last evening, in instructing its delegates how to vote at the upcoming legislative meeting of NACO in Washington next week.

DuPage County is the direct recipient of three Federal funding sources: Revenue Sharing, Community Development Block Grant, and the Job Training Partnership Act. In addition, some indirect programs impact the County to a lesser extent. For example, cuts in Medicaid passed additional costs on to our Convalescent Home, and cuts in programs such as mass transit impact our commuters.

The action taken by the Board last night was not to importune either the President or the Congress to maintain these programs. While they will impact us, and we will have to tighten our belts and perhaps get along without some programs, the fiscal health of this country is more important to us than the dollars that trickle down.

The Federal government must get its house in order. We want to make that job easier. We want to make that job easier by not soliciting the support of either our President or our Congressmen and Senators who maintain these programs to which we have become accustomed.

Our voice no doubt will be a small one in the chorus sung by those who want the same handout, but also those who want more. We hope that this small voice can have some impact upon the spending plans of the Federal government.

We want to acknowledge that perhaps it is easier for DuPage County to take this position than it is or will be for other counties. If the Federal government was generating a surplus, it would be relatively easy to write letters of protest about the programs which support our local County government. That is not the case. That will never again be the case.

Given the irresponsibility on the part of the Federal government in spending more monies than it takes in, the question arises: Should we continue to push for the same goodies we have had for the past few years, even though the effect of that push is to further increase Federal deficits and irresponsible spending?

The Farm lobby is engaged in a battle at the moment to increase their share of the Farm Loan program. Mayors throughout the United States are disturbed by the proposed cuts and are sending the message to Congress that they need more, not less. Each government acting only in its own interest, has the effect of creating irresponsibility at the highest level.

I know it is well recognized that the political body that does not make loud noises does not succeed in getting any of the candy and cookies. But if the price of that candy and cookies is eventual bankruptcy of this country, then I think we must have a greater concern.

Sincerely yours,

JACK T. KNUEPFER,
County Board Chairman.●

CHIEF JAMES R. SPOLAR

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. LIPINSKI. Mr. Speaker, I rise today to pay honor to one of my constituents, Fire Chief James R. Spolar, a 35-year veteran of the Lyons Township Fire Department. Chief Spolar retired on February 5 of this year after many years of protecting life and property in the Lyons community of my district.

Chief Spolar was honored at a retirement party on Saturday, March 23, at which his integrity, ability and tireless service to his fellow man were acknowledged and applauded by one and all.

Among Chief Spolar's retirement plans is a scheduled move to Florida and a more leisurly life style. His influence and impact on the community which he leaves behind however, will be felt for many years to come.

I am sure that my colleagues join me in recognizing a gallant and worthy public servant and friend, Fire Chief James R. Spolar.●

UNITED STATES-SOVIET VISITS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. UDALL. Mr. Speaker, it is my pleasure today to join in the introduction of a resolution encouraging United States and Soviet leaders to visit their counterparts in the United States or the Soviet Union.

The attention of the world, at the moment, is focused on the arms control talks in Geneva. Of course, we all wish for a successful conclusion to those talks, but in the long term there will not be a lasting and sustainable peace between our two countries without a greater, mutual understanding of each other's interests, beliefs, and attitudes. In fact, without some degree of mutual understanding, an arms control agreement, itself, would be impossible.

For that reason, I think it is terribly important that we expand the level and range of contacts between United States and Soviet leaders.

A few weeks ago, members of the Supreme Soviet visited Washington and met with Members of this body and the other body. Those talks were informal, but I think very helpful. Both sides were given an opportunity to exchange views and ask questions about a whole range of issues affecting United States-Soviet relations.

It is my hope that more Soviet leaders will visit the United States, but I also think it is important for Members of Congress to visit the Soviet Union. In addition to talking with Soviet leaders, it is important for Members of this body to get a firsthand picture of the Soviet Union and its people. I think we need to know more about Soviet Government, economy, culture, and society. Visits can help do that.

The resolution we are introducing today will encourage such visits. I ask my colleagues to join in supporting this resolution.●

BARTER PROMOTION ACT OF 1985

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing the Barter Promotion Act of 1985. Passage of this bill will enable the U.S. Government to once again trade surplus agricultural commodities for needed petroleum and strategic minerals. This bill will help the farm economy, now in the throes of the hardest times since the 1930's, by reducing the enormous supplies of grains and dairy products held by our Government. It will help fill our strategic stockpiles, now woefully inadequate for national emergencies. And, in these times of budget constraints, we will see dollars of benefit for pennies of spending.

Barter is the direct exchange of goods, without the use of money. Once the only method to trade, barter became obsolete with the development of international monetary systems. Lately, though, barter has had renewed appeal. Close to a hundred countries now engage in barter. The Third World debt crisis has resulted in many countries being resource rich, but cash poor. They need products and commodities of other lands, but lack the cash to pay for them. Instead, many of these countries have opted to bypass completely the cash markets, and directly trade their goods for other goods.

A government-to-government barter program worked before in the United States, and it could work again. Between 1950 and 1973 the United States bartered close to $7 billion worth of surplus agricultural commodities: milk, cheese, and butter; wheat, corn, and feed grains. In return we received petroleum, strategic minerals—items the country needs for production, such as tin and aluminum, which we get from overseas and need to stockpile in the event foreign supplies are cut off, and offshore goods and services used by the U.S. Armed Forces. We found, too, that barter was a good advertisement for the United States, for it helped feed the hungry.

PUTTING BARTER TO WORK

The potential for government-to-government barter has never been more apparent. As of last June the national defense stockpile was short $6.4 billion worth of goods. Supplies of aluminum, bauxite, rubber, copper, nickel, platinum, zinc, and a dozen other minerals were under 50 percent of stockpile goals. Purchases for the strategic petroleum reserve fell in half from previous levels when the deficit soared in 1983 and 1984. American farmers have seen their exports drop, largely due to the overvalued dollar: from $44 billion in 1981 to a projected $37 billion in 1984. What couldn't get sold is now overflowing Government coffers as surplus: millions of bushels of grain, billions of pounds of dairy products.

Our country could use barter, surely. What about other countries? I asked the Congressional Research Service to investigate possible barter opportunities for the U.S. Government. It found a slew of countries—Indonesia, Malaysia, Peru, Liberia, Honduras, Mexico, Venezuela, and many more—with the materials needed by our strategic stockpiles as well as "a demonstrated desire to conduct barter transactions." CRS estimates that we could swap some 27 billion dollars' worth of agricultural products for oil to fill the strategic petroleum reserve, minerals needed for the strategic stockpile, and military and international development services.

Despite the opportunity, the need, and a workable concept, this administration has resisted engaging in barter transactions. It has conducted one small series of barter transactions with Jamaica in the past 4 years. It set up a barter coordinating group over a year ago which has not yet resulted in any trades. The administration has taken a passive approach, when what we need is an active entrepreneurial spirit seizing on the plentiful opportunities to barter, for the good of the Nation and the distressed farm economy.

CUTTING REDTAPE

Bureaucratic bookkeeping tangles are often cited as the reason we have not bartered. My bill addresses that by making clear that the Commodity Credit Corporation, the Government agency which owns surplus agricultural goods, will get credit when those goods are bartered. I propose to prime the pump with a $300 million appropriation to CCC. It can use this money to pay itself when agricultural goods are swapped. This money would serve as the basis for a revolving fund that would be replenished as the General Services Administration acquired the minerals and oil from the USDA for the national defense stockpile and the strategic petroleum reserve. This appropriation will be offset by savings to the Federal Government in lower storage costs and lower farm program costs.

Passage of the Barter Promotion Act of 1985 will remove any reason for delay. With the farm economy in distress, with budget deficits preventing the filling of vital stockpiles, and with dozens of other countries actively seeking barter partners, we cannot afford any delay.●

CITIZENSHIP FOR LORI ANNETTE BURR

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. COLEMAN of Texas. Mr. Speaker, I am introducing legislation which addresses a unique situation involving a family in my district.

A petition for the issuance of an immigrant visa filed by my constituents, Mr. and Mrs. William E. Burr of El Paso, was dismissed by the Board of Immigration Appeals. The beneficiary of the petition, their daughter, Lori Annette, is caught in a legal quagmire and is in need of legislative relief.

Lori was born on April 30, 1966, in Mexico and has resided with Mr. and Mrs. Burr since infancy although they are not her biological parents. Upon the advice of legal counsel in Mexico, the Burrs took affirmative actions to adopt Lori in May 1966, after she had been abandoned by her natural mother. They believed that they had legally adopted Lori and filed all necessary documents with the proper authorities. Until this time, there had never been any question or objection raised regarding the legality of the Mexican adoption process.

The petition was denied at the district Immigration and Naturalization Service level on the basis that the Burrs failed to establish that Lori was legally adopted. Immigration laws permit U.S. citizen parents to confer immigration status on an adopted child under section 201(b) of the Immigration and Nationality Act. Under that section, the petitioner must show that the beneficiary is eligible for immediate relative status as an unmarried daughter or son by demonstrating that the beneficiary once qualified as their "child" within the meaning of section 101(b)(1) of the act. Adopted children are included in the definition of "child" as defined by the section. However, adoptions must conform to the applicable laws of the jurisdiction where it occurred and the statutory requirements of the act. The law requires the petitioner to establish eligibility for the benefits sought.

In this case, the Burrs were unable to meet the burden of proof that they complied with the laws of the State of Chihuahua, Mexico, at the time of the adoption activities. Lori is now 18 years old and her adoption at this time would not satisfy the requirement of section 101(b)(1)(E) of the act which requires that an adoption take place before the child reaches age 16. The Chairman of the Board of Immigration Appeals acknowledged that sympathetic factors were present in the case but had to dismiss the appeal as a matter of law.

Lori has lived in El Paso since August 1972, when she was age 6, and is presently a senior in high school there. The Burrs were never challenged about Lori's citizenship until they applied for a Social Security card. They had assumed that her adoption conferred upon her U.S. citizenship.

Lori now faces the possibility of deportation under the laws of the United States. She has no other family and is without relatives in Mexico. She will encounter difficulty in finding employment or pursuing higher education under the circumstances. Certainly, the uncertainty of her status or the possibility of deportation will cause additional stress to Lori and the Burrs.

I am, therefore, introducing legislation which would grant Lori full citizenship and enable her to enjoy the benefits that such status provides. The equaties are completely on her side and I would urge my colleagues to join me in assisting the Burr family in this matter.●

THE JIMMY STEWART FALCON FOUNDATION SCHOLARSHIP

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. KOLTER. Mr. Speaker, Indiana, PA, in my Fourth District, has always been proud of one of its native sons, known far and wide through the movies—Jimmy Stewart. We have known him in our State, have met him on our streets, have seen him on the screen and our TV sets, and while he has gone many miles in many dimensions, we always feel that he has never left us. He is one of ours and will always be.

But he can still surprise us on occasion. And the 55th anniversary edition of Daily Variety in Hollywood, published Monday, October 29, 1984, made us feel another stirring of pride when he is one of its major features. The headline said: Jimmy Stewart Serves Country in Peace as in War, Funding U.S. Air Force's Falcon Scholarship to Assist Cadets; California Youth is First to Benefit.

As it makes good reading, I commend it to the attention of my colleagues and, with your permission, enter it in the RECORD.

THE JIMMY STEWART FALCON FOUNDATION SCHOLARSHIP

(By Col. Barney Oldfield USAF (Ret.))

There's something special about Keith Brahms of Sherman Oaks, Calif., who came into the Air Force Academy in Colorado Springs last July 6 with the class of 1988. He got there by being the first Lt. Jimmy Stewart Falcon Foundation scholar, and attended Santa Barbara's Northwestern Preparatory School to ready him for his appointment.

That Falcon Foundation Jimmy Stewart Scholarship was announced in October 1983. It was made possible by the check which comes the middle of every month signed by Stewart in the amount of $814.42, which represents his retirement pay as a Brigadier General in the reserve. The endowment now exceeds $60,000—and checks still come.

The word that it would go into operation was passed before the whole U.S. Air Force command structure of four, three and two-star generals convened from all over the world by AF Chief of Staff, Gen. Charles Gabriel. More than 100 of the cadets who were in the Academy as Falcon Foundation-assisted students were in the audience, too.

So far, more than 1,000 young people have been financially, and prep school, assisted since the Foundation was birthed in 1958.

Jimmy Stewart never missed many formations, curtain calls, callboard instructions or failed to return an agent's message, but here at the Academy that October 28, health reasons blocked his personal appearance. And that was an event which will reach beyond his substantial professional credits—as there will be a Jimmy Stewart Falcon Foundation scholar every year in perpetuity.

Lt. Gen. Ben Bellis, the Foundation's president, told the audience that Stewart had first sent him a wire regretting that he would ". . . be unable to attend because of a health problem I have." That from Jimmy Stewart, a sort of indestructible Air Force icon!

He had enlisted March 22, 1941, even before the U.S. got into WW II. Nine months later, he was commissioned and made a pilot, flew 20 flak-strewn missions against myriad German targets including Bremen, Frankfurt and Berlin. Many who had know him in those times had flown to Colorado to be present for this salute to him.

The occasion included another aviation "great," the celebrated C. L. (Kelly) Johnson, who fathered everything from the early P-38 forked tail fighter through the U-2 and SR-71—headline makers all.

The custom for the Falcon Foundation honorees is that their portraits are unveiled at the ceremony, and then are hung in what the Academy calls its "Gallery of Great Airmen." Although Jimmy Stewart retired as a Brigadier General in 1968, he insisted that the Falcon Foundation artist, Darla Lockwood, portray him as a second lieutenant in his flight jacket. It's that one-barred "shavetail," rather than wearing the one star to which he's entitled, which will look down from the Academy walls for all time.

There has never been a request for narration for an Air Force film, or a spot announcement to help recruiting, or a speaking date at an Air Force function that Stewart could bring himself to turn down if he could squeeze it into his schedule. For the last year, he and Lt. Gen James Doolittle have been cochairmen for the fund-raising drive for the U.S. Air Force Museum Fund. His old starrer, "Strategic Air Command," is still brought out on flyboy occasions, too.

The Falcon Foundation came about when it was first learned what a differential there is in various community schools, and how short graduates were found to be in mathematics, English, physics and chemistry. Such grads might be in good health, proficient in sports, have the personality and poise which lends to command, but were academic shortfalls. They could neither pass the entrance exams, nor if they lucked in, keep up with the tough regimen over the four years. The Falcon Foundation scholarships have for the most part been made possible by gifts and endowments established by industrial and aerospace firms and individuals.

The Jimmy Stewart one is called a trustee scholarship, because it's been done on the "installment plan," all monies sent by him into the endowment on hold until it could produce the required annual income to make the scholarship roll on and on.

Jimmy Stewart was an actor, yes, but he had that extra spark going for him. He'd mothballed his film career in midstream to serve his country—and that always made him admired, and different. To those other wearers of uniforms, he has never been just a shadow on a screen or a disembodied soundtrack voice. His has been the real experience of bloody ordeal and wild adventure aloft.

At that 1983 Academy affair, they did bow to his enviable record as a performer. Those five Academy of Motion Picture Arts & Sciences nominations and one Oscar; two N.Y. Film Critics "best actor" awards, as many kudos from the Venice Film Festival in the same category and France's "Victoire." There was that big Screen Actors Guild 1968 one for ". . . outstanding achievement in fostering the finest ideals of the acting profession"; in 1980 American Film Institute's "Life Achievement Award"; 1981, the American National Theater and Academy's "national artist award," and in January 1982, he was Grand Marshal for the annual Tounament of Roses Parade in Pasadena. In all the history of the Air Force Reserve, Stewart is listed as one of only two who ever received the "distinguished service medal for exceptionally meritorious service to the United States."

That long ago Stewart enlistment caused one of pre-WW II's most amusing incidents. Harried classification clerks at reception centers asked each one who came before them—mostly without looking up—what sort of civilian employment they'd known and level of compensation. It provided the precomputer and punchcards period a profile on which to base judgments as to already possessed aptitudes and capabilities. From such State, indicated schooling could be selected and directed. Stewart said he worked for MGM in Culver City, and made approximately $2,700 a week. At that point, the classification clerk looked up, but was evidently not a film fan and didn't recognize who was there before him.

"Come on, now," he said in exasperation. "Every $25-a-week clown that comes in here tells me what a big shot he is, and makes that bull $1,000 a week. Where is this MGM?" Stewart, never a fast talker, was nonplussed, but his honor impugned, gave the clerk the phone number and told him to ask for the payroll department. The clerk decided to call his bluff and put in the query, telling the answering party he was at the U.S. Army Reception Center. Did they have a Jimmy Stewart on their employment roster? Yes, they did. "What'd you pay him?" the clerk asked. When the answer came, he almost dropped the phone.

Private James Stewart, his honor, veracity, and credibility restored, then walked into uniform and his considerable history.

When the Lt., or Gen. Jimmy Stewart Falcon Foundation scholarship was born at the Air Force Academy a year ago, everyone in the big room stood, applauded and faced his portrait in lieu of having him there in person among them. There was no projected collection of old film clips to stand in for

him as each person there had his own personal cameo of him.

The real Jimmy Stewart that was, is, and always will be with them. As he will be with Keith Brahms, out of Sherman Oaks and Santa Barbara, Calif.—and who knows where all else once that class of 1988 begins serving.●

TECHNOLOGY AND THE FAMILY FARM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 27, 1985, into the CONGRESSIONAL RECORD:

TECHNOLOGY AND THE FAMILY FARM

Farmers have struggled in recent years. A combination of factors, including low commodity prices, high interest rates, falling land values, unfair foreign subsidies and the overvalued U.S. dollar, which prices our exports out of the world market, has increased farm operating costs and reduced farm income. Nearly 30% of U.S. farmers are in serious financial trouble, and 10–15% of them may go out of business this year.

A new study by the Congressional Office of Technology Assessment (OTA) points out new challenges for midwestern farmers. The report predicts that new farm technology—especially biotechnology and information technology—will revolutionize agriculture in the next two decades. The benefits of this technology could be dazzling. Developments such as genetically altered plants that resist pests and disease, and computerized farm management promise dramatic increases in production and efficiency.

The new technology could help American farmers compete in world markets. Some countries, such as Argentina, already produce crops at prices lower than ours. They might continue to outstrip us if we do not adopt the new technology rapidly.

Eventually, advances in plant biotechnology will probably have the greatest impact on production. So far, however, more progress has been made in animal biotechnology. For example, emerging technology will soon transform the dairy industry. Embryo transplants, computerized feeding and monitoring, and growth hormones could increase milk production per cow by 40% or more in the next 15 years. One cow will be able to reproduce 60 heifers per year.

But there will be negative effects as well. The use of new farm technology could dramatically change the make-up of American agriculture, with some big winners and some big losers. The new technology will accelerate the trend toward large, industrial farms, which will dominate agriculture. Many Hoosier farmers could be among the losers. The number of medium-size farms and farms in the Midwest and Northeast might continue to increase, but their share of net farm income will decline.

For example, increased production in the dairy industry resulting from new technology might create massive surpluses in the years ahead. Small dairies in the Northeast and the Midwest will experience increasing competitive pressure from large, efficient producers in other regions. Currently, 125,000 dairy farms meet U.S. demand. In the future, we will need only 5,000 large industrial farms. Fifty-cow dairy farms in the Midwest will be outpaced by 2000-cow operations in the Sun Belt. Drastic remedies—such as strict supply control programs with non-transferable quotas—may be necessary to maintain traditional dairy operations in the Midwest and Northeast.

Similar challenges are likely with other commodities. Plant and animal technologies are not in themselves biased toward large farm operations, but these farms will probably benefit most from them. The technology a farmer needs to be competitive is costly and complex, and large farmers are better able to acquire the necessary capital and expertise. In addition, large farmers have greater access to information about new technology, and they are often more willing to adopt it as it becomes available. If moderate-size farms are to survive, they will have to use the newest technology. If they do not adapt, they probably will have to expand into large operations, sell part of their assets and join the small, part-time farms, or quit agriculture. The challenges faced by Indiana farms are significant: the average farm in Indiana is half the size of the national average.

Some observers argue that a new farming system based on large industrialized farms will be more efficient, improve competition in the export market, and lower food prices. Yet, in my view, there are good reasons to save medium-size farms. Moderate-size farms are crucial to the economic survival of many rural communities: the quality of life declines in rural communities as average farm size increases. Large industrial farms also raise concerns about water quality and quantity, the rate of soil erosion, and increases in air and noise pollution. Moreover, ensuring the existence of a large number of moderate-size farms helps protect our food supply from severe weather conditions or diseases in one sector of the country, and from price manipulation by a few major producers.

We should take several steps to help moderate-size farmers. We must improve education to make new technologies available to these farmers and train them in their use. We should also help some farmers adapt to new endeavors. We might make it possible for farmers to grow specified "new crops" as a way to test their viability in a particular region. We should remove biases against moderate-size farms in federal programs and policies. For example, we could better target farm income-support programs for moderate-size farms. One such proposal, which I favor, would limit income support payments (such as target prices) given to large farms. We could similarly revise our farm credit and loan programs. Finally, our tax code often works against moderate-size farmers. Generous tax write-offs encourage farm expansion, as well as the use of farms as tax shelters by non-farmers, which artificially pushes up production and land prices. I support legislation to limit "tax-shelter" farming.

Whether or not these predictions turn out to be accurate, we should not ignore them. We may not be able to reverse many of the basic economic trends that could harm small and medium-size farmers, but we can take steps to make the new technology work for them.

(NOTE: Much of the information in this newsletter is in a report by the Office of Technology Assessment entitled "Technology, Public Policy, and the Changing Structure of American Agriculture.")●

EAGLE HOSE COMPANY NO. 1 OBSERVES 100TH ANNIVERSARY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. NOWAK. Mr. Speaker, as we all know, volunteer firefighters play a vital role in protecting our society, a role they have been playing in our Nation for almost two and a half centuries.

In 1736, Benjamin Franklin founded the first volunteer fire department. Today, nearly 250 years later, there are more than 800,000 volunteer firefighters who receive no pay for their services. They represent more than three-quarters of our country's 1 million strong firefighting force.

That means volunteer firefighters must respond to the majority of our Nation's 2 million fires each year; fires which threaten man, animal and plant alike in our homes, workplaces and natural preserves.

But that's not all. A large part of their duty, and in a sense the most important, is fire prevention. Volunteers teach people about fire hazards and the safety measures necessary to reduce the chance of fire. They also conduct fire inspections of private homes and commercial properties.

The responsibility does not end with fire-related duty. Many of the calls volunteers respond to involve medical emergencies such as auto accidents, heart attacks, boating emergencies, and natural disasters.

In the 33d Congressional District, which I am privileged to represent, Eagle Hose Company No. 1 of Lancaster, NY, will be celebrating its 100th anniversary on May 11, 1985.

As part of that observance, the anniversary chairman Arthur J. Robinson, has provided my office a summary of its history. I'd like to extend my congratulations to Eagle Hose Company No. 1 on this occasion and share this summary history with my colleagues:

HISTORY OF EAGLE HOSE COMPANY NO. 1

Organized—May 8, 1885.

First equipment was a white hose cart and was called the Old Bay, Eagle Hose Cart, the Old Reliable.

The first motorized apparatus was a Brockway four cylinder combination truck purchased from the American LaFrance Fire Company for $3,300 and went into service in November of 1917. After a new truck was purchased from the Buffalo Fire Appliance Corporation in June of 1935, the old Brockway was given to the Department of Public Works to haul black top for street repairs.

Following the bombing of Pearl Harbor on December 7, 1941, the company participated in providing Civilian Defense protection for the community. Some of these measures included using rooms in the basement of the Municipal Building for a Civilian Defense Control Center, adapting the fire alarm

system for use as both a fire and air-raid warning system and learning special fire fighting techniques for combatting conflagrations caused by air raids.

Among our present membership we have many relatives of founding members including six firemen with the Robinson family name. We also include five father and son combinations.●

VETERANS HEALTH CARE AWARENESS WEEK

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. GEJDENSON. Mr. Speaker, today I am introducing a bill to designate the third week in June as "National Veterans' Health Care Awareness Week." In light of reports of the dramatically increasing number of veterans nearing age 65, I feel it is imperative that we focus greater attention on the future health care needs of this group.

As many of my colleagues know, the Veterans' Administration [VA] and the Congressional Budget Office [CBO] have completed individual assessments of the growing number of aging veterans and the inadequacy of current health care facilities to meet future needs. According to the VA, by the year 2000 the number of veterans over 65 will more than double to 9 million, making two out of every three elderly males in the United States eligible for VA medical care.

Current VA health care facilities are hardly adequate to accommodate the present needs of elderly veterans as is visible from the long waiting lists at VA hospitals and clinics. It is evident that the drastically increasing number of veterans nearing retirement age will place an even greater strain on an already overburdened health care system.

At a time when Congress and the Nation should be looking at ways to improve health care, the administration is proposing to tax veterans' compensation benefits and place tighter restrictions on eligibility requirements for VA health care.

Our Nation's veterans made a great sacrifice to this country when they entered service and part of the Government's contract with them was the promise of free VA medical care when they reach age 65. In my view we must not breach this agreement. Given VA projections of the increasing number of veterans, instead of trying to cut and tax health benefits we should be looking at ways to improve the current system.

Mr. Speaker, the bill I am introducing today will, I feel, focus needed congressional and national attention on the growing health care needs of our Nation's veterans. I urge my colleagues to join with me in this effort to recognize this truly worthy and selfless group of American citizens.●

THE "RIGHT TO DIE" MOVEMENT: A DEADLY IDEA

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. WEBER. Mr. Speaker, I would like to call the attention of my colleagues to an article recently placed in the Minneapolis Star & Tribune, addressing the issue of euthanasia and the "right to die" movement. The author of this article, Fr. Robert Barry, is an assistant professor of theology at St. Thomas College in Minnesota and has been nationally active in defining and clarifying how approval of this so-called "medical right" is absolutely frightening for all of us.

As responsible lawmakers, I believe we must all be aware of new ideas and the motivations behind these ideas that our society may be confronted with, and that we may be required to legislatively address. I strongly urge my colleagues to read this article and give serious thought to the author's warning.

Thank you, Mr. Speaker.

[From the Minneapolis Star Tribune, Mar. 4, 1985]

THE DEADLY INTENTIONS OF "RIGHT TO DIE" MOVEMENT

(By Robert Barry)

Neal R. Peirce has done a disservice to advocates of the rights of incompetent patients not to be unjustly denied normal care and obligatory medical treatments. In his Feb. 3 article Peirce is wrong in claiming that there is a moral right to die. There are moral rights only to positive human goods, and death is not a human value. Although it is not an absolute evil, death is never something to be deliberately chosen.

There is no need to promote "right to die" legislation as there is a long-standing medical tradition that permits patients to refuse treatments judged useless or so radically burdensome that heroic efforts to receive or provide them would be required. In Minnesota, for instance, the Patients Bill of Rights permits patients to decline useless or severely burdensome treatments. Why should there be such an outcry for right-to-die legislation when patients are free to reject treatments judged to be elective?

The answer seems to be that some organizations are actively promoting euthanasia. At the recent International Conference of Right to Die Societies, it became quite evident that the euthanasia movement had four objectives. They sought to gain legal endorsement for passive euthanasia, active euthanasia, assisted suicide and suicide clinics. In order for any of these objectives to be obtained, it is necessary that legal acceptance of a "right to die" be won. The prolife community is concerned about legal endorsement of a "right to die" because that is the foundational principle upon which legalized euthanasia would rest.

Peirce termed the New Jersey Supreme Court decision a landmark. I beg to differ. Together with four prominent Roman Catholic moral theologians, I submitted a friend-of-the-court brief objecting to certain testimony given to the trial court. The New Jersey Supreme Court's decision presents a serious threat to nursing-home patients because it permitted guardians to authorize denial of life-sustaining food and fluid to incompetent residents when the judgment is made that the person will die within a year, when there is judged to be unavoidable (but not intolerable) pain, and when it is judged that giving foods and fluids is of greater burden than benefit. The standard is so elastic that it is hard to see how one could reasonably say that it protects an incompetent person's right not to be medically abused and forced to death by starvaticn or dehydration.

The right-to-die movement poses a serious threat to the integrity of the healing professions. With the abortion decisions, physicians could bcome killers of life judged inconvenient or socially burdensome. If this power of physicians to kill rather than to heal is extended by legal affirmation of a right to die, the integrity of the healing professions could be further compromised.

Peirce contends that cost is a chief problem not being faced. Considerations of cost must be tempered by considerations of the moral rights of patients to care and obligatory treatments and the duty of health-care professionals not to abandon their patients.

The right-to-die movement is invoking many of the moral and legal principles used by the abortion movement two decades ago. There is deep-seated distrust of the leaders of American medicine because they have uttered little protest against the destruction of 16 million lives. There is much distrust because the bitterest opposition to measures to protect the rights of obligatory medical treatments of handicapped newborns came from American medical leaders.

And people are now worried that a profession that has been allowed to kill so many of the inconvenient young will now begin to terminate the inconvenient elderly and incompetent.●

IN HONOR OF DR. RUTH W. WILSON, M.D.

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. KOLTER. Mr. Speaker, I would like to bring to the attention of my colleagues the accomplishments of an outstanding individual in the medical profession. Dr. Ruth W. Wilson, M.D. has served the people of Beaver County, PA, as a physician for 65 years, serving 50 of those years on the staff of the Medical Center of Beaver County, and its predecessor hospitals.

Dr. Wilson's life in medical service has been long and distinguished. She was born in McConnelsville, OH, and later graduated from Ohio State University in 1918. She continued her education at the Philadelphia College of Medicine, formerly the Women's Medical College in 1920. Dr. Wilson served her internship at Mercy Hospital in Pittsburgh from 1920–21.

Dr. Wilson's lifelong fight against tuberculosis and other diseases began with her studies at the Tuberculosis Institute in Pittsburgh. In 1920 the number of tuberculosis deaths was about 135 per 100,000 as compared to the current 5 per 100,000. Dr. Wilson committed her life to the cure of this infectious disease. She and her husband Dr. Fred Wilson married in 1926, and they worked together at the Beaver County Tuberculosis Sanitarium, at the present site of the Pennsylvania State University, Beaver Campus.

Dr. Wilson has received many honors for her meritorious service, including a honorary doctor of science degree from Geneva College in 1979. Four years ago, Dr. Wilson was inducted into the American Lung Association's forerunner, the National Tuberculosis Association.

In 1982, the doctor established a medical scholarship in her name at Geneva College to help make possible continuing premedical education for young people in Beaver County.

The humble and selfish service Dr. Wilson has given to Beaver County in her 65 years of medical practice will serve as inspiration to generations of other medical professions that will follow her example. All of us in Beaver County will miss her excellent devotion to the community, and we thank her for her fine record of outstanding service.●

TRIBUTE TO KEITH MAINLAND

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. MRAZEK. Mr. Speaker, the occasion of Keith Mainland's retirement from his distinguished performance as staff director of the Committee on Appropriations affords me the opportunity to state publicly my profound respect for his service to the committee, the Congress and the Nation.

While my tenure on the committee spans little more than 2 years, this has been time enough to grasp the obvious: That Mr. Mainland's job is a sensitive and demanding post, wholly unique in the entire Congress, and that he has carried out his duties with strength and aplomb. It is evident to me that both of the latter qualities are virtual prerequisites for the performance of the committee directorship. The director must maintain an iron will in his resolve to glean from a widely disparate committee membership, year after year, the money bills which fire our Federal engine. Yet he must perform this function with a strong sense of the reality of circumstance, prevailing mood and political climate, three wild cards in the congressional appropriations process.

The methods employed by the committee director to bring about consensus on these bills goes straight to the heart of Congress' power of the purse. He must advise without directing, disagree without offending, and advocate without transgressing the committee membership. From a maelstrom of numbers and priorities, he must shepherd through the committee a technically precise, complex and decipherable legal document.

Keith Mainland has carried out these duties with grace, integrity and acumen for the particular requirements of the post. He possesses an enviable blend of character, intelligence and loyalty, and has met his awesome responsibilities with a refreshing wit and humility. The qualities enabled him to exploit the depth of his knowledge free of condescension and to weigh the opinions of others free of prejudice.

Another somewhat talented individual, Thomas Wolfe, once applied his gifts to the description of true success. Wolfe wrote:

> If a man has a talent and cannot use it, he has failed. If he has a talent and uses only half of it, he has partly failed. If he has a talent and learns somehow to use the whole of it, he has gloriously succeeded, and won a satisfaction and a triumph few men ever know.

Keith Mainland can leave the Committee on Appropriations as the proud possessor of this special satisfaction and triumph, for his talents have benefited all of us with whom he has worked.

Keith, you will be one tough act to follow.●

GIFT AND ESTATE DEDUCTION FOR SOCIAL WELFARE ORGANIZATIONS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. DONNELLY. Mr. Speaker, today I am introducing a bill that would provide a measure of fairness in tax treatment of tax-exempt social welfare organizations.

Social welfare organizations, owned and operated on a nonprofit basis exclusively for the promotion of civic betterment and social improvement, are exempt from taxation under section 501(c)(4) of the Internal Revenue Code. In that respect they are similar in nature to charitable organizations, which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

Unlike a charitable organization, however, a social welfare organization may work for its goals by attempting to influence legislation without forfeiting its tax-exempt status. Thus, the same organization may be either a 501(c)(3) organization or a 501(c)(4) organization depending on the means it uses to achieve its goals.

Although both types of organizations enjoy tax-exempt status, there is a great disparity in the tax treatment of 501(c)(3) organizations and 501(c)(4) organizations. Contributions to 501(c)(3) charitable organizations are deductible from the income of a donor, and exempt from estate and gift taxes. Contributions to 501(c)(4) social welfare organizations, however, are not deductible from income tax and are subject to the estate and gift tax. Thus, someone who wants to donate a large amount of money to a social welfare organization not only will be denied an income tax deduction, but also will be liable for a substantial gift tax.

My legislation would allow a deduction from estate and gift taxes for donations to 501(c)(4) organizations. This treatment is appropriate for several reasons. First, the rationale for imposition of estate and gift taxes does not apply to donations to social welfare organizations. Estate and gift taxes are imposed to tax windfalls, to ensure that property is taxed at least once a generation, and to dilute concentration of wealth. None of these purposes is served by taxing donations to social welfare organizations, which in fact serve to transfer wealth from private ownership to organizations that serve the public.

Further, enactment of this legislation should have very slight revenue impact. Those few individuals who are willing to donate a large sum of money to the cause promoted by a social welfare organization, and forego a charitable deduction in so doing, are clearly not motivated by a desire for tax benefits. My bill simply removes what has been an effective deterrent to such giving. Because the current tax law has effectively prohibited such giving on a large scale, and also any revenue gain that might result from estate and gift tax on such donations, allowing a deduction for the estate and gift tax will have little or no revenue effect.

Donations to social welfare organizations, moreover, are analagous to political contributions, which are exempt from gift tax. Congress decided in 1975 to exempt political contributions from tax on the ground that, as then Ways and Means Chairman Al Ullman observed, "political contributions are in reality not a gift, but rather constitute contributions to further the general political or good government objectives of the donor". The same is true of donations to social welfare organizations, which are contributions to further the general political or good government objectives of the donor, and should therefore also be exempt from the gift tax.

In sum, this legislation would confer no special benefit on those who make generous contributions to social welfare organizations. Rather, it exempts donors from a penalty tax which should not even apply to their situation. It simply provides a measure of fairness for those who believe in a cause strongly enough to contribute generously to an organization that will promote that cause.●

FOUR MILLIONTH NATURAL GAS METER

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. DYMALLY. Mr. Speaker, earlier this month, Southern California Gas Co. commemorated the installation of its 4 millionth natural gas meter with a brief ceremony in Carson, in the 31st District. Southern California Gas Co. is the largest natural gas distribution company in the United States and is 1 million meters ahead of the second largest gas distribution company, Pacific Gas & Electric Co. The company serves 14 million people residing in mainly the southern half of the State.

The governing bodies of both Los Angeles County and Los Angeles City presented Southern California's Chairman John Abram with resolutions citing the utility for its years of continued service to the residents of the community. John Abram presented a plaque and a natural gas-fired barbeque to Carson homeowners Eden Hernance and Zenaida Israel.

The gas company, a subsidiary of Pacific Lighting Corp., dates back to 1867. The 1 millionth meter was installed in 1941, the 2 millionth in 1955, and the 3 millionth in 1967.

I too want to extend my congratulations to Southern California Gas Co. and its employees for many years of fine service.●

THOUGHTS ON A WOMAN PRESIDENT AND A NUCLEAR CRISIS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Ms. MIKULSKI. Mr. Speaker, the work of one of my constituents, Richard Wendell Fogg, recently came to my attention. Mr. Fogg is the founder and director of the Center for the Study of Conflict. He has written extensively on the subject of nonmilitary responses to a nuclear crisis. This approach utilizes tactics such as we have developed in dealing with terrorists and kidnapers. I was particularly intrigued by Mr. Fogg's views of the way a woman President might handle a nuclear crisis differently from a man President. I would like to share with my colleagues the following article by Mr. Fogg on this topic which appeared in the Baltimore Evening Sun. In the midst of this deadly arms race, we need new ideas and different perspectives to ensure our survival. I believe Mr. Fogg is making a significant contribution in this area.

[From the Baltimore Evening Sun, July 18, 1984]

THOUGHTS ON A WOMAN PRESIDENT AND A NUCLEAR CRISIS

(By Richard Wendell Fogg)

Now we know that a woman could have her finger on the American nuclear button. That's not so strange; Margaret Thatcher already has her finger on the British nuclear button.

But at the time of the 1980 presidential conventions, would you have guessed that a woman could be nominated for the vice-presidency of the United States?

SURPRISING PROGRESS

Progress has come by surprise before. Would you have guessed in 1964 that Congress would pass a major civil rights bill a year later and that a President from Texas (Lyndon Johnson) would say "We shall overcome" on television when he explained the bill?

Would you have guessed that President Nixon would fire and eliminate the entire dirty tricks department of the CIA? And that he would have one of the lowest military budgets (as a percentage of Gross National Product) of all modern presidents? And would increase the budget for many social programs? And that he would recognize China and promote detente with the USSR.

Mondale, Johnson, and Nixon did what many people said couldn't be done. These men, though politicians, weren't shackled by lack of optimism about what the public would accept. (Of course there were pressures on them to act as they did.) In the same spirit, if a woman were president, and she weren't shackled by lack of optimism either, what might she do in a nuclear crisis? Is there a feminine way to approach nuclear crises?

As far as I know, there are no female nuclear strategists. Analysts, yes, but not women who devise strategy for nuclear crises. Therefore it's hard to know what a female approach to the problem might be. But I have discussed the matter with many women and am willing to suggest some possibilities.

To begin with, most women don't say, as many men do, "Some people only understand the same kind of force they use themselves." Many women feel that nuclear counterthreats are not the only way to make nuclear aggressors back down. That's because nuclear aggressors are motivated by many things, just as everyone else is.

One clue to a female president's strategy for nuclear crisis comes from the work of Carol Gilligan, *Ms. Magazine's* woman of the year. She studies moral development in females. She has found that highly moral females emphasize building caring relationships. (Highly moral males stress justice.)

In a nuclear crisis, a female president might relate to the nuclear aggressor—the head of state. She might say, "Some very serious problems must have made you consider using nuclear weapons. If we've committed an injustice, we'll correct it. If you have a legitimate dispute with us, we'll negotiate it. If you have a problem that isn't our fault, we'll help you solve it anyway."

Many women assume that people do wrong things because of problems, and that nurturing can help wrongdoers behave. For example, Japan attacked Pearl Harbor partly because the West had cut off 75% of Japan's imports, including oil. Had Eleanor Roosevelt been president, she might have ended that embargo, nurtured the Japanese with trade, and perhaps prevented the war.

A female president might also develop relations with top leaders in the aggressor country other than the handful who would start a nuclear war. Her purpose would be to try to convince them to depose the aggressors. Every nation has a means of getting rid of its head of state, and there is a long history of nations doing so. Argentina deposed President Galtieri for his role in the Falklands crisis. The Soviet Union deposed Premier Khrushchev partly for his role in the Cuban missile crisis. Britain deposed Prime Minister Anthony Eden for his role in attacking the Suez area of Egypt in 1956. "Depose nuclear aggressors" should be the model for nuclear crises.

One more way women improve relationships to stop aggression is to reduce the fear that motivates aggression. A woman as president might publicly destroy some of our nuclear weapons in the middle of a nuclear crisis to reduce the adversary's fear. There would still be enough nuclear weapons left if she decided to use them later. She would be acting as staffmembers do in enlightened institutions for violent, disturbed people, where the rule is, "Never corner an inmate, or he or she may get violent."

A woman who was president might follow women's assertiveness training in a nuclear crisis and simply say, "No," to the demands of the aggressor. Rather than enforce her decision with warfare, a female president might enforce it with nonviolent action organized by governments and prepared in advance. That has never been done before so we don't know whether it would work. It may be progress that will come by surprise in the future.

A relationship-oriented thrust of nonviolent defense would be for the intended victims to show that they could fraternize with the invading troops and bureaucrats and make them unreliable.

In 1968, half a million Soviet troops invaded Czechoslovakia. They were told that they were putting down a rebellion. The Czech army stayed in its barracks, and Czech civilians convinced the Soviet troops that there was no rebellion. These troops became unreliable and had to be rotated within three days. The Soviets did prevail after eight months, but that was longer than the Czech military could ever have defended their country.

Some people feel that these proposals would not make a nuclear aggressor back down, but most people feel instead that the problem is that Americans wouldn't agree to do the things proposed. Johnson, Nixon, and Mondale's surprising progress suggests that we can achieve more than we think we can. Perhaps there is hope that we can deal with nuclear crises in nonmilitary ways. A female president would be more likely to develop these methods—but a male president could do so too.●

THE ECONOMIC RECOVERY: AN ILLUSION FOR THE LONG-TERM UNEMPLOYED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. RANGEL. Mr. Speaker, I rise to comment upon the callous way in which the long-term unemployed are being treated by the Reagan administration.

Mr. Reagan has announced that the Federal Supplemental Compensation Program will end on April 7. The immediate consequence of this decision is that 325,000 people will see a huge drop in their real income.

The President claims that, with the economic recovery this program has become unnecessary. Will the President inform us as to whether he asked the 325,000 dependent upon the program whether or not it is necessary? I think not.

If the economy is growing, and thousands of new jobs are being created each month as the President claims, then will he please explain why so many people have been unemployed for so long? Does he believe that these unfortunate people choose to rely upon welfare rather than take jobs or embark upon a federally financed training program? Of course not.

The cost of the Federal Supplemental Compensation Program is $1.85 billion per year. I would suggest that the people whose daily bread this money buys appreciate the outlay on this program far more than on B-1's, MX, or perhaps, the most frivolous of all, star wars.

I would ask my colleagues to reflect upon which is of more value. Money to feed and clothe families or yet more nuclear weapons to add to the arms race.●

NATIONAL AGRICULTURE DAY

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. EMERSON. Mr. Speaker, I cannot imagine a more appropriate time over the past several years for us to pay this tribute to the American farmer.

In the past, when I have stood before my colleagues and spoken about the importance—and the unique problems—of the farm community, I have almost always been compelled to point out that those who produce our food and fiber are not given the recognition they deserve.

I have often said that I fear that most Americans go to the supermarket, buy the food they need, and never really stop to think about how it got there. I have often bemoaned the fact that few people in our cities and suburbs really consider how amazing it is that, for every 78 people going through the checkout line, there is only 1 farmer out there producing the meat, the fiber, and the produce that they can so easily and economically purchase.

Generally speaking, I think this lack of recognition still exists—but I must say that events of recent weeks have focused a great deal more attention on the farmer than he usually receives. We have seen stories about the problems of agriculture on the front pages of the New York Times and the Washington Post; we have seen cover stories in Time and Newsweek about the "farm crisis"; and yes, our network newscasts have devoted an unusually large number of their precious minutes to the challenges of farming in today's economy.

And this has all had a very real effect on the American public. For the first time in recent memory, public opinion polls are showing that a substantial portion of the American people are genuinely concerned about the welfare of the farm community. As a Congressman who represents a major segment of that farm community, I welcome this increased awareness—even though I wish it did not require a "crisis" to bring it about.

But whatever the cause, we must view this time in the spotlight as an important opportunity for the American farmer.

If, through efforts such as today's tribute, we can make the American people more appreciative of what the farmer risks, how hard the farm family works, and how incredibly productive our agriculture is, we can perhaps be more successful in shaping policies that will help make farming the profitable enterprise that it should be.

There is no "producing machine" in the world that can match our farmers, and we as a Nation owe a great deal of our success and our high standard of living to that tremendous productivity. Thus, it is, indeed fitting that we take this time today to say "thank you" to our farmers, and restate our commitment in this House to pursuing farm policies and economic policies that will allow agriculture to prosper.●

DOT OBSTRUCTS CONGRESSIONAL REVIEW OF CONRAIL SALE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. TORRICELLI. Mr. Speaker, Secretary of Transportation Elizabeth Dole recently recommended to Congress that Conrail be sold to the Norfolk Southern. This recommendation raises critical issues involving transportation policy, antitrust policy, and tax policy. Congress must review these issues very carefully as part of its consideration of the Secretary's recommendation.

The Subcommittee on Commerce, Transportation and Tourism, chaired by our distinguished colleague JIM FLORIO of New Jersey, has been engaged in a careful examination of both the process and substance of Secretary Dole's recommendation. Unfortunately, the Department of Transportation is stonewalling the subcommittee. The Department has denied the subcommittee access to hundreds of vital documents for no good reason. This obstruction of the subcommittee's efforts raises serious questions about what DOT may be trying.

The Record, one of New Jersey's leading newspapers, recently raised this question in an excellent editorial. The editorial follows.

[From the Record (NJ), Mar. 13, 1985]

WHAT'S MRS. DOLE HIDING?

For more than a year, the Reagan administration pushed hard to sell Conrail, the huge government-owned freight railroad. But now, suddenly, it's stalling. On Feb. 27, Transportation Secretary Elizabeth Dole testified before the Republican-controlled Senate Commerce Committee in support of her plan to sell Conrail to the Norfolk Southern Railroad for $1.2 billion. Since then, she has been unable to find a free moment on her calendar for the House subcommittee on commerce, transportation, and tourism—which is, of course, controlled by Democrats. Instead of answering the subcommittee's questions, Mrs. Dole is busy blockading her files against its chairman, Rep. James Florio of New Jersey, who wants to inspect them.

The reason for this strange behavior seems plain: Mr. Florio's first question is how a maximum price of $1.2 billion came to be set before bids from most prospective buyers had even been submitted. Mrs. Dole apparently doesn't want to answer that question in public. The answer almost certainly contains the key to a much more important question: whether the public is getting a fair shake at $1.2 billion.

In its 10 years of existence, the taxpayers have poured $8 billion into Conrail. The money has been well spent, transforming a collection of seven broken-down private railroads into a sleek money-making system. Conrail's 1984 profit was nearly $500 million. It has cash reserves of more than $800 million; hundreds of millions in tax-loss carryovers from prior, unprofitable years; and billions of dollars' worth of new rolling stock and rehabilitated tracks. All this for $1.2 billion. It's a pretty slick deal.

We don't think it's sensible to sell the railroad at all, but there seems to be no restraining the administration in its reckless privatization of government functions. We also think that the best deal for taxpayers, workers, and shippers would be a combination of employee ownership with public stockholding—an option rejected by Mrs. Dole as too complicated and costly. It would bring in the largest sum, spread the benefits

of ownership over the largest number of shareholders, and guarantee continued rail service.

Employees now own 15 percent of Conrail, stock given them by Congress in return for cutting labor costs. Union restraint and high productivity have helped put Conrail in the black. Who knows if this cooperation would continue under Norfolk management? Continued Conrail service is vital to the economies of 15 states in the East and Midwest, and DOT promises to include in the sales contract a pledge not to shut down the railroad. Such pledges have a way of winding up in litigation when they prove onerous to the buyers.

In other words, there are plenty of good arguments against the administration's plan to sell Conrail, and there may be even stronger reasons that the administration is trying to conceal. Part of Mrs. Dole's job is to promote the political philosophy of the president, but her job is not to stonewall Congress and withhold vital facts from the American people. She should open her files to the House subcommittee.●

APARTHEID

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. SOLARZ. Mr. Speaker, the apartheid system of South Africa is an affront to all humanity. It is our moral responsibility to oppose the official system of racism in that country.

The repugnance that we all feel toward the apartheid system is captured in a recent essay by Elie Wiesel that appeared in the New York Times on March 25. Mr. Wiesel, in a sensitive and compassionate article, reminds us of our obligation and responsibility. He writes:

Without comparing apartheid to Nazims and to its "final solution"—for that defies all comparisons—one cannot but assign the two systems, in their supposed legality, to the same camp. Both have shown that laws can be twisted and distorted to the point of becoming instruments of tortune and death.

Mr. Wiesel's words take on added meaning in light of the killings of black South African demonstrators last week.

Mr. Wiesel displays a rare sensitivity to injustice because of his own personal experience with prejudice and hate. The deep concern and outrage expressed in this article is emblematic of his lifelong struggle against injustice in any form.

I pay tribute to Mr. Wiesel for his denunciation of apartheid and commend this article to the attention of my colleagues.

The article follows:

[From the New York Times, Mar. 22, 1985]

APARTHEID'S SO-CALLED LAW

(By Elie Wiesel)

Shame: that is what a white man, a Jew like me, feels while visiting Soweto in South Africa.

I remember: it was 10 years ago. I had come on a lecture tour of several cities. The organizers did not hide their concern: was I going to embarrass them by speaking out against apartheid? "Don't forget," advised a well-know liberal, "that after your speech, you return home while we stay here." In other words, I was not going to suffer the consequences. I promised him that I'd say nothing until I had studied the problem.

My project was to visit the blacks in their ghetto. The next day I traveled to Soweto, and what I discovered there made me doubt the human species. I felt guilty, confronted by the unspeakable suffering of the oppressed men, the resigned women, the children with melacholy eyes. Because of my color, and also my nationality, I was supposed to be superior to them. I belonged to another social and ethnic order, I belonged to another humanity. And I wasn't proud of it.

But beyond my shame, there was something else. What I understood in Soweto is that the racial laws of South Africa are wrong, not only because they result in collective and individual oppression but also, and especially, because they are laws.

Racism itself is dreadful, but when it pretends to be legal, and therefore just, it becomes altogether repugnant. Without comparing apartheid to Nazism and to its "final solution"—for that defies all comparisons—one cannot but assign the two systems, in their supposed legality, to the same camp.

Both have shown that laws can be twisted and distorted to the point of becoming instsurments of torture and death. When the law itself becomes criminal, its authors are doubly criminal because they deprive their victims of the basic right granted to all human beings: recourse to justice. But beyond this, in South Africa justice itself is manipulated and perverted—and this scandals remains an affront to humanity.

That individuals commit injustice against their peers is, unfortunately, a regular occurrence. That they should be protected by those in power is not uncommon. At times, governments also abuse the law in order to strengthen their authority. But the South African Government goes further: by raising segregation and racial persecution to the ethical level of law, it puts into practice the antinomian rules of Orwell's world. Evil becomes good, inhumanity is interpreted as charity, egoism as compassion.

Victims no longer have the right to complain. Their misfortune is ridiculed. The torturer decides whether or not they suffer. He determines the shape of their liberty and their language. By exposing them to constant humiliation, the torturer attacks not only their right to live but also their very being.

That is why, in meeting South African blacks, the visitor is ashamed not to be like them. He is ashamed of his liberty.

As a Jew, I am all the more sensitive to this kind of injustice. I had no hesitation, after leaving Soweto, about denouncing apartheid in all my lectures. At Durban, Cape Town, Port Elizabeth and Johannesburg, the South African public showed its understanding. Certainly, to them, the situation is more complex, perhaps more tragic because it is unsolvable, than it appears to an outsider. Yet the young, the intellectuals and the students are opposing the Government with an increasingly dedicated resistance. It is also for them that we must act: our support extends first to the victims and then to their allies. Without such resistance, we would all be accomplices.●

MY PLEDGE TO AMERICA

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy scriptwriting contest. Students entering this contest compete for six national scholarships ranging from $1,000 for sixth prize to $14,000 for first prize. Miss Meredith A. Stafford was selected as the Alaska State winner and she will go to compete nationwide for the top scholarship prizes. Miss Stafford is currently a junior at Robert Service High School in Anchorage, AK. She is involved in the NJROTC and plans to attend one of the U.S. Military Academies. The following is her exceptional speech, written to this year's theme "My Pledge to America":

MY PLEDGE TO AMERICA

I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

In this Pledge we offer our allegiance to our flag and people. But what exactly is this allegiance? We sometimes neglect to think past those thirty-one words. As citizens of the United States, we are responsible to our nation—to ourselves indirectly—for abiding by her laws, defending those laws, and working to make her better.

When this country was founded, almost two centuries ago, a constitution was framed to provide for our rights and needs. Still, the Constitution of the United States cannot serve this purpose if we simply go about our business, leaving it to do so by itself. Our actions are what give it its power to protect us. If we were to go through life honoring only our own needs and desires, taking from others what we wanted regardless of their wishes, the Constitution would mean nothing. Others could be just as disrespectful of us, and we would have no protection. But if we abide by this country's laws, which are based on the Constitution, we contribute more and more to its validity.

This leads naturally to the defense of these laws. This is not to say that we should take the law into our own hands. If we did so, we would violate the rights of those we act against just as surely as they violate the rights of their victims. Execution of the law is a difficult, complicated procedure for which this country has developed the militia, a police force and, of course, the court systems. The people of whom these bodies are composed are trained to execute the law properly. This is something we should not attempt to do on our own. However, there are times when we are called upon to help defend the law. For instance, if I were to see a person attempting to break into a home, it would be my duty to call the police to come look into it.

Or course, there is much more to the people of America than obedience to laws and respect for others. Although these things are very important, we would not have gotten very far if it hadn't been for

one other thing: the contribution of knowledge and wisdom to our country. Each generation is supported by and works with what is left by previous generations. They, in turn, develop it further for the next generations. We must help to keep this process alive, to provide information for a future America, so that it will continue to grow. All contributions are important, whether in science, to give us knowledge, or in philosophy to give us the guidance we need to use that knowledge wisely.

When we pledge our allegiance to the United States of America it is important to remember that we are at the same time making a special commitment to her. My pledge to America is: that I respect her laws, and live by them, and that I help her to be all that she can be by passing on what I gain throughout my lifetime in knowledge and wisdom to her future generations.●

THE TRUE NATURE OF CONSTRUCTIVE ENGAGEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express deep outrage over President Reagan's recent remarks about the massacres taking place in South Africa.

The internal situation there is very tense. More than 220 persons have been shot to death by South African police in the past year, and hundreds more have been seriously wounded. It is not as though the police are fighting a battle to halt general lawlessness, as the President stated during his March 21 press conference. Rather, they are the agents of a repressive state which will use any means to stop the free expression of dissent by blacks.

Mr. Speaker, the President's use of a law and order analogies hearkens back to a time when dogs were unleashed on civil rights marchers to preserve a perverse status quo in the American South. Yes, the South African security forces represent law and order—but which law, and which order?

It is the immoral law of racial subjugation which can find a precedent only in Hitler's Third Reich. And it is an order imposed by force, intimidation, and racial segregation. There is no defense for South Africa's security methods, and Ronald Reagan should be ashamed of himself for implying that there is such a defense.

The President has revealed the true essence of constructive engagement. It is not a means by which we will gradually exert our influence over Pretoria to ease its policy of apartheid. It is instead a tacit agreement that economic ties will remain unchanged while free rein is given to the security forces.

Mr. Reagan has reduced himself to using illogical and racist statements about the recent spate of violence in South Africa. He should learn from history that many revolutions take place when a particular group is pushed to the brink, with no option other than a desperate bid for freedom. This is what is happening in South Africa, and Ronald Reagan should be aware of the consequences of his policy.

Mr. Speaker, I would like to offer the following article for inclusion in the CONGRESSIONAL RECORD:

[From the New York Times, Mar. 26, 1985]

APARTHEID'S SO-CALLED LAW

(By Elie Wiesel)

Shame: that is what a white man, a Jew like me, feels while visiting Soweto in South Africa.

I remember: it was 10 years ago. I had come on a lecture tour of several cities. The organizers did not hide their concern: was I going to embarrass them by speaking out against apartheid? "Don't forget," advised a well-known liberal, "that after your speech, you return home while we stay here." In other words, I was not going to suffer the consequences. I promised him that I'd say nothing until I had studied the problem.

My project was to visit the blacks in their ghetto. The next day I traveled to Soweto, and what I discovered there made me doubt the human species. I felt guilty, confronted by the unspeakable suffering of the oppressed men, the resigned women, the children with melancholy eyes. Because of my color, and also my nationality, I was supposed to be superior to them. I belonged to another social and ethnic order, I belonged to another humanity. And I wasn't proud of it.

But beyond my shame, there was something else. What I understood in Soweto is that the racial laws of South Africa are wrong, not only because they result in collective and individual oppression but also, and especially, because they are laws.

Racism itself is dreadful, but when it pretends to be legal, and therefore just, it becomes altogether repugnant. Without comparing apartheid to Nazism and to its "final solution"—for that defies all comparisons—one cannot but assign the two systems, in their supposed legality, to the same camp.

Both have shown that laws can be twisted and distorted to the point of becoming instruments of torture and death. When the law itself becomes criminal, its authors are doubly criminal because they deprive their victims of the basic right granted to all human beings: recourse to justice. But beyond this, in South Africa justice itself is manipulated and perverted—and this scandal remains an affront to humanity.

That individuals commit injustice against their peers is, unfortunately, a regular occurrence. That they should be protected by those in power is not uncommon. At times, governments also abuse the law in order to strengthen their authority. But the South African Government goes further; by raising segregation and racial persecution to the ethical level of law, it puts into practice the antinomian rules of Orwell's world. Evil becomes good, inhumanity is interpreted as charity, egoism as compassion.

Victims no longer have the right to complain. Their misfortune is ridiculed. The torturer decides whether or not they suffer. He determines the shape of their liberty and their language. By exposing them to constant humiliation, the torturer attacks not only their right to live but also their very being.

That is why, in meeting South African blacks, the visitor is ashamed not to be like them. He is ashamed of his liberty.

As a Jew, I am all the more sensitive to this kind of injustice. I had no hesitation, after leaving Soweto, about denouncing apartheid in all my lectures. At Durban, Cape Town, Port Elizabeth and Johannesburg, the South African public showed its understanding. Certainly, to them, the situation is more complex, perhaps more tragic because it is unsolvable, than it appears to an outsider. Yet the young, the intellectuals and the students are opposing the Government with an increasingly dedicated resistance. It is also for them that we must act: our support extends first to the victims and then to their allies. Without such resistance, we would all be accomplices.●

THE McALLISTERS

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. PURSELL. Mr. Speaker, the month of March began with a very special day in the Plymouth, MI, area. Indeed, March 1 marked an event that represents what makes America very special and that is such an important part of the American spirit. That is—entrepreneurship, the willingness to take a chance for the possibility of increased personal and hence our national productivity.

Bill and Jack McAllister took that chance 40 years ago. The first of this month Bill and his wife, Lois—who now helps Bill run the operation—celebrated the 40th anniversary of the McAllister grocery store.

I have known Bill and Lois since I was a youngster. Bill and Lois are exemplary of what makes this country great. Bill served his country with distinction in the U.S. Navy during World War II. The McAllisters have given jobs to over 100 youths from the community—instilling in those young people the work ethic, another integral part of what makes this country strong. Both have been community leaders in Northville and Plymouth, MI.

Mr. Speaker, I would like to submit for the RECORD a copy of an excellent article in the February 25 edition of the Plymouth Observer, written by W.W. Edgar. It tells the McAllisters' story so well, a story that all America should read.

The article follows:

MCALLISTERS HIT THEIR 40th YEAR

(By W.W. Edgar)

There will be a merry old time in the McAllister grocery store on Northville Road on Saturday, March 1.

At that time, Bill (Pod) McAllister, a well-known businessman in the Plymouth area, will be reliving some of the memories of the gamble he and Jack took when he was discharged from the U.S. Navy at the end of World War II.

McAllister served as a fighter pilot in the war, and after being discharged, he and brother Jack decided to open a grocery store.

"There were no jobs to be had," he recalled, "and it is a bit difficult to realize that it was just 40 years ago from March 1 that we took a gamble and opened the store.

"It was only a little 25 by 50 foot but it was the only grocery in the area outside of the C.F. Smith store on Starkweather in the city."

It was a gamble but with strict devotion to business it has been a success and in this 40th anniversary "Pod" can't help recalling the start.

"We tried everything. Nothing was too much trouble. We even delivered cold beer just as the milkman delivers milk these days. The beer was $2.99 a case and it now sells for $10. We sold Coca-Cola at six bottles for a quarter and cigars were only 15 cents."

As he helps celebrate the birthday of the store, he tells of the strange things that he did to keep the store running while the population kept growing.

"Would you believe it, we used to skin bear and deer for the hunters to keep in their ice boxes at home. It was a lot of work, but it helped build the foundation for the 40 years we have been here at the same spot.

"Of course, we've enlarged it three times and we have taken on more articles but it is still the same McAllister store."

"Recalling his memories, while wife Lois, who recently was honored with a place in the Detroit Bowling Hall of Fame, looked on, McAllister admitted that the first 10 years were tough.

"But we weathered the storm. Then Jack left, and Lois and I are running the store now. It still is a different type of market. We gave up selling meat quite a long time ago, but today we even sell bait for the fishermen. We keep it refrigerated and it is quite saleable during the fishing season."

Looking back over the years, McAllister is proud of the fact he has from time to time hired more than 100 young people from the community. Two of them, Earl Harrison and Ted Byers, have been with him from the start. Several of the others have become bank presidents and two others wound up as college professors, while many of the football players got their first business experience in the store.

While it still is a popular market-place with the right to sell liquor, and is a station for the state lottery, the market has taken on the popular belief that it is a branch station for the University of Michigan athletic program.

"We became interested in Michigan when our daughter was a freshman, the year Bo Schembechler became head coach.

"We haven't missed a home game of football since then, and I once had the privilege of riding with the team to the Pacific Coast for a game. We also started the custom of having the paintings of the quarterback and a speedy halfback on the windows of the market.

"It sure is a great change from the little market we opened 40 years ago on a gamble. But it has been a lot of fun and hard work. But, now looking back, it was worth every minute we put into it."●

MY PLEDGE TO AMERICA

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mrs. JOHNSON. Mr. Speaker, the Veterans of Foreign Wars of the United States and its ladies auxiliary annually conduct a Voice of Democracy essay writing contest. I am proud that this year's Connecticut State winner is a resident of my district from the town of Oakville. Her name is Mary Rinaldi, and she is a junior at Watertown High School. Miss Rinaldi has an outstanding record of achievements in school and community activities. She is vice president of the Spanish Club, Library Service Club, Executive Board, Band Track, Sage Program, and was chosen to participate in the Hugh O'Brien Youth Leadership Foundation. Mary is also a member of the National Honor Society. Her awards include: the DAR Leadership Award, the Ancient History Award, the All Around Student Award, and the Language Achievement Award. I think her essay, "My Pledge to America," presents an issue which all citizens should reflect upon during their lives:

MY PLEDGE TO AMERICA

(By Mary Rinaldi)

What is a pledge? Looking in the dictionary we see that it is a promise or agreement to perform or fulfill some act, contract or duty. Throughout the history of our country, men and women have been making pledges and by honoring them, they have made this country truly great.

Back in the year 1776, we see that Thomas Jefferson made a pledge in the Declaration of Independence. He said, "and for the support of this declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor". This declaration was a starting point to obtaining the freedom of a nation. This pledge was honored in the Revolutionary War, for men gave up their lives, fortunes and honor to establish a country that was ruled by a government, "of the people, by the people, for the people".

Another pledge that comes to mind when looking at this title is one learned in early childhood, "The Pledge of Allegiance". This pledge of faithfulness to one idea has been passed on through generations and has made this country and her people one in freedom and has truly made this country great.

I have been very lucky in life because I have been given the chance to travel all over this great country of ours. On one of my trips, I was able to visit Pearl Harbor in Hawaii. As I stood in a memorial over the great battleship *Arizona*, I was reminded of a pledge that a civilian makes to become a soldier. He pledges to protect the welfare of his country at all costs. As I stood on a little hill at Punchbowl, overlooking more than 3,000 graves of brave American soldiers I could not help feeling deep sympathy for all the soldiers, men and women alike, who gave their lives to protect America, their homeland, so that it would remain great for future American generations yet to come.

In his inaugural address, John F. Kennedy said this, "Let the word go forth from this time and place, to friends and foe alike, that the torch has been passed to a new generation of Americans, born in this century, tempered by war, disciplined by hard and bitter peace, proud of our ancient heritage and unwilling to witness or permit the slow undoing of those human rights to which this nation has always been committed, and to which we are committed today at home and around the world. This we pledge and more." Every once in a while we have a great leader, who inspires people. A leader with charisma, who is able to say, "Come Follow Me." The pledge made by this man is still true today. America is a nation committed to the rights of human beings all over the world. This is a pledge that each generation hence tries to fulfill as best as possible.

Some people nowadays would disagree with me, when I say America is number one in the world. If you asked these people, which country is most productive in the world, they would probably say Russia or Japan, but they are wrong. America, is the most productive nation in the world.

My pledge to America is this: At the age of eighteen, I plan to register to vote, and be the best possible citizen. I hope in the future to make decisions that will benefit my country. I don't just want to follow the leader, I want to be the leader. I want to guide my nation wisely. By helping my country I hope to become one of the guiding hands in running our country and government.

In order to achieve this, I must be a good student now. When my fellow students go out into the world looking for jobs and starting careers, I hope they will remember the words of John F. Kennedy, "Ask not what your country can do for you, but what you can do for your country!"●

FLORIO TO REMAIN IN HOUSE

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. EDGAR. Mr. Speaker, this past Monday our colleague from New Jersey, [JIM FLORIO] announced that he will not seek the governorship in the 1985 election.

Widely perceived as the frontrunner for the Democratic nomination, Congressman FLORIO cited as the major reason for his decision the large and important agenda of legislation coming before his committee in Washington.

Many of us who have worked closely with JIM in the House believe that this is New Jersey's loss and the Nation's gain. As chairman of a key Energy and Commerce subcommittee, JIM is a nationally recognized leader on environmental protection, railroad transportation, and other issues. JIM's dedication to his work is the subject of an article in today's Philadelphia Inquirer by Dale Mezzacappa, and I am pleased to share it with our colleagues.

The article follows:

[From the Philadelphia Inquirer, Mar. 27, 1985]

FLORIO CHOSE TO RETAIN A KEY ROLE IN CONGRESS

(By Dale Mezzacappa)

WASHINGTON.—Jim Florio was clearly in his element.

Just one day after announcing his decision not to run in the Democratic primary for governor, the South Jersey congressman sat in the chairman's seat in the huge Energy and Commerce Committee hearing room. With relish and, as usual, with facts at his fingertips, he excoriated chemical company officials and government bureaucrats for welching on their responsibilities to protect the environment and public health.

Such activity is, after 10 years in Congress, Florio's favorite role here, and one in which he has developed a national reputation and an undeniable expertise.

When he announced his decision not to run, Florio said that a full agenda in Washington was a major reason. Although that is often used by politicians who do not want to take the risks involved in running for higher office, in Florio's case it may well be true.

As chairman of the House subcommittee on commerce, transportation and tourism, Florio is critically placed to influence action on most issues involving mass transportation and the regulation of hazardous substances.

Because both those issues have critical impact in New Jersey, what he does here in the next few months could affect the quality of life in New Jersey as much as anything he could accomplish as governor.

Right now, he is in the forefront of the fight to thwart the Reagan administration's attempts to abolish Amtrak and end assistance to other mass transportation.

Should mass-transit aid end, fares could go up 40 percent, and thousands of New Jerseyans could be forced back into using their cars to commute over already crowded roads. If Amtrak were eliminated, about 25,000 people—many in the state—could lose their jobs.

Florio also is the lead figure in the House in the effort to extend the Superfund toxic-waste cleanup program, which has a profound effect on New Jersey. And he is taking the lead in efforts to control accidents and hazardous emissions from chemical plants—the subject of the hearing yesterday. Such accidents already have accounted for numerous injuries in highly industrial parts of New Jersey and is suspected by some as contributing to the state's relatively high cancer rate.

"Part of the reason I decided not to run was the importance of my work in demonstrating the failings of the Reagan Republican philosophy," said Florio during a break in the hearing. He said he believed that the Reagan administration was "tearing apart the social and economic fabric of our society by doing such things as trying to end mass transit and failing to regulate chemical hazards. In Washington, I can better clarify the 'big picture' effect of their policies."

Florio also said that he had had an offer from a major publisher to write a book called *Detoxifying America* that would dwell on chemical hazards in this country and what he has characterized as the government's inadequate response. The focus on the potential problems here has been intensified by the Union Carbide disaster in Bhopal, India.

Yesterday morning, Gov. Kean—the man Florio would have tried to unseat—came to Washington to meet with the state's congressional delegation. Kean asked the bipartisan group to fight to save mass-transit aid, Amtrak and the Urban Development Action Grant program, and to stave off efforts to limit Medicaid spending. Kean also urged a greatly expanded toxic-waste Superfund.

Although Kean, a Republican who calls himself a Reagan supporter, did not put it that way, he was essentially asking the delegation to fight the administration on just about every issue important to the state.

"To me, it was tragic, the governor coming here asking for relief from the Reagan program that he had advocated before the election," said Florio. "I am much more comfortable with my position, and I feel I can bring greater attention to the state, the Democratic Party and the eventual Democratic nominee [for governor] in this role."●

MY PLEDGE TO AMERICA

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. PARRIS. Mr. Speaker, since 1962, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary have sponsored the Voice of Democracy scholarship contest for high school students around the country. I am proud to announce that this year's winner from Virginia, Nancy Snyder of Dale City, is from my congressional district. Nancy's work, entitled "My Pledge to America," is truly inspiring and deserves to be read by everyone who cherishes this country.

I congratulate Nancy on her selection as one of this year's scholarship recipients and would like to submit her essay into the RECORD for the benefit of my colleagues.

MY PLEDGE TO AMERICA

The story of a new born nation grown great in a short period of two hundred years is the history of the United States of America. Thirteen original disjointed colonies were built into fifty powerful states, unified in a commitment to democracy, by American citizens who contributed their ideas, beliefs, and strengths.

History books sing the praises of great men—Washington, Jefferson, Rockefeller, Ford. Yet this nation was also built by men whose names will never grace the pages of a high school text—farmers and businessmen who, thru skill, determination, and good fortune, gained success. The future of America, as did it's past, lies in the pride, dedication, and achievements of its citizens.

Our ports have long greeted men and women from all nations who have come here to reach a shining star. These same men and women have harbored a spark—a spark of desire which flames and blazes into a yearning to achieve success. This flame is the fuel that has led men to take a risk, to invest in long shot stock, to build a crazy flying machine, or to invent a horseless carriage. My pledge to America is to harbor this same spark, to achieve the personal success which is the success of this nation.

Where can a line be drawn between selfishness and a pledge to America? Success at the expense of others is selfishness. Success by means that are against this country's laws and principles is selfishness. However, success thru hard work, dedication, and determination is a pledge to America, it is my pledge. To me, whether the pledge is to one's country or to oneself it is one and the same.

America is truly a land of opportunity. No other country in the world offers the opportunities and advantages which exist in America. If these valuable gifts are allowed to go to waste, this nation is lost. It is my goal to employ the unique opportunities available to me in this great country. Thru our system of free enterprise, dedication, and hard work, I hope to achieve personal success, for it is the honest and honorable use of this nation's resources which replenishes them. These resources are then available to generations of Americans, for whom we must be strong and proud. The achievements of a nation's people are the achievements of the nation.

Our vow cannot end with our personal success. It must continue thru pride and patriotism—an appreciation of this land of greatness. We must honor and cherish the nation which offers us unequaled opportunity—speak of it proudly, hold it in high esteem. We must carry our heads high. As Americans we must honor our pledge. We must adopt those same qualities our ancestors possessed, those qualities which have enriched our heritage and made our nation great.

Now it is my turn to give. It is my belief that through my own personal growth and success I can contribute my ideas and my strengths to the institutions which make this nation great; education, business, and government. Any contribution which enriches these institutions is a contribution to America. By achieving personal success either through business or politics, my strengths will become some of the strengths of these institutions and therefore the strengths of the nation.●

TRIBUTE TO ANDOR WEISS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to pay tribute to Mr. Andor Weiss, the executive director of Aishel Avraham, a nursing home in the Williamsburg section of Brooklyn.

As a result of the tireless commitment and dedication of Mr. Weiss, Aishel Avraham has become a model example of care for the elderly in this country.

In a society that looks mostly to the young and to the new, the aged are often tragically ignored and pushed to the side. At Aishel Avraham, through, the efforts of Mr. Weiss, have prevented this tragedy from occurring. He instills in the residents a sense of dignity and respect that they so richly deserve.

The large number of volunteers who consistently contribute their time to Aishel Avraham testifies to both its excellence and uniqueness. Three hundred and fifty members of the Brooklyn community regularly help the residents in a variety of ways. From high

school students to rabbis, the volunteers feed those patients who cannot serve themselves, write letters for those whose eye and hand coordination have failed them, assist in baking projects, or simply listen to the concerns of the residents.

It is my hope that the dedication and care demonstrated by Mr. Weiss will inspire others so that the elderly in this country receive the finest care.●

TRIBUTE TO COL. PAUL W. ARCARI, USAF

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. ASPIN. Mr. Speaker, on March 31, Col. Paul W. Arcari, U.S. Air Force, Chief of the Entitlements Division of the Directorate of Personnel Plans, will retire after 30 years of distinguished military service. Although his retirement will be most directly and dramatically felt by the Air Force, it will also create a vacuum in the other uniformed services, in other agencies of the executive branch, and in the Congress.

Colonel Arcari has become an institution in the Department of Defense. His reputation as the single most knowledgeable individual in the field of military compensation is beyond question. He earned that reputation over the last 16 years by demonstrating his ability to understand and explain the most complex aspects of military compensation. Understanding and explaining the status quo, however, would not by itself be remarkable. Colonel Arcari went far beyond the status quo, evaluating proposed changes to the military compensation system and, when existing alternatives were found lacking, creating ingenious solutions to confounding problems. He has rightfully earned the respect of his peers and his superiors as a result of his aggressive, intellectual, and purposeful leadership in this area.

As chairman of the Military Personnel and Compensation Subcommittee, I understand the immense task inherent in coming to grips with the problems in this area. Colonel Arcari has described and defended the Air Force position consistently and forcefully throughout the years. This has not hampered him, however, from providing the committee with otherwise unavailable assistance and expertise, without which we could not have fully understood the impact of our decisions. This willingness to address alternatives, "to see the other side," is what has made Colonel Arcari one of the most influential forces in the field of military compensation legislation.

Few of us can point to specific accomplishments that survive the test of time. The military compensation system, however, stands as a continuing testimonal to the multitude of accomplishments of Colonel Arcari. Little of importance in the military compensation system fails to exhibit the fine touch of the genius of Paul Arcari. But that manifestation is only a measure of input. More important is the impact that the military compensation system has on output, and the output can be observed in the status of the U.S. military personnel.

It is no coincidence that military personnel today are the best who have ever served. It is no coincidence that force managers today have a wealth of tools for addressing problems that persisted in the past but have now been eliminated. It is no coincidence that personnel management in the Air Force has been held as an exemplar for other services to emulate. The explanation, instead, lies with the impact of a single man and the people he has led for the past decade and a half. The explanation, Mr. Speaker, lies with Col. Paul W. Arcari.●

A TRIBUTE TO JOLIET CENTRAL HIGH SCHOOL WRESTLING TEAM

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. O'BRIEN. Mr. Speaker, I appreciate this opportunity to bring to the attention of you and my fellow colleagues the success of the Joliet Central High School wrestling team. I am proud to announce that the Joliet Central Steelmen have won the Illinois Class AA Championship Wrestling Trophy in Champaign, IL, after an undefeated season.

Under the skillful and dedicated leadership of their coach, Mr. Mac McLaughlin, the Steelmen have brought a great sense of pride to their fellow students and to their community. This sense of pride is not only based on the athletic success of the team, but also on the fact that the team members are scholastic achievers with nine of their team members on the honor roll and the remaining nine being in academic good-standing. Together in the true sense of a "team effort," the members of this team were successful in achieving their common goal—winning the State championship.

Coach McLaughlin and the Central High Steelmen have raised to a higher level the morale and spirit of their school. I congratulate every person associated with the Joliet Central High School wrestling team, and I further extend my words of praise to the parents and family members whose devotion and behind-the-scene support gave this team a strong base from which to evolve.●

TRIBUTE TO COL. PAUL W. ARCARI, USAF

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. HILLIS. Mr. Speaker, I cannot let the occasion of the retirement of Col. Paul W. Arcari, Chief of the Entitlements Division in the Personnel Plans Directorate of the U.S. Air Force, pass without acknowledging the outstanding contribution he has made to the well-being of our service members.

As the ranking Republican member on the Military Personnel and Compensation Subcommittee, I have seen the remarkable progress made in the field of military compensation in recent years. Colonel Arcari has presided over the greatest confluence of changes ever made to the military compensation system. Although he has had some influence in every major development we have seen, certain programs stand in continuing testimony to the impact he has had. Among these programs are the aviation career incentive pay, the variable housing allowance, the overseas allowance, the overseas cost-of-living allowance, junior enlisted travel, do-it-yourself moves, and CHAMPUS improvements.

These programs and many others will continue to serve as the foundation for military compensation for years to come. They will serve as the models for efficient and effective programs. And people will come to know, from these programs the "Arcari touch."

Colonel Arcari has assisted the committee innumerable times. Each time we have benefited from the help. We did not always agree, because we held different objectives at times; but we always understood the ramifications of our decisions better as a result of Paul Arcari's help. And the military compensation system is, today, significantly better for it.

However, the ultimate reward for Paul Arcari for his years of dedicated and distinguished service is the mark he has left on service members. That is the bottomline; that is the final measure of success. Service members are better off today financially, than they have ever been. Their well-being has been the singular, overriding concern of Colonel Arcari; and their well-being could not have been in more capable hands.

Few service members know Colonel Arcari; not many recognize the debt of gratitude they owe him. He is an unsung hero, and an untiring and faithful public servant. His retirement

highlights an era of enlighted leadership that will be extremely difficult to maintain. Paul Arcari is a hard act to follow; he has, however, set in place the necessary framework to carry on his work, and we expect that his influence will continue to be felt for many years.

Mr. Speaker, we wish Col. Paul W. Arcari the best in the future; he has unquestionably and unselfishly given all military personnel his best in the past.●

UNITED STATES-SOVIET EXCHANGE

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mrs. SCHNEIDER. Mr. Speaker, today I am joined by 61 of my colleagues in introducing a resolution to encourage greater contact between the Members of the House of Representatives and their counterparts in the Supreme Soviet. Both the United States and the Soviet Union spend substantial portions of their annual budgets in response to threats posed by the other. Yet our understanding of each other from personal experience is minimal. Fewer than one in five Members of the House have visited the Soviet Union. A far smaller proportion of our counterparts in the Supreme Soviet has visited the United States. Certainly both sides have much to learn.

Last month, Mr. Vladimir Shcherbitskiy led a delegation from the Supreme Soviet to the United States. In the past year, several delegations from Congress have visited the Soviet Union. While we cannot guarantee that such visits will generate a full and complete understanding, we can be certain that a failure to encourage these visits is to our mutual disadvantage. We cannot ensure that the Soviets will reciprocate our desire to have a greater exchange, but we feel an obligation to encourage Members of the House to travel to the U.S.S.R. and to increase their understanding of its Government, its culture, and its people.

The atmosphere for improving understanding will never be more favorable, and the need will never be greater. We recognize that by visiting the Soviet Union we are not working miracles. We understand the difficulty of trying to learn about a complex society in a limited time. We realize that congressional visits will not, of themselves, guarantee peace. Nevertheless, we encourage a greater exchange because we are convinced that knowledge and awareness are preferred over ignorance and misperception.●

ROCKY MOUNTAIN ARSENAL: DEFUSING A TOXIC TIME-BOMB

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. KRAMER. Mr. Speaker, today—together with my Colorado colleagues HANK BROWN, DAN SCHAEFER, and MIKE STRANG—I am introducing legislation to require expedited and effective cleanup of one of the most serious environmental threats in America: chemical contamination of the land and water at the Army's Rocky Mountain Arsenal, located just 10 miles from downtown Denver.

The arsenal is a toxic time-bomb ticking away on the doorstep of one of America's fastest growing urban areas. Its soil and the ground water that flows beneath it have been dangerously contaminated by the chemical wastes generated during almost four decades of manufacture and demilitarization of chemical munitions and by the manufacture and processing of commercial pesticides and herbicides.

To its credit, the Army has worked diligently to control the contamination and keep it from affecting people and property in the communities that border the arsenal.

But containment is not good enough. The arsenal must be cleaned up, and cleaned up as quickly as possible consistent with doing the job right.

Recognizing this, the Army has proposed a 15-year, $357 million program to excavate the contaminated soil and other material—some 16 million cubic yards of it—treat it, and place it in an above-ground disposal facility on 1 to 2 square miles near the center of the 27-square-mile arsenal.

However, after studying testimony presented to the Armed Services Subcommittee on Military Installations and Facilities, on which I serve as ranking Republican, I have concluded that 15 years is too long.

The bill I am introducing today calls on the Army to quickly develop a detailed plan to clean up the arsenal in half the time—by September 30, 1993. It specifies that the plan must give priority to cleaning up the worst sources of continuing environmental contamination, to the use of state-of-the-art waste treatment technologies that will reduce significantly the amount and toxicity of the hazardous substances on the arsenal, and to close coordination with State and local officials to assure selection of the best possible disposal site for the remaining wastes.

I believe that cleanup of the contamination on the arsenal and cleansing of the ground water tainted by this contamination can be a model for dealing with hazardous waste sites all over America. The legislation that Messrs. BROWN, SCHAEFER, STRANG, and I are introducing is, I believe, an important step toward making this possible. We invite all our colleagues to join us in sponsoring this important environmental-restoration initiative.●

HOUSE RESOLUTION 100

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Ms. OAKAR. Mr. Speaker, yesterday morning the House voted on and passed House Resolution 100, the omnibus primary expense resolution, which provides in the 1st session of the 99th Congress for the funding of the standing and select committees of the House.

Mr. Speaker, during yesterday's vote on House Resolution 100 my vote was not recorded due to an the fact that my written vote was not recorded and was somehow misplaced.

Mr. Speaker, it is most unfortunate that my vote was not counted in the affirmative. After attending all the subcommittee hearings and speaking on the House floor in support of this resolution, I am disappointed that written vote was not recorded.

Mr. Speaker, I am equally distressed that my vote was not counted in the affirmative because in preparing for legislative action on House Resolution 100, Chairman GAYDOS and the members of the Committee on House Administration endeavored to ensure that each committee has adequate funds to conduct its legislative and oversight responsibilities. Furthermore, in meeting this goal, the committee acted in a fair, bipartisan, and efficient manner.

In closing, Mr. Speaker, I want to compliment Chairman GAYDOS and all the members of the Subcommittee on Accounts for their fine work and expeditious handling of this omnibus primary expense resolution.●

IN MEMORY OF ALLARD K. LOWENSTEIN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, today I rise to commemorate the achievements of a man of rare dedication, our former colleague Al Lowenstein, who tragically died 5 years ago this month.

Nonetheless Mr. Speaker, it is my intent to do more than just to recall the memory of Al Lowenstein and his important life's work, but also to remind my colleagues of the upcoming

formal opening of the Lowenstein papers at the third "Allard K. Lowenstein Symposium," which is going to be held at the University of North Carolina on Friday, March 29, through Saturday, March 30.

In connection with his special concerns about the many disabled American servicemen which served their country in Southeast Asia, I would also like to draw attention to an important statement on Vietnam veteran issues by Al Lowenstein from the CONGRESSIONAL RECORD of March 24, 1970:

FAIR PLAY FOR VETERANS

Mr. LOWENSTEIN. Mr. Speaker, men will differ on the justice and wisdom of war and of particular wars, and in this country differences on these questions have never been so pronounced as they are now. What we do not differ about, however, is the debt incurred by the Government to the men whose lives and limbs it risks in pursuit of the military and political objectives that led it to go to war.

The United States has recognized its responsibility to its military veterans since the Second Continental Congress passed the first national pension law on August 26, 1776. The history of Government policy toward veterans since the Revolution has been a gradual and proper enlargement of that responsibility. Since 1925, when the first Government-sponsored veterans hospital was established, we have accepted the obligation of providing medical care for wounded war veterans. After World War II at the same time we began to provide financial and educational benefits for returning GI's, Congress appropriated more than a billion dollars to construct the largest public hospital system in history. By 1962, there were 120,945 beds in veterans hospitals around the country.

But since 1962, despite our deepening involvement in Vietnam, the number of beds in VA hospitals has decreased by over 7 percent, while there has been a 19-percent increase in the number of patients in them. The ratio of hospital personnel to patients in veterans hospitals is 1.5 to 1 compared to 3.5 to 1 in university hospitals. There is roughly one psychiatrist for every 250 patients in a veterans hospital, resulting, among other things, in an inordinate use of chemical tranquilizers. A UCLA psychiatrist testified before Senator Cranston's Subcommittee on Veterans' Affairs that we are putting mentally disturbed veterans in "chemical cocoons" because we are not spending the money necessary to give them adequate psychiatric care.

As Chairman Teague has pointed out, over $20 million in new equipment already installed in VA hospitals stands idle for lack of personnel, a state of affairs that has resulted in unnecessary deaths, according to VA hospital officials who have testified before the Cranston subcommittee. These officials have also testified that conditions in our veterans hospitals are continuing to deteriorate and may soon drop to a level that will disgrace the country and leave many helpless and disabled veterans without even minimum standards of medical attention.

Army Capt. Max Cleland, a triple amputee told Senator Cranston's subcommittee that he did not receive a wheelchair for 1 year after he returned from Vietnam without his legs and with one arm. He went without a paycheck for 2 months because of bureaucratic snarls, and received virtually no advice about his future therapeutic care.

Is it any wonder that many wounded war veterans feel that, in Captain Cleland's words:

The war may have been a cruel hoax, an American tragedy, that left a small minority of young American's holding the bag.

It is incomprehensible that the administration continues the war and discontinue funds and programs to help those who must fight it.

Because of medical advances and improvements in evacuation techniques, more wounded servicemen are surviving in Vietnam than in any other war. Technology makes it possible now to provide immediate medical aid for seriously wounded soldiers and then to fly them for special care to hospitals in Japan and even in the United States, within 16 hours, if necessary. These remarkable achievements save thousands of lives, and we are grateful for that.

But our obligation to brave men like Captain Cleland does not end with evacuation and quick medical care. It is wrong to consign men like these to veterans hospitals that are understaffed, overcrowded, and poorly equipped, or to ignore their needs if they are to find a suitable place in society when they are able to leave the hospital. As an urgent beginning, new medical facilities must be constructed and old ones modernized. They must be staffed with however many top-flight personnel are necessary to accommodate the thousands of disabled veterans who are coming back from Vietnam.

The administration has been trying to obscure the fact that it is callously and senselessly cutting back on veterans programs at precisely the time they are needed most. Last June, the President announced that "veterans benefits programs have become more than a recognition for services performed in the past. They have become an investment in the future of the veteran and his country." One could only wonder how seriously the President regarded this "investment" when he then proceeded to slash the 1970 VA budget by nearly $90 million, $78.5 million of it for hospital construction and operating expenses. Perhaps even more astonishing was the President's request that Congress restore funds for the same 4,000 new VA personnel that he had earlier cut out of President Johnson's 1970 budget—a request he followed in quick order with a decision to drop the jobs again after signing the supplemental appropriations bill for 1969.

Furthermore the administration's 1971 budget shows neither the intention nor the capacity to begin to correct the sorry conditions of the veterans hospitals, or even to boost educational benefits for returning veterans faced by skyrocketing costs. The requests in the new budget for most veterans programs will barely keep pace with inflation. For example, an additional $69 million requested for VA hospitals will largely go to defray an estimated $40 million salary hike for blue-collar workers. And cost-of-living and other salary increases, together with rises in general medical costs, will consume the balance of the $69 million.

The President's action on the GI bill provides another example of performance failing to match promises. Despite numerous official statements urging discharged servicemen to return to school, and in the face of all the documentation that is available to show that the inadequate education allowance is the major obstacle discouraging or preventing servicemen from doing so, the President has said that a 13-percent increase in GI bill benefits is all he will countenance. He has threatened to veto the $40-a-month increase we are considering here today. I cannot believe that kind of threat will dissuade us from standing firm for the kind of program that justice and commonsense so clearly demand. Both houses of Congress recognize the legitimate needs of veterans, and have supported necessary and good programs even when this administration has opposed or refused to implement them. In fact, a very curious situation is developing in which the President spe
lions to pursue the war while he
deafer to the needs of those who are fighting it.

That is a good example of what we mean when we talk about the mixed-up priorities that threaten America's balance and achievement, and that soon may threaten her survival. We must go on with the effort to set these things right, but meanwhile there can be no excuse for penalizing our veterans, of all people. They have already given more to America than most of their fellow citizens—more, in some cases, than should have been asked. It is wrong to ask them to give more now, when so little is being asked of so many others.

I include at this point in the Record the text of a letter from Mr. William F. Ward, the legislative officer of the Nassau County Council of the Veterans of Foreign Wars, and I commend it for study to Members of the House:

MERRICK, NY.

DEAR COMRADES: Your Legislative Committee has adopted the following program geared to the times and for the ever-changing needs of our veteran, his widow and dependents. Our program this year is divided into three parts: National, State, and County and Town levels:

NATIONAL PROGRAM

H.R. 693: Provide medical benefits to veterans of the Mexican Border Campaign.

H.R. 692: Extend from the present six months to nine months the period of time that seriously disabled veterans may be cared for in a private nursing home at VA's expense.

H.R. 693: Provide that VA furnish outpatient treatment and any medical services necessary for seriously disabled veterans who are in receipt of the special housebound or aid-and-attendance allowance for service connected or non-service causes.

H.R. 693: Eliminate the so-called "pauper's oath", or statement of inability to defray hospital expenses, for a veteran 72 years of age or older to be admitted to a VA hospital.

H.R. 693: Authorize VA to furnish drugs prescribed by a physician for all disabilities, service-connected or non-service connected, for seriously disabled veterans receiving the special house-bound disability rate.

H.R. 2768: Eliminate the six months' time limitation for veterans who are furnished nursing care for service connected disabilities.

H.R. 3130: Furnish outpatient treatment for nonservice connected disabilities as well as for service connected disabilities for war veterans rated as permanently and totally disabled for service connected disabilities.

H.R. 9334: Increase the per diem rate to $7.50 where a veteran is receiving hospital care in a State home and liberalize the program generally.

H.R. 11959: Amend the education provisions of the GI Bill to allow receipt of cer-

tain additional Federal educational assistance benefits for children and widows, of deceased veterans who died of service connected causes as well as children and wives of totally disabled service connected veterans.

It has come to our attention because of Personnel cutbacks, National Cemeteries, the final resting place of our comrades, are fast turning into slums for the want of possibly five or six maintenance personnel; we are told that cultivation of grave sites cannot be continued at Government expense and families of our deceased comrades must, when visting these graves, perform menial clean-up details.

Under the existing G.I. Benefit Bills, the G.I. Home Loan program is a farce because of:

(a) Exorbitant interest rates.

(b) Continued apathy on the part of banks who enjoy tax exempt privileges in refusing and discouraging potential veteran home buyers to finance under the Veterans Administration. We find, too often, that banks push FHA mortgages and other types of conventional mortgages, thus increasing the cost to our newer veterans in closing payments, points, etc.

NEGATIVE ATTITUDE OF ADMINISTRATION

The Administration has recommended that action be deferred on the following legislation pending further study:

Increase dependency and indemnity compensation rates for service connected widows.

Provide additional monthly payments for each child for widows in receipt of DIC benefits.

Increase insurance for those serving in the Armed Forces from $10,000 to $15,000.

Provide double indemnity coverage for Armed Forces personnel assigned to duty in a combat zone or for extrahazardous duty.

Provide dismemberment indemnity coverage for loss of or loss of use of limbs and eyes.

Establish a Vietnam era Veterans Life Insurance Program for a permanent plan of insurance for those discharged from the Armed Forces.

Increase education and training allowance for all VA educational programs by a sufficient amount to offset the cost of living and cost of education since the latest increase in education training benefits.

STATE PROGRAM

1. Resolve that rumors emanating from study groups of the New York Legislature, have suggested the possible curtailing of N.Y. State Veterans Tax Exempt Benefits.

The Veterans of Foreign Wars, Nassau County, unanimously support opposition to any proposal that would deny veterans currently receiving monetary benefits based on service. The VFW further recommends that the current formulas be liberalized to include veterans of Viet Nam era and the later part of the Korean War Police Action. In the latter two categories, no muster out payments, insurance dividends and other monetary benefits were, and are available.

2. To amend the State Constitution so as to provide the payment of a Korean and Viet Nam Bonus, similar to that paid to veterans of WW II.

3. To seek the establishment of a Joint Legislative Committee on Veterans Affairs.

4. With the establishment of the Oxford Home as the N.Y.S. Veterans Home, the current capacity of 80 beds be increased to a minimum of not less than 160.

5. Throughout the State of New York work load and rendered services to veterans, their survivors and dependents, have been increasing. The work efforts of the County Regional offices reduces much of the work load of the two existing V.A. regional offices. The service agencies, mandated by State Law, still receives minimal state subsidies established in 1946. Because it is apparent that State subsidies formulas have increased, the Welfare Department, hospitals, parks, roads, etc., we believe that, the formulas increasing state aid by amending Article 17, Section 359 of the Executive Law by substituting $10,000 for $5,000; to substitute $5,000 for the present $2,500 and to substitute 75% for the State's reimbursement share which is now 50%.

6. Under the guise of "Academic Freedom" we seem to be financing our own destruction. We seek to absolutely prohibit the utilization of any and all buildings, schools, colleges, or other facilities that receive subsidy in whole, or in part from the State of New York, by individual or organization who is known to advocate the overthrow of our government, or willfully encourages acts akin to treason.

7. We urge the withdrawal of any and all forms of State Assistance granted to students who knowingly direct, lead or are involved in any manner in acts of violence against the administration or plant facility of public or private institutions of higher learning.

LOCAL LEVEL—COUNTY, TOWN

1. Resolve that rumors emanating from study groups of the New York Legislature, have suggested the possible curtailing of N.Y. State Veterans Tax Exempt Benefits.

The Veterans of Foreign Wars, Nassau County, unanimously support opposition of any proposal that would deny veterans currently receiving monetary benefits based on war service. The VFW further recommends that the current formulas be liberalized to include veterans of the Viet Nam era and the later part of the Korean War Police Action. In the latter two categories, no muster out payments, insurance dividends and other monetary benefits were, and are available. We urge our local officials to support our State representatives on this matter.

2. VFW (Nassau County) supports limited middle income housing program, financed through Federal Urban Renewal Program and that veterans and returning Viet Nam Veterans be given priority.

3. That the existing townships within the County of Nassau take immediate steps to increase partial subsidies paid to veterans organizations for the observance of Memorial Day; that the subsidies should conform to the authorized allowances paid to veterans groups in the Incorporated Villages.

Respectfully submitted.

WILLIAM F. WARD,
Legislative Officer.●

WASTE AND ABUSE IN DEFENSE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mrs. BOXER. Mr. Speaker, in November of last year, the International Association of Machinists and Aerospace Workers published a series of stories in their trade magazine, the Machinist (page 2, No. 7, vol. XXXIX), about the billions of dollars of taxpayers' funds wasted each year in defense procurement. They raised a number of excellent examples of how this rip-off occurs. I would like to share these examples with my distinguished colleagues in order to emphasize the need to continually monitor rampant defense waste.

A report done by the Air Force revealed that major military contractors were charging the Federal Government 20 times their actual labor costs.

At the Pratt & Whitney division of United Technologies, the cost of standard labor on its TF-30 aircraft engines was about $10. The study showed that by the time P&W added on costs such as overhead and administration as well as a 13-percent profit (on labor), the hourly price to the Government reached about $195.

It has revealed that General Dynamics, Grumman, Boeing, and Lockheed were among 17 U.S. companies who paid no Federal taxes between 1981–83. General Dynamics has not paid since 1972.

General Electric, President Reagan's former employer, was the single biggest beneficiary of the tax rip-off. It earned $6.5 billion in pretax domestic profits over 3 years and paid no Federal taxes. Instead, GE was able to claim refunds of $283 million for taxes paid before Reagan took office.

The Machinists also learned, "that the Air Force intended to buy 3,000 spare circuit boards for the B-52 despite an auditor's conclusion that they are not needed and will cost 10 times the current price. When the Air Force heard about the rip-off, they confronted the man who blew the whistle, Ompal Chauhan, and threatened to fire him."●

TRIBUTE TO COL. PAUL W. ARCARI, USAF

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. NICHOLS. Mr. Speaker, I rise to offer a tribute to a man who has served his country long and faithfully during a distinguished military career. Col. Paul W. Arcari, Chief of the Entitlements Division within the Directorate of Personnel Plans, U.S. Air Force, is a man who exemplifies the characteristics of leadership that textbooks attempt to describe. His retirement at the end of this month will create a vacuum, but the legacy he leaves will live long into the future.

The measure of leadership is not limited to an individual's singular accomplishments but extends more broadly to the impact the individual has on the environment in which he works and on those around him.

As the former chairman of the Military Personnel and Compensation Subcommittee, I know of the impact Paul Arcari has had on his environment. No more knowledgeable individual has ever assisted the subcommittee. Expertise is a fundamental requirement for a good leader; Paul Arcari has, from this perspective, rightfully earned the admiration of all with whom he has worked. He is a font of knowledge, and his advice is sought by the other uniformed services, the Office of the Secretary of Defense, the Office of Management and Budget, and the committees of Congress.

His influence on those he has advised has been immense because Colonel Arcari has credibility. He has been willing to explore all sides of an issue, not just to limit his discussion to the Air Force position. More importantly, Colonel Arcari has been able to give account to congressional constraints or overall objectives that may differ from those held by the Air Force and offer constructive suggestions within the congressional frame work. This characteristic, perhaps more than any other, has resulted in his ability to shape policy in a direction that is most beneficial to the U.S. Air Force.

The leadership of Colonel Arcari is best demonstrated, however, by his impact on those around him. All who have known Paul Arcari have benefited from the relationship. Those for whom he worked left the relationship with greater knowledge, understanding, and ability to address the critical policy issues that affect our airmen, soldiers, sailors, and marines. Those who worked for him became clearer thinkers and better leaders themselves. Paul Arcari has been the mentor, the teacher, the counselor of dozens of people; and therein lies the greatest influence of this leader. For these are the people who will carry on after Colonel Arcari's retirement; his influence has spread far beyond his own presence and will ensure a beneficial impact for many years to come.

Finally, although all great leaders are respected, not all of them are liked by those who work for them. Col. Paul Arcari, however, has sought and found the path to both. He exemplifies the proposition that the respect of a subordinate for his superior springs from a corresponding spirit in the heart of the superior. He is a hard task master, but he is loved, admired and respected by all who know him.

Mr. Speaker, Col. Paul W. Arcari is a true leader and a man who will be sorely missed as he retires.●

SUPPORT GENERAL REVENUE SHARING

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. WALGREN. Mr. Speaker, I want to express my strong opposition to any attempts to abruptly end or drastically cut the Federal Revenue Sharing Program, as proposed by President Reagan. In recent weeks, I have heard from many of the over 60 local communities in my district and their message is clear: Elimination of revenue sharing can only result in one of two things: cuts in basic services such as police or fire protection or higher local property taxes.

This proposal could not come at a worse time for local communities in my district, many of which have yet to see the benefits of the economic recovery which is so heralded by the administration. We need to keep in mind that over the last 4 years, programs providing assistance to local communities have been cut by more than 50 percent in real value. Further, local governments have already budgeted expected revenue-sharing funds in their current year budget. If we abruptly take these funds away, many cities and counties would be unable to maintain minimal public services.

While I recognize that reducing massive budget deficits is a first priority, these deficits are created and perpetuated by the unwillingness of the President to balance the budget involving other programs. Instead of imposing a Governmentwide spending freeze—which would allow programs like revenue sharing to continue—President Reagan has chosen once again to increase military spending by over $30 billion. To offset this, he wants to completely eliminate revenue sharing and other valuable Federal programs.

Not only would a Governmentwide spending freeze make more sense from a policy standpoint—since all programs would have to sacrifice equally—but it would also result in much lower deficits than those projected by President Reagan. I think many of us would be ready to consider cutting back on programs like revenue sharing if it were our only alternative to reduce deficits. But the fact is that a disciplined freeze in spending will deliver far stronger a punch to the solar plexus of the deficit than any alternative because it reaches the politically untouchable programs like the military and entitlements. And, such an approach has the virtue of continuing, with restraint, programs like revenue sharing that make a positive contribution.

Mr. Speaker, I am disappointed that the President continues to refuse to compromise his request for massive increases in military spending and consider a spending freeze as an option for deficit reduction. My view of the national interest is that we cannot afford not to enact such a program.

The truth of it is that there is no free lunch in passing on to local governments more of the burden for funding public services. Cuts in revenue sharing must inevitably lead to increases in property taxes and cuts in public services.

I urge my colleagues to reject the President's proposal to eliminate revenue sharing this year and further, to pass a multiyear extension of the program at current funding levels.●

DENYING LOANS TO NICARAGUA, A SOUND ECONOMIC DECISION

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. YOUNG of Florida. Mr. Speaker, based on sound business sense, there is a solid economic basis for our efforts to prevent future loans to Nicaragua from U.S.-sponsored international financial institutions.

The New York Times reported this morning that the Government of Nicaragua is the first nation ever to fall 6 months behind in repaying outstanding loans to the World Bank. Nicaragua has already been found to be in the arrears in payments to the International Monetary Fund. As of December 31, 1984, Nicaragua fell more than $14 million behind in its interest and principal payments to the World Bank. Overall, Nicaragua's total outstanding debt to the bank is $134.14 million.

Because Nicaragua has established itself as a poor credit risk, our Nation is now recommending that the Inter-American Development Bank reject Nicaragua's request for a $58.4 million loan. It is my hope that my colleagues will support this effort to deny future loans to Nicaragua.

As the largest contributor to the World Bank and Inter-American Development Bank, our Nation has every right to influence proposed loans to nations whose prospects for timely repayment of the loan are questionable. Mr. Speaker, if you or I, or any American citizen walked into a bank with a credit rating as poor as the Nicaraguan Government's and applied for a loan, there is no question that the bank's loan officer would reject our request on the spot. That is simply good business. No bank should, or would choose to lend to any individual, business, or nation with a record of skipping payments for 6 months at a time.

My entire argument here for opposing loans to Nicaragua focuses purely on economic and business factors. It ignores entirely the foreign policy reasons for which we should also oppose any future loans to Nicaragua. As I have said in the past, even though we are the largest contributor to the international development banks, we find all too often that these banks consistently loan large sums of money to nations who are not our friends or allies. In fact, many nations who receive these loans turn their backs on our Nation at every chance. Nicaragua is the most recent example.

In the 6 years since the Sandinistas took control of Nicaragua, the Inter-American Development Bank has loaned the country more than $150 million. Yet Nicaragua remains one of the poorest Central American nations because the Sandinistas refuse to put in place the economic and agricultural reforms they promised the Nicaraguan people and the Organization of American States. Instead, the Sandinistas have undertaken a campaign to discourage the development of free economic markets. They have channeled funds designated for economic development into accounts to pay for their growing military force which continues to export arms, violence, and terrorism to neighboring countries.

Mr. Speaker, at a time when we are trying to reduce Federal spending in every area possible, we must look closely at our Nation's foreign aid programs, especially those providing funds to the international development banks. If we cannot influence proposed loans to nations that are clearly poor credit risks, let alone threats to the peace of our hemisphere, then we should stop spending American taxpayers' dollars to support these banks.

The article follows:

[From the New York Times, Mar. 27, 1985]

NICARAGUA IN ARREARS ON WORLD BANK LOANS

(By Nicholas D. Kristof)

Nicaragua has become the first country ever to fall six months behind in repaying loans to the World Bank, according to information contained in one of the bank's publications.

The debt problems reflect Nicaragua's deteriorating economy, for which it largely blames the United States-backed rebellion against the Government. The arrears will also make it more difficult for Nicaragua to get help from other institutions or banks.

The World Bank document, a 45-page information statement released two weeks ago, states only that it has placed on "nonaccrual status" the debt of "one member country," which it does not identify. But the debt figures of this unnamed country exactly match those of Nicaragua listed elsewhere in the same report.

Developing nations have occasionally fallen behind in repaying loans to the World Bank. But they have always scrupulously avoided falling six months behind, because at that point the World Bank puts the loan on nonaccrual status. This means that the bank does not credit payments as income until they are actually made. Under the standard accounting practice, payments are entered in the books when they fall due, even if they have not been received.

A spokesman for the bank declined to confirm that Nicaragua is on nonaccrual status. The bank's spokesman said, however, that the country mentioned in the report was believed to be the first ever to fall behind by six months. The report said that the country, as of Dec. 31, was behind on $4.55 million of principal payments and $9.55 million of interest payments.

Nicaragua's total debt to the World Bank is $134.14 million; the country's total foreign debt is a little more than $4 billion. It has also fallen behind in repaying private banks, which are now reviewing a debt-management proposal submitted about two weeks ago by Managua, according to a banker familiar with the negotiations.

"It is true that Nicaragua has been in contact with the World Bank in order to settle the effects of the economic difficulties Nicaragua is having," said Marcos Wheelock, financial counselor in the Nicaraguan Embassy in Washington, "Nicaragua is behind in payments."

Mr. Wheelock said he could not confirm that his country was six months behind, but he said talks were under way with the World Bank and that no repudiation of the debt was being considered.

"We are under economic stress imposed by the C.I.A.-financed war by national Guards of Somoza, accompanied by some ex-members of the Sandinista revolution," he said. "That places an extra burden on us in addition to the burden of the world depression."

NICARAGUANS BLAME U.S.

Last month, President Daniel Ortega Saavedra of Nicaragua described his country's economic situation as "hellish" and blamed the Reagan Administration for "orchestrating a campaign of lies" that had cost Nicaragua more than $1 billion in lost credits and exports during the last four years.

Francisco de Paula Gutierrez, a private consultant on Central America based in Costa Rica, said in a telephone interview that the World Bank arrears would make it more difficult for Nicaragua to get financing to buy imports or to arrange the sale of exports. Other Central American countries and East bloc nations have already begun to cut off credits to Nicaragua, he said, and are demanding immediate payment in all trade transactions.

"I don't see how the Nicaraguans will be able to pay their debts unless they get external financing," Mr. Gutierrez said. "And I don't see how they will get external financing unless they pay their debts."

The United States has blamed ill-advised economic policies and an expensive military buildup for Managua's deepening economic crisis. The United States has urged the Inter-American Development Bank, which is now holding its annual meeting in Vienna, to reject a $58 million loan to Nicaragua. The arrears to the World Bank are expected to bolster the arguments of Secretary of State George P. Shultz, who wrote to the development bank in January that "Nicaragua is not creditworthy" and warned that a loan to Nicaragua would make it more difficult to win Congressional passage of funds for the development bank.

The World Bank's loans to Nicaragua are less than two-tenths of 1 percent of the lending agency's total loans, and a World Bank spokesman stressed that the bank's liquidity was in no way jeopardized by the arrears.

The World Bank and the Inter-American Development Bank are not private commercial banks but are jointly sponsored by a number of nations to lend money to countries for development.

[From USA Today, Mar. 25, 1985]

U.S. FIGHTS $58 MILLION LOAN TO THE SANDINISTA REGIME

(By Juan J. Walte)

WASHINGTON.—A bitter U.S.-Nicaragua dispute over the politics of international development loans threatens to overshadow today's annual meeting of the Inter-American Development Bank.

Delegates to the four-day session in Vienna, Austria, got a taste of what to expect when Nicaragua accused the United States Sunday of "blackmail."

At issue: U.S. opposition to a $58.4 million loan requested by Nicaragua for agricultural projects. A letter to the bank from Secretary of State George Shultz says the Marxist government there is not credit-worthy for the loan.

The United States is the regional development bank's richest member. Bank President Antonio Ortiz Mena said Shultz's letter is "not a threat . . . it's a fact of life."

Since October 1960, the bank has loaned almost $28 billion to Latin American and Caribbean countries. Some Latin American members feel the U.S. position is based more on politics than economics.●

AGAINST RACISM AND DISCRIMINATION IN SOUTH AFRICA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. LANTOS. Mr. Speaker, the recent killing of 29 innocent blacks by South African police is only the latest in a long line of atrocities that have resulted from the abhorent system of apartheid. The administration's policy of "constructive engagement" has done little to change this most repugnant system, which challenges our fundamental beliefs about principles of equality and justice.

Human rights and the fight against discrimination are firmly supported by the American people. We can no longer stand aside, we can no longer remain silent in the face of such egregious violations of human rights.

Luthern Pastor Martin Niemoller, an opponent of the policies of Nazi Germany, gives the justification when he said: "First Hitler came after the labor unions and I did not speak up because I was not a union member. Then Hitler came for the Jews, and I did not speak up because I was not a Jew. Then Hitler attacked the Catholics, and I did not speak up because I was not Catholic. When he came for me, no one was left to speak up."

Mr. Speaker, Americans are speaking up and they will be heard. South Africa's policy of state-sponsored,

state-enforced racism and discrimination must be fought by freedom loving men and women everywhere.●

THE IDES OF MARCH—1985

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. GAYDOS. Mr. Speaker, I believe most of us are familiar with March 15, 44 B.C., when a soothsayer warned Julius Caesar: "Beware the Ides of March." He didn't and the results were tragic.

But, I come not to recall Caesar but the "Ides of March"—1985!

On that day, a daily newspaper in western Pennsylvania carried three stories relating to the Nation's trade problems. They contained a message, I believe, for us all.

The first dealt with the administration's efforts to reach an agreement with Japan on the shipment of steel products here. The headline over the story proclaimed: "Japan Agrees to Limit Sale of Steel Exports to U.S."

Would that that were true, Mr. Speaker. Alas, it is not. If one reads beyond the headline, you find a somewhat different picture.

First, the Japanese consent is only verbal. Nothing has been signed and, according to a spokesperson in the office of the U.S. Trade Representative, we don't know how long before there will be a signed agreement.

Consequently, we don't know what has been agreed to. We do not know what products are to be regulated or how many. We do not know tonnage limits. As chairman of the executive committee of the House Congressional Steel Caucus, I am extremely interested in those details.

Second, the news article states Japan's share of the American steel market for the next 5 years, retroactive to October 1, 1984, will be 5.8 percent. That doesn't sound like much of a reduction to me, since Japan's share had been 6.9 percent.

It makes one wonder how much success the administration will have in its efforts to cut overall steel imports from the 26-percent level of last year to the 18-percent target it has set.

Third, it appears from the article, the Japanese consent was given reluctantly. An official of the Japan Iron & Steel Exporters Association was quoted as saying the restraints will place a burden on Japan's steelmakers and if the controls are too precise and strict the Japanese industry will be unable to comply with the needs of U.S. steel users.

These points alone tend to make me wary of being overly optimistic about this agreement. Optimism, I have learned from experience, is often a case of seeing more in something than actually is there.

But, there is more. In the same newspaper on the same day, there was another article dealing with the efforts of the United States to persuade Japan to open up its markets to U.S. goods in order to reduce our $36 billion trade deficit with Japan.

That article talks of powerful Japanese bureaucrats who are resisting the U.S. request. It also cites Ezra Vogel, a professor at Harvard University and the author of the 1979 book, "Japan as Number One," as saying Japan has failed to live up to promises made over the last 5 years to provide greater trade access for the United States and others.

Professor Vogel indicates the time may have come for the United States to take a strong line, even to the point of carefully considered trade sanctions to pry open the Japanese markets.

"If we don't stand firm and begin to use some tough leverage," the professor said, "things are going to get worse. If we don't use that power to get some concessions from Japan, we're going to have political explosions at home."

Some of us in this House, Mr. Speaker, have been calling for such a stand for the past several years. We've been ignored, even as late as a few weeks ago when the administration washed its hands of attempting to pressure Japan into retaining quotas on cars imported to the United States. Its decision was to let Japan make the decision.

And, that brings me to the third article which appeared in the March 15 issue of that newspaper. It was a short item, a "filler," but it carried a message from Takashi Ishihara, chairman of the Japan Automobile Manufacturers Association.

"We shouldn't curb our exports, as the United States is not asking us to do so," Mr. Ishihara is quoted as saying. "Each car maker should make its exports in an orderly manner, leaving the matter to its judgment."

The voluntary restraints on Japanese auto imports is due to expire at the end of this month. What happens if the Japanese automakers heed Mr. Ishihara's advice and flood the American market with small car imports?

I'll tell you what will happen. The American small car industry will go belly up. Our automakers will produce only middle-sized or big cars, leaving the small car market entirely to imports. If that happens, then the American consumer had better pray that gasoline prices remain low. For if gas prices begin to go up, you'll see another surge in demand for small, high-mileage cars. The middle-sized and big car markets will become desolate; the demand for small foreign cars will force prices up and profits overseas and the American auto industry could virtually disappear, along with hundreds of thousands of jobs.

A grim scenario, Mr. Speaker? Undoubtedly—and hopefully wrong. But, remember the Ides of March—1985!

U.S. USES THREATS TO ENTER JAPANESE MARKET

TOKYO.—Backroom tensions between the United States and Japan appear to be on the brink of triggering one of the biggest blowups between the two Pacific trading partners in years.

Less than three months after Japan chalked up a staggering $36.8 billion trade surplus with the United States in 1984, Washington is making its toughest demands ever on the Japanese to open their markets immediately to more U.S. goods—and is backing up its demands with harsh new threats of protectionist retaliation if dramatic steps are not taken by Tokyo in the next few weeks.

Powerful Japanese bureaucrats are resisting Washington's determined new push for greater market access for American products.

In Tokyo Wednesday, Nobo Matsunaga, newly appointed Japanese ambassador to the United States, said U.S.-Japan trade relations have reached a "critical moment." He said he could not predict whether new Japanese market-opening measures expected to be announced in early next month would be enough to satisfy the United States.

Returning to Tokyo from high-level talks in Washington this week, former Japanese Foreign Minister Saburo Okita warned his countrymen that sentiment toward Japan in the United States "is like that before the outbreak of a war."

Even U.S. Ambassador to Japan Mike Mansfield, who usually plays down the significance of U.S.-Japan trade friction in the context of the countries' larger strategic ties, recently said the two nations have reached a "crisis year."

With the bilateral U.S. trade deficit with Japan headed toward $50 billion this year and a new U.S. recession widely predicted for 1986, Reagan administration officials are determined to finally break what they see as Japanese intransigence against opening its markets.

U.S. trade representative William Brock said in Tokyo last month that the size of the current U.S. trade deficit with Japan was "intolerable." Brock told the U.S. Senate Foreign Relations Committee last week that when the Japanese claim that U.S. goods compete in an open market inside Japan, "it simply is not a factual statement."

Prime Minister Yasuhiro Nakasone pledged at a January meeting with President Reagan to work for more open markets in telecommunications, pharmaceuticals, forest products and electronics.

Japanese moves on telecommunications industry regulations in particular are being watched as a "litmus test" of whether Japan is willing to give open access to competitive U.S. goods, said Undersecretary of Commerce Lionel Olmer.

"America is saying, 'We don't believe you've tried hard enough and we aren't going to wait anymore,'" said Harvard Professor Ezra Vogel Wednesday. He was in Tokyo with the investment and trade mission of Massachusetts Gov. Michael Dukakis.

Vogel, author of "Japan as Number One," the 1979 book celebrating the virtues of Japanese industry and society, said Japan has failed to live up to promises made over the last five years that it would open its markets to the United States and other trading partners.

Near the heart of Japan's reluctance to open its markets, said Vogel, are jealously guarded discretionary powers that allow the bureaucracy to control Japan's imports.

"Their backs are to the wall now. We're asking these bureaucrats to dismantle laws that given them their discretion, their power."

JAPAN AGREES TO LIMIT SALE OF STEEL EXPORTS TO U.S.

WASHINGTON (AP)—Japan has agreed to limit its sale of steel to the United States—the last of this country's major suppliers to do so, the office of U.S. Trade Representative William E. Brock said yesterday.

The accord will limit Japan's sales to 5.8 percent of the U.S. market, said press officer Desiree Tucker. That would be a small drop from last year's level.

Japanese steelmakers let it be known that they will consent to the Reagan plan reluctantly.

Haruki Kamiya, an official with the Japan Iron & Steel Exporters Association, said the restraints will place a burden on Japanese steel producers and cautioned U.S. officials monitoring the voluntary agreements to watch that other countries do not violate their quotas.

Kamiya said that if the controls required under the agreement are "too precise and strict," the Japanese industry will be unable to comply with the needs of U.S. steel users.

Under a plan announced by President Reagan, steel imports are to be kept to 18.5 percent of the country's total market for steel, compared with 26.7 percent last year. Similar agreements have been reached with other major exporting countries, most recently with South Korea.

There was an implied threat that unless the agreements were reached, rulings would be sought from the U.S. International Trade Commission and the Commerce Department that the exporting governments have been subsidizing the sales and selling their steel here below fair price levels.

Such rulings would result in additional customs duties that would keep out imports by raising their cost to American importers.

Ms. Tucker said the agreements with South Korea and Japan will be signed as soon as details of wording and translation are settled. She would not estimate how long that would take.

Ms. Tucker said the agreement with Japan was reached Wednesday between Japanese negotiators and Robert Lighthizer, the deputy U.S. trade representative, after a three-day round of talks.

The object of the limits is to protect orders and jobs for the U.S. steel industry, despite complaints from other countries that the United States is becoming more protectionist. Members of Congress threatened to impose limits by law if no agreement was reached.

The key point on total Japanese steel exports was settled last December, with Japan's share in the U.S. market dropping to 5.8 percent from 6.94 percent.

Ms. Tucker said it has been agreed that the agreement will last for five years, beginning Oct. 1, 1984.

A major problem in the negotiations has been the specific categories to be regulated. The specification of the categories was important in keeping down Japanese export of costly items such as pipes and tubes.

When Japanese exports of cars to the United States were limited, the exporters increased their shipments of more expensive models.

QUOTABLE

Takashi Ishihara, chairman of the Japan Automobile Manufacturers Association, had this advice for Japanese automakers facing a March 31 lifting of voluntary restraints on exports to the United States: "We shouldn't curb our exports, as the United States is not asking us to do so. Each car maker should make its exports in an orderly manner, leaving the matter to its judgment."●

SOLVING HUNGER WITH THE RIGHT STUFF

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mrs. SCHNEIDER. Mr. Speaker, thanks to the efforts of the media the ravaging destruction caused by hunger, malnourishment, and famine-related diseases is now clearly recognized by all Americans as a problem in need of immediate attention. We are thankful for the efforts of those Americans who are contributing their money and time to private voluntary organizations providing direct relief to the hundreds of millions of starving people in the developing nations. At the same time, we must recognize that the threat of famine is going to be with us for decades to come unless we seriously undertake long-term development strategies that help people help themselves in protecting themselves against the threat of hunger.

I believe the House Select Committee on Hunger and its task force on hunger clearly recognize this fact. Indeed, this was a key conclusion of the report prepared for the select committee by the Office of Technology Assessment "Africa Tomorrow: Issues in Technology, Agriculture, and Foreign Aid," December 1984. As the report highlighted:

A consensus is emerging that the technology most needed in sub-Saharan Africa should be: low-risk, resource-conserving, small-scale, affordable (not capital intensive), locally produced and repaired, adapted to local labor availability, and consistent with traditional agricultural methods.

In essence, technologies must be appropriate for the local setting. To be appropriate, the natural limitations of the African environment must be considered in the design of the technology.

The OTA report also "finds that important changes in the U.S. approach could substantially improve food production," and recommends a number of new initiatives, especially recognizing that "farmers and herders with little access to economic and natural resources hold the key to increasing food production in Africa. Technologies to help these low-resource producers are largely lacking, especially in developed countries such as the United States."

Mr. Speaker, I would like to bring to the attention of my congressional colleagues some very encouraging research and development in what OTA calls Technology Types: The Right Stuff. Over the past 14 years, Mr. John Jeavons and his colleagues at the Ecology Action food research center in Willits, CA, have produced some astounding results with small-scale, low-input food production methods. Their work has been translated into action by local practitioners around the world, including use of their manual by the Peace Corps in Africa.

They have recently released a new manual describing this phenomenal progress, entitled "One circle: How To Grow a Complete Balanced Diet in 1,000 Square Feet or Less." For comparison, the same 2,400 vegetarian diet in India requires 30,000 square feet, or 30 circles, while the U.S. mechanized equivalent requires 10,000 square feet, or 10 circles. A meat diet grown by U.S. techniques would take from 45 to 85 circles. "One Circle" uses the high-yielding, biointensive techniques presented in Jeavons earlier manual, "How To Grow More Vegetables Than You Ever Thought Possible On Less Land Than You Can Imagine," based upon deep-digging techniques that allow for dense spacing of plants.

Minimizing land requirements in food production is a critical factor in alleviating starvation because deforestation and desertification are drastically reducing the available land for sustaining food production. A study by the Environmental Fund indicates that up to 90 percent of the agricultural land available to the Third World in 1980 may no longer be farmable by the year 2000 due to these two processes. Should that occur, notes Jeavons, "only a little over two circles of farmable land might be available to each man, woman and child for food, fuel, building materials, fiber for clothes and income crops."

The biointensive method not only requires substantially less land, but is also achieved utilizing a fraction of normal water requirements, can rely on locally derived fertilizers and pest controls rather than costly synthetic fertilizers and pesticides, and can be achieved using simple hand tools instead of expensive machinery. Needless to say, minimizing the inputs and maximizing locally available materials and labor, avoids the key problem faced by most poverty-stricken villagers—lack of cash and credit.

Mr. Jeavons' research is timely indeed. Since 1978, the number of people dying from starvation has tripled to more than 45 million per

year—two-thirds of them children. Some experts expect hunger-related deaths to leap tenfold before the end of the decade. Jeavons cites a 1983 UNICEF study that points to another more hidden side to the effects of malnourishment: "for every child under age 5 who has died, another has been left blind or deaf or crippled or retarded." In India, the report notes, 85 percent of the children will never be physically and/or mentally normal due to the malnutrition which has already occurred—even if they are fed perfect diets the rest of their lives. Concludes Jeavons, "the need for personal, smallest area, complete diet, resource-conserving, food-raising approaches becomes apparent in light of this overall world picture."

I encourage all my colleagues to seriously study "One Circle," as well as Jeavons earlier manual, "How To Grow More Vegetables * * *" which contains growing information on vegetable, protein, fodder, cover, and fruit and nut tree crops. More information is available from Michael Totten of my staff.●

LEGISLATION TO PROMOTE COGENERATION IN THE NORTHEAST AND MIDWEST

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. WALGREN. Mr. Speaker, today I am introducing legislation on behalf of myself, Mr. BROYHILL, and several others which will both assist energy-intensive basic industries and reduce our Nation's reliance on energy imports by promoting cogeneration—an extremely efficient method of energy production. Our bill will meet these goals by clarifying that the Nation's three registered gas utility holding companies may participate in cogeneration activities.

This bill is intended to address a problem arising out of a very strict interpretation on the Public Utility Holding Company Act of 1935 [PUHCA] by the SEC. From a policy viewpoint, there is simply no reason to prevent these three companies from participating in cogeneration. Our bill will clarify the intent of Congress on this matter once and for all, and will merely put these three companies on the same footing as every other gas utility in the country.

By way of background, a cogeneration system is one which produces both electricity and steam from a single fuel source, such as coal. By reducing the amount of otherwise wasted heat, cogeneration significantly reduces industrial energy costs. According to the Department of Energy, cogeneration can produce average energy savings of between 15 and 18 percent for the five major energy consuming industries—steel, glass, paper, cement, and chemicals.

Congress recognized the importance of promoting cogeneration with the passage of the Public Utility Regulatory Policies Act in 1978. While cogeneration is catching on in many areas of the country, industry in the Ohio Valley has lagged behind for several reasons:

This region's industrial firms, which have been pouring their investment dollars into modernizing plants, cannot afford to invest in cogeneration.

Private investors, such as large engineering and contracting firms, are more attracted to cogeneration projects in high growth areas such as the Southwest.

Current law prohibits the three gas companies in the area, which are large enough to take on the major cogeneration plants needed by heavy industry, from participating in cogeneration.

The three registered gas utility holding companies—Consolidated Natural Gas, National Fuel Gas, and Columbia Gas—have much to offer to the development of cogeneration. Because of the large initial capital investment required, industry cannot meet these costs alone. In addition, the gas industry's expertise in thermal energy and knowledge of the needs of its industrial customers are valuable in the successful operation of a cogeneration facility.

The proposed legislation is simple and noncontroversial. It merely unlocks the regulatory handcuffs, dating back to PUHCA, which prevent the three principal distributors of natural gas in the Ohio Valley from participating in cogeneration.

PUHCA was enacted in 1935 to regulate the activities of utility holding companies. Of the 214 holding companies which registered under the act by 1938, only 12, including these three gas companies, still remain actively regulated by the SEC, the act's administrator.

While the SEC does not object in principle to the ownership and operation of cogeneration facilities by these three companies, the SEC has, under a narrow interpretation of PUHCA, indicated that the current law prohibits gas utility holding companies from engaging in cogeneration because it is not "functionally related" to their primary role as gas distributors. Clearly, the authors of the 1935 legislation could not be expected to foresee the development of cogeneration technology nor the necessary role to be played by the registered gas companies 50 years later. PUHCA was never intended to prevent these three companies from participating in cogeneration, and there is no sound reason to do so today.

Our bill does nothing but clarify that these three companies may participate in cogeneration, putting them on an equal footing with every other gas company in the Nation. The SEC will maintain its traditional role over the registered gas utility holding companies and the financing of all cogeneration facilities. Thus, registered gas companies wishing to participate in cogeneration projects will still need, for example, to obtain the SEC's permission to acquire assets, securities, or other interests. They will also still be subject to the restrictions on intercompany loans and intercompany transactions and to the requirements of regular reporting and recordkeeping.

Moreover, the SEC will retain the power to investigate and institute enforcement actions and to forbid involvement in any cogeneration or other project which would be detrimental to the public interest, the interests of investors or consumers, or to the proper functioning of the holding company system administered by the SEC.

Mr. Speaker, I urge my colleagues to support this worthwhile legislation which will save energy and help make our basic industries more competitive.●

MIAMI-DADE COMMUNITY COLLEGE: NO. 1 IN THE NATION

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. FASCELL. Mr. Speaker, I was extremely proud to learn Miami-Dade Community College in south Florida has been named the leading community college in the Nation by researchers at the University of Texas at Austin.

In a study on the pursuit of teaching excellence, Miami-Dade was the overwhelming choice for first place because of its strong and stable leadership, its emphasis on teaching and learning, its admissions policy, and its reputation for accepting and rewarding exceptional teachers. Much of the credit for the success of this fine institution should go to the president, Dr. Robert H. McCabe. Dr. McCabe is committed to providing our community with outstanding educational opportunities. He is a fine administrator and we are fortunate to have him.

To the teaching staff, administrators and students at Miami-Dade Community College I extend my heartiest congratulations for receiving this recognition of excellence.●

TRIBUTE TO DR. WILLIAM E. FOUNTAIN

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. COELHO. Mr. Speaker, sir, I would like to take this opportunity to recognize Dr. William E. Fountain upon his selection as the 1985 recipient of the California Medical Association's Frederick K.M. Plessner Memorial Award.

The award, which consists of $5,000 and a commemorative silver bowl, is given to the California physician "who best exemplifies the ethics and practice of a rural county practitioner." Dr. Fountain, a man who is totally dedicated to his profession, has chosen to donate the $5,000 to a child nutrition program in Merced County.

Dr. Fountain, fondly called Dr. Bill by his many patients, spent most of his youth in Merced. He received his A.B. degree from Stanford University and went on to complete his medical degree there as well. He returned to Merced for his residency at the county hospital there, and subsequently opened a private practice in 1937. Dr. Fountain spent 3½ years on active duty with the U.S. Navy Medical Corps in the South Pacific during World War II, and received a Presidential Citation for his outstanding service. Having married Esther Lockhart in 1943, Dr. Fountain returned to his private practice in 1945.

Locally, Dr. Fountain represents the highest standards of medical care and ethics, both to his colleagues and his patients. He was instrumental in promoting the construction of the original obstetrical unit at the Merced County Hospital, because of his concern over the unsafe conditions surrounding in-home deliveries for indigent mothers. Dr. Fountain is notable in that the quality of care he delivered never varied, regardless of whether a patient was able to pay him or not. Dr. Fountain continued to make house calls up until his retirement in 1983, a rarity these days. He feels it was his duty to go where he was needed and treat whoever needed his help to the best of his ability. This was especially evident during the 2 years he served as the Merced County Public Health Officer. Although he had a thriving private practice, he went all over the county, to the farm labor camps and the rural schools, always giving the same personal and loving care he gave to all his patients.

Beyond his exceptional devotion to health care, Dr. Fountain is an active participant in many areas of community affairs. He is a long-time Rotarian, having served as president from 1979 to 1980. He is a member of the American Legion and the Elks Club. He also belongs to the Merced County Medical Society, California Medical Association, the American Medical Association, and the American Academy of Family Practitioners. Since his retirement he has been active in the San Joaquin Valley Health Consortium, and was appointed as a director in 1984. He is presently working on a project to bring nutrition education to 10,000 youngsters in Merced city and county schools.

I hope you will join me in saluting this fine man. He epitomizes the truly dedicated, humanitarian, honest, ethical rural physician that the Plessner Award was created to honor. He has earned the trust and loyalty of generations of patients and his fellow physicians. He is one we would all do well to emulate.●

SUPPORT THE COMMUNITY HEALTH CENTER PROGRAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. TRAFICANT. Mr. Speaker, today I rise to express my strong support for the Community Health Center Program. Authorizing legislation for both community and migrant health centers expired at the end of fiscal year 1984, currently these programs are operating under a continuing resolution and must be reauthorized. I urge my colleagues to lend their full support to reauthorization of Federal funding for these vital programs.

Health centers supported through the primary care program authorities have proven to be effective and efficient providers of quality health care to millions of Americans, most of whom have no other available source of health care. Nowhere is the need for community health centers more evident than in my home district which has been especially hard hit by unemployment in recent years. Community health centers provides care to indigent persons who lack public or private coverage—including large numbers of the current unemployed—as well as Medicare and Medicaid recipients refused care by other private providers.

Independent studies have shown that primary care health centers in the past decade have provided continuous, high-quality health care to their patients; have increased the use of preventive services; reduced illness and hospitalization rates among their patients, and held down costs to a level considerably lower than for other health care providers, which results in tax savings.

Mr. Speaker, at a time when we must consider measures to trim the Federal deficit and ensure that Federal expenditures are made in an efficient and cost-effective manner, it is gratifying to note that federally funded health centers have provided care in a continuously more efficient fashion. According to Federal data, between 1974 and 1983, community health centers: increased their volume of services by more than 300 percent, while grant funding increased by only 65 percent; they increased productivity by 43 percent; increased their collection of third-party reimbursements by 250 percent; and they actually decreased their costs per encounter by 21 percent. As with any effective and much needed health program, the demand for community health center services continues to grow. Federal funding of these centers must be continued and it must be sufficiently adjusted to meet these needs.

The Federal support received by the health centers is used solely to subsidize the cost of care for the indigent, uninsured persons, to cover the cost of nonreimbursable services such as preventive service and health education and to establish the capacity for the delivery of health services in areas that need them most. Community health centers serve to insure their local communities against the cost of care for uninsured—they provide vital services to persons who otherwise would be unable to receive necessary medical care.

In my home State of Ohio there are 13 community health centers with over 46 sites throughout the State, serving people in 44 counties. These health centers have an average of 752,083 patient visits per year. The State of Ohio is currently receiving $12 million in Federal support for their community health centers.

Another important part of community health care is the National Health Service Corps [NHSC]. In Ohio there are 109 doctors working under this program, providing valuable services in 28 sites. Assignment of doctors under this program is based upon the definition of the health manpower shortage area [HMSA]. Because I represent an area that has one of the highest unemployment rates in the country, I feel that the definition of a HMSA should be changed to give greater emphasis to poverty and other factors identifying problems of access. This would insure that NHSC doctors are placed in areas where they are needed most.

Community health centers and other vital programs provided through federally funded primary care programs provide countless Americans with health care services that would otherwise be denied because of financial hardship. Federal funding of these programs has been cost-effective and has enabled these centers to expand their services and reach out to more

and more needy individuals. At a time when we are pumping more Federal money into the construction of weapons of destruction, it is imperative that we here in Congress do not ignore vital domestic programs designed to assist those Americans who many times remain silent and have no voice. When the time comes, I urge all my colleagues to fully support continued Federal assistance to community health centers and other valuable primary care programs.●

AID TO NICARAGUAN FREEDOM FIGHTERS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. DORNAN of California. Mr. Speaker, today the Washington Times carried an article which provided for the public the text of a letter from Eden Pastora Gomez, a leader of the freedom-loving Nicaraguan opposition to the Sandinista government. Eden Pastora was a Sandinista hero, its most renowned figure, until he broke with the Sandinistas in 1981 over their betrayal of their revolution. Commander Zero, his combat code name, was raised in a conservative Catholic family but turned against the Somoza government with just cause. His father was killed by Somoza's National Guard in 1942 for alleged subversive activities. Eden Pastora returned as a young man from medical studies abroad to join the guerrilla struggle against Somoza. He became head of logistic operations for the Sandinista movement operating out of Costa Rica. In 1978 he turned the civil war irrevocably against Somoza when he and a unit of only 25 men seized the National Palace in Managua with the entire 135 member Congress in session inside, so exciting the Nicaraguan people, that the Sandinistas became the leading resistance group and the very symbol of the resistance to the Somoza government. In July 1979 resistance became victory, and the Sandinistas took over Nicaragua.

Mr. Pastora served in high ranking positions in the new government, first as Vice Minister of Interior and then as Vice Minister of Defense and Chief of the National Militia. Increasingly disgruntled at the left-radical policies of the Sandinista regime, and at the presence of thousands of Cubans who by then permeated the Managua government, Pastora resigned in July 1981 and went in self-imposed exile. In April 1982 he publicly denounced the Sandinista leadership as having betrayed the revolution, and helped found the Sandino Revolutionary Front, invoking the name of Sandino against the Communists who had betrayed it. He then became the military leader of the Democratic Revolutionary Alliance, or ARDE, returning to the countryside to lead armed resistance once more against an oppressive government in Managua.

My colleagues should recognize that Eden Pastora may be a revolutionary, and has told me that to this day he remains a Sandinista, but he is no thug. He is a brave man who loves freedom. He points out that the fate of Nicaragua and that of the United States are not easily or safely separated.

Mr. Pastora has written a powerful and eloquent appeal to the President of the United States, and I am enclosing it for the RECORD. Don't read it and weep—read it and give him the support he deserves.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing you on behalf of the Democratic Revolutionary Alliance to thank you for your unwavering support for our struggle to bring freedom and justice to Nicaragua, a goal shared by all Nicaraguan freedom fighters. As I told the Conservative Political Action Conference, in the often lonely struggle for freedom, we are fortunate to have you as a best friend. With your leadership and strength, democracy will prevail in the struggle against communist oppression.

Our objectives, simply put, consist of making good the original commitments made by the Junta to the Nicaraguan people and to the Organization of American States, which were later betrayed by the Junta. To accomplish this objective, we have to be strong enough to achieve the following intermediate objectives: 1) withdrawal of Cuban, Soviet and other communist forces in Nicaragua, 2) reduction of Nicaragua's communist armed forces, which oppress the Nicaraguan people and threaten Nicaragua's neighbors, and 3) an end to the export of subversion from Nicaragua, which would be the logical consequence of achieving the first two objectives.

These are reasonable objectives that any truly democratic government would meet. Meeting them would reduce the economic burden on the people of Nicaragua and foster peace in Central America. A democratic Nicaragua at peace with its neighbors would need even less military strength than existed under Somoza. The huge armed forces now in Nicaragua are the military arm of the Communist Party. They are assisted and often commanded by troops from many communist nations who have enormous combined experience in crushing the peoples of weak states, such as Afghanistan, Cuba, Angola, and Vietnam. Their purpose is to subjugate the people of Nicaragua and to foment subversion and terror throughout Central America in pursuit of Soviet strategy. The ultimate goal of that strategy is to weaken and defeat the United States, the main enemy of the Soviet Union.

Accommodation with communists can only lead to defeat. Communists engage in negotiations only to divide, weaken, and confuse their enemies and to legitimize their victories. Many in your State Department and your Congress believe that you can negotiate successfully with communists, but even they must concede that you must negotiate from a position of strength. Why would the Junta deal with Nicaragua's freedom fighters if they can crush them militarily? Can anyone find an example of communist concessions to a weak opponent? Communist governments always crush weak opponents, especially their own weak and unarmed peoples. To be strong, Nicaragua's freedom fighters do not need the tanks and airplanes that the Junta has, but we do need basic supplies and equipment. If your Congress does not want a communist Central America, they must allow you to give those to us.

For my part, I do not believe that freedom fighters should negotiate with communists. We are willing to accept the ultimate sacrifice, but only to achieve a total solution. The communists objective is to destroy us, and negotiations are one weapon in that battle. Our objective must be to win, not to accommodate. Negotiated settlements with communists are piecemeal surrender. Until you became president, the United States had left a trail of betrayed allies now living under oppression. Your loyal dedication to the support of allies and freedom fighters everywhere gives us the confidence to fight on even when your Congress denies us material aid.

Many in your government, however, are defeatists who believe that we cannot win. I think some even believe that the United States cannot win. Communist military strength and threats unnerve them. In the event of a crisis, perhaps like the Cuban Missile Crisis, they will advise you to accept the less dangerous course and to accept a communist government in Nicaragua, as happened in Cuba. If that happens, Latin America will have many more Nicaraguas, and the United States will be defeated by the Soviet Union.

I know that we can win. Even without American support, our forces in the South have 7,000 fighters and control 10,000 square kilometers as well as an internal front. Our forces and those of the Nicaraguan Democratic Front in northern Nicaragua have expanded greatly, to the point that we cannot arm and supply them. Joining together our efforts is the only true way for Nicaraguans to overthrow the communist regime. With American support, so many people will join the freedom fighters that the Junta will either have to accept democracy or flee Nicaragua.

In the battle for Central America, the first communist objective is to consolidate control over Nicaragua in order to make it a communist fortress from which subversion can be spread throughout the region. I know this from my own experience with the Nicaraguan Junta members. They themselves have drawn the line. In Nicaragua today, if you do not support communism, you become an enemy of the revolution and must be destroyed.

We are fighting the combined forces of the entire communist bloc with the full support and direction of the Soviet Union in military and propaganda warfare. Your own nation is the main battlefield for the propaganda war, but we bear the burden of fighting them on the military battlefield. If we lose, all of the democracies in this hemisphere will be threatened, even the United States. We are the front line of the battle to preserve democracy. The people of the strongest democracy cannot turn their back on the freedom fighters of the small nations of Central America. We want no American blood spilled on our battlefields, but we must ask for your material and moral help. With your help and the support of our people, we can win the decisive battle for

freedom in Nicaragua. If we lose, American blood will be spilled, no matter what liberal Congressman say today. No North American administration can tolerate a communist Central America.

The organizations of Nicaraguan freedom fighters disagree on some things, which is normal among democratic people. We share, however, a common objective of gaining control over our own destiny and achieving a society of freedom and justice, as you have in the United States. Our revolution was betrayed by the members of the Junta. The Soviet Union, through Cuba and other clients, has turned our dreams of freedom into a nightmare of oppression. God willing, the Nicaraguan people, with the help of the American people, will realize our dream of a free, democratic Nicaragua.

Without Totalitarianism nor a Return to the Past.

EDEN PASTORA,
Commander-in-Chief, Democratic Revolutionary Alliance (ARDE).●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 28, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 29

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the cotton industry.
SR-328A

Finance
To hold hearings to review the findings of the President's Commission on Industrial Competitiveness.
SD-215

10:00 a.m.
Armed Services
Military Construction Subcommittee
Closed business meeting, to markup S. 537, authorizing funds for fiscal year 1986 for military construction programs of the Department of Defense.
SR-222

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To resume hearings on S. 679, authorizing funds for fiscal year 1986 for the Maritime Administration, Department of Transportation, and the Federal Maritime Commission, and S. 102, authorizing funds for fiscal year 1986 for the maritime construction differential subsidy.
SR-253

Foreign Relations
To continue hearings on S. 659, authorizing funds for fiscal years 1986 and 1987 for the Department of State.
SD-419

APRIL 1

8:00 a.m.
Armed Services
Closed business meeting, to resume markup of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-222

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the rice industry.
SR-328A

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.
Governmental Affairs
To hold hearings on the nomination of Donald J. Devine, of Maryland, to be Director of the Office of Personnel Management.
SD-342

2:30 p.m.
Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

APRIL 2

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the sugar, wool, and honey industry.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the activities of the Office of Government Ethics.
SD-366

Judiciary
To hold hearings on S. 522, to prohibit the use of Federal financial assistance to perform abortions except where the life of the mother would be endangered.
SD-430

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food-for-Peace Program (Public Law 480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on strategic defense initiative.
SD-138

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

Judiciary
To resume hearings on the proposed sale by the Department of Transportation of Conrail.
SD-226

Judiciary
Administrative Practice and Procedure Subcommittee
To hold joint hearings with the Joint Economic Committee's Subcommittee on International Trade, Finance, and Security Economics to examine investigation management procedures by the Department of Justice of certain Navy shipbuilding claims.
SD-G50

Joint Economic
International Trade, Finance, and Security Economics Subcommittee
To hold joint hearings with the Committee on the Judiciary's Subcommittee on Administrative Practice and Proce-

dure to examine investigation management procedures by the Department of Justice of certain Navy shipbuilding claims.
SD-G50

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Labor and Human Resources
To hold hearings on S. 484, to extend for 3 years the moratorium on the ban of the artificial sweetener saccharin.
SD-430

APRIL 3

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the peanut industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SD-G50

Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. International Trade Commission, U.S. Customs Service, and the Office of the U.S. Trade Representative.
SD-215

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Labor and Human Resources
Handicapped Subcommittee
To continue hearings on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy shipbuilding and conversion.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Environment and Public Works
To hold hearings on the availability of environmental impairment insurance and its relation to the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act [Superfund] (Public Law 96-510), and the Resource Conservation Recovery Act (Public Law 98-616).
SD-406

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury.
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 4

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the Food for Peace Program and export industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, United States Railway Association, and the Office of the Secretary of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53, authorizing funds through fiscal year 1989 for the Clean Water Act, and related measures.
SD-406

APRIL 4

10:00 a.m.
Joint Economic
To hold hearings to review public attitudes on the Federal budget deficit and Federal tax reform proposals.
2359 Rayburn Building

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

APRIL 5

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for March.
2322 Rayburn Building

APRIL 15

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for conservation programs.
SR-328A

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for research and extension programs.
SR-328A

APRIL 16

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-329A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, bilingual education, and adult and vocational education programs.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Finance
To hold hearings to review an Administration report on prospective payment for skilled nursing facilities under the Medicare Program.
SD-215

Labor and Human Resources
To hold oversight hearings on activities of the International Labor Organization.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agriculture commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for Amtrak.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

APRIL 25

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

10:00 a.m.
Appropriations
*HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116
Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342
Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services
SD-138
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

MARCH 28

10:00 a.m.
Judiciary
Business meeting, to consider pending committee business.
SD-226

APRIL 2

9:30 a.m.
Veterans' Affairs
To hold oversight hearings on the Veterans' Administration home loan guaranty program.
SR-418

APRIL 4

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418

HOUSE OF REPRESENTATIVES—*Thursday, March 28, 1985*

The House met at 11 a.m.

Rabbi Maynard C. Hyman, Adas Yeshurun, Augusta, GA, offered the following prayer:

Eternal G-d, Father of all mankind, in the introduction to the Decalogue Thou hast declared, "I am Thy G-d who brought thee out of the land of Egypt, out of the house of bondage."

Thus, at the greatest moment in history Thou didst proclaim to all mankind that in freedom we must serve Thee.

O' L-d, we thank Thee for the privilege and good fortune to live in a country whose leaders strive to enact laws which promote religious pluralism and multifaceted rights for all of its citizens. We pray that these ideals become the heritage of all the peoples of the Earth.

Do Thou bless and protect, help and exalt the President, Vice President, officers, and all the citizens of this country.

May this be the will of G-d; and let us say amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LOEFFLER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LOEFFLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 271, nays 138, answered "present" 9, not voting 14, as follows:

[Roll No. 38]

YEAS—271

Ackerman	Armey	Beilenson
Addabbo	Aspin	Bennett
Akaka	Atkins	Berman
Alexander	AuCoin	Bevill
Anderson	Barnard	Biaggi
Andrews	Barnes	Boehlert
Annunzio	Bates	Boggs
Anthony	Bedell	Boland
Boner (TN)	Hefner	Perkins
Bonior (MI)	Hendon	Petri
Bonker	Hertel	Pickle
Borski	Hillis	Price
Bosco	Horton	Quillen
Boucher	Howard	Rahall
Breaux	Hoyer	Rangel
Brooks	Hubbard	Ray
Broomfield	Huckaby	Regula
Brown (CA)	Hughes	Reid
Broyhill	Hutto	Richardson
Bruce	Ireland	Ridge
Bryant	Jenkins	Rinaldo
Burton (CA)	Johnson	Robinson
Bustamante	Jones (NC)	Rodino
Byron	Jones (TN)	Roe
Callahan	Kanjorski	Rose
Campbell	Kaptur	Rostenkowski
Carper	Kastenmeier	Rowland (GA)
Carr	Kennelly	Roybal
Chappell	Kildee	Russo
Coelho	Kleczka	Sabo
Coleman (TX)	Kolter	Schaefer
Collins	Kostmayer	Scheuer
Conyers	LaFalce	Schumer
Coyne	Lagomarsino	Seiberling
Craig	Lantos	Sharp
Crockett	Latta	Shelby
Daniel	Leath (TX)	Skelton
Darden	Lehman (CA)	Slattery
Daschle	Lehman (FL)	Smith (FL)
de la Garza	Leland	Smith (IA)
Dellums	Levin (MI)	Smith (NJ)
Derrick	Levine (CA)	Smith, Denny
Dicks	Lipinski	Smith, Robert
Dingell	Lloyd	Snyder
Donnelly	Lowry (WA)	Solarz
Dorgan (ND)	Luken	Solomon
Dowdy	Lundine	Spratt
Downey	Lungren	St Germain
Dwyer	MacKay	Staggers
Dyson	Manton	Stark
Early	Markey	Stenholm
Eckart (OH)	Marlenee	Stokes
Edgar	Martin (NY)	Stratton
Edwards (CA)	Martinez	Studds
Edwards (OK)	Matsui	Swift
English	Mavroules	Synar
Erdreich	Mazzoli	Tallon
Evans (IL)	McCurdy	Tauzin
Fascell	McDade	Taylor
Fazio	McGrath	Thomas (GA)
Feighan	McHugh	Torres
Flippo	McKinney	Torricelli
Florio	Michel	Towns
Foglietta	Miller (CA)	Traficant
Foley	Mineta	Traxler
Ford (TN)	Moakley	Udall
Fowler	Molinari	Valentine
Frank	Mollohan	Vento
Frenzel	Montgomery	Visclosky
Frost	Moody	Volkmer
Fuqua	Moore	Walgren
Gaydos	Morrison (CT)	Watkins
Gejdenson	Mrazek	Weaver
Gekas	Murphy	Weiss
Gibbons	Murtha	Wheat
Gilman	Myers	Whitley
Glickman	Natcher	Whitten
Gonzalez	Neal	Williams
Gordon	Nelson	Wilson
Gradison	Nichols	Wirth
Gray (IL)	Nielson	Wise
Gray (PA)	Nowak	Wolpe
Guarini	O'Brien	Wright
Hall (OH)	Oakar	Wyden
Hall, Ralph	Obey	Wylie
Hall, Sam	Olin	Yates
Hamilton	Owens	Yatron
Hammerschmidt	Packard	Young (FL)
Hartnett	Panetta	Young (MO)
Hawkins	Pease	
Hayes	Pepper	

NAYS—138

Archer	Green	Pashayan
Badham	Gregg	Penny
Bartlett	Grotberg	Porter
Bentley	Gunderson	Pursell
Bereuter	Hansen	Ritter
Bilirakis	Henry	Roberts
Bliley	Hiler	Roemer
Boulter	Holt	Rogers
Brown (CO)	Hopkins	Roth
Burton (IN)	Hunter	Roukema
Carney	Hyde	Rowland (CT)
Chandler	Jacobs	Rudd
Chappie	Jeffords	Saxton
Cheney	Jones (OK)	Schneider
Clay	Kasich	Schroeder
Clinger	Kemp	Schuette
Coats	Kindness	Schulze
Cobey	Kolbe	Sensenbrenner
Coble	Kramer	Shaw
Coleman (MO)	Leach (IA)	Shumway
Combest	Lent	Shuster
Conte	Lewis (CA)	Sikorski
Coughlin	Lewis (FL)	Skeen
Courter	Lightfoot	Slaughter
Crane	Livingston	Smith (NE)
Dannemeyer	Loeffler	Smith (NH)
Daub	Lott	Snowe
Davis	Lowery (CA)	Spence
DeLay	Lujan	Stangeland
DeWine	Mack	Strang
Dickinson	Madigan	Stump
DioGuardi	Martin (IL)	Sundquist
Dreier	McCain	Sweeney
Duncan	McCandless	Swindall
Durbin	McCollum	Tauke
Eckert (NY)	McEwen	Thomas (CA)
Emerson	McKernan	Vander Jagt
Evans (IA)	McMillan	Vucanovich
Fawell	Meyers	Walker
Fiedler	Miller (OH)	Weber
Fields	Miller (WA)	Whitehurst
Fish	Monson	Whittaker
Franklin	Moorhead	Wolf
Gallo	Morrison (WA)	Wortley
Gingrich	Oxley	Young (AK)
Goodling	Parris	Zschau

ANSWERED "PRESENT"—9

Boxer	Hatcher	Oberstar
Cooper	Mica	Ortiz
Garcia	Mikulski	Sisisky

NOT VOTING—14

Applegate	Dymally	Savage
Barton	Ford (MI)	Siljander
Bateman	Gephardt	Stallings
Dixon	Heftel	Waxman
Dornan (CA)	Mitchell	

□ 1120

Mr. HUNTER changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the agreement of yesterday, there will be only one 1-minute speech.

The Chair recognizes the gentleman from Georgia [Mr. BARNARD].

RABBI MAYNARD C. HYMAN

(Mr. BARNARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNARD. Mr. Speaker, it is both a privilege and a pleasure to have Rabbi Maynard C. Hyman of the Adas Yeshurun Synagogue in Augusta, GA, as guest chaplain today in the House of Representatives.

Rabbi Hyman was born and raised in Wilkes-Barre, PA. He attended schools in New York, the Rabbinical Seminary of America and Brooklyn College, and is married to the former Evelyn Mitzner of New York. They have two children, Avi Dov and Syril, both born in Augusta. Their son, Avi Dov, is a student at Ner Israel Rabbinical College in Baltimore and their daughter, Syril, is a student at Bais Yaakov School for Girls, also in Baltimore.

Today, March 28, marks a very special date for Rabbi Hyman. In Judaism, the number "28" is a significant number as it represents strength. Rabbi Hyman is celebrating his 20th year with the congregation in Augusta and 30 years in the rabbinate. He has previously served at the pulpit of the Congregation Beth Israel in Mahanoy City, PA, and the Congregation Tifereth Zvi in Utica, NY.

During his 20 years in Augusta, the congregation has celebrated their 95th anniversary. They have also experienced an impressive growth in membership, educational classes, youth activities and social functions. In 1969, because the congregation had outgrown their facilities, a new education and youth center and chapel building were added to the synagogue.

In addition to his duties as rabbi, educational director and teacher, Rabbi Hyman is also the volunteer Jewish chaplain at Gracewood State School and Hospital in Augusta. He is a past officer of the university hospital clergy staff and his sermons have appeared in leading rabbinic sermon manuals. He has been honored on several occasions by such organizations as the Augusta Federations of Jewish Charities and the State of Israel Bond Organization. Rabbi Hyman has also contributed his time and energy to the Rabbinical Council of America, the New York Board of Rabbis, and the Yeshiva University Alumni Association.

In introducing Rabbi Hyman today, I want to quote the rich, Jewish sources and traditions he represents. I find none more appropriate than the eloquent words of Maimonides, Rabbi Moses Ben Maimon, whose 850th birthday is being celebrated this week worldwide.

In the beginning of his magnum opus, the great Mishna Torah, he describes the ideal scholar and what distinguishes him from the rest of the people. He says in his book, "Hilchos Dayos":

> The scholar and wise man is not recognized only by his intellect and wisdom. He is also unique and recognized by his good deeds and mundane life, by his eating and drinking and daily dealings.

Rabbi Hyman is distinguished not merely by his knowledge and wisdom but also by his sense of integrity and character, and his service to his fellow man.

He devotes much of his time to speaking to non-Jewish groups in an effort to promote good will and understanding in the community of Augusta. He teaches by both word and example and his efforts have earned him the respect and admiration of both the Jewish and non-Jewish communities of Augusta.

It is an honor to have Rabbi Hyman and his lovely family with us today, Mr. Speaker. We all thank him for giving the blessings of the Lord on this most significant day.

ELECTING MEMBERS OF JOINT COMMITTEE ON PRINTING AND JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

Mr. ANNUNZIO. Mr. Speaker, I offer a privileged resolution (H. Res. 117) electing members of the Joint Committee on Printing and members of the Joint Committee of Congress on the Library, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 117

Resolved, That the following named Members be, and they are hereby, elected to the following joint committees of Congress to serve with the chairman of the Committee on House Administration:

Joint Committee on Printing: Mr. Gaydos of Pennsylvania, Mr. Jones of Tennessee, Mr. Badham of California, and Mr. Roberts of Kansas.

Joint Committee of Congress on the Library: Mr. Swift of Washington, Ms. Oakar of Ohio, Mr. Gingrich of Georgia, and Mr. Roberts of Kansas.

Mr. ANNUNZIO. Mr. Speaker, this is a routine resolution which conforms to the statutes establishing these two joint committees.

Section 101 of title 44 of the United States Code establishes the House contingent to the Joint Committee on Printing as consisting of the chairman and four members of the Committee on House Administration.

Similarly, section 132B of title 2 of the United States Code establishes the Joint Committee of Congress on the Library, and states that the House membership shall be comprised of the chairman and four members of the Committee on House Administration.

I have consulted with the ranking minority member of the Committee, Mr. FRENZEL, as well as the leadership of both sides, and all are in agreement as to the membership.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 117.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO FILE LATE REPORT ON H.R. 1714, AUTHORIZING APPROPRIATIONS FOR NASA, FISCAL YEAR 1986

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology may have until 6 o'clock, Thursday, March 28, 1985, to file a late report on the fiscal year 1986 NASA authorization bill, H.R. 1714.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles, and that I may be permitted to include certain tables and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MAKING APPROPRIATIONS FOR THE MX MISSILE

Mr. ADDABBO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for

fiscal year 1985 for the procurement of additional operational MX missiles.

The SPEAKER. The question is on the motion offered by the gentleman from New York [Mr. ADDABBO].

The motion was agreed to.

□ 1130

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles, with Mr. KILDEE in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. Pursuant to section 101(h) of Public Law 98-473, and the order of the House yesterday, Wednesday, March 27, the gentleman from New York [Mr. ADDABBO] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. MCDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. ADDABBO].

Mr. ADDABBO. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, 2 days ago the House voted to allow the authorization of $1.5 billion to fund the procurement of 21 additional operational MX missiles. Today, the House is considering House Joint Resolution 181, which actually makes available the $1.5 billion in unobligated balances for the procurement of these missiles.

I contend these funds should not be released at this time. The House has shown its resolve and support of the President on this issue by approving the authorization on Tuesday. The actual funds to carry the additional MX procurement forward should be held up as we watch the progress of the arms negotiations in Geneva. If there is no progress made, these funds can be made available later.

The unobligated balances are fenced and cannot be used for any other purpose. Why not wait and see what results from the Geneva negotiations before committing the American taxpayers to the expenditure of additional billions of dollars for missiles of questionable value?

This resolution, House Joint Resolution 181, should be defeated.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. I thank the gentleman for yielding me this time.

Mr. Chairman, I have listened to the debate on the MX for the past 2 days and have tried to understand the logic of some of my colleagues who are on the pro side of this MX vote. And as best as I can figure it, to many the bottom line is that you have to talk tough, carry a big stick and scare the Russians into being good guys. Well, if we build 21 more MX missiles, with 10 warheads on each, it will give the United States a total of 1,051 missiles and the Soviets will still have 347 more than us. They will probably deploy more since they are flight testing SS-X-24 and SS-X-25 missiles which are developed for mobile as well as silo basing. And the race goes on. And if these additional missiles are funded for the purpose of giving us the ability to bargain, what are we going to do, bargain away the social and domestic security of the American people at a cost of billions of dollars when we know for a fact that we could have better weapons for cheaper? This denies the American people what the Constitution guarantees them when it states that the Government should provide for the general welfare and common good. And what is the MX going to be as a bargaining chip? Is it another Spartan missile? Remember how that was bargained away in the SALT I treaty? But only after the taxpayer has paid millions of dollars for the Spartan and Sprint missile. The Spartan was a long-range missile designed to track incoming enemy warheads and determine whether or not they were live, if so the Spartan would destroy them, creating a nuclear shield. If any nuclear weapons made it through this shield the shorter range Sprint missile would destroy them. That was to be our safeguard system. Where is it now? The Nixon administration with the signing of the SALT I treaty bargained it away. They agreed with the Russians that there should not be an ABM program, although in 1975 the two silos were permitted to be built. The contractors were paid to place one missile in Grand Forks, ND. One month later the same contractors were paid to dismantle the missile. The point to be made here is that, like the Spartan the MX is a big waste of tax dollars. The history of this missile shows us that it has always been thought that its effectiveness was contingent upon its mobility. No responsible engineer would guarantee the survivability of a missile contained in a silo. The assurances of the President and his advisers, that the missile silos may be hardened and therefore not vulnerable to a Soviet first-strike, cannot be substantiated. At the point when the political decision was made that a mobile basing mode was not desirable for the MX, it ceased to be a viable weapon system.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. I thank the gentleman for yielding me this time.

Mr. Chairman, I am again voting against legislation which would appropriate additional funds for building more MX missiles.

I am happy to say that I voted against funding for the MX missile when it was first proposed in the Congress on April 22, 1977, and since that time, I have voted some 30 times against legislation which would provide funds for this costly and unnecessary system.

I thought the MX was a bad idea then, and I think it's a bad idea now.

Each year, more and more of our colleagues have come to recognize that the Congress should not continue to provide funds for such a dubious weapons system.

Back in 1977, only 11 of us voted against funding for the MX, and I might say that we were a lonely group then. Now, I am happy to say, we are in the good company of our colleagues from both sides of the aisle.

Mr. Reagan may win the battle again today. But I hope that he will take note that despite his recent trip to the Hill to lobby for the MX, despite his invitation for the entire House to come to the White House for a briefing on the MX, despite all of his telephone calls to Members of Congress, despite his bringing our chief arms negotiator back from Geneva to lobby the Congress, and despite all of the wheeling and dealing by the administration, funding for more MX missiles only won by a meager six votes the other day, and it looks as though today's vote again will be close.

It should be obvious that the days of fast and loose funding for the MX are numbered. In fact, had not the President used the current arms talks as a bargaining chip for the Congress to approve funding for the MX, it is doubtful that he would have received the necessary votes this time around.

You might say that the administration has won the battles, but eventually will lose the war.

If you think that today's vote will satisfy the administration's thirst for additional billions of dollars for the MX, then I suggest that you take a look at its fiscal year 1986 budget proposal.

It is requesting $3.2 billion for 48 additional MX missiles plus another $800,000 for development purposes.

Furthermore, we have not even started to discuss the funds that will be necessary for hardening the silos which will house the MX missiles. We are talking about another $20 billion to accomplish that.

Considering our $300 billion defense budget, it may seem that the current funding being requested for more MX missiles is not very significant; however, the true cost of this program could exceed $40 billion, as some of our colleagues have eloquently stated during the MX debates.

Mr. Speaker, funding for the MX missiles goes far beyond the point of being merely a national security issue. Actually, little has been said about the value of the MX—in fact, the administration has not tried to defend the MX based on its merit; it has only talked of the MX as a bargaining chip.

While we are so willing to, at the administration's urging, pump billions and billions of dollars into a system as questionable as the MX missile, we also are being asked to ignore the realities of $200 billion a year deficits partly caused by unnecessary defense programs such as the MX.

Furthermore, we are asked to continue to reduce or eliminate funding for programs that benefit our children, senior citizens, students, the hungry, the homeless, the sick, small businesses, and the disadvantaged.

The MX missile says a lot about our priorities. To build unnecessary weapons, we are so willing to jeopardize the real national security which is so vital to our country's future.

National security comes in many shapes and forms—defense being merely one of them. While our future is not dependent on whether we fund the MX or not, it is very dependent on whether we feed our citizens and provide them with decent housing and adequate medical care, educate our children, and show that we care for our young and our old.

These are the things which make our country so great. Few civilizations have collapsed from lack of weapons, but many have fallen because they failed to take care of the human needs of their citizens.

Mr. McDADE. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. DICKS].

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my good friend the gentleman from Pennsylvania.

Mr. KOSTMAYER. I thank the gentleman for yielding to me.

Mr. Chairman, I rise in strong opposition to the MX.

The President has told us he needs the MX missile because it is an effective deterrent and therefore an effective bargaining chip with the Soviets during the current arms control negotiations in Geneva. I agree with the President that we ought to have an effective deterrent to use in bargaining with the Soviets to reach an agreement.

The problem with the President's argument is that the MX is not a deterrent and not an effective bargaining instrument either. It's not a deterrent because it's so vulnerable to Soviet attack, deployed as proposed, in hardened Minuteman silos. A weapon can't be a deterrent if it can't survive and the MX could not survive a Soviet attack. So the Soviets have no reason to fear the MX unless the United States used it in a first strike. But President Reagan, quite rightly, has said we would never launch a first strike.

If the Soviets know the MX is not an effective deterrent, there is little incentive for them to give anything up in exchange for our agreement not to deploy it. So it's not a very effective bargaining chip. And who really believes that the present administration would agree to bargain away the MX missile once it had been built? I don't. This administration is committed to building it at whatever cost, even the almost $40 billion it may eventually cost.

I fail to see the logic in the administration's argument that we need more nuclear weapons in order to reduce the number that we have. I cannot see where spending a quarter of a billion dollars to build and deploy each MX missile is going to move us in the direction of limiting and ultimately reducing the number of nuclear weapons and reducing the chances of destruction of the planet.

The time to begin to limit the number of nuclear weapons is now and the defeat of the MX missile, once and for all, is the way to begin.

The people I represent, Mr. Chairman, of Bucks and eastern Montgomery Counties, in Pennsylvania sent me here to oppose this wasteful and destructive policy.

Today I am proud to cast my vote on their behalf.

Mr. DICKS. I thank the gentleman for yielding me this time.

Mr. Chairman, there has been no issue which has more divided this Congress than the question of the MX missile and its deployment. In 1983, President Reagan named a bipartisan commission led by Gen. Brent Scowcroft to examine strategic modernization and arms control policy. It made three major recommendations, relative to the issue before us today. One, that the President of the United States commit himself to a vigorous approach to arms control; two, that we develop a small, single warhead missile called Midgetman to add stability and survivability to the land-based leg of our force; and finally, that we have some deployment of the MX missile. The Commission noted that we had been debating the ICBM modernization issue for 12 years, and it was time to demonstrate that we could go forward to complete a system that we had been debating while the Soviet Union had deployed seven additional classes of ICBM's and 640 heavy SS-18's and SS-19's.

The Scowcroft Commission concluded that we need some prompt, hard target capability in the near term as leverage to get the Soviets out of their vulnerable silos, to move toward mobile missiles which would be more survivable. The Soviets are beginning to do just that. They are developing the SS-24 and the SS-25, which are mobile systems which are more survivable.

□ 1140

I happen to believe that with somewhere between 400 and 500 warheads, and this is the level of deployment we will have with 42 missiles, that we will have enough prompt hard-target capability to keep them moving in that direction, particularly as they view D-5 coming behind that and Midgetman, which also has prompt hard-target capability.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I cannot yield because I just do not have enough time. I would love to yield to my friend. If I do have time, I will, at the end.

So it was on the basis of those three recommendations that the group of moderates in the House and in the other body agreed to work with this administration. Because we felt that nothing could be achieved in arms control for this country if we did not have a bipartisan consensus. Many of us were concerned about the direction of the Reagan administration, the very confrontational approach the President was taking, the deterioration in United States-Soviet relations, and we felt if the President would commit himself to arms control that we could give him some support for his modernization program. I happen to believe that that was the correct decision.

Now, many of my colleagues were very cynical. They said this administration is not serious about arms control, and yet I challenge one of you to stand up and tell us that Max Kampelman is not a serious negotiator who wants to get an agreement in Geneva. I just think that he came back here and demonstrated that he is committed, that everything is on the table, as he said at the White House, and that he wants to get an agreement for our country. I think at this particular juncture, 2 weeks into this negotiation, if all of a sudden we give a major defeat to the President of the United States, a major defeat to the negotiators who are trying to deal with the Soviets in a very complicated and difficult negotiation, that we will be sending the wrong message to the world.

I also believe that our NATO allies have had to, under brutal political pressure at home, and Soviet pressure, go ahead with the deployments in Europe and they are now looking to see whether we have the resolve and the commitment to deploy a militarily significant force.

Having said that, I also must caution this administration that they should not try to use Mr. Kampelman again in this kind of a mission. I do not

think it is right. I think the administration is going to have to recognize that with major cutbacks in defense, obvious from what the other body has done, what is happening here in the House, that they are going to have to prioritize in the defense accounts themselves, and I must tell you that when it gets down to the strategic budget, I am going to be more interested in what we are doing in cruise missiles, what we are doing with the Stealth bomber, and things of that nature if we have to make tough budgetary priority decisions as we get to the 1986 authorization bill.

In summary, I think the Scowcroft Commission gave us the basis for progress. The President has kept his word. He is in Geneva with his negotiating team. We are developing Midgetman and I believe that if we undercut at this point, before we get deployed a militarily significant force, I think we are making a mistake.

So please continue to support the release of funding for these 21 missiles.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, this morning I sent to your offices a short "Dear Colleague" letter pointing out the administration's true position regarding the bargaining chip rationale of the MX.

Last night on the McNeil-Lehrer news show, Ambassador Edward Rowny, one of the chief arms control advisers to the President, admitted that the MX is no bargaining chip. He says it is a way of catching up with the Russians and that the administration has no intention of putting it on the table. They do not consider it a bargaining chip. He said they do not expect the Russians to agree on any trade that would involve reduction of the Russians' MX-type missiles.

So for those of you who have been convinced that we need the MX for Geneva, I would ask you to review the text of last night's statement by a high administration official regarding its true intention of the MX. It is no bargaining chip. It is for deployment.

If you want to actually deploy the MX, then please vote "yes" today. If you do not want to deploy the MX, then vote "no." Do not consider it a bargaining chip. By the administration's own spokesman, it is no bargaining chip. It is for deployment.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. I thank the gentleman for yielding this time to me.

Mr. Chairman, I am one Member who is for a stronger defense than the MX provides us. The total expenditure of some $1 billion for every four MX missiles I think will wind up causing us great problems in the future in trying to deal with those systems that Chairman BENNETT on the Armed Services Committee and Chairman ADDABBO on the Defense Appropriations Committee have worked so hard for over these past years, specifically, the D-5 on the Trident submarines, the Stealth bomber technology, the Midgetman, and all of those other important strategic systems which I and they have supported.

When we find down the line that we do not have sufficient funds to do those things we ought to do, we will be buying less defense, not stronger defense.

Mr. Chairman, I submit today to those who are going to vote for the appropriation that they should think twice about that and let us have a stronger defense.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, today we are making the most fateful decision of this Congress. Today is the vote on whether we produce the MX missiles. We voted 2 days ago to authorize a program that is senseless, to give Max Kampelman a vote of confidence, to give him a bargaining chip. Tuesday we voted on Geneva. Today we must vote on the MX.

We knew the MX should not be funded, but we wanted to give our negotiators a bargaining chip. But is the MX a bargaining chip to President Reagan? Let me quote him last week: "No, the MX is not a bargaining chip."

George Shultz last week: "It is not a bargaining chip."

Caspar Weinberger last week: "The MX has never been a bargaining chip."

These men are telling us the truth. We ought to listen to them. Every time he wants to save the MX, President Reagan promises progress in arms control. We have given them the $1.5 billion authorization that Max Kampelman needs to bargain with at Geneva. Let us not produce the MX missile that will, in fact, fuel the arms race.

We have heard a lot about Soviet missiles, but if we look at the pictures of new Soviet missiles, we see one interesting thing: They are not putting them in stationary sitting-duck silos. They are developing mobile missiles. The Soviets are not buying dinosaurs and neither should we. This is not an issue of liberal versus conservative. It is an issue of smart versus dumb. When we produce worthless missiles, we do not look tough; we look dumb. And when we in Congress haul out the white flag and surrender every time the President cries military strength we look dumb and weak.

In today's Washington Post, we see a beautiful Air Force photo of MX warheads, 10 of them, streaking toward the Earth. When some people see this, they see a demonstration of resolve. When I see it, I see the end of the world.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong opposition to the funding of the MX.

The President of the United States is like a kid with a new toy and he is bound and determined to get his new set of nuclear bombs using whatever it takes and caring little about the consequences. To deny him his 21 MX's because it is going to send the wrong message to the Soviets is the height of absurdity.

To call this a peace keeper is the ultimate in naivete.

If I thought building these missiles would force the Soviets to agree to reduce their nuclear arms and would secure peace, I would vote for all 100, but you know that is not going to happen. Is it a bargaining chip? Once we agree to funding construction, they are going to be built. There will be nothing to bargain. The truth is that the Soviets are going to strengthen their hand by building more and more to keep up. History shows this. Add all these to the existing 50,000 nuclear warheads or more and then ask yourselves—now where are we?

Now if you think that the Soviets are further ahead in arms technology and numbers of nuclear weapons, ask the Pentagon if they would trade America's weapon systems for theirs. You can bet they would not.

I have spoken in many high schools throughout my district and asked high school juniors and seniors what they think and, frankly, they are scared to death. Only yesterday I talked with 47 closeup students—not one—not one—thinks they should be built.

It is not logical my friends to build 100 multiheaded nuclear weapons that are more powerful by many, many times than those dropped on Nagasaki and Hiroshima, to end the arms race and reduce nuclear weapons. It is contradictory. If we reach an agreement with the Soviets—do we then begin to dismantle the very weapons we are being asked to fund and which we are threatening them with? I think not.

But these are the points that President Reagan is using to sell this $40 billion boondoggle even though very few people feel that the MX is essential to the success of these talks. So then what is the wrong message we send if we don't build them? There is no wrong message. The wrong message is if we build them, this will not stop the arms race, it will accelerate it.

Further all the best physical deficiencies have been stated—and truthfully—they will be vulnerable in existing silos which are not able to handle them—there is no money appropriated to restructure these silos therefore there is no base mode—so then, where do you store them—in the White House?

Additionally my friends, for the President to ask to spend this kind of money on a system that will be obsolete when finished, and that will not achieve the purpose for which they are being built and which threaten the security of this country and then turn his back on America's dwindling family farmer, American students who want to further their education in college, America's veterans who do not want their medical benefits cut or pension and disabilities taxed and America's senior citizens who built this country who do not want their medical benefits reduced is absolutely ludicrous.

I think you better take another look at what this President is doing and get back to what the people are telling us are their real concerns—fiscal responsibility, lower spending, reduce deficits, reduce interest rates. Help America's unemployed so they can work, pay taxes, educate their children, feed, clothe, and house their families, farm the land and make America really strong—which is how America was built in the first place.

This Nation now is the strongest military power in all of history yet our economic foundation is crumbling through misguided and misunderstood fiscal policies.

We better get our priorities in order.

Mr. McDADE. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from Florida [Mr. YOUNG].

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Mr. YOUNG of Florida. Mr. Chairman, there have been many issues raised in the debate, and we have heard them all so many times. As we approach the final vote, I think it is important that we eliminate some of the chaff and get down to the wheat.

I just heard an eloquent speech here from this well telling how everyone in the administration has said that the MX is not a bargaining chip. Well, if we went to Geneva, having already told the Soviets what were bargaining chips and what were not bargaining chips, we might as well stay home. If we go to Geneva letting the Soviets know in advance what we will accept and what we will not accept, that is not a negotiation, that is a capitulation. If you really want genuine negotiations in an effort to remove the threat of nuclear war from this planet, you have to go to those talks with both sides understanding the seriousness of what they face, with both sides understanding that there is going to have to be some give and some take. The Soviets are willing to take, and we know that because their history year after year proves it.

They have taken Hungary, they have taken Poland, they have taken Czechoslovakia, they have taken Latvia, they have taken Lithuania, they have taken Estonia, and in recent times they have taken Afghanistan. The Soviets will take, but they do not like to give. The only way we can convince the Soviets to give is if we have something that they would like to take from us or they would like to have us give to them. If we here in Congress take away all those items our negotiators might work with in Geneva, there is no use in going to Geneva, there will not be any meaningful negotiations, and the Soviets will continue their tremendous, fantastic buildup of an offensive capability and we will be sitting here 10 years from now playing catchup again, as we have for the last 6 or 8 years. It is very expensive to play catchup, especially when we are dealing with billion-dollar items.

Another argument that needs to be addressed is that we voted on Tuesday to authorize the unfencing of the funds for the 21 missiles, the $1.5 billion, and that we do not have to appropriate the money today, that we do not have to eliminate the fence around the money. Well, I never heard anything so ridiculous.

How dumb do we think the Soviets are? They may be dumb, but they are not stupid. I will bet they are watching this debate today, as they did yesterday and the day before that and months and years before that, and they know that if we do not vote to unfence these moneys today, there is no MX missile. They know that, and when they sit down in Geneva, why in the world would they give any consideration to giving something to get rid of our MX missile or giving something to get rid of an SDI initiative when there is no money? They are not stupid. We can say to them all we want that we unfenced the authorization on Tuesday, but if we do not also free up the money, the Soviets know it and we are just not going to have any value at the negotiating table on this issue.

Now, there is another point that was just made, and I don't think this requires a lot of comment. But one of the speakers just said that this was such a worthless missile. Well, if this missile is worthless, I wonder why the Soviets have already built one just like it. And if this missile, with this new technology, is worthless, what about the Minuteman II's and Minuteman III's in the silos today? If the Peacekeeper is worthless, believe me, I say to my friends, the Minutemen are worthless because they do not come anywhere near the technology that the MX Peacekeeper has today.

It might be fashionable for our colleagues to come to the well of this House and tell us this is a worthless missile, and maybe to them it is. Maybe they really believe it is a worthless missile, a worthless piece of technology. But I can promise you that when the Soviets look at it, they do not see a worthless missile, they do not see a worthless piece of technology.

We have had debate. We have had votes, in fact, we have had vote after vote after vote. Why don't we just go ahead and finish what we started last Tuesday when we passed the authorization resolution? Let's pass the money resolution today, and let's be in a position of strength dealing with the Soviets as we earnestly seek to remove the nuclear threat from the people of the world.

Mr. Chairman, during the many hours of debate this week some of our colleagues have attempted to lay the responsibility for our mounting budget deficits on President Ronald Reagan.

Let's take a look at the numbers to see where the responsibility really lies. From fiscal year 1982 through the President's proposed fiscal year 1986 budget, the annual budget deficits total $923.2 billion. During that same time, the President has had no choice but to spend $778.9 billion of that $923.2 billion just to pay the interest on the national debt. It's important to note that when President Reagan took office he inherited a $1 trillion national debt and annual interest payments on the debt which have risen from $117 billion to $200 billion per year.

Subtracting these annual interest payments from the deficits of the President's first five budgets, we find that President Reagan's actual deficit for that period is $144.3 billion, an average deficit of $28.9 billion per year. The last time our annual budget deficit fell below $30 billion was in 1974, 11 years ago.

It's my hope, Mr. Speaker, that my colleagues will keep these figures in mind when they attempt to pass the buck for our national debt. The truth of the matter is that the President of the United States cannot spend a single dollar that the Congress does not first appropriate. And before Ronald Reagan took office, Congress appropriated a trillion more dollars than it had to spend. President Reagan never had a chance to start with a clean slate. Instead, during his Presidency he has had to include in his budget more than three-quarters of a trillion dollars just to pay the interest on the trillion-dollar national debt he inherited upon taking office.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding me these 2 minutes.

Mr. Chairman, in my judgment, 21 missiles will not make the difference in arms control negotiations in Geneva. As a matter of fact, even 100 MX missiles are not going to make the difference. If we want to talk about SDI, we are going to have a little time to talk about that later on.

I think the basic issue we are discussing here today is really not the 21 missiles to be unfenced; it is a matter of trust and mistrust between 2 countries. Let me share with the Members in the 45 seconds I have, a conversation I had with the Soviet Ambassador on the subject of chemical warfare and the limits of chemical warfare. Their feeling is that we are trying to impose our will upon the Soviet Union, which is absolutely untrue, and then when we try to respond to them and talk about Afghanistan, as the gentleman mentioned before, they want to get away to another subject.

The same gentlemen said to me, "We lost 20 million people in World War II," and he was reminded very quietly but effectively that if it were not for the United States, Russia today could have nazism, could be Nazi Germany.

The point is that we have a problem of mistrust between both countries. They are going to keep building on one side and we are building on the other side, and we are never going to have an arms control agreement. I think what we ought to be looking into as policy maybe in the future is to see how we can have a breakthrough between these two so-called superpowers in order to have some understanding of what arms control really means.

Mr. Chairman, the MX missile is not going to make the difference, I think deep down we all know that. So I ask the Members to let their conscience guide them on this one.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. BENNETT], a leader on this side against the MX missile.

Mr. BENNETT. Mr. Chairman, I have just come from a meeting of the Armed Services Committee people from Great Britain and from the United States, talking about this and other matters, and in that meeting it was said that we will do well if we get a 3-percent increase—the President has asked for 6 percent—over the money last year. So we are dealing really at this point with a problem of whether or not this is the ideal weapon they say it is, because in a way we are saying to the world that we would rather have the MX than any other weapon, and, of course, that is just exactly the opposite of what really we should be doing.

We are talking today about funding the most vulnerable, the most disputed, and the least valuable weapon that we have, and we are cutting down on the things that the President has asked for. He has asked for $313 billion of new funding for this year, and it is common knowledge that he is not going to get more than 3 percent over inflation. He may not get anything over inflation. If he gets 3 percent over inflation, that is $34 billion in future funds of MX, and that would be $18 billion for each of those years, and, therefore, the figure is going to come out to the fact that if we vote for this in the way it has been presented here today, we will be cutting down on other very vital matters for the national defense of our country to the extent of $34 billion. If it is going to come out in 2 years or 4 years, in one case it does not make any difference where it is going to come out, but it is going to come out of the absolute essentials to our national defense. So we are picking the least valuable weapon we have and giving it priority.

I would like to conclude my remarks by emphasizing, as I said before, the Constitution of the United States because a lot of people do not really understand what we are ordered to do by the Constitution. In our Constitution, it says that there is going to be a Commander in Chief, but Congress is given the responsibility to declare war, and that Congress shall have the power to raise and support armies, provide and maintain our Navy, and make the rules for the Government and regulation of the land and sea forces.

Mr. Chairman, I say to the Members that they ought to vote their conscience here today and vote against the MX funding.

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Chairman, let me first thank my ranking member for yielding me this time.

I want to take just a moment to express my congratulations to my colleague, the gentleman from Pennsylvania [Mr. McDADE], on his new responsibility as ranking member of the subcommittee of the Committee on Appropriations dealing with this critical area of our own responsibility. The work of the House, in terms of sensitivity, understanding, and compromise in the field of defense, is indeed given great strength with this new leadership on the part of the gentleman from Pennsylvania. I appreciate his work and rise to express my confidence in him as well as my support for his effort.

Mr. Chairman, for the last several days, the House has had the opportunity to hear a great range of opinions on the merits of the MX missile, its impact on the arms control talks currently underway in Geneva, and the relative strength of the U.S. strategic land-based deterrence. These are important questions that must be carefully and critically analyzed, for the decisions we make this week will indeed have an impact on the shape of our strategic forces well into the 1990's and beyond. And the capability of those forces will have a direct and undeniable impact on the security of the Nation we have been sent to Washington to safeguard.

I should like to take a moment and address some of the concerns voiced by my colleagues on both sides of the aisle relative to the MX and the need to release the fiscal year 1985 funds for its continued procurement.

Many have stood in the well of the House and warned that we are unable to simply go on buying weapons on credit. That we must pay for that which we procure. This is true. But the MX decision before us is one that will release funds this body has already appropriated for defense. It is not new money. It is not fiscal year 1986 funding which may be redirected to deficit reduction, unemployment compensation, farm relief, or education assistance.

It is funding which must and ultimately will be spent to provide for the Nation's security. If it is not spent for improvements in our land-based strategic forces through the procurement of MX, it will be spent on other defense requirements. So the concerns of my colleagues over this vote and the impact on the deficit are more appropriate for future discussions on fiscal year 1986 funding. The real question before us today, therefore, is: "Is this money best spent on the MX or should we reprogram it for other defense purposes?"

A quick review of the improvement in our military forces over the past 4 years reveals that the land-based component of the strategic triad has received only minimal attention while the other facets of the Nation's defense have been the focus of considerable funding increases. I am not arguing that this attention was unwarranted. On the contrary, our military forces had been allowed to stagnate and were in dire need of modernization. But, the Minuteman and Titan force have been, with the exception of 21 new MX missiles appropriated last year and yet to be deployed, the heart of our strategic force for the past two decades. It is past time to improve these forces. MX is the necessary answer to years of neglect.

During the time that the United States has shown unilateral restraint in refusing to build new land-based missiles, the Soviet Union has been overly active in deploying hundreds of new and increasingly sophisticated ICBM's which have acted to change the correlation of forces in these systems. We live in a far different strategic environment in March 1985 than

we did in the early 1970's when SALT I was ratified or in the late 1970's when SALT II was sent to the Senate for advice and consent. I know these facts are well known to my colleagues on both sides of the MX question. I ask them to remember that the trend on the Soviet side has been one of unrestrained growth while the trend on our side has been one of great unilateral restraint.

The central question, it appears to me as I have watched the debate unfold in the Chamber, is one of survivability. Will the MX in the proposed basing mode provide an increase in real deterrence or is it so vulnerable to Soviet attack that it will serve no deterrent purpose?

The Scowcroft Commission found after months of review that MX was indeed survivable in the Minuteman silos. They based their conclusion on several factors:

The synergistic effect of the triad would serve to protect the MX. In other words, the threat of retaliation from either the air- or sea-based portions of the triad increases survivability for the MX by complicating the Soviet calculus of risk. With the addition of the MX missile they have no reasonable assurance that the United States would not have sufficient strategic assets remaining in order to retaliate in kind.

Future silo-hardening technologies will significantly improve MX survivability. Such improvements will greatly reduce the vulnerability of MX while at the same time further complicate Soviet first-strike planning requirements. Much has been made of the fact that no funds are currently appropriated for this silo hardening. The Scowcroft Commission foresaw that there would of necessity be a timelag between the placing of MX systems in minuteman silos and the hardening of those silos at a later date. But again they concluded that the triad effect would act to deter a surprise attack against the MX. Let us make no mistake, such a surprise attack would have to be of such magnitude that it would quickly be detected and our air- and sea-based forces would be deployed and ready for action.

Many have argued over the course of this debate that we must wait for Midgetman—the small ICBM yet to be fully tested, funded, or deployed. They argue that only the Midgetman will provide the security we seek with the MX. Again, the experts and the President's Bipartisan Commission on Strategic Forces disagree with this assessment.

The Scowcroft Commission has endorsed both MX and Midgetman. In fact, they have predicted the success of the Midgetman Program on the deployment of MX.

MX and Midgetman are designed to be complimentary systems, not one replacing the other. Even after the deployment, if that day should come, the MX would remain in place. For the MX places at risk hardened targets in the Soviet Union which even the Midgetman cannot sufficiently threaten. To deploy is clearly the most viable strategic alternative. Not one rather than the other.

In addition, the commission found that only the MX could provide timely and effective counterweight to Soviet improvements in ABM technology because of its ability to carry a sufficient number of warheads and deceptive devices to confuse Soviet ABM systems. Such throw-weight size would serve to dissuade Soviet attempts to break out of the ABM Treaty by insurmountably complicating Soviet ABM requirements. The commission concluded that no other system—either air, land, or sea based—in the present U.S. strategic inventory has such a capability. Nor will the Midgetman if deployed have this capability.

There are no guarantees that Midgetman will ever be funded in sufficient numbers by the Congress. The debate on the MX over the last 4 years is proof of the reluctance of many in the House to approve strategic weapons systems, no matter how necessary.

To cancel the MX in the belief that Midgetman, to be deployed 7 years from now, does nothing to improve our bargaining strength at the arms control talks in Geneva. Former Defense Secretary Harold Brown noted in Scowcroft Commission report:

To (abandon the MX and) say that the United States will modernize in the early 1990's with a small single-warhead missile will just not be believable. The Soviets would be justified in calculating that any new U.S. ICBM system will be aborted by some combination of environmental, doctrinal, fiscal, and political problems.

Today the decision we made on the MX will have a profound impact on the nature and stability of world peace. For while we debate here in Washington, U.S. negotiators are active in Geneva trying to shape a new arms control agreement which will defend the interests of the United States.

According to these same negotiators, our decision today will be the most important arms control decision made in the near future. For if we choose not to deploy the MX, we weaken their position, our Nation's position, at a time when strength of arms and will, both real and perceived, is of prime importance.

We are not the first legislative body to debate the question of strategic strength and successful arms control. I refer you to the Senate hearings at the time of the SALT I ratification hearings. I also recommend the lessons that modern 20th century history provides.

Indeed, the script which the House of Representatives has followed this year bears a haunting familiarity to that of our British counterparts some 50 years ago. Just as England was then faced with the threat of an everexpanding Nazi military capability, we are now required to confront the awesome strategic and conventional power of the Soviet Union. Though the weapon systems under discussion in the House of Commons were not MX missiles, the issues and circumstances were very much the same as those which challenge the United States today.

Time has served to diminish the memories of the intensity of public fear during the pre-World War II period over the threat of air power and the risk of global conflict so close on the heels of the war to end all wars. In a modern world threatened by weapons of such potential destructive power as nuclear arms, it is hard to believe that the Europeans of the 1930's viewed the use of aerial bombardment by nations in conflict with the same concern and trepidation as we today fear the consequences of nuclear war. Unaware of the weapons of modern war, our European friends of the thirties were nevertheless confronted by their own version of the ultimate doomsday weapon—the airplane.

Much has been written on the causes of the Second World War, the conflict which Churchill referred to as the unnecessary war. The unequal nature of the Treaty of Versailles and the humiliation it forced on Germany, the pain and disruption of economic depression and social upheaval following World War I, the forced reduction of German territory and the rapid remilitarization of the Nazi's are all generally accepted as precipitators of the conflict. But clearly there are other, equally important causes of this second great war which must be laid at the doorstep of the Western powers of the day.

British reluctance to maintain a credible defense, French political uncertainty and instability, an unwillingness on the part of western leadership to judge German intentions on the basis of its actions rather than rhetoric and an understandable yet naive and ultimately destructive desire to pursue an ultimate peace at any cost, even at the price of Czechoslovakia and Poland's sovereignty, acted as midwife to the ultimate death and destruction that was the Second World War.

The search for and the maintenance of peace is the ultimate and most important responsibility of those holding high office, yet it must not be attained or preserved at the loss of human freedom or as a result of defeat in war. If we are to learn anything from the tragedy of past wars it must not only

be an abhorrence of conflict, but also a respect for the need to maintain an armed force which clearly and unquestionably deters aggression on all levels.

Unfortunately, the weapons of war have undergone a frightening metamorphosis in the last 40 years. As such, the desire to do away with them unilaterally has great popular appeal, as it did for the British in the 1930's. Oftentimes the best answer appears to be simply throwing up our arms and seeking to lure our potential adversaries to the bargaining table at any price, believing that they also seek to eliminate the threat and risk of nuclear war with a similar conviction and in the same fashion we do. This is what Soviet leadership has said in public, many argue, so why not take them at their word? There is much evidence including this week's tragic killing in East Germany, which argues that we not merely take the Soviet Union at their word.

In the early 1970's, the Soviets came to the arms talks because of concern over superior U.S. ABM capabilities. That U.S. strength led to an arms agreement.

Later in the 1970's, the Soviets returned to the SALT II talks partly over concern with the U.S. qualitative advantages in MIRV and guidance capabilities. However, the balance of strength had shifted dramatically and the final product failed to ensure the unquestioned protection of U.S. interests.

Now 10 years later, the balance of strength has shifted even further in favor of the Soviet Union in the area of land-based forces. Yet the Soviets have returned once again to the bargaining table as a result of a string of U.S. decisions to upgrade its strategic forces. They failed to shake allied resolve and the Pershing and cruise missiles were deployed. Strategic defense has shown promise and the Congress last year voted to deploy the MX missile.

All these events have brought the Soviets back. Now the negotiating must begin. So now is not the time to hamstring the U.S. team at the very moment that strength is required. Those who oppose the MX are in favor of arms control, workable and verifiable agreements. We all are. Yet, those who stop the MX hamper the very cause they claim to so adamantly support. Without the MX we may reach an agreement in Geneva, that is not worth the paper it will be written on. In the end, the arms control process and the credibility of that process will be severly damaged.

Our negotiator in Geneva, Max Kampelman, has stated the argument for MX in most unequivocal terms:

> In my opinion, I think it would be damaging to our position in the negotiations were this Congress to decide not to fund the MX proposals that are now before it.

If arms control is to succeed, if our strategic strength is to be assured, we must not waiver in our resolve to modernize. MX is a fundamental facet of that modernization and hence deserves the unshaking support of this body.

Thank you.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, we have been debating this issue for a long period of time. I think probably the major point that should be made today, in the fourth day of debate, is the fact that we cast this precise vote a couple of days ago. There is no difference between the authorization bill and the appropriation bill.

I have heard it argued that if we vote against it today, we can always come back and start up the production of the missile, the MX missile, a year from now, 6 months from now, or 9 months from now. Nothing could be further from the truth.

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The only thing you are going to accomplish by voting no today is spending about $1.3 billion in order to start it up again a year from today. It cannot be turned on like a light switch. Contractors will flee.

So the vote we have today on this authorization bill is exactly the same vote as on the appropriation bill. If you vote no today and expect to turn it back on a few months from now, you will be spending $1.3 billion and getting nothing, rather than spending $1.5 billion and getting something.

Also, let me urge, why is this Congress if we vote no today, going to make life easy for the Soviet Union? Why do we want to make life comfortable for their negotiators? Why do we want to make life safe for their deterrent force when they put our deterrent force at risk?

Finally, how can we expect our negotiators to negotiate a treaty with the Soviet Union that we demand to be equal, that we want to reduce in same amounts on both sides, if we do not give them some tools to do so? If we go into the negotiations unequal, which is the case today, how can we expect our negotiators to come away equal?

The Soviet Union's land-based missiles can put our deterrent force at risk. Ours cannot put their deterrent force at risk.

You have heard the argument over and over again, it has not been rebutted; they have approximately 600 MX capable missiles and we have none. If we want an equal negotiation, if we want an equal treaty, if we want to give some strength to our negotiators, we have to give them a yes vote today.

There is an argument here that delay is good. In my mind, delay is never movement. Hesitation is never firmness.

It is argued that there is always another way to buy security. There is a cheaper way. There is an easier way. There is a safer way. Mr. Chairman, there is no cheap way. There is no safe way. There is no perfect way.

We have to give Max Kampelman and our negotiators at this particular time what they need, a display of strength and resolve, the ability for them to bring back a treaty that reduces capabilities on both sides. If we want an equal treaty, we have to have equal capabilities.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

I was a little nervous about the previous speaker, because if we talk about a requirement that there be equality in the negotiations and that therefore we have to get equal to them land-based, I am afraid that is going to mean a big submarine building capacity on their part, because I hope we are not going to insist that we go into an equal weapons system by weapons system, because we are going to be encouraging the Russians to build to catch up to our enormous advantage in submarines.

I want to talk particularly to my friends who say that they are going to vote for these 21, but not for the next 48. We have gotten that from my friend, the gentleman from Washington. We have gotten that from others. They are going to vote for this batch, but no more.

As I have said, we have heard that many, many times. We have heard that it was a terrible thing to bring Mr. Kampelman over. He should not be brought back again, but it was important that he came this time.

I become skeptical of the people who are going to take the pledge.

The problem I have is this. The argument we are getting is that we cannot undercut the President in negotiations now. We have only one President and we must, therefore accede to his request. My difficulty comes from those who say they are going to vote for the 21 because we have only one President and he is asking us to do this now because he is in negotiations, but who tell us they are not going to vote for the next 48.

We will still be in negotiations, we all hope, in June or July when we vote on the next 48. We will still get a request from the President for the 48. It is already before us. If we have to vote for the 21 now because we only have one President, I have to ask my friends, how many Presidents will we have when the request comes in for

the 48? If we will have more than 21 Presidents, maybe you can vote against the 48.

We heard yesterday from my friend, the gentleman from California——

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FRANK. Not with only 2 minutes.

We heard yesterday from my friend, the gentleman from California, that we must speak with one voice on this issue. I told him with great respect, I think that is a very mistaken thing to say. Today this great and diverse Nation is told that on foreign policy we have to speak with one voice. We will have done the Soviets the great favor of emulating them at their very worst.

No, we should not speak with one voice. We ought to do what is right and vote against this $1.5 billion waste.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. Mr. Chairman, every day we hear speeches in the well of this House about the tremendous deficit this Nation faces. The proponents for buying and paying for these 21 MX missiles tell us they will only cost $1.5 billion, as if that is not a great deal of money.

Let us remind ourselves that is money that people are working hard to earn. That is taxpayer money. It comes out of their pockets the same as any other money that is spent as that deficit continues to increase.

We know from the discussions that after the administration gets their way, they want superhardened silos for 100 missiles, which will cost $40 billion. There is really no argument about that great expense.

This is your last chance to stop the 100 missiles. They are going to be asking for 48 during negotiations. They will ask you for 100 while negotiations are continuing.

Vote "no" today.

Mr. McDADE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. FAZIO], a member of the committee.

Mr. LOWERY of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to my friend, the gentleman from California.

Mr. LOWERY of California. Mr. Chairman, today I rise in strong support of House Joint Resolution 181, releasing the fiscal year 1985 appropriation for 21 MX missiles. As a majority of the House of Representatives recognized Tuesday, the MX missile is indispensable to our near-term goals of restoring the strategic balance, achieving deterrence, and providing an incentive to the Soviets for serious negotiations on arms reductions. To stop production of the MX now would be nothing short of unilateral disarmament.

The most important goals of our defense and foreign policy are to prevent war and maintain peace. The foundation of peace in the nuclear age has been America's strategy of deterrence. For over 20 years the United States has relied on a combination of land-based missiles, sea-based missiles, and bombers to deter Soviet aggression. This strategic triad ensures that the U.S. Forces will be able, under all conditions, to retaliate after a Soviet first strike.

By presenting any potential aggressor with the prospect of certain retaliation, peace has been maintained for nearly 40 years. The history of the 20th century makes it sadly clear that peaceful intentions and good motives alone will not stop aggressors. Adequate military strength does do so, and the strategy of deterrence has been successful in securing America and Western Europe since the end of World War II.

However, the U.S.S.R. has outstripped the United States in weapons production over the past decade. According to a Pentagon report issued in 1983, the Soviets have built 2,000 ICBM's compared with 350 for the United States; 6,000 new combat aircraft, versus 3,000 for the United States, 85 new surface warships, compared with 72 for the United States; and 61 attack submarines, against 27 for the United States. When it comes to tanks and armored vehicles, the U.S.S.R. has outproduced the United States by 54,000 to 11,000.

Over the past decade the Soviets have deployed three new ICBM's. They have tested two more in the last year and have at least two additional new types of ICBM's in development.

The growth of Soviet military power relative to the United States over the past 10 years has had a direct effect on Soviet willingness to challenge America's interests around the world. Moscow is using its power directly in Syria, Poland, and Afghanistan and indirectly through proxies in Angola and Central America. These are the tangible manifestations to growing Soviet power. Unless we maintain a strategic nuclear balance between the United States and the Soviet Union, the problem of Soviet adventurism will grow.

Truly, the modernization of our strategic forces is long overdue and should become a matter of the highest priority. A credible, flexible strategic force is vital not only to the balance of power but is the essential foundation of our role as leader and defender of free nations. The fundamental goal of nuclear deterrence depends on a credible force. Our goal of deterring nonnuclear war or nuclear blackmail also depends on it.

As a result, there has been a consensus on the need for strategic modernization, particularly of the land-based leg of the strategic triad-intercontinental ballistic missiles [ICBM's]. According to the bipartisan Scowcroft Commission, America's ICBM force has three main strategic purposes: First, serving as a hedge against possible vulnerabilities in our submarine force; second, introducing complexity and uncertainty into any plan for Soviet attack because of the different types of attacks that would have to be launched against our ICBM's and our bombers; and third, helping to deter Soviet threats of massive conventional or limited nuclear attacks by the ability to respond promptly and controllably against hardened military targets.

Intercontinental ballistic missiles offer a unique contribution to the effective deterrent value of the strategic triad. They are accurate, responsive and reliable, and they offer alert rates approaching 100 percent. These high alert rates and excellent supporting communications systems make ICBM's the most responsive element of the triad. The ICBM's ability to put hardened Soviet targets at risk is essential to effective deterrence. ICBM's, therefore, make it more difficult for the Soviets to plan and execute a successful attack on all three triad components.

We face growing asymmetries, however, with respect to our capability against hardened targets. Since the late 1960's the Soviet Union has engaged in a massive and destabilizing strategic arms buildup that threatens the survivability and retaliatory effectiveness of the triad.

Specifically, the Soviets have developed and deployed numerous large and highly accurate weapons. The Soviets have also taken steps to reduce our ability to retaliate. They have hardened their ICBM silos and critical command and control facilities to the point that our Minuteman missiles have only limited capabilities against them. This imbalance is such a critical component of strategic capability that it seriously undermines the strength of our nuclear deterrence.

Because of their increasing age, our current ICBM force lacks the requisite yield and accuracy to threaten retaliation against hardened Soviet assets, and are vulnerable themselves to a Soviet first strike. It was for this reason that for Presidents and the administrations of both parties saw the undeniable need for a new ICBM [MX]. The MX is essential to redress these asymmetries as soon as possible and to encourage the Soviet Union to negotiate arms reductions.

In its report on the U.S.'s strategic posture, the Scowcroft Commission recognized that no single weapons system or basing mode would be able to solve all of our problems and meet all of our requirements for both the near and the longer term. The Com-

mission's recommendations, which the president accepted and the Congress approved, calls for the deployment of 100 MX missiles in Minuteman silos as one element of an overall strategic force modernization and arms control package. Deployment of the MX will eliminate the Soviet monopoly of prompt hard-target capabilty.

Mr. Chairman, during the debate yesterday on the authorization of $1.5 billion for 21 MX missiles, it became clear that the major questions pertained to the cost of the missiles in light of the deficit and grave domestic needs, the need for greater conventional strength, the so-called "obsolescence" of the MX in light of more recent technology, the alleged vulnerability of the MX in Minuteman silos, and, perhaps most importantly, the effect of the House's action on the negotiations currently underway in Geneva.

Allow me, Mr. Chairman, to address each of these issues in turn.

First, those who would try to save money in defense spending by blocking the MX must remember that what we spend must be in response to the size and nature of the threat we face. The experience of massive Soviet buildups during a period of U.S. restraint in the late 1960's and early 1970's makes it all too clear that Moscow will seize unilateral advantage if possible. Although we have made considerable progress during the last 4 years in strengthening our defense capabilities by the renewal of arms negotiations with the Soviet Union, a clear commitment on our part to match Soviet force improvements is a necessary incentive to Soviet seriousness in arms control negotiations.

Nor can we forget the words yesterday of our colleague, the distinguished chairman of the Armed Services Committee, that the issue cannot be defined as a deficit question because these funds are part of the fiscal year 1985 deficit, and hence are "water under the bridge."

Second, some of those arguing in opposition to House Joint Resolution 181 maintain that MX funds would better be used for the modernization of conventional forces and for rebuilding the U.S. Navy. Of course, it is all too obvious that the simple transfer of $1.5 billion from nuclear arms to conventional forces does nothing to subtract from total spending. But beyond that, the loss of hard-targeting capability as a result of this amendment would pose serious threats to our overall deterrence and would require vastly increased conventional defense expenditure to provide for the defense of the Western alliance.

Third, the argument has been heard again and again that the MX missile is somehow "obsolete." Since almost no criticisms have been made of its technical capabilities or the MX's ability to perform its designated task, these arguments can only be references to promised, but yet far-off, technology of the Midgetman missile. Development of a small ICBM, such as the Midgetman, may well enhance strategic stability in the longer term. But as the President's bipartisan commission on strategic forces—the Scowcroft Commission—stressed, neither of the two systems can ensure security alone—they are complementary.

Mr. Chairman, we must no longer follow this pattern of rejecting current technology because of the promise of some future technology.

Fourth, although the opponents of the MX have professed great concern about the possible vulnerability of the MX missiles based in silos, the Scowcroft Commission asserted that silo vulnerability "is not a sufficiently dominant" part of the ICBM modernization problem. While silo-based MX's are vulnerable when viewed in isolation, the entire U.S. strategic force must be taken into account. The Soviets could not destroy all U.S. strategic forces, so would face an unacceptable retaliation even if they did destroy the MX force.

In addition, recent tests of steel-clad and steel-reinforced concrete structures reveal that structural hardness levels of over 25 times that of current silos may be achieved.

Fifth, those who are urging the rejection of House Joint Resolution 181 forget that the MX missile provides an essential, even critical incentive to the Soviets for serious negotiations on arms reductions. Deleting the MX funding now would undermine our negotiators in Geneva, depriving them, not of a bargaining "chip," but of valuable bargaining leverage. A rejection of MX missile funding now would give the Soviets something for nothing at the bargaining table.

In the words of Secretary of State Shultz, "Because of the unity and steadfastness we have shown, our negotiating position is quite strong. However, abandoning or delaying the MX now would weaken the hand of our negotiators in Geneva, signal a lack of resolve, and hold out the hope to the Soviets that they can achieve unilateral U.S. concessions without concessions of their own."

In summary, Mr. Chairman, our support for the MX at this time is crucial to the development of a solid foundation for progress in arms control and is key to the conduct of an effective foreign policy. Our foreign policy and our ability to defend our interests and our most cherished values will be decisively strengthened if the Congress gives strong backing to the MX program. Modernization of our deterrent, and of our land-based ICBM force in particular, is essential to the goals of preventing conflict, reducing the risk of war, and demonstrating our resolve to adversaries and allies alike. At the same time, it will also increase Moscow's incentive to negotiate seriously in START [strategic arms reduction talks] and other arms reduction talks.

Clearly, it is essential that the United States and the Soviet Union engage in substantial, equivalent, and verifiable reductions of their nuclear weapons. Strategic military potential must, by means of negotiation, be limited to the level required for deterrence and defense so as to reduce the existing danger of aggression. The problem of survival which has arisen so profoundly during the nuclear age cannot be mastered either by one-sided advance concessions or renunciations or by military superiority but only by a complex system of reciprocal safeguards such as dialog, contacts, arms control, disarmament, balanced modernization, restrictions, contraints, and confidence-building measures.

Peace, history teaches us, is not attained by unilateral disarmament or weakness, but is protected through strength. Strength does not imply that we seek to become "superior" to the Soviet Union, or that we are attempting to "beat them in an arms race." But what would our allies and other nations conclude about American strength, resolve, and reliability if we were to fail to deploy a new ICBM in the face of these Soviet developments?

Rather, we must continue to be vigilant to maintain and improve the quality of our strategic forces while negotiating a more safe and balanced relationship with the U.S.S.R.

Mr. Chairman, a House vote against House Joint Resolution 181 would be the wrong action at the wrong time. It sends the wrong signal, and it undermines all legitimate attempts to persuade the Soviets to reduce their own forces. I urge my colleagues to support the resolution.

Mr. FAZIO. Mr. Chairman, this has been a painful week in the House, Democrats against Democrats, Republicans against Republicans. The MX missile has torn this body apart as no issue has in the last decade, and yet we are like two tired fighters going through the motions in the late rounds. We are saying our lines with less and less fervor, because I believe, like those fighters hanging on kind of punch drunk, we want this all to end.

Some essential unity to that purpose has begun to emerge. A large majority want to send a message to those in this administration who have foiled at every turn any negotiable proposal in the past, and we also want to reaffirm our commitment to deterrence as our future strategy to preserve peace.

We do not have to repeat the litany of articles and books that describe the internal machinations of those who have obstructed legitimate arms con-

trol in the name of letting Reagan be Reagan.

I would simply urge you to read Strobe Talbot's book, "Deadly Gambits."

But I believe we are beyond that now. We used the MX as leverage to pressure the administration to produce a negotiable arms control proposal. That was in 1983. It is now 1985 and the city of Geneva has become a symbol of hope. We believe that hard bargaining between equally tough adversaries will be necessary before those hopes can be fulfilled; however, those hopes will not be realized by unilateral acts by us here today to remove options from our negotiators. Even Paul Warnke, the respected opponent of the MX, admitted in his lobbying that in his capacity as the negotiator of the SALT II Treaty, he was greatly hindered by the unilateral cancellation of the B-1.

Deployment of 40 missiles in the present basing mode is enough modernization for the negotiators to do their job. Mr. President, we need you also to understand that enough is enough. When this vote is done and our effort to speak with one voice is reaffirmed, you, Mr. President, must work to fulfill the hopes you have raised. A treaty is needed and balance and flexibility will be required to reach it.

I hope we have ended this endless negotiating process among ourselves. Now it is time to extend this bipartisan approach, Mr. President, to the solution of our deficit crisis and to the preservation of world peace.

Mr. ADDABBO. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding.

Some Members have felt a degree of deception of the President's lobbyists of, first, points of cost of missile; and second, use as a bargaining chip.

The cost of the missile alleged to be $74 million per missile does not include the cost of deployment which is revealed to be approximately $180 million per missile. Thus, an MX cost would be $250 million per missile. I include a letter from the gentleman from Ohio [Mr. GLENN] which supports those data.

In addition, the gentleman from Wisconsin [Mr. MOODY] has pointed out a statement by Ambassador Rowny which reflects that the MX missiles being funded today are not being used as a bargaining chip. I include a copy of Mr. MOODY's letter which recites a conversation between Ambassador Edward L. Rowny and Mr. Lehrer of the McNeil-Lehrer News Hour.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 27, 1985.

DEAR DEMOCRATIC COLLEAGUE: Nobody likes to change their vote. And no Democrat wants to be painted as weak on defense. But I believe there are two very good reasons to oppose the MX when the House votes on it again tomorrow.

The first one is cost. The Administration wants you to believe that the cost of each MX missile would be "only" $74 million. But they also admit that putting the MX in the same old vulnerable Minuteman silos that the Soviets have had targeted for over 20 years makes sense only if we "superharden" those silos to withstand a Soviet attack. And what the Administration hasn't told you is that the cost of that super-hardening would be at least $180 million—per silo. That brings the cost of each MX to at least $254 million—a billion dollars for every four MXs we build.

Those are figures the Administration would prefer you didn't know—but I got them from the Air Force two weeks ago in Congressional testimony before the Senate Armed Services Committee.

The second reason for opposing the MX tomorrow is that it is neither an effective deterrent nor an effective bargaining chip in Geneva. It's not a deterrent because it's vulnerable. It's not an effective bargaining chip because we've already told the Soviets we're willing to give it up.

Nobody in either House of Congress is any stronger on defense than I am. But I can tell you that building a vulnerable missile won't make America strong—and opposing a vulnerable missile won't make the Democratic party look weak. For the sake of our security—and for the sake of our taxpayers—I urge you to give the MX missile the defeat it deserves tomorrow afternoon.

Best regards.

Sincerely,

JOHN GLENN, *U.S. Senator.*

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 28, 1985.

DEAR COLLEAGUE: Many Members of the House were sincerely convinced to support the MX because of the "bargaining chip" argument advanced by the White House, Ambassador Kampelman and our colleague, Les Aspin.

As Ambassador Kampelman said at Monday's White House briefing, "Why let the Soviets have something *for free* instead of having to give something up?" He likened it to having an apple fall from the tree and said the Russians would wait to see what else they could get for free.

Last night on PBS's MacNeil-Lehrer NewsHour, Ambassador Edward Rowny, a top arms talks advisor to the President, admitted that the 21 new MXs are no bargaining chip.

Ambassador Rowny further elaborated that the Administration considers the MXs as a non-negotiable means of modernizing our forces.

On the reverse is printed verbatim three particularly relevant questions and answers from Ambassador Rowny's interview with Jim Lehrer. Those Members who voted to authorize the 21 new MX missiles because the President and his supporters said they were a bargaining chip that would strengthen our team in Geneva should find Ambassador Rowny's words a revelation.

Please consider what Ambassador Rowny is saying as we cast today's vote on actually appropriating money for 21 additional MX missiles.

JIM MOODY.

[From the MacNeil-Lehrer NewsHour, March 27]

LEHRER. What about (the point) that there are other votes to come? . . . the '86 vote, which if something doesn't come out of these talks between now and then the whole thing could go flush down the tubes?

ROWNY. Well, negotiating, like politics, is the art of the possible. We've had 21 modernized missiles approved before and now have 21 more. And I look at 42 Jaguars, '85 models, replacing those old 1963 Minutemen. That gives us a lot of deterrence power and that gives us more leverage at the bargaining table.

LEHRER. Does the MX immediately go on the table?

ROWNY. No, no—the MX doesn't come on the table. Remember, now, as I think you know Jim, that we are modernizing a force that has been allowed to atrophy. As I say, we've had the 1963 Chevy jalopies and the Soviets have built and built and built. They have four new systems and now (they are) testing two more. They have 600 MXs already and we're beginning to modernize our forces. So, this is an evolutionary process where we are modernizing the leg of our Triad.

LEHRER. So (the) possible scenario that the MX goes on the table and the Russians say, "Okay, if you won't build the MX, we won't build this, this, that"—you are saying that's impossible?

ROWNY. Well, they've already done it. And I do not expect them to scrap their 600 MX-type missiles that they've already built for the MXs we're now beginning to build.

□ 1210

Mr. ADDABBO. I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I rise in opposition to this resolution.

Mr. ADDABBO. Mr. Chairman, I yield 6 minutes to the gentleman from Oregon [Mr. AUCOIN] an esteemed member of the subcommittee.

Mr. AUCOIN. Mr. Chairman, throughout this debate many of us have referred to the MX as the glassjaw missile. But there is another nickname that might be even more appropriate. Perhaps we should call it a "Trust the Russians" missile.

If I were to ask my friends who support this missile how many of them trust the Russians, I doubt that many of them would raise their hands today. But let me tell you, that is exactly what they are asking us to do in funding the MX.

We know glassjaw is vulnerable. By the time it is deployed, Soviet accuracy will be good enough to take out essentially all of our silos that those MX's will be in.

Glassjaw supporters say that this does not matter, basically for three reasons. They say we can harden the silos. If that does not work, then they say we can launch our missiles in that narrow 30-minute warning that we will have before the Soviet ICBM's can get here. And if that does not work either,

they say that we can rely on our ICBM-bomber synergism.

All of this will work very, very fine indeed—provided you trust the Russians to be nice guys and not improve their technology. But if you do not trust the Russians to be so cooperative, and I for one do not, you have to face the fact that they are going to press ahead and make their SLBM's very accurate, as we are doing now with our Trident II.

Do you know what will happen then? I want to tell you today.

Superhardening goes into the trashcan because the Russians, by their improved accuracy, will be able to crater those silos that we are putting the MX's in.

Launch under attack goes into the trashcan as well because their attack will be too quick.

And synergism, that word we have heard so much, also goes into the trashcan because the Russians will be able to attack quickly and accurately with the same weapons at the same time, and even the Scowcroft report admits this.

Mr. HUNTER. Will the gentleman yield on that point?

Mr. AUCOIN. I cannot yield in this brief time that I have.

Yesterday the gentleman from Ohio [Mr. KASICH] suggested to me another way in which glassjaw might survive. He told me that glassjaw advocates in the Pentagon believe that if the Soviets try to disable us in a first strike they would not go after our entire strategic force all at once, that istead they will deliberately leave some of our weapons unattacked.

Now, if the Russians are going to be such nice guys I think that is great. That is nifty. Obviously if they do not attack some or our silos, those silos will in fact survive.

But the problem is the only way glassjaw can survive is with Soviet cooperation along those lines. Will we get this cooperation from the other side? Can we trust the Russians to be such nice guys, to set up their attack precisely in the way we tell them? I do not think so.

We tried that once before. We tried it in 1941. It was called Pearl Harbor. We put a powerful force in the Pacific, the bulk of the Pacific Fleet, in a vulnerable basing mode and we know what happened. We trusted the other side not to attack and the other side did not oblige, and that remains one of the black moments in our military history.

Here, my friends, we have the essential difference between those who support glassjaw and those who oppose it. The supporters of the missile are asking us to trust the Russians not to exploit the vulnerability of this sitting duck multibillion-dollar target.

These missiles are "vulnerable as hell," according to the gentleman from Wisconsin [Mr. ASPIN]. They will put a hair trigger on nuclear war. Mr. ASPIN said that, too.

Mr. Chairman, we have been down this road before. In 1941 we did deploy that fleet in Pearl Harbor. It was vulnerable as hell. It did put a hair trigger on global war, and we were lucky then. It was not a nuclear war. We had time to recover. But the next time, with the weapons we are dealing with today, we will not have that capability, we will not have that luxury. Our next Pearl Harbor will be our last.

I tell you that this vulnerable weapon is a luxury we cannot afford. It is not strength. A vulnerable weapon is weakness, not strength.

I do not care how many of my colleagues come to the well of the floor and pound their chests and say, "give us this vulnerable weapon because we need to project strength." When you deploy a vulnerable weapon you are projecting weakness, not strength. That is why the MX needs to be defeated. That is why the MX is no bargaining chip, because the Russians know that it is vulnerable.

Let us unfund the MX. Let us do it today. It is authorized. We do not need to put the money behind it. And let us get about building this Nation's real security.

Mr. McDADE. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. WILSON].

Mr. WILSON. Mr. Chairman, I would like to compliment all of my colleagues for the civility of this debate. When we have an issue that is this divisive and this emotional, I think it is a credit to all of us that we are able to keep the matter somewhat on a higher plane without impugning each other's motives or patriotism.

I was interested in the last speech, as I am always interested in what the gentleman from Oregon [Mr. AUCOIN] says.

I would like to read you some words that I read in a speech last night about a weapons system. The words used were "vulnerable," "too costly," "impractical," "do not have the bases," and "it is not needed."

Now, you may think that I am talking about the MX missile, but I am not. Those were the words that were used in the House of Commons in 1931 when the Labor Party was trying to defeat development of the Spitfire fighter plane.

I might also say that in 1940 there were a lot of Messerschmitt pilots that wished they had been more successful.

When I hear my friends talk about weapons systems, and various reasons to oppose them with the same words that you hear over and over and over, I wonder what weapons systems they support. The older ones did not support the F-111. The younger ones did not support the B-1. They did not support the new carriers. Of course they did not.

And do you know something else? They will not support the Stealth bomber when the time comes, and they will not support the strategic defense initiative. As a matter of fact, one of their leaders, who is one of my favorite Members of the House, and I want you all to listen to this, offered an amendment in our committee, and in our subcommittee, to make the D-5 missile less accurate.

Let us talk a little bit about our party's image. Let us talk about when the Democrats were successful.

We were successful when Franklin Roosevelt was signing the Atlantic Charter in 1940. The isolationists in this country opposed that because they said it would irritate Hitler. They did not realize that he was already pretty well irritated.

The isolationists in this country tried to defeat the draft in 1941. Roosevelt was a warmonger.

The isolationists were successful in 1940 in defeating the effort to fortify Guam because they said we would irritate the Japanese who were at that time amassing their great air fleet to attack Pearl Harbor.

Roosevelt won four elections. Harry Truman won one that he was not supposed to win, and he was criticized bitterly for the Berlin airlift, the organization of NATO, and the creation of the Strategic Air Command.

All of you remember the campaign in 1960 in which the cornerstone of John Kennedy's foreign policy plank was the missile gap, and we all remember his great symbol of that campaign which was a little PT boat that we all still wear proudly on our ties.

What happened in 1984, I would ask to my Democratic colleagues. We had a good and a decent candidate. He knew the problem the party had with the public image of us being weak on defense, and he tried mightily to do something about it, and simply could not because the cards were stacked too much the other way.

How many of you remember Geraldine Ferraro's speech, and a very courageous speech, I might add, to the United Auto Workers in Ohio in which she said:

> How can you guys possibly be voting against us? We have been for extended unemployment compensation. We were for bailing out Chrysler. The other party wasn't. How can you oppose us?

And they told her:

> Because of weak foreign policy.

Our great strength in the years in which we have been successful is because we have been the party of the working man, and also the party of a resolute Ameria.

□ 1220

I would like to quote from the inauguration of a Democratic President in January of 1961:

Let every nation know whether it wishes us well or ill that we shall pay any price, we shall bear any burden, we shall meet any hardship, we shall support any friend and oppose any foe to assure the survival and success of liberty. This much we pledge and more.

John Kennedy, Democrat.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair will announce that the gentleman from New York [Mr. ADDABBO] has 8 minutes remaining and the gentleman from Pennsylvania [Mr. MCDADE] has 9 minutes remaining.

Mr. MCDADE. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of this resolution for the MX. I think I have been on this floor about as much as anybody listening to the debate, participating very briefly in the debate.

Key points keep coming to my mind: Our chief negotiator representing us in Geneva came to Washington Monday and he said it would help if we have the MX missile in negotiations. If he wants this MX missile, let us give it to him.

Now, if the negotiations do not work in Geneva, and I happen to have the privilege of serving on the Committee on Armed Services, we need to update our nuclear weapons anyway, and the MX missile should be put in our arsenal.

We update our naval ships, our guns, our planes, our tanks; we have been slow in moving ahead in getting the MX missile on target ready to go in the silos. Regarding the basing mode, I defy anyone to tell me, using the existing silos, that we cannot get some of the missiles out of these silos. I think we can and I certainly will support the MX missile.

Mr. ADDABBO. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. I thank the chairman.

Mr. Chairman, ladies and gentlemen, as a freshman I just wanted to present an opinion that I believe has followed many of the young people around: that is, if we were against this MX that we were weak on defense. I do not believe that. I believe that we are rather smart on defense by voting down a large, unnecessary, expensive item in an expanded military budget that is going to have to be pruned.

Where are we going to prune it? In the small line item categories? Or are we going to send a clear message to the American people that we are going to make those tough, smart decisions?

Two wrongs do not make one right. I am a little bit disappointed to see that there is a lack of philosophical unity among some of our colleagues, and we have an opportunity today to turn that around.

I think it is incumbent upon us to do that.

You know, General Eisenhower, then President Eisenhower, warned years ago this Nation would develop into a military complex and we would become No. 1 militarily. Now, if you look at all the other items of this budget, if it was necessary then I would vote for it, but you are not John Wayne by voting for an MX and I think there has been a distorted element in this whole process.

As a freshman, I thank the chairman and the distinguished gentleman from Florida for giving me an opportunity to present my opinions.

Mr. Chairman, I yield back the balance of my time.

● Mrs. LLOYD. Mr. Chairman, this funding release is primarily an arms control issue which the events of recent weeks have framed in clear perspective. Proponents say that our ICBM's have become too vulnerable so fast that the missile leg of the triad is imperiled without the MX. From a vulnerability standpoint, this leg cannot be viewed in isolation from the bomber leg, for which the B-1 is to be the linch-pin, or from the submarine-launched-ballistic-missile [SLBM] leg. If we don't go forward with the MX, the pace at which Soviet strategic force capabilities outgain or surpass those of the United States will simply be accelerated. In this view, the loss of strategic parity will be "characterized by dangerous vulnerabilities in major components of our deterrent forces and by a substantial disparity in favor of the Soviet Union in the ability to fight, win, and recover from strategic nuclear war." Neither power presumably counts on waging a nuclear war but as Prof. Van Cleave notes "the Soviet Union will be able, during this period, to expect advantages based upon the ability to threaten nuclear war much more credibly than the United States."

The level of the debate in the House has naturally been intense since this is a major national policy issue. It is, however, lamentable to see the chairman of the Armed Services Committee attacked virulently by members of his own party, chiefly because he chooses to make up his own mind on this issue. This is not an issue that should be acted on viscerally but rather requires detached analysis. And yet, apart from the relative merits of the weapons system, its tortured history and its various basing modes, one question stands out. Can we constructively support the U.S. bargaining position at Geneva by unilaterally removing a system which enhances the deterrent quality of our strategic forces?

There are those who contend that this funding could be better spent on conventional forces. I share their concern about our ability to wage a conventional war and particularly our ability to control the sea lanes in case of a prolonged European conflict. On the other hand, I would remind them that the level of U.S. conventional forces is not on the table in Geneva, but rather the level and nature of strategic nuclear forces. Strategic strength is the only acceptable U.S. bargaining position. I would also remind my colleagues that it is not practical to suggest that these funds are transferable within DOD programs.

There are those also who say the deficit is too large and we must reduce it even if that be at the cost of certain national security programs. I would point out to them that there is still significant room for deficit reductions in DOD programs outside this "fenced" fiscal year 1985 funding and, in fact, the fiscal year 1986 MX funding is more properly an issue for deficit reduction. Today's vote is merely to affirm the policy vote on the authorization resolution. Even if today's vote is also a yes, the Congress may very well decide that roughly 60 to 75 such multiple warhead missiles will provide our strategic posture with the necessary deterrent quality until the small, mobile Midgetman can be developed and deployed.

There are several other arguments of the MX critics which I believe deserve some comment. Critics contend that:

The MX vote will do little to improve the U.S. bargaining position in Geneva—we are already entering with a strong hand.

My response is: The U.S. hand in Geneva is greatly weakened if MX is not "on the table." If MX is not on the table, there will be tremendous pressure to negotiate on SDI, which is our strength. It would be tragic to bargain away this R&D program which represents the only avenue to a departure from mutually assured destruction [MAD]. We cannot continue under the bizarre MAD doctrine of perpetual terror, which is predicted on the basis that the populations of each country remain at risk. A gradually deployed SDI system would at first protect critical command centers and ultimately the population.

Denying MX funds will send the U.S.S.R. a clear signal that the United States is seriously interested in arms reduction, not a continued arms race.

My response is: SDI and "our strength"—through technology—not their good will, as Mrs. Thatcher noted, "brought the Soviets to the table." There is no basis for being optimistic about negotiations on strategic offensive weapons with the Soviets just because they are paranoid about

the development of U.S. defensive systems.

If arms control fails, the MX option is still open since much of the appropriated money is potentially available.

My response is: In a funding sense, that is true, but in terms of arms control, we will have lost leverage at Geneva whether we intend to deploy the system or use it as a bargaining chip. Both votes are much more critical than the fiscal year 1986 budget vote with respect to timing.

I cannot help but be reminded that this vote also raises the question whether the Nation can walk away from another significant investment in technology development. We have literally turned our backs on billions of dollars of Federal energy investment in civilian nuclear and coal projects and facilities. And I am struck by a haunting refrain in these arguments on MX. Many say that the mobile Midgetman—undeveloped and unproven—is "just around the corner." There is a familiar ring to that argument; yes, there is always a better and more advanced design near at hand, but that can also be an excuse for never building anything. And I wonder, what arguments will we hear 5 or 6 years from now on this House floor against funding to deploy the Midgetman. I expect we will hear that the arms control climate is more positive, détente is making another comeback and that a more capable single warhead missile is on the drawing boards.

We must recognize the fact that MX deployment will only provide an interim enhancement of the triad and thus it must be followed in tandem by Midgetman deployment. We cannot view the MX or even arms "reductions"—I prefer that word over "control"—negotiations or any other element of strategic policy in isolation. If we are to have a true national strategy, it requires a comprehensive approach to countering the Soviet's "classic imperial strategy" on a broad front from Afghanistan through Geneva onto Central America. Neither can we ignore the critically strategic implications of Cuba nor hide from the fact that Nicaragua is acquiring weapons systems tailored to foster insurgency in Central America. We are also dealing at a strategic disadvantage with the U.S.S.R. in the Mediterranean as they have carved out "an arc of influence" from Yugoslavia to Libya with deteriorating United States-Greece relations further imperiling our freedom of movement in those important waters. We cannot delude ourselves about Soviet motives. As Edward Luttwak has noted, the Soviets have recently entered into a period he calls the advent of operational confidence. Their intervention in Ethiopia and the invasion of Afghanistan have been "characterized by bold, self-confident execution of the sort not previously associated with the Russian style of warfare." I would urge my colleagues to address the arms control question in this broader context, regardless of how they feel about the MX as an isolated weapons system.

This vote is on a major element of U.S. strategy; we cannot seek partial solutions without disturbing the U.S.-U.S.S.R. power equilibrium. There are opponents of MX who have arrived at their view by concluding this vote will not negatively impact the prospects for real arms reductions. I must admit that there is some evidence to support that argument since, as Graham Allison points out, superpowers' weapons systems obtain a momentum of their own and it isn't clear that the U.S.S.R. will react in any direct or significant way to our choice on MX other than toward a "bargaining chip." On the other hand, I detect some contentions which are uncomfortable reminders of the days of the past decade when we bargained away our strategic position. Must we look to "new people," as Luttwak says, to support a strong strategic approach; that is, those "who do not share the paralyzing ennerration that nowadays passes for sober restraint, who do not fundamentally believe that the United States should be weak, for if strong it must be recklessly destructive or at least the upholder of an unjust order of things." Or have we broken out of the shackles of "SALT-induced inaction" in order to cloak ourselves once again in courage so as to become strategic masters of our destiny.

Let us ask the question how do we best combine strength with strategy? Is it through deployment of this system or its use as a bargaining chip or program termination with a reallocation of resources to fund conventional forces and acceleration of Midgetman development? The issue here is our strategic credibility; we must make a hard assessment in global terms, recognizing deficit pressures while making a critical judgment about the impact on arms control prospects.

I urge my colleagues to carefully consider all these factors. National security concerns must be paramount, but within that framework we have both difficult budget and policy choices. We do the House a disservice if we don't recognize all the policy implications of this vote. That is why I strongly support the resoution. Thank you, Mr. Chairman.●

● Mr. RANGEL. Mr. Chairman, we will soon vote again on whether or not to continue to fund the MX missile.

The administration does not stress that the MX is militarily necessary. Neither did the Scowcroft Commission report. Both argue that we need the MX as a bargaining chip, and to show our national resolve to the Soviets.

The MX is a bad missile by any standard: monetarily, militarily, and diplomatically. It is outrageously expensive, at $1.5 billion this year alone, and at $20 billion or more for the full system.

Militarily, it is unnecessary and destabilizing. After dozens of discarded basing plans for the MX since 1972, the present plan calls for putting the missiles in the same supposedly vulnerable silos that the MX was originally intended to replace. As it is, the MX does nothing our present Minuteman missiles cannot do.

We must put our national security above all other considerations. A nuclear exchange could begin only three ways: By calculation, by accident, or out of fear of imminent attack. Intelligent military policy should move to reduce each of these possibilities.

First, to prevent a calculated Soviet attack, we should increase the survivability of our nuclear systems so that most of our nuclear weapons would survive a Soviet first and even second strike. The MX would not survive a Soviet first strike.

In the long run, we should move away from fixed land-based missiles and toward more survivable systems in order to reduce any perceived gain from a Soviet first strike.

Second, to reduce the chance of war by accident, we should continue to improve our command, control, and communications abilities so that there is no chance of false warnings, of breakdowns in communications between the President and missile bases, or of slow information or misinformation about Soviet intentions in a crisis.

Third, to reduce the chance of a launch out of fear, we should build systems that are effective retaliatory weapons but which are not effective first strike weapons. A good deterrent weapon is invulnerable enough to discourage preemptive attack, slow enough to give warning and allow communications, and not accurate enough to destroy missiles in their silos.

By these standards the MX fares badly. The MX missile might not survive a Soviet first strike, is accurate enough to destroy Soviet missiles in their silos, and is faster than our Minuteman II missiles, which would reduce warning times. The MX is the worst weapon we could build.

In our diplomacy, building the MX while negotiations are in progress tells the Soviets that we intend to build the MX no matter what happens in Geneva. Weapons building has often been temporarily suspended in past negotiations as an act of good faith. Last year, the administration said that we should build the MX because we were not negotiating. But now, they say we should build it because we are negotiating.

Not releasing MX funds would send a clear signal to the Soviets: We are interested first and foremost in our own security and economic health. We have no intention of attacking the Soviet Union. We are not interested in bluffing, posturing, or building an unnecessary offensive capability for the sole purpose of inducing concessions at the bargaining table.

President Reagan has asked Chief Negotiator Max M. Kampelman, the man charged with reducing nuclear weapons in Geneva, to come home to lobby to build them. This can only damage the Geneva talks.

We hear bargaining chip arguments for every missile system we consider in the House. If the administration really wanted to make the MX contingent on the outcome of the Geneva talks, they could have postponed this week's MX vote until 1986 to better use pending MX deployment in their bargaining in Geneva. They chose not to. They chose to have the vote now, even though the talks are in progress, and even though postponing the vote would not affect MX production, since current MX funding is largely unspent.

Arms talks do not succeed or fail on one missile system. Both we and the Soviets have enough missiles to trade with, if the administration wants to trade missiles. It is a mistake to link this vote on additional MX missiles, which is permanent, with success in the arms talks, which change daily, and which may last 6 months or 6 years. Arms talks come and go. Missiles, once deployed, stay.●

● Mr. YOUNG of Alaska. Mr. Chairman, I rise in support of House Joint Resolution 181. This Congress, again presented with a decision on the future deployment of the MX Peacekeeper missile, should stand firmly behind the President and our arms control negotiators and vote for the continued production of 21 MX Peacekeeper missiles.

During the past 4 years, I have been supportive of President Reagan's proposals to rebuild our national defense. This rebuilding program and the President's strong leadership have been successful in restoring to our Nation a renewed sense of pride and confidence. It is time for our Nation to look toward the future—we must never again let indecisive and negative attitudes cloud our judgment and weaken our resolve.

Today, we are all, Republican and Democrat, conservative and liberal, patiently and hopefully looking toward a fresh round of arms control negotiations in Geneva. However, we cannot be misled into thinking that just because we are sitting down with the Soviets, we will necessarily come to a quick agreement on the important and complex issues that will be discussed. We must instead work toward a bipartisan, solid negotiating position, which expresses our national interest; for we can be assured that the Soviets will be solidly behind their position. One only has to look to the recent shooting of an innocent U.S. colonel, and the Soviet invasion of Afghanistan to verify the intensity of the Soviet resolve. To believe that they will act any different at the negotiating table is not only naive but unfair to our arms control negotiators.

Mr. Chairman, let this vote reflect our intention to negotiate a serious, verifiable, and lasting arms control agreement. More importantly, let the U.S. negotiators negotiate with the Soviet Union, not the U.S. Congress.●

● Mr. FUQUA. Mr. Chairman, Tuesday I voted to release the funds for the production of 21 missiles for the MX system. Today I will vote to appropriate those funds for the Pentagon. This decision was reached after much internal deliberation and consternation. I realize that this Congress faces a great challenge in the reduction of Federal spending, however, this challenge cannot be met at the sacrifice of our national security. The Federal deficit can be curbed by reducing spending in a myriad of programs, but our security can only be assured through the strength of an unsurpassable defense system. The protection of the United States is based on a triad of air, underwater, and land-based systems. Currently our underwater system is adequate and our air-based system will be upgraded through the deployment of the B1-B bomber. However, our land based system is archaic. Its core is based on technology of the 1950's. If one doubts the obsoletism of the system, compare computers of the 1950's to our supercomputers of today. The security of our Nation must depend on a competent system and it is a function of the Congress to ensure that the funds and technology are made available to ensure such a system.

The current arms control neogtiations with the U.S.S.R. are certainly a key element to the support that the MX has received in Congress. To snatch such a bargaining chip out of the hands of our appointed representatives would be miscreant. Such a move would leave them, as well as our Nation as a whole, vulnerable to intimidation by the Soviets. The United States is still the dominant force in the maintenance of world peace. We have achieved this position by our consistent strength and unity as a nation. The recent approval of the MX by Congress reflects a renewed surge of these distinctions and I am proud to be a part of the effort.●

● Mr. SHELBY. Mr. Chairman, Thomas Jefferson never wavered from his belief that enternal vigilance is the price of liberty. Yesterday, the House of Representatives showed that this country does indeed cherish that liberty. Today we vote on whether we are willing to pay the price. Mr. Chairman, our allies have been paying the price. Despite widespread domestic protest and the subsequent political risks, West Germany, Great Britain, Italy and now, Belgium have courageously gone ahead with their own missile deployments. And while the military justification certainly played a role in their decision, of far greater importance was our allies desire to maintain alliance unity—a unity which has, and will continue to keep the peace. To retreat from our own previous commitment to the MX can only undermine Western unity. For how can we ask our allies to station our missiles on their soil when we are reluctant to deploy our own modernized force?

Modernization of our strategic forces is vital for a credible, flexible American strategic posture. And with the arms talks resuming in Geneva—together with the unabated buildup of land-based missiles—the need for the MX is more critical than ever. While Congress has debated the merits of the MX—the Soviets have modernized their land-based missile five times. The Soviets have deployed three new types of ICBM's—the SS-17, SS-18, and SS-19—including 360 SS-19's roughly comparable in size to the MX, and 308 of the much larger SS-18. Moreover, within the next 2 years, the Soviets will begin deploying two additional missiles, the SS-X-24 and the SS-X-25, one of which, incidently, is in direct violation of SALT II. This means five new Soviet ICBM's to one—the MX—which of course, is permitted under SALT II.

Some opponents of the MX point to the development of the Midgetman, a new small, single-warhead ICBM, as the answer to our strategic puzzle. Yet, the Midgetman cannot substitute for the MX. It only complements.

The two systems offer divergent capabilities. The MX represents a credible deterrent today. It addresses a serious strategic imbalance now. The Midgetman merely offers hope for a better system. Chamberlain was offered hope at Munich. Let us not make the same mistake.

The MX represents the response that four successive administrations both Democratic and Republican—have believed necessary to offset this massive Soviet buildup. Six Congresses have agreed, mostly because they have recognized the MX for what it is—a vital component of this Nation's strategic triad. Our defense rests on the triad—a triad that is threatened when one part becomes weak. The survivability and effectiveness of the MX must be viewed in conjunction with the other elements of our strategic triad. The three legs of the triad

bombers, submarines, and land-based missiles, strengthen deterrence by complicating Soviet planning—they can't concentrate all of their research eggs in one basket. Furthermore, the Soviets would be forced to make choices that would reduce their effective striking capacity against one leg of the triad in order to attack another. Deterrence is thus served when Soviet planners know that a fully successful, disarming first strike is rendered impossible by the triad. Consequently, those who couch their opposition to the MX in the cloth of vulnerability are missing the central point: The MX is simply one component in an overall strategic system, take away the part and you weaken the whole.

Yet even more than acting as an indispensable component of the triad—the MX is playing a pivotal part in our ongoing arms control negotiations.

The Soviets respect strength and firmness. By proceeding with our cruise and Pershing deployments and by resisting Soviet efforts to split the Western alliance—we have persuaded the Soviets that progress will not be achieved in the streets of Western Europe, but at the negotiating table in Geneva. Thanks to the West's resolve our negotiating position is strong. The Soviets have recognized that we have the will to protect our security in the absence of arms control agreements and that it is in both our interests to mutually negotiate away the threat.

Diplomacy requires secrecy, persistence, strategy and most of all, the perception of a single unified position. Unanimity is not served by a Congress incessantly undermining the negotiating position of the President.

Mr. Chairman, arms control is not advanced when the President spends more time negotiating with Congress than with the Soviets.

Mr. Chairman, all of us have the same goal—the eradication of nuclear weapons. We only differ on the approach to the problem. Let us then come together behind a solid negotiating position that offers the best hope for achieving the goals we all seek. Let us insist on ironclad certification procedures commensurate with the task of uncovering Soviet treaty violations. Let us stop blaming ourselves for Soviet intransigence, and demonstrate that American concessions are to be earned and not unilaterally given away by Congress.

Let us fund the MX.●

● Mr. FIELDS. Mr. Chairman, I rise in support of legislation to authorize the release of funds for the MX missile. No U.S. ICBM's have been employed since 1975 when the deployment of the Minuteman III was completed. Meanwhile, the Soviet Union has continued its production of ICBM's including three major new missiles with mammoth firepower and with the ability to destroy our entire land-based nuclear force. In addition, the Soviets continue to develop more nuclear missiles. The MX is a missile which we need to offset the growing strength of the Soviet Union, which itself is a threat to peace.

Renewed efforts to negotiate a verifiable arms control agreement are now in process. The Soviet Union has agreed to come to the negotiating table not because we are weak or because they seek the good will of the world. Rather, they have come to the negotiationg table because we are strong. Part of that strength comes from a resolve to rebuild the third leg of the strategic defense triad—air, sea, and land-based forces—by moderinizing our ICBM force to meet the growing threat of the Soviet land-based ICBM system.

A unilateral approach to arms control has proved ineffective. U.S. resolve in building the MX sends a clear message to the Soviets that they can no longer count on unilateral concessions in arms negotiations. It encourages, the Soviets to negotiate seriously, instead of walking out on negotiations (as they did in 1983—hoping to capitalize on apparent U.S. weakness. As the President's Commission on Strategic Forces—also known as the Scowcroft Commission—stated:

It is illusory to believe that we could obtain a satisfactory agreement with the Soviets limiting ICBM deployments if we unilaterally terminated the only new U.S. ICBM program that could lead to deployment in this decade.

The MX has several advantages over other weapons programs including the following:

Total MX development is over 80 percent complete and construction is over 50 percent complete and several successful test flights have been completed as of February 1985.

Based on cost, the MX ranks 11 among the 12 largest weapons programs and represents only 1 percent of the Department of Defense projected budget authority over fiscal years 1985–89.

MX is the only available near-term option for meaningful ICBM modernization and the only near-term response to the imbalance of United States-Soviet forces; the inherent weaknesses in current U.S. ICBM forces of aging and increasingly outmoded missiles; and overall weaknesses in U.S. deterrence resulting from years of inssufficient modernization of the land-based leg of the strategic triad.

The MX provides major advances in ICBM technology and capabilities, adding greater payload, more accuracy, longer range and targeting flexibility.

The United States recently asked its NATO allies to help counter the Soviet massive build up of SS–20's that threaten to tip the balance of power in Europe. At our request, our allies responded and have deployed Pershing II and cruise missiles on European soil despite great political opposition. By deploying the MX, the United States will show at least as much of a commitment to peace as we have asked from our NATO allies. If we now refuse to deploy the MX, it will seem that we have asked our friends to take a difficult and unpopular action—an action which we would not take ourselves. Deploying the MX will fulfill commitments by previous administrations and Congresses, and maintain U.S. credibility. It will send a clear signal to friends and foes alike that the United States meets its commitments, and does so by maintaining an effective deterrent. With the support of four U.S. Presidents, six U.S. Congresses, the bipartisan Scowcroft Commission's membership of our Nation's defense and foreign policy leaders, our NATO allies, and a majority of the American people, the MX has become a vital symbol of U.S. resolve to redress the imbalance of United States-Soviet strategic forces; the only near-term option for maintaining our triad deterrent, and the foundation of U.S. arms negotiating leverage and objectives.●

● Mr. LIPINSKI. Mr. Chairman, after a great deal of thought and consideration, and I might also add after a great deal of self-debate, I rise in support of the MX missile.

By voting for the MX missile today, we are telling the Soviet "Bear," which I believe is not now nor ever has been very friendly to us, that they will no longer have a monopoly in this type of weapon. A little over 4 years ago we began our strategic modernization program. This program involves our Poseidon and Trident submarines, our B–52 and B–1 bombers, and our Minuteman and MX missiles. The MX missile is a very important part of our strategic modernization program, particularly for me because of the countless questions I have about our new B–1 bomber. The main purpose of our modernization program is to show the Soviet Union that they will not be able to gain advantage over us and our allies in the free world in strategic nuclear weapons. Remember, after World War II, we were the most powerful Nation on the planet militarily and economically, and we did not use these resources to dominate the rest of the world. In fact, we tried and succeeded in large part in rebuilding much of the world, including the two nations that we mainly fought against. These two nations did not wish to dominate the entire world.

Unfortunately, we did permit the Soviet "Bear" to dominate all of Eastern and Central Europe. We also permitted them to aid and assist dictatorial Communist revolutions in numerous

countries around the world, including one only 90 miles from our shore. I am not saying that we could have or should have used all of our resources to stop them. I am merely pointing out, as many others have before me, that the United States of America has not been the aggressor. We have not been the evil force in the world moving against individuals and nations. It has been the Soviet Union.

I honestly and firmly believe that the only way to deal with the Soviet Union is from a position of strength and determination. I also believe that this would be a very inappropriate time for us to kill the MX missile because of the arms talks just starting in Geneva. Our negotiating team must begin from a position of unity in order to get the Soviet Union to bargain in good faith.

Let me in closing say I hope and pray that the talks in Geneva will produce a reduction in the nuclear arsenal of both the Soviet Union and the United States so that the world will be a safer place for all mankind, and so that we can continue to improve the quality of life for all people on this planet. But we can only hope to do this by bargaining from a position of strength, and I believe the MX will give us that strength.●

● Mr. LEVINE of California. Mr. Chairman, it would be tragedy if the House were to follow the lead of the other body and approve funding for the MX missile. The MX is an extremely expensive, potentially destabilizing, and vulnerable weapon. It is also a weapon of little or no strategic significance. Yet, this administration has told us that our national security, and the success of the Geneva arms talks hang, in large measure, on congressional approval of the MX. The absurdity of such an argument should be clear for all to see.

The Pentagon is well aware of the MX's vulnerability. From "race-track" to "dense pack," to the "big bird" we have searched desperately, and without success, for a survivable way in which to base the MX. When it became clear that none of these alternatives was acceptable, a decision was made to put the MX in the same silos which now house our Minuteman missiles.

Secretary of Defense Weinberger realized the vulnerability of the MX as far back as 1981 when he testified before the House Armed Services Committee that:

> I would feel that simply putting the MX into existing silos would not answer two or three concerns that I have: namely, that the location of these are well known and are not hardened sufficiently, nor could they be, to be of sufficient strategic value to count as a strategic improvement of our forces.

Apparently the Secretary of Defense has changed his mind. Not only does Mr. Weinberger now support basing the MX in Minuteman silos, but he has announced that sometime either at the end of this decade or in the early 1990's—long after the MX is to have been deployed—we will undertake a $15 billion program to further harden our missile silos in a desperate attempt to improve the survivability of the missile.

This means that the cost of the MX program has now escalated from the $26 billion originally forecast by the Pentagon to more than $41 billion. Yet, many experts have voiced doubts about the effectiveness of this new silo hardening program. Gen. Brent Scowcroft told the Armed Services Committee earlier this year that "In the race between hardening and accuracy, hardening has to lose."

Aware of the shakey strategic justification for the MX, the administration tells us that we must build the MX in order to achieve arms control. Last year we were told that we had to build the MX to get the Russians to take us seriously and come to the negotiating table. Now that they have come to the negotiating table we are told that we must build the MX in order to keep them there. How long will we continue to build new, more destructive, more destablizing weapons in the fantastic belief that they will somehow lead to arms control?

Is the MX a bargaining chip? Not according to top officials in the Reagan administration. In recent weeks both Secretary Weinberger and Secretary Shultz have assured the American people that this administration has no intention of bargaining away the MX. Such news should not come as a surprise to anyone familiar with the history of arms control. When has either superpower ever agreed to terminate a modern offensive weapons system in the name of arms control?

If we are going to keep the MX, what useful role will it play in our strategic arsenal? None. The missiles on just two of our Poseidon submarines are sufficient to destroy every Russian city with a population in excess of 100,000. Add to this the devasting destructive power of weapons carried on our B-52—and soon B-1—bombers and cruise missiles, and it quickly becomes clear that we have more than enough kill capacity to deter any attack by a rational foreign leader.

The time has come for Congress to stand up to the Reagan administration and say no to the MX. I urge my colleagues to join with me and oppose this wasteful and destabilizing new weapon.●

● Mr. PORTER. Mr. Chairman, since the report of the Scowcroft Commission, I have supported the President's request for the production of MX missiles. But my support goes no further than for a limited number (no more than 100) only for a limited time, until the new single-warhead, mobile ICBM or "Midgetman" becomes operational.

Unfortunately, former Secretary of Defense Harold Brown was correct when he stated that when we build the Soviets build; when we stop, the Soviets continue to build. Over the last decade the Soviets have continued to improve and expand their arsenal of land-based ICBM's while the United States unilaterally terminated production of the Minuteman III.

Today, the Soviets can threaten all major United States command, control, and communication centers as well as our major military bases with very accurate medium and heavy ICBM's. To maintain the peace, our deterrent must be no less credible. We must have the capacity to destroy all that they hold most dear—what they consider to be the essence of their society. Only as long as we have such a capacity will the Soviet military planners believe that a first strike against the United States is unthinkable. The MX gives us such a deterrent until the far less destabilizing Midgetman can be deployed in the 1990's.

Supporting the MX at this time will also strengthen our hand at Geneva. The record of the B-1 bomber's cancellation clearly showed the folly of such unilateral moves. In Paul Warnke's account of the SALT negotiations, negotiators on both sides were disappropinted with President Carter's cancellation of the bomber. The Americans wished to use it to extract concessions. The Soviets wished to claim credit for the cancellation. In short, the fate of these important strategic programs is best left in the hands of our negotiators.

Let me point out that this is an interim solution. I will support the President's request to unfence this year's money because of the need to maintain a credible deterrent and to support our negotiators at Geneva. The Pentagon's request for another $3.7 billion for next year however, is not acceptable.

The Majority Leader was correct that our deficit spending will have to be borne by our children. One would hope that he would recognize that is true whether it is defense spending or social spending. In any case, by my account, our children will have to pay an extra $10,000 in taxes over their life just to pay the interest on this year's deficit. For this reason, I believe we must have a complete freeze on all Federal spending, including that for the Department of Defense. No increases but no decreases for all departments.

Because the deficit will place such a heavy burden on our children's economic mobility and ability to provide for their own defense, we simply cannot afford to fund these missiles as fast as the President's request for an

additional 48 missiles suggests. For fiscal year 1986, I will only support a much smaller number of MX missiles that will maintain the program without adding to the deficit. This will accomplish all of the objectives stated in the Scowcroft Commission report within our ability to pay and not send the bill to our children.●

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I am delighted to yield to my dear friend, the minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, after hours of debate, the issue comes down to this:

The MX appropriation is not a farm issue.

It is not an education issue.

It is not a welfare issue.

It is not a health issue.

It is a defense issue.

Those who say they are going to vote against this appropriation give two major reasons for their choice.

Some say they see this vote as a way of attacking the deficit.

That is a phony issue because the money is there, in the 1985 budget.

But let me briefly speak to the major issue of the defense budget and the deficit.

The only way you can get major cuts—and I mean major—in the defense budget is if you first tell us which strategic missions we are going to abandon.

And by strategic mission I mean out NATO commitment, our commitment in Korea, our commitment to protect sealanes, our commitment to any number of treaties to which we are signatory.

Either the Congress tells the American people which strategic mission we must cancel or else stop this nonsense about being concerned about the military budget.

The big bucks in defense are there because of strategic missions we have had for 40 years—40 years.

If you want to abandon them, have the guts to say so.

Then there is the argument that we can vote for an authorization but them turn our back on the appropriation because we have authorized a "bargaining chip."

That is unadulterated lunacy and you know it.

A bargaining chip is something in the real world and something in the real world of strategic defense is something that is paid for.

Let's cut out the purple prose we have heard from those weeping crocodile tears over what this vote means in terms of farm, education, welfare or what have you.

We've heard poetry and posturing. We've heard flapdoodle and Tom foolery.

Let's talk sense.

This is a defense vote.

If you want to cut defense in a meaningful way have the courage to tell the American people which strategic mission you want to abandon.

Remember what Willie Sutton was said to remark about banks? "That's where the money is."

Well, the money in defense is in the actual deployment of troops, with their weapons systems and in fulfilling our treaty obligations.

Go after them if you have the desire.

But don't stand there and tell me that we can satisfy our conscience with a vote to authorize without an appropriation to back it up.

That's like saying you can live in the blueprint of a house.

Come on now, let's get back to the real world and quit playing games here.

Vote to release that appropriation you voted to authorize just 48 hours ago.

Mr. McDADE. I thank our minority leader.

Mr. Chairman, the debate is coming to a close; the vote is at hand.

Over the past 4 days in this Chamber—as we have seen over the preceding months and indeed years—the House has conducted an intense, passionate, and skillful debate on the issue of the MX missile, a debate in the highest traditions of this body.

Such debate attests to our concern, it attests to the depth of our feeling, and I believe it attests to our unanimity on two issues:

The importance and necessity of providing for the defense of our country, and

Our deep commitment to reducing the horrible threat posed by nuclear war.

We have heard all the arguments which could conceivably be made. We have heard a seemingly endless parade of technical facts and expert opinion on both sides of the issue. And after listening to all the technical details, and expert judgments reflecting different points of view, I have no argument that there are valid points on each side. This is a complex matter in a complex world. The experts and the technological aspects of this problem do not provide us with a completely clear and easy choice—just as they do not in so many other areas—health, environmental policy, economic policy.

Therefore—as with so many other issues which come before us in this Chamber—after listening to all the debate, in the final analysis we must make a value judgment. A value judgment on what is best for our constituents, what is best for our country, and what is best for the cause of nuclear arms reduction in the world.

In my judgment, the best hope for our future lies in what has only just started at Geneva—our negotiations with the Soviets. I think this is a judgment which is shared by the American public. The people of this great country want to achieve arms reduction. They want these talks to succeed.

With this best hope in mind, I urge you to support this resolution.

I cannot guarantee that a yes today will result in an arms treaty. But we all know that these talks will be difficult. The Soviet Government has demonstrated its harsh intransigence to us and to the world many times. And, I can say with certainty that they will be even more difficult if we do not provide both a symbolic and tangible show of support for our negotiators, just as their task is beginning.

Ladies and gentlemen, the Members of Congress are not negotiating with the Soviets. The President, and his team in Geneva, are at that table. And they have told us in no uncertain terms that our approval of this resolution today will be a positive step. A step to place this issue on the bargaining table. A step that will strengthen their hands in dealing with the Soviets. We cannot forget this elemental fact. We must recognize the fact that our country's representatives at Geneva conclude unanimously that having these additional 21 MX missiles will be of value in bargaining with the Russians. They are the ones who will be doing the tough bargaining—and we should respect their judgment. The President has entrusted them with the negotiations on this, as citizens of vast experience in dealing with the Soviets and as representatives of both political parties.

It would be a serious mistake for this body to take a step, just as the talks are beginning which ignores their views. And common sense tells us that a no vote today would not improve the chances for a fair and sensible treaty. A yes vote does not guarantee success—but it does guarantee that the Russians will not be getting something for nothing.

This is not the last defense vote we will take while the arms talks are going on. But a yes vote today is not a rubberstamp for everything in the defense budget, and it does not mean we will rubberstamp every defense request which comes our way. Congress has never operated that way and it never will. We will deal with other matters when the time comes, and we will make our decisions based on the context of the time—including arms control, but also military need, and our overall spending priorities.

But these other questions are not before us today. What is before us today is whether the House will follow through on what we did 2 days ago. Two days ago, the House agreed on

the text of a message, but we did not send it. Today, we can send that message, send it to Geneva. The message is one of support and encouragement to our negotiators, the message is that we will give them a tool that they can use and a tool they need.

And while this message will be sent to our negotiators, it will have an RSVP for the Soviets—an RSVP to join us, in hard bargaining, serious discussion, and a good faith effort at the table—an effort that, please God, will lead to a reduction in nuclear weapons.

That is why we must vote yes on this resolution.

□ 1230

The CHAIRMAN. All time of the gentleman from Pennsylvania [Mr. McDADE] has expired.

The gentleman from New York [Mr. ADDABBO] is recognized. The gentleman has 6 minutes remaining.

Mr. ADDABBO. I yield myself such time as I may consume.

Mr. Chairman, I commend each and every one of us who has taken part in this debate in the last 4 days, to bring forward the propositions and the problems that face this Nation and this Congress on this most important question. I thank my colleague, the ranking minority member of the Defense Appropriations Committee Mr. [McDADE], for his cooperation.

We in the last 4 days have heard so much about the MX missile and what our negotiators need and the need for a bargaining chip, et cetera. Well, is it a bargaining chip or isn't it?

Let me just read a few quotes:

"No, the MX is not a bargaining chip in the sense of we need something to give away."—President Reagan, Newsweek, March 18, 1985.

"These new weapons, MX, are not bargaining chips."—Secretary of State George Shultz, before the Senate Armed Services Committee, February 26, 1985.

"Well, from way back we've always said, and we have to remember MX is not a bargaining chip."—Ambassador Edward Rowney, former chief negotiator at strategic nuclear talks, May 16, 1984.

"Nobody ever suggested that the MX was a bargaining chip. It's part of our necessary modernization."—Secretary of Defense Caspar Weinberger, May 16, 1983.

Well then, if it is not a bargaining chip, it is still a weapons system. And therefore we must look at it as a weapons system, and as we look at all our weapons systems, we must look at our entire national defense. Let us look at our resolve in a strong national defense, a resolve which means we have spent in the last 5 years over a trillion dollars. In the last 5 years, we have spent over $1 trillion. I think that is resolve.

In the next 5 years, we are expected to spend about $2 trillion. I believe that is enough resolve.

Let us look at the needs of our Nation as far as our national welfare is concerned together with the national defense. You know, we have heard so much about the need to maintain the strategic triad, but I submit there is a far greater overall importance than the strategic triad which consists not only of defense, but the economy, and the legitimate social needs of our people.

Here, too, if we neglect any one leg of our economy we do it at our peril and if we pay too much attention to any other leg of our economy we do it equally at our peril. The need to pay for defense is legitimate, but we must not in the process bring disorder to our economy or ruin to our social programs.

Mr. Chairman, my colleagues, a little over a week ago the full Committee on Appropriations reported to this House, House Joint Resolution 181, with the recommendation that the joint resolution be defeated. I assure you that there are senior members on that Appropriations Committee that are equally as strong as anyone here in the House when it comes to national defense, but they voted down this $1.5 billion for the MX because it is not needed.

The full Committee on Appropriations voted it down because, as keepers of the taxpayers' dollars, we deal in how we should properly spend our defense dollars and all our other dollars. It was proven and understood that this $1.5 billion for these 21 MX missiles was not necessary at this time.

Why is it not necessary? No. 1, we have shown the President our resolve when on Tuesday we voted for the authorization of the additional funds for the MX. Which means at any given point in time we can provide the money to pay for these 21 missiles. We don't have to free the funds now.

As I said earlier this morning, we must and will watch the arms control discussions and if no progress is made, at any point in time we can release the funds for these 21 missiles because they have now been authorized. It is a known fact that in every authorizing bill that came out of the Armed Services Committee, not every weapons system was provided appropriations because they were not ready for funding in certain instances. However, later, because it had been authorized and the system had completed certain goals, we could reprogram money into it or we could take money out of unobligated balances to fund the system. The $1.5 billion for these additional MX missiles will be provided from unobligated balances and they are fenced for this purpose—they cannot be used for any other purpose.

If this money is not appropriated today or is appropriated today, it will go back into the unexpended balances; it will not be spent. Over the years, we have appropriated billions of dollars to continue the R&D of the MX missile. We have appropriated funds for 20 research and development missiles.

MX MONTHLY DELIVERIES FOR THE R&D AND FISCAL YEAR 1984 FUNDED OPERATIONAL MISSILES

	Months—												Total
	January	February	March	April	May	June	July	August	September	October	November	December	
1985:													
R&D missiles	1		1				1				1		4
Operational missiles (fiscal year 1984 appropriation)													0
1986:													
R&D missiles		1		1	1			1		1	1		6
Operational missiles (fiscal year 1984 appropriation)					1	1	1	2	1	2	2	2	12
1987:													
R&D missiles	1	1			1								3
Operational missiles (fiscal 1984 appropriation)	3	2	2	1	1								9
Total R&D missiles													13
Total operational missiles													21
Grand total													34

Notes.—1. Seven R&D missiles, out of a R&D total of 20, have been expended. 2. The 34 remaining missiles which have already been funded deliver over the 29-month period January 1985–May 1987. 3. Months shown for delivery of R&D missiles may vary, depending on variability in the flight test schedule.

Mr. ADDABBO. This chart clearly shows we will not get the last of these 20 missiles until May 1987. In fiscal year 1984, we appropriated $2.1 billion for 21 additional missiles.

□ 1240

The deliveries of those missiles have not even been started. And again the chart clearly shows from the fiscal

year 1984 appropriation for the 21 MX missiles, deliveries will not be completed until May 1987. The production line will continue for at least several years without these additional funds.

I ask that this resolution be defeated.

The CHAIRMAN. All time for general debate has expired.

The text of House Joint Resolution 181 is as follows:

H.J. RES. 181

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

The CHAIRMAN. Pursuant to the order of the House of Wednesday, March 27, 1985, and section 101(h) of Public Law 98-473, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 181) to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles, had directed him to report the joint resolution back to the House.

The SPEAKER. The Chairman of the Committee of the Whole House on the State of the Union reports that that Committee, having had under consideration the joint resolution, House Joint Resolution 181, directs him to report the same back to the House.

Pursuant to section 101(h), Public Law 98-473, the question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ADDABBO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 217, noes 210, not voting 5, as follows:

[Roll No. 39]

AYES—217

Anderson	Breaux	Cobey
Andrews	Broomfield	Coble
Armey	Brown (CO)	Coleman (MO)
Aspin	Broyhill	Combest
Badham	Burton (IN)	Cooper
Barnard	Bustamante	Courter
Bartlett	Byron	Craig
Barton	Callahan	Daniel
Bateman	Campbell	Dannemeyer
Bentley	Carney	Darden
Bevill	Chandler	Daub
Bilirakis	Chappell	Davis
Bliley	Chappie	de la Garza
Boehlert	Cheney	DeLay
Boner (TN)	Clinger	DeWine
Boulter	Coats	Dickinson
Dicks	Lent	Ritter
Dornan (CA)	Lewis (CA)	Robinson
Dowdy	Lewis (FL)	Roemer
Dreier	Lightfoot	Rogers
Duncan	Lipinski	Roth
Dyson	Livingston	Rowland (CT)
Eckert (NY)	Lloyd	Rowland (GA)
Edwards (OK)	Loeffler	Rudd
Emerson	Lott	Saxton
English	Lowery (CA)	Schaefer
Erdreich	Lujan	Schuette
Fawell	Lungren	Schulze
Fazio	Mack	Shaw
Fiedler	Madigan	Shelby
Fields	Marlenee	Shumway
Fish	Martin (IL)	Shuster
Flippo	Martin (NY)	Siljander
Franklin	McCain	Skeen
Frenzel	McCandless	Skelton
Frost	McCollum	Slaughter
Fuqua	McCurdy	Smith (NH)
Gallo	McDade	Smith, Denny
Gekas	McEwen	Smith, Robert
Gilman	McGrath	Snowe
Gingrich	McKernan	Snyder
Gregg	McMillan	Solomon
Grotberg	Meyers	Spence
Gunderson	Michel	Stangeland
Hall, Ralph	Miller (OH)	Stenholm
Hall, Sam	Molinari	Strang
Hammerschmidt	Mollohan	Stratton
Hansen	Monson	Stump
Hartnett	Montgomery	Sundquist
Hatcher	Moore	Sweeney
Hefner	Moorhead	Swindall
Hendon	Morrison (WA)	Tauzin
Hiler	Murtha	Taylor
Hillis	Myers	Thomas (CA)
Holt	Neal	Thomas (GA)
Hopkins	Nelson	Valentine
Horton	Nichols	Vander Jagt
Hoyer	Nielson	Vucanovich
Hubbard	O'Brien	Walker
Huckaby	Ortiz	Watkins
Hunter	Oxley	Weber
Hutto	Packard	Whitehurst
Hyde	Parris	Whitley
Ireland	Pashayan	Whittaker
Jones (TN)	Pepper	Wilson
Kasich	Porter	Wolf
Kemp	Price	Wortley
Kindness	Pursell	Wylie
Kolbe	Quillen	Yatron
Kramer	Ray	Young (AK)
Lagomarsino	Regula	Young (FL)
Latta	Reid	
Leath (TX)	Rinaldo	

NOES—210

Ackerman	Conte	Gonzalez
Addabbo	Coughlin	Goodling
Akaka	Coyne	Gordon
Alexander	Crockett	Gradison
Annunzio	Daschle	Gray (IL)
Anthony	Dellums	Gray (PA)
App.egate	Derrick	Green
Atkins	Dingell	Guarini
AuCoin	DioGuardi	Hall (OH)
Barnes	Dixon	Hamilton
Bates	Donnelly	Hawkins
Bedell	Dorgan (ND)	Hayes
Beilenson	Downey	Heftel
Bennett	Durbin	Henry
Bereuter	Dwyer	Hertel
Berman	Early	Howard
Biaggi	Eckart (OH)	Hughes
Boggs	Edgar	Jacobs
Boland	Edwards (CA)	Jeffords
Bonior (MI)	Evans (IA)	Jenkins
Bonker	Evans (IL)	Johnson
Borski	Fascell	Jones (NC)
Bosco	Feighan	Jones (OK)
Boucher	Florio	Kanjorski
Boxer	Foglietta	Kaptur
Brooks	Foley	Kastenmeier
Brown (CA)	Ford (MI)	Kennelly
Bruce	Ford (TN)	Kildee
Bryant	Fowler	Kleczka
Burton (CA)	Frank	Kolter
Carper	Garcia	Kostmayer
Carr	Gaydos	LaFalce
Clay	Gejdenson	Lantos
Coelho	Gephardt	Leach (IA)
Coleman (TX)	Gibbons	Lehman (CA)
Collins	Glickman	Lehman (FL)
Leland	Pease	St Germain
Levin (MI)	Penny	Staggers
Levine (CA)	Perkins	Stallings
Lowry (WA)	Petri	Stark
Luken	Pickle	Stokes
Lundine	Rahall	Studds
MacKay	Rangel	Swift
Manton	Richardson	Synar
Markey	Roberts	Tallon
Martinez	Rodino	Tauke
Matsui	Roe	Torres
Mavroules	Rose	Torricelli
Mazzoli	Rostenkowski	Towns
McHugh	Roukema	Traficant
McKinney	Roybal	Traxler
Mica	Russo	Udall
Mikulski	Sabo	Vento
Miller (CA)	Savage	Visclosky
Miller (WA)	Scheuer	Volkmer
Mineta	Schneider	Walgren
Mitchell	Schroeder	Waxman
Moakley	Schumer	Weaver
Moody	Seiberling	Weiss
Morrison (CT)	Sensenbrenner	Wheat
Mrazek	Sharp	Whitten
Murphy	Sikorski	Williams
Natcher	Sisisky	Wirth
Nowak	Slattery	Wise
Oakar	Smith (FL)	Wolpe
Oberstar	Smith (IA)	Wright
Obey	Smith (NE)	Wyden
Olin	Smith (NJ)	Yates
Owens	Solarz	Young (MO)
Panetta	Spratt	Zschau

NOT VOTING—5

Archer	Crane	Ridge
Conyers	Dymally	

□ 1250

The Clerk announced the following pairs:

On this vote:

Mr. Crane for, with Mr. Ridge against.

Mr. Archer for, with Mr. Dymally against.

Mr. SMITH of Iowa changed his vote from "aye" to "no."

Mr. STRANG changed his vote from "no" to "aye."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that all Members may include certain tabular and extraneous material relating to today's debate on House Joint Resolution 181.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERSONAL EXPLANATION

Mr. CRANE. Mr. Speaker, I was unable to be here in order to vote on House Joint Resolution 181. Had I been present I would have voted in favor of the resolution as I did on the authorization vote.

PERSONAL EXPLANATION

Mr. RIDGE. Mr. Speaker, when the vote on House Joint Resolution 181, the appropriation for the MX missile, was taken today, I unfortunately missed it. Had I been here to vote, I would have voted "nay" on House Joint Resolution 181.

Knowing the vote was scheduled for between noon and 12:30 I scheduled a lunch at the Capitol Hill Club as the restaurant announces when votes are occurring on the floor of the House. For some reason, the announcements were not made this afternoon and I missed the vote.

The RECORD should show that my opposition to the MX missile remains strong as was evidenced on Tuesday when I voted against House Joint Resolution 180, the authorization for the MX. Missing this vote was not intentional and I had planned to once again vote against spending $1.5 billion for procurement of a weapon system of questionable merit.

While I missed this important vote, I was able to pair my position with that of another Member of the House who also missed the vote for the same reason. I regret having missed this important vote and wish for my position to be made clear for the record.

PERSONAL EXPLANATION

Mr. ARCHER. Mr. Speaker, due to a malfunctioning of the bells and the legislative clock in room H-137 here in the Capitol today, I was not alerted of the vote on appropriating funds for the MX missile. As a result, I was absent. I would like the RECORD to show that if I had been able to vote, I would have voted for the appropriation.

I would also like to take this opportunity to suggest that the Architect of the Capitol initiate immediate repairs of the legislative clocks in that room and all other meeting rooms in the Capitol complex so that other Members might not find themselves in the same position of missing an important vote in the future.

PERSONAL EXPLANATION

● Mr. CONYERS. Mr. Speaker, I wish to inform you that I inadvertently missed the vote on House Joint Resolution 181 which would appropriate funds for additional MX missiles. Had I voted, I would have voted "no" on this legislation which is the same way that I voted on House Joint Resolution 180 which authorized the additional funding.

I should also note that I have voted "no" on funding for the MX since 1977 when the Congress was first asked to provide money for this costly and unnecessary project. I might add that shortly before the vote on House Joint Resolution 181 was taken, I spoke on the floor against this resolution, and that statement appears elsewhere in the RECORD.●

□ 1300

NATIONAL INDEPENDENT RETAIL GROCER WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 74) to designate the week of September 8, 1985, as "National Independent Retail Grocer Week." and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. CAMPBELL. Mr. Speaker, reserving the right to object, and it is not my intention to object, but I would ask the gentleman from New York to explain the legislation.

Mr. GARCIA. Mr. Speaker, if the gentleman will yield, what this legislation does, very simply, is to recognize the many mom and pop stores throughout America who are involved in the retail grocery business. We think they deserve the recognition and we hope that the Congress will approve the resolution.

Mr. Speaker, further reserving the right to object, I rise today in support of House Joint Resolution 74, which designates September 8-14, "National Independent Retail Grocers Week."

Across this great Nation, in the largest of cities and the smallest of towns, the independent retail grocer ensures the steady and uninterrupted flow of grocery products to the American consumer. These small business people raise the American free enterprise system to its highest levels, providing needed services to the communities in which they live and work.

The independent retail grocer is the backbone of the food distribution system in the United States. They account for 64 percent of all grocery stores in this country and are responsible for nearly one-half of all grocery products sold. They provide employment for over 1 million people. Independent retail grocers know no socio-economic or geographical boundaries, with locations as diverse as a small country store at a crossroads in rural America, to an expensive store in the hub of a large city.

Neil Batson and his family, independent retail grocers, in my district, exemplify the small business entrepreneur in the grocery industry. In 1939, Neil Batson's grandfather, W.A. Batson, started a small 600-square-foot store in Travelers Rest, SC, with 50 pounds of fat back, 50 pounds of pinto beans, and 20 pounds of coffee. Today, the store has 14,000 square feet and carries more than 15,000 grocery and household items. W.A. Batson pioneered the supermarket as we know it today in the up-country of South Carolina, taking his store from a behind-the-counter credit operation to a self-service pay-as-you-go market. Since Neil and his brother Danny acquired the original Travelers Rest store in 1979, they have expanded the business by adding stores in Greenville and Marietta, SC. In 1984 the three hometown food stores owned by the Batsons grossed approximately $10 million.

The Batsons are representatives of thousands of independent retail grocers across this great land, who deliver the highest quality products at the least expense to the American consumer. Most independent retail grocers operate on a 1- to 2-percent profit margin while providing fresh fruits, vegetables, dairy products, and quality meat, poultry and fish to their customers. When consumers in New York pick-up a head of lettuce from California they often do not stop to think how it got from the field to the market, for less than $1. Independent retail grocers work hard to keep the American consumer well fed and it is only right and fitting we should honor them with this resolution.

Mr. Speaker, I encourage my colleagues in the House to vote for passage of this legislation proclaiming September 8-14 as National Independent Grocers Week.

Mr. CAMPBELL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 74

Whereas the independent retailer has served the American consumer for over two hundred years;

Whereas independent retail grocers account for 64 per centum of all grocery stores in the United States and are responsible for nearly one-half of the grocery product distributed;

Whereas the independent retail grocer exemplifies the small business entrepreneur, the back bone of the American free enterprise system; and

Whereas the independent retail grocer offers a wide array of services to the community where he lives and does business: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 8 through 14, 1985, be proclaimed "National Independent Retail Grocer Week".

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAIR HOUSING MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be

discharged from further consideration of the joint resolution (H.J. Res. 188) to designate April, 1985 as "Fair Housing Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I would like to yield to the gentleman from New York [Mr. FISH] who is the chief sponsor of House Joint Resolution 188 on Fair Housing Month.

Mr. FISH. I thank the gentleman for yielding.

Mr. Speaker, I want to take this opportunity to express my sincere appreciation to the subcommittee chairman, BOB GARCIA, and the ranking Republican, JIM HANSEN, for their assistance in this effort.

On March 7, I introduced House Joint Resolution 188 to designate this April as "Fair Housing Month." At that time, I was joined by nine principal cosponsors. Since that point, an additional 240 Members of this House—Republicans and Democrats alike—have joined as cosponsors of House Joint Resolution 188. This is a clear reflection of bipartisan commitment to the principles embodied in the Federal fair housing law.

Mr. Speaker, April 11, 1985, will mark the 17th anniversary of the enactment of a Federal fair housing law, as title VIII of the Civil Rights Act of 1968. The enactment of title VIII occurred shortly after the tragic assassination of Dr. Martin Luther King, Jr. It was a landmark legislative action which symbolized a legal and policy commitment on the part of the Federal Government to the goal of equal opportunity in housing for all Americans.

Title VIII prohibits discrimination in the sale, rental, or financing of housing based upon race, color, religion, national origin, or sex. Since its enactment, the right of free choice in housing has undeniably expanded. However, despite these advances, discriminatory housing practices still remain an unfortunate fact of life for many Americans—racial and ethnic minorities, handicapped persons, and families with children. The goal of equal opportunity in housing choice has still yet to be fully realized.

This year already promises to be a special year for fair housing. A multitude of activities are being sponsored by a variety of private and public agencies, including the Department of Housing and Urban Development, to promote fair housing in every community of this Nation. In addition, HUD Secretary Samuel Pierce and many of us in the Congress are resolved to secure a strengthened fair housing law. The coverage provisions of title VIII should be expanded and the enforcement provisions must be strengthened. Victims of discrimination have a right to a prompt and fair resolution of their complaints. The HUD Secretary needs additional enforcement tools in the effort to protect the rights recognized in title VIII. The President has submitted to us a budget which asks for new funding of a comprehensive program to substantially expand the capacity of both the public and private sectors to fight housing discrimination.

We should proceed on all fronts to make the idea of fair housing a reality, and favorable House action on House Joint Resolution 188 is a first, symbolic step in this effort.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 188

Whereas the year 1985 marks the seventeenth anniversary of the passage of title VIII of the Civil Rights Act of 1968, as amended (commonly referred to as the "Federal Fair Housing Act"), declaring a national policy to provide for fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and her people; and

Whereas in this seventeenth year since the passage of the Fair Housing Act, we must work to strengthen enforcement of fair housing laws for all Americans so as to make the ideal of fair housing a reality; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1985 is designated Fair Housing Month. The President is authorized and requested to issue a proclamation designating April as Fair Housing Month and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe that month with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDUCATION DAY, U.S.A.

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 186) designating April 2, 1985, as "Education Day, U.S.A.," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, and I do not intend to object, I would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to objection, I would like to yield to the gentleman from Illinois [Mr. MICHEL] who was the chief sponsor of House Joint Resolution 186, "Education Day, U.S.A."

Mr. MICHEL. I thank the gentleman for yielding to me.

Mr. Speaker, I welcome this opportunity to say a few words about House Joint Resolution 186, requesting the President to designate April 2, 1985, as "Education Day, U.S.A."

Along with the distinguished majority leader, Mr. WRIGHT, I am sponsoring this resolution. We joined forces last year and I'm happy to be part of this worthy venture today.

As I said last year, I think it is fitting that the majority and the minority leaders, should cosponsor such a resolution. It deals with a subject that transcends partisan consideration.

We are seeing a rebirth of the old American idea of progress through education for all Americans. That's still a great idea.

April 2 also happens to be the 83d birthday of a remarkable religious leader, Rabbi Menachem Mendel Schneerson.

He is the internationally renowned and respected leader of the Lubavitch movement which actively promotes education programs at more than 80 centers in 34 States.

The Lubavitch movement, founded in the 18th century, has as its philosophical foundation three basic elements—wisdom, understanding, and knowledge.

It is therefore appropriate that the movement, under the inspired leader of the man called the rebbe, has been so active in promoting education.

Looking over remarks from last year, I came upon a fact I want to share with you today.

The movement which the rebbe heads takes its name from a Russian city, Lubavitch, which, translated into English means, city of love.

In the final analysis it is love—love of children, love of one's religious heritage, love of learning—that is at the heart of the Lubavitch movement and at the heart of our resolution.

I'm pleased once again to honor a great man and to support such a fine idea.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 186

Whereas Congress recognizes the historical tradition of ethical values and principles which are the basis of civilized society and upon which our great Nation was founded;

Whereas these ethical values and principles have been the bedrock of society from the dawn of civilization, when they were known as the Seven Noahide Laws;

Whereas without these ethical values and principles the edifice of civilization stands in serious peril of returning to chaos;

Whereas society is profoundly concerned with the recent weakening of these principles that has resulted in crises that beleaguer and threaten the fabric of civilized society;

Whereas the justified preoccupation with these crises must not let the citizens of this Nation lose sight of their responsibility to transmit these historical ethical values from our distinguished past to the generations of the future;

Whereas the Lubavitch movement has fostered and promoted these ethical values and principles throughout the world; and

Whereas Rabbi Menachem Mendel Schneerson, leader of the Lubavitch movement, is universally respected and revered and his eighty-third birthday falls on April 2, 1985: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 2, 1985, the birthday of Rabbi Menachem Mendel Schneerson, leader and head of the worldwide Lubavitch movement, is designated as "Education Day, U.S.A.". The President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 74, House Joint Resolution 188, and House Joint Resolution 186, the joint resolutions just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

APPOINTMENT AS MAJORITY MEMBERS OF COMMISSION ON THE UKRAINE FAMINE

The SPEAKER. Pursuant to section 136, Public Law 98-473, the Chair appoints as majority members of the Commission on the Ukraine Famine the following Members on the part of the House:

Mr. MICA of Florida, chairman; and

Mr. HERTEL of Michigan.

ANNOUNCEMENT OF OFFICIAL REPUBLICAN OBJECTORS FOR THE CONSENT CALENDAR FOR THE 99TH CONGRESS

Mr. MICHEL. Mr. Speaker, I take this time to announce the official objectors for the Republican side for the 99th Congress.

For the Consent Calendar, our official objectors will be the gentleman from Pennsylvania [Mr. WALKER], the gentleman from California [Mr. LUNGREN], and the gentleman from New York [Mr. WORTLEY].

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time to inquire of the distinguished majority whip the program for the balance of this week and the program for next week.

Mr. FOLEY. Mr. Speaker, will the distinguished Republican leader yield?

Mr. MICHEL. I would be happy to yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, this concludes the business for this week, and when the House adjourns today it will adjourn to meet at noon on Monday next.

The Consent Calendar will be taken up on Monday. There is no other legislative business scheduled.

On Tuesday the House will meet at noon to consider the conference report on H.R. 1239, supplemental appropriations for famine relief and recovery in Africa, and five bills under suspension of the rules, recorded votes being postponed until after all debate on all suspensions. Under suspension of the rules, the House will consider:

H.R. 1185: Amend the Petrified Forest Act;

H.R. 1373: Designate Point Reys National Seashore Wilderness as the Philip Burton Wilderness Area;

H.R. 1532: FEC authorization for fiscal year 1986;

H. Con. Res. 59: Authorize use of the rotunda for a ceremony commemorating the death of Ulysses S. Grant; and

H. Con. Res. 98: Authorize use of the rotunda for victims of the Holocaust memorial ceremony.

Members should be aware, Mr. Speaker, that the House Ways and Means Committee is expected to report a Federal supplemental compensation bill which will be scheduled on next week.

On Wednesday, the House will meet at 3 p.m. and consider the bill H.R. 1714, the National Aeronautics and Space Administration authorization for fiscal year 1986, subject to a rule being granted.

The House will meet at 11 a.m. on Thursday, and a program for that day will be announced later.

At the close of business on Thursday, the House will adjourn for the Easter district work period and will reconvene at noon on Monday, April 15, 1985.

Conference reports, of course, may be brought up at any time, and any further program will be announced later.

Mr. MICHEL. I thank the gentleman. I might also make the observation that while it is not on the printed program, it would be the intention over here on the minority side to bring up the McIntyre resolution on Tuesday, April 2, because there will have been some 45 days or so expired from the time there was some feeling it would have been brought to resolution by this time.

□ 1310

But I would assure the gentleman, knowing of the schedules that Members have for next week, that in doing so, if it is done, it would be done on Tuesday, and that would give Members ample time to get in town and get out of town, depending on what their inclination is for that vote.

Mr. Speaker, I thought the majority whip ought to be apprised of that.

Mr. FOLEY. Mr. Speaker, I appreciate the advice of the Republican leader, and I think it is helpful for Members to know that.

The Members again should be advised that although we have not scheduled it on the formal schedule for a precise date, the FSC legislation will be scheduled next week, if reported by the committee, either on the regular schedule or on the suspension calendar.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore [Mr. GONZALEZ]. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT OF OFFICIAL OBJECTORS FOR CONSENT CALENDAR AND PRIVATE CALENDAR ON THE DEMOCRATIC SIDE FOR THE 99TH CONGRESS

Mr. FOLEY. Mr. Speaker, I take this time to announce the official objectors

for the Democratic side for the 99th Congress.

For the Consent Calendar, our official representatives will be the gentleman from Alabama, Mr. FLIPPO, the gentleman from Maryland, Mr. DYSON, and the gentleman from Tennessee, Mr. GORDON.

For the Private Calendar, our official representatives will be the gentleman from Massachusetts, Mr. BOLAND, the gentleman from Minnesota, Mr. OBERSTAR, and the gentleman from Virginia, Mr. BOUCHER.

UPDATE ON INDIANA RECOUNT

(Mr. PANETTA asked and was given permission to address the House for 1 minute.)

Mr. PANETTA. Mr. Speaker, as I indicated to the House on Tuesday, I will be making regular reports on the progress of the congressional recount in the Eighth Congressional District of Indiana.

On Tuesday, the recount team, after working for more than 9 hours, completed 25 of the 157 precincts in Vanderburgh County, the largest county in the Eighth Congressional District. On Wednesday morning, an additional 22 precincts were completed, and the recount team was picking up speed. By last night, more than 100 of the 157 precincts were completed and the recount director expected to finish Vanderburgh County by the end of the working day today and begin Spencer County tonight.

Only a few ballots had been set aside for the task force to resolve, and the task force will be leaving tomorrow morning to resolve those ballots in Indiana. I expect that the task force will go out again next week to make further determinations.

I am pleased with the progress which the recount team is making, and look forward to the timely completion of a full, fair, and accurate recount.

INDIANA'S SECRETARY OF STATE CALLED TO TASK FOR STATEMENT ON CENTRAL AMERICAN ISSUE

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, recently in Mount Vernon, IN, the secretary of state of Indiana, Edwin Simcox, who was responsible for the recount in the Eighth Congressional District and who is the one who signed off on the question of whether in fact McIntyre was the winner or McCloskey was the winner, stated that McIntyre was the winner, but I would just like to bring to the attention of the Chamber the fact that this same Mr. Simcox, in the speech in Mount Vernon, IN, talked about the Central American issue and spoke about the "millions of wetbacks" that are crossing into the United States.

Now, I am certain that the secretary of state did not mean that, but I must say, for the same reasons that those of us on this side of the aisle have held back because there are 5,000 or 6,000 ballots that we feel have not been counted which were predominantly black, that it is statements like Mr. Simcox's statement that makes us absolutely certain that the Democratic side is right and that we have got to be unbiased in our position and we have got to have a full and fair count. Mr. Simcox, who is the secretary of state of one of our great States, should never have made that remark, and I must say, as a person of Hispanic heritage, that I am deeply disturbed and I am sick and tired of having people call other people who are of a different shade "wetbacks."

PERSONAL EXPLANATION

Mr. BEREUTER. Mr. Speaker, I was absent from the House floor on March 26, 1985, due to official business and missed one recorded vote on the resolution (H. Res. 100) that authorized funding for committees of the House. Had I been present for the vote, I would have opposed the resolution and cast a "no" vote.

Also, on March 4, 1985, I was also absent from the House delivering a speech to the U.S. Feed Grains Council. A vote occurred on the motion to refer House Resolution 97, a resolution to seat Richard D. McIntyre, to the Committee on House Administration. Had I been present, I would have voted "no."

SENATOR NUNN'S COMMENTS ON THE SCOWCROFT COMMISSION

(Without objection Mr. BARNARD was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BARNARD. Mr. Speaker, the House this week has been deeply involved in debating the merits of releasing funding for 21 additional MX missiles, and we will soon be considering the need to approve the President's request for fiscal year 1986. In light of this, I would like to submit for the RECORD a speech which Senator SAM NUNN recently delivered at the Institute for Foreign Policy Analysis breakfast. Senator NUNN's speech sheds new light on the Scowcroft Commission's recommendations, and I believe that it offers an important perspective on this issue.

Senator NUNN offers two major points in his discussion of the MX. First, he recommends that the number of deployed MX missiles be limited to 40 instead of the 100 missiles requested by the administration. Second, he suggests that starting in fiscal year 1986, the only new MX missiles which we should authorize for production should be those needed as spares to keep the production line in place in case events in Geneva warranted producing more missiles for deployment at a future date.

I believe that the Senator's comments offers significant insight into our Nation's future defense needs, and I recommend it to my colleagues for their consideration.

THE MX

(Remarks delivered at Institute for Foreign Policy Analysis breakfast)

It is a pleasure to appear before this audience and offer my views on strategic force modernization. I was asked to address the question of whether the recommendations and conclusions of the Scowcroft Commission remain valid today.

The Scowcroft Commission, as we recall, recommended putting MX's in fixed silos in the near term, although they made it clear that other forms of basing should be diligently explored. I must say that I've been rather disappointed on that latter recommendation. They also recommended that in the longer term it was desirable for stability on both sides that we move away from large, fixed, land-based, MIRVed systems, and they explicitly included in that definition the MX on the American side and the SS-18's and SS-19's on the Soviet side. In essence, as I see their recommendation, they were saying—The Soviets have moved in the wrong direction, with large fixed-silo, land-based missiles with MIRV capabilities. That has caused destabilization. Now the United States must also move in the wrong direction with an MX MIRVed missile in a stationary silo so that we can both march back together in the right direction. Now, that was the essence of their logic as I understood it.

They had two justifications for this recommendation. First, they said our bomber forces and our missile forces together are more survivable against a Soviet attack than either would be standing alone. In the near term, this is a correct observation although that observation will change very significantly in the future as both sides begin to deploy very accurate missiles at sea. We will certainly hope to be the first in that regard in terms of Trident II. The Soviets at some point in the future will also deploy very accurate missiles at sea. So that recommendation about the combined effect of attacks on both bombers and land-based missiles, while valid in the short run, is not a long term answer to the vulnerability problem as I see it.

Secondly, they said that as we move forward with the MX, the Soviets will begin to be concerned about their own land-based missile vulnerability and thus be more willing to reach an arms control agreement that moves away from their heavy reliance on large MIRVed land-based systems. Whether they will be willing to actually move towards such an agreement remains to be seen, but I think our intelligence pretty well tells us that the Soviets already are moving towards mobility. Whether they are going to abandon their fixed systems altogether is another question. They could decide to keep them and have an alternative in the form of the mobile SS-24's and SS-25's. That is

something that is not yet determined but at least they are moving towards mobility. And from the Scowcroft Commission point of view, I assume that is supposed to be good news, although when we are way behind in moving towards mobility, I'm not necessarily so sure.

After a great deal of thinking and discussion and talking to many members of the Scowcroft Commission, both during and after their report, I came to a few conclusions about their recommendations and about the status of our strategic forces.

First, the Soviets, without any doubt, for some time have threatened our land-based systems.

Second, the MX will begin to threaten the Soviet land-based systems.

Third, as a result of both of these trends, both sides are inexorably moving towards what I call "prompt launch". We are not here this morning to debate the question of whether we're moving towards launch under attack or launch on warning, or even launch immediately after attack. Suffice it to say that I am convinced that, as a result of testimony that I've heard and statements by many high level officials, that we are beginning to rely on prompt launch as a policy rather than a possible option. It has always been an option. It has always been something that we did not want the Soviets to take comfort in knowing we would not do, but it has never been our policy. Our policy has always been instead to build forces that do not have to be launched before we are absolutely certain that the Soviets have struck.

I heard a Senator say the other day that launch under attack does not bother him a bit, and launch on warning doesn't bother him a bit, because he always has felt that we would never have missiles in the holes by the time that Soviet missiles arrive. Therefore, MX survivability was not of concern to him. I've never felt that way because I've never been comfortable with the reverse of that proposition, that is the Soviets moving to launch on warning also. Someone once said that anyone who has ridden in an elevator in the Soviet Union has got to be a little bit uncomfortable about having the fate of our country rely on whether Soviet sensors and radars could correctly inform them whether America really is attacking or whether a flock of geese has reversed course over Siberia. That's the way I feel. I feel that the world is moving inexorably towards a hair-trigger on both sides. I think that is also the premise of the Scowcroft report.

The fourth proposition that I came to a couple of years ago is that both sides should endeavor to move away from this position of instability in regard both to their strategic programs and in regard to their arms control positions.

And finally, I concluded that deploying MX in vulnerable silos, though inconsistent with the long term goals of the Scowcroft report, will hopefully, and I underscore hopefully, provide the short term incentive to the Soviets, along with other things, including the Trident II coming on, to reverse their course and move in the direction of greater stability both in regard to their military programs and in regard to their arms control position.

I believe these five points remain essentially accurate today. I am concerned increasingly, though, that the links between the short and long term arms control goals of the Scowcroft report are becoming more and more ambiguous.

Last week, for this set of reasons and others that I will enumerate, I voted with the majority of the Senate to remove the restrictions on the procurement of 21 MX missiles during fiscal year 1985. I had voted for the 21 missiles last year, as you recall, when the Senate passed the missiles, and the House did not. We came to a very difficult decision in conference, and that is where the fencing came from. So, I have kept my position from last year, and I would share with you my reasons for voting to remove the fence.

First of all, in light of the willingness that has been shown by our NATO allies to make the difficult decision to accept the deployment of Pershing II missiles and cruise missiles on their own soil, a vote by the Congress at this particular juncture to cancel the MX program before any deployments would raise questions as to our psychological readiness to accept risks that our allies have accepted under great political pressure.

Second, there is no ready alternative to the MX since both the Trident, D-5 and the Midgetman are a number of years behind. Zero MXs would have left no strategic land-based missile production line in place during the critical first few years of the Geneva talks on nuclear and space arms. A warm strategic missile production line is, I think, important as a hedge against a complete breakdown in Geneva followed by a significant expansion of Soviet strategic forces. And I might also add that if we do have a breakdown in Geneva, I think without much doubt that the SALT II limitations are going to be disregarded by both sides.

Third, without the MX it goes without saying there would be little incentive in the near term for the Soviets to negotiate in earnest with respect to moving the strategic balance in the direction of greater stability. I think it is an important ingredient, though I will say in a few minutes where I view it on a scale of importance.

You have heard my reasons for voting to remove the fence, now let me tell you what my vote did not represent: It was not a vote to support a deployed force of 100 MX missiles or a total production run of 223 missiles. I have said for the last two and a half years, and I'll say it again this morning, I do not support putting an MX force of anywhere near this size in a vulnerable position. I said that to the President when the so-called "gang of six" was negotiating with him about MX, arms control, and the build down a year and a half ago.

Nor did it indicate that I think the MX is our highest priority strategic program. I do not rate the MX in vulnerable silos as being anywhere nearly as important, for instance, as the advanced cruise missile, which is now underway. I do not rate the MX in vulnerable silos as being anywhere nearly as important as the Advanced Technical Bomber, the so-called Stealth bomber. These improvements in the air-breathing leg of our Triad are important for a number of reasons, including denying the Soviets a reload, refire capability for their ICBM silos.

I might add, with respect to the Stealth bomber and the advanced cruise missiles, that these programs give us tremendous economic leverage on the Soviet Union, much, much more than you can possibly envision with the MX in vulnerable silos. The reason I say that is the Soviets have already invested several hundred million dollars in air defenses to defend against our present bomber force and probably anticipating to a considerable degree the B-1. No one has ever said that it is impossible for them to defend against the Stealth technology. But what is abundantly clear is that the Soviets would have to very substantially revamp their entire air defense system if they are serious about having the same kind of capability against the Stealth bomber that they now have against the B-52. And the same can be said for the air launched cruise missile which will greatly complicate their defenses. So they are going to have a tremendous decision to make if they are going to go forward with defending their own airspace from the air-breathing leg of our Triad. If they do so, you can estimate the cost at somewhere between $500 billion and $1 trillion to upgrade their air defenses against these advanced technologies.

So, I rate these two programs not just more important than the MX, but much, much more important than the MX. Nothing will suit me better than the Soviet Union, if we don't reach arms control agreements, spending $500 billion to $1 trillion on defending against the American bombers and cruise missiles. Those resources would not then go into the kind of conventional armaments that put so much of the world into jeopardy from the Soviet forces—including Europe, the Persian Gulf and Southwest Asia.

I believe all of these programs, including the Trident D-5 missile, have a higher priority than the MX, and now we are really getting down to cases. We're going to have to start looking at the 1986 budget. We see the Senate Budget Committee has already approved zero real growth in defense. It is no longer a question of whether you philosophically support the MX or not. We are getting down to the point of whether the MX is more important than these other programs. We already see in preliminary moves that the way the MX is going to be paid for if we fund all 48 or even anywhere near that for the President's program is to slow down the other programs which I belileve to be of much greater priority: slowing down the advanced technical bombers, slowing down the advanced cruise missiles, and slowing down the Trident program. I will not vote for that. That is where my bottom line is. I will not vote to slow those programs to pay for a MX in vulnerable silos.

Where does this lead me in terms of concept and position regarding 1986? First, I am thinking at the present time, and I'm not locking myself in concrete on any of this, that first, we ought to limit the total number of MX missiles under these conditions deployed in vulnerable Minuteman silos, and I underscore that deployment method, to no more than 40 missiles.

Second, that beginning with fiscal year 1986, the only missiles authorized for production should be the minimum number needed for reliability testing or spares. And I anticipate that this will be in the range of ten to twenty missiles per year. The news media has talked mostly about 100 missiles, but the program is not 100 missiles, it's 223 missiles. The Air Force intends to buy an extra 123 for testing and spares. Whatever number we deploy, whether it's 40 or 100, we're going to have to have many more missiles than that if we are going to have a viable program. Each year, as they do in the Minuteman program, they remove a certain number of missiles from the silos to take them to the operational test range. They put spares in those silos to take the place of the missiles they go out and test. We're going to have to do that with the MX whether we deploy 40 or whether we deploy more.

Third, I believe these restrictions should be contained in the fiscal year 1986 Defense Authorization Bill and they should be carried over on a year-by-year basis until 40 missiles have been deployed and the necessary spares produced. Interestingly enough, the Air Force has plans to deploy only 40 during the next two years anyway. What I'm suggesting is serving notice that that's all that will be deployed, so my plan would be a definite difference from the Administration's plan. I would also preclude preparing any Minuteman silos to accommodate the MX beyond the 40 needed for MX deployment.

These restrictions could, of course, be discontinued or renewed by the Congress, depending upon the Administration's own program. For instance, if the Administration submitted a new basing mode program for the remaining 60 missiles, I would certainly be willing to take another look at that. What I'm speaking of is a limitation on putting MXs in vulnerable silos, but not necessarily a limitation on the overall MX program. Another contingency we would have to watch is a breakdown of Geneva talks followed by an aggressive Soviet expansion of their strategic missile forces.

How does this recommended program square with the Scowcroft Commission report?

First, it recognizes, as did the Commission, that the imbalance in hard-target kill capability must be redressed, at least in part, if the Soviets are to have incentives either to move toward mobility on their own or to do so under a negotiated arms control regime.

Second, it recognizes, as did the Scowcroft Commission, that a warm production base for a large throwweight missile is useful to hedge against and constrain a Soviet strategic forces breakout.

Third, it acknowledges, as did the Commission, that the failure to deploy any MXs would send a wrong signal to the Soviets and to the world with regard to our national will.

It appreciates, as did the Commission, that the MX is only a way station on the road to mobile ICBMs, such as the Midgetman.

The real difference between my proposal and that of the Scowcroft Commission is with respect to the total number deployed. And I would certainly acknowledge that it is a significant difference. Why 40 instead of 100? I believe that 100 MXs deployed in vulnerable silos would raise problems that could be minimized or averted by a smaller deployment of only 40 missiles. Let me cite two or three reasons for that:

One, 100 MXs deployed in this manner, in my view, would exacerbate the problem of a hair-trigger launch by both sides. These 100 MX missiles, if we put them all in vulnerable silos, would be a very tempting target for Soviet planners in any kind of confrontation or any kind of very rough scenario in the world. They would also be seen as such an important asset by our side that our own authorities would be extremely loath to risk losing them in an effort to ride out a Soviet attack to be certain that we were not making any miscalculation or mistake in terms of attack.

Second, limiting the MX deployment to 40 missiles or 400 warheads would have another advantage. It would bring some finality to the program and give the Air Force the incentive to move vigorously forward on the Midgetman missile and its basing mode. I would contend now, human nature being what it is, that the Air Force does not have the incentive. They almost have a reverse incentive on the Midgetman as long as we have the 100 MXs being debated vigorously each year.

This would have the additional advantage of causing the Congress to focus on Midgetman. And I think Congress has not done that. We have a lot of people in Congress who are looking at the Midgetman as a panacea, saying "Bring on the Midgetman; kill the MX. The Midgetman will save us. The Midgetman will produce stability." Well, all of those things may be true, and I am very favorable towards the Midgetman and the concept laid forth for it by the Scowcroft Commission. But I do know there is no such thing as a panacea with land-based missiles. I know the Midgetman basing mode is going to be very tricky. And I do know that that basing mode depends to a considerable degree about what kind of arms control agreement we get in Geneva. If you postulate an unlimited Soviet MIRVed missile capability, deploying the Midgetman becomes a very, very difficult matter and it could be very, very expensive. It could be very manpower intensive, given security problems, the interface with the public, etc. Suffice it to say that I think the Midgetman itself may run into considerable debate. And I think its virtues as well as its drawbacks need to be considered by Congress while we still have the MX production line warm. And my proposal would do that.

Lastly, but most important, I would again cite the budget. At the time the Scrowcroft Commission drafted its report, the full implications of the massive federal deficit had not yet come to bear on the defense budget. What was realistic in the expectation of a 6% or 7% real increase in defense spending is simply not feasible in the context of zero defense growth. I happen to believe that 3% growth this year will be the outside figure. That would be the ceiling that I can contemplate under any kind of realistic political conditions, but I think the likelihood is it will be closer to zero growth than 3%. And probably those pressures will increase in the next two years rather than decrease. Holding the MX program to 40 deployed missiles would help ease the budgetary pressures on other higher priority strategic programs including those that I have mentioned: the advanced cruise missile, the advanced technical bomber and the D-5 Missile. I would emphasize that these other strategic programs were strongly endorsed by the Scowcroft Commission report. Contrary to popular belief it was not just a report on the MX.

In closing, let me quote from an Air Force report dated February 1982. You recall that the President's original decision on MX was to deploy 40 of these missiles as an interim solution until a permanent solution could be found. This was before the Scowcroft report. I quote from that 1982 Air Force report:

"The initial deployment of 40 MX in existing silos will be sufficient to hold the most threatening Soviet silo sanctuaries at risk. However, it is not sufficient to pose a destabilizing threat of a disarming first strike. With ten highly accurate warheads each, the 40 operational MX missiles will counter-balance 308 Soviet SS-18s and threaten a few 'superhard' control centers. However neither MX by itself, nor MX combined with 900 Minuteman III Mark 12A warheads can deliver a crippling blow to the total of approximately 1,400 Soviet silos. This will provide sufficient fire-power on line in a timely manner to allow the U.S. to pursue further basing options without fear of Soviet coercion."

I must say that I continue to find this Air Force logic impeccable. As far as I am concerned, nothing has happened regarding the survivability of MX since the Air Force submitted this report to Congress in 1982. A permanent basing mode has not been found, and I am persuaded that neither the Pentagon nor the White House is looking for such a solution. Nonetheless, I do wish that the President would have a convenient memory lapse with respect to his 1980 campaign position on MX basing and reconsider injecting elements of mobility and deception, or perhaps even consider a ballistic missile point defense. That combined with deception could make MX survivability very cost effective. To make it perfectly clear, I am not endorsing BMD, but I do believe it is an option that could be examined if mobility and deception become elements of MX basing. Absent such reconsideration by the President, I feel that the plan I have outlined this morning is in the best interest of our nation's security. I will be talking with others about this plan, and as I said, I am flexible on it, but I am sharing with you my own feelings at this moment.

● Mr. DICKS. Mr. Speaker, I want to compliment the gentleman from Georgia for including the recent speech by the senior Senator from that State on the MX and related issues. I would also associate myself with the arguments that the Senator makes in that speech which I believe outlines a reasonable and prudent resolution to this issue.●

THE FARMLAND CONSERVATION ACREAGE RESERVE ACT OF 1985

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, yesterday I introduced legislation entitled the Farmland Conservation Acreage Reserve Act of 1985, to establish a long-term cropland conservation reserve for highly erodible and severely eroding land. This legislation will produce a wide range of benefits for farmers, and the entire Nation.

Briefly, the legislation would establish authority for the Secretary of Agriculture to enter into long-term land retirement contracts with producers for periods of up to 20 years. The legislation would require the Secretary to make annual payments to farmers as an incentive for them to forego crop production, and to provide incentives for producers to establish vegetative cover on the land placed in the reserve.

In this Nation we simply have too many acres being utilized for the production of crops. Many of these acres are fragile lands that are being severely eroded. According to the Economic Research Service of USDA there are nearly 33 million acres of highly eroding cropland currently in production. The legislation I am introducing could potentially retire 20 million of those acres.

The benefits from establishing a Farmland Conservation Reserve far outweight the cost. Placing land in a long-term conservation reserve will decrease the production of agricultural commodities, reduce price-depressing surpluses, and lower the cost of Federal commodity support programs. Conversion of large amounts of highly erodible cropland throughout the Nation to grass and trees would significantly reduce overall soil erosion losses. This reduction in overall soil erosion would mean less sedimentation of lakes and streams and would reduce future dredging costs, lengthen reservoir life, decrease flood damages, and improve water quality.

This legislation is identical to the administration's original conservation proposal—that proposal ended up on Mr. Stockman's carpet. It was a good idea then and being budget responsible under a spending freeze, it is a good idea now.

While I appreciate the need to control spending, financing a Farmland Conservation Reserve Program would be an investment in the future of America's natural resources. Federal dollars spent on soil and water conservation would be regarded as a well spent investment of the U.S. taxpayers money and not a cost. I urge my colleagues to support the farmland conservation reserve legislation I am introducing. Mr. Speaker, I seek cosponsors.

THE SIMULTANEOUS NUCLEAR TEST BAN ACT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, after we pick ourselves up from the MX vote and decide what to do next, I am attempting to deal with that issue by a bill that I have introduced today. It is called the Simultaneous Nuclear Test Ban Act.

I think it is terribly important, because this August 6 will be the 40th anniversary of the bombing of Hiroshima. We have been totally incapable of closing the Pandora's box that has been open for the last 40 years, so in trying to puzzle how we can do that, I went back and looked at what President Kennedy did when he was trying to get the Open Air Comprehensive Test Ban Treaty.

This bill is based on that historic precedent. What he did was challenge the other side to a simultaneous test ban, and it worked. Within 6 weeks we had such a treaty.

I will be calling for the President to do such a thing starting on August 6. Obviously if the Soviet Union does not comply, then there would be no test ban, but the hope would be that they could begin negotiations where they were dropped back in 1980, and this is verifiable, so we can begin to turn around the technology-driven increase of our whole nuclear arsenal that only gets more and more precarious.

I think a test ban is the best way to go because it not only leashes that technology-driven increase but it also, after several years of being in effect, would cause both sides to question whether the weapons they still had left were working efficiently, and, therefore, they would be less and less apt to use them.

Mr. Speaker, it is a challenge to all of us as we face this very grim 40th anniversary, and I hope that we can move on this matter.

□ 1320

THE McINTYRE-McCLOSKEY DISPUTE

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, the words "if only" really do not have much significance, unless you tie them into the words "next time." With respect to the McIntyre-McCloskey dispute. We really have not covered ourselves with glory. Maybe next time we will do better.

Point No. 1: McIntyre was certified by the Secretary of State; prima facie that entitles him to be seated.

Point No. 2: If the evidence establishes that he was not entitled to be seated. FRANK ANNUNZIO's committee will recommend to the House appropriate action.

Point No. 3: For reasons that defy logic in the present situation, we are paying both a congressional salary neither of whom is voting; and the loser gets to keep the money. I find that something we all will have great difficulty explaining when we return to our districts.

My view is we should seat McIntyre and to vote in support of the ANNUNZIO committee recommendation no matter how it comes out.

CONGRESSIONAL SPACE CAUCUS COCHAIRMANSHIP CHANGE

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, since the space revolution began in the late 1950's, American space enterprise has been the shining star of our Nation's technological advancement and a dominant factor in our economic growth, creating new jobs and industries, touching every part of our country at every turn. Space has proven itself again and again to be one of the best investments in America's future. More importantly, space was the challenge which galvanized America after Sputnik, leading to a resurgence of interest in science in general and in space science in particular, culminating first in our lunar landings, and subsequent achievements of great scientific significance. Of equal importance, there has been a resurgence of national pride in our accomplishments. Today we are at another threshold of space technology which we all hope and pray will lead to the elusive goal of universal peace.

As obvious as the importance of space may seem to us today, we should remember that in the midseventies interest in space appeared to be waning, nonexistent or at best ambivalent. To rectify this situation, I established the congressional space caucus in 1981 with Congressman NEWT GINGRICH and me as cochairmen.

The goals of this informal group were to serve as a clearinghouse on space information, to assist its members in promoting their common goal or revitalizing America's space program and to provide legislative support on space issues. Today, the caucus boasts a bipartisan membership of 143.

Mr. Speaker, as cochairman of the congressional space caucus since its inception, I have witnessed a renewed interest and commitment to the challenge of space. This growing public and congressional interest was given a dramatic boost by the President's mandate last year to develop a permanently manned space station within a decade and to begin research in earnest in the strategic defense initiative. We are again taking the first step toward a new era in space.

At this exciting new stage, I feel it appropriate to pass on the torch of leadership of the congressional space caucus to a new team. I am honored, therefore, to announce the cochairmenship of Hon. MIKE LOWRY from Washington, Hon. HERBERT H. BATEMAN from Virginia.

These men command the respect of both constituents and colleagues alike, leaders in our mist. More importantly though, they have displayed that subtlety of perception to see the true potential of space, and the sense of commitment to make that potential a reality for the benefit of mankind.

Mr. Speaker, I am confident that under the new leadership of Congressman LOWRY and Congressman BATEMAN, the congressional space caucus will continue to fulfill, and indeed surpass, its past achievements and provide the congressional leadership necessary for the promotion of space and space technologies for peace.

MAJOR NICHOLSON'S DEATH TRAGIC AND UNCALLED FOR

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, at 3 p.m. Sunday afternoon, German time, Maj. Arthur Nicholson, who happens to be from my district in Connecticut, was gunned down by a Russian soldier 300 meters outside of a permanent restricted area in East Germany. Major Nicholson was in military uniform. He was in a military vehicle and unarmed at the time, and according to his partner on the scene, no warning was given before the fatal shot.

It was not until over an hour later that Russian medics were on the scene. Even though Major Nicholson's partner had a first aid kit in his vehicle, he was prohibited from treating his partner, the major.

Major Nicholson's death was tragic and uncalled for. There are still many unanswered questions that remain to be explained to the American people and to his family. A fine young man with a young family, who now have been left with a deep feeling of loss. I ask all my colleagues, Mr. Speaker, to keep Major Nicholson and his family in their thoughts and prayers today and through this tragic period.

INTERNATIONAL TRADE ISSUE AGAIN IN THE HEADLINES

(Mr. KOLTER asked and was given permission to address the House of 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, the trade deficit, coupled with the difficulties, in negotiating with Japan on trade matters, has once again, placed the international trade issue, in the headlines.

The situation has become so alarming, that thousands of businesses across America, are being affected. These companies either produce goods, for a domestic market, that is being innundated, by imports, or they are unable to secure, a market share abroad, because of our trading partner's intracability.

Mr. Speaker, several large corporations, that strongly opposed provisions of the trade bill we passed last year, are now, supporting legislation, that they were calling protectionist, just several months ago. This change of position, demonstrates, how serious the trade problem has become.

I do not understand, why the Japanese fail to acknowledge, that, it is in their, best, interest, to open their markets, to more of our products. While exports have fueled, Japan's surplus, on the current account, a world economic downturn, could be devastating, for Japan.

Japan must stop, its mercantilist approach, to trade. If it does not, the world, might find itself, in an economic war, where no one gets killed, but everyone, gets hurt.

NOTICE OF EXTENSION OF NATIONAL EMERGENCY CONCERNING CONTINUATION OF EXPORT REGULATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs.

(For message, see proceedings of the Senate of today, Thursday, March 28, 1985.)

GENERAL LEAVE

Mr. DE LUGO. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks and to include therein extraneous material on the special order given today by the gentleman from from Illinois [Mr. ROSTENKOWSKI].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the Virgin Islands?

There was no objection.

THE TECHNICAL CONNECTIONS ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

● Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing H.R. 1800, the Technical Corrections Act of 1985. This bill would make technical, clerical, conforming, and clarifying amendments to the Tax Reform Act of 1984 and other provisions of the Deficit Reduction Act of 1984 and to other tax legislation enacted in the 98th Congress. The bill contains two general titles. The first title covers technical, clerical, and conforming amendments to the Tax Reform Act of 1984. Title II would make technical and clarifying amendments to provisions of the Deficit Reduction Act relating to Social Security, health, trade and public assistance.

This bill is intended to correct errors in these enacted bills in order to properly carry out the intent of Congress in enacting the earlier legislation. The bill has been prepared by the staffs of the Committee on Ways and Means, the Senate Finance Committee, and the Joint Committee on Taxation with valuable assistance from the Treasury Department, the Social Security Administration, and the Health Care Financing Administration. Helpful comments have also been received from professional groups and other individuals.

The Committee on Ways and Means intends to hold an early public hearing on the Technical Corrections Act of 1985. I encourage all those who have an interest in the legislation to either appear personally or provide written statements for the record. I hope that individuals aware of additional technical problems not addressed in the bill will bring them to the committee's attention. However, I want to emphasize that this legislation is intended to address only legitimate technical problems and is to not become a vehicle for substantive changes. A high definitional standard will apply to each proposed "technical" amendment, and advocates of additional changes will be expected to carry that burden.

In title I, H.R. 1800 would make numerous technical changes to provisions of the Tax Reform Act of 1984 relating to tax-exempt entity leasing, debt instruments, corporate tax, foreign, life insurance, VEBA's, pensions, ESOP's, and tax-exempt bonds. Also changes are made to provisions relating to such items as credit carryovers and the minimum tax, the diesel fuel tax on certain school buses, estimated tax penalties, as well as many other miscellaneous provisions.

Title II of the bill makes a number of technical corrections in other programs affected by the Deficit Reduction Act. Part A contains several amendments to Social Security Act programs, most notably section 201 of part A which contains several amendments to the provision of the Deficit Reduction Act of 1984 allowing churches to require that their employees be covered as self-employed workers for Social Security tax purposes. These amendments generally clarify that the tax paid by these employees on their church employment income will be calculated separately from any tax on other self-employment income, that churches may revoke their election in this area on a one-time basis, and that the exemption from self-employment coverage available under present law for members of certain religious faiths is not available for employees of churches exercising this coverage option. The other amendments in part A dealing with the Social Security retirement and disability programs are clerical in nature.

Title II, part B, of the bill makes a number of clerical corrections and deletes several obsolete provisions in the public assistance and unemployment compensation statutes. In addition, the bill amends the Child Support Enforcement Program to make it clear that in interstate child support collection cases the State requesting the collection and the State making the col-

lection will be credited with the collection for purposes of Federal incentive payments; amends the Federal Unemployment Tax Act [FUTA] to clarify that the partial limitation on FUTA credit reductions in States that meet the solvency requirements of section 1202 of the Social Security Act expires at the end of calendar year 1986; and changes the reference to the Farm Labor Contractor Registration Act of 1963 contained in FUTA to the Migrant and Seasonal Agricultural Workers Protection Act of 1983.

Provisions in title II would correct problems with the medicare special enrollment period and the premium penalty forgiveness for the working aged. The bill would also correct an anomaly under which certain individuals who are working and covered by an employer group health plan receive only one special enrollment period and others receive more than one. In addition, it would make it clear that an individual would be eligible for forgiveness of the medicare premium penalty for any period during which he or she was over 65 and covered by an employer group health plan. The provision requiring a person to meet the eligibility requirements of part A and to have filed for part A would be repealed.

Part C of title II of the bill makes technical corrections in the Trade and Tariff Act of 1984 with respect to various miscellaneous tariff and customs provisions, amendments to the countervailing duty and antidumping laws, and changes to other trade statutes made in the 1984 act. These changes are noncontroversial. They are purely technical but necessary corrections for proper administration of the trade law as the Congress intended.

Not all of the technical problems brought to the committee's attention could be successfully resolved prior to introduction. Some provisions, such as the attempt to clarify the "changes" insurance provisions (code section 7702(d)(2)) will continue to be the subject of work at the staff level. We invite interested parties to present their views and recommendations on this specific issue.

Mr. Speaker, I would like to emphasize that this bill intends simply to correct technical errors and to better reflect the policies established by the Congress in enacting the original legislation. In many areas covered by the bill, technical amendments are proposed to very complex provisions of law, and the legislation will benefit from careful study by interested groups and individuals in the months ahead. Further, time has not permitted a thorough review of all the provisions enacted last year. I am sure additional changes that need to be made will come to our attention during the legislative process.

Finally, because of the length and complexity of provisions in the bill, I have requested that a staff pamphlet describing the entire bill in detail be published by the end of next week.●

● Mr. DUNCAN. Mr. Speaker, I am pleased to join the Honorable DAN ROSTENKOWSKI, chairman of the Committee on Ways and Means, in introducing H.R. 1800, the Technical Corrections Act of 1985. This bill would make technical, clerical, conforming and clarifying amendments to certain tax and other legislation enacted during 1984. In particular, the bill makes technical corrections to the Deficit Reduction Act of 1984 and the Retirement Equity Act of 1984. These both were complex pieces of legislation affecting many provisions of the law. As a result, it is not surprising that there are problems that have been identified since their enactment that require corrective legislation.

This bill is intended to correct errors in these enacted bills in order to properly carry out the intent of Congress in enacting the earlier legislation. The bill has been prepared by the minority and majority staffs of the Committee on Ways and Means and the Joint Committee on Taxation with valuable assistance from the Treasury Department. I believe every effort has been made to take account of problems identified in the bills which justify corrective legislation, which have been received from the American Bar Association, the American Institute of Certified Public Accountants, and other professional groups and individuals.

I believe that I express the chairman's sentiments in encouraging affected taxpayers to bring to our attention any problems with the bill and any items that have been omitted that are appropriate for technical corrections. Certainly the hearing process that is likely to follow its introduction will provide an opportunity for such additional comments. I look forward to working with Chairman ROSTENKOWSKI in perfecting this important piece of legislation.

The text of the legislation follows:

H.R. 1800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Technical Corrections Act of 1985".

TITLE I—TECHNICAL CORRECTIONS RELATED TO TAX REFORM ACT OF 1984

SEC. 100. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

PART A—AMENDMENTS RELATED TO TITLE I OF THE ACT

SEC. 101. AMENDMENTS RELATED TO DEFERRAL OF CERTAIN TAX REDUCTIONS.

(a) AMENDMENT RELATED TO SECTION 26 OF THE ACT.—Paragraph (2) of section 4251(b) (relating to rate of tax on communications services) is amended by inserting "1985," after "1984," in the table contained in such section.

(b) AMENDMENTS RELATED TO SECTION 27 OF THE ACT.—

(1) Subsection (e) of section 5061 (relating to payment by electronic fund transfer of alcohol taxes) is amended by adding at the end thereof the following new paragraph:

"(3) CONTROLLED GROUPS.—

"(A) IN GENERAL.—In the case of a controlled group of corporations, all corporations which are component members of such group shall be treated as 1 taxpayer. For purposes of the preceding sentence, the term 'controlled group of corporations' has the meaning given to such term by subsection (a) of section 1563, except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in such subsection.

"(B) CONTROLLED GROUPS WHICH INCLUDE NONINCORPORATED PERSONS.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation."

(2) Paragraph (3) of section 5703(b) (relating to payment by electronic fund transfer of tobacco taxes) is amended by adding at the end thereof the following: "Rules similar to the rules of section 5061(e)(3) shall apply to the $5,000,000 amount specified in the preceding sentence."

SEC. 102. AMENDMENTS RELATED TO TAX-EXEMPT ENTITY LEASING PROVISIONS.

(a) AMENDMENTS RELATING TO SECTION 31 OF THE ACT.—

(1) TREATMENT OF USE IN UNRELATED TRADE OR BUSINESS.—Subparagraph (D) of section 168(j)(3) (relating to exception where property used in unrelated trade or business) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B)(iii), any portion of a property so used shall not be treated as leased to a tax-exempt entity in a disqualified lease."

(2) TREATMENT OF CERTAIN PREVIOUSLY TAX-EXEMPT ORGANIZATIONS.—

(A) Clause (i) of section 168(j)(4)(E) (relating to treatment of certain previously tax-exempt organizations) is amended—

(i) by striking out "any property of which such organization is the lessee" and inserting in lieu thereof "any property (other than property held by such organization)", and

(ii) by striking out "first leased to" and inserting in lieu thereof "first used by".

(B) Subclause (I) of section 168(j)(4)(E)(ii) is amended by striking out "of which such organization is the lessee".

(C) Subclause (II) of section 168(j)(4)(E)(ii) is amended by striking out "is placed in service under the lease" and inserting in lieu thereof "is first used by the organization".

(D) Subparagraph (E) of section 168(j)(4) is amended by adding at the end thereof the following new clause:

"(iv) FIRST USED.—For purposes of this subparagraph, property shall be treated as first used by the organization—

"(I) when the property is first placed in service under a lease to such organization, or

"(II) in the case of property leased to (or held by) a partnership (or other pass-thru entity) in which the organization is a member, the later of when such property is first used by such partnership or pass-thru

entity or when such organization is first a member of such partnership or pass-thru entity."

(E) Clause (i)(I) of section 31(g)(16)(C) of the Tax Reform Act of 1984 (defining exempt arbitrage profits) is amended by striking out "section 168(j)(4)(E)(i)(I)" and inserting in lieu thereof "section 168(j)(4)(E)(i)".

(3) REPEAL OF OVERLAPPING SECRETARIAL AUTHORITY.—Clause (iv) of section 168(j)(5)(C) (relating to property not subject to rapid obsolescence may be excluded) is hereby repealed.

(4) PARTNERSHIP RULES.—

(A) Paragraph (8) of section 168(j) (relating to tax-exempt use of property leased to partnerships, etc., determined at partner level) is amended by striking out "and paragraphs (4) and (5) of section 48(a)" in the matter preceding subparagraph (A).

(B) Paragraph (9) of section 168(j) (relating to treatment of property owned by partnerships, etc.) is amended—

(i) by striking out "and paragraphs (4) and (5) of section 48(a)" in subparagraph (A), and

(ii) by striking out "loss deduction" in subparagraph (B)(i) and inserting in lieu thereof "loss, deduction".

(C) Paragraph (5) of section 48(a) (relating to property used by governmental units or foreign persons or entities) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) SPECIAL RULES FOR PARTNERSHIPS, ETC.—For purposes of this paragraph and paragraph (4), rules similar to the rules of paragraphs (8) and (9) of section 168(j) shall apply."

(5) TREATMENT OF CERTAIN AIRCRAFT LEASED TO FOREIGN PERSONS.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(9) AIRCRAFT LEASED TO FOREIGN PERSONS OR ENTITIES.—

"(A) IN GENERAL.—Any aircraft which was new section 38 property for the taxable year in which it was placed in service and which is used by any foreign person or entity (as defined in section 168(j)(4)(C)) under a qualified lease (as defined in paragraph (7)(C)) entered into before January 1, 1990, shall not be treated as ceasing to be section 38 property by reason of such use until such aircraft has been so used for a period or periods exceeding 3 years in total.

"(B) RECAPTURE PERIOD EXTENDED.—For purposes of paragraphs (1) and (5)(B) of this subsection, any period during which there was use described in subparagraph (A) of an aircraft shall be disregarded."

(B) Clause (iii) of section 48(a)(5)(B) is hereby repealed.

(6) TREATMENT OF CERTAIN PARTNERSHIPS HAVING SECTION 593 ORGANIZATION AS MEMBER.—Paragraph (4) of section 46(e) is amended by adding at the end thereof the following new subparagraph:

"(D) SPECIAL RULES FOR PARTNERSHIPS, ETC.—For purposes of paragraph (1)(A), rules similar to the rules of paragraphs (8) and (9) of section 168(j) shall apply."

(7) TREATMENT OF CERTAIN PROPERTY HELD BY PARTNERSHIPS.—

(A) Paragraph (9) of section 168(j) (relating to treatment of property owned by partnerships, etc.) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) DETERMINATION OF WHETHER PROPERTY USED IN UNRELATED TRADE OR BUSINESS.—For purposes of this subsection, in the case of any property which is owned by a partnership which has both a tax-exempt entity and a person who is not a tax-exempt entity as partners, the determination of whether such property is used in an unrelated trade or business of such an entity shall be made without regard to section 514."

(B) Subparagraph (E) of section 168(j)(9) (as redesignated by subparagraph (A)) is amended by striking out "and (C)" and inserting in lieu thereof "(C), and (D)".

(8) CLERICAL AMENDMENTS.—

(A) Paragraph (4) of section 48(a) is amended—

(i) by striking out "514(c)" and inserting in lieu thereof "514(b)", and

(ii) by striking out "514(b)" and inserting in lieu thereof "514(a)".

(B) Subclause (I) of section 48(g)(2)(B)(vi) is amended by striking out "section 168(j)(3)" and inserting in lieu thereof "section 168(j)".

(C) Subparagraph (A) of section 7701(e)(4) is amended by adding at the end thereof the following new sentence:

"For purposes of this paragraph, the term 'related entity' has the same meaning as when used in section 168(j)."

(9) EFFECTIVE DATE PROVISIONS.—

(A) Subparagraph (B) of section 31(g)(3) of the Tax Reform Act of 1984 is amended by striking out "The amendments made by this section" and inserting in lieu thereof "Paragraph (9) of section 168(j) of the Internal Revenue Code of 1954 (as added by this section)".

(B) Clause (ii) of section 31(g)(15)(D) of the Tax Reform Act of 1984 (relating to certain aircraft) is amended to read as follows:

"(ii) such aircraft is originally placed in service by such foreign person or entity (or its successor in interest under the contract) after May 23, 1983, and before January 1, 1986."

(C) Paragraph (4) of section 31(g) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(C) SPECIAL RULE FOR CREDIT UNIONS.—In the case of any property leased to a credit union pursuant to a written binding contract with an expiration date of December 31, 1984, which was entered into by such organization on August 23, 1984—

"(i) such credit union shall not be treated as an agency or instrumentality of the United States; and

"(ii) clause (ii) of subparagraph (A) shall be applied by substituting 'January 1, 1987' for 'January 1, 1985'."

(D)(i) Clause (ii) of section 31(g)(20)(B) of the Tax Reform Act of 1984 (defining substantial improvement) is amended by striking out subclauses (I) and (II) and inserting in lieu thereof the following:

"(I) by substituting 'property' for 'building' each place it appears therein,

"(II) by substituting '20 percent' for '25 percent' in clause (ii) thereof, and

"(III) without regard to clause (iii) thereof."

(ii) The amendment made by clause (i) shall not apply to any property if—

(I) on or before March 28, 1985, the taxpayer (or a predecessor in interest under the contract) or the tax-exempt entity entered into a written binding contract to acquire, construct, or rehabilitate the property, or

(II) the taxpayer or the tax-exempt entity began the construction, reconstruction, or rehabilitation of the property on or before March 28, 1985.

(b) AMENDMENTS RELATED TO SECTION 32 OF THE ACT.—

(1) Subsection (f) of section 168 (relating to special rules) is amended—

(A) by redesignating the paragraph (13) relating to motor vehicle operating leases as paragraph (14), and

(B) by redesignating paragraph (14) as paragraph (15).

(2) Subsection (c) of section 32 of the Tax Reform Act of 1984 is amended by striking out "section 168(f)(13)" and inserting in lieu thereof "section 168(f)(14)".

SEC. 103. AMENDMENTS RELATED TO TREATMENT OF BONDS AND OTHER DEBT INSTRUMENTS.

(a) AMENDMENTS RELATED TO SECTION 41 OF THE ACT.—

(1) TREATMENT OF SHORT-TERM NONGOVERNMENT OBLIGATIONS.—

(A) Subsection (a) of section 1271 (relating to treatment of amounts received on retirement or sale or exchange of debt instruments) is amended by adding at the end thereof the following new paragraph:

"(4) CERTAIN SHORT-TERM NONGOVERNMENT OBLIGATIONS.—

"(A) IN GENERAL.—On the sale or exchange of any short-term nongovernment obligation, any gain realized which does not exceed an amount equal to the ratable share of the original issue discount shall be treated as ordinary income.

"(B) SHORT-TERM NONGOVERNMENT OBLIGATION.—For purposes of this paragraph, the term 'short-term nongovernment obligation' means any obligation which—

"(i) has a fixed maturity date not more than 1 year from the date of the issue, and

"(ii) is not a short-term Government obligation (as defined in paragraph (3)(B) without regard to the last sentence thereof).

"(C) RATABLE SHARE.—For purposes of this paragraph, except as provided in subparagraph (D), the ratable share of the original issue discount is an amount which bears the same ratio to such discount as—

"(i) the number of days which the taxpayer held the obligation, bears to

"(ii) the number of days after the date of original issue and up to (and including) the date of its maturity.

"(D) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE.—At the election of the taxpayer with respect to any obligation, the ratable share of the original issue discount is the portion of the original issue discount accruing while the taxpayer held the obligation determined (under regulations prescribed by the Secretary) on the basis of—

"(i) the yield to maturity based on the issue price of the obligation, and

"(ii) compounding daily.

Any election under this subparagraph, once made with respect to any obligation, shall be irrevocable."

(B) Paragraph (3) of section 1283(d) is amended by striking out "section 1271(a)(3)" and inserting in lieu thereof "paragraphs (3) and (4) of section 1271(a)".

(2) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE FOR SHORT-TERM GOVERNMENT OBLIGATIONS.—

(A) IN GENERAL.—Paragraph (3) of section 1271(a) (relating to certain short-term Government obligations) is amended by adding at the end thereof the following new subparagraph:

"(E) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE.—At the election of the taxpayer with respect to any obligation, the ratable share of the acquisition discount is the portion of the acquisition discount ac-

cruing while the taxpayer held the obligation determined (under regulations prescribed by the Secretary) on the basis of—

"(i) the taxpayer's yield to maturity based on the taxpayer's cost of acquiring the obligation, and

"(ii) compounding daily.

An election under this subparagraph, once made with respect to any obligation, shall be irrevocable."

(B) TECHNICAL AMENDMENT.—Subparagraph (D) of section 1271(a)(3) is amended by striking out "this paragraph" and inserting in lieu thereof "this paragraph, except as provided in subparagraph (E),".

(3) DEFINITION OF SHORT-TERM GOVERNMENT OBLIGATION.—Subparagraph (B) of section 1271(a)(3) (defining short-term Government obligation) is amended to read as follows:

"(B) SHORT-TERM GOVERNMENT OBLIGATION.—For purposes of this paragraph, the term 'short-term Government obligation' means any obligation of the United States or any of its possessions, or of a State or any political subdivision thereof, or of the District of Columbia, which has a fixed maturity date not more than 1 year from the date of issue. Such term does not include any tax-exempt obligation."

(4) DEDUCTION OF ORIGINAL ISSUE DISCOUNT ON SHORT-TERM OBLIGATIONS.—Paragraph (2) of section 163(e) (relating to original issue discount) is amended by adding at the end thereof the following new subparagraph:

"(C) SHORT-TERM OBLIGATIONS.—In the case of an obligor of a short-term obligation (as defined in section 1283(a)(1)(A)) who uses the cash receipts and disbursements method of accounting, the original issue discount (and any other interest payable) on such obligation shall be deductible only when paid."

(5) TREATMENT OF CERTAIN TRANSFERS OF MARKET DISCOUNT BONDS.—Paragraph (1) of section 1276(d) (relating to special rules) is amended by striking out "and" at the end of subparagraph (A) and by inserting after subparagraph (B) the following new subparagraph:

"(C) paragraph (3) of section 1245(b) shall be applied as if it did not contain a reference to section 351, and".

(6) TREATMENT OF BONDS ACQUIRED AT ORIGINAL ISSUE FOR PURPOSES OF MARKET DISCOUNT RULES.—

(A) Paragraph (1) of section 1278(a) (defining market discount bond) is amended by adding at the end thereof the following new subparagraph:

"(C) TREATMENT OF BONDS ACQUIRED ON ORIGINAL ISSUE.—

"(i) IN GENERAL.—Except as otherwise provided in this subparagraph or in regulations, the term 'market discount bond' shall not include any bond acquired by the taxpayer at its original issue.

"(ii) TREATMENT OF BONDS ACQUIRED FOR LESS THAN ISSUE PRICE.—Clause (i) shall not apply to any bond if—

"(I) the basis of the taxpayer in such bond is determined under section 1012, and

"(II) such basis is less than the issue price of such bond determined under subpart A of this part.

"(iii) BONDS ACQUIRED IN CERTAIN REORGANIZATIONS.—Clause (i) shall not apply to any bond issued pursuant to a plan of reorganization (within the meaning of section 368(a)(1)) in exchange for another bond having market discount. Solely for purposes of section 1276, the preceding sentence shall not apply if such other bond was issued on or before July 18, 1984 (the date of the enactment of section 1276) and if the bond issued pursuant to such plan of reorganization has the same term and the same interest rate as such other bond had.

"(iv) TREATMENT OF CERTAIN TRANSFERRED BASIS PROPERTY.—For purposes of clause (i), if the adjusted basis of any bond in the hands of the taxpayer is determined by reference to the adjusted basis of such bond in the hands of a person who acquired such bond at its original issue, such bond shall be treated as acquired by the taxpayer at its original issue."

(7) TREATMENT OF CERTAIN STRIPPED BONDS OR STRIPPED COUPONS.—Paragraph (1) of section 1281(b) (relating to short-term obligations to which section applies) is amended by striking out "or" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", or", and by adding at the end thereof the following new subparagraph:

"(F) is a stripped bond or stripped coupon held by the person who stripped the bond or coupon (or by any other person whose basis is determined by reference to the basis in the hands of such person)."

(8) ACCRUAL OF INTEREST PAYMENTS ON CERTAIN SHORT-TERM OBLIGATIONS.—

(A) Subsection (a) of section 1281 (relating to current inclusion in income of discount on certain short-term obligations) is amended to read as follows:

"(a) GENERAL RULE.—In the case of any short-term obligation to which this section applies, for purposes of this title—

"(1) there shall be included in the gross income of the holder an amount equal to the sum of the daily portions of the acquisition discount for each day during the taxable year on which such holder held such obligation, and

"(2) any interest payable on the obligation (other than interest taken into account in determining the amount of the acquisition discount) shall be included in gross income as it accrues."

(B) Subsection (a) of section 1282 (relating to deferral of interest deduction allocable to accrued discount) is amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, the net direct interest expense with respect to any short-term obligation shall be allowed as a deduction for the taxable year only to the extent such expense exceeds the sum of—

"(1) the daily portions of the acquisition discount for each day during the taxable year on which the taxpayer held such obligation, and

"(2) the amount of any interest payable on the obligation (other than interest taken into account in determining the amount of the acquisition discount) which accrues during the taxable year while the taxpayer held such obligation (and is not included in the gross income of the taxpayer for such taxable year by reason of the taxpayer's method of accounting)."

(9) TREATMENT OF TRANSFERS OF LAND BETWEEN RELATED PARTIES.—Paragraph (1) of section 483(f) (relating to maximum rate of interest on certain transfers of land between related parties) is amended to read as follows:

"(1) IN GENERAL.—In the case of any qualified sale, the discount rate used—

"(A) for purposes of subsection (b), shall not exceed 7 percent, compounded semiannually, and

"(B) for purposes of subsection (c)(1), shall not exceed 6 percent, compounded semiannually."

(10) CLARIFICATION OF TREATMENT OF DEBT INSTRUMENTS ISSUED FOR PUBLICLY TRADED PROPERTY.—

(A) Subparagraph (B) of section 1273(b)(3) (relating to debt instruments issued for property where there is public trading) is amended to read as follows:

"(B)(i) is issued for stock or securities which are traded on an established securities market, or

"(ii) to the extent provided in regulations, is issued for property (other than stock or securities) of a kind regularly traded on an established market,".

(B) Paragraph (3) of section 1273(b) is amended by striking out "the fair market value of such property" and inserting in lieu thereof "the fair market value of such property (as of the first day on which a substantial portion of the debt instruments was issued)".

(11) CLERICAL AMENDMENTS.—

(A) Subparagraph (A) of section 1274(c)(4) is amended by striking out "FOR LESS THAN $1,000,000" in the subparagraph heading and inserting in lieu thereof "FOR $1,000,000 OR LESS".

(B) Subparagraph (F) of section 1274(c)(4) is amended by striking out "section 483(e)" each place it appears and inserting in lieu thereof "section 483(f)".

(C) Paragraph (1) of section 483(d) is amended by striking out "any debt instrument to which section 1272 applies" and inserting in lieu thereof "any debt instrument for which an issue price is determined under section 1273(b) (other than paragraph (4) thereof) or section 1274".

(D) Clause (iii) of section 6049(b)(5)(B) is amended by striking out "section 1232(b)(1)" and inserting in lieu thereof "section 1273(a)".

(b) AMENDMENTS RELATED TO SECTION 44 OF THE ACT.—

(1) CLARIFICATION OF TRANSITIONAL RULE FOR PURPOSES OF IMPUTED INTEREST RULES.—Paragraph (4) of section 44(b) of the Tax Reform Act of 1984 (relating to special rules for sales before July 1, 1985), as added by section 2 of Public Law 98-612, is amended—

(A) by striking out "before July 1, 1985" in subparagraph (A) and inserting in lieu thereof "after December 31, 1984, and before July 1, 1985",

(B) by striking out "BEFORE JULY 1, 1985" in the paragraph heading and inserting in lieu thereof "AFTER DECEMBER 31, 1984, AND BEFORE JULY 1, 1985", and

(C) by adding at the end thereof the following new subparagraph:

"(G) CLARIFICATION OF APPLICATION OF THIS PARAGRAPH, ETC.—This paragraph and paragraphs (5), (6), and (7) shall apply only in the case of sales or exchanges to which section 1274 or 483 of the Internal Revenue Code of 1954 (as amended by section 41) applies."

(2) CLARIFICATION OF INTEREST ACCRUAL, ETC.—Subparagraph (A) of section 44(b)(3) of the Tax Reform Act of 1984 is amended by striking out "and before January 1, 1985," each place it appears.

(3) EXCEPTION FOR BINDING CONTRACTS.—Subparagraph (B) of section 44(b)(3) of the Tax Reform Act of 1984 is amended to read as follows:

"(B) EXCEPTION FOR BINDING CONTRACTS.—

"(i) Subparagraph (A)(i)(I) shall not apply to any sale or exchange pursuant to a written contract which was binding on March 1, 1984, and at all times thereafter before the sale or exchange.

"(ii) Subparagraph (A)(i)(II) shall not apply to any sale or exchange pursuant to a written contract which was binding on June 8, 1984, and at all times thereafter before the sale or exchange."

(4) CLERICAL AMENDMENT.—Clause (ii) of section 44(b)(6)(B) of the Tax Reform Act of 1984 (as added by section 2 of Public Law 98-612) is amended by striking out "greater than" and inserting in lieu thereof "not greater than".

SEC. 104. AMENDMENTS RELATED TO CORPORATE PROVISIONS.

(a) AMENDMENT RELATED TO SECTION 51 OF THE ACT.—Subsection (a) of section 246A (relating to dividends received deduction reduced where portfolio stock is debt financed) is amended—

(1) by striking out "or 245" and inserting in lieu thereof "or 245(a)", and

(2) by adding at the end thereof the following new sentence:

"The preceding sentence shall be applied before any determination of a ratio under paragraph (1) or (2) of section 245(a)."

(b) AMENDMENTS RELATED TO SECTION 53 OF THE ACT.—

(1) AMENDMENTS OF SECTION 246.—

(A) Subparagraph (A) of section 246(c)(1) (relating to exclusion of certain dividends) is amended to read as follows:

"(A) which is held by the taxpayer for 45 days or less, or".

(B) Paragraph (4) of section 246(c) (relating to holding period reduced for periods where risk of loss diminished) is amended by striking out "determined under paragraph (3)" and inserting in lieu thereof "determined for purposes of this subsection".

(2) EFFECTIVE DATE FOR RELATED PERSON PROVISIONS.—Paragraph (3) of section 53(e) of the Tax Reform Act of 1984 (relating to effective date for related person provisions) is amended to read as follows:

"(3) RELATED PERSON PROVISIONS.—

"(A) IN GENERAL.—Except as otherwise provided in subparagraph (B), the amendment made by subsection (c) shall take effect on July 18, 1984.

"(B) SPECIAL RULE FOR PURPOSES OF SECTION 265(2).—The amendment made by subsection (c) insofar as it relates to section 265(2) of the Internal Revenue Code of 1954 shall apply to—

"(i) term loans made after July 18, 1984, and

"(ii) demand loans outstanding after July 18, 1984 (other than any loan outstanding on July 18, 1984, and repaid before September 18, 1984).

"(C) TREATMENT OF RENEGOTIATIONS, ETC.—For purposes of this paragraph, any loan renegotiated, extended, or revised after July 18, 1984, shall be treated as a loan made after such date.

"(D) DEFINITION OF TERM AND DEMAND LOANS.—For purposes of this paragraph, the terms 'demand loan' and 'term loan' have the respective meanings given such terms by paragraphs (5) and (6) of section 7872(f) of the Internal Revenue Code of 1954, except that the second sentence of such paragraph (5) shall not apply."

(c) AMENDMENTS RELATED TO SECTION 55 OF THE ACT.—

(1) Clause (ii) of section 852(b)(4)(B) (relating to losses attributable to exempt-interest dividend) is amended by striking out "for less than 31 days" and inserting in lieu thereof "for 6 months or less".

(2) Subparagraph (C) of section 852(b)(4) (relating to determination of holding periods) is amended to read as follows:

"(C) DETERMINATION OF HOLDING PERIODS.—For purposes of this paragraph, the rules of paragraphs (3) and (4) of section 246(c) shall apply in determining the period for which the taxpayer has held any share of stock; except that '6 months' shall be substituted for each number of days specified in subparagraph (B) of section 246(c)(3)."

(3) Subparagraph (D) of section 852(b)(4) (relating to losses incurred under a periodic liquidation plan) is amended by striking out "subparagraph (A)" and inserting in lieu thereof "subparagraphs (A) and (B)".

(4) The paragraph heading for paragraph (4) of section 852(b) is amended by striking out "LESS THAN 31 DAYS" and inserting in lieu thereof "6 MONTHS OR LESS".

(5) The amendments made by this subsection shall apply to stock with respect to which the taxpayer's holding period begins after March 28, 1985.

(d) AMENDMENTS RELATED TO SECTION 60 OF THE ACT.—

(1) TREATMENT OF CERTAIN REDEMPTION AND LIQUIDATION RIGHTS.—Subparagraph (C) of section 1504(a)(4) (relating to certain preferred stock not treated as stock) is amended to read as follows:

"(C) has redemption and liquidation rights which do not exceed the issue price of such stock (except for a reasonable redemption or liquidation premium), and".

(2) TREATMENT OF CERTAIN CORPORATIONS AFFILIATED ON JUNE 22, 1984.—Paragraph (2) of section 60(b) of the Tax Reform Act of 1984 (relating to special rule for corporations affiliated on June 22, 1984) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall cease to apply as of the first day after June 22, 1984, on which such corporation does not qualify as a member of such group under section 1504(a) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act)."

(3) TREATMENT OF CERTAIN SELL-DOWNS AFTER JUNE 22, 1984.—Paragraph (3) of section 60(b) of the Tax Reform Act of 1984 (relating to special rule not to apply to certain sell-downs after June 22, 1984) is amended to read as follows:

"(3) SPECIAL RULE NOT TO APPLY TO CERTAIN SELL-DOWNS AFTER JUNE 22, 1984.—If—

"(A) the requirements of paragraph (2) are satisfied with respect to a corporation,

"(B) more than a de minimis amount of the stock of such corporation—

"(i) is sold or exchanged (including in a redemption), or

"(ii) is issued,

after June 22, 1984 (other than in the ordinary course of business), and

"(C) the requirements of the amendment made by subsection (a) are not satisfied after such sale, exchange, or issuance,

then the amendment made by subsection (a) shall apply for purposes of determining whether such corporation continues to be a member of the group. The preceding sentence shall not apply to any transaction if such transaction does not reduce the percentage of the fair market value of the stock of the corporation referred to in the preceding sentence held by members of the group determined without regard to this paragraph."

(4) AMENDMENT OF SECTION 332.—

(A) IN GENERAL.—Paragraph (1) of section 332(b) (relating to liquidations to which section applies) is amended to read as follows:

"(1) the corporation receiving such property was, on the date of the adoption of the plan of liquidation, and has continued to be at all times until the receipt of the property, the owner of stock (in such other corporation) meeting the requirements of section 1504(a)(2); and either".

(B) EFFECTIVE DATE.—

(i) IN GENERAL.—Except as provided in clause (iii), the amendment made by subparagraph (A) shall apply with respect to plans of complete liquidation adopted after March 28, 1985.

(ii) CERTAIN DISTRIBUTIONS MADE AFTER DECEMBER 31, 1984.—Except as provided in clause (iii), the amendment made by subparagraph (A) shall also apply with respect to plans of complete liquidations adopted on or before March 28, 1985, pursuant to which any distribution is made in a taxable year beginning after December 31, 1984, but only if the liquidating corporation and any corporation which receives a distribution in complete liquidation of such corporation are members of an affiliated group of corporations filing a consolidated return for the taxable year which includes the date of the distribution.

(iii) TRANSITIONAL RULE FOR AFFILIATED GROUPS.—The amendment made by subparagraph (A) shall not apply with respect to plans of complete liquidation if the liquidating corporation is a member of an affiliated group of corporations under section 60(b)(2) or (5) of the Tax Reform Act of 1984, for all taxable years which include the date of any distribution pursuant to such plan.

(5) AMENDMENT OF SECTION 337.—

(A) IN GENERAL.—Subparagraph (B) of section 337(c)(3) (defining distributee corporation) is amended to read as follows:

"(B) DISTRIBUTEE CORPORATION.—For purposes of subparagraph (A), the term 'distributee corporation' means any corporation which receives a distribution to which section 332 applies in a complete liquidation of the selling corporation. Such term also includes any other corporation which receives a distribution to which section 332 applies in a complete liquidation of a corporation which is a distributee corporation under the preceding sentence or prior application of this sentence."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply in the case of plans of complete liquidation pursuant to which any distribution is made in a taxable year beginning after December 31, 1984.

(6) TREATMENT OF FORMER DISC'S.—Paragraph (7) of section 1504(b) (defining includible corporation) is amended to read as follows:

"(7) A DISC (as defined in section 992(a)(1)) or, to the extent provided in regulations, any other corporation which has accumulated DISC income."

(e) AMENDMENTS RELATED TO SECTION 61 OF THE ACT.—

(1) TREATMENT OF DISTRIBUTIONS OF APPRECIATED PROPERTY.—

(A) Subsection (b) of section 312 (relating to effect on earnings and profits) is amended to read as follows:

"(b) DISTRIBUTIONS OF APPRECIATED PROPERTY.—On the distribution by a corporation, with respect to its stock, of any property the fair market value of which exceeds the adjusted basis thereof, the earnings and profits of the corporation—

"(1) shall be increased by the amount of such excess, and

"(2) shall be decreased by whichever of the following is the lesser:

"(A) the fair market value of the property distributed, or

"(B) the earnings and profits (as increased under paragraph (1))."

(B) Subsection (c) of section 312 is amended by inserting "and" at the end of paragraph (1), by striking out ", and" at the end of paragraph (2) and inserting in lieu thereof a period, and by striking out paragraph (3).

(C) The subsection heading for subsection (c) of section 312 is amended by striking out ", Etc.".

(D) Subsection (n) of section 312 is amended by striking out paragraph (4) and by redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(E) Paragraph (8) of section 312(n) (as redesignated by subparagraph (C)) is amended by striking out "paragraphs (5), (6), and (7)" and inserting in lieu thereof "paragraphs (4), (5), and (6)".

(F) Any reference in subsection (e) of section 61 of the Tax Reform Act of 1984 to a paragraph of section 312(n) of the Internal Revenue Code of 1954 shall be treated as a reference to such paragraph as in effect before its redesignation by subparagraph (D).

(2) CLERICAL AMENDMENTS.—

(A) Subsection (a) of section 1275 is amended—

(i) by redesignating the paragraph added by section 61 of the Tax Reform Act of 1984 as paragraph (5), and

(ii) by striking out "TO CORPORATIONS" in the heading of such paragraph and inserting in lieu thereof "BY CORPORATIONS".

(B) Paragraph (3) of section 301(f) is amended by striking out "this section" and inserting in lieu thereof "this subsection".

(3) EFFECTIVE DATE FOR TREATMENT OF REDEMPTIONS.—Paragraph (7) of section 312(n) of the Internal Revenue Code of 1954 (as redesignated by paragraph (1)(D) of this subsection), and the amendments made by section 61(a)(2) of the Tax Reform Act of 1984, shall apply to distributions after July 18, 1984, in taxable years ending after such date.

(f) AMENDMENTS RELATING TO SECTION 68 OF THE ACT.—

(1) NO DISC PREFERENCE REDUCTION FOR S CORPORATIONS.—Effective with respect to taxable years beginning after December 31, 1982, paragraph (4) of section 291(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1984) is amended by striking out "a corporation" and inserting in lieu thereof "a C corporation".

(2) CLARIFICATION OF EFFECTIVE DATES.—

(A) Paragraph (2) of section 68(e) of the Tax Reform Act of 1984 (relating to section 1250 gain) is amended by striking out "of the Internal Revenue Code of 1954" and inserting in lieu thereof "of the Internal Revenue Code of 1954, and the amendment made by subsection (c)(2) of this section,".

(B) Paragraph (3) of section 68(e) of the Tax Reform Act of 1984 (relating to pollution control facilities) is amended by striking out "of such Code" and inserting in lieu thereof "of such Code, and so much of the amendment made by subsection (c)(1) of this section as relates to pollution control facilities,".

(3) CLERICAL AMENDMENTS.—

(A) The subsection heading of section 291(a) is amended by striking out "20-PERCENT".

(B) Paragraph (2) of section 68(c) of the Tax Reform Act of 1984 is amended by striking out "section 57(h)" and inserting in lieu thereof "section 57(b)".

(C) Subparagraph (B) of section 57(b)(1) is amended to read as follows:

"(B) IRON ORE AND COAL.—In the case of any item of tax preference of a corporation described in paragraph (8) of subsection (a) (but only to the extent such item is allocable to a deduction for depletion for iron ore and coal, including lignite), only 71.6 percent of the amount of such item of tax preference (determined without regard to this subsection) shall be taken into account as an item of tax preference."

(D) Paragraph (2) of section 57(b) is amended by striking out "85 percent" and inserting in lieu thereof "80 percent".

SEC. 105. AMENDMENTS RELATED TO PARTNERSHIP PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 72 OF THE ACT.—

(1) CLARIFICATION THAT CHANGE NEED NOT OCCUR DURING TAXABLE YEAR OF PAYMENT.—

(A) Clause (i) of section 706(d)(2)(A) is amended by striking out "each such item" and inserting in lieu thereof "such item".

(B) Subparagraph (B) of section 706(d)(2) is amended by striking out "which are described in paragraph (1) and".

(2) CLERICAL AMENDMENT.—Clause (i) of section 706(d)(2)(C) (relating to items attributable to periods not within taxable year) is amended by striking out "the first day of such taxable year" and inserting in lieu thereof "the first day of the taxable year".

(b) AMENDMENT RELATED TO SECTION 73 OF THE ACT.—Clause (iii) of section 707(a)(2)(B) (relating to treatment of certain property transfers) is amended by striking out "sale of property" and inserting in lieu thereof "sale or exchange of property".

(c) AMENDMENT RELATED TO SECTION 75 OF THE ACT.—Subsection (e) of section 761 (relating to distributions treated as exchanges) is amended—

(1) by striking out "any distribution (not otherwise treated as an exchange)" and inserting in lieu thereof "any distribution of an interest in a partnership (not otherwise treated as an exchange)", and

(2) by striking out "DISTRIBUTIONS" in the subsection heading and inserting in lieu thereof "DISTRIBUTIONS OF PARTNERSHIP INTERESTS".

(d) AMENDMENT RELATED TO SECTION 77 OF THE ACT.—Subparagraph (A) of section 1031(a)(3) (relating to requirement that property be identified) is amended by striking out "before the day" and inserting in lieu thereof "on or before the day".

SEC. 106. AMENDMENTS RELATED TO TRUST PROVISIONS.

(a) TREATMENT OF MULTIPLE TRUSTS.—Subsection (b) of section 82 of the Tax Reform Act of 1984 (relating to treatment of multiple trusts) is amended by inserting before the period at the end thereof the following: "; except that, in the case of a trust which was irrevocable on March 1, 1984, such amendment shall so apply only to that portion of the trust which is attributable to contributions to corpus after March 1, 1984".

(b) CLERICAL AMENDMENTS.—Section 643 (relating to definitions applicable to subparts A, B, C, and D) is amended—

(1) by redesignating the subsection added by section 81 of the Tax Reform Act of 1984 as subsection (e), and

(2) by redesignating the subsection added by section 82 of such Act as subsection (f).

SEC. 107. AMENDMENTS RELATED TO ACCOUNTING CHANGES.

(a) AMENDMENTS RELATED TO SECTION 91 OF THE ACT.—

(1) CLARIFICATION OF CASH BASIS EXCEPTION TO TAX SHELTER RULE.—

(A) Subparagraph (A) of section 461(i)(2) is amended by striking out "within 90 days after the close of the taxable year" and inserting in lieu thereof "before the close of the 90th day after the close of the taxable year".

(B) The heading for paragraph (2) of section 461(i) is amended by striking out "WITHIN 90 DAYS" and inserting in lieu thereof "ON OR BEFORE THE 90TH DAY".

(2) CLARIFICATION OF COORDINATION WITH SECTION 464.—Subparagraph (A) of section 461(i)(4) (relating to special rules for farming) is amended to read as follows:

"(A) any tax shelter described in paragraph (3)(C) shall be treated as a farming syndicate for purposes of section 464; except that this subparagraph shall not apply for purposes of determining the income of an individual meeting the requirements of section 464(c)(2),".

(3) TREATMENT OF MINING AND SOLID WASTE RECLAMATION AND CLOSING COSTS.—

(A) RESERVE INCREASED BY AMOUNT DEDUCTED.—Paragraph (2) of section 468(a) (relating to establishment of reserves for reclamation and closing costs) is amended by adding at the end thereof the following new subparagraph:

"(D) RESERVE INCREASED BY AMOUNT DEDUCTED.—A reserve shall be increased each taxable year by the amount allowable as a deduction under paragraph (1) for such taxable year which is allocable to such reserve."

(B) EFFECTIVE DATE.—Subsection (g) of section 91 of the Tax Reform Act of 1984 (relating to effective dates) is amended by adding at the end thereof the following new paragraph:

"(4) EFFECTIVE DATE FOR TREATMENT OF MINING AND SOLID WASTE RECLAMATION AND CLOSING COSTS.—Except as otherwise provided in subsection (h), the amendments made by subsection (b) shall take effect on the date of the enactment of this Act with respect to taxable years ending after such date."

(C) CLERICAL AMENDMENT.—Paragraph (1) of section 468(a) is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(4) TREATMENT OF DECOMMISSIONING OF NUCLEAR POWERPLANT.—

(A) TIME WHEN PAYMENTS DEEMED MADE.—

(i) IN GENERAL.—Section 468A is amended by adding at the end thereof the following new subsection:

"(g) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to the Fund on the last day of a taxable year if such payment is made on account of such taxable year and is made within 2½ months after the close of such taxable year."

(ii) TRANSITIONAL RULE.—To the extent provided in regulations prescribed by the Secretary of the Treasury or his delegate, subsection (g) of section 468A of the Internal Revenue Code of 1954 (as added by clause (i)) shall be applied with respect to any payment on account of a taxable year beginning before January 1, 1985, as if it did not contain the requirement that the payment be made within 2½ months after the close of the taxable year. Such regulations may provide that, to the extent such payment to the Fund is made more than 2½ months after the close of the taxable year, any adjustment to the tax attributable to such payment shall not affect the amount of interest payable with respect to periods before the payment is made.

(B) TREATMENT OF AMOUNTS DISTRIBUTED.—Subparagraph (A) of section 468A(c)(1) (relating to inclusion of amount distributed) is amended by striking out "subsection (e)(2)(B)" and inserting in lieu thereof "subsection (e)(4)(B)".

(C) CLARIFICATION OF TAXATION OF FUND.—Paragraph (2) of section 468A(e) (relating to taxation of Fund) is amended to read as follows:

"(2) TAXATION OF FUND.—

"(A) IN GENERAL.—There is hereby imposed on the gross income of the Fund for any taxable year a tax at a rate equal to the maximum rate in effect under section 11(b), except that—

"(i) there shall not be included in the gross income of the Fund any payment to the Fund with respect to which a deduction is allowable under subsection (a), and

"(ii) there shall be allowed as a deduction to the Fund any amount paid by the Fund which is described in paragraph (4)(B) (other than an amount paid to the taxpayer) and which would be deductible under this chapter for purposes of determining the taxable income of a corporation.

"(B) TAX IN LIEU OF OTHER TAXATION.—The tax imposed by subparagraph (A) shall be in lieu of any other taxation under this subtitle of the income from assets in the Fund.

"(C) FUND TREATED AS CORPORATION.—For purposes of subtitle F—

"(i) the Fund shall be treated as if it were a corporation, and

"(ii) any tax imposed by this paragraph shall be treated as a tax imposed by section 11."

(D) LIMITATION ON INVESTMENTS.—Paragraph (4) of section 468A(e) is amended by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(C) to the extent that a portion of the Fund is not currently needed for purposes described in subparagraph (A) or (B), making investments described in section 501(c)(21)(B)(ii)."

(E) CLERICAL AMENDMENTS.—

(i) Subsection (a) of section 468A is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(ii) Subsection (d) of section 468A is amended by striking out "this subsection" in the material preceding paragraph (1) and inserting in lieu thereof "this section".

(iii) The subsection heading for subsection (e) of section 468A is amended by striking out "TRUST FUND" and inserting in lieu thereof "RESERVE FUND".

(iv) Paragraph (1) of section 468A(e) is amended—

(I) by striking out "this subsection" and inserting in lieu thereof "this section", and

(II) by striking out "Trust Fund" and inserting in lieu thereof "Reserve Fund".

(v) Paragraph (6) of section 468A(e) is amended—

(I) by striking out "this subsection" each place it appears and inserting in lieu thereof "this section", and

(II) by striking out "this subparagraph" and inserting in lieu thereof "this paragraph".

(vi) Subsection (f) of section 468A is amended by striking out "The term" and inserting in lieu thereof "For purposes of this section, the term".

(vii) Section 88 is amended by striking out "of ratemaking purposes" and inserting in lieu thereof "for ratemaking purposes".

(F) EFFECTIVE DATE.—Subsection (g) of section 91 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(5) RULES FOR NUCLEAR DECOMMISSIONING COSTS.—The amendments made by subsections (c) and (f) shall take effect on the date of the enactment of this Act with respect to taxable years ending after such date."

(5) EFFECTIVE DATE FOR NET OPERATING LOSS PROVISIONS.—Subsection (g) of section 91 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(6) MODIFICATION OF NET OPERATING LOSS CARRYBACK PERIOD.—The amendments made by subsection (d) shall apply to losses for taxable years beginning after December 31, 1983."

(6) CLARIFICATION OF ELECTION FOR EARLIER EFFECTIVE DATE.—Subparagraph (A) of section 91(g)(2) of the Tax Reform Act of 1984 (relating to taxpayer may elect earlier application) is amended—

(A) by striking out "incurred before" and inserting in lieu thereof "incurred on or before",

(B) by striking out "incurred on or after" and inserting in lieu thereof "incurred after", and

(C) by adding at the end thereof the following new sentence:

"The Secretary of the Treasury or his delegate may by regulations provide that (in lieu of an election under the preceding sentence) a taxpayer may (subject to such conditions as such regulations may provide) elect to have subsection (h) of section 461 of such Code apply to the taxpayer's entire taxable year in which occurs July 19, 1984."

(b) AMENDMENTS RELATED TO SECTION 92 OF THE ACT.—

(1) TREATMENT OF SERVICES.—Subsection (g) of section 467 (relating to comparable rules for services) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any amount to which section 404 or 404A (or any other provision specified in regulations) applies."

(2) CLERICAL AMENDMENTS.—

(A) Subparagraph (A) of section 467(b)(4) is amended by striking out "statutory recover period" and inserting in lieu thereof "statutory recovery period".

(B) Paragraph (4) of section 467(c) is amended by striking out "subsection (b)(3)(A)" and inserting in lieu thereof "subsection (b)(4)(A)".

(C) The last sentence of section 467(d)(2) is amended by striking out "section 1274(c)(2)(C)" and inserting in lieu thereof "section 1274(c)(4)(C)".

(D) Paragraph (5) of section 467(e) is amended by striking out "section 168(d)(4)(D)" and inserting in lieu thereof "section 168(e)(4)(D)".

SEC. 108. AMENDMENTS RELATED TO TAX STRADDLE PROVISIONS.

(a) TREATMENT OF SUBCHAPTER S CORPORATIONS.—

(1) Section 102 of the Tax Reform Act of 1984 (relating to section 1256 extended to certain options) is amended by adding at the end thereof the following new subsection:

"(j) COORDINATION OF ELECTION UNDER SUBSECTION (d)(3) WITH ELECTIONS UNDER SUBSECTIONS (g) AND (h).—The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to coordinate the election provided by subsection (d)(3) with the elections provided by subsections (g) and (h)."

(2) Paragraph (3) of section 102(d) of the Tax Reform Act of 1984 (relating to subchapter S election) is amended by striking out "(as so defined)" and inserting in lieu thereof "(as so defined) or such other day as may be permitted under regulations".

(b) TREATMENT OF AMOUNTS RECEIVED FOR LOANING SECURITIES.—Subparagraph (B) of section 263(g)(2) (defining interest and carrying charges) is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by inserting after clause (iii) the following new clause:

"(iv) any amount which is a payment with respect to a security loan (within the meaning of section 512(a)(5)) includible in gross income with respect to such property for the taxable year."

SEC. 109. AMENDMENTS RELATED TO DEPRECIATION PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 111 OF THE ACT.—

(1) CORRECTION OF TABLES.—

(A) The table contained in subparagraph (A) of section 168(b)(3) (relating to election of different recovery period) is amended by striking out "or 45" in the last item and inserting in lieu thereof "or 45 years".

(B) The table contained in subparagraph (B) of section 47(a)(5) (relating to special rules for recovery property) is amended by striking out "For 15-year, 10-year, and 5-year property" and inserting in lieu thereof "For property other than 3-year property".

(2) USE OF CONVENTIONS.—

(A) MID-MONTH CONVENTION FOR 18-YEAR REAL PROPERTY.—

(i) Paragraph (2) of section 168(b) (relating to 18-year real property) is amended—

(I) by striking out the last sentence of subparagraph (A), and

(II) by amending subparagraph (B) to read as follows:

"(B) MID-MONTH CONVENTION FOR 18-YEAR REAL PROPERTY.—In the case of 18-year real property, the amount of the deduction determined under any provision of this section (or for purposes of section 57(a)(12)(B) or 312(k)) for any taxable year shall be determined on the basis of the number of months (using a mid-month convention) in which the property is in service."

(ii) Subparagraph (B) of section 168(f)(2) (relating to recovery property used predominantly outside the United States) is amended to read as follows:

"(B) REAL PROPERTY.—Except as provided in subparagraph (C), in the case of 18-year real property or low-income housing which, during the taxable year, is predominantly used outside the United States, the recovery deduction for the taxable year shall be, in lieu of the amount determined under subsection (b), the amount determined by applying to the unadjusted basis of such property the applicable percentage determined under tables prescribed by the Secretary. For purposes of the preceding sentence, in prescribing such tables, the Secretary shall—

"(i) assign to the property described in this subparagraph a 35-year recovery period, and

"(ii) assign percentages determined in accordance with the use of the method of depreciation described in section 167(j)(1)(B), switching to the method described in section 167(b)(1) at a time to maximize the deduction allowable under subsection (a)."

(B) MONTHLY CONVENTION FOR LOW-INCOME HOUSING.—Subparagraph (B) of section 168(b)(4) (relating to low-income housing) is amended to read as follows:

"(B) MONTHLY CONVENTION.—In the case of low-income housing, the amount of the deduction determined under any provision of this section (or for purposes of section 57(a)(12)(B) or 312(k)) for any taxable year shall be determined on the basis of the

number of months (treating all property placed in service or disposed of during any month as placed in service or disposed of on the first day of such month) in which the property is in service."

(C) CONFORMING AMENDMENTS.—

(i) Clause (ii) of section 168(j)(2)(B) (relating to conventions) is amended to read as follows:

"(ii) CROSS REFERENCE.—

"For other applicable conventions, see paragraphs (2)(B) and (4)(B) of subsection (b)."

(ii) Subparagraph (A) of section 312(k)(3) is amended by striking out ", and rules similar to the rules under the next to the last sentence of section 168(b)(2)(A) and section 168(b)(2)(B) shall apply".

(3) MINIMUM TAX TREATMENT.—Subparagraph (B) of section 57(a)(12) (relating to 18-year real property and low-income housing) is amended by striking out so much of such subparagagph as precedes clause (i) thereof and inserting in lieu thereof the following:

"(B) 18-YEAR REAL PROPERTY AND LOW-INCOME HOUSING.—With respect to each recovery property which is 18-year real property or low-income housing, the amount (if any) by which the deduction allowed under section 168(a) (or, in the case of property described in section 167(k), under section 167) for the taxable year exceeds the deduction which would have been allowable for the taxable year had the property been depreciated using a straight-line method (without regard to salvage value) over a recovery period of—".

(4) TREATMENT OF PROPERTY FINANCED WITH TAX-EXEMPT BONDS.—

(A) Clause (ii) of section 168(f)(12)(B) (relating to recovery method) is amended to read as follows:

"(ii) 18-YEAR REAL PROPERTY.—In the case of 18-year real property, the amount of the deduction allowed shall be determined by using the straight-line method (without regard to salvage value) and a recovery period of 18 years."

(B) Subparagraph (C) of section 168(f)(12) (relating to exception for projects for residential rental property) is amended to read as follows:

"(C) EXCEPTION FOR LOW- AND MODERATE-INCOME HOUSING.—Subparagraph (A) shall not apply to—

"(i) any low-income housing, and

"(ii) any other recovery property which is placed in service in connection with projects for residential rental property financed by the proceeds of obligations described in section 103(b)(4)(A)."

(b) TREATMENT OF TRANSFEREE IN CERTAIN TRANSACTIONS.—

(1) IN GENERAL.—Subparagraph (A) of section 168(f)(10) (relating to transferee bound by transferor's period and method in certain cases) is amended to read as follows:

"(A) IN GENERAL.—In the case of recovery property transferred in a transaction described in subparagraph (B), for purposes of computing the deduction allowable under subsection (a) with respect to so much of the basis in the hands of the transferee as does not exceed the adjusted basis in the hands of the transferor—

"(i) if the transaction is described in subparagraph (B)(i), the transferee shall be treated in the same manner as the transferor, or

"(ii) if the transaction is described in clause (ii) or (iii) of subparagraph (B) and the transferor made an election with respect to such property under subsection (b)(3) or (f)(2)(C), the transferee shall be treated as having made the same election (or its equivalent)."

(2) TREATMENT OF TERMINATIONS OF PARTNERSHIPS.—Subparagraph (B) of section 168(f)(10) is amended by adding at the end thereof the following new sentence:

"Clause (i) shall not apply in the case of the termination of a partnership under section 708(b)(1)(B)."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service by the transferee after March 28, 1985, in taxable years ending after such date.

(c) AMENDMENTS RELATED TO SECTION 113 OF THE ACT.—

(1) TREATMENT OF FILMS, VIDEO TAPES, AND SOUND RECORDINGS.—Except with respect to property placed in service by the taxpayer on or before March 28, 1985, subsection (c) of section 167 (relating to limitations on use of certain methods and rates) is amended by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, any motion picture film, video tape, or sound recording shall be treated as intangible property."

(2) CLERICAL AMENDMENT.—Subsection (q) of section 48 is amended by redesignating the paragraph relating to special rule for qualified films as paragraph (7).

(d) AMENDMENTS RELATED TO SECTION 114 OF THE ACT.—

(1) Paragraph (1) of section 48(b) (defining new section 38 property) is amended by adding at the end thereof the following new sentence: "Such term includes any section 38 property the reconstruction of which is completed by the taxpayer."

(2) Paragraph (2) of section 48(b) (relating to special rule for sale-leasebacks) is amended—

(A) by striking out "paragraph (1)" and inserting thereof "the first sentence of paragraph (1)", and

(B) by striking out "used under the lease" and inserting in lieu thereof "used under the leaseback (or lease) referred to in subparagraph (B)".

SEC. 110. AMENDMENTS RELATED TO FOREIGN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 121 OF THE ACT.—

(1) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—

(A) IN GENERAL.—Subsection (g) of section 904 (relating to source rules in the case of United States-owned foreign corporations) is amended by redesignating paragraph (9) as paragraph (10), and by inserting after paragraph (8) the following new paragraph:

"(9) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—For purposes of this subsection—

"(A) in the case of interest treated as not from sources within the United States under section 861(a)(1)(B), the corporation paying such interest shall be treated as a United States-owned foreign corporation, and

"(B) in the case of any dividend treated as not from sources within the United States under section 861(a)(2)(A), the corporation paying such dividend shall be treated as a United States-owned foreign corporation."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on March 28, 1985. In the case of any taxable year ending after such date of any corporation treated as a United States-owned foreign corporation by reason of the amendment made by subparagraph (A)—

(i) only income received or accrued by such corporation after such date shall be taken into account under section 904(g) of the Internal Revenue Code of 1954; except that

(ii) paragraph (5) of such section 904(g) shall be applied by taking into account all income received or accrued by such corporation during such taxable year.

(2) TREATMENT OF CERTAIN FOREIGN CORPORATIONS ENGAGED IN TRADE OR BUSINESSES WITHIN UNITED STATES.—Subparagraph (E) of section 121(b)(2) of the Tax Reform Act of 1984 (relating to special rules for applicable CFC) is amended by adding at the end thereof the following new clause:

"(iii) TREATMENT OF CERTAIN FOREIGN CORPORATIONS ENGAGED IN BUSINESS IN UNITED STATES.—For purposes of clause (ii), a foreign corporation shall be treated as a United States person with respect to any interest payment made by such corporation if—

"(I) at least 50 percent of the gross income from all sources of such corporation for the 3-year period ending with the close of its last taxable year ending on or before March 31, 1984, was effectively connected with the conduct of a trade or business within the United States, and

"(II) at least 50 percent of the gross income from all sources of such corporation for the 3-year period ending with the close of its taxable year preceding the payment of such interest was effectively connected with the conduct of a trade or business within the United States."

(3) TREATMENT OF CERTAIN SHORT-TERM BORROWING.—Clause (ii) of section 121(b)(2)(D) of the Tax Reform Act of 1984 (defining applicable CFC) is amended by striking out "or the holding of short-term obligations" and all that follows and inserting in lieu thereof "(or short-term borrowing from nonaffiliated persons) and lending the proceeds of such obligations (or such borrowing) to affiliates."

(b) AMENDMENTS RELATED TO SECTION 122 OF THE ACT.—

(1) TREATMENT OF SUBPART F AND FOREIGN PERSONAL HOLDING COMPANY INCLUSIONS.—Subparagraph (C) of section 904(d)(3) (relating to exception where designated corporation has small amount of separate limitation interest) is amended by adding at the end thereof the following new sentence:

"The preceding sentence shall not apply to any amount includible in gross income under section 551 or 951."

(2) TREATMENT OF INTEREST AND DIVIDENDS FROM MEMBERS OF SAME AFFILIATED GROUP.—Paragraph (3) of section 904(d) (relating to certain amounts attributable to United States-owned foreign corporations, etc., treated as interest) is amended by striking out subparagraph (J), by redesignating subparagrah (I) as subparagraph (J), and by inserting after subparagraph (H) the following new subparagraph:

"(I) INTEREST AND DIVIDENDS FROM MEMBERS OF SAME AFFILIATED GROUP.—For purposes of this paragraph, dividends and interest received or accrued by the designated payor corporation from another member of the same affiliated group (determined under section 1504 without regard to subsection (b)(3) thereof) shall be treated as separate limitation interest if (and only if) such amounts are attributable (directly or indirectly) to separate limitation interest of any other member of such group."

(3) DEFINITION OF DESIGNATED PAYOR CORPORATION.—

(A) IN GENERAL.—Subparagraph (E) of section 904(d)(3) (defining designated payor corporation) is amended by striking out

"and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by adding at the end thereof the following:

"(iv) any other corporation formed or availed of for purposes of avoiding the provisions of this paragraph.

For purposes of this paragraph, the rules of paragraph (9) of subsection (g) shall apply."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on March 28, 1985. In the case of any taxable year ending after such date of any corporation treated as a designated payor corporation by reason of the amendment made by subparagraph (A)—

(i) only income received or accrued by such corporation after such date shall be taken into account under section 904(d)(3) of the Internal Revenue Code of 1954; except that

(ii) subparagraph (C) of such section 904(d)(3) shall be applied by taking into account all income received or accrued by such corporation during such taxable year.

(c) AMENDMENTS RELATED TO SECTION 123 OF THE ACT.—

(1) Subparagraph (A) of section 956(b)(3) (relating to certain trade or service receivables acquired from related United States persons) is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (2) (other than subparagraph (H) thereof)".

(2) Subsection (d) of section 864 (relating to treatment of related person factoring income) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

"(7) EXCEPTION FOR CERTAIN RELATED PERSONS DOING BUSINESS IN SAME FOREIGN COUNTRY.—Paragraph (1) shall not apply to any trade or service receivable acquired by any person from a related person if—

"(A) the person acquiring such receivable and such related person are created or organized under the laws of the same foreign country and such related person has a substantial part of its assets used in its trade or business located in such same foreign country, and

"(B) such related person would not have derived any foreign base company income (as defined in section 954(a), determined without regard to section 954(b)(3)(A)), or any income effectively connected with the conduct of a trade or business within the United States, from such receivable if it had been collected by such related person."

(d) AMENDMENTS RELATED TO SECTION 127 OF THE ACT.—

(1) DEFINITION OF PORTFOLIO INTEREST.—

(A) Paragraph (2) of section 871(h) (defining portfolio interest) is amended by striking out "which is described in" in the matter preceding subparagraph (A) and inserting in lieu thereof "which would be subject to tax under subsection (a) but for this subsection and which is described in".

(B) Paragraph (2) of section 881(c) (defining portfolio interest) is amended by striking out "which is described in" in the matter preceding subparagraph (A) and inserting in lieu thereof "which would be subject to tax under subsection (a) but for this subsection and which is described in".

(2) TREATMENT OF CERTAIN FOREIGN-OWNED FINANCING AFFILIATES.—Paragraph (3) of section 127(g) of the Tax Reform Act of 1984 (relating to special rule for certain United States affiliate obligations) is amended by adding at the end thereof the following new subparagraph:

"(D) TREATMENT OF CERTAIN FOREIGN-OWNED FINANCING AFFILIATES.—

"(i) EXTENSION OF PARAGRAPH.—To the extent provided in regulations, rules similar to the rules of subparagraphs (A) and (B) shall apply with respect to a corporation which would be an applicable CFC but for inadequate ownership by United States persons.

"(ii) REDUCTION OF INTEREST DEDUCTION.—In any case to which clause (i) applies, the deduction for interest paid by an affiliate to the corporation described in clause (i) shall be appropriately reduced to reflect the spread between the interest rates involved or to prevent the shifting of income from the affiliate to other affiliates.

"(iii) AFFILIATE.—For purposes of clause (ii), the term 'affiliate' means any person who is a related person (within the meaning of section 482 of the Internal Revenue Code of 1954) to the corporation described in clause (i)."

(3) CLERICAL AMENDMENTS.—

(A) Paragraph (1) of section 871(a) is amended by striking out "provided in subsection (i)" in the matter preceding subparagraph (A), and inserting in lieu thereof "provided in subsection (h)".

(B) Clause (ii) of section 871(h)(2)(B) is amended by striking out "has received" and inserting in lieu thereof "receives".

(C) Clause (ii) of section 881(c)(2)(B) is amended by striking out "has received" and inserting in lieu thereof "receives".

(D) Paragraph (9) of section 1441(c) is amended by striking out "871(h)(2)" and inserting in lieu thereof "section 871(h)".

(E) Subsection (a) of section 1442 is amended—

(i) by striking out "sections 871(h)(2)" and inserting in lieu thereof "sections 871(h)", and

(ii) by striking out "sections 881(c)(2)" and inserting in lieu thereof "sections 881(c)".

(e) AMENDMENTS RELATED TO SECTION 128 OF THE ACT.—

(1) DEDUCTION FOR ORIGINAL ISSUE DISCOUNT.—

(A) Subparagraph (A) of section 163(e)(3) (relating to special rule for original issue discount on obligation held by related foreign person) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to the extent that the original issue discount is effectively connected with the conduct by such foreign related person of a trade or business within the United States unless such original issue discount is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States."

(B) Subsection (e) of section 163 is amended by redesignating the paragraph relating to cross references as paragraph (5).

(2) TAXATION OF ORIGINAL ISSUE DISCOUNT.—

(A) Subparagraph (C) of section 871(a)(1) (relating to income not connected with United States business) is amended to read as follows:

"(C) in the case of—

"(i) a sale or exchange of an original issue discount obligation, the amount of the original issue discount accruing while such obligation was held by the nonresident alien individual (to the extent such discount was not theretofore taken into account under clause (ii)), and

"(ii) a payment on an original issue discount obligation, an amount equal to the original issue discount accruing while such obligation was held by the nonresident alien individual (except that such original issue discount shall be taken into account under this clause only to the extent such discount was not theretofore taken into account under this clause and only to the extent that the tax thereon does not exceed the payment less the tax imposed by subparagraph (A) thereon), and".

(B) Paragraph (3) of section 881 (relating to tax on income of foreign corporations not connected with United States business) is amended to read as follows:

"(3) in the case of—

"(A) a sale or exchange of an original issue discount obligation, the amount of the original issue discount accruing while such obligation was held by the foreign corporation (to the extent such discount was not theretofore taken into account under subparagraph (B)), and

"(B) a payment on an original issue discount obligation, an amount equal to the original issue discount accruing while such obligation was held by the foreign corporation (except that such original issue discount shall be taken into account under this subparagraph only to the extent such discount was not theretofore taken into account under this subparagraph and only to the extent that the tax thereon does not exceed the payment less the tax imposed by paragraph (1) thereon), and".

(f) AMENDMENTS RELATED TO SECTION 129 OF THE ACT.—

(1) TREATMENT OF ELECTIONS UNDER SECTION 897(i).—

(A) Paragraph (1) of section 897(i) (relating to election by foreign corporation to be treated as domestic corporation) is amended by striking out "and section 6039C" and inserting in lieu thereof "section 1445, and section 6039C".

(B) Paragraph (4) of section 897(i) is amended by striking out "this section and section 6039C" and inserting in lieu thereof "this section, section 1445, and section 6039C".

(2) EXEMPTION FOR INTERESTS IN CERTAIN CORPORATIONS.—Paragraph (3) of section 1445(b) (relating to nonpublicly traded domestic corporation funishing affidavit that it is not a United States real property holding corporation) is amended to read as follows:

"(3) NONPUBLICLY TRADED DOMESTIC CORPORATION FURNISHES AFFIDAVIT THAT INTERESTS IN CORPORATION NOT UNITED STATES REAL PROPERTY INTERESTS.—Except as provided in paragraph (7), this paragraph applies in the case of a disposition of any interest in any domestic corporation if the domestic corporation furnishes to the transferee an affidavit by the domestic corporation stating, under penalty of perjury, that—

"(A) the domestic corporation is not and has not been a United States real property holding corporation (as defined in section 897(c)(2)) during the applicable period specified in section 897(c)(1)(A)(ii), or

"(B) as of the date of the disposition, interests in such corporation are not United States real property interests by reason of section 897(c)(1)(B)."

(3) NOTICE OF FALSE AFFIDAVIT.—

(A) Clause (i) of section 1445(d)(1)(B) (relating to notice of false affidavit; foreign corporations) is amended to read as follows:

"(i) any transferor's agent—

"(I) such agent has actual knowledge that such affidavit is false, or

"(II) in the case of an affidavit described in subsection (b)(2) furnished by a corporation, such corporation is a foreign corporation, or".

(B) Paragraph (1) of section 1445(d) is amended by striking out "described in paragraph (2)(A)" and inserting in lieu thereof "described in paragraph (2)".

(4) TREATMENT OF CERTAIN DOMESTIC PARTNERSHIPS, TRUSTS, AND ESTATES.—

(A) IN GENERAL.—Paragraph (1) of section 1445(e) (relating to certain domestic partnerships, trusts, and estates) is amended to read as follows:

"(1) CERTAIN DOMESTIC PARTNERSHIPS, TRUSTS, AND ESTATES.—In the case of any disposition of a United States real property interest as defined in section 897(c) (other than a disposition described in paragraph (4) or (5)) by a domestic partnership, domestic trust, or domestic estate, such partnership, the trustee of such trust, or the executor of such estate (as the case may be) shall be required to deduct and withhold under subsection (a) a tax equal to 28 percent of the gain realized to the extent such gain—

"(A) is currently taken into account with respect to a foreign person who is a partner or beneficiary of such partnership, trust, or estate, or

"(B) is allocable to a portion of the trust treated as owned by a foreign person under subpart E of part I of subchapter J."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to dispositions after the day 30 days after the date of the enactment of this Act.

(5) DISTRIBUTIONS BY DOMESTIC CORPORATIONS TO FOREIGN SHAREHOLDER.—Paragraph (3) of section 1445(e) (relating to distributions by certain domestic corporations to foreign shareholders) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply if, as of the date of the distribution, interests in such corporation are not United States real property interests by reason of section 897(c)(1)(B)."

(6) CERTAIN TAXABLE DISTRIBUTIONS.—Paragraph (4) of section 1445(e) (relating to taxable distributions by domestic or foreign partnerships, trusts, or estates) is amended by striking out "section 897(g)" and inserting in lieu thereof "section 897".

(7) PAYMENT OF TAX.—Subsection (d) of section 6039C (relating to special rule for United States interests and Virgin Islands interests) is amended by striking out "subject to tax under section 897(a)" and inserting in lieu thereof "subject to tax under section 897(a) (and any person required to withhold tax under section 1445)".

(8) CONFORMING AMENDMENTS TO SECTION 6652(g).—

(A) Paragraph (1) of section 6652(g) (relating to returns, etc., required under section 6039C) is amended to read as follows:

"(1) IN GENERAL.—In the case of each failure to make a return required by section 6039C which contains the information required by such section on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to willful neglect, the amount determined under paragraph (2) shall be paid (upon notice and demand by the Secretary and in the same manner as tax) by the person failing to make such return."

(B) Paragraph (3) of section 6652(g) is amended to read as follows:

"(3) LIMITATION.—The amount determined under paragraph (2) with respect to any person for failing to meet the requirements of section 6039C for any calendar year shall not exceed the lesser of—

"(A) $25,000, or

"(B) 5 percent of the aggregate of the fair market value of the United States real property interests owned by such person at any time during such year.

For purposes of the preceding sentence, fair market value shall be determined as of the end of the calendar year (or, in the case of any property disposed of during the calendar year, as of the date of such disposition)."

(C) The subsection heading for subsection (g) of section 6652 is amended by striking out ", ETC.,".

(g) AMENDMENTS RELATED TO SECTION 131 OF THE ACT.—

(1) Subsection (f) of section 367 (relating to transitional rule) is hereby repealed.

(2) Paragraph (1) of section 7482(b) (relating to venue) is amended by striking out "section 7428, 7476, or 7477" and inserting in lieu thereof "section 7428 or 7476".

(3) Paragraph (8) of section 6501(c) (relating to failure to notify the Secretary under section 6038B) is amended—

(A) by striking out "subsection (a) or (d)" and inserting in lieu thereof "subsection (a), (d), or (e)", and

(B) by striking out "exchange" each place it appears and inserting in lieu thereof "exchange or distribution".

(h) AMENDMENTS RELATED TO SECTION 132 OF THE ACT.—

(1) Subsection (c) of section 552 (relating to certain dividends and interest not taken into account) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the term 'related person' has the meaning given such term by section 954(d)(3) (determined by substituting 'foreign personal holding company' for 'controlled foreign corporation' each place it appears)."

(2) Paragraph (1) of section 551(f) (relating to stock held through foreign entity) is amended by striking out "United States shareholder" and inserting in lieu thereof "United States shareholder or an estate or trust which is a foreign estate or trust".

(i) AMENDMENT RELATED TO SECTION 133 OF THE ACT.—Subparagraph (B) of section 1248(i)(1) (relating to treatment of certain indirect transfers) is amended by striking out "in redemption of his stock" and inserting in lieu thereof "in redemption or liquidation (whichever is appropriate)".

(j) AMENDMENTS RELATED TO SECTION 136 OF THE ACT.—

(1) COLLECTION OF TAX.—Subsection (b) of section 269B (relating to stapled entities) is amended by inserting before the period at the end thereof the following: "and regulations providing that any tax imposed on the foreign corporation referred to in subsection (a)(1) may, if not paid by such corporation, be collected from the domestic corporation referred to in such subsection or the shareholders of such foreign corporation".

(2) EXCEPTION WHERE CORPORATIONS OWNED BY FOREIGN PERSONS.—Section 269B is amended by adding at the end thereof the following new subsection:

"(e) SUBSECTION (a)(1) NOT TO APPLY IN CERTAIN CASES.—

"(1) IN GENERAL.—Subsection (a)(1) shall not apply if it is established to the satisfaction of the Secretary that the domestic corporation and the foreign corporation referred to in such subsection are foreign owned.

"(2) FOREIGN OWNED.—For purposes of paragraph (1), a corporation is foreign owned if less than 50 percent of—

"(A) the total combined voting power of all classes of stock of such corporation entitled to vote, and

"(B) the total value of the stock of the corporation,

is held directly (or indirectly through applying paragraphs (2) and (3) of section 958(a) and paragraph (4) of section 318(a)) by United States persons (as defined in section 7701(a)(30))."

(k) AMENDMENT RELATED TO SECTION 137 OF THE ACT.—Subsection (e) of section 954 (defining foreign base company services income) is amended to read as follows:

"(e) FOREIGN BASE COMPANY SERVICES INCOME.—

"(1) IN GENERAL.—For purposes of subsection (a)(3), the term 'foreign base company services income' means income (whether in the form of compensation, commissions, fees, or otherwise) derived in connection with the performance of technical, managerial, engineering, architectural, scientific, skilled, industrial, commercial, or like services which—

"(A) are performed for or on behalf of any related person (within the meaning of subsection (d)(3)), and

"(B) are performed outside the country under the laws of which the controlled foreign corporation is created or organized.

"(2) EXCEPTION.—Paragraph (1) shall not apply to income derived in connection with the performance of services which are directly related to—

"(A) the sale or exchange by the controlled foreign corporation of property manufactured, produced, grown, or extracted by it and which are performed before the time of the sale or exchange, or

"(B) an offer or effort to sell or exchange such property.

"(3) TREATMENT OF CERTAIN INSURANCE CONTRACTS.—For purposes of paragraph (1), in the case of any services performed with respect to any policy of insurance or reinsurance with respect to which the primary insured is a related person (within the meaning of section 864(d)(4))—

"(A) such primary insured shall be treated as a related person for purposes of paragraph (1)(A) (whether or not the requirements of subsection (d)(3) are met),

"(B) such services shall be treated as performed in the country within which the insured hazards, risks, losses, or liabilities occur, and

"(C) except as otherwise provided in regulations by the Secretary, rules similar to the rules of section 953(b) shall be applied in determining the income from such services."

(l) AMENDMENT RELATED TO SECTION 138 OF THE ACT.—Clause (i) of section 7701(b)(4)(E) (relating to limitation of teachers and trainees) is amended by adding at the end thereof the following new sentence: "In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting '4 calendar years' for '2 calendar years'."

SEC. 111. AMENDMENTS RELATED TO REPORTING, PENALTY, AND OTHER PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 145 OF THE ACT.—

(1) Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end thereof the following new subsection:

"(g) SPECIAL RULES FOR COOPERATIVE HOUSING CORPORATIONS.—For purposes of subsection (a), an amount received by a cooperative housing corporation from a tenant-stockholder shall be deemed to be interest received on a mortgage in the course of a trade or business engaged in by such corporation, to the extent of the tenant-stockholder's proportionate share of inter-

est described in section 216(a)(2). Terms used in the preceding sentence shall have the same meanings as when used in section 216."

(2) Paragraph (2) of section 145(d) of the Tax Reform Act of 1984 is amended by striking out "section 6652" and inserting in lieu thereof "section 6676".

(b) AMENDMENT RELATED TO SECTION 149 OF THE ACT.—Paragraph (2) of section 6050K(c) (relating to requirement that transferor notify partnership) is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(c) AMENDMENT RELATED TO SECTION 157 OF THE ACT.—Paragraph (3) of section 7502(e) is amended by striking out "the tax" and inserting in lieu thereof "any tax".

SEC. 112. AMENDMENTS RELATED TO MISCELLANEOUS PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 171 OF THE ACT.—

(1) Subsection (a) of section 111 (relating to recovery of tax benefit items) is amended by striking out "did not reduce income subject to tax" and inserting in lieu thereof "did not reduce the amount of tax imposed by this chapter".

(2) Subsection (c) of section 111 (relating to treatment of carryovers) is amended by striking out "reducing income subject to tax or reducing tax imposed by this chapter, as the case may be" and inserting in lieu thereof "reducing tax imposed by this chapter".

(3) Paragraph (12) of section 381(c) (relating to recovery of bad debts, prior taxes, or delinquency amounts) is amended to read as follows:

"(12) RECOVERY OF TAX BENEFIT ITEMS.—If the acquiring corporation is entitled to the recovery of any amounts previously deducted by (or allowable as credits to) the distributor or transferor corporation, the acquiring corporation shall succeed to the treatment under section 111 which would apply to such amounts in the hands of the distributor or transferor corporation."

(4) Paragraph (2) of section 1351(d) is amended by striking out "relating to recovery of bad debts, etc.," and inserting in lieu thereof "relating to recovery of tax benefit items".

(5) Paragraph (3) of section 1398(g) is amended to read as follows:

"(3) RECOVERY OF TAX BENEFIT ITEMS.—Any amount to which section 111 (relating to recovery of tax benefit items) applies."

(b) AMENDMENTS RELATED TO SECTION 172 OF THE ACT.—

(1) COORDINATION OF SECTION 7872 WITH TAXES ON PRIVATE FOUNDATIONS.—Subparagraph (B) of section 4941(d)(2) (defining self-dealing) is amended by striking out "without interest or other charge" and inserting in lieu thereof "without interest or other charge (determined without regard to section 7872)".

(2) COORDINATION WITH WITHHOLDING.—Paragraph (9) of section 7872(f) (relating to no withholding) is amended to read as follows:

"(9) NO WITHHOLDING.—No amount shall be withheld under chapter 24 with respect to—

"(A) any amount treated as transferred or retransferred under subsection (a), and

"(B) any amount treated as received under subsection (b)."

(3) DEFINITION OF DEMAND LOAN.—Paragraph (5) of section 7872(f) (defining demand loan) is amended by adding at the end thereof the following new sentence: "To the extent provided in regulations, such term includes any loan with an indefinite maturity."

(4) CLARIFICATION OF APPLICABLE FEDERAL RATE.—Subparagraph (B) of section 7872(f)(2) (defining applicable Federal rate) is amended by inserting ", compounded semiannually" immediately before the period at the end thereof.

(c) AMENDMENTS RELATED TO SECTION 174 OF THE ACT.—

(1) TREATMENT OF FOREIGN PERSONS.—Subsection (a) of section 267 is amended by adding at the end thereof the following new paragraph:

"(3) PAYMENTS TO FOREIGN PERSONS.—The Secretary shall by regulations apply the matching principle of paragraph (2) in cases in which the person to whom the payment is to be made is not a United States person."

(2) CLERICAL AMENDMENT.—Paragraph (12) of section 267(b) (defining related persons) is amended by striking out "same persons owns" and inserting in lieu thereof "same persons own".

(d) AMENDMENTS RELATED TO SECTION 177 OF THE ACT.—

(1) CLARIFICATION OF TREATMENT OF DIVIDENDS PAID BY FEDERAL HOME LOAN BANKS.—

(A) Subparagraph (B) of section 246(a)(2) (relating to certain dividends of Federal home loan banks) is amended—

(i) by striking out "For purposes of subparagraph (A), in" and inserting in lieu thereof "In", and

(ii) by striking out subclause (II) of clause (i) and inserting in lieu thereof the following:

"(II) which were not previously treated as distributed under subparagraph (A) or this subparagraph, bears to."

(B) Paragraph (2) of section 246(a) (relating to subsection not to apply to certain dividends of Federal Home Loan Banks) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) COORDINATION WITH SECTION 243.—To the extent that paragraph (1) does not apply to any dividend by reason of subparagraph (A) or (B) of this paragraph, the requirement contained in section 243(a) that the corporation paying the dividend be subject to taxation under this chapter shall not apply."

(2) CLARIFICATION OF EFFECTIVE DATE.—Paragraph (4) of section 177(d) of the Tax Reform Act of 1984 (relating to effective dates) is amended to read as follows:

"(4) CLARIFICATION OF EARNINGS AND PROFITS OF FEDERAL HOME LOAN MORTGAGE CORPORATION.—

"(A) TREATMENT OF DISTRIBUTION OF PREFERRED STOCK, ETC.—For purposes of the Internal Revenue Code of 1954, the distribution of preferred stock by the Federal Home Loan Mortgage Corporation during December of 1984, and the other distributions of such stock by Federal Home Loan Banks during January of 1985, shall be treated as if they were distributions of money equal to the fair market value of the stock on the date of the distribution by the Federal Home Loan Banks (and such stock shall be treated as if it were purchased with the money treated as so distributed). No deduction shall be allowed under section 243 of the Internal Revenue Code of 1954 with respect to any dividend paid by the Federal Home Loan Mortgage Corporation out of earnings and profits accumulated before January 1, 1985.

"(B) SECTION 246(a) NOT TO APPLY TO DISTRIBUTIONS OUT OF EARNINGS AND PROFITS ACCUMULATED DURING 1985.—Subsection (a) of section 246 of the Internal Revenue Code of 1954 shall not apply to any dividend paid by the Federal Home Loan Mortgage Corporation during 1985 out of earnings and profits accumulated after December 31, 1984."

(e) AMENDMENTS RELATED TO SECTION 179 OF THE ACT.—

(1) CLARIFICATION OF DEFINITION OF PASSENGER AUTOMOBILE.—

(A) SECTION 280F.—Clause (ii) of section 280F(d)(5)(A) (defining passenger automobile) is amended by striking out "gross vehicle weight" and inserting in lieu thereof "unloaded gross vehicle weight".

(B) GAS GUZZLER TAX.—

(i) Clause (ii) of section 4064(b)(1)(A) (defining passenger automobile) is amended by striking out "gross vehicle weight" and inserting in lieu thereof "unloaded gross vehicle weight".

(ii) The amendment made by clause (i) shall take effect as if included in the amendments made by section 201(a) of Public Law 95-618.

(2) DEDUCTIONS OF EMPLOYEE FOR USE OF LISTED PROPERTY.—Subparagraph (A) of section 280F(d)(3) (relating to deductions of employee) is amended by striking out "recovery deduction allowable to the employee" and inserting in lieu thereof "recovery deduction allowable to the employee (or the amount of any deduction allowable to the employee for rentals or other payments under a lease of listed property)".

(3) TREATMENT OF CERTAIN COMPUTERS.—Subparagraph (B) of section 280F(d)(4) (relating to exception for certain computers) is amended by striking out "at a regular business establishment" and inserting in lieu thereof "at a regular business establishment and owned or leased by the person operating such establishment".

(4) CLERICAL AMENDMENT.—Paragraph (2) of section 280F(d) (relating to subsequent depreciation deductions reduced for deductions allocable to personal use) is amended by striking out "is not use described in" and inserting in lieu thereof "is use described in".

PART B—AMENDMENTS RELATED TO TITLE II OF THE ACT

SEC. 121. AMENDMENTS RELATED TO SECTION 211 OF THE ACT.

(a) CERTAIN AMOUNTS NOT LESS THAN SURRENDER VALUE OF CONTRACT.—Subsection (c) of section 807 (relating to rules for certain reserves) is amended by adding at the end thereof the following new sentence: "In no case shall the amount determined under paragraph (3) for any contract be less than the net surrender value of such contract."

(b) CLARIFICATION OF DEFINITION OF EXCESS INTEREST.—Subparagraph (B) of section 808(d)(1) (defining excess interest) is amended to read as follows:

"(B) in excess of interest determined at the prevailing State assumed rate for such contract."

(c) COORDINATION OF 1984 FRESH-START ADJUSTMENT WITH CERTAIN ACCELERATIONS OF POLICYHOLDER DIVIDENDS DEDUCTIONS.—Section 808 (relating to policyholder dividends deduction) is amended by adding at the end thereof the following new subsection:

"(f) COORDINATION OF 1984 FRESH-START ADJUSTMENT WITH ACCELERATION OF POLICYHOLDER DIVIDENDS DEDUCTION THROUGH CHANGE IN BUSINESS PRACTICE.—

"(1) IN GENERAL.—The amount determined under paragraph (1) of subsection (c) for the year of change shall (before any reduction under paragraph (2) of subsection (c)) be reduced by so much of the accelerated policyholder dividends deduction for such

year as does not exceed the 1984 fresh-start adjustment for policyholder dividends (to the extent such adjustment was not previously taken into account under this subsection).

"(2) YEAR OF CHANGE.—For purposes of this subsection, the term 'year of change' means the taxable year in which the change in business practices which results in the accelerated policyholder dividends deduction takes effect.

"(3) ACCELERATED POLICYHOLDER DIVIDENDS DEDUCTION DEFINED.—For purposes of this subsection, the term 'accelerated policyholder dividends deduction' means the amount which (but for this subsection) would be determined for the taxable year under paragraph (1) of subsection (c) but which would have been determined (under such paragraph) for a later taxable year under the business practices of the taxpayer as in effect at the close of the preceding taxable year.

"(4) 1984 FRESH-START ADJUSTMENT FOR POLICYHOLDER DIVIDENDS.—For purposes of this subsection, the term '1984 fresh-start adjustment for policyholder dividends' means the amounts held as of December 31, 1983, by the taxpayer as reserves for dividends to policyholders under section 811(b) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1984) other than for dividends which accrued before January 1, 1984. Such amounts shall be properly reduced to reflect the amount of previously nondeductible policyholder dividends (as determined under section 809(f) as in effect on the day before the date of the enactment of the Tax Reform Act of 1984).

"(5) SEPARATE APPLICATION WITH RESPECT TO LINES OF BUSINESS.—This subsection shall be applied separately with respect to each line of business of the taxpayer.

"(6) SUBSECTION NOT TO APPLY TO MERE CHANGE IN DIVIDEND AMOUNT.—This subsection shall not apply to a mere change in the amount of policyholder dividends."

(d) CLARIFICATION OF EQUITY BASE.—Paragraph (2) of section 809(b) (defining equity base) is amended by adding at the end thereof the following new sentence:

"No item shall be taken into account more than once in determining equity base."

(e) DEFINITION OF 50 LARGEST STOCK COMPANIES.—Subparagraph (C) of section 809(d)(4) (defining 50 largest stock companies) is amended—

(1) by striking out "the equity of such company" and inserting in lieu thereof "the surplus and capital of such company", and

(2) by striking out "on the basis of equity" and inserting in lieu thereof "on the basis of surplus and capital".

(f) CLARIFICATION OF STATEMENT GAIN OR LOSS FROM OPERATIONS.—Paragraph (1) of section 809(g) (defining statement gain or loss from operations) is amended by striking out so much of such paragraph as precedes subparagraph (B) and inserting in lieu thereof the following:

"(1) STATEMENT GAIN OR LOSS FROM OPERATIONS.—The term 'statement gain or loss from operations' means the net gain or loss from operations required to be set forth in the annual statement, determined without regard to Federal income taxes and—

"(A) determined by substituting for the amount shown for policyholder dividends the amount of deduction for policyholder dividends determined under section 808 (without regard to section 808(c)(2)),".

(g) MOST RECENT DIFFERENTIAL EARNINGS RATE MAY BE USED FOR PURPOSES OF ESTIMATED TAX PAYMENTS.—Subsection (c) of section 809 (defining differential earnings rate) is amended by adding at the end thereof the following new paragraph:

"(3) COORDINATION WITH ESTIMATED TAX PAYMENTS.—

"(A) IN GENERAL.—If, with respect to any installment of estimated tax—

"(i) the most recent published differential earnings rate, is less than

"(ii) the differential earnings rate applicable under paragraph (1) to the taxable year for which the installment is paid,

for purposes of applying section 6655 with respect to such installment, the amount of tax shall be determined by using the most recent published differential earnings rate.

"(B) MOST RECENT PUBLISHED DIFFERENTIAL EARNINGS RATE.—For purposes of subparagraph (A), the term 'most recent published differential earnings rate' means the most recent differential earnings rate published by the Secretary (determined as of the day 30 days before the date prescribed for payment of the installment of estimated tax)."

(h) AMENDMENTS RELATED TO PRORATION FORMULAS.—

(1) Paragraph (2) of section 812(b) is amended—

(A) by striking out "the prevailing State assumed rate" in subparagraph (A) and inserting in lieu thereof "the prevailing State assumed rate or, where such rate is not used, another appropriate rate",

(B) by striking out "and" at the end of subparagraph (B),

(C) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and

(D) by adding at the end thereof the following new subparagraph:

"(D) interest on amounts left on deposit with the company."

(2) Subparagraph (B) of section 812(b)(3) (relating to gross investment income's proportionate share of policyholder dividends) is amended—

(A) by striking out "(including tax-exempt interest)" in clause (ii), and

(B) by adding at the end thereof the following new sentence:

"For purposes of subparagraph (B)(ii), life insurance gross income shall be determined by including tax-exempt interest and by applying section 807(a)(2)(B) as if it did not contain clause (i) thereof."

(3) Subsection (c) of section 812 (defining net investment income) is amended to read as follows:

"(c) NET INVESTMENT INCOME.—For purposes of this section, the term 'net investment income' means—

"(1) except as provided in paragraph (2), 90 percent of gross investment income; or

"(2) in the case of gross investment income attributable to assets held in segregated asset accounts under variable contracts, 95 percent of gross investment income."

(4) Section 812 is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF INTEREST PARTIALLY TAX-EXEMPT UNDER SECTION 133.—For purposes of this section and subsections (a) and (b) of section 807, the terms 'gross investment income' and 'tax-exempt interest' shall not include any interest received with respect to a securities acquisition loan (as defined in section 133(b)). Such interest shall not be included in life insurance gross income for purposes of subsection (b)(3)."

(i) TREATMENT OF FOREIGN LIFE INSURANCE COMPANIES.—Paragraph (1) of section 813(a) (relating to adjustment where surplus held in United States is less than specified minimum) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall be applied before computing the amount of the special life insurance company deduction and the small life insurance company deduction, and any increase under the preceding sentence shall be treated as gross investment income."

(j) TREATMENT OF CERTAIN DISTRIBUTIONS TO SHAREHOLDERS FROM PRE-1984 POLICYHOLDERS SURPLUS ACCOUNT.—

(1) Subsection (f) of section 815 (relating to other rules applicable to policyholders surplus account continued) is amended by striking out "section 6501(c)(6)" and inserting in lieu thereof "sections 819(b), 6501(c)(6)".

(2) Subsection (a) of section 815 is amended by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, the term 'indirect distribution' shall not include any bona fide loan with arms-length terms and conditions."

(k) TREATMENT OF DEFICIENCY RESERVES.—Section 816 (defining life insurance company) is amended by adding at the end thereof the following new subsection:

"(h) TREATMENT OF DEFICIENCY RESERVES.—For purposes of this section and section 813(a)(4)(B), the terms 'life insurance reserves' and 'total reserves' shall not include deficiency reserves."

(l) TREATMENT OF CERTAIN NONDIVERSIFIED CONTRACTS.—

(1) Subsection (h) of section 817 (relating to treatment of certain nondiversified contracts) is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) SPECIAL RULE FOR INVESTMENTS IN UNITED STATES OBLIGATIONS.—To the extent that any segregated asset account with respect to a variable life insurance contract is invested in securities issued by the United States Treasury, the investments made by such account shall be treated as adequately diversified for purposes of paragraph (1).

"(4) LOOK-THROUGH IN CERTAIN CASES.—For purposes of this subsection, if all of the beneficial interests in a regulated investment company or in a trust are held by 1 or more—

"(A) insurance companies (or affiliated companies) in their general account or in segregated asset accounts, or

"(B) fund managers (or affiliated companies) in connection with the creation or management of the regulated investment company or trust,

the diversification requirements of paragraph (1) shall be applied by taking into account the assets held by such regulated investment company or trust.

"(5) INDEPENDENT INVESTMENT ADVISORS PERMITTED.—Nothing in this subsection shall be construed as prohibiting the use of independent investment advisors."

(2) Paragraph (1) of section 817(h) is amended by striking out the last sentence.

(m) TREATMENT OF CERTAIN DEFERRED COMPENSATION PLANS.—Subparagraph (A) of section 818(a)(6) (defining pension plan contract) is amended to read as follows:

"(A) a governmental plan (within the meaning of section 414(d)) or an eligible State deferred compensation plan (within the meaning of section 457(b)), or".

(n) DIVIDENDS WITHIN AFFILIATED GROUP.—Subsection (e) of section 818 (relat-

ing to special rule for consolidated returns) is amended to read as follows:

"(e) SPECIAL RULES FOR CONSOLIDATED RETURNS.—

"(1) ITEMS OF COMPANIES OTHER THAN LIFE INSURANCE COMPANIES.—If an election under section 1504(c)(2) is in effect with respect to an affiliated group for the taxable year, all items of the members of such group which are not life insurance companies shall not be taken into account in determining the amount of the tentative LICTI of members of such group which are life insurance companies.

"(2) DIVIDENDS WITHIN GROUP.—In the case of a life insurance company filing or required to file a consolidated return under section 1501 with respect to any affiliated group for any taxable year, any determination under this part with respect to any dividend paid by one member of such group to another member of such group shall be made as if such group was not filing a consolidated return."

(o) CLERICAL AMENDMENT.—Paragraph (3) of section 809(f) is amended by striking out "subsection (c)(2)" and inserting in lieu thereof "subsection (c)(1)(B)".

SEC. 122. AMENDMENTS RELATED TO SECTION 216 OF THE ACT.

(a) CLARIFICATION OF APPLICATION OF 10-YEAR SPREAD.—Subparagraph (C) of section 216(b)(3) of the Tax Reform Act of 1984 (relating to 10-year spread inapplicable where no 10-year spread under prior law) is amended by striking out "was required to have been taken into account" and inserting in lieu thereof "would have been required to be taken into account".

(b) TREATMENT OF CERTAIN ELECTIONS UNDER SECTION 818(c).—Subparagraph (B) of section 216(b)(4) of the Tax Reform Act of 1984 (relating to the elections under section 818(c) after September 27, 1983, not taken into account) is amended by striking out "Subparagraph (A)" and inserting in lieu thereof "Paragraph (3) and subparagraph (A) of this paragraph".

(c) ELECTION NOT TO HAVE RESERVES RECOMPUTED.—

(1) Clause (ii) of section 216(c)(2)(A) of the Tax Reform Act of 1984 (relating to election with respect to contracts issued after 1983 and before 1989) is amended by striking out "$3,000,000" and inserting in lieu thereof "$3,000,000 (determined with regard to this paragraph)".

(2) Subparagraph (B) of section 216(c)(2) of the Tax Reform Act of 1984 is amended—

(A) by striking out "statutory reserves" and inserting in lieu thereof "opening and closing statutory reserves", and

(B) by striking out "under section 805(c)(1) of such Code" and inserting in lieu thereof "under the principles of section 805(c)(1) of such Code".

(d) SPECIAL RULE WHERE REINSURER NOT USING CALENDAR YEAR AS TAXABLE YEAR.—Subparagraph (A) of section 216(b)(3) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following: "For purposes of this subparagraph, if the reinsurer's taxable year is not a calendar year, the first day of the reinsurer's first taxable year beginning after December 31, 1983, shall be substituted for 'January 1, 1984' each place it appears."

SEC. 123. AMENDMENT RELATED TO SECTION 217 OF THE ACT.

Subsection (n) of section 217 of the Tax Reform Act of 1984 (relating to special rule for companies using net level reserve method for noncancellable accident and health insurance contracts) is amended to read as follows:

"(n) SPECIAL RULE FOR COMPANIES USING NET LEVEL RESERVE METHOD FOR NONCANCELLABLE ACCIDENT AND HEALTH INSURANCE CONTRACTS.—A company shall be treated as meeting the requirements of section 807(d)(3)(A)(iii) of the Internal Revenue Code of 1954, as amended by this Act, with respect to any directly-written noncancellable accident and health insurance contract (whether under existing or new plans of insurance) for any taxable year if—

"(1) such company—

"(A) was using the net level reserve method to compute at least 99 percent of its statutory reserves on such contracts as of December 31, 1982, and

"(B) received more than half its total direct premiums in 1982 from directly-written noncancellable accident and health insurance,

"(2) after December 31, 1983, and through such taxable year, such company has continuously used the net level reserve method for computing at least 99 percent of its tax and statutory reserves on such contracts, and

"(3) for any such contract for which the company does not use the net level reserve method, such company uses the same method for computing tax reserves as such company uses for computing its statutory reserves."

SEC. 124. AMENDMENT RELATED TO SECTION 218 OF THE ACT.

Section 218 of the Tax Reform Act of 1984 is hereby repealed.

SEC. 125. AMENDMENTS RELATED TO SECTION 221 OF THE ACT.

(a) COMPUTATIONAL RULES.—Paragraph (1) of section 7702(e) (relating to computational rules) is amended —

(1) by striking out "shall be no earlier than" in subparagraph (B) and inserting in lieu thereof "shall be deemed to be no earlier than",

(2) by striking out "and" at the end of subparagraph (B),

(3) by redesignating subparagraph (C) as subparagraph (D) and inserting after subparagraph (B) the following new subparagraph:

"(C) the death benefits shall be deemed to be provided until the maturity date determined by taking into account subparagraph (B), and", and

(4) by striking out "the maturity date described in subparagraph (B)" in subparagraph (D) (as so redesignated) and inserting in lieu thereof "the maturity date determined by taking into account subparagraph (B)".

(b) TREATMENT OF FLEXIBLE PREMIUM CONTRACTS ISSUED DURING 1984 WHICH MEET NEW REQUIREMENTS.—Subsection (b) of section 221 of the Tax Reform Act of 1984 (relating to 1-year extension of flexible premium contract provisions) is amended by adding at the end thereof the following new paragraph:

"(3) TRANSITIONAL RULE.—Any flexible premium contract issued during 1984 which meets the requirements of section 7702 of the Internal Revenue Code of 1954 (as added by this section) shall be treated as meeting the requirements of section 101(f) of such Code."

(c) TREATMENT OF CERTAIN CONTRACTS ISSUED BEFORE OCTOBER 1, 1984.—Clause (i) of section 221(d)(2)(C) of the Tax Reform Act of 1984 (relating to certain contracts issued before October 1, 1984) is amended—

(1) by striking out "in clause (i) thereof" in the material preceding subclause (I), and

(2) by striking out "any mortality charges" in subclause (I) and inserting in lieu thereof "any mortality charges and any initial excess interest guarantees".

SEC. 126. AMENDMENTS RELATED TO SECTION 222 OF THE ACT.

(a) EXCEPTION FOR ANNUITY CONTRACTS WHICH ARE PART OF QUALIFIED PLANS.—Subsection (s) of section 72 (relating to required distributions where holder dies before entire interest is distributed) is amended by adding at the end thereof the following new paragraph:

"(5) EXCEPTION FOR ANNUITY CONTRACTS WHICH ARE PART OF QUALIFIED PLANS.—This subsection shall not apply to any annuity contract—

"(A) which is purchased—

"(i) by a trust described in section 401(a) which is exempt from tax under section 501, or

"(ii) as part of a plan described in section 403(a),

"(B) which is described in section 403(b), or

"(C) which is an individual retirement annuity or purchased under an individual retirement account or annuity."

(b) SPECIAL RULES WHERE HOLDER IS NOT INDIVIDUAL, ETC.—

(1) Subsection (s) of section 72 (relating to required distributions where holder dies before entire interest is distributed) is amended by adding at the end thereof the following new paragraphs:

"(6) SPECIAL RULE WHERE HOLDER IS CORPORATION OR OTHER NON-INDIVIDUAL.—

"(A) IN GENERAL.—For purposes of this subsection, if the holder of the contract is not an individual, the primary annuitant shall be treated as the holder of the contract.

"(B) PRIMARY ANNUITANT.—For purposes of subparagraph (A), the term 'primary annuitant' means the individual, the events in the life of whom are of primary importance in affecting the timing or amount of the payout under the contract.

"(7) TREATMENT OF CERTAIN TRANSFERS.—

"(A) IN GENERAL.—For purposes of this subsection, if—

"(i) an individual who holds an annuity contract transfers it by gift, or

"(ii) in the case of a holder which is not an individual, there is any change in a primary annuitant (as defined in paragraph (6)(B)),

then such transfer or change shall be treated as the death of the holder.

"(B) EXCEPTION FOR CERTAIN TRANSFERS BETWEEN SPOUSES OR FORMER SPOUSES.—Subparagraph (A) shall not apply to any transfer to which section 1041(a) (relating to transfers of property between spouses or incident to divorce) applies."

(2) Paragraph (1) of section 72(s) is amended by striking out "the holder of such contract" each place it appears and inserting in lieu thereof "any holder of such contract".

(3) The amendments made by this subsection shall apply to contracts issued after the date which is 6 months after the date of the enactment of this Act in taxable years ending after such date.

(c) CLARIFICATION OF EXCEPTION FOR DISTRIBUTION AFTER DEATH.—Subparagraph (B) of section 72(q)(2) (relating to 5-percent penalty for premature distributions from annuity contracts) is amended to read as follows:

"(B) made on or after the death of the holder (or, where the holder is not an individual, the death of the primary annuitant (as defined in subsection (s)(6)(B))),".

SEC. 127. AMENDMENTS RELATED TO SECTION 223 OF THE ACT.

(a) DETERMINATION OF COSTS IN THE CASE OF DISCRIMINATORY PLANS.—

(1) IN GENERAL.—Subparagraph (B) of section 79(d)(1) (relating to nondiscrimination requirements) is amended to read as follows:

"(B) the cost of group-term life insurance on the life of any key employee shall be the greater of—

"(i) such cost determined without regard to subsection (c), or

"(ii) such cost determined with regard to subsection (c)."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years ending after the date of the enactment of this Act.

(b) CLARIFICATION OF EFFECTIVE DATE.—Subparagraph (A) of section 223(d)(2) of the Tax Reform Act of 1984 (relating to treatment of former employees in case of existing group-term insurance plans) is amended by striking out the material following clause (ii) and inserting in lieu thereof the following:

"but only with respect to an individual who attained age 55 on or before January 1, 1984, and was employed by such employer (or a predecessor employer) at any time during 1983. Such amendments also shall not apply to any employee who retired from employment on or before January 1, 1984, and who, when he retired, was covered by the plan (or a predecessor plan)."

(c) DEFINITION OF KEY EMPLOYEE.—Paragraph (6) of section 79(d) (defining key employee) is amended by adding at the end thereof the following new sentence: "Such term also includes any retired employee if such employee when he retired was a key employee."

(d) SEPARATE TREATMENT OF FORMER EMPLOYEES.—Subsection (d) of section 79 (relating to nondiscrimination requirements) is amended by adding at the end thereof the following new paragraph:

"(8) TREATMENT OF FORMER EMPLOYEES.—To the extent provided in regulations, this subsection shall be applied separately with respect to former employees."

(e) COORDINATION WITH SECTION 83.—Paragraph (5) of section 83(e) is amended by striking out "the cost of".

SEC. 128. AMENDMENT RELATED TO SECTION 224 OF THE ACT.

Paragraph (1) of section 1035(b) (defining endowment contract) is amended by striking out "subject to tax under subchapter L".

SEC. 129. WAIVER OF INTEREST ON CERTAIN UNDERPAYMENTS OF TAX.

No interest shall be payable for any period before July 19, 1984, on any underpayment of a tax imposed by the Internal Revenue Code of 1954, to the extent such underpayment was created or increased by any provision of subtitle A of title II of the Tax Reform Act of 1984 (relating to taxation of life insurance companies).

PART C—AMENDMENTS RELATED TO TITLE III OF THE ACT

SEC. 131. AMENDMENT RELATED TO SECTION 301 OF THE ACT.

Clause (iv) of section 170(b)(1)(C) (defining capital gain property) is amended by striking out "this subparagraph" and inserting in lieu thereof "this paragraph".

SEC. 132. AMENDMENT RELATED TO SECTION 303 OF THE ACT.

Paragraph (2) of section 4940(e) (relating to requirements) is amended by striking out subparagraph (B) and the material following such subparagraph and inserting in lieu thereof the following:

"(B) such private foundation was not liable for tax under section 4942 with respect to any year in the base period."

SEC. 133. AMENDMENT RELATED TO SECTION 311 OF THE ACT.

Subparagraph (A) of section 311(a)(3) of the Tax Reform Act of 1984 is amended by striking out "a State law" and inserting in lieu thereof "a State law (originally enacted on April 22, 1977)".

PART D—AMENDMENTS RELATED TO TITLE IV OF THE ACT

SEC. 141. AMENDMENT RELATED TO SECTION 411 OF THE ACT.

Section 6654 (relating to failure by individual to pay estimated income tax) is amended by redesignating subsections (j), (k), and (l) as subsections (k), (l), and (m), respectively, and by inserting after subsection (i) the following new subsection:

"(j) SPECIAL RULES FOR NONRESIDENT ALIENS.—In the case of a nonresident alien described in section 6072(c):

"(1) PAYABLE IN 3 INSTALLMENTS.—There shall be 3 required installments for the taxable year.

"(2) TIME FOR PAYMENT OF INSTALLMENTS.—The due dates for required installments under this subsection shall be determined under the following table:

"In the case of the following required installments:	The due date is:
1st	June 15.
2nd	September 15.
3rd	January 15 of the following taxable year.

"(3) AMOUNT OF REQUIRED INSTALLMENTS.—

"(A) FIRST REQUIRED INSTALLMENT.—In the case of the first required installment, subsection (d) shall be applied by substituting '50 percent' for '25 percent' in subsection (d)(1)(A).

"(B) DETERMINATION OF APPLICABLE PERCENTAGE.—The applicable percentage for purposes of subsection (d)(2) shall be determined under the following table:

"In the case of the following required installments:	The applicable percentage is:
1st	40
2nd	60
3rd	80."

SEC. 142. AMENDMENT RELATED TO SECTION 421 OF THE ACT.

Section 267 (relating to losses, expenses, and interest with respect to transactions between related taxpayers) is amended by adding at the end thereof the following new subsection:

"(g) COORDINATION WITH SECTION 1041.—Subsection (a)(1) shall not apply to any transfer described in section 1041(a) (relating to transfers of property between spouses or incident to divorce)."

SEC. 143. AMENDMENTS RELATED TO SECTION 422 OF THE ACT.

(a) CROSS REFERENCE.—Section 71 (relating to alimony and separate maintenance payments) is amended by adding at the end thereof the following new subsection:

"(g) CROSS REFERENCES.—

"(1) For deduction of alimony or separate maintenance payments, see section 215.

"(2) For taxable status of income of an estate or trust in the case of divorce, etc., see section 682."

(b) CLERICAL AMENDMENT.—Subparagraph (B) of section 71(c)(2) (relating to treatment of certain reductions related to contingency involving child) is amended by striking out "specified in paragraph (1)" and inserting in lieu thereof "specified in subparagraph (A)".

SEC. 144. AMENDMENTS RELATED TO SECTION 431 OF THE ACT.

(a) DEFINITION OF RELATED PERSON.—Clause (v) of section 46(c)(8)(D) is amended by striking out "clause (i)" and inserting in lieu thereof "this subparagraph".

(b) CLARIFICATION OF RECAPTURE.—

(1) Paragraph (1) of section 47(d) (relating to increases in nonqualified nonrecourse financing) is amended by striking out "reducing the qualified investment" and inserting in lieu thereof "reducing the credit base (as defined in section 48(c)(8)(C))".

(2) Subparagraph (F) of section 47(d)(3) (relating to application with subsection (a)) is amended by striking out "the qualified investment" and inserting in lieu thereof "the credit base determined".

SEC. 145. AMENDMENT RELATED TO SECTION 452 OF THE ACT.

Section 456 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subsection:

"(d) SECTION 452.—The amendment made by section 452 shall apply to products manufactured or produced after October 31, 1984."

SEC. 146. AMENDMENTS RELATED TO SECTION 473 OF THE ACT.

Subsection (d) of section 39 (relating to transitional rules) is amended—

(1) by striking out "or 44G" in paragraph (1)(A) and inserting in lieu thereof "or 44G (as in effect before the enactment of the Tax Reform Act of 1984)", and

(2) by striking out "as so defined in section 25(b)" in paragraph (2)(B) and inserting in lieu thereof "as defined in section 26(b)".

SEC. 147. AMENDMENTS RELATED TO SECTION 474 OF THE ACT.

(a) MINIMUM TAX AMENDMENTS.—

(1) Subparagraph (A) of section 55(c)(3) (relating to carryover and carryback of certain credits) is amended by striking out "of such limitation" and inserting in lieu thereof "of such credit allowable".

(2) Effective with respect to taxable years beginning after December 31, 1982, clause (i) of section 55(c)(2)(E) (relating to special rule for applying section 904(c)) is amended to read as follows:

"(i) the limitation of section 904(a) shall be deemed to be the amount of foreign tax credit allowable under section 27(a) in computing the regular tax for the taxable year increased by the amount of the limitation determined under subparagraph (C), and".

(b) CLERICAL AMENDMENTS.—

(1) The clause heading for clause (iii) of section 30(b)(2)(D) is amended by striking out "NEW JOBS OR WIN CREDIT" and inserting in lieu thereof "TARGETED JOBS CREDIT".

(2) Paragraph (1) of section 86(f) is amended by striking out "section 37(c)(3)(A)" and inserting in lieu thereof "section 22(c)(3)(A)".

(3) Subparagraph (C) of section 151(e)(5) is amended by striking out "section 37(e)" and inserting in lieu thereof "section 22(e)".

(4) Clause (i) of section 415(c)(3)(C) is amended by striking out "section 37(e)(3)" and inserting in lieu thereof "section 22(e)(3)".

(5) Paragraph (9) of section 422A(c) is amended by striking out "section 37(e)(3)"

and inserting in lieu thereof "section 22(e)(3)".

(6) Paragraph (5) of section 48(l) is amended—

(A) by striking out "section 44C(c)" and inserting in lieu thereof "section 23(c)", and

(B) by striking out "section 44C(c)(4)(A)(viii)" and inserting in lieu thereof "section 23(c)(4)(A)(viii)".

(7) Subparagraph (E) of section 108(b)(2) is amended by striking out "section 33" and inserting in lieu thereof "section 27".

(8) Subsection (b) of section 280C is amended—

(A) by striking out "section 29" each place it appears and inserting in lieu thereof "section 28", and

(B) by striking out "section 29(b)" and inserting in lieu thereof "section 28(b)".

(9) Section 6699 is amended—

(A) by striking out "section 44G" each place it appears in subsections (a) and (c)(2)(B) and inserting in lieu thereof "section 41", and

(B) by striking out "section 44G(c)(1)(B)" in subsection (a)(4) and inserting in lieu thereof "section 41(c)(1)(B)".

(10) Subsection (a) of section 6411 is amended by striking out "or unused business credit" in the second sentence thereof and inserting in lieu thereof "unused research credit, or unused business credit".

(11) Subparagraph (A) of section 46(b)(2) is amended by striking out "48(l)(3)(A)(vii)" in the table contained in such subparagraph and inserting in lieu thereof "48(l)(3)(A)(viii)".

(12) Paragraph (1) of section 163(b) of the Tax Reform Act of 1984 is amended by inserting "(as amended by sections 211, 314, and 474 of this Act)" after "Section 6501".

(13) Section 6501 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) DEFICIENCIES ATTRIBUTABLE TO ELECTION OF CERTAIN CREDITS.—The period for assessing a deficiency attributable to any election under section 40(f) or 51(j) (or any revocation thereof) shall not expire before the date 1 year after the date on which the Secretary is notified of such election (or revocation)."

(14) Subsection (k) of section 6501 is amended by striking out "an investment credit carryback, or a work incentive program carryback, or a new employee credit carryback" and inserting in lieu thereof "or a credit carryback (as defined in section 6511(d)(4)(C))".

(15) Subsection (h) of section 6511 (relating to limitations on credit or refund) is amended—

(A) by striking out "section 6501(q)(1)(B)" in paragraph (1) and inserting in lieu thereof "section 6501(m)(1)(B)", and

(B) by striking out "section 6501(q)(2)(B)" in paragraph (2) and inserting in lieu thereof "section 6501(m)(2)(B)".

(16) Paragraph (1) of section 665(d) is amended by striking out "subpart A of part IV" and inserting in lieu thereof "part IV".

SEC. 148. AMENDMENTS RELATED TO SECTION 491 OF THE ACT.

(a) Paragraph (9) of section 46(f) (relating to special rule for additional credit) is hereby repealed.

(b) Subparagraph (A) of section 401(c)(2) (defining earned income) is amended by striking out "sections 404 and 405(c)" and inserting in lieu thereof "section 404".

(c) Subparagraph (d) of section 404(a)(8) is amended by striking out "the deductions allowed by this section and section 405(c)" and inserting in lieu thereof "the deduction allowed by this section".

(d) The second sentence of section 2039(e) is amended by striking out "or a bond described in paragraph (3)".

PART E—AMENDMENTS RELATED TO TITLE V OF THE ACT

SEC. 151. AMENDMENTS RELATED TO WELFARE BENEFIT PLAN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—

(1) TREATMENT OF PLANS FOR INDEPENDENT CONTRACTORS.—Paragraph (1) of section 419(g) (relating to extension to plans for independent contractors) is amended by striking out "such a plan" and inserting in lieu thereof "such a relationship".

(2) AMENDMENTS TO SECTION 419A(d).—

(A) COORDINATION WITH SECTION 415.—Paragraph (2) of section 419A(d) (relating to coordination with section 415) is amended by adding at the end thereof the following new sentence: "Subparagraph (B) of section 415(c)(1) shall not apply to any amount treated as an annual addition under the preceding sentence."

(B) SEPARATE ACCOUNT REQUIREMENTS APPLY ONLY WHERE THERE IS PRE-FUNDING.—Paragraph (1) of section 419A(d) is amended by adding at the end thereof the following new sentence:

"The requirements of this paragraph shall apply to the first taxable year for which a reserve is taken into account under subsection (c)(2) and to all subsequent taxable years."

(3) CLARIFICATION OF SECTION 419A(e).—

(A) Subsection (e) of section 419A is amended to read as follows:

"(e) SPECIAL LIMITATIONS ON RESERVES FOR MEDICAL BENEFITS OR LIFE INSURANCE BENEFITS PROVIDED TO RETIRED EMPLOYEES.—

"(1) RESERVE MUST BE NONDISCRIMINATORY.—No reserve may be taken into account under subsection (c)(2) for post-retirement medical benefits or life insurance benefits to be provided to covered employees unless the plan meets the requirements of section 505(b) with respect to such benefits (whether or not such requirements apply to such plan). The preceding sentence shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that post-retirement medical benefits or life insurance benefits were the subject of good faith bargaining between such employee representatives and such employer or employers.

"(2) LIMITATION ON AMOUNT OF LIFE INSURANCE BENEFITS.—Life insurance benefits shall not be taken into account under subsection (c)(2) to the extent the aggregate amount of such benefits to be provided with respect to the employee exceeds $50,000."

(B) Paragraph (2) of section 419A(e) of the Internal Revenue Code of 1954 (as amended by subparagraph (A)) shall not apply to any group-term life insurance to the extent that the amendments made by section 223(a) of the Tax Reform Act of 1984 do not apply to such insurance by reason of paragraph (2) of section 223(d) of such Act.

(4) TREATMENT OF COLLECTIVELY BARGAINED PLANS.—Paragraph (5) of section 419A(f) (relating to higher limit in case of collectively bargained plans) is amended by striking out "welfare benefit fund established under" and inserting in lieu thereof "welfare benefit fund maintained pursuant to".

(5) CLARIFICATION OF ACTUARIAL CERTIFICATION REQUIREMENT.—Subparagraph (A) of section 419A(c)(5) (relating to special limitation where no actuarial certification) is amended by striking out "under paragraph (1)" and inserting in lieu thereof "under this subsection".

(6) AGGREGATION RULES.—Paragraph (1) of section 419A(h) (relating to aggregation rules) is amended to read as follows:

"(1) AGGREGATION OF FUNDS.—

"(A) MANDATORY AGGREGATION.—For purposes of subsections (c)(4), (d)(2), and (e)(2), all welfare benefit funds of an employer shall be treated as 1 fund.

"(B) PERMISSIVE AGGREGATION FOR PURPOSES NOT SPECIFIED IN SUBPARAGRAPH (A).—For purposes of this section (other than the provisions specified in subparagraph (A)), at the election of the employer, 2 or more welfare benefit funds of such employer may be treated as 1 fund."

(7) CLARIFICATION OF ADJUSTMENTS FOR EXISTING RESERVES.—Paragraph (7) of section 419A(f) (relating to adjustments for existing excess reserves) is amended by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraphs:

"(C) EXISTING EXCESS RESERVE.—For purposes of computing the increase under subparagraph (A) for any taxable year, the term 'existing excess reserve' means the excess (if any) of—

"(i) the amount of assets set aside at the close of the first taxable year ending after July 18, 1984, for purposes described in subsection (a), over

"(ii) the account limit determined under this section (without regard to this paragraph) for the taxable year for which such increase is being computed.

"(D) FUNDS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply only to a welfare benefit fund which, as of July 18, 1984, had assets set aside for purposes described in subsection (a)."

(8) CLARIFICATION OF FUND.—Subsection (e) of section 419 (defining welfare benefit funds) is amended by adding at the end thereof the following new paragraph:

"(4) TREATMENT OF AMOUNTS HELD PURSUANT TO CERTAIN INSURANCE CONTRACTS.—

"(A) IN GENERAL.—Notwithstanding paragraph (3)(C), the term 'fund' shall not include amounts held by an insurance company pursuant to an insurance contract if—

"(i) there is no guarantee of a renewal of such contract, and

"(ii) other than insurance protection, the only payments to which the employer or employees are entitled are experience rated refunds or policy dividends which are not guaranteed and which are determined by factors other than the amount of welfare benefits paid to (or on behalf of) the employees of the employer or their beneficiaries.

"(B) LIMITATION.—In the case of any insurance contract described in subparagraph (A), subparagraph (A) shall not apply unless the amount of any experience rated refund or policy dividend payable to an employer with respect to a policy year is treated by the employer as received or accrued in the taxable year in which the policy year ends."

(9) CLARIFICATION OF TAXES PAID BY EMPLOYER ON INCOME OF CERTAIN WELFARE BENEFIT FUNDS.—Subsection (g) of section 419A (relating to employer taxed on income of welfare benefit funds in certain cases) is amended by adding at the end thereof the following new paragraph:

"(3) COORDINATION WITH SECTION 419.—If any amount is included in the gross income of an employer for any taxable year under

paragraph (1) with respect to any welfare benefit fund—

"(A) the amount of the tax imposed by this chapter which is attributable to the amount so included shall be treated as a contribution paid to such welfare benefit fund on the last day of such taxable year, and

"(B) the tax so attributable shall be treated as imposed on the fund for purposes of section 419(c)(4)(A)."

(10) AMENDMENTS TO TAX ON UNRELATED BUSINESS INCOME.—

(A) Clause (i) of section 512(a)(3)(E) is amended by striking out "determined under section 419A(c)" and inserting in lieu thereof "determined under section 419A (without regard to subsection (f)(6) thereof)".

(B) Subparagraph (E) of section 512(a)(3) is amended by striking out clause (ii) and by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(C) Clause (ii) of section 512(a)(3)(E) (as redesignated by subparagraph (B)) is amended—

(i) by striking out "a existing reserve" in subclause (I) and inserting in lieu thereof "an existing reserve",

(ii) by striking out "reserve or post-retirement medical or life insurance benefit" in subclause (II) and inserting in lieu thereof "reserve for post-retirement medical or life insurance benefits", and

(iii) by striking out "as of the close of the last plan year ending before the date of the enactment of the Tax Reform Act of 1984" in subclause (II) and insert in lieu thereof "on July 18, 1984".

(D) Clause (iii) of section 512(a)(3)(E) (as redesignated by subparagraph (B)) is amended by striking out "paragraph shall not" and inserting in lieu thereof "subparagraph shall not".

(11) AMENDMENTS RELATED TO TAX ON CERTAIN FUNDED WELFARE BENEFIT PLANS.—Subsection (b) of section 4976 (defining disqualified benefit) is amended to read as follows:

"(b) DISQUALIFIED BENEFIT.—For purposes of subsection (a)—

"(1) IN GENERAL.—The term 'disqualified benefit' means—

"(A) any post-retirement medical benefit or life insurance benefit provided with respect to a key employee if a separate account is required to be established for such employee under section 419A(d) and such payment is not from such account,

"(B) any post-retirement medical benefit or life insurance benefit provided with respect to an individual in whose favor discrimination is prohibited unless the plan meets the requirements of section 505(b) with respect to such benefit (whether or not such requirements apply to such plan), and

"(C) any portion of a welfare benefit fund reverting to the benefit of the employer.

"(2) EXCEPTION FOR COLLECTIVE BARGAINING PLANS.—Paragraph (1)(B) shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that the benefits referred to in paragraph (1)(B) were the subject of good faith bargaining between such employee representatives and such employer or employers.

"(3) EXCEPTION FOR NONDEDUCTIBLE CONTRIBUTIONS.—Paragraph (1)(C) shall not apply to any amount attributable to a contribution to the fund which is not allowable as a deduction under section 419 for the taxable year or any prior taxable year (and such contribution shall not be included in any carryover under section 419(d)).

"(4) EXCEPTION FOR CERTAIN AMOUNTS CHARGED AGAINST EXISTING RESERVE.—Subparagraphs (A) and (B) of paragraph (1) shall not apply to post-retirement benefits charged against an existing reserve for post-retirement medical or life insurance benefits (as defined in section 512(a)(3)(E))."

(12) CLARIFICATION OF EFFECTIVE DATE.—Subsection (e) of section 511 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraphs:

"(6) AMENDMENTS RELATED TO TAX ON UNRELATED BUSINESS INCOME.—The amendments made by subsection (b) shall apply with respect to taxable years ending after December 31, 1985. For purposes of section 15 of the Internal Revenue Code of 1954, such amendments shall be treated as a change in the rate of a tax imposed by chapter 1 of such Code.

"(7) AMENDMENTS RELATED TO EXCISE TAXES ON CERTAIN WELFARE BENEFIT PLANS.—The amendments made by subsection (c) shall apply to benefits provided after December 31, 1985.

(13) CLERICAL AMENDMENT.—Paragraph (2) of section 511(e) of the Tax Reform Act of 1984 is amended by striking out "and section 514".

(b) AMENDMENTS RELATED TO SECTION 512 OF THE ACT.—

(1) Clause (ii) of section 404(b)(2)(B) (relating to exceptions for certain benefits) is amended by striking out "to any benefit" and inserting in lieu thereof "any benefit".

(2) Subsection (b) of section 404 is amended—

(A) by striking out "UNFUNDED" in the subsection heading and inserting in lieu thereof "CERTAIN", and

(B) by striking out "unfunded" in the heading of paragraph (2) and inserting in lieu thereof "certain".

(c) AMENDMENTS RELATED TO SECTION 513 OF THE ACT.—

(1) Paragraph (1) of section 505(a) (relating to certain requirements must be met in case of organizations described in paragraph (9) or (20) of section 501(c)) is amended by striking out "of an employer".

(2) Paragraph (1) of section 505(b) (relating to nondiscrimination requirements) is amended by striking out "as provided in paragraph (2)" and inserting in lieu thereof "as otherwise provided in this subsection".

(3) Subparagraph (B) of section 505(b)(1) is amended by striking out "highly compensated employees" and inserting in lieu thereof "highly compensated individuals".

(4) Paragraph (2) of section 505(a) (relating to exception for collective bargaining agreements) is amended to read as follows:

"(2) EXCEPTION FOR COLLECTIVE BARGAINING AGREEMENTS.—Paragraph (1) shall not apply to any organization which is part of a plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that such plan was the subject of good faith bargaining between such employee representatives and such employer or employers."

SEC. 152. AMENDMENTS RELATED TO PENSION PLAN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 521 OF THE ACT.—

(1) CLARIFICATION THAT DISTRIBUTION FROM INDIVIDUAL RETIREMENT ACCOUNTS OR ANNUITIES MUST BEGIN AT 70½.—

(A) Paragraph (6) of section 408(a) (defining individual retirement account) is amended by striking out "(relating to required distributions)" and inserting in lieu thereof "(without regard to subparagraph (C)(ii) thereof) and the incidental death benefit requirements of section 401(a)".

(B) Paragraph (3) of section 408(b) (defining individual retirement annuity) is amended by striking out "(relating to required distributions)" and inserting in lieu thereof "(without regard to subparagraph (C)(ii) thereof) and the incidental death benefit requirements of section 401(a)".

(2) EXEMPTION OF PRE-1985 ACCUMULATIONS FROM PENALTY ON PREMATURE DISTRIBUTIONS.—

(A) Subparagraph (A) of section 72(m)(5) (relating to penalties applicable to certain amounts received by 5-percent owners) is amended to read as follows:

"(A) This subparagraph shall apply—

"(i) to amounts which—

"(I) are received from a qualified trust described in section 401(a) or under a plan described in section 403(a), and

"(II) are received by a 5-percent owner before such owner attains the age of 59½ years, for any reason other than such owner becoming disabled (within the meaning of paragraph (7) of this section), and

"(ii) to amounts which are received from a qualified trust described in section 401(a) or under a plan described in section 403(a) at any time by a 5-percent owner, or by the successor of such owner, but only to the extent that such amounts are determined (under regulations prescribed by the Secretary) to exceed the benefits provided for such individual under the plan formula.

Clause (i) shall not apply to any amount received by an individual in his capacity as a policyholder of an annuity, endowment, or life insurance contract which is in the nature of a dividend or similar distribution and clause (i) shall not apply to amounts attributable to contributions paid before January 1, 1985."

(B) Subparagraph (C) of section 72(m)(5) is amended to read as follows:

"(C) For purposes of this paragraph, the term '5-percent owner' means any individual who, at any time during the 5 plan years preceding the plan year in which the amount is received, is a 5-percent owner (as defined in section 416(i)(1)(B)."

(C) Paragraph (5) of section 72(m) is amended by striking out "OWNER-EMPLOYEES" in the paragraph heading and inserting in lieu thereof "5-percent owners".

(3) EXTENSION OF DISTRIBUTION REQUIREMENTS TO SECTION 403(b) ANNUITIES.—

(A) Subsection (b) of section 403 (relating to taxability of beneficiary under annuity purchased by section 501(c)(3) organization or public school) is amended by adding at the end thereof the following new paragraph:

"(10) DISTRIBUTION REQUIREMENTS.—Under regulations prescribed by the Secretary, this subsection shall not apply to any annuity contract (or to any custodial account described in paragraph (7) or retirement income account described in paragraph (9)) unless requirements similar to the requirements of section 401(a)(9) are met (and requirements similar to the incidental death benefit requirements of section 401(a) are met) with respect to such annuity contract (or custodial account or retirement income account)."

(B) Paragraph (7) of section 403(b) is amended by striking out subparagraph (D).

(C) The amendments made by this paragraph shall apply to contributions made

after the date of the enactment of this Act in taxable years ending after such date.

(4) CLARIFICATION OF REQUIRED BEGINNING DATE.—

(A) Subparagraph (C) of section 401(a)(9) (defining required beginning date) is amended by striking out the last sentence and inserting in lieu thereof the following:

"Clause (ii) shall not apply in the case of an employee who is a 5-percent owner (as defined in section 416(i)(1)(B)) at any time during the 5 plan years preceding the plan year ending in the calendar year in which the employee attains age 70½."

(B) Subsection (d) of section 409 (relating to employer securities must stay in the plan) is amended by adding at the end thereof the following new sentence:

"This subsection shall not apply to any distribution required under section 401(a)(9)."

(5) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—

(A) Paragraph (5) of section 402(a) (relating to rollover amounts) is amended by adding at the end thereof the following new subparagraph:

"(G) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—Subparagraph (A) shall not apply to any distribution to the extent such distribution is required under section 401(a)(9)."

(B)(i) Subparagraph (B) of section 403(a)(4) is amended by striking out "and (F)" and inserting in lieu thereof "and (G)".

(ii) Paragraph (8) of section 403(b) is amended by adding at the end thereof the following new subparagraph:

"(D) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—Subparagraph (A) shall not apply to any distribution to the extent such distribution is required under paragraph (10)."

(C) Paragraph (3) of section 408(d) (relating to rollover contributions) is amended by adding at the end thereof the following new subparagraph:

"(E) DENIAL OF ROLLOVER TREATMENT FOR REQUIRED DISTRIBUTIONS.—This subparagraph shall not apply to any amount to the extent such amount is required to be distributed under subsection (a)(6) or (b)(3)."

(6) TREATMENT OF DISTRIBUTIONS REQUIRED UNDER INCIDENTAL DEATH BENEFIT RULES.—Paragraph (9) of section 401(a) (relating to required distributions) is amended by adding at the end thereof the following new subparagraph:

"(G) TREATMENT OF INCIDENTAL DEATH BENEFIT DISTRIBUTIONS.—For purposes of this title, any distribution required under the incidental death benefit requirements of this subsection shall be treated as a distribution required under this paragraph."

(7) CONFORMING AMENDMENTS TO SECTION 4974.—

(A) Subsection (a) of section 4974 (relating to excise tax on certain accumulations in individual retirement accounts or annuities) is amended by striking out "section 408(a) (6) or (7), or 408(b) (3) or (4)" and inserting in lieu thereof "section 408(a)(6) or 408(b)(3)".

(B) Subsection (b) of section 4974 is amended by striking out "section 408(a) (6) or (7) or 408(b) (3) or (4)" and inserting in lieu thereof "section 408(a)(6) or 408(b)(3)".

(b) AMENDMENTS RELATED TO SECTION 522 OF THE ACT.—

(1) Clause (v) of section 402(a)(5)(E) (defining partial distribution) is amended by striking out "of any portion of" and inserting in lieu thereof "of all or any portion of".

(2) Clause (i) of section 402(a)(5)(D) (relating to special rules for partial distributions) is amended by adding at the end thereof the following new sentence:

"For purposes of subclause (I), the balance to the credit of the employee shall not include any accumulated deductible employee contributions (within the meaning of section 72(o)(5))."

(3)(A) Section 402 is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF SELF-EMPLOYED INDIVIDUALS.—For purposes of this section, except as otherwise provided in subparagraph (A) of subsection (e)(4), the term 'employee' includes a self-employed individual (as defined in section 401(c)(1)(B)) and the employer of such individual shall be the person treated as his employer under section 401(c)(4)."

(B) Paragraph (4) of section 402(e) is amended by striking out subparagraph (F).

(4) Paragraph (7) of section 402(a) (relating to rollover where spouse received distributions after death of employee) is amended by striking out "the spouse were the employee" and inserting in lieu thereof "the spouse were the employee; except that a trust or plan described in subclause (III) or (IV) of paragraph (5)(E)(iv) shall not be treated as an eligible retirement plan with respect to such distribution."

(5) Clause (ii) of section 402(a)(5)(D) is amended by striking out "a plan described in subclause (IV) or (V)" and inserting in lieu thereof "a trust or plan described in subclause (III) or (IV)".

(6) Clause (i) of section 402(a)(5)(F) is amended by striking out "a transfer described in subparagraph (A)" and inserting in lieu thereof "a transfer resulting in any portion of a distribution being excluded from gross income under subparagraph (A)".

(7) Paragraph (20) of section 401(a) is amended by striking out "qualifying rollover distribution (determined as if section 402(a)(5)(D)(i) did not contain subclause (II) thereof) described in section 402(a)(5)(A)(i) or 403(a)(4)(A)(i)" and inserting in lieu thereof "qualified total distribution described in section 402(a)(5)(E)(i)(I)".

(8) Subsection (e) of section 522 of the Tax Reform Act of 1984 is amended by striking out "the date of the amendment" and inserting in lieu thereof "the date of the enactment".

(9) Subparagraph (C) of section 403(b)(8) is amended by striking out "(F)(i)" and inserting in lieu thereof "and (F)(i)".

(c) AMENDMENTS RELATED TO SECTION 523 OF THE ACT.—

(1) Subparagraph (B) of section 72(e)(7) (relating to plans substantially all the contributions of which are employee contributions) is amended—

(A) by striking out "any trust or contract" and inserting in lieu thereof "any plan or contract",

(B) by striking out "85 percent of" and inserting in lieu thereof "85 percent or more of", and

(C) by adding at the end thereof the following new sentence:

"For purposes of clause (ii), deductible employee contributions (as defined in subsection (o)(5)(A)) shall not be taken into account."

(2) Subparagraph (E) of section 72(q)(2) (relating to 5-percent penalty for premature distributions from annuity contracts) is amended by striking out "subsection (e)(5)(D)" and inserting in lieu thereof "subsection (e)(5)(D) (determined without regard to subsection (e)(7))".

(3) Subsection (f) of section 72 is amended—

(A) by striking out "subsection (d)(1)" and inserting in lieu thereof "subsections (d)(1) and (e)(7)", and

(B) by striking out "subsection (e)(1)(B)" and inserting in lieu thereof "subsection (e)(6)".

(4) Subparagraph (C) of section 72(m)(2) is amended—

(A) by striking out "3 years)" in subparagraph (B) and inserting in lieu thereof "3 years) and subsection (e)(7) (relating to plans where substantially all contributions are employee contributions)", and

(B) by striking out "subsection (e)(1)(B)" in subparagraph (C) and inserting in lieu thereof "subsection (e)(6)".

(5) Subsection (b) of section 402 is amended by striking out "section 72(e)(1)" and inserting in lieu thereof "section 72(e)(5)".

(d) AMENDMENTS RELATED TO SECTION 524 OF THE ACT.—

(1) Subparagraph (A) of section 416(i)(1) (defining key employee) is amended by adding at the end thereof the following new sentence: "Such term shall not include any officer or employee of an entity referred to in section 414(d) (relating to governmental plans)."

(2) Subparagraph (E) of section 416(g)(4) (relating to benefits not taken into account if employee not employed for last 5 years) is amended to read as follows:

"(E) BENEFITS NOT TAKEN INTO ACCOUNT IF EMPLOYEE NOT EMPLOYED FOR LAST 5 YEARS.—If any individual has not performed services for the employer maintaining the plan at any time during the 5-year period ending on the determination date, any accrued benefit for such individual (and the account of such individual) shall not be taken into account."

(e) AMENDMENTS RELATED TO SECTION 525 OF THE ACT.—

(1)(A) Subsection (c) of section 2039 (relating to exception of certain annuity interests created by community property laws) is hereby repealed.

(B) The amendment made by subparagraph (A) shall apply to estates of decedents dying after the date of the enactment of this Act.

(2)(A) Section 2517 (relating to certain annuities under qualified plans) is hereby repealed.

(B) The table of sections for subchapter B of chapter 12 is amended by striking out the item relating to section 2517.

(C) The amendments made by this paragraph shall apply to transfers after the date of the enactment of this Act.

(f) AMENDMENT RELATED TO SECTION 526 OF THE ACT.—Paragraph (2) of section 526(d) of the Tax Reform Act of 1984 is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (7)".

(g) AMENDMENTS RELATED TO SECTION 527 OF THE ACT.—

(1) Paragraph (3) of section 401(k) (relating to application of participation and discrimination standards) is amended by adding at the end thereof the following new subparagraph:

"(C) A cash or deferred arrangement shall be treated as meeting the requirements of subsection (a)(4) with respect to contributions if the requirements of subparagraph (A)(ii) are met."

(2) Subparagraph (A) of section 401(k)(3) is amended by striking out the last sentence and inserting in lieu thereof the following: "If an employee is a participant under 2 or more cash or deferred arrangements of the employer, for purposes of determining the deferral percentage with respect to such employee, all such cash or deferred arrange-

ments shall be treated as 1 cash or deferred arrangement."

(3) Subparagraph (C) of section 401(k)(2) is amended by striking out "are nonforfeitable" and inserting in lieu thereof "is nonforfeitable".

(h) AMENDMENTS RELATED TO SECTION 528 OF THE ACT.—

(1) Subsection (h) of section 401 (relating to medical, etc., benefits for retired employees and their spouses and dependents) is amended—

(A) by striking out "5-percent owner" each place it appears in paragraph (6) and inserting in lieu thereof "key employee", and

(B) by striking out the last sentence and inserting in lieu thereof the following:

"For purposes of paragraph (6), the term 'key employee' means any employee, who at any time during the plan year or any preceding plan year during which contributions were made on behalf of such employee, is or was a key employee as defined in section 416(i)."

(2) Paragraph (1) of section 415(1) (relating to treatment of certain medical benefits) is amended by adding at the end thereof the following new sentence: "Subparagraph (B) of subsection (c)(1) shall not apply to any amount treated as an annual addition under the preceding sentence."

(3) Subsection (l) of section 415 is amended by striking out "a defined benefit plan" each place it appears and inserting in lieu thereof "a pension or annuity plan".

SEC. 153. AMENDMENTS RELATED TO FRINGE BENEFIT PROVISIONS.

(a) AMENDMENTS TO SECTION 132.—

(1) Clause (ii) of section 132(f)(2)(B) (defining dependent children) is amended by striking out "are deceased" and inserting in lieu thereof "are deceased and who has not attained age 25".

(2) Subparagraph (A) of section 132(c)(3) (defining employee discount) is amended by striking out "are provided to the employee by the employer" and inserting in lieu thereof "are provided by the employer to an employee for use by such employee".

(3) Subsection (i) of section 132 (relating to customers not to include employees) is amended by striking out "subsection (c)(2)(B)" and inserting in lieu thereof "subsection (c)(2)".

(b) AMENDMENTS TO SECTION 125.—

(1) CLARIFICATION OF BENEFITS WHICH MAY BE PROVIDED UNDER CAFETERIA PLANS.—

(A) Subsections (c) and (d)(1)(B) of section 125 are each amended by striking out "statutory nontaxable benefits" each place it appears and inserting in lieu thereof "qualified benefits".

(B) Subsection (f) of section 125 is amended to read as follows:

"(f) QUALIFIED BENEFITS DEFINED.—For purposes of this section, the term 'qualified benefit' means any benefit which, with the application of subsection (a), is not includible in the gross income of the employee by reason of an express provision of this chapter (other than section 117, 124, 127, or 132). Such term includes any group term life insurance which is includible in gross income only because it exceeds the dollar limitation of section 79 and such term includes any other benefit permitted under regulatons."

(2) TRANSITIONAL RULE.—Paragraph (5) of section 531(b) of the Tax Reform Act of 1984 (relating to exception for certain cafeteria plans and benefits) is amended by adding at the end thereof the following new subparagraph:

"(D) COLLECTIVE BARGAINING AGREEMENTS.—In the case of any cafeteria plan in existence on February 10, 1984, and maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers, the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof agreed to after July 18, 1984) shall be substituted for 'January 1, 1985' in subparagraph (A) and for 'July 1, 1985' in subparagraph (B). For purposes of the preceding sentence, any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section (or any requirement in the regulations under section 125 of the Internal Revenue Code of 1954 proposed on May 6, 1984) shall not be treated as a termination of such collective bargaining agreement."

(3) SPECIAL RULE WHERE CONTRIBUTIONS OR REIMBURSEMENTS SUSPENDED.—Paragraph (5) of section 531(b) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE WHERE CONTRIBUTIONS OR REIMBURSEMENTS SUSPENDED.—For purposes of subparagraphs (A) and (B), a plan shall not be treated as not continuing to fail to satisfy the rules referred to in such subparagraphs with respect to any benefit provided in the form of a flexible spending arrangement merely because contributions or reimbursements (or both) with respect to such plan were suspended before January 1, 1985."

(c) AMENDMENTS TO SECTION 4977.—

(1) Paragraph (2) of section 4977(c) is amended to read as follows:

"(2) at all times on or after January 1, 1984, and before the close of the calendar year involved, substantially all of the employees of the employer were entitled to employee discounts on goods or services provided by the employer in 1 line of business,".

(2) Section 4977 (relating to tax on certain fringe benefits provided by an employer) is amended by adding at the end thereof the following new subsection:

"(f) SECTION TO APPLY ONLY TO EMPLOYMENT WITHIN THE UNITED STATES.—Except as otherwise provided in regulations, this section shall apply only with respect to employment within the United States."

(d) TREATMENT OF TELEPHONE CONCESSION SERVICE FOR CERTAIN RETIREES.—Section 559 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following subsection:

"(e) TELEPHONE SERVICE FOR PRE-DIVESTITURE RETIREES.—In the case of an employee who, by reason of retirement or disability, separated before January 1, 1984, from the service of an entity subject to the modified final judgment—

"(1) all entities subject to the modified final judgment shall be treated as a single employer in the same line of business for purposes of determining whether telephone service provided to the employee is a no-additional-cost service as defined in section 132 of the Internal Revenue Code of 1954; and

"(2) payment by an entity subject to the modified final judgment of all or part of the cost of local telephone service provided to the employee by a person other than an entity subject to the modified final judgment (including rebate of the amount paid by the employee for the service and payment to the person providing the service) shall be treated as telephone service provided to the employee by such single employer for purposes of determining whether the telephone service is a no-additional-cost service as defined in section 132 of the Internal Revenue Code of 1954.

For purposes of this subsection, the term 'employee' has the meaning given to such term by section 132(f) of the Internal Revenue Code of 1954."

SEC. 154. AMENDMENTS RELATED TO EMPLOYEE STOCK OWNERSHIP PLANS.

(a) AMENDMENTS RELATED TO SECTION 541.—

(1) Section 1042(a) (relating to nonrecognition of gain) is amended by striking out "gain (if any) on such sale" and inserting in lieu thereof "gain (if any) on such sale which would be recognized as long-term capital gain".

(2) Section 1042(b)(2) (relating to requirement that employees must own 30 percent of stock after sale) is amended by striking out "the employer securities (within the meaning of section 409(l))" and inserting in lieu thereof "all stock (other than preferred stock described in section 1504(a)(4)) of the corporation which issued the qualified securities".

(3) Paragraph (3) of section 1042(b) (relating to requirement that plan be maintained for benefit of employees) is amended to read as follows:

"(3) PLAN MAINTAINED FOR BENEFIT OF EMPLOYEES.—No portion of the assets of the plan or cooperative attributable to qualified securities with respect to which an election under subsection (a)(1) was made may accrue directly or indirectly under such plan, or may be allocated directly or indirectly by such cooperative, for the benefit of—

"(A) the taxpayer,

"(B) any person who bears a relationship to the taxpayer described in section 267(b), or

"(C) any other person who owns (after application of section 318(a)) more than 25 percent (by value) of—

"(i) any class of stock of the corporation which issued such qualified securities, or

"(ii) the total value of the stock of any other corporation which is a member of the same controlled group of corporations (within the meaning of section 409(l)(4)) as such corporation.

All plans which are treated as 1 plan under section 401(a)(4) or 410 shall be treated as 1 plan for purposes of this paragraph."

(4) Section 1042(c)(1) (defining qualified securities) is amended—

(A) by striking out "securities" in subparagraph (A) and inserting in lieu thereof "stock",

(B) by inserting "and" at the end of subparagraph (A), and

(C) by striking out subparagraph (B) and redesignating subparagraph (C) as subparagraph (B).

(5) Paragraph (4) of section 1042(c) (defining qualified replacement property) is amended to read as follows:

"(4) QUALIFIED REPLACEMENT PROPERTY.—

"(A) IN GENERAL.—The term 'qualified replacement property' means any security issued by a domestic operating corporation which—

"(i) did not, for the taxable year preceding the taxable year in which such security was purchased, have passive investment income (as defined in section 1362(d)(3)(D)) in excess of 25 percent of the gross receipts of such corporation for such preceding taxable year, and

"(ii) is not the corporation which issued the qualified securities which such security is replacing.

"(B) OPERATING CORPORATION.—For purposes of this paragraph, the term 'operating corporation' means a corporation substantially all the assets of which were, at the time the security was purchased, used in the active conduct of a trade or business.

"(C) CONTROLLING AND CONTROLLED CORPORATIONS TREATED AS 1 CORPORATION.—

"(i) IN GENERAL.—For purposes of applying this paragraph, if—

"(I) the corporation issuing the security owns stock representing control of 1 or more other corporations,

"(II) 1 or more other corporations own stock representing control of the corporation issuing the security, or

"(III) both,

then all such corporations shall be treated as 1 corporation.

"(ii) CONTROL.—For purposes of clause (i), the term 'control' has the meaning given such term by section 304(c).

"(D) SECURITY DEFINED.—For purposes of this paragraph, the term 'security' has the meaning given such term by section 165(g)(2), except that such term shall not include any security issued by a government or political subdivision thereof."

(6)(A) Section 1042(c) (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(7) SECTION NOT TO APPLY TO GAIN OF C CORPORATION.—Subsection (a) shall not apply to any gain on the sale of any qualified securities which is includible in the gross income of any C corporation."

(B) The amendment made by subparagraph (A) shall apply to sales after March 28, 1985, except that such amendment shall not apply to sales made before July 1, 1985, if made pursuant to a binding contract in effect on March 28, 1985, and at all times thereafter.

(7) Section 1042(d) (relating to basis of qualified replacement property) is amended by adding at the end thereof the following new flush sentence:

"Any reduction in basis under this subsection shall not be taken into account for purposes of section 1278(a)(2)(A)(ii) (relating to definition of market discount)."

(8)(A) Section 1042 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) RECAPTURE OF GAIN ON DISPOSITION OF QUALIFIED REPLACEMENT PROPERTY.—

"(1) IN GENERAL.—If a taxpayer disposes of any qualified replacement property, then, notwithstanding any other provision of this title, gain (if any) shall be recognized to the extent of the gain which was not recognized under subsection (a) by reason of the acquisition by such taxpayer of such qualified replacement property.

"(2) SPECIAL RULE FOR CORPORATIONS CONTROLLED BY THE TAXPAYER.—If—

"(A) a corporation issuing qualified replacement property disposes of a substantial portion of its assets other than in the ordinary course of its trade or business, and

"(B) any taxpayer owning stock representing control (within the meaning of section 304(c)) of such corporaion at the time of such disposition holds any qualified replacement property of such corporation at such time,

then the taxpayer shall be treated as having disposed of such qualified replacement property at such time."

(B) The amendment made by subparagraph (A) shall apply to dispositions after the date of the enactment of this Act, in taxable years ending after such date.

(9) Paragraph (5) of section 1042(c) (relating to securities acquired by underwriter) is amended—

(A) by striking out "acquisition" and inserting in lieu thereof "sale",

(B) by inserting "to an employee stock ownership plan or eligible worker-owned cooperative" before "in", and

(C) by striking out "ACQUIRED" in the heading thereof and inserting in lieu thereof "SOLD".

(10) The heading for section 1042 is amended by inserting "EMPLOYEE" before "STOCK".

(11) The table of sections for part III of subchapter O of chapter 1 is amended by striking out the item relating to section 1042 and inserting in lieu thereof the following new item:

"Sec. 1042. Sales of stock to employee stock ownership plans or certain cooperatives."

(b) AMENDMENTS RELATED TO SECTION 542.—

(1) Paragraph (5) of section 72(e) is amended by adding at the end of subparagraph (D) the following new flush sentence:

"Clause (i) shall not apply to any dividend described in section 404(k) which is received by a participant."

(2) Paragraph (1) of section 404(k) (relating to dividends paid deduction) is amended by inserting ", and allocated to a participant's account," before "on the record date".

(3) Section 404(k) is amended—

(A) by adding at the end thereof the following new flush sentence:

"Any deduction under this subsection shall be allowed in the taxable year of the corporation in which the dividend is paid or distributed to the participant under paragraph (2).", and

(B) by striking out "during the taxable year" in the matter preceding paragraph (1).

(4) Section 404(k), as amended by paragraph (3), is amended by adding at the end thereof the following new sentence: "A plan to which this subsection applies shall not be treated as violating the requirements of section 401, 409, or 4975(e)(7) merely by reason of any distribution described in paragraph (2)."

(5) The amendments made by paragraphs (1) and (3) shall apply to dividends paid after the date of the enactment of this Act, in taxable years ending after such date.

(c) AMENDMENTS RELATED TO SECTION 543.—

(1) Subparagraph (B) of section 291(e)(1) (defining financial institution preference item) is amended by adding at the end thereof the following new clause:

"(iv) SPECIAL RULES FOR OBLIGATIONS TO WHICH SECTION 133 APPLIES.—In the case of an obligation to which section 133 applies—

"(I) interest on such obligations shall not be treated as exempt from taxes for purposes of this subparagraph, and

"(II) such obligation shall not be taken into account under clause (ii)(II)."

(2) Section 133 (relating to exemption for interest on certain loans used to acquire employer securities) is amended by adding at the end thereof the following new subsection:

"(d) APPLICATION WITH SECTION 483 AND ORIGINAL ISSUE DISCOUNT RULES.—In applying section 483 and subpart A of part V of subchapter P to any obligation to which this section applies, appropriate adjustments shall be made to the applicable Federal rate to take into account the exclusion under subsection (a)."

(d) AMENDMENTS RELATED TO SECTION 544.—

(1) Section 2210(a) (relating to liability for payment of estate tax in case of transfer of employer securities to an ESOP or worker cooperative) is amended by striking out "and" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

"(2) the executor of the estate of the decedent may (without regard to this section) make an election under section 6166 with respect to that portion of the tax imposed by section 2001 which is attributable to employer securities, and".

(2) Section 2210(c) (relating to installment payments) is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULES FOR APPLICATION OF SECTION 6166(g).—In the case of any transfer of employer securities to an employee stock ownership plan or eligible worker-owner cooperative to which this section applies—

"(A) TRANSFER DOES NOT TRIGGER ACCELERATION.—Such transfer shall not be treated as a disposition or withdrawal to which section 6166(g) applies.

"(B) SEPARATE APPLICATION TO ESTATE AND PLAN INTERESTS.—Section 6166(g) shall be applied separately to the interests held after such transfer by the estate and such plan or cooperative.

"(C) REQUIRED DISTRIBUTION NOT TAKEN INTO ACCOUNT.—In the case of any distribution of such securities by such plan which is described in section 4978(d)(1)—

"(i) such distribution shall not be treated as a disposition or withdrawal for purposes of section 6166(g), and

"(ii) such securities shall not be taken into account in applying section 6166(g) to any subsequent disposition or withdrawal."

(3) Section 2210(g) (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(5) TAX IMPOSED BY SECTION 2001.—The term 'tax imposed by section 2001' includes any interest, penalty, addition to tax, or additional amount relating to any tax imposed by section 2001."

(4) Section 2210(c)(1) is amended by inserting "or any authorized officer of" before "the cooperative" in the matter following subparagraph (B).

(5) Section 2210(d) (relating to guarantee of payments) is amended—

(A) by inserting "and any eligible worker-owned cooperative" before "shall guarantee" in the matter following paragraph (2),

(B) by striking out "such plan" and inserting in lieu thereof "such plan or cooperative, respectively,", and

(C) by striking out ", including any interest payable under section 6601 which is attributable to such amount".

(6) Section 2210(g)(3) is amended by striking out "section 1041(b)(2)" and inserting in lieu thereof "section 1042(b)(2)".

(e) AMENDMENTS RELATED TO SECTION 545.—

(1) Section 4978(a)(1) (relating to tax on disposition of securities to which section 1042 applies before close of minimum holding period) is amended by striking out "then" and inserting in lieu thereof "than".

(2) Section 4978(b)(1) is amended by striking out "paragraph (1)" and inserting in lieu thereof "subsection (a)".

(3) Section 4978(c) is amended by striking out "section 1042(a)(2)(B)" and inserting in lieu thereof "section 1042(b)(4)".

(4) Section 4978(d)(1)(C) is amended by striking out "section 72(m)(5)" and inserting in lieu thereof "section 72(m)(7)".

(5) Section 4978(e)(2) is amended by striking out "section 1042(b)(1)" and inserting in lieu thereof "section 1042(c)(1)".

(6) Section 4978(e)(3) is amended by striking out "section 1042(b)(1)" and inserting in lieu thereof "section 1042(c)(2)".

(7) Section 4978(d) (relating to dispositions to which section does not apply) is amended by adding at the end thereof the following new paragraph:

"(3) LIQUIDATION OF CORPORATION INTO COOPERATIVE.—In the case of any exchange of qualified securities pursuant to the liquidation of the corporation issuing qualified securities into the eligible worker-owned cooperative in a transaction which meets the requirements of section 332 (determined by substituting '100 percent' for '80 percent' each place it appears in section 332(b)(1)), such exchange shall not be treated as a disposition for purposes of this section."

SEC. 155. AMENDMENT RELATED TO MISCELLANEOUS EMPLOYEE BENEFIT PROVISIONS.

Subsection (c) of section 555 of the Tax Reform Act of 1984 (relating to technical amendments to the incentive stock option provisions) is amended—

(1) by striking out "subsection (a)" in paragraph (1) and inserting in lieu thereof "subsection (a)(1)",

(2) by striking out "subsection (b)" in paragraph (2) and inserting in lieu thereof "subsection (a)(2)",

(3) by striking out "after March 20, 1984," in paragraph (2), and

(4) by striking out "subsection (c)" in paragraph (3) and inserting in lieu thereof "subsection (b)".

PART F—AMENDMENTS RELATED TO TITLE VI OF THE ACT

SEC. 161. AMENDMENTS RELATED TO SECTION 611 OF THE ACT.

(a) EXTENSION OF TIME FOR SUBMITTING POLICY STATEMENT.—Paragraph (5) of section 103A(j) is amended by adding at the end thereof the following new subparagraph:

"(C) EXTENSION OF TIME.—The Secretary may grant an extension of time for the publishing of a report described in subparagraph (B) or the submittal of such report to the Secretary if there is reasonable cause for the failure to publish or submit such report in a timely fashion."

(b) DEFINITION OF QUALIFIED VETERAN.—Subparagraph (B) of section 103A(o)(4) (defining qualified veteran) is amended by striking out "January 1, 1985" and inserting in lieu thereof "January 31, 1985".

SEC. 162. AMENDMENT RELATED TO SECTION 612 OF THE ACT.

(a) REQUIREMENTS FOR QUALIFIED MORTGAGE CREDIT CERTIFICATE PROGRAM.—Subclause (V) of section 25(c)(2)(A)(iii) (defining qualified mortgage credit certificate program) is amended by striking out "paragraph (1) of subsection (j)" and inserting in lieu thereof "subsection (j), other than paragraph (2) thereof".

(b) GOOD FAITH EFFORT RULES MADE APPLICABLE.—Subparagraph (A) of section 25(c)(2) (defining qualified mortgage credit certificate program) is amended by adding at the end thereof the following new sentence:

"Under regulations, rules similar to the rules of subparagraphs (B) and (C) of section 103A(c)(2) shall apply to the requirements of this subparagraph."

(c) CARRYFORWARD OF EXCESS CREDIT.—Subparagraph (B) of section 25(e)(1) (relating to carryforward of unused credit) is amended to read as follows:

"(B) LIMITATION.—The amount of the unused credit which may be taken into account under subparagraph (A) for any taxable year shall not exceed the amount (if any) by which the applicable tax limit for such taxable year exceeds the sum of—

"(i) the credit allowable under subsection (a) for such taxable year determined without regard to this paragraph, and

"(ii) the amounts which, by reason of this paragraph, are carried to such taxable year and are attributable to taxable years before the unused credit year."

(d) CLERICAL AMENDMENTS.—

(1) Subparagraph (B) of section 25(a)(1) is amended by striking out "paid or incurred" and inserting in lieu thereof "paid or accrued".

(2) Subchapter B of chapter 68 is amended by redesignating the section 6708 which relates to penalties with respect to mortgage credit certificates as section 6709.

(3) The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to the section 6708 which relates to penalties with respect to mortgage credit certificates and inserting in lieu thereof the following:

"Sec. 6709. Penalties with respect to mortgage credit certificates."

SEC. 163. AMENDMENT RELATED TO SECTION 613 OF THE ACT.

Section 613 of the Tax Reform Act of 1984 (relating to authority to borrow from Federal Financing Bank) is amended to read as follows:

"SEC. 613. ADVANCE REFUNDING OF CERTAIN VETERANS' MORTGAGE BONDS PERMITTED.

"(a) IN GENERAL.—Notwithstanding section 103A(n) of the Internal Revenue Code of 1954, an issuer of applicable mortgage bonds may issue advance refunding bonds with respect to such applicable mortgage bonds.

"(b) LIMITATION ON AMOUNT OF ADVANCED REFUNDING.—

"(1) IN GENERAL.—The amount of advanced refunding bonds which may be issued under subsection (a) shall not exceed the lesser of—

"(A) $300,000,000, or

"(B) the excess of—

"(i) the projected aggregate payments of principal on the applicable mortgage bonds during the 15-fiscal year period beginning with fiscal year 1984, over

"(ii) the projected aggregate payments during such period of principal on mortgages financed by the applicable mortgage bonds.

"(2) ASSUMPTIONS USED IN MAKING PROJECTION.—The computation under paragraph (1)(B) shall be made by using the following percentages of the prepayment experience of the Federal Housing Administration in the State or region in which the issuer of the advance refunding bonds is located:

"Fiscal Year:	Percentage:
1984	15
1985	20
1986	25
1987 and thereafter	30.

"(c) DEFINITIONS.—For purposes of this section.—

"(1) APPLICABLE MORTGAGE BONDS.—The term 'applicable mortgage bonds' means any qualified veterans' mortgage bonds issued as part of an issue—

"(A) which was outstanding on December 5, 1980,

"(B) with respect to which the excess determined under subsection (b)(1)(B) exceeds 12 percent of the aggregate principal amount of such bonds outstanding on July 1, 1983,

"(C) with respect to which the amount of the average annual prepayments during fiscal years 1981, 1982, and 1983 was less than 2 percent of the average of the loan balances as of the beginning of each of such fiscal years, and

"(D) which, for fiscal year 1983, had a prepayment experience rate that did not exceed 20 percent of the prepayment experience rate of the Federal Housing Administration in the State or region in which the issuer is located.

"(2) QUALIFIED VETERANS' MORTGAGE BONDS.—The term 'qualified veterans' mortgage bonds' has the meaning given to such term by section 103A(c)(3) of the Internal Revenue Code of 1954.

"(3) FISCAL YEAR.—The term 'fiscal year' means the fiscal year of the State."

SEC. 164. AMENDMENTS RELATED TO SECTION 621 OF THE ACT.

(a) SPECIAL RULE FOR FACILITIES LOCATED OUTSIDE THE STATE.—

(1) IN GENERAL.—Subsection (n) of section 103 (relating to limitation on aggregate amount of private activity bonds issued during any calendar year) is amended by adding at the end thereof the following new paragraph:

"(13) FACILITY MUST BE LOCATED WITHIN STATE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no portion of the State ceiling applicable to any State for any calendar year may be used with respect to financing for a facility located outside such State.

"(B) EXCEPTION FOR CERTAIN FACILITIES WHERE STATE WILL GET PROPORTIONATE SHARE OF BENEFITS.—Subparagraph (A) shall not apply to any issue described in subparagraph (E), (G), or (H) of subsection (b)(4) if the issuer establishes that the State's share of the use of the facility (or its output) will equal or exceed the State's share of the private activity bonds issued to finance the facility."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to obligations issued after the date of the enactment of this Act in taxable years ending after such date.

(b) CLARIFICATION OF AUTHORITY FOR DIFFERENT ALLOCATION.—Subparagraphs (A) and (B)(i) of section 103(n)(6) (relating to State may provide for different allocation) are each amended by striking out "governmental units" and inserting in lieu thereof "governmental units or other authorities."

(c) CLARIFICATION OF EXCEPTION FOR CERTAIN FACILITIES.—Clause (i) of section 103(n)(7)(C) (relating to exception for certain facilities described in section 103(b)(4)(C) or (D)) is amended by striking out "the property described in such subparagraph" and inserting in lieu thereof "all of the property to be financed by the obligation".

(d) INFORMATION REPORTING ON ALLOCATION OF PRIVATE ACTIVITY BOND LIMIT.—Paragraph (2) of section 103(1) (relating to information reporting requirements for certain bonds) is amended by striking out "and" at the end of subparagraph (D), by

striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(F) if such obligation is a private activity bond (as defined in subsection (n)(7)), such information as the Secretary may require for purposes of determining whether the requirements of subsection (n) are met with respect to such obligation."

SEC. 165. AMENDMENT RELATED TO SECTION 622 OF THE ACT.

Subparagraph (A) of section 103(h)(5) (relating to certain obligations subsidized under energy program) is amended by striking out "the United States,".

SEC. 166. AMENDMENTS RELATED TO SECTION 626 OF THE ACT.

(a) Subsection (o) of section 103 (relating to denial of tax exemption for consumer loan bonds) is amended—

(1) by striking out "consumer loan bond" each place it appears and inserting in lieu thereof "private loan bond",

(2) by striking out "CONSUMER LOAN BONDS" in the subsection heading and inserting in lieu thereof "PRIVATE LOAN BONDS", and

(3) by striking out "CONSUMER LOAN BONDS" in the heading for paragraph (2) and inserting in lieu thereof "PRIVATE LOAN BONDS".

(b) Section 103 is amended by redesignating the subsection (o) relating to cross references as subsection (p).

SEC. 167. AMENDMENT RELATED TO SECTION 627 OF THE ACT.

Subparagraph (A) of section 103(b)(16) (relating to limitation on use for land acquisition) is amended by striking out "clause (i)" in the last sentence and inserting in lieu thereof "clause (ii)".

SEC. 168. AMENDMENTS RELATED TO SECTION 628 OF THE ACT.

(a) CERTAIN RESTRICTIONS APPLY TO EXEMPTIONS NOT CONTAINED IN INTERNAL REVENUE CODE OF 1954.—

(1) IN GENERAL.—Paragraph (1) of section 103(m) (relating to obligations exempt other than under this title) is amended by striking out "(k), (l), and (n)" and inserting in lieu thereof "(j), (k), (l), (n), and (o)".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to obligations issued after March 28, 1985, in taxable years ending after such date.

(b) CONFORMING AMENDMENTS TO REPEAL OF ADVANCED REFUNDING OF QUALIFIED PUBLIC FACILITIES.—Paragraphs (13), (14)(A), and (17)(A) of section 103(b) are each amended by striking out "(6), and (7)" and inserting in lieu thereof "and (6)".

SEC. 169. AMENDMENTS RELATED TO SECTION 631 OF THE ACT.

(a) CLARIFICATION OF GENERAL EFFECTIVE DATE.—

(1) Paragraph (1) of section 631(c) of the Tax Reform Act of 1984 (relating to effective date for other provisions relating to tax-exempt bonds) is amended by striking out "made by this subtitle" and inserting in lieu thereof "made by sections 622, 623, 627, and 628 (c), (d), and (e) (and the provisions of sections 625(c), 628(f), and 629(b))".

(2)(A) Subparagraph (A) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out "amendments made by this subtitle (other than section 621)" and inserting in lieu thereof "amendments (and provisions) referred to in paragraph (1)".

(B) Effective with respect to obligations issued after March 28, 1985, subparagraph (A) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out clauses (i) and (ii) and inserting in lieu thereof the following:

"(i) the original use of which commences with the taxpayer and the construction, reconstruction, or rehabilitation of which began before October 19, 1983, and was completed on or after such date, or

"(ii) with respect to which a binding contract to incur significant expenditures for construction, reconstruction, or rehabilitation was entered into before October 19, 1983, and some of such expenditures are incurred on or after such date."

(3) Paragraph (3) of section 631(c) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(C) EXCEPTION.—Subparagraph (A) shall not apply with respect to the amendment made by section 628(e) and the provisions of sections 628(f) and 629(b)."

(4) Subparagraph (B) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out "subsection (b)(2)(A)" and inserting in lieu thereof "subsection (b)(2)".

(b) SPECIAL RULE FOR HEALTH CLUB FACILITIES.—Subsection (c) of section 631 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(5) SPECIAL RULE FOR HEALTH CLUB FACILITIES.—In the case of any health club facility, with respect to the amendment made by section 627(c)—

"(A) paragraph (1) shall be applied by substituting 'April 12, 1984' for 'December 31, 1983', and

"(B) paragraph (3) shall be applied by substituting 'April 13, 1984' for 'October 19, 1983' each place it appears."

(c) TREATMENT OF CERTAIN SOLID WASTE DISPOSAL FACILITIES.—

(1) IN GENERAL.—Subsection (d) of section 631 of the Tax Reform Act of 1984 (relating to provisions of subtitle not to apply to certain property) is amended by adding at the end thereof the following:

"(5) Any solid waste disposal facility described in section 103(b)(4)(E) of the Internal Revenue Code of 1954 if—

"(A) a city government, by resolutions adopted on April 10, 1980, and December 27, 1982, took formal action to authorize the submission of a proposal for a feasibility study for such facility and to authorize the presentation to the Department of the Army (U.S. Army Missile Command) of a proposed agreement to jointly pursue construction and operation of such facility,

"(B) such city government (or a public authority on its behalf) issues obligations for such facility before January 1, 1987, and

"(C) expenditures have been made for the development of such facility before October 19, 1983. Notwithstanding the foregoing provisions of this subsection, the amendments made by section 623 (relating to arbitrage) shall apply to obligations issued to finance property described in paragraph (5)."

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 632(a) of the Tax Reform Act of 1984 is hereby repealed.

SEC. 170. AMENDMENT RELATED TO SECTION 632 OF THE ACT.

Subsection (a) of section 632 of the Tax Reform Act of 1984 is amended by striking out "section 623" in the matter preceding paragraph (1) thereof and inserting in lieu thereof "section 624".

PART G—MISCELLANEOUS PROVISIONS

SEC. 171. AMENDMENTS RELATED TO TITLE VII OF THE ACT.

(a) AMENDMENTS RELATED TO SECTION 713.—

(1)(A) Section 402(a)(5)(F)(ii) (relating to special rules for key employees) is amended to read as follows:

"(ii) 5-PERCENT OWNERS.—An eligible retirement plan described in subclause (III) or (IV) of subparagraph (E)(iv) shall not be treated as an eligible retirement plan for the transfer of a distribution if the employee is a 5-percent owner at the time such distribution is made. For purposes of the preceding sentence, the term '5-percent owner' means any individual who is a 5-percent owner (as defined in section 416(i)(1)(B)) at any time during the 5 plan years preceding the plan year in which the distribution is made."

(B) The amendments made by subparagraph (A) shall apply to distributions after the date of the enactment of this Act.

(2) Section 713(c) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(4) EFFECTIVE DATE FOR PARAGRAPH (3).—The amendment made by paragraph (3) shall apply to distributions after July 18, 1984."

(3) Section 62(7) (relating to pension, profit-sharing, and annuity plans of self-employed individuals) is amended by striking out "to the extent attributable to contributions made on behalf of such individual".

(4) Section 219(f)(1) (defining compensation) is amended by striking out "reduced by any amount allowable as a deduction to the individual in computing adjusted gross income under paragraph (7) of section 62".

(5) Section 713(d)(1) of the Tax Reform Act of 1984 is amended by striking out "Paragraph" and inserting in lieu thereof "Effective with respect to contributions made in taxable years beginning after December 31, 1983, paragraph".

(6)(A) Section 408(d)(5) (relating to certain distributions of excess contributions after due date) is amended by striking out "$15,000" and inserting in lieu thereof "the dollar limitation in effect under section 415(c)(1)(A) for such taxable year".

(B) Subparagraph (C) of section 219(b)(2) is amended by striking out "the $15,000 amount specified in subparagraph (A)(ii)" and inserting in lieu thereof "the dollar limitation in effect under section 415(c)(1)(A)".

(7) Paragraph (6) of section 713(d) of the Tax Reform Act of 1984 is amended by striking out "Subparagraph (D)" and inserting in lieu thereof "Subparagraph (C)".

(8) Subparagraph (A) of section 408(d)(3) is amended—

(A) by striking out "(other than a trust forming part of a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan)" in clause (ii),

(B) by striking out "(other than a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan)" in clause (ii), and

(C) by adding at the end thereof the following new sentence:

"Clause (ii) shall not apply during the 5-year period beginning on the date of the qualified total distribution referred to in such clause if the individual was treated as a 5-percent owner with respect to such distribution under section 402(a)(5)(F)(ii)."

(9) Clause (iii) of section 415(b)(2)(E) is amended by striking out "adjusting any benefit or limitation under subparagraph (B), (C), or (D)" and inserting in lieu thereof "this subsection".

(10) Subparagraph (B) of section 3405(d)(1) is amended by striking out "or" at the end of clause (ii), and by striking out the material following clause (ii) and inserting in lieu thereof the following:

"(iii) any amount which is subject to withholding under subchapter A of chapter 3 (relating to withholding of tax on nonresident aliens and foreign corporations) by the person paying such amount or which would be so subject but for a tax treaty, or

"(iv) any distribution described in section 404(k)(2)."

(11) Subsection (a) section 6041 is amended by striking out "6047(e)" and inserting in lieu thereof "6047(d)".

(12) The amendments made by paragraphs (3), (4), and (6) shall take effect as if included in the amendments made by section 238 of the Tax Equity and Fiscal Responsibility Act of 1982.

(b) EFFECTIVE DATE FOR SECTION 714(n)(2) OF THE ACT.—Notwithstanding section 715 of the Tax Reform Act of 1984, the amendments made by section 714(n)(2) of such Act shall apply only to applications filed after July 18, 1984.

(c) AMENDMENT RELATED TO SECTION 734 OF THE ACT.—Subsection (a) of section 201 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-11) is amended by striking out "section 209(f)(5) of the Highway Revenue Act of 1956" and inserting in lieu thereof "section 9503(c)(4)(B) of the Internal Revenue Code of 1954".

(d) AMENDMENT RELATED TO SECTION 735 OF THE ACT.—The table of sections for part I of subchapter A of chapter 32 is amended by striking out "guzzlers" and inserting in lieu thereof "guzzler".

SEC. 172. AMENDMENTS RELATED TO TITLE VIII OF THE ACT.

(a) TREATMENT OF SECTION 923(a)(2) NON-EXEMPT INCOME.—

(1) Paragraph (6) of section 927(d) (defining section 923(a)(2) non-exempt income) is amended by adding at the end thereof the following new sentence: "Such term shall not include any income which is effectively connected with the conduct of a trade or business within the United States (determined without regard to this subpart)."

(2) Paragraph (6) of section 1248(d) (relating to foreign trade income) is amended to read as follows:

"(6) FOREIGN TRADE INCOME.—Earnings and profits of the foreign corporation attributable to foreign trade income of a FSC other than foreign trade income which—

"(A) is section 923(a)(2) non-exempt income (within the meaning of section 927(d)(6)), or

"(B) would not (but for section 923(a)(4)) be treated as exempt foreign trade income. For purposes of the preceding sentence, the terms 'foreign trade income' and 'exempt foreign trade income' have the respective meanings given such terms by section 923."

(b) CLARIFICATION OF PREFERENCE CUTBACKS.—

(1) Paragraph (4) of section 291(a) (relating to 20-percent reduction in certain preference items, etc.) is amended to read as follows:

"(4) CERTAIN FSC INCOME.—In the case of taxable years beginning after December 31, 1984, section 923(a) shall be applied with respect to any FSC by substituting—

"(A) '30 percent' for '32 percent' in paragraph (2), and

"(B) '15/23' for '16/23' in paragraph (3).

If all of the stock in the FSC is not held by 1 or more C corporations throughout the taxable year, under regulations, proper adjustments shall be made in the application of the preceding sentence to take into account stock held by persons other than C corporations."

(2) Subparagraph (F) of section 995(b)(1) (relating to deemed distributions from a DISC) is amended—

(A) by inserting "in the case of a shareholder which is a C corporation," before "one-seventeenth" in clause (i), and

(B) by striking out "the amount determined under clause (i)" in clause (ii) and inserting in lieu thereof "16/17 of the excess referred to in clause (i),".

(3) Subsection (a) of section 923 (defining exempt foreign trade income) is amended by adding at the end thereof the following new paragraph:

"(6) CROSS REFERENCE.—

"For reduction in amount of exempt foreign trade income, see section 291(a)(4)."

(c) TREATMENT OF FOREIGN TRADE INCOME UNDER SUBPART F.—

(1) Subsection (b) of section 952 (relating to exclusion of United States income) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, income described in paragraph (2) or (3) of section 921(d) shall be treated as derived from sources within the United States."

(2) Paragraph (1) of section 951(e) is amended by striking out the last sentence.

(d) DIVIDENDS RECEIVED DEDUCTION FOR CERTAIN DISTRIBUTIONS FROM A FSC.—

(1) DEDUCTION FOR CERTAIN DIVIDENDS.—

(A) Paragraph (1) of section 245(c) (relating to certain dividends received from FSC) is amended to read as follows:

"(1) IN GENERAL.—In the case of a domestic corporation, there shall be allowed as a deduction an amount equal to—

"(A) 100 percent of any dividend received by such corporation from another corporation which is distributed out of earnings and profits attributable to foreign trade income for a period during which such other corporation was a FSC, and

"(B) 85 percent of any dividend received by such corporation from another corporation which is distributed out of earnings and profits attributable to qualified interest and carrying charges received or accrued by such other corporation while such other corporation was a FSC.

The deduction allowable under the preceding sentence with respect to any dividend shall be in lieu of any deduction allowable under subsection (a) or (b) with respect to such dividend."

(B) Paragraph (3) of section 245(c) (relating to definitions) is amended by adding at the end thereof the following new sentence: "For purposes of this subsection, the term 'qualified interest and carrying charges' means any interest or carrying charges (as defined in section 927(d)(1)) derived from a transaction which results in foreign trade income."

(2) SEPARATE APPLICATION OF SECTION 904.—Subparagraph (D) of section 904(d)(1) is amended to read as follows:

"(D) distributions from a FSC (or a former FSC) out of earnings and profits attributable to foreign trade income (within the meaning of section 923(b)) or qualified interest and carrying charges (as defined in section 245(c)), and".

(3) COORDINATION OF SECTIONS 906 AND 902.—Subsection (b) of section 906 (relating to nonresident alien individuals and foreign corporations) is amended by adding at the end thereof the following new paragraph:

"(6) For purposes of section 902, any income, war profits, and excess profits taxes paid or accrued (or deemed paid or accrued) to any foreign country or possession of the United States with respect to income effectively connected with the conduct of a trade or business within the United States shall not be taken into account, and any accumulated profits attributable to such income shall not be taken into account."

(e) EXCHANGE OF INFORMATION REQUIREMENTS.—

(1) Paragraph (3) of section 927(e) (relating to exchange of information requirements) is amended—

(A) by striking out "unless, at the same time such corporation was created or organized, there was" an inserting in lieu thereof "unless there is",

(B) by striking out "section 274(h)(6)(C)" in subparagraph (A) and inserting in lieu thereof "section 274(h)(6)(C) (determined by treating any reference to a beneficiary country as being a reference to any foreign country)", and

"(C) by amending subparagraph (B) to read as follows:

"(B) an income tax treaty which contains an exchange of information program—

"(i) which the Secretary certifies (and has not revoked such certification) is satisfactory in practice for purposes of this title, and

"(ii) to which the FSC is subject."

(2) Paragraph (2) of section 924(c) (relating to requirement that FSC be managed outside the United States) is amended to read as follows:

"(2) the principal bank account of the corporation is maintained in a foreign country which meets the requirements of section 927(e)(3) or in a possession of the United States, and".

(f) COORDINATION WITH POSSESSIONS TAXATION.—

(1) Paragraph (5) of section 927(e) (relating to exemption from certain other taxes) is amended to read as follows:

"(5) COORDINATION WITH POSSESSIONS TAXATION.—

"(A) EXEMPTION.—No tax shall be imposed by any possession of the United States on any foreign trade income derived before January 1, 1987. The preceding sentence shall not apply to any income attributable to the sale of property or the performance of services for ultimate use, consumption, or disposition within the possession.

"(B) CLARIFICATION THAT POSSESSION MAY EXEMPT CERTAIN INCOME FROM TAX.—Nothing in any provision of law shall be construed as prohibiting any possession of the United States from exempting from tax any foreign trade income of a FSC or any other income of a FSC described in paragraph (2) or (3) of section 921(d).

"(C) NO COVER OVER OF TAXES IMPOSED ON FSC.—Nothing in any provision of law shall be construed as requiring any tax imposed by this title on a FSC to be covered over (or otherwise transferred) to any possession of the United States."

(2) CLERICAL AMENDMENT.—Section 934 is amended by striking out the subsection (f) added by section 801(d)(7) of the Tax Reform Act of 1984.

(g) CLARIFICATION OF INTEREST ON DISC-RELATED DEFERRED TAX LIABILITY.—Subsection (f) of section 995 (relating to interest on DISC-related deferred tax liability) is amended by adding at the end thereof the following new paragraph:

"(7) DISC INCLUDES FORMER DISC.—For purposes of this subsection, the term 'DISC' includes a former DISC."

(h) CLARIFICATION OF EXEMPTION OF ACCUMULATED DISC INCOME.—Subparagraph (A) of section 805(b)(2) of the Tax Reform Act of 1984 (relating to exemption of accumulated DISC income from tax) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the term 'actual distribution' includes a distribution in liquidation, and the earnings and profits of any corporation receiving a distribution not included in gross income by reason of the preceding sentence shall be increased by the amount of such distribution."

(i) CLARIFICATION OF EFFECTIVE DATE FOR REQUIREMENT THAT TAXABLE YEAR OF DISC AND FSC CONFORM TO TAXABLE YEAR OF MAJORITY SHAREHOLDER.—Paragraph (4) of section 805(a) of the Tax Reform Act of 1984 is amended to read as follows:

"(4) SECTION 803.—The amendments made by section 803 shall apply to taxable years beginning after December 31, 1984.

(j) CLERICAL AMENDMENTS.—

(1) Subsection (f) of section 995 is amended by redesignating the paragraphs following the paragraph (3) relating to deferred DISC income as paragraphs (4), (5), and (6).

(2) Subsection (h) of section 901 is amended by striking out "section 927(d)(6)" and inserting in lieu thereof "section 927(d)(6))".

(3) Paragraph (3) of section 802(c) of the Tax Reform Act of 1984 is hereby repealed.

(4) Subparagraph (A) of section 805(a)(2) of the Tax Reform Act of 1984 is amended by striking out "the taxpayer" and inserting in lieu thereof "the DISC or a related party".

(5) Paragraph (2) of section 927(e) is amended by striking out "clauses (i) and (ii)" and inserting in lieu thereof "clauses (ii) and (iii)".

SEC. 173. AMENDMENTS RELATED TO TITLE IX OF THE ACT.

(a) AMENDMENT RELATED TO SECTION 911 OF THE ACT.—Paragraph (3) of section 34(a) (relating to credit for certain uses of gasoline and special fuels) is amended to read as follows:

"(3) under section 6427—

"(A) with respect to fuels used for nontaxable purposes or resold, or

"(B) with respect to any qualified diesel-powered highway vehicle purchased (or deemed purchased under section 6427(g)(6)), during the taxable year (determined without regard to section 6427(j)))."

(b) AMENDMENTS RELATED TO SECTION 915 OF THE ACT.—

(1) Paragraph (2) of section 6427(b) (relating to intercity, local, or school buses) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) EXCEPTION FOR SCHOOL BUS TRANSPORTATION.—Subparagraph (A) shall not apply to fuel used in an automobile bus while engaged in the transportation described in paragraph (1)(B)."

(2) Subparagraph (A) of section 6427(b)(2) is amended by striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B) and (C)".

(3) The heading for subparagraph (C) of section 6427(b)(2), as redesignated by paragraph (1), is amended by striking out "EXCEPTION" and inserting in lieu thereof "EXCEPTION FOR CERTAIN INTRACITY TRANSPORTATION".

SEC. 174. AMENDMENTS RELATED TO TITLE X OF THE ACT.

(a) AMENDMENT RELATED TO SECTION 1001 OF THE ACT.—Subsection (b) of section 1001 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(24) Clause (i) of section 1278(a)(1)(B) (relating to short-term obligations)."

(b) AMENDMENT RELATED TO SECTION 1015 OF THE ACT.—Subparagraph (I) of section 4162(a)(6) (defining sport fishing equipment) is amended to read as follows:

"(I) fishing hook disgorgers, and".

(c) AMENDMENTS RELATED TO SECTION 1018 OF THE ACT.—

(1) Paragraph (1) of section 4041(l) (relating to exemption for certain helicopter uses) is amended to read as follows:

"(1) transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, oil, or gas, or".

(2) Paragraph (1) of section 4261(e) (relating to exemption for certain helicopter uses) is amended to read as follows:

"(1) transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, oil, or gas, or".

(d) AMENDMENTS RELATED TO SECTION 1034 OF THE ACT.—

(1) The last sentence of section 514(c)(9)(B) (relating to exceptions) is amended by striking out "would be unrelated business taxable income (determined without regard to this paragraph)" and inserting in lieu thereof "is unrelated business taxable income".

(2) Clause (i) of section 514(c)(9)(C) is amended by striking out "section 509(a)" and inserting in lieu thereof "section 509(a)(3)".

(e) AMENDMENTS RELATED TO SECTION 1041 OF THE ACT.—

(1) The subsection (j) of section 51 (relating to targeted jobs credit) added by section 1041 of the Tax Reform Act of 1984 is hereby redesignated as subsection (k).

(2) Subparagraph (B) of section 1041(c)(5) of the Tax Reform Act of 1984 is amended by striking out "section 51(j)" and inserting in lieu thereof "section 51(k)".

(f) AMENDMENT RELATED TO SECTION 1053 OF THE ACT.—Paragraph (2) of section 1034(h) (relating to members of armed forces) is amended by striking out "before the last day described" and inserting in lieu thereof "before the day which is 1 year after the last day described".

(g) AMENDMENT RELATED TO SECTION 1063 OF THE ACT.—Subsection (c) of section 1063 of the Tax Reform Act of 1984 (relating to permanent disallowance of deduction for expenses of demolition of certain structures) is amended to read as follows:

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1983, but shall not apply to any demolition (other than of a certified historic structure) commencing before July 19, 1984."

(h) AMENDMENT RELATED TO SECTION 1065 OF THE ACT.—Subsection (b) of section 1065 of the Tax Reform Act of 1984 (relating to rules treating Indian tribal governments as States) is amended by striking out "section 7871" and inserting in lieu thereof "section 7871(a)".

SEC. 175. MISCELLANEOUS PROVISIONS.

(a) WAIVER OF ESTIMATED TAX PENALTIES.—No additional tax shall be made under section 6654 or 6655 of the Internal Revenue Code of 1954 (relating to failure to pay estimated income tax) for any period before April 16, 1985 (March 16, 1985 in the case of a taxpayer subject to section 6655 of such Code), with respect to any underpayment, to the extent that such underpayment was created or increased by any provision of the Tax Reform Act of 1984.

(b) AMENDMENTS RELATED TO ORPHAN DRUG CREDIT.—

(1) Clause (ii) of section 28(b)(2)(A) (defining clinical testing) is amended—

(A) by striking out "the date of such drug" in subclause (I) and inserting in lieu thereof "the date such drug", and

(B) by striking out "of such Act" in subclause (II) and inserting in lieu thereof "of such Act or, if the drug is a biological product, before the date on which a license for such drug is issued under section 351 of the Public Health Services Act".

(2) Paragraph (1) of section 28(d) (defining rare disease or condition) is amended to read as follows:

"(1) RARE DISEASE OR CONDITION.—For purposes of this section, the term 'rare disease or condition' means any disease or condition which—

"(A) affects less than 200,000 persons in the United States, or

"(B) affects more than 200,000 persons in the United States but for which there is no reasonable expectation that the cost of developing and making available in the United States a drug for such disease or condition will be recovered from sales in the United States of such drug.

Determinations under the preceding sentence with respect to any drug shall be made on the basis of the facts and circumstances as of the date such drug is designated under section 526 of the Federal Food, Drug, and Cosmetic Act."

(3) The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 1982, in taxable years ending after such date.

(c) TREATMENT OF SALES WITHIN AFFILIATED GROUP FOR PURPOSES OF SECTION 29.—

(1) Paragraph (8) of section 29(d) (relating to related persons) is amended by adding at the end thereof the following new sentence: "In the case of a corporation which is a member of an affiliated group of corporations filing a consolidated return, such corporation shall be treated as selling qualified fuels to an unrelated person if such fuels are sold to such a person by another member of such group."

(2) The amendment made by paragraph (1) shall take effect as if included in the amendments made by section 231 of Public Law 96-223.

(d) RETURNS AND RECORDS WITH RESPECT TO CERTAIN FRINGE BENEFITS.—

(1) Subsection (d) of section 6039D (added by section 1 of Public Law 98-611) is amended to read as follows:

"(d) DEFINITIONS.—For purposes of this section—

"(1) SPECIFIED FRINGE BENEFIT PLAN.—The term 'specified fringe benefit plan' means—

"(A) any qualified group legal services plan (as defined in section 120),

"(B) any cafeteria plan (as defined in section 125), and

"(C) any educational assistance plan (as defined in section 127).

"(2) APPLICABLE EXCLUSION.—The term 'applicable exclusion' means—

"(A) section 120 in the case of a qualified group legal services plan,

"(B) section 125 in the case of a cafeteria plan, and

"(C) section 127 in the case of an educational assistance plan."

(2) The section 6039D added by section 1 of Public Law 98-612 is hereby repealed.

(e) REPEAL OF JOINT COMMITTEE REPORT REQUIREMENT.—Section 6405 (relating to reports of refunds and credits) is amended by striking out subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.

PART H—EFFECTIVE DATE

SEC. 181. EFFECTIVE DATE.

Except as otherwise provided in this title, any amendment made by this title shall take effect as if included in the provision of the Tax Reform Act of 1984 to which such amendment relates.

TITLE II—TECHNICAL CORRECTIONS IN OTHER PROGRAMS AFFECTED BY DEFICIT REDUCTION ACT OF 1984

PART A—AMENDMENTS RELATED TO SOCIAL SECURITY ACT PROGRAMS

SEC. 201. AMENDMENTS RELATED TO COVERAGE OF CHURCH EMPLOYEES (SECTION 2603 OF THE DEFICIT REDUCTION ACT).

(a) CLARIFICATION OF EXCEPTION FOR MEMBERS OF CERTAIN RELIGIOUS FAITHS.—Subsection (g) of section 1402 of the Internal Revenue Code of 1954 (relating to members of certain religious faiths) is amended by adding at the end thereof the following new paragraph:

"(5) SUBSECTION NOT TO APPLY TO CERTAIN CHURCH EMPLOYEES.—This subsection shall not apply with respect to services which are described in subparagraph (B) of section 3121(b)(8) (and are not described in subparagraph (A) of such section)."

(b) TREATMENT OF INCOME OF CERTAIN CHURCH, ETC., EMPLOYEES.—

(1) AMENDMENTS OF INTERNAL REVENUE CODE OF 1954.—

(A) IN GENERAL.—Section 1402 of such Code (relating to definitions for purposes of the tax on self-employment income) is amended by adding at the end thereof the following new subsection:

"(j) SPECIAL RULES FOR CERTAIN CHURCH EMPLOYEE INCOME.—

"(1) COMPUTATION OF NET EARNINGS.—In applying subsection (a)—

"(A) church employee income shall not be reduced by any deduction;

"(B) church employee income and deductions attributable to such income shall not be taken into account in determining the amount of other net earnings from self-employment.

"(2) COMPUTATION OF SELF-EMPLOYMENT INCOME.—

"(A) SEPARATE APPLICATION OF SUBSECTION (b)(2).—Paragraph (2) of subsection (b) shall be applied separately—

"(i) to church employee income, and

"(ii) to other net earnings from self-employment.

"(B) $100 FLOOR.—In applying paragraph (2) of subsection (b) to church employee income, '$100' shall be substituted for '$400'.

"(3) COORDINATION WITH SUBSECTION (a)(12).—Paragraph (1) shall not apply to any amount allowable as a deduction under subsection (a)(12), and paragraph (1) shall be applied before determining the amount so allowable.

"(4) CHURCH EMPLOYEE INCOME DEFINED.—For purposes of this section, the term 'church employee income' means gross income for services which are described in section 3121(b)(8)(B) (and are not described in section 3121(b)(8)(A))."

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) NET EARNINGS.—Paragraph (14) of section 1402(a) of such Code (defining net earnings from self-employment) is amended to read as follows:

"(14) in the case of church employee income, the special rules of subsection (j)(1) shall apply."

(ii) SELF-EMPLOYMENT INCOME.—Subsection (b) of section 1402 of such Code is amended by adding at the end thereof the following new sentence: "In the case of church employee income, the special rules of subsection (j)(2) shall apply for purposes of paragraph (2)."

(iii) CONFORMING AMENDMENT.—The second sentence of section 1402(b) of such Code is amended by striking out "clause (1)" and inserting in lieu thereof "paragraph (1)".

(2) AMENDMENTS OF SOCIAL SECURITY ACT.—

(A) IN GENERAL.—Section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i)(1) In applying subsection (a)—

"(A) church employee income shall not be reduced by any deduction;

"(B) church employee income and deductions attributable to such income shall not be taken into account in determining the amount of other net earnings from self-employment.

"(2)(A) Subsection (b)(2) shall be applied separately—

"(i) to church employee income, and

"(ii) to other net earnings from self-employment.

"(B) In applying subsection (b)(2) to church employee income, '$100' shall be substituted for '$400'.

"(3) Paragraph (1) shall not apply to any amount allowable as a deduction under subsection (a)(11), and paragraph (1) shall be applied before determining the amount so allowable.

"(4) For purposes of this section, the term 'church employee income' means gross income for services which are described in section 210(a)(8)(B) (and are not described in section 210(a)(8)(A))."

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) NET EARNINGS.—Section 211(a)(13) of such Act is amended to read as follows:

"(14) In the case of church employee income, the special rules of subsection (i)(1) shall apply."

(ii) SELF-EMPLOYMENT INCOME.—Section 211(b) of such Act is amended by adding at the end thereof the following new sentence: "In the case of church employee income, the special rules of subsection (i)(2) shall apply for purposes of paragraph (2)."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to remuneration paid or derived in taxable years beginning after December 31, 1984.

(c) REVOCATION OF ELECTION UNDER SECTION 3121(w).—Paragraph (2) of section 3121(w) of the Internal Revenue Code of 1954 (relating to timing and duration of election) is amended by striking out the last 2 sentences and inserting in lieu thereof the following: "The election may be revoked by the church or organization under regulations prescribed by the Secretary. The election shall be revoked by the Secretary if such church or organization fails to furnish the information required under section 6051 to the Secretary for a period of 2 years or more with respect to remuneration paid for such services by such church or organization, and, upon request by the Secretary, fails to furnish all such previously unfurnished information for the period covered by the election. Any revocation under the preceding sentence shall apply retroactively to the beginning of the 2-year period for which the information was not furnished."

SEC. 202. CORRECTIONS RELATING TO ENROLLMENT AND PREMIUM PENALTY UNDER THE MEDICARE WORKING AGED PROVISION.

(a) PREMIUM PENALTY.—The second sentence of section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)), as amended by section 2338(a) of the Deficit Reduction Act of 1984, is amended by striking out "months in which" and all that follows through "clause (iv) of such section" and inserting in lieu thereof "months during which the individual has attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1862(b)(3)(A)(iv)".

(b) SPECIAL ENROLLMENT PERIODS.—Section 1837(i) of the Social Security Act (42 U.S.C. 1395p), as added by section 2338(b) of the Deficit Reduction Act of 1984, is amended—

(1) in paragraph (1) by amending subparagraph (A) to read as follows:

"(A) has attained the age of 65,"; and

(2) in paragraph (2), by redesignating subparagraph (C) as subparagraph (D) and by amending subparagraphs (A) and (B) to read as follows:

"(A) has attained the age of 65;

"(B)(i) has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual's initial enrollment period, or (ii) is an individual described in paragraph (1)(B);

"(C) has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a group health plan described in section 1862(b)(3)(A)(iv) by reason of the individual's (or individual's spouse's) current employment; and".

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to months beginning with January 1983 for premiums for months beginning with the first month that begins more than 30 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (b) shall apply to enrollments in months beginning with the first effective month (as defined in subparagraph (B)), except that in the case of any individual who would have a special enrollment period under section 1837(i) of the Social Security Act that would have begun after November 1984 and before the first effective month, the period shall be deemed to begin with the first day of the first effective month.

(B) For purposes of subparagraph (A), the term "first effective month" means the first month that begins more than 90 days after the date of the enactment of this Act.

SEC. 203. TECHNICAL CORRECTIONS IN OTHER PROVISIONS RELATED TO SOCIAL SECURITY ACT PROGRAMS.

(a) AMENDMENTS RELATING TO OASDI PROGRAM.—

(1) Section 202(c)(5)(B) of the Social Security Act is amended by striking out "or (I)" and inserting in lieu thereof "or (J)".

(2) Section 202(q)(5)(A)(i) of such Act is amended by striking out "prescribed by him" and inserting in lieu thereof "prescribed by the Secretary".

(3) Section 202(q)(5)(C) of such Act is amended by striking out "she shall be deemed" and inserting in lieu thereof "he or she shall be deemed".

(4) Section 203(a)(6) of such Act is amended by striking out the comma after "shall be".

(5) Section 210(a)(5)(G) of such Act is amended by striking out "Any other service" and inserting in lieu thereof "any other service".

(6) Effective on the date of the enactment of the Deficit Reduction Act of 1984—

(A) section 2601(d)(1)(B)(ii) of that Act is amended by striking out "210(a)(5)(g)(iii)" and inserting in lieu thereof "210(a)(5)(G)(iii)"; and

(B) section 2663(c)(1) of that Act is amended by striking out subparagraph (B).

(7) Section 211(c)(2) of the Social Security Act is amended by indenting subparagraph (G) two additional ems (for a total indentation of four ems) so as to align its left margin with the margins of the other subparagraphs in such section.

(8) Section 215(i)(5)(B) of such Act is amended—

(A) by striking out "subdivision (I)" in clause (ii) and inserting in lieu thereof "clause (i)(I)";

(B) by striking out "subdivisions (I) and (II)" in the matter between clauses (iii) and (iv) and inserting in lieu thereof "clause (i)".

(9) The heading of section 218(m) of such Act is amended to read as follows:

"Wisconsin Retirement Fund".

(10) Section 221(e) of such Act is amended by striking out "under this section" in the first sentence.

(11) Section 223(g)(1) of such Act is amended by striking out the second comma after the term "benefits" where such term first appears in the matter following subparagraph (C).

(12)(A) Section 1402(c)(2) of the Internal Revenue Code of 1954 is amended by indenting subparagraph (G) two additional ems (for a total indentation of four ems) so as to align its left margin with the margins of the other subparagraphs in such section.

(B) Section 3121(a)(8) of such Code is amended by moving subparagraph (B) two ems to the left, so that its left margin is in flush alignment with the margin of subparagraph (A) of such section.

(b) AMENDMENTS RELATING TO AFDC AND CHILD SUPPORT PROGRAMS.—

(1)(A) Section 402(a) of the Social Security Act is amended by striking out "and" after the semicolon at the end of paragraph (37), and by making any additional changes which may be necessary to assure that paragraphs (34) through (37) each end with a semicolon, paragraph (38) ends with "; and", and paragraph (39) ends with a period.

(B) Effective on the date of the enactment of the Deficit Reduction Act of 1984, section 2639(a) of that Act is amended by striking out the period immediately following "utility providing home energy" (in the quoted matter) and inserting in lieu thereof a semicolon.

(2) The placement of the last sentence of section 402(a) of the Social Security Act is modified to the extent necessary to assure that it begins flush to the full left margin without any indentation, immediately after and below the last of the numbered paragraphs.

(3) Section 457(c) of such Act is amended by striking out "subsection (b)(3) (A) and (B)" in the matter following paragraph (2) and inserting in lieu thereof "subsection (b)(4) (A) and (B)".

(4) Section 458(d) of such Act is amended by striking out "on behalf of individuals residing in another State" and inserting in lieu thereof "at the request of another State".

(5) Section 464(b)(2)(A) of such Act is amended by striking out "threshhold" and inserting in lieu thereof "threshold".

(c) AMENDMENTS TO GENERAL PROVISIONS.—

(1) Section 1101(a) of such Act is amended by shifting paragraphs (3), (4), and (5) to the right to the extent necessary to assure that their left margins are aligned with the left margins of the other numbered paragraphs.

(2) Section 1136(b)(7) of such Act is amended by striking out "nongovermental" and inserting in lieu thereof "nongovernmental".

(d) AMENDMENTS RELATING TO SSI PROGRAM.—

(1) The heading of section 1631(g) of such Act is amended to read as follows:

"Reimbursement to States for Interim Assistance Payments".

(2) Section 1612(a)(1)(C) of such Act is amended by striking out "section 43" and inserting in lieu thereof "section 32".

(3) Section 1612(b) of such Act is amended by making any changes which may be necessary to assure that paragraph (11) ends with a semicolon, paragraph (12) ends with "; and", and paragraph (13) ends with a period.

(e) AMENDMENTS RELATING TO MEDICARE PROGRAM.—

(1)(A) Subclause (III) of section 1842(b)(7)(B)(ii) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)(ii)), as added by section 2307(a)(2)(G) of the Deficit Reduction Act of 1984, is amended by indenting it two additional ems to the right so as to align its left margin with the left margins of subclauses (I) and (II) of that section.

(B) Section 1861(n) of the Social Security Act (42 U.S.C. 1395x(n)), as inserted by section 2321(e)(3) of the Deficit Reduction Act of 1984, is amended by striking out "at his home" and inserting in lieu thereof "as his home".

(C) Section 1888(b) of the Social Security Act (42 U.S.C. 1395yy(b)), as added by section 2319(b) of the Deficit Reduction Act of 1984, is amended by striking out "nothwithstanding" and inserting in lieu thereof "notwithstanding".

(D) The amendments made by this paragraph shall be effective as if they had been originally included in the Deficit Reduction Act of 1984.

(2)(A) Clause (iii) of section 1842(b)(7)(B) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)), as added by section 3(b)(6) of Public Law 98-617, is amended by moving its alignment two additional ems to the left so as to align its left margin with the left margins of clauses (i) and (ii) of that section.

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in Public Law 98-617.

(3)(A) Section 1861(v)(1)(G)(i) of the Social Security Act (42 U.S.C. 1395x(b)(1)(G)(i)), as amended by section 602(d)(1) of the Social Security Amendments of 1983, is amended by inserting, in the matter after subclause (III), "on the basis of" after "(during such period)".

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in the Social Security Amendments of 1983.

(f) AMENDMENTS RELATING TO SOCIAL SERVICES PROGRAM.—

(1)(A) Section 2003(d) of such Act is repealed.

(B) Section 2003(b) of such Act is amended by striking out "(subject to subsection (d))".

(2) Section 2007 of such Act is repealed.

(g) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall take effect on the date of the enactment of this Act.

PART B—AMENDMENTS RELATED TO UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 211. TECHNICAL CORRECTIONS IN FEDERAL UNEMPLOYMENT TAX ACT

The Federal Unemployment Tax Act is amended as follows:

(1) Subparagraph (B) of section 3302(c)(2) (relating to a limit on the credit against the unemployment tax) is amended—

(A) by striking out "determination" the second place it appears in the material preceding clause (i) and inserting in lieu thereof "denominator", and

(B) in clause (i)—

(i) by striking out "percent" immediately preceding the comma at the end thereof, and

(ii) by inserting "percent" after "2.7".

(2) Subparagraph (A) of section 3302(f)(8) (relating to a partial limitation on the reduction of the credit against the unemployment tax) is amended by striking out "1987" and inserting in lieu thereof "1986".

(3) Clause (i) of section 3306(o)(1)(A) (relating to crew leaders who are registered or provide specialized agricultural labor) is amended by striking out "Farm Labor Contractor Registration Act of 1963" and inserting in lieu thereof "Migrant and Seasonal Agricultural Workers Protection Act".

PART C—AMENDMENTS RELATED TO TRADE AND TARIFF PROGRAMS

SEC. 221. AMENDMENTS TO THE TARIFF SCHEDULES.

The Tariff Schedules of the United States (19 U.S.C. 1202) are amended as follows:

(1) TELECOMMUNICATIONS PRODUCT CLASSIFICATION CORRECTIONS.—(A) Schedule 6 is amended as follows:

(i) Headnote 1 to subpart C of part 4 is amended by striking out "688.43" and inserting in lieu thereof "688.42".

(ii) Headnote 3 of part 5 of schedule 6 is amended by striking out "items 685.11 through 685.19, inclusive," and inserting in lieu thereof "items 684.92, 684.98, 685.00, and 685.08".

(iii) Item 685.34 is amended by inserting "35% ad val." in Column No. 2.

(iv) Item 685.55 is amended by striking out "685.11 to 685.50" and inserting in lieu thereof "684.92 to 685.49".

(B) Headnote 2(ii) to part 7 of schedule 8 is amended by striking out "688.43" and inserting in lieu thereof "688.42".

(2) CORRECTIONS TO THE APPENDIX.—Subpart B of part 1 to the Appendix is amended as follows:

(A) The article description for item 906.38 is amended to read as follows: "N-Acetylsulfanilyl chloride (provided for in item 405.31, part 1B, schedule 4)".

(B) Item 907.38 is amended by striking out "411.87" and inserting in lieu thereof "411.82".

(C) Item 912.13 is amended by striking out "670.20" and inserting in lieu thereof "670.21".

(3) MISCELLANEOUS CORRECTIONS.—The Schedules are further amended as follows:

(A) Headnote 1 of subpart D of part 4 of schedule 1 is amended by striking out "(casein plus albumin)" and inserting in lieu thereof "(casein plus lactalbumin)".

(B) Headnote 1 of subpart C of part 4 of schedule 3 is amended—

(i) by inserting "or" after the semicolon at the end of clause (v); and

(ii) by striking out "; or" at the end of clause (vi) and inserting in lieu thereof a period.

SEC. 222. TECHNICAL CORRECTIONS TO COUNTERVAILING AND ANTIDUMPING DUTY PROVISIONS.

(a) Title VII of the Tariff Act of 1930 is amended as follows:

(1)(A) Subsection (c) of section 701 (19 U.S.C. 1671(c)) is redesignated as subsection (d).

(B) Subsection (g) of such section 701 (as added by section 613(b) of the Trade and Tariff Act of 1984) is—

(i) amended by striking out "(g) Whenever" and inserting in lieu thereof "(c) UPSTREAM SUBSIDY.—Whenever"; and

(ii) inserted immediately after subsection (b) of that section.

(2) Sections 702(b)(1) and 732(b)(1) (19 U.S.C. 1671a(b)(1) and 1673a(b)(1)) are each amended by striking out "(C), (D), or (E)" and inserting in lieu thereof "(C), (D), (E), or (F)".

(3) Subsection (h) of section 703 (19 U.S.C. 1617b(h)) is redesignated as subsection (g), and—

(A) paragraph (2)(A) of that subsection (as so redesignated) is amended by striking out "days under section 705(a)(1) or 225 days under section 705(a)(2), as appropriate" and inserting in lieu thereof "or 225 days, as appropriate, under section 705(a)(1)"; and

(B) paragraph (2)(B)(ii) of that subsection (as so redesignated) is amended by striking out "days under section 705(a)(2)" and inserting in lieu thereof "or 225 days, as appropriate, under section 705(a)(1)".

(4) Section 704 is amended—

(A) by amending subsection (d)—

(i) by redesignating paragraph (2) as paragraph (3); and

(ii) by inserting after paragraph (1) the following new paragraph:

"(2) EXPORTS OF MERCHANDISE TO UNITED STATES NOT TO INCREASE DURING INTERIM PERIOD.—The administering authority may not accept any agreement under subsection (b) unless that agreement provides a means of ensuring that the quantity of the merchandise covered by that agreement exported to the United States during the period provided for elimination or offset of the subsidy or cessation of exports does not exceed the quantity of such merchandise exported to the United States during the most recent representative period determined by the administering authority."; and

(B) by amending subsection (i)(1)(D) by striking out "international" and inserting in lieu thereof "intentional".

(5) Paragraph (2) of section 706(a) is amended by aligning the margin of the matter appearing after subparagraph (B) with the margin of the matter appearing before subparagraph (A).

(6)(A) Section 708 is amended by striking out "SEC. 708." and inserting in lieu thereof the following flush section heading:

"SEC. 708. EFFECT OF DEROGATION OF EXPORT-IMPORT BANK FINANCING.".

(B) The table of contents for such title VII is amended by inserting in numerical sequence the following:

"Sec. 708. Effect of derogation of Export-Import Bank financing.".

(7) Section 736(c)(1) (19 U.S.C. 1673(c)(1)) is amended by inserting ", and was sold to any person that is not related to such manufacturer, producer, or exporter," immediately before "on or after the date of publication of—".

(8) The last sentence of section 751(b)(1) (19 U.S.C. 1675(b)(1)) is amended by inserting "or countervailing duty" after "antidumping" each place it appears.

(9) Section 771(7)(F)(i) (19 U.S.C. 1677(7)(F)(i)) is amended—

(A) by striking "any merchandise" in that part which precedes subclause (I) and inserting in lieu thereof "the merchandise"; and

(B) by striking out "find orders" in subclause (VIII) and inserting in lieu thereof "final orders".

(10) Section 771A(a) is amended by striking out "(ii), or (iii)" and inserting in lieu thereof "(ii), (iii), or (iv)".

(11) Subsection (g) of section 773 (19 U.S.C. 1677b(g)) is redesignated as subsection (f).

(12) Section 775 (19 U.S.C. 1677d) is amended by striking out "an proceeding" each place it appears therein and inserting in lieu thereof "a proceeding".

(13) Section 777 (19 U.S.C. 1677f) is amended—

(A) by striking out "confidential", "nonconfidential", and "confidentiality" each place they appear therein and inserting in lieu thereof "proprietary", "non-proprietary", and "proprietary status", respectively; and

(B) by inserting "or the Commission" after "administering authority" in subsection (b)(1)(B)(i).

(b) Section 626(b) of the Trade and Tariff Act of 1984 (relating to the effective dates of the amendments made therein to title VII of the Tariff Act of 1930) is amended—

(1) by amending paragraph (1) by inserting ", and to reviews begun under section 751 of that Act," after "1930"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) The administering authority may delay implementation of any of the amendments referred to in subsections (a) and (b)(1) with respect to any investigation in progress on the date of the enactment of this Act if the administering authority determines that immediate implementation would prevent compliance with a statutory deadline in title VII of the Tariff Act of 1930 that is applicable to that investigation.

"(4) The amendment made by section 621 shall apply with respect to merchandise that is unliquidated on or after November 4, 1984.".

SEC. 223. AMENDMENTS TO THE TRADE ACT OF 1974.

The Trade Act of 1974 is amended as follows:

(1) Section 128(b) (19 U.S.C. 2138) is amended by striking out "587.70" in paragraph (1) and inserting in lieu thereof "687.70".

(2) Subsection (n) of section 135 (as added by section 306(c)(2)(B)(v) of the Trade and Tariff Act of 1984) is redesignated as subsection (m).

(3) Section 141(d)(6) is amended by striking out "3679(b) of the Revised Statutes (31 U.S.C. 665(b))" and inserting in lieu thereof "1342 of title 31, United States Code".

(4) Subparagraphs (A), (B), and (C) of section 502(b)(4) are amended to read as follows:

"(A) has nationalized, expropriated, or otherwise seized ownership or control of property, including patents, trademarks, or copyrights, owned by a United States citizen or by a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens,

"(B) has taken steps to repudiate or nullify an existing contract or agreement with a United States citizen or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property, including patents, trademarks, or copyrights, so owned, or

"(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property, including patents, trademarks, or copyrights, so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property,".

(5) That part of section 504(c)(3)(D)(ii) (19 U.S.C. 2464(c)(3)(D)(ii)) that precedes subclause (I) is amended—

(A) by striking out "from any beneficiary developing country";

(B) by inserting "an aggregate value equal to" immediately before "15"; and

(C) by striking out "if for the preceding calendar year such beneficiary country—" and inserting in lieu thereof "for those beneficiary developing countries which for the preceding calendar year—".

SEC. 224. AMENDMENTS TO THE TARIFF ACT OF 1930.

The Tariff Act of 1930 is amended as follows:

(1) Section 304(c) (19 U.S.C. 1304(c)) is amended—

(A) by striking out "No" and inserting in lieu thereof the following: "(1) Except as provided in paragraph (2), no"; and

(B) by adding at the end thereof the following new paragraph:

"(2) If, because of the nature of an article, it is technically or commercially infeasible to mark it by one of the four methods specified in paragraph (1), the article may be marked by an equally permanent method of marking such as paint stenciling or, in the case of small diameter pipe and tube, by taging the containers or bundles.".

(2) Section 313 (19 U.S.C. 1313), as amended by section 202(1) of the Trade and Tariff Act of 1984, is amended—

(A) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(B) by amending paragraph (3) (as so redesignated) to read as follows:

"(3) The performing of incidental operations (including, but not limited to, testing, cleaning, repacking, and inspecting) on—

"(A) the imported merchandise itself in cases to which paragraph (1) applies; or

"(B) the merchandise of the same kind and quality in cases to which paragraph (2) applies:

that does not amount to manufacture or production for drawback purposes under the preceding provisions of this section shall not be treated as a use of that merchandise for purposes of applying paragraph (1)(B) or (2)(C).".

(3) Section 339(c)(2)(A) (19 U.S.C. 1339) is amended by striking out "relief" and inserting in lieu thereof "injury".

(4) Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) is amended by striking out "as defined in section 771(9) (C), (D), (E), and (F) of this Act".

(5) Section 516(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1615(a)(2)) is amended by adding at the end thereof the following new sentence:

"Such term also means a person that is an association, a majority of whose members is composed of persons described in subparagraph (A), (B), or (C).".

(6) Section 516A(a)(3) of the Tariff Act of 1930 (19 U.S.C. 516a(a)(3)) is amended by striking out "(2)(A)(ii)" and inserting in lieu thereof "(2)(A)(i)(II)".

SEC. 225. AMENDMENTS TO THE TRADE AND TARIFF ACT OF 1984.

The Trade and Tariff Act of 1984 (Public Law 98-573) is amended as follows:

(1) Section 126 is amended—

(A) by striking out the following:

"(3) Paragraphs (1) and (2) of section 126 of the bill are amended to read as follows:"; and

(B) by striking out "8.3% ad val." in paragraph (1) and inserting in lieu thereof "7.5% ad val.".

(2) Section 174(b) is amended by adding at the end of the table appearing therein the following:

"January 1, 1987 ..... 4.9% ad val.".

(3) Paragraph (7) of subsection (b) of section 212 is redesignated as subsection (c) of that section.

(4) The table in section 234(a) is amended by striking out "711.49" and inserting in lieu thereof "712.49".

(5) Section 304(d)(2)(A) is amended—

(A) by striking out "paragraph (6)" in clause (i) and inserting in lieu thereof "paragraph (9)";

(B) by striking out "paragraph (7)" in clause (ii) and inserting in lieu thereof "paragraph (10)"; and

(C) by redesignating the paragraph proposed to be added by clause (iii) as paragraph (11) of section 141(d) of the Trade Act of 1974.

(6) Section 307(b)(3) is amended by striking out "or paragraph (3)".

(7) Section 504 is amended by striking out "Tariff Act of 1930" and inserting in lieu thereof "Trade Act of 1974".

(8) Paragraph (3) of section 619 is amended by striking out "subsection (b)" and inserting in lieu thereof "subsection (b)(1)".

SEC. 226. AMENDMENTS TO THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT.

Section 213 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703) is amended—

(1) by striking out "such" the first place it appears in subsection (a)(3) and inserting in lieu thereof "any beneficiary"; and

(2) by striking out "138.42" in subsection (f)(5)(B) and inserting in lieu thereof "138.46".

SEC. 227. CONFORMING AMENDMENTS REGARDING CUSTOMS BROKERS.

Title 28 of the United States Code is amended—

(1) by striking out "(3) or (c)" in section 1581(g)(1) and inserting in lieu thereof "(3)"; and

(2) by striking out "641(a)(1)(C)" in section 1582(1) and inserting in lieu thereof "641(b)(6)".

SEC. 228. SPECIAL EFFECTIVE DATE PROVISIONS FOR CERTAIN ARTICLES GIVEN DUTY-FREE TREATMENT UNDER THE TRADE AND TARIFF ACT OF 1984.

(a) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the customs officer concerned on or before the 90th day after the date of the enactment of this Act, the entry of any article described in subsection (b) shall be treated as provided for in that subsection.

(b) In the case of the application of any amendment made by sections 112, 115, 118, 167, and 179 of the Trade and Tariff Act of 1984 (Public Law 98-573) to any entry—

(1) which was made after the applicable date and before the 15th day after the date of the enactment of this Act; and

(2) with respect to which there would have been no duty or a lesser duty if the amendment made by any such section applied to such entry;

such entry shall be liquidated or reliquidated as though such entry had been made on the 15th day after the date of the enactment of this Act.

(c) For purposes of subsection (b), the term "applicable date" means—

(1) in the case of section 118, June 1, 1982;

(2) in the case of sections 112, 115, and 179, June 30, 1983; and

(3) in the case of section 167, October 30, 1983.

(d) For purposes of this section—

(1) The term "entered" means entered, or withdrawn from warehouse for consumption in the customs territory of the United States.

(2) The term "entry" includes any withdrawal from warehouse.●

FARM EMERGENCY CREDIT ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MADIGAN] is recognized for 5 minutes.

● Mr. MADIGAN. Mr. Speaker, today, I am introducing the Farm Emergency Credit Act of 1985. This legislation is designed to provide emergency short-term loan assistance for farmers having difficulty obtaining credit for the 1985 planting season. It is the result of a strong bipartisan effort in both legislative bodies to address the credit problem facing rural America this spring.

This bill will make available to farmers an advance on the money they will receive at harvest, enabling them to get their crops planted now. They will incur no additional unwanted debt since they will receive only funds for which they will be eligible in the fall. The cost to the taxpayer is minimized because this advance loan will be repaid from the harvested crop. The farmer and the taxpayer are both protected from loss by the addition of multiperil crop insurance to guarantee that there will be funds for repayment.

Senator DIXON and I are making this last attempt in order to respond to Governor Thompson and members of the Illinois Legislature who have urged this effort upon us. They insist there is still time to get immediate credit assistance out to the farmer for the planting season. Time, however, is growing short. We urge the administration to join us in supporting this effort to help farmers keep on farming.

H.R. 1814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Emergency Credit Act of 1985".

ADVANCE RECOURSE COMMODITY LOANS

SEC. 2. Effective for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make advance recourse loans available to producers of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act, as follows:

"(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1985 crop of that commodity taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes as determined by the Secretary.

"(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity on the date the loan is approved. Within the limits set out in paragraphs (4) and (7) of this subsection, advance recourse loans shall be available (A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-third of the farm program yield for the commodity times the farm program acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary, (B) to producers of tobacco and peanuts who are on a farm for which a farm marketing quota or poundage quota has been established on an amount of the commodity equal to one-third of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary, and (C) to producers of other commodities on an amount of the commodity equal to one-third of the farm yield for the commodity times the farm acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(3) An advance recourse loan under this section shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under this section shall specify such due date. The Secretary shall establish procedures, where practicable, under which producers, simultaneously with repayment of the recourse loans, may obtain nonrecourse loans on the crop, as otherwise provided for in this Act, in amounts sufficient to repay the recourse loans. In cases in which nonrecourse loans under this Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay the recourse loan at the time the producer receives advances or other payment from the producer's disposition of the crop.

"(4) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1985 crop that are incurred or are outstanding on or after the date of enactment of the Farm Emergency Credit Act of 1985.

"(5) To obtain an advance recourse loan, the producers on a farm must provide a first lien on the growing crop covered by the loan as security for the loan or such other security as is available and determined by the Secretary to be adequate to protect the government's interests.

"(6) To obtain an advance recourse loan, the producers on a farm must obtain multiperil crop insurance, if it is available, to protect the growing crop that serves as security for the loan. In counties where the sign-up period for multi-peril crop insurance has expired, producers on a farm must obtain other crop insurance, if available.

"(7) The total amount of advance recourse loans that may be made to any person under this section shall not exceed $30,000.

"(8) Advance recourse loans shall be made available only to producers who agree to comply with such other terms and conditions determined appropriate by the Secretary consistent with the provisions of this section.

"(b) If a producer who has received an advance recourse loan under this section fails to comply with any term or condition prescribed by the Secretary, the principal and interest accrued to date of such loan shall be due and payable immediately.

"(c) The Secretary shall carry out the program provided for under this section through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and, in addition, the services of the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to make determinations of eligibility with respect to the credit test under clause (1), and determinations as to the sufficiency of security under clause (5), of subsection (a) of this section, and in such other capacities, as the Secretary determines appropriate.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 3. (a) The Secretary of Agriculture shall immediately take steps—using authorities of law provided to the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary is authorized to hire additional temporary employees (in addition to those authorized to be hired as of the date of enactment of this Act) to ensure the timely processing of applications for Farmers Home Administration assistance.

REGULATIONS

SEC. 4. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue, or as appropriate amend, regulations to implement the provisions of this Act as soon as practicable but not later than fifteen days after the date of enactment of this Act, and loans and other assistance provided under this Act shall be made available beginning on the date such regulations are issued or amended.●

□ 1330

THE ELECTION IN INDIANA'S EIGHTH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE] is recognized for 5 minutes.

Mr. BUSTAMANTE. Mr. Speaker, thank you for again allowing me to address the House of Representatives on the issue involving the disputed election in Indiana's Eighth Congressional District. Indiana Secretary of State Edward Simcox certified Mr. McIntyre's victory subsequent to a recount of all ballots by special county commissions. Today, I would like to call my colleagues' attention to an article which appeared on March 27, 1985, in the Indiana Daily Student. In a speech made by Mr. Simcox at a Lincoln dinner, he "urged Posey County Republicans to support President Reagan's Central American policies to curb a wave of 'wetbacks' entering the United States in search of economic prosperity."

I am bothered by the remarks for a number of reasons, personal and political. First, I have never been certain of what a wetback is—that's a problem in vocabulary—I take it to mean someone who has waded across the Rio Grande and entered the United States illegally. But, the word has a broader and an uglier connotation—the racist reference to those who live south of our border with Mexico. Now, Texas is south of Indiana, and commonsense suggests that where geography is concerned, the problems associated with illegal immigration from Mexico and Central America are felt most acutely near the river, where backs get wet. I was born near that river and I represent a district which includes 230 miles of the border, somewhere on the order of 12 percent of the 2,000-mile border Mr. Simcox referred to. I do not doubt that Mr. Simcox intended to use the term "illegal alien" rather than "wetback." This is inconsequential. I believe Mr. Simcox does not know why he intended to say "illegal alien" rather than "wetback." I doubt that Mr. Simcox has been to south Texas; I doubt that Mr. Simcox has experienced the prejudice and discrimination that many Mexican-Americans live through from day to day. I am one of those Mexican-Americans who has been denied entry into a restaurant, who has been told that he must get his hair cut somewhere else. In my lifetime, the term "wetback" has been used on me. I am a third-generation American. And yet, because of the way I look and speak, crossing the border from Mexico to the United States is a little more diffcult than if I were white.

I dare say I have a better sense of the volume of illegal immigration across the river in the part of the world I know best, just as I'm sure Mr. Simcox is more of an authority on electoral procedures in Indiana than I am. I do not presume to make pronouncements on matters of fact in which I may be instructed by those whose lives are more intimately affected by those facts than my own.

Nonetheless, Mr. Simcox's remarks have convinced me that our action on the McIntyre-McCloskey race is right. For this is the same man who certified Mr. McIntyre the winner; this is the same man who would disenfranchise more than 1,000 black voters.

The remark is offensive in a political context as well. Mr. Simcox had apparently left aside his interest in the contest for the Eighth District of Indiana at the Lincoln Day dinner the other night—and digressed to the topic of our current and future policy options for Central America and Mexico. The future of U.S. relations with Mexico and Central America are also important to me. I suggest that Mr. Simcox's views are not dissimilar from those who make our Latin American policy today. It is time for us to understand these people. We cannot browbeat these countries any more. If we can treat our European and Middle East neighbors as equals, it is only right and fair to treat Mexico and Central American countries the same. After all, our countries also share many of the same goals for our people.

SOPHISTICATED SCIENTIFIC STUDIES AFFIRM NUCLEAR WINTER THEORY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, at the beginning of this month, the Department of Defense released its congressionally mandated report on the theory of nuclear winter. While the Pentagon acknowledged the validity of the theory, it also claimed that the rudimentary nature of the theory's analysis—in particular, the unsophisticated computer models it was based on—made it impossible to determine whether a nuclear exchange would have a truly devastating impact on the Earth's climate. The Pentagon also claimed that these uncertainties rendered it unlikely that this new theory would have any strategic or political implications for our nuclear defense planning or the superpowers' relations with newly emerging nuclear powers, such as Pakistan and Iraq.

But Mr. Speaker, as we come to the end of March, a symposium sponsored by the National Academy of Sciences on nuclear winter has revealed very sophisticated modeling work that not only confirms the original hypothesis of nuclear winter but indicates that the climatic consequences of nuclear war may be worse than initially anticipated. And those consequences have to be borne in mind as we consider their important implications for nuclear strategy, here and abroad.

At the symposium, which concluded yesterday, Dr. Stephen Schneider

from the National Center for Atmospheric Research in Boulder, CO, unveiled NCAR's three dimensional computer model research of nuclear winter. That work indicated that a nuclear exchange—even a limited one in the European theater—could produce "quick freezes" in the area destroying one of the world's most productive agricultural centers. Just as importantly, a larger nuclear exchange between the superpowers would probably give rise to a nuclear winter that would affect not only the territories of the superpowers, but also of noncombatants. The research indicates that the agricultures of countries such as Japan and India may be destroyed by quick freezes.

Another major scientific study of nuclear winter done by Los Alamos National Laboratory was also revealed yesterday. Through the use of one of the most advanced computer-based climate models available, the Los Alamos researchers determined that although some of the particles injected into the atmosphere by nuclear detonations would be scavenged out by rain and other natural forces, many of the particles would rise beyond the reach of these scavening processes as they were heated by the Sun. As a result, these particles would comprise clouds that could stay in the atmosphere, blocking the Sun's rays for months.

Clearly, the scientific findings of NCAR and Los Alamos have important implications for defense concerns such as civil defense planning, extended nuclear and conventional deterrence, strategic nuclear targeting, as well as the effects of nuclear winter on noncombatants. None of these concerns was addressed in any detail in the Pentagon's report.

And the Pentagon would have us believe, despite the growing acceptance of this important theory, that those concerns do not merit attention insofar as they relate to nuclear winter. I believe that the work done by NCAR and Los Alamos, and the work that will continue to be done by universities and Federal agencies, puts the lie to that notion. If we are to be responsible for a sound defense, then the Pentagon's planners must join Congress and the scientific community in squarely confronting the profound implications of nuclear winter.

Mr. Speaker, at this point, I request that the following article from the Washington Post concerning the NAS symposium appear in the RECORD.

NEW STUDIES SUPPORT NUCLEAR WINTER THEORY

(By Boyce Rensberger)

The most sophisticated studies yet of a nuclear war's effect on climate have largely confirmed the controversial theory that such a clash could plunge large regions of the world into a devastating period of freezing temperatures—the so-called nuclear winter.

The new studies, reported here yesterday at a major scientific symposium on nuclear winter, indicate that although the period of cold might not be as prolonged as earlier studies predicted, a war in July could drop temperatures by 30 to 100 degrees Fahrenheit for a matter of weeks.

The studies also suggest that even a limited nuclear war—confined, for example, to Europe—could produce a "quick freeze" in the region as soon as two days after the exchange. Although the freeze might not last more than a few days, it could destroy agriculture for the entire season.

"We sustain the idea that nuclear winter is still a possibility," said Stephen H. Schneider of the National Center for Atmospheric Research in Boulder, Colo. "However, we don't see the kind of picture that has three meters of ice over the continent."

Three years ago the nuclear winter hypothesis emerged from studies that scientists have always warned were crude and subject to great uncertainty. They suggested that a nuclear war would blast so much dust into the atmosphere, along with millions of tons of smoke from burning cities, that the sky would be blackened, cutting off sunlight and allowing the land to cool.

In the ensuing public debate the elements of uncertainty were widely overlooked. Nobody really knew how much material would be blasted into the sky, for example, how high it would go or how long it would stay there.

Last December a panel of the National Academy of Sciences released a study largely confirming the nuclear winter scenario but emphasizing the uncertainties.

Today's reports, at a meeting sponsored by the academy and its sister body, the National Academy of Engineering, removed some of the uncertainties. They reported on the results of computer simulations of atmospheric behavior that include more factors than did previous simulations.

The scientists give the simulation program certain basic facts about the amount of particles in the air at a given altitude—still strictly a guess. The program then moves the hypothetical smoke around according to prevailing wind patterns for the season and calculates the effect of lost solar heating on the ground below. The computer then displays global maps showing where the smoke is after a certain number of days and how ground temperatures have changed.

Scientists objected to the previous computer models because they omitted or estimated very crudely many factors. A key factor, for example, was the rate at which particles fell out of the air. Critics of the nuclear winter theory have suggested that rain and other processes would cause most of the particles to fall to Earth before they could affect the climate.

The most sophisticated model, in use at the Los Alamos National Laboratory in New Mexico, takes account of such factors and shows that, although much of the smoke rains out very quickly, the balance rises as it absorbs solar heat, gradually escaping the effects of ordinary weather.

Particles in these layers, said Robert C. Malone, who developed the model at Los Alamos, appear able to remain aloft for many months. Within one month the thicker clouds below, accounting for two-thirds of the particles, have fallen back to Earth. It is not known what ground effect the thinner, higher clouds may have.

Schneider's similar but somewhat less sophisticated model also has responded to the criticism that post-attack smoke would be not evenly distributed around the Earth but, rather, patchy, letting the sun through in places. The patches, he found, could cover a large enough area to drop temperatures below freezing in two days.●

PERMANENT DISPOSAL OF HIGH-LEVEL NUCLEAR WASTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 5 minutes.

● Mr. WEAVER. Mr. Speaker, pursuant to the Nuclear Waste Policy Act of 1982, the Federal Department of Energy has now designated three potential sites for the first high-level radioactive waste repository: Yucca Mountain, NV; Deaf Smith County, TX; and the Hanford Reservation in Washington.

Under the act, the President is required by March 31, 1987, to recommend to Congress a site for the first repository. The State in which any proposed site is located is accorded particular rights to participate in the site selection process, including the right to submit to Congress a notice of disapproval, which may then be overridden by a joint or concurrent resolution of Congress.

The proposed site at the Hanford Reservation is only 20 miles from Oregon and less than 10 miles from the mainstem of the Columbia River, the major river of the Pacific Northwest. The primary environmental concern with the Hanford site is contamination of the Columbia River. Downstream from Hanford some 280 miles to the Pacific Ocean, essentially the entire length of the river forms the Oregon/Washington border. Water is withdrawn from both sides for domestic and irrigation purposes. And the fishing industry of the entire Pacific Northwest could be gravely damaged by leaks from the repository or if any of the barges carrying the high-level radioactive waste or spent nuclear fuel were to sink in the Columbia River.

The people of Oregon would suffer from any radioactive contamination of the Columbia River just as severely as the p ople of Washington, if not more so: O egon's major population center, Portland, where about half of the Stat e's 3 million people reside, is adjacent to the Columbia River. Washington's largest cities—Seattle, Tacoma, Spokane—on the other hand, are hundreds of miles from the portion of the Columbia River at risk of contamination.

Oregon has a vital interest in ensuring that the permanent disposal of high-level nuclear waste doesn't destroy the State's most vital resource—the Columbia River. Thus, Oregon should be allowed the same opportunity to participate in the site selection, review, and approval process as the

State of Washington. Both States should also be assisted in funding the scientific studies necessary to support their effective participation. The Federal Department of Energy has denied funding to States, such as Nevada, which have sought to undertake their own studies. The bill would provide such funding for Oregon and Washington from the revenues of the Bonneville Power Administration. It would not require any contributions from Federal taxpayers.●

CONSENT CALENDAR PROCEDURES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. FLIPPO] is recognized for 5 minutes.

● Mr. FLIPPO. Mr. Speaker, the members of the Consent Calendar Committee have agreed, for the 99th Congress, upon the following policies and procedures: First, generally, no legislation should pass by unanimous consent which involves an aggregate expenditure of more than $1 million; second, no bill which changes national policy or international policy should be permitted to pass on the Consent Calendar but rather should be afforded the opportunity of open and extended debate; and third, any bill which appears on the Consent Calendar, even though it does not change national or international policy, or does not call for an expenditure of more than $1 million, should not be approved without the membership being fully informed of its contents. If it is a measure that would apply to a majority of the Members of the House, in which case the minimum amount of consideration that should be given such a bill would be clearance by the leadership of both parties before being brought before the House on the Consent Calendar. Such a bill would be put over without prejudice one or more times to give an opportunity to the Members to become fully informed as to the contents of the bill.

It must be pointed out to the membership that it is not the objective of the objectors to obstruct legislation or to object to bills or pass them over without prejudice because of any personal objection to said bill or bills by any one member or all of the members of the Consent Calendar Objectors Committee, but rather that their real purpose, in addition to expediting legislation, is to protect the membership from having bills passed by unanimous consent, which in the opinion of the objectors, and Members of the House might have objection to.

The members of the Consent Calendar Committee request that the chairmen of the standing committees of the House having responsibility for bringing legislation before the House take into account the contents of this statement before placing the bill on the Consent Calendar. While it is not absolutely necessary for the sponsors of the bill appearing on the Consent Calendar contact the objectors, to avoid the bills being put over unnecessarily, it is a good practice to do so. The committee members welcome the practice of getting in touch with them at least 24 hours in advance of the time the legislation is called up on the regular call of the Consent Calendar. In many instances, such courtesy on the part of the sponsors will clear away questions which the objectors may have and consequently make for the expeditious handling of the legislation.

This agreement was entered by the gentleman from Alabama, RONNIE G. FLIPPO, the gentleman from Maryland, ROY DYSON, the gentleman from Tennessee, BART GORDON, the gentleman from Pennsylvania, ROBERT S. WALKER, the gentleman from California, DAN LUNGREN, and the gentleman from New York, GEORGE C. WORTLEY.●

Mr. TAUKE. Mr. Speaker, I ask unanimous consent that I may be permitted to proceed out of order with my special order of 60 minutes today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RURAL HOSPITAL PROBLEMS WITH REIMBURSEMENT UNDER MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. TAUKE] is recognized for 60 minutes.

Mr. TAUKE. Mr. Speaker, first I want to thank you for your indulgence in deferring your own special order in order to give those of us who want to speak on the rural hospital issue an opportunity to address this question.

Mr. Speaker, a few weeks ago we took the floor to talk about the problems facing our rural hospitals and the unfairness of the prospective payment reimbursement system under the Medicare Program.

Since that time we appear to have taken one step forward, but also one step backward. To refresh your memory, the Medicare prospective payment—or DRG—reimbursement system was imposed a few years ago by this Congress in order to try to ensure that we had a fair system and a more cost effective way for reimbursing hospitals for their Medicare services.

Rural hospitals and others, however, have received an unfairly low reimbursement under the DRG reimbursement system. As a result, some of our rural hospitals are in deep trouble. They simply are not receiving the payments under Medicare that they need in order to keep their doors open.

We have recognized this problem in Congress, and we have pinpointed a good portion of the problem as attributable to the flaws in the area wage index which make up a portion of the DRG under the prospective payment system. The area wage index is faulty. In the last Congress we mandated in the Deficit Reduction Act, passed in July 1984, that the Secretary of Health and Human Services issue a revised area wage index within 30 days of the adoption of that act.

Well, that deadline has come and gone. It came and went late last summer. Subsequently, the Secretary of Health and Human Services said, "We will have the report out by the first of January." The first of the year arrived and no report. Then she said the end of February. The end of February came. No report. Then she told a subcommittee of the Appropriations Committee "2 weeks." Two weeks went by, still no report.

Now we understand that the Department of Health and Human Services will deliver the report to Congress before the week is out. If indeed this latest deadline is met, that will be a step forward.

But at the same time I received a letter this week from the Director of the Health Care Financing Administration, Carolyne Davis. Now, Dr. Davis is an outstanding public servant for whom I have great respect. But she indicates in this letter that although we are now going to get the report of the revised area wage indices, we are not going to implement that report until at the earliest the first of October. Instead of having a separate rulemaking that would put the revised area wage indexes into effect, correcting as a result these flawed reimbursements as quickly as possible, the Department has decided to delay the implementation of the new wage reimbursements until sometime later on this year.

It seems to me that it is unconscionable for us, when we recognize that there is a serious flaw in the current reimbursements; when we know that a a number of hospitals are facing great financial difficulties as a result of this flaw; and when we have the data now available to us to correct this problem, not to do so.

So today I have joined and I am joining again with my colleagues in calling on the Department of Health and Human Services to rectify the wrong which the Congress has recognized and has mandated be corrected, which the Department says it recognizes and wants to correct. We want that wrong rectified as quickly as possible.

□ 1340

I am pleased now to yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM], who has

been very helpful in this effort to try to correct this serious problem.

Mr. STENHOLM. I thank the gentleman from Iowa for recognizing me.

Mr. Speaker, I commend the gentleman for his continuing leadership which he has shown in regard to this matter.

Mr. Speaker, while I appreciate the opportunity to join my colleagues here today to speak in behalf of America's rural hospitals, I am very disappointed that the reason for this special order is a continuing lack of response by the Department of Health and Human Services in releasing the report that examines the rural/urban differentials in the formula for Medicare reimbursement to hospitals. I am even more dismayed by Administrator Carolyne Davis' recent letter to my colleague from Iowa, advising that the Health Care Financing Administration [HCFA] has no intention of publishing revised regulations on this issue until all of the proposed notice of payment rates are published this fall. I cannot help but wonder whether it is a lack of accurate information or an outright disregard for the health care of rural Americans that is behind the administration's refusal to take prompt action in this matter.

If the problem is a lack of information, I wish I could take HCFA officials down to the 17th District of Texas to visit with my rural hospital administrators, who have made it very clear to me how desparate their situation is. Today was a very typical day for me as I sat down to review my morning mail. Included in the stack were no less than five letters from health care related individuals begging for the relief that will enable their communities to keep their hospitals. Listen to what some of my constituents are telling me:

I am the administrator of a very small rural hospital. We have a very capable physician in our community. I believe he is an ethical man; he still charges only $10.00 per office visit. When he admits a patient to our hospital, he feels that hospitalization is needed. Our hospital just barely has enough money to buy supplies and pay our employees. If our hospital should be forced to close, the physician would leave, in my opinion the nursing home would be forced to close and the pharmacy would have to close. Our elderly people would be forced to drive 30 or more miles for medical care or even to have a prescription filled.

A hospital administrator from another rural county provided me with this information:

Attached you will find a brief study which compares the Medicare payment for 20 DRG's in our hospital compared to an urban hospital. The difference in total reimbursement is 53 percent. In other words, the Federal Government is saying that rural hospitals in Texas, who must meet the same Medicare standards, pass the same Medicare inspections, employ the same skilled personnel, treat and compete for patients equally, must do this for 53 percent less.

Another constitutent, a physician, outlined a very disturbing scenario that he foresees:

Needed services will be removed from those persons who can least afford the loss, the elderly and the rural poor. It is these people, who are least able to afford the costs of travel to and from urban centers, who are hurt the most. Many of those people will simply forego the needed care and thereby reburden the system and themselves. Victims of farm, ranch and other industrial accidents will also be deprived of their first contact emergency care. Prenatal care and normal obstetrical service would be removed.

This physician concluded with the warning:

An emergency does exist! There is no time for usual "study of studies" procedures, or the damage will be irreparable. Some decisive step must be formulated and put into effect to save the hospitals and all attendant and dependant services for the rural counties.

I will not attempt to improve on these graphic descriptions of the importance and necessity of our rural hospitals. I only ask that all of the proper officials in the administration listen to these warnings. If the endless testimonies such as these cannot persuade those officials to implement changes, I can only conclude that it is not a lack of information, but, indeed, a disregard for the health care of rural Americans that is the problem.

Presumably, HHS has studied, examined and reconsidered the DRG formulas used for rural hospitals. Once again, I join my colleagues in demanding that the Administration release the report that was due seven months ago, and respond by implementing in an expeditious manner those regulations that will enable rural hospitals to survive.

I thank the gentleman for yielding.

Mr. TAUKE. Mr. Speaker, I thank the gentleman from Texas for his excellent comments.

Mr. Speaker, as the gentleman pointed out, there is very strong reason for implementing the revised area wage indices as soon as possible. First of all, the hospitals that the gentleman describes are the most efficient hospitals. So we want to keep those hospitals in business, not have the system put the most efficient out of business and keep the least efficient in business.

Yet if the Department does not move forward quickly to save our most efficient, cost-effective hospitals, we are going to have a very serious health care problem in rural areas, a health care problem that will also cost the Federal Government more money in the long run.

Second, Congress has mandated that we implement these indexes as soon as possible.

Finally, under the Deficit Reduction Act, we said that once the new area wage index is implemented it should be retroactive to the time the prospective payment system first went into effect. Now if we delay that implementation any longer, the impact of the retroactivity on the hospitals that have been overreimbursed during the last several months will be much greater.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Iowa for his leadership in this area.

Mr. Speaker, nearly 3 weeks ago my colleagues from rural areas were here during a similar special order to discuss the failure of the Department of Health and Human Services to release a congressionally mandated report on a wage index used to reimburse hospitals for services they deliver under the Medicare Program.

I stated at that time I would come to the well of this House on a regular basis until the folks at HHS released its long-promised report. Our presence here today is to remind our colleagues that our rural hospitals remain hostage.

In my mail earlier this week was word from our colleague Mr. TAUKE that the Health Care Financing Administration has stated it will not be proposing any changes in the area wage index until the proposed 1986 prospective payment rates are published later this year and, if accepted, not implemented until October 1 at the earliest.

To put it simply, this is not acceptable. Our small, rural hospitals and the citizens they serve are at jeopardy. In Kansas, our hospitals are losing, on the average, nearly $20,000 every day this wage index is withheld. It's not fair and this Member intends to turn up the heat to get some action.

There is no legitimate reason not to move forward with the revised wage index. Survey after survey has been conducted and the results are in. I strongly urge our friends at HHS to reconsider their position and move forward to correct this inequity. Further delay will only cause further hardship on our rural health care delivery system. It is a simple fact that some providers cannot survive any more delay.

Mr. Speaker, that is the end of my prepared remarks. I would say that I have an additional concern: It seems to me that this body, we come here to legislate, that is what most people think we do back here and they probably think we legislate too much; but I want to tell my colleagues and my friends that most of what we do, 60 percent of my staff's time is spent trying to be a court of last resort in behalf of people when we find all these alphabet-soup agencies around

town doing things to people, as opposed to for them.

Now you know the argument and the gentleman knows the speech; "these are somehow nameless and faceless bureaucrats down at HHS or H2S or HEW," it does not make any difference what acronym you use, but these are not nameless, faceless bureaucrats. They are good people, they are experienced people. I cannot understand for the life of me why we cannot make this decision. I suspect that we are seeing the sly hand of OMB here, that great policymaking body, the Office of Management and Budget actually making this decision.

□ 1350

This is nothing new under this administration. As my colleagues will recall, under the previous administration, we went through something in our rural areas called hospital cost containment. It sounded wonderful except for the fact we would have been denying our rural hospitals essential services; we would have had to close them down.

Then we had something called utilization review, where if your broken arm did not meet the Federal guidelines, you would not be admitted to the hospital, at least to the extent that let's say Medicare would pay for it.

In our rural areas, they said, "We need three doctors in every clinic to review every admission, every 24 hours." How do you do that in a one-doctor clinic?

Then we went through something called health planning guidelines, and as my colleague will remember, there was some person down at H2S or at that time HEW and said, "Well, unless your OB unit has a delivery kind of index there where you are going to deliver 500 babies a year, we are going to close it down." Well, there would have been a lot of babies born in pickups in my country were that the case.

I just want to tell my colleagues that in regards to this particular decision, I am not only fed up, I am not only sick and tired of getting this repeated answer back from H2S that they cannot seem to get the report out; I am tired of being sick and tired.

Why cannot the Secretary meet with us as our colleague, Mrs. SMITH of Nebraska has suggested? She is a former Member of this body; all I urge her to do is come and listen to the music. She does not even have to dance with us. Why for does she do us like she does?

I just would say to my colleague, I would hope that this meeting could be held soon, and I hope we can certainly put an end to this situation, or we will find ourselves here once again with another special order, and once again delays costing our rural hospitals and our rural patients.

I commend the gentleman for his fine leadership in this regard.

Mr. TAUKE. I thank the gentleman, and I want to point out, after he mentioned the Office of Management and Budget, that it is not just our rural hospitals and our patients that are being affected by this; they will not be the only ones to bear the cost; this Government and its taxpayers will also bear the cost. Because if we put our lowest cost hospitals out of business, it means patients will travel to higher cost hospitals, and we will be picking up the tab at those higher cost hospitals.

So it is in everybody's interest to do what Congress has already mandated. I agee with you; I do not mind making the policy; but I really do get sick and tired after a while of beating up on agencies, trying to make them do what they are supposed to do anyway.

I thank the gentleman for his help and contribution.

I yield to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. I thank the gentleman for yielding to me.

Mr. Speaker, once again we find ourselves here on the House floor to plead with Secretary Heckler to release that report which does revise the hospital weighted indexes under the prospective payment system.

At the same time, we are also pleading with her in the strongest possible terms to implement the indexes once that report is released.

It has already come to my attention that the Department of Health and Human Services plans to published those revised wage indexes for public comment as a part of the proposed notice of payment rates on October 1, 1985.

Unfortunately what that means is that rural hospitals in our districts will not see relief until October, and that is at the earliest. This is just unconscionable; my colleagues and I will not stand for it.

For over a year and a half now, rural hospitals have been operating under a flawed reimbursement formula under the prospective pay program. These hospitals have tried to continue to provide community-based quality health care services; to implement the new Medicare system.

They made a good faith effort to abide by the rules, but I am sure everyone agrees that there is a limit to what these hospitals can do; and they cannot continue to operate under this punitive formula.

The viability of these hospitals is at stake if the indexes are not published soon, and implemented immediately. Rural hospitals have been waiting several months for a correction of the reimbursement formula, and so has the Congress.

Last year, Congress directed HHS to develop a revised set of indexes, to take into account full-time versus part-time employment practices. Congress mandated the Health and Human Services bureau to report back within 30 days. Needless to say, that deadline was missed.

Then they promised a group of my Midwestern colleagues that they would have the report by December 31, and again that deadline was missed. Finally, when Secretary Heckler testified before the Committee on Appropriations on the 1st of March, she said Congress would have the report within 2 weeks. As we know, that deadline has elapsed as well.

Then still without the report, we are told that there are compelling reasons why the revised wage indexes should be incorporated into the yearly publication of proposed rulemaking for the prospective payment system. We are told this is to give interested parties the opportunity to comment.

I guess that Health and Human Services has basically failed to consider our compelling issues for immediately issuing the regulations implementing the expected report. I do not know how we can make it any clearer; our rural hospitals have waited long enough for a fair reimbursement rate.

I do not know how we can make it any clearer that Congress wanted this flawed reimbursement formula corrected right away and not a year later. I agree with Health and Human Services that interested parties should be given a chance to comment on the revised wage indexes, but I do not see what is wrong with letting them comment right now rather than much later. I do not see what is wrong with issuing a separate rulemaking for these revised indexes.

If a separate rulemaking is published, both our concerns in Health and Human Services will be met. Interested parties will have the opportunity to comment, and rural hospitals would be given relief sooner.

So once again, I strongly implore Secretary Heckler to release that report, and to issue a separate rulemaking immediately so that rural hospitals will finally receive the much-needed relief that is owed to them.

I might add to that, as my colleague, the gentleman from Iowa [Mr. TAUKE] is well aware, with the economic situation we have in our State in particular, this also has impact on our small hospitals and if this thing continues on the road that it is on, what do you do when you are 65 or 70 years old and the wind is out of the north and it is 25 below zero, and you have to drive 150 miles to get health care; because that is the net result of what this is going to be.

We need some action, today.

Mr. TAUKE. I thank the gentleman for his excellent comments.

I now yield to the gentleman from Kansas [Mr. WHITTAKER].

Mr. WHITTAKER. I want to thank my colleague for his continued leadership and initiative on this very vital issue.

Mr. Speaker, I am more than happy to join several of my colleagues in a special order to address the problem of reimbursing rural hospitals in a fair and equitable manner under the Medicare prospective payment system.

My colleagues are well aware that hospitals located in rural areas are receiving substantially less in Medicare reimbursement than those hospitals located in urban areas. This is not because they do not provide equal care, but because of a seriously flawed area wage index used in calculating prospective payments under the Medicare Program.

Members representing rural areas have wrestled with this inequity for more than a year, but we were cautiously optimistic when we were told 3 weeks ago that a congressionally mandated report on revised area wage indexes would be before Congress within 2 weeks. We joined our good friend, congressman TAUKE, who has been so diligent in pressing for release of this report, in encouraging Secretary Heckler to release the report and to immediately issue proposed regulations for the implementation of the revised indexes.

I had hoped that we would not have to be here again pushing for action on this issue. But here we are, still without a report, and instead with further disturbing news that HCFA intends to delay implementation of the revised area wage indexes by including them in the notice of proposed rulemaking for fiscal year 1986 prospective payment rates.

This delay in implementing the new indexes only pushes many of our rural hospitals closer and closer to shutting their doors for good. Mr. Speaker, I am astonished that the Department of Health and Human Services continues to defy a congressional mandate to correct this problem, and to correct it retroactively to October 1983. I can only wonder how many more ways HHS can find to further delay fair and equitable treatment of our rural hospitals.

Every day that HHS delays implementing the new indexes, our rural hospitals are forced to make up for the deficiencies in Medicare payments through added charges to other patients, every day HHS delays, our rural hospitals are forced to endure and struggle to keep pace with rapid changes and in some cases fight to keep their doors open 1 more day; every day HHS delays, I become more and more dismayed and angry at their deliberate defiance of a congressional mandate.

Once again, we are not asking for special treatment of our rural hospitals. We're asking for fair treatment. We are asking that HHS follow congressional will, implement the new area wage indexes and stop these deficient payments to our hospitals. Our rural constituents deserve the same availablility and quality of care as their urban neighbors and this continued bureaucratic foot-dragging denies them that right.

How many times have you said to yourself, "There oughta be a law?" Well, in this case, there already is a law. How many times must we tell Secretary Heckler, "You oughta obey the law."

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Mr. TAUKE. I thank the gentleman. His remarks are right on target, and I think that he makes a good point. We are not asking to spend any additional money, nor are we asking for any special favors. All we are saying is that we know the way in which we reimburse hospitals now. The way in which we spend funds correctly is flawed. We are not trying to expand the pool; we are trying to make sure that the way the pool is divided is more accurate and fairer.

So I appreciate the comments of the gentleman.

Mr. Speaker, I yield to my colleague from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. I thank my colleague from Iowa for taking this special order and for the leadership he is bringing to try to resolve this inequitable situation.

Today again I rise to protest the flagrant disregard by the Department of Health and Human Services for a fair and equitable resolution of a serious problem in the structure of the prospective payment system.

Many of this Member's colleagues know the rural hospitals are in trouble because of the formula used to determine Medicare reimbursements. Because of a number of factors, including the higher percentage of part-time employees in rural hospitals, the wage-labor index that determines the reimbursements under the prospective payment system is seriously flawed.

In my State, for example, we are said to have the lowest hospital costs or perhaps second lowest of the 50 States. Anyone familiar with our State knows that is absurd, but a major flaw in this system counts all of the part-time employees' salaries as being full-time equivalent. My State happens to have the highest percentage of employees, apparently, who are part-time employees working in those hospitals. So this has been one of the major factors why this formula is seriously flawed.

For almost 2 years now Members from rural States have been working to correct the labor-wage index. A report was promised by the Department of HHS. To that end, the Department conducted studies. They conducted audits. They requested data. They called for adjustments. They met with hospitals. They met with administrators. They convened a special task force and held meetings. A new labor-wage index was reportedly developed. That information, however, languished on the desk of HHS officials for months and months. Members pressed for the release of the revised, fair and equitable figures. Three times the report was promised. Three times HHS failed to deliver—of course, always with an excuse of questionable merit. At the end of February, a solemn promise was forthcoming from the Secretary. Yes, she assured us, the long-awaited report would be released by the middle of March. Now we are told the report is pending action in the Office of Management and Budget. This Member, however, remains skeptical about the latest promises.

Certainly some small rural hospitals that have been struggling for survival cannot withstand the additional months of underreimbursement while the rules are being promulgated. Therefore, this Member stands here today in the well to serve notice to the Secretary of HHS that, since previous attempts to secure her favorable attention have obviously failed, this Member will attempt to secure her attention by influencing appropriations for her Department. This Member is going to continue to badger HHS on this issue until there are favorable results. Certainly there is a tremendous waste of Federal moneys in the workings of certain offices within Health and Human Services.

Let there be no misunderstanding, this Member is prepared to take the rest of the term if needed to be sure that the funds that have been appropriated to support the stalling and posturing from the Department of Health and Human Services are held up or are not appropriated again. I will consult with our colleague on the Appropriations Committee from Iowa [Mr. SMITH] as to where attention-securing and action-securing budget cuts in the bureaucracy of HHS can be made.

Next week this Member will be in the well again if necessary. Next week this Member will report on his efforts to gain the attention of the Secretary of Health and Human Services here in Washington. This Member invites a response from other Members with rural hospitals who have ideas that could be used to force HHS to pay attention to our plight and to keeping their promises.

The old platitude fair is fair bears repeating here. A revised index may mean hardship for some overreimbursed hospitals for a time. Be that as

it may, until corrections are made, the index as it stands means terrible hardships for many struggling rural hospitals. And it means hardships that are delivered in an inequitable fashion. This Member and others who have spoken here today are just the tip of the iceberg of people who are concerned about their constituencies and the effect of this very unfair formula on rural hospitals across the country.

I say to the gentleman from Iowa again: Thank you very much for your continued leadership on this. We will work together until we get a resolution that is fair to our constituents and that implements the law that Congress has passed.

Mr. TAUKE. I thank the gentleman for his comments. As you begin that appropriations battle, count me in.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. I thank the gentleman for yielding, and I for one really appreciate your leadership in this.

Mr. Speaker, the adjustment of the area-wage index is of vital importance to many hospitals in Kansas. If this fundamental inequity is not addressed, Kansas hospitals are projected to lose an estimated $12 million during the first 4 years of the Medicare prospective payment program.

I am surprised that we are here to consider an issue that the Congress wanted settle nearly 6 months ago. Yet, it is my understanding that the Department of Health and Human Services intends to include the revised area-wage index in its notice of proposed rules for the fiscal year 1986 prospective payment rates.

I cannot accept the department's plan to delay implementation of the revised area-wage index until October 1985, this issue has been on the front burner since the initial implementation of the prospective payment system in October 1983. Congress recognized the need for changes in the wage index through provisions of the Deficit Reduction Act of 1984. And, the issue has essentially been resolved since the beginning of calendar year 1985. What does the Department of Health and Human Services hope to achieve by continuing to drag its feet?

Apparently, the department believes that by prolonging implementation of the revised idex, it will ensure the public right to offer informed comments. This is an admirable consideration on the part of the department. However, it seems to me that a 30 day comment period now provides the same opportunity for informed public comment as a 30 day comment period in September. And, while speaking of public rights, I wonder what rights this delay provides rural hospitals who should receive equitable medicare reimbursement? The question is a compelling one, brought on by the insensitivity of the Department of Health and Human Services to resolve this basic inequity in the structure of the prospective payment system.

Further compounded by the delay in implementing the revised area-wage index is the retroactivity requirement of DEFRA. The implementation of the revised area-wage index will require many hospitals to repay overpayments resulting from the current, flawed index. Hospitals at both ends of the spectrum are and will be unduly affected by the inaction of the Department of Health and Human Services.

Should the department fail to correct the inequities of the current area wage index as quickly as possible, the difficulties all hospitals face will be extended—particularly in light of changes proposed in the Medicare Program for fiscal year 1986.

I believe that when the questions of fairness and equity are posed, both rural and urban hospitals will benefit in the long run from the prompt implementation of the revised area-wage index. The equal opportunity to adjust to the prospective payment system is paramount to the overall success of the program. This opportunity, however, will not be realized if the Department of Health and Human Services continues to withhold the immediate implementation of the revised area-wage index.

Thank you, Mr. Speaker.

Mr. TAUKE. I thank the gentleman and all of our other colleagues who have taken time on a busy afternoon to come to the floor and make comments on this issue.

Mr. Speaker, I include for the RECORD at this point a letter that I received from Dr. Carolyne K. Davis, Administrator, Health Care Financing Administration, Department of Health and Human Services, and my letter to her dated March 25, 1985:

HEALTH CARE FINANCING ADMINISTRATION, THE ADMINISTRATOR,
Washington, DC.

Hon. TOM TAUKE,
House of Representatives,
Washington, DC.

DEAR TOM: This is in response to your letter concerning our progress toward implementing revised hospital wage indexes for use in the Medicare prospective payment system [PPS]. You would like us to implement these revised wage indexes using a separate earlier rulemaking process rather than including them in the proposed rulemaking for the fiscal year 1986 prospective payment rates.

I want to assure you that I remain committed to the adoption of improved hospital wage indexes for the Medicare PPS. However, because a revised wage index will result in changes in the payment rate for many hospitals, we believe there are strong arguments for publishing revised hospital wage indexes for public comment. Similarly, there are compelling reasons why revised wage indexes should be published as part of the proposed notice of payment rates to be implemented October 1, 1985. PPS is based on the prospectivity of rates, i.e., new rates are published prior to their implementation so that interested parties have a chance to comment. We believe that informed comments can best be furnished when interested parties are able to analyze and evaluate at one time all the proposed components of the payment formula. In this way, they can assess the total impact of the payment changes.

I also understand you desire to have improved hospital wage indexes which resolve the part-time employment problem implemented as quickly as possible because of the expected way in which this would benefit hospitals in a number of areas. It is understandable that once an improved system is developed, it should be implemented as soon as possible. However, in determining the course we are to pursue, we must balance the advantages to be gained by immediate implementation against the public right to offer informed comment on the revised system.

Sincerely yours,

CAROLYNE K. DAVIS,
Ph.D.

CONGRESS OF THE UNITED STATES,
March 25, 1985.

CAROLYNE K. DAVIS, Ph.D.,
Administrator, Health Care Financing Administration, Washington, DC.

DEAR CAROLYNE: I am frankly dismayed by your letter of March 19, 1985, indicating that it is your intention to delay the implementation of the revised area wage indices by including them in the notice of proposed rulemaking for the fiscal year 1986 prospective payment rates.

The case for moving forward as quickly as possible with an earlier rulemaking process is very strong:

First, the Department of Health and Human Services has already failed to meet Congressionally mandated deadlines for the publication of the area wage index report. It is not possible to justify further violation of the intent of Congress when it can be avoided;

Second, Congress clearly intended that the prospective payment rates be based on the best data available. When that information is available, common sense and Congressional intent mandate that it be used;

Third, Congress has mandated that the revised payment schedules be implemented retroactively. Further delay will impose greater hardships on those hospitals which are receiving larger-than-justified payment rates; and

Fourth, some health care providers cannot survive additional delay.

I do not understand your argument that separate rulemaking compromises the "public right to offer informed comment" on the system. Separate rulemaking will not deny the opportunity for public comment; it will simply require that those comments be offered sooner.

No one can argue that Congress mandated the area wage index report be published late last summer in order to have it languish awaiting the proposed rulemaking for fiscal year 1986. Instead, it is clear that Congress anticipated that the revised payment schedules would be implemented as soon as possible; i.e., we anticipated separate rulemaking.

I strongly urge you to reconsider your decision.

Warmest personal regards.

Sincerely,

TOM TAUKE,
Member of Congress.

● Mr. VOLKMER. Mr. Speaker, we all know there are hospitals facing financial hard times. And we all know that many of those the hardest hit are in rural America. Last year Congress acted to address at least a portion of the problems causing financial hardship for rural hospitals by mandating deadlines for publication of the wage index report. This data would be used to bring rural wage indexes for the Medicare prospective payment system into line so that quality health care can be maintained. But Health and Human Services has failed to act. What Congress has mandated, this bureaucratic agency has chosen to ignore.

In making this mandate we weren't trying to saddle the agency with makework duty; we weren't trying to give rural hospitals advantages over urban hospitals; we weren't trying to handtie the efficient operation of health service providers in this country. Our intent was simple. Under the prospective payment system as it is now structured, a hospital's reimbursement depends not only upon how well it provides services, but depends instead on the location of the hospital. Hospitals located in rural areas receive substantially less in reimbursements than those located in urban areas on the assumption that labor costs are substantially lower in the rural areas than in the urban areas. The key phrase here is substantially lower. They aren't. The wage index report will verify that, if only we could have the wage index report published.

But instead of a report we are getting an agency whose hands appear to be tangled by its own bureaucratic redtape. In fact, it appears the agency is hiding behind the regulatory process by refusing to propose a separate wage index for rural areas despite instructions from Congress.

The result of this delay is a financial straitjacket binding many of our rural hospitals. Some may not survive.

Just this week I received a letter from the administrator of a hospital in my Missouri district. He writes, "Congress has placed a considerable burden upon rural hospitals * * *." That administrator knows the problem and he foresees the results. But what he doesn't know, and won't know if it is up to those in charge at Health and Human Services, is that Congress has taken action. But this agency has refused to take notice of that action.

You can be assured I will tell this administrator that the problem lies not with Congress but with this bureaucratic agency. Of course that explanation won't save his hospital. The action by Congress could save it but not if Health and Human Services refuses to carry out the will of the Congress.

On behalf of the rural hospitals of America, on behalf of those who use or will use the facilities provided by those hospitals, and on behalf of the many who will be without health care if action is not taken now, I strongly urge Health and Human Services to comply with the orders of this Congress and not let rural America continue to suffer.●

● Mr. SKELTON. Mr. Speaker, I thank the gentleman from Iowa for his efforts on behalf of our rural hospitals. That we have any response at all from the administration on the area wage index problem is due to your persistence.

As far as I am concerned, the low priority Dr. Davis has assigned to adjusting the area wage index is indicative of the administration's condescending and contemptuous attitude toward rural and smalltown America. Regardless of the problem, the administration's message to rural America is the same: "Don't bother us with your complaining."

We in rural America do not believe we should be treated in this fashion. We know we are not the cause of this Nation's problems, and we are more than willing to do our share to help make America strong and prosperous. All we expect from the Federal Government is that it will not ignore problems we believe are as significant as any facing the Nation.

I, for one, believe it is time to make the administration understand that rural America wants no more than what we deserve, but, that we will accept no less than that to which we are entitled. Toward that end, I have introduced legislation designed primarily to insure fairer treatment of rural hospitals by Medicare. My bill, H.R. 1682, eliminates the arbitrary urban/rural payment differential from the prospective payment system and orders the Secretary of Health and Human Services to adjust the area wage index for the affects of the use of part-time employees by rural hospitals. Additionally, H.R. 1682 would make payments to all hospitals more equitable, without increasing Medicare's expenditures, by blending national DRG rates with hospital-specific payments.

I invite all of my colleagues who are here today to express concern about Medicare's treatment of rural hospitals to join me in cosponsoring H.R. 1682.●

● Mr. WEBER. Mr. Speaker, I would like to share some disappointing news with my colleagues about the inequities rural hospitals are facing. The prospective payment system's reimbursement of hospitals is based on where the hospital is located. The "rural/urban differentials" in the system reimburse hospitals in rural areas less for the same services per DRG than hospitals in urban areas, on the assumption that rural wages and other costs are lower than those in urban areas. Second, the rural/urban differential for labor and nonlabor costs are greater in our west north central region than in any other region of the country and greater than the national average. Urban hospitals receive 25 percent more for standardized labor costs and 54 percent more for standardized nonlabor costs than rural hospitals receive. Congress recognized the problem in the Deficit Reduction Act, enacted in July 1984. The Deficit Reduction Act requires the Secretary of Health and Human Services to issue a report to Congress on a revision of the area wage indices within 30 days of enactment. The Secretary missed this deadline three times. We can't let this go on and on. The Secretary must immediately initiate the process for implementing the new indices.

Some rural hospitals have had to lay off up to a third of its staff. Despite the slashed payroll, these hospitals continue to limp along. These hospitals are faced with a very serious question. Will they have to close their doors? Closing a hospital would have a terrible impact in some towns. Most community hospitals have to provide services to surrounding areas. If these hospitals fail so will the community. Rural hospitals are struggling to survive. They need immediate relief.

I am happy to join my colleagues in this battle to ensure equity and fairness for our rural hospitals.

Thank you, Mr. Speaker.●

● Mr. STANGELAND. Mr. Speaker, it is indeed an honor to join my colleague, the gentleman from Iowa [Mr. TAUKE] to condemn the Health and Human Services' fourth delay in correcting the revised hospital wage indices by postponing the corrections until October 1, 1985.

This is a case of adding insult to injury. The inequities in the prospective payment system's treatment of rural hospitals are not enough. Now, HHS again refuses to correct the wage indices for another 7 months. Masking its procrastination under the guise of violating the public's right for sufficient time to comment, the agency has decided to delay the rulemaking needed to put these badly needed revised indices in place.

The commenting public HHS is so worried about will be the ones who are now suffering because of the present rural/urban differentials where rural hospitals in rural areas are reimbursed less for the exact same services per DRG than hospitals in urban areas.

During the last Congress, this august body recognizing all the problems, included a provision in the Deficit Reduction Act mandating that the Secretary of Health and Human Services issue a report to Congress on a revision of the area wage indices within 30 days after the enactment. Time and

time again, the Secretary has failed to meet the deadlines which she, herself, has requested. It is imperative that this fourth deadline be kept.

Rural hospitals are struggling to survive under months of underreimbursement. They need the most immediate relief possible. At issue is not only maintaining support for the Nation's rural hospitals, but also the prerogatives of the Congress to assure that the laws it writes are properly executed.

I applaud my colleague, Mr. TAUKE, for his lead and superb efforts on behalf of our Nation's rural hospitals. I join with him and my other colleagues, representing districts with rural hospitals, in pressing for the immediate release and swift implementation of the revised area wage indices.●

● Mr. SCHUETTE. Mr. Speaker, I wish to again express my concern over the crisis now facing rural hospitals across the United States due to the inequitable disparities in Medicare's prospective payment system. Present law mandates two different payments for the same diagnosis, diagnosis-related group [DRG], depending on the hospital's urban or rural classification. The same diagnosis triggers two payment schedules on the basis of the hospital's location. There is no consideration for hospitals located near urban areas that must compete for the same services, personnel, and wages, just to cite a few examples. The Medicare reimbursement system does not account for those costs that are beyond the control of the hospital.

One such hospital that is surrounded by urban areas is Memorial Hospital in Owosso, MI, in my district. The administrators of the hospital estimate that under the current Medicare prospective payment system, Memorial Hospital will lose approximately $1 million in 1987. The hospital must absorb any costs that are over and above those fixed Medicare payments. The results of absorbing those excessive costs for the same services granted as those in urban areas, but reimbursed at a lower level, will be devastating to Memorial Hospital.

Memorial Hospital will thus become a victim of the Medicare prospective payment system unless the urban-rural classification is changed.

The urban-rural designation must take into account the regional variations among the rural hospitals. Many rural hospitals pay more for goods and services labor, transportation, and supplies due their locale. Yet reimbursement does not permit consideration of those hospital specific factors.

The Secretary of the Department of Health and Human Services, Margaret Heckler, has promised Congress an updated revision of the area wage indices. The area wage indices are an integral part of the reimbursement formula for the DRG's. Congress is waiting for those new indices. Rural hospitals are waiting for those new indices.

The revision of the area wage indices would provide a good basis for the long-term overhaul of the Medicare prospective payment system. It would be a start, but there are many other necessary changes that must occur so that an equitable reimbursement system may prevail. How long can the rural hospitals wait? We have been waiting for the changes in the area wage indices. How long must we wait at the expense of the elderly Medicare patients? Health care services are at risk while we wait for the HHS revisions. It is intolerable that the present system provides incentives for the rural hospitals to cut corners and potentially reduce the quality of health services by withholding sufficient Medicare reimbursements.

I know that Memorial Hospital is not the only rural hospital that will be unable to survive such an enormous shortfall of funds. We must persist in our efforts to obtain changes from HHS in the Medicare prospective payment system.●

● Mr. PENNY. Mr. Speaker, I join my rural midwestern colleagues here today to echo the comments I made in this Chamber earlier this month—"Rural hospitals simply can't afford to wait any longer."

Rural hospitals in the west north central region have been waiting since last July for the congressionally mandated revision of the area wage indices which directly affect Medicare prospective payment rates to these hospitals. Now the indices are finally available and instead of providing immediate relief through prompt implementation, the Health Care Financing Administration has proposed that these rural hospitals continue to wait—wait until October 1. That's 6 months or an entire growing season out where I come from.

To HCFA Administrator Dr. Davis I say: "That's just not soon enough. Don't continue to stand in the way of immediate implementation. You have the means through separate rulemaking to put the new rates into effect. On behalf of thousands of rural residents who depend on the viability of rural hospitals, I ask you to act now to do so."●

GENERAL LEAVE

Mr. TAUKE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ORDER OF BUSINESS

Mr. PARRIS. Mr. Speaker, I ask unanimous consent to proceed with my special order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

D.C. THWARTS VIRGINIA AND MARYLAND LIQUOR IMPORTATION LAWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PARRIS] is recognized for 60 minutes.

Mr. PARRIS. Mr. Speaker, I rise to bring to the attention of my colleagues a matter of a somewhat provincial but nevertheless important nature.

Virginia law prohibits the importation into the State of more than 1 gallon of alcoholic beverages (per adult) that has been purchased outside of the Commonwealth's borders. The law has been in effect many years and is designed to protect the Commonwealth's revenues and the integrity of the State's alcoholic beverage control system.

To strengthen enforcement of the State's importation law in northern Virginia, State ABC agents have in the past sometimes placed selected D.C. liquor stores under surveillance to observe conduct by persons who may desire to transport alcoholic beverages into Virginia in excess of the legal limit. The number of hours devoted to such observations is relatively small. However, the known ability to enforce Virginia law not only helps protect the State's revenues but serves as a deterrent to those who may choose to ignore such importation limits.

It is important to note that every time a State resident purchases distilled spirits outside of the Commonwealth's borders, Virginia loses its markup and its sales tax. Beer and wine purchased outside Virginia and illegally imported hurts Virginia businesses and also results in lost taxes. According to a 1983 study, the importation of all alcoholic beverages purchased outside its border by consumers resulted in over $14 million a year in lost revenue, a significant loss for the State and its localities.

In order to put the current situation into perspective, it is necessary to review briefly how such observations have been handled in the past. For years, at least since the 1950's neighboring States have occasionally made law enforcement observations at D.C. liquor stores. In 1978, the Council of the District of Columbia passed the "State Revenue Officers Registration Act," which required out-of-State revenue agents to register with District of Columbia police not less than 72 hours

before entering the District to conduct observations at liquor stores.

In 1983, the Council of the District of Columbia amended the law by emergency enactment, effective December 20, 1983, to require that out-of-State agents must be registered 30 days in advance, thus curtailing virtually all surveillance activities during the 1983 holiday season, the busiest time of the year. Most agents had not registed that far in advance. The temporary legislation expired on March 20, 1984.

In 1984, emergency legislation was passed again by the District of Columbia just in time for the Christmas holiday season. The legislation, effective December 7, 1984 for 90 days, absolutely barred the entry of out-of-State agents into the District for the purposes of surveillance or making observations. In effect, the legislation prevented ABC agents from enforcing the Commonwealth's own laws and, in fact, encouraged violations of State ABC statutes.

In the guise of making police power regulations, the D.C. Council attempted to justify the ban by drawing the following conclusions: that surveillance activities of out-of-State revenue agents had reduced lawful sales of alcoholic beverages in the District; that surveillance had resulted in disturbances and harassment of both retailers and their customers, presenting a continuing threat to public safety and order; and that surveillance, if allowed to continue, would have a negative effect on tourism in the District. These conclusions have never been substantiated. In fact, no Virginia ABC agent has ever been arrested or charged with any violation of the law while engaged in surveillance activities.

On December 12, 1984, the State of Maryland filed a complaint for a declaratory judgment and injunctive relief in the U.S. District Court for the District of Columbia contesting the validity of the absolute ban. On December 18, 1984, the Commonwealth of Virginia also filed a motion for declaratory and injunctive relief in the same court asking that the ordinance be struck down as invalid emergency legislation, that it be declared unconstitutional, and that all enforcement thereof be enjoined.

The two cases were consolidated by the court, and after considering the briefs, the exhibits and oral arguments presented by all parties, Judge Thomas P. Jackson rendered his decision on February 28, 1985.

The Commonwealth of Virginia, in arguments before the court, opposed the ordinance on the grounds that:

First, the legislation encouraged violations of Virginia's importation laws and poses a serious threat to the integrity of Virginia's ABC system;

Second, it was an unreasonable exercise of the District of Columbia's police powers;

Third, it was invalid emergency legislation—the District having improperly concluded there was an emergency in order to bypass required congressional review;

Fourth, it violated numerous constitutionally protected rights; and

Fifth, it was contrary to public policy and written declarations of Congress, that call for cooperation among law enforcement officials of all jurisdictions in their efforts to uphold valid laws.

In effect, the absolute ban on surveillance imposed by the District was designed to stimulate liquor sales within the District through encouraging residents of Virginia—and from Maryland—as well, to disregard and violate duly passed importation laws enacted under the direct authority of the 21st amendment to the U.S. Constitution.

The court's decision on February 28, 1984 was to declare the District of Columbia's State Revenue Officers Registration Act of 1978 Amendment Emergency Act of 1984 null and void. Also, the court enjoined enforcement of the Emergency Act. However, the court did not rule on the constitutional issues. Instead, it based its decision on the grounds there was no emergency and that the ordinance was invalid emergency legislation. Thus, the door has been left open by the court for the District to attempt to prohibit surveillance on a permanent basis. Only through emergency legislation can the District bypass congressional review, and the District's recent abuse of its emergency powers resulting in the above decision, will operate to severely limit its ability to again pass emergency surveillance legislation.

Therefore, the District of Columbia may seek permanent legislation to ban surveillance activities. In fact, it is my understanding that such a measure may be before the Judiciary Committee of the Council of the District of Columbia at this very moment.

The D.C. emergency ordinance was adopted under the guise of trying to control alleged abuse—so-called harassment activities—by our agents and those from other States. However, no evidence has been submitted to date that would substantiate those changes. I submit that the real reason behind the emergency ordinance was to promote the business of D.C. liquor stores and to increase the tax base for the District of Columbia. I do not oppose any legitimate efforts of the District to help its own economy. However, to stimulate liquor sales through encouraging violation of Virginia and Maryland importation laws is wrong, contrary to declarations of Congress as set forth in the Justice System Improvement Act of 1979 at 42 U.S.C. 3701, and any such D.C. ordinance prohibiting law enforcement observations should be rejected and disapproved by Congress to prevent it from becoming permanent.

Public policy considerations should weigh heavily against any legislation that has the effect of encouraging violations of law. Any ban on surveillance should be seriously questioned, especially when the State's importation laws form a vital part of Virginia system. The social and economic impact of a complete breakdown of the enforcement of liquor importation laws could be considerable, and if the best tool for preventing large quantities of alcoholic beverages purchased outside of the State from being transported into my Commonwealth is lost, the integrity of the ABC system may be seriously threatened.

I strongly oppose any permanent legislation passed by the D.C. Council that would seriously impede or ban reasonable law enforcement observations. Such legislation would surely encourage violations of Virginia's ABC laws.

I call upon my colleagues from Virginia and Maryland to join me in a concerted effort to combat the threat.

As you know, District of Columbia legislation has a 30-legislative day layover in Congress before becoming permanent. It is imperative that we be prepared for that eventuality, should such legislation be passed.

□ 1410

H.R. 1775, A BILL TO PROVIDE A RELIABLE, FAIR, AND SUFFICIENT SOURCE OF REVENUE FOR THE SUPERFUND PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. MOORE] is recognized for 10 minutes.

Mr. MOORE. Mr. Speaker, yesterday I introduced a bill, H.R. 1775, to provide a reliable, fair, and sufficient source of revenue for the Superfund Program. I am hopeful that this bill will provide the frame work for reauthorizing the tax title of the Superfund Program. The reauthorization of this program is the single most important environmental issue of this Congress and for my State. Louisiana is one of few States that pays a significant portion of the tax and also has a significant toxic waste problem. We see both sides of the problem.

I have been working for more than a year to develop a Superfund tax structure that is fair, broad based, and that encourages sound environmental disposal and treatment of toxic waste. Economic expansion and protection of our environment are not mutually exclusive goals. Instead, a balance can and must be struck. I believe this bill

accomplishes that goal. Those responsible for the waste must pay for its clean up but those who benefit from the economic expansion and cleanup must also share in the cost.

Louisiana's economy is dependent on the industries most affected by the current Superfund tax. The petrochemical industry is accountable for one out of every eight jobs in Louisiana. U.S. petrochemical products are already declining in world competitiveness in some cases because foreign petrochemical feedstocks are subsidized by foreign governments. The tax structure of our Superfund Program must not unreasonably add to the burden our U.S. industries are already being forced to bear. Instead, we must look for alternatives that ensure adequate resources are available for cleanup.

Our environment is our most precious natural resource and we must make every effort to clean up abandoned toxic dumps. But we must also encourage environmental practices that will prevent future problems. We would be well advised to learn from the words of one of our Nation's earliest conservationists, Theodore Roosevelt who said:

> The Nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased and not impaired in value.

We can behave well—certainly much better than those who preceded us who are responsible for the existing problem. It would be unthinkable for us to fail to commit the resources necessary to assure that the next generation is protected from the dangers posed by hazardous waste sites. We should, and I believe my bill does, fund cleanup of past problems on a fair and efficient basis and encourage prevention of future problems.

The revenues provided in my bill, when coupled with EPA projected private-party cleanups of approximately $2 billion, will yield some $7.3 billion in total resources for cleanup activity during the next 5-year phase of the Superfund Program. This represents a almost fourfold increase in resources available for cleanup activities.

We should commit whatever resources will assist EPA in efficiently completing its important task. My bill provides for the maximum expansion of the cleanup program that those who are directly responsible for administering the program will testify can be utilized efficiently. To the extent that anyone can devise a way to accelerate the cleanup program further, without wasting resources, I certainly will support and encourage providing the necessary resources.

Congress must be careful not to assume that throwing money at this problem will solve it. I am deeply concerned that we seek an effective and economically efficient long-term solution. We should not merely transfer the hazardous-waste risk from one geographic area to another, which is exactly what could happen, unless this program is managed with technologically effective solutions. We must assure ourselves that we are solving the Nation's hazardous waste problem and not compounding it with Government waste.

The current funding mechanism of the Superfund Program which relies exclusively on the feedstock tax is fatally flawed in a number of respects. The tax burden is not fairly related to the responsibility for prior cleanups, nor is it related to future anticipated problems. First, the tax is imposed without regard to either the current or past environmental practices of taxpayers. As a result, a taxpayer with state-of-the-art environmental practices bears the same tax burden as one with less sound environmental practices. This is a patently unfair result considering the purpose of the tax. Second, the tax is imposed without regard to the length of time that the taxpayer has been in existence. Thus, a taxpayer who may have never caused any prior Superfund problem is burdened with the same amount of tax liability as a taxpayer who has been in existence for many years and may well have been responsible for existing Superfund problems. Third, EPA studies indicate that there is no basis for determining the extent to which taxpayers are able to pass-through the tax to the users of chemicals who are the most likely entities responsible for existing Superfund problems. Fourth, the correlation between the cost of cleanup with respect to various chemicals appearing at Superfund sites, and the tax imposed on them, is virtually nonexistent. Many of the feedstocks currently being taxed are not toxic. For all of these reasons, a new overall tax structure, for the funding of Superfund, which places a minimum of reliance on the feedstock tax is needed.

This is especially troubling to my State of Louisiana which has a high concentration of feedstock production. More than 25 percent of the total Superfund tax is collected from feedstock production in Louisiana. Yet there are only five national priority list sites in Louisiana being cleaned up by the Superfund. This could be because companies producing in Louisiana are already taking the responsibility for their past sites and are developing sophisticated new methods of treatment in an effort to prevent future toxic waste sites. These companies are paying twice. First for the cleanup of that for which they are responsible, and second for the cleanup of the rest of the Nation where responsible parties cannot be found.

There is no question that we will increase our economic resources committed to the cleanup of hazardous waste. The question is how, and who will bear the burden.

The taxing structure of my bill is designed to answer these questions. It provides a stable and predictable source of revenue; it broadens the tax base from its current relatively narrow base; it minimizes adverse economic impact on taxed industries, and it focuses the tax on the types of industries and practices that are responsible for the environmental problems which the Superfund Program is intended to address. The tax structure is balanced equitably between a feedstock tax, waste-end tax and general revenues, with each component financing approximately one-third of the total fund.

The additional $5.3 billion of resources that would be provided directly to the Superfund in this bill include:

First, a much needed import tax on derivative products. Although current feedstock taxes apply to imported feedstocks, the tax is being avoided by foreign producers who, rather than importing the feedstock, import a derivative product. Such tax avoidance gives imports an unfair competitive advantage. My import tax will correct that problem.

Second, a waste-end tax to discourage the most environmentally risky waste-management practices and to encourage the generation of less toxic wastes. More than 80 percent of the people recently surveyed in Louisiana believe that those who generate the waste should help pay for the cleanup. This tax will achieve that goal and will encourage the development of new and better methods of treatment.

Third, a feedstock tax on crude oil and feedstock chemicals in the same proportion as EPA's recently released 301 studies. My bill modifies the feedstock rate schedule to achieve a more equitable distribution of the tax burden while not increasing the total revenue from that collected under current law. The portion of the feedstock tax attributable to crude oil would decrease from 15 percent under current law to 3 percent under my bill. Similarly, the portion attributable to organic feedstocks would decrease from 65 percent to 38 percent and the share of inorganic feedstocks would increase from 20 percent to 59 percent. This lessens the tax on Louisiana oil and chemicals and shifts to inorganic chemicals as the EPA study says should be done.

Fourth, general revenue contributions of one-third of the total size of the fund. As this Congress chooses, and rightfully so, to place a greater priority on hazardous waste cleanup, our Federal commitment must also increase. There is a public benefit received from these cleanups so the

public through the Treasury should participate.

Fifth, recoveries of amounts from responsible parties. Those who are responsible for the site and can be identified should pay for its cleanup. My bill extends this important provision of current law.

Finally, it is expected that an additional $2 billion will be generated in private party expenditures outside of Superfund. Those expenditures would raise the total level of resources directly at our Nation's total cleanup effort to $7.3 billion.

Mr. Speaker, my bill represents a thoughtfully developed funding mechanism for Superfund. The funding allocation is fair and recognizes that economic development and the protection of the environment are goals that are not mutually exclusive. I am submitting for the RECORD a detailed description of the various components of my bill.

DETAILED DESCRIPTION OF H.R. 1775

The original legislation creating the Superfund Program, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 [CERCLA], was written in anticipation of further congressional action this year. It provided a mechanism for an informed congressional response to whatever further program changes are needed. CERCLA required nine studies to be completed in time for congressional action this year. One of the studies addresses the trade ramifications of the current feedstock tax while another analyzes the relationship between the present feedstock tax system and toxic wastes found in sites studied by EPA. This study also analyzes the desirability and feasibility of alternative tax systems for funding Superfund. The findings of these studies clearly support the 5-year mix of resources contemplated by my bill, which are as follows:

1986-90:	*Billions*
Feedstock tax	$1.47
Import tax	.09
Waste-end tax	1.47
Recoveries	.80
General revenues	1.47
Private party expenditures	2.00
Total	7.3

Each of these components is described below.

FEEDSTOCK TAX

The $1.47 billion feedstock tax in my bill provides about the same amount of revenues as the feedstock tax portion of the administration's recently released proposal and raises annually about the same amount as under current law. However, rather than merely extending the current feedstock tax rules, this bill makes some significant improvements.

It would tax the same list of basic chemical building blocks recommended by the Committee on Ways and Means—the committee—in H.R. 5640 during the 98th Congress. Thus, it would be imposed on crude oil, petroleum products and a list of 56 petrochemical and inorganic feedstocks.

While I hope that the committee will make improvements in the list, I believe that the list contained in this bill is an appropriate starting point for the legislative process. I am confident that input from other members will improve the list. I also intend to seek improvements, including an amendment regarding nickel, which I do not believe should be taxed. The appropriate time to improve the list is after the committee has taken testimony from EPA and the public regarding evidence connecting particular feedstocks to toxic sites.

My bill includes virtually all the other amendments to the feedstock tax structure recommended by the committee last year in H.R. 5640. Thus, it would maintain the current CERCLA exemptions for methane and butane used as a fuel, for substances used in the production of fertilizers, for sulfuric acid produced as a byproduct of air pollution control, and for taxable chemicals made from previously taxed chemicals.

We now understand the current feedstock for what it is—the most arbitrary tax in the Internal Revenue Code. The tax burden it imposes on taxpayers has little correlation to Superfund expenditures either on a retroactive basis, that is, spending required to cleanup for past environmental practices, or on a prospective basis, that is, expected spending required to cleanup for future environmental practices. The CERCLA study discussion of the retroactive equity of the current feedstock tax makes this very clear:

[T]here is an inevitable mismatch between current taxpayers [of the feedstock] tax and previously disposed wastes. Because of this mismatch, we do not know whether the distribution of the tax burden among these industries and the firms within them reflects the degree to which each has contributed to the problems addressed by CERCLA.

In short, the current tax both includes and excludes feedstocks that HRS data indicate could be appropriately taxes. Consequently, some feedstocks (and the firms involved in their production and use) bear a tax burden that available evidence indicates may be unwarranted. Further, still other feedstocks bear no tax, despite their presence at Superfund sites. Both situations result in an inequity. CERCLA 301(a)(1)(G) Study at 5-4.

The study's conclusion with respect to retroactive equity of the feedstock tax is as follows:

This suggests that while the current CERCLA tax falls on the broad industrial groups responsible for fund spending, its distribution among individual substances is not particularly equitable from a retroactive viewpoint. CERCLA 301(a)(1)(G) Study at 5-5.

Likewise, the study's discussion of prospective equity also highlights the arbitrary nature of the feedstock tax:

Prospective Equity. Prospective equity requires that the burden of a CERCLA tax fall on the parties and substances that are likely to cause Fund spending for hazardous substances that have not yet been released into the environment. Further, similarly situated firms ought to pay the same tax, while firms that are different with respect to the likelihood of causing Fund spending ought to be treated differently. Because the current feedstock tax base is broadly defined and has few exemptions, the tax is levied during the production process of all of the substances that are likely to give rise to Superfund spending. It does not matter if Fund spending occurs because feedstock itself has been spilled into the environment, one of the feedstock's hazardous products is released, or the wastes at the end of the production process have been released into the environment (legally or otherwise). The point is simply that by taxing all feedstocks very early in the production process, EPA can be confident that firms producing any substance responsible for CERCLA spending have paid into the Fund. In the absence of detailed econometric modeling, however, we cannot estimate the amount of the tax burden passed through the chain of production to these substances.

On the other hand, by extending the reach of the feedstock tax so widely, it is possible that the tax burden will not fall equally on similarly situated firms and that some substances and parties may bear a tax burden that is not commensurate with their contribution to Fund spending.

In short, the current feedstock tax offers broad coverage of all the substances and situations likely to evoke fund spending. The result of doing so is that this tax does not produce a high correlation between a firm's tax burden and the chance that its behavior will lead to Fund spending. This is because the tax does not discriminate among firms according to their use of the taxed feedstocks, including the hazardousness of the materials made from the feedstocks and the management of the wastes produced in the production process. CERCLA 301(a)(1)(G) study at 5-5.

The overall conclusions of the CERCLA study indicate that no greater reliance should be placed on the feedstock tax than exists under current law. One finding of the study that is useful is the analysis of existing toxic sites and the frequency with which chemicals have been found at those sites. That aspect of the study indicates that the three major categories of feedstocks appear with the following frequency at toxic sites: 3 percent crude oil, 38 percent organic chemicals and 59 percent inorganic chemicals. My bill modifies the feedstock rate schedule to achieve a similar distribution of the tax burden while not increasing the total revenue from that collected under current law.

IMPORT TAX

Although the current feedstock tax applies to imported feedstocks, the tax can be avoided by foreign producers who, rather than importing the feedstock, import a derivative product.

Such tax avoidance gives certain imports an unfair competitive advantage.

The import tax in my bill would eliminate this potential tax avoidance by applying a tax to imports that are directly and substantially produced from taxable feedstocks. The tax, imposed on the importer, would be the lesser of either 5 percent of the value of the imported substance or the amount of feedstock tax that would apply if the feedstock components were subject to the feedstock tax.

The CERCLA study examining whether the tax affects U.S. trade in intermediate and final chemical products derived from taxed feedstocks concluded that "the long-term outlook for trade in most intermediates does not look bright on account of competition from plants in low cost feedstock countries." Although the feedstock tax was not found to be a major factor in this trend—the strong dollar is the most significant factor—we should address the tax aspect of this problem.

Without this import tax, the feedstock tax would give imports a competitive advantage over domestically produced products. The import tax is designed to collect the same tax from imports that apply to domestically produced goods. it is not protectionist. It merely makes the tax system neutral as between domestic suppliers and foreign suppliers. The import tax is expected to raise $90 million over 5 years.

WASTE-END TAX

There was much interest last year in the Committee on Ways and Means to develop a waste-end tax as part of the funding mechanism for the Superfund Program. As a result of time constraints, neither the committee nor the administration was able to develop a reliable waste-end tax. Fortunately, there has been time and the administration now supports this method of funding.

The bill's waste-end tax is designed with three objectives: (1) To discourage the most environmentally risky waste-management practices, (2) to encourage the generation of less toxic wastes, and (3) to provide an administerable, fair, and reliable source of revenues for the Superfund Program.

My waste-end tax is intended to raise approximately $1.47 billion over the 5-years period, about one-half that which would be raised under the administration's bill. My bill also contains some significant structural improvements over the administration's waste-end tax. The most notable improvements are that the tax cannot be avoided by illegal dumping and the tax would not apply to certain waste treatment processes that should be encouraged as an alternative to disposing of wastes in the land, including approved waste water treatment.

The tax would apply only to hazardous waste. It would be imposed on wastes delivered to a treatment, storage, or disposal unit, as well as on waste disposed of in the ocean, exported from the United States or illegally dumped. The tax liability generally would be imposed on the owner or operator of a qualified waste-management facility, or the owner or operator of a vessel that disposes of wastes into or over the ocean. In cases where waste is illegally dumped or not sent to a qualified facility, the tax would be imposed on the generator.

Like the administration's bill, this bill exempts wastes resulting from cleaning up CERCLA sites, and wastes presently required to be studied—covering high volume, low toxicity wastes, such as, mine tailing and drilling mud—and wastes stored in tanks for less than 90 days. Unlike the administration bill, only the hazardous-waste residue of certain types of treatment would be taxed—namely, (1) EPA permitted treatment that renders waste nonhazardous—defined to include only processes meeting the destruction efficiencies required of incineration—and (2) treatment of waste water pursuant to the Clean Water Act. I believe that the absence of such exceptions would provide the wrong incentives and actually would discourage the use of environmentally sound alternatives to land disposal.

I have set my tax rates under the waste-end tax at the same level as in the administraiton bill. As a result, the rate for waste management practices that have the most risk for the environment; that is, for landfills, surface impoundments, waste piles and land treatment units and waste illegally dumped would be as follows:

Year:	*Rate*
1986	$9.80
1987	10.09
1988	11.13
1989	13.48
1990	16.32
1991	16.32

The waste exported from the United States, disposed into or over the ocean, or received at a qualified waste management unit other than one of those specified above, the rates would be one-fourth of the higher rate. While I recognize that my waste-end tax has excluded a number of items that are taxed under the Administration's proposal, in particular waste water treatment and certain forms of treatment which render waste nonhazardous, I believe that using the administration's rates as a starting point is appropriate. Since the administration has introduced its bill there has been a great deal of dispute with respect to the accuracy of the administration's revenue projections. Representatives from affected industries already have presented persuasive evidence to me to indicate that the revenue that would be raised under the administration's waste-end proposal is perhaps four or five times that which the administration has projected. As a result, the administration has undertaken a thorough reexamination of its estimates. My intent is to enact a waste-end tax which raises $1.47 billion over 5 years. It is my intention that the rates which I have set forth in my bill initially will be adjusted so that the final provisions will generate this projected amount of revenue. I am confident that better information will be available to determine the rates necessary to achieve this revenue goal before final committee action. In addition, if for any reason the committee decides it is necessary to substantially increase the rates, I feel that a dry-weight method of computation would be appropriate.

The waste-end tax in my bill significantly broadens the Superfund tax base to include industries that otherwise would not contribute to Superfund. Because those who bear the tax burden generally would be those disposing of hazardous waste, the burden will be borne by those much more closely connected with the Superfund problem.

RECOVERIES

The $800 million in recoveries that my bill authorizes to be appropriated to Superfund is the amount that the administration estimates will be collected over the 5-year authorization period, and is based on the past 5 years' experience with the Superfund Program. It includes interest on Superfund investments, fines, and cost recoveries from parties responsible for response actions financed from the fund.

GENERAL REVENUES

Of all the alternatives, general revenue is perhaps the most appropriate source of funding for the Superfund Program, other than recoveries from responsible parties. Devising a tax system to apply only to those accountable for this Nation's toxic waste sites is impossible because many are either not in existence or cannot be identified. Moreover, it is clear that the entire public has benefited to some extent from these practices in the form of lower prices on products than would have been the case if sounder, albeit more expensive, environmental practices had been observed. Likewise, the beneficiary of the Superfund cleanup is the general public. Deficit concerns prevent me from recommending that all costs other than recoveries from responsible parties of the Superfund Program be funded from general revenues even though that approach might be the most defensible from a fairness perspective. I am recommending that $1.47 billion over the 5-year authorization period be funded from general revenues. This is the same amount which will be raised from both the feedstock tax and the waste-end

tax. It represents less than the $2.3 billion of general revenues that was approved by the House last year in H.R 5640. Given all the relevant considerations, I believe it represents a fair general revenue component.

EFFECTIVE DATES

The effective date of my bill would generally be October 1, 1986. However, the effective date of many of the special provisions approved by the Committee on Ways and Means last session in H.R. 5640 would be the same as provided in H.R. 5640. The effective date of the import tax would be October 1, 1986, in order to permit the Department of Treasury sufficient time to prescribe regulatory guidance.

□ 1420

DILEMMA IN INDIANA'S EIGHTH CONGRESSIONAL DISTRICT CONTINUES

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Connecticut [Mr. ROWLAND] is recognized for 30 minutes.

Mr. ROWLAND of Connecticut. Mr. Speaker, the dilemma in the Eighth District in Indiana continues. Another recount is presently going on by the House Administration Committee, and I suppose many of us will wonder if indeed this will finally be the final outcome. If Mr. McIntyre does win this recount, I suppose we will wonder what will happen next.

In Connecticut during the past election cycle, we faced a similar situation. It happened to be in my old State legislative district. We had a situation where a Republican won election night by a handful of votes, under 10 votes. A recount was ordered immediately afterward because of the small margin. During that recount, the Democrat then won by 2 votes.

In spite of the fact that both houses in the Connecticut Legislature are controlled by the Republicans, the investigation went on after the person was seated, after the Democrat was seated. The final outcome of the investigation by our local GAE committee showed and substantiated the 2-point, 2-vote recount and the person who had been seated stayed there.

In Waterbury, the Waterbury Republican American did an editorial just recently, Tuesday, March 19, 1985, and I would like to read this if I may:

Congress abuses Indiana.

Democrats in the House of Representatives are hardly convincing the electroate in Indiana of their concern for the public. three times they have refused to seat the winner of the election in the State's Eighth Congressional District, leaving the spot vacant but paying two people congressional salaries—Republican Richard McIntyre, who defeated incumbent Democrat Frank McCloskey by 34 votes last November.

Indiana's Secretary of State, a Republican, certified that McIntyre won. A recount was held which increased the victory margin to 418 votes. Democrats in Congress refused to seat McIntyre on three occasions. they claim the official results are suspect. The Democrats never demonstrated such concern over official election results in Chicago in the days of the late Mayor Richard Daley.

An election followed by a recount should be more than ample unless the Democrats can demonstrate more than just a suspicion of wrongdoing.

□ 1430

That was Tuesday, March 19, 1985, in the Waterbury Republican American editorial.

I think the facts remain the same, the four basic facts that have been discussed during the public hearings that are going on. McIntyre's election and certificate have never been disputed by evidence, No. 1.

No. 2, McCloskey was not the winner on election night and never held an official lead.

No. 3, the certificate of election issued to McIntyre by the Indiana Secretary of State was completely in conformity with Indiana law.

And, No. 4, the decision by the task force to simply recount the votes under their own rules without investigating the election of November 6, 1984, is really an unfair attempt to take the seat away from the real winner.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Connecticut. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I would just ask the gentleman whether he had any particular opinion, since he said there was no question about the election results. My understanding is that there were several thousand votes that were not counted because of some technical errors, and I wonder if the gentleman had any particular opinion on whether they should or should not be counted, particularly those in Vanderburgh County, where the election officials failed to initial some votes. My understanding is that election officials failed to put their initials on some ballots.

Under Indiana law it was held that they could not be counted. No one doubts that these were voters who in good faith attempted to vote, and we in the House have decided, I think correctly, through the task force, that those votes should be counted.

I wonder if the gentleman thinks that was a mistake, because that would be one reason why you could expect a very different result in a very close election. The gentleman said 34 votes. There have been higher margins reported. Several thousand votes were cast out, not through the fault of the voters but through the fault of precinct election officials who did not sign them. Does the gentleman think it is unreasonable to count those votes?

Mr. ROWLAND of Connecticut. No. 1, I do not think my opinion on the issue is really all that important. What I think is important is following Indiana State law since they do indeed oversee the election process.

But the first question I would ask is, why did Mr. McCloskey not bring his contest action within the procedural framework of the Federal Contested Elections Act at the time?

I also realize that during the past several weeks there have been press releases mailed into various Republican districts questioning and talking about some racial imbalances, which I take great offense to and I think many people in Indiana and also in this House take great offense to.

But those are some of the things that could and should be investigated. Those are some of the things that should have come up if indeed Mr. McCloskey were to contest the election at the proper time and in the proper framework.

Mr. FRANK. Mr. Speaker, will the gentleman yield again to me?

Mr. ROWLAND of Connecticut. I certainly will yield to the gentleman from Massachusetts.

Mr. FRANK. The gentleman asks the question, Why did Mr. McCloskey come here? It may have been that he read the Constitution of the United States which says that one perfectly legitimate forum is to come here. The statute that was passed sets out one alternative forum and in no way preempts people from coming here.

The gentleman said some press releases have been sent into the districts. My recollection is that it is the Republican Congressional Campaign Committee that began sending out press releases into people's districts on this. I think for Members on the other side to complain because some people sent out some press releases into their districts, given that that had been initiated on the other side, is a little bit hypocritical. It was not, I think, initiated here that this would be done by press release. You cannot expect a unilateral action.

The gentleman mentioned the secretary of state of Indiana. He is the distinguished gentleman who told the Posey County Republican Central Committee that we ought to worry about the "wetbacks." He later said he did not mean to say "wetbacks"; he meant to say "illegal aliens."

I sometimes have problems with my diction, and sometimes the words do not come out quite the way they should, but meaning to say "illegal alien" and having it come out "wetback" is the kind of a slip of the tongue which could dislocate your whole spine. It is hard to understand how you could mean to say "illegal

alien" and have it come back "wetback."

So, yes, when we have a man who uses that kind of language at an official Republican dinner, I can just imagine what this guy calls people in private. When we have a guy who does this kind of thing, we do get a little questioning.

I still think that we have the fundamental point before us. Indiana law does say that these people's votes cannot be counted. I was impressed by the gentleman from Indiana [Mr. MYERS], who in a colloquy with me a little while ago said that he agreed that in the particular county, Vanderburgh County, where the precinct officials failed in large numbers to sign the ballots, he agreed with the election task force majority and with me that those votes should be counted despite Indiana law. It does not mean Indiana law is to be disregarded easily. It means that the Constitution charges this body with the ultimate decision, and we believe—and Mr. MYERS agrees—that voters who in good faith showed up at the polls and voted should not have their ballots disregarded in large numbers because of a failure of the election officials.

So a decision to count those votes is, I think, a very reasonable one. It is one that one of the Republican Members from Indiana agrees with, and it is one reason why there is a very clear question about the election. When thousands of ballots are not counted under Indiana law because of a mistake by the election officials and we have a very small margin, I think it is reasonable to have those ballots counted.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ROWLAND of Connecticut. First, Mr. Speaker, I would point out to the gentleman from Massachusetts that I have never seen a problem he had with diction. I have seen him in action in the committee and on the floor of the House, and he does a fine job.

I think many of us realize why Mr. McCloskey did not bring a complaint under the Federal Contested Elections Act. It was because under that procedure he would have to demonstrate a threshold or a proof of irregularity. And I think that when the gentleman from Massachusetts makes reference to the secretary of state of Indiana and the comments he recently made, we realize a number of things—first, that we are not here to judge a particular individual, whether it be the secretary of state or another official.

His comments, I understand, were made recently at a dinner. I for one and, I am sure, many of my colleagues do not share his opinions about that foreign policy remark, and I take great exception to it also. But we do have a responsibility to seat the certified winner in the Eighth District of Indiana, and I do not think we should complicate the issue and talk about comments that were made back in the district by individuals, elected or otherwise, that do not have any clear-cut implication or connection with this particular case.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Connecticut. Certainly I yield to the gentleman from Massachusetts.

Mr. FRANK. I would agree that it would be wrong to quote people that did not have any clear-cut identification with this particular case. The man who made the "wetback" comment, the man who, let us remember, tried to say "illegal alien" and had it come out "wetback," has a very central connection with this case. He is the man who certified Mr. McIntyre as the election winner. So that is why the questions of his credibility get raised. He is not unrelated to this case, unfortunately.

Mr. ROWLAND of Connecticut. Mr. Speaker, I thank the gentleman for his contribution.

ORDER OF BUSINESS

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent to take my special order out of order right now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

FREE TRADE—A ONE-WAY STREET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I have been one of those people who have advocated free trade and free enterprise throughout the world for some time. I have been distressed in the past, however, because Japan has been one country that has been a long-time trading partner of the United States that I believe has taken unfair advantage of our country. They have had approximately 30 percent of our auto market for the past several years while not allowing us to export freely to their country. They have high import tariffs and trade barriers erected against our products while we have been very gracious and let them sell carte blanche all the cars they want to in the United States of America.

Recently the White House indicated they were going to allow the Japanese to drop their voluntary trade restrictions as far as selling automobiles to the United States of America is concerned. At that point, because there has not been real free trade between the United States and Japan, I became very upset because I felt that if we were not going to have a two-way street, the United States should not make concessions in this area. I was told by many of my colleagues: "Don't worry, the Japanese won't take more of our market than they already have. They will restrain themselves."

Well, today in the Washington Post the headline is: "Japan Raises Ceiling on Auto Shipments to U.S. by 25 Pct."

This year, Mr. Speaker, they anticipate exporting 2.3 million units, which is the maximum amount they can produce for export, I understand, to the United States. Last year, when the voluntary restraints were in effect, they exported 1.85 million.

Mr. Speaker, at this rate the Japanese will have 50 percent of our auto market in the not too distant future, and the people of this country are not going to tolerate that.

□ 1440

One of the things that happened in Indianapolis that really distressed me recently was that we have a Western Electric plant which is being vacated by that company. We thought that the Chrysler Corp. was going to buy it to produce their new minivans. After they found out the voluntary export controls were being dropped, Mr. Iacocca, we understand, decided to take that facility out of the country and along with it 4,200 American jobs.

Now, if we are going to have free trade, Mr. Speaker, with our friends throughout the world, and the European Common Market countries, and in the Far East, and Japan, then let us have free trade, but it cannot be a one-way street, and that is what it is turning into. It has been that way in the past and it is getting worse. They are increasing by 25 percent their export of automobiles to this country in the next year and along with it are going to go a lot of American jobs. We cannot tolerate that.

Mr. Speaker, if this continues, I, as a free enterprise and free trade advocate, will be forced to introduce legislation which will mandate that we put quotas on the Japanese and stop them from taking away our markets, and our trade, and our products unfairly.

We have a problem in this country, Mr. Speaker, I believe, with unemployment right now and that problem is exacerbated by our companies going overseas to produce products that are going to be sold in this country.

This kind of action on the part of the Japanese in dropping those import quotas encourages these companies to continue to leave the United States of America. We need to force these countries to have controls, or else have free trade, and if they are not going to do

it, we should do it for them in the Congress of the United States.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

If the gentleman will allow me, I would like to go back to the discussion that took place in the House a few minutes ago. It is always disappointing to me when we have such weak arguments around here that we have to engage in personal attacks in order to fortify our argument; but I heard a few minutes ago the gentleman from Indiana, the secretary of state, attacked for remarks that he had made in a speech in Indiana, remarks evidently based upon what the press reports are he regrets, too; but we have a "Dear Colleague" letter that came around and then the question was raised here on the floor that seems to impugn the integrity of the gentleman, based upon his statement referring to "wetbacks" out there. I think that is a statement that most politicians would regret.

I want to make the point, however, that in the last session of Congress one of the distinguished chairmen of this body in one of our committees in this Congress made a similar reference in the committee. I recall that he must have had that twisted back that we referred to a few minutes ago here, too, because I find that when the committee documentation came out on this, he turned out to have said, "persons without papers," as the change that he made in his language. I have never heard anyone suggest that that gentleman lacks the integrity to be able to do his job competently, having made that error of statement within the committee.

I would also suggest that in this case that we had better be very careful about throwing rocks when they are coming within glass houses, because the gentleman from Indiana, Mr. Simcox, has never been said by anyone that I know of to have done anything other than what the law required him to do with regard to the certification of Mr. McIntyre. That is the basis on which we ought to be judging this and not engaging in personal attacks or, even more regrettably as the Democratic congressional committee has done, engage in racial attacks.

I thank the gentleman very much for yielding.

Mr. BURTON of Indiana. Well, I thank the gentleman. I was not going to comment on this, because I had another thought in mind when I came down here for special orders; but I am from Indiana and I had served with the Honorable Ed Simcox, our secretary of state, for a number of years. I can tell you, regardless of party affiliation, within the State of Indiana there is no politician more highly regarded than our secretary of state, nor is there anyone whose integrity is more highly regarded.

As far as this statement, with which I am not familiar, that sounds totally out of character for Mr. Simcox. Now, he may or may not have said it. I really do not know; but I can tell you that that in my opinion has no bearing whatsoever upon the case of whether or not Mr. McIntyre should be seated.

Mr. McIntyre, according to Indiana election law, the original count, he won by 34 votes and in the recount won by over 400 votes.

Now, in Vanderburgh County, a county controlled by the Democratic Party and a county whose recount commissioners were Democrats, 2 to 1 Democrats, that county did, as I understand it, disallow some ballots because they were not properly handled; but to make any kind of statement that would impugn the integrity or the motives of Secretary Ed Simcox, I think is totally unwarranted.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. Yes, I would be glad to yield.

Mr. FRANK. Somebody may have impugned Mr. Simcox's integrity. I raised a question about his credibility.

Mr. BURTON of Indiana. Well, if I might just interject here——

Mr. FRANK. Well, I am not going to try then; if the gentleman is going to yield to me and take it back every three or four words, then it is not worth it.

Mr. BURTON of Indiana. BARNEY, you just have to listen, because I have the time. I will just tell you this, that when you start questioning character, or integrity, or whatever, I think those are pretty much interchangeable. Mr. Simcox's character is above reproach as well.

Mr. FRANK. Will the gentleman yield?

Mr. BURTON of Indiana. Yes, I will be glad to yield.

Mr. FRANK. I would agree that character and integrity are close. The word I used was "credibility." I try to be careful about words. Sometimes I am not always. Credibility seems to me to be something very different than character or integrity.

What I wanted to say was the gentleman suggested that maybe Mr. Simcox did not use the word "wetbacks." I think anyone who uses it has made a very grave error. It is not the kind of thing that I think is inadvertent. I think when you use a very prejudiced term like that, it is very unfortunate, particularly for an official to use it and it ought to be condemned.

If, as the gentleman from Indiana suggests, he may not have said it, I hope he will let us know and I will be glad to acknowledge that.

The gentleman from Indiana said, well, maybe he said it and maybe he did not. I see no indication that he said he was misquoted. He said he meant to say "illegal alien" instead of "wetback." I think that is just a hard mistake; but if the gentleman would report to me that he did not say "wetback," I will be glad to apologize instead of going on the newspaper report.

Mr. BURTON of Indiana. Well, in any event, his credibility cannot be questioned, either, BARNEY, or Mr. FRANK, or Representative, or the Honorable Representative from Massachusetts, whatever.

I might add that I know the gentleman quite intimately. We participated in athletic events as well and even my illustrious colleague from Massachusetts occasionally gets a little exasperated and he is liable to say something he regrets.

Mr. FRANK. Will the gentleman yield?

Mr. BURTON of Indiana. Yes.

Mr. FRANK. I often say things I regret, but I do not use ethnic terms of derogation. There really is a line to be drawn there.

I say some things that I wish I had not said. More often I say things that other people wish I had not said, but I do not lapse, and I do not think the gentleman from Indiana does, either, into these kind of ethnic remarks. I really think that they are a cut different than the other kind of remarks.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because the material that was sent around to our offices came from a Member of Congress who did, in fact, use language talking about questioning of integrity in this "Dear Colleague" letter. That is where I got that language and the gentleman, I would say to the gentleman from Massachusetts as well, that no one as I recall has questioned the credibility of the committee chairman who in the last Congress used that terminology in the course of the deliberations of his committee.

Now, if what the gentleman from Massachusetts is saying is that we ought to call into question the credibility and the integrity of that Democratic chairman of that committee, then I think that is the basis on which he can in fact make the same kind of statement with regard to the remarks that evidently Mr. Simcox made.

Mr. FRANK. Will the gentleman yield?

Mr. BURTON of Indiana. Yes; I will be glad to yield.

Mr. FRANK. I thank the gentleman.

I would say, first of all, I was not aware that a chairman on this side had used the phrase. I condemn the use of that phrase by whoever did it and I would question the credibility of someone who used that; that is, I would say to one who in a public position makes ethnically derogatory remarks; that raises questions about credibility.

I would again, though, take exception to when the gentleman said that I should question credibility and integrity. There does seem to me to be a difference between the two.

I mean something different when I talk about integrity and credibility in these statements. I think that when you have, from a public position, engaged in ethnic remarks of a derogatory sort, you are undermining the credibility, by which I mean the kind of respect for your office and your ability to use it that ought to exist. I would apply that to anybody who made those kind of remarks.

Mr. BURTON of Indiana. Let me just end my part in this colloquy by saying that Mr. Simcox has really never been brought up in this body, except in the context of the McIntyre-McCloskey race for Congress. Now all of a sudden our Democrat colleagues are following him around the chicken circuit, you know, when we have our Lincoln Day dinners, listening to every word he utters, trying to discredit this individual.

You know, I am sure he regrets having said this, but this has absolutely nothing to do with the McIntyre-McCloskey race.

□ 1450

And you folks keep conjuring these things up to try to divert the attention of the American people away from the real issue. And the real issue is that you are trying to steal McIntyre's seat. You are trying to give it to a Democrat because you have 70-some more Members in this body than we have.

That is the crux of the argument, not whether or not Mr. Simcox uses some kind of derogatory comment in a speech. That has nothing to do with the argument. What you are trying to do is use the old ball-in-the-air trick. Keep the eye on the ball over here so that the people do not watch what is really going on over here.

The fact of the matter is the argument to be made in the Chamber is whether or not Rick McIntyre should be seated as a Member of Congress. Rick McIntyre won in the original count by 34 votes. He won in the recount by 418 votes. There have been no allegations of fraud. And now you are trying to divert the attention of the American people to some kind of a statement that was made at a Lincoln Day dinner, totally unrelated to the issue.

Mr. FRANK. Will the gentleman yield?

Mr. BURTON of Indiana. Yes; I yield.

Mr. FRANK. I do not understand why the gentleman is so distressed that people would call attention to an unfortunate remark made by an elected official. I think it is perfectly reasonable to nail that kind of prejudice.

Mr. BURTON of Indiana. Let me ask the gentleman this——

Mr. FRANK. If I could respond to the gentleman.

Mr. BURTON of Indiana. If Mr. McIntyre, if this case was not pending before this body, this recount, and if this race was not being questioned, would the gentleman be talking about Ed Simcox today?

Mr. FRANK. I think I would. I would if it was brought to my attention. Yes; any time an elected official makes ethnically derogatory remarks like that, they ought to be condemned.

I think some of our colleagues, the gentleman from Texas [Mr. BUSTAMANTE], the gentleman from New York [Mr. GARCIA], I think Representatives of the Hispanic tradition, yes, they would have been very upset.

But I just want to respond to the question of stealing the election, which I reject. My understanding is that there are two separate questions. I know people have been upset by the failure to seat pending the resolution of the contest.

But to have the neutral observers from the General Accounting Office count—I and others I think have committed ourselves to vote for whoever they come in with—I regret that characterization of that as stealing. I think if you ask the General Accounting Office to count in a straightforward way, that is not stealing an election, and I do not understand why the gentleman would so characterize it. I have committed myself to vote for whoever these objective counters say won the election.

I do not understand why having a count is somehow stealing the election.

Mr. BURTON of Indiana. I guess each person looks at things a little bit differently. I think when a man has been certified the winner, he has been certified the winner in a recount, there has been no allegations of fraud, then he has won the race. That is just the way we look at it out in Indiana. But I guess different States look at it differently.

I yield back the balance of my time.

THE RETIREMENT OF MADELYN REISS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I would like to call the attention of my colleagues to the fact of the retirement of Ms. Madelyn Reiss, a face familiar to us and sometimes whose duties are taken for granted, and who becomes nameless, but a very longtime and distinguished and effective and very competent worker who makes it possible to complete what I call the opening and closing of the doors of a session of the House of Representatives. In this case Ms. Madelyn Reiss is retiring as of today.

She is yet relatively young, but as a special assistant to the Reporters of Debates she has been most helpful to the Members who have had the privilege of serving in this House for a couple of decades and a half. I wanted my colleagues to take note by placing into the RECORD this fact, and that I am sure I speak for every one of my colleagues when I say that we wish Ms. Reiss a very happy and successful future career in all of her future endeavors.

I believe her principal reason and motivation for leaving is that she wishes to concentrate more fully on this all-important duty of properly caring for her children and her family. And I believe that this is most laudable and that we should make note formally of her distinguished service to the House of Representatives.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore (Mr. FRANK). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, my purpose for rising on this occasion for this special order is to provide the third continuing chapter of what I call my advice to the privileged orders, which, as I said on the occasion of the first, the whole terminology and the purpose of the address is to one of the most distinguished Americans in the history of our Nation, and that is Joel Barlow, who, in the annals of American history, as the years go by, will loom more and more as a formidable character. He was born in Connecticut and served as a chaplain for the Revolutionary Army.

My colleagues know when we use the word "revolutionary" today it has a sort of unwelcome connotation to most Americans, which I think is very sad, because whether we like it or not, if we follow the basic tenets of our principles and of the reasons for the founding of the Nation as a nation, we are a revolutionary society. We actually continue to be in many respects, despite the fact that that word is suspect and, in fact, not quite acceptable to polite political conversations.

The truth of the matter is that Joel Barlow, in addressing his advice to the privileged orders, the complete denomination or title was "My Advice to the Privileged Orders in the Several States of Europe Resulting From the Necessity and Propriety of a General Revolution in the Principle of Government."

We have in the course of our evolutionary processes, in the 20th century particularly, and more particularly since the beginning of the second half of this century, taken for granted and have quite forgotten about some of the even fundamental principles of our Government as reflected in the fundamental law: the Constitution of our country.

The first five words, as I have said almost ad nauseum, are still the most revolutionary words in the world. At the time Joel Barlow, who joined Thomas Paine in Europe as a leading revolutionary advocate and, in fact, in his "Advice to the Privileged Orders" was advocating revolution. We also had the very stern prescription by Thomas Jefferson saying that the Tree of Liberty had to be nurtured, fertilized by blood now and then.

□ 1500

Those words would a very, very unacceptable today for we think in terms of revolution as those that involve violence, and of course true revolution as we have assessed it in the last two centuries does mean and symbolize some struggle; because as the black leader of the last century, Frederick, said: "Power never concedes anything except on demand." It never has and it never will.

I alluded to Joel Barlow, and his beautiful choice of phraseology, and I say in my advice to the privileged classes of America which, my colleagues, includes you, for you and I are privileged in more ways than one. We are privileged because we are the chosen agents or representatives of the people. We are privileged because economicwise we are in that upper 10 percent of this apex, this pyramid of economic income.

I believe sincerely that in so being privileged we have tended to forget the main reason for our being.

My advice to the privileged order, which I say and repeat includes you, my colleagues, is simply motivated by what I consider to be—and I hope I am not presumptuous in saying so—the main motivating forces that prompted Joel Barlow to do likewise.

What are they? I have discussed some of these specifics. The reason is, as I said about 2 years ago in the course of a special order, that ironically our country has gone full circle and was fast becoming, once again, a debtor nation, in essence; that we were back into the old mercantile system which prevailed during the colonial period and which essentially was at issue during the American revolutionary struggle.

The mercantiles systems provided that the mother country would forever have as a client and consumer, and not as a producer of any of the staples or material goods essential to life, whether it was clothing, where the colonists had to if they wanted to buy other than homespun clothing would have to buy the fine linens and products from England, the other country, or the continent. All kinds of restrictions, taxes, excise, and otherwise, were placed on any attempt on the part of the colonists to be self-sufficient, to encourage manufacture and industry. This was one of the basic reasons for the revolution. These are certainly underlying causes, or one of them.

Today America is in precisely that same situation, perhaps not the mother countries. I am astounded when I hear remarks from my colleagues during the course of the recent so-called debate on the missile known as the MX or more recently, just a few minutes ago from my distinguished colleague from Indiana, when he said, "Look what the Japanese are doing to us. Why, they are taking advantage." But he also says, "I have always been an advocate of free enterprise." But it is precisely in the name of free enterprise, even though it is a horrible degeneration in the use of words, and we are living in a world in which we do have an almost total corruption in the meaning and use of words, an Orwellian era, if you please. How in the world can we stand up and say that we should be surprised any more than as I have been fruitlessly trying to penetrate the level of consciousness of my colleagues and some of the executive branch leaders including Presidents, and I must remind my colleagues I have been in the House of Representatives long enough to have served with six different Presidents; when the other issue, the question of the tremendous exponential increase in our allocation of credit for defense, so-called, but which I say is really a war budget, where we have Presidential wars and a President who defies the expressed will of the Congress, wherein the Constitution places the exclusive and sole power of war-making.

Those revoluntionary words, the first ones in the Constitution that we have strayed from which Joel Barlow as a revolutionary touting those words, in a world that was ruled by kings who said their power emanated from God, by divine right of from willful potentates, whether they were czars, shahs, or sultans. That was a world that prevailed at the time America announced the revolutionary idea, something that has never been heard of unthought of: "No, all power comes from the people. We, the people of the United States." Not we the Congress, or I the President, or we the judges, but we the people of the United States, "in order to form a more perfect union, insure domestic tranquility, provide for the common defense." There is the source of power. But if you say that today you are immediately accused of being a Socialist or a Communist. This is how far we have strayed from the basic concept which formed this Nation.

As a matter of fact, as I have also pointed out, the first 10 years of our national existence, that is as a national entity, the leaders and the representatives of the people were so fearful or thought so little of the need for an office that today we call the Presidency, that they did not provide for such office the first 10 years of our national existence.

Rather, the first, and second Continental Congress, the Articles of Confederacy, but realizing the fact that in a multiple, pluralistic body, a conglomeration of representatives, no matter how endowed with power, could not act with dispatch in certain matters as a unitary or single person or a group view. But it was never intended, in fact that was the farthest intention and thought as one scrutinizes the proceedings of the Constitutional Convention that what they called during the debates the chief magistrate but which later they officially called the President would, for whatever reason, either arrogate or be delegated these constitutional grants of fundamental power.

□ 1510

The people who wrote those words had been victimized by kings' wars, by kings who did not feel they had to account for the people, their subjects, because God had given them the power to rule.

Of course, the people never said that, but that is the way it was in that world. Today, we have reverted pretty much. Those words are still revolutionary, whether they are in relatively friendly countries or, as we very loosely call democratic—or whether they are an authoritarian type of society.

The consent of the governed, that great utterance in the Declaration of Independence: No government, without the just consent of the governed, was empowered.

Today in America, what do we have? We have full cycle: America is no longer, as of 4 years, a producing nation. We are the dumping ground. The American people, in effect, despite the outcry from some of my colleagues, as the gentleman from Indiana a while ago, have voted for Japanese products by the purchase of those products in such tremendous quantities.

The President, just a matter of less than 2 weeks ago, announced that he was going to unilaterally relinquish all kind of even self-imposed restrictions on imports into the United States by Japanese, but is that addressing the problem?

Can we expect a country that in reality is a vanquished nation and people, to act in accordance, in a noncompetitive way, and subject its national interest to the superior interest of the United States? Can we not say the same thing about the conquered countries in Europe? In my opinion the answer is affirmative.

Well, of course. How can we reasonably expect otherwise?

I was chairman of the Subcommittee on International Finance for 10 years, and I had occasion to have discussions with some representatives of the Japanese industrial world. They had no equivocation; they said, "Ah, yes, during the war this was called war. But now, it's competition." But we proceed on the same basis as war.

How then did we get into this situation? Well, those, in the name of free enterprise who said: "Well, the Japanese can produce more efficient, less expensive goods attractive to the consumer, why should we deprive the consumer?"

The truth of the matter is that that was not the driving force. The driving forces were the hidden, the unaccountable to the American people or their representatives, whether the President or the representative branch of the Government:

Were the financial intricate deals by our megacorporations who do not follow the patriotic or the basic soverignty of a nation other than as it will yield a profit, maximum.

So that we find that when those financial intricate relationships come into play, in fact, I am equally surprised that at no time have I seen either in the faculties of the universities and by the experts, whether historian or otherwise, are much less than the Congress, or in the offices of the Secretaries of Treasury that I have had the privilege and opportunity to work with, have I heard any mention about the similarity of recurrence with what is happening now as what happened after World War I.

The only difference is that those forces are now back into place for the same reason in that period in the twenties and thirties where the United States, the only creditor nation in World War I and in World War II found itself twisted by the nose, disrespectfully called by the Europeans "Uncle Sap," not Uncle Sam.

We find with astounding surprise to me—and I have total recall and I am a product of that postwar period and the Depression era. I have books now that were written in 1932 that even though 15 years of age I read; dimly understood until later, but which are just as relevant—just change the names of the countries' leaders, change the name of some of the countries that now no longer exist after World War II which, incidentally, has not been finished: There is no peace treaty ending World War II, and we blithefully ignore that as much as we do these revolutionary words in the Constitution.

So that this has come about because first the power to allocate credit, which is the fundamental power in any society, and all through history, has been lost to control to the people of this country.

Whether it was through abdication on the part of their representatives in the representative or policymaking branch of our Government, the Congress; or through a collaboration between the Executive and the representative branch makes no difference; the end result is the same:

The people of America are stripped naked of any protection against the intrusions of the most rapacious economic interests in the world. It always has been and will always be that one of the fundamental reasons for the creation of government is to protect the very people in that respect. And American people have none.

They have been sold out. The American worker has been pitted against every peon, every coolie whether it is now in manufactured goods or agriculture.

I hear the laments now of the representatives, my distinguished colleagues that come from what is now known as the "rust belt." That great, great arsenal of democracy during the war which today, and I think it is unfortunate, but an apt phrase is "rusting"—or whether it is the producing fields that give us bounty, but which we continue the way we are, my colleagues, we will in America be witnessing food riots.

As a matter of fact, when I hear the lamentations from my colleagues as I did a few weeks ago, about the plight of the farmer—but which the people in power in the executive branch, looking at it as cold-hearted geopoliticians, not unlike Hitlers, not in the unlike at all, and in a publication in New York right before the issue was drawn on the special emergency aid to the farmers, a highly placed official, unnamed in the article, but in confidentiality with the reporter writing it said:

"Well, after all, that represents only 2 percent." Two percent.

□ 1520

Well, of course, as I have been saying again ad nauseam, every one of us emerges from one minority section or another in our country, so that if we find ourselves encrusted in the egotistical shell of self-interest, like a turtle, and will snap out only when it is our own appetite that is involved, of course we will be picked off one by one.

The farming element yet, that yoeman, that is, that independent family farmer, that today wage serf, dispossessed, homeless, finding it difficult to even find modicum shelter at affordable rates—forget about ownership. No society can long be the leader of the world if it first abdicates at home the moral responsibility owed the subjects and the citizens of that society by its government, not a concession, not a charity, but a duty, for the prime reason that that is why governments exist.

Should we be surprised if the Japanese should say, "Look, our way enables us to beat you out"? Let us examine why. In Japan, to begin with, you do not have any of the great industrial leaders in Japan living in huge disparate mansions or encampments radically different from the average citizens. First, you do not have that sharp disparity, such as we have. You do not have those moguls of Japanese industry earning a million dollars a year like ours do and who are not satisfied until they have all of the basic tax responsibilities removed, when this Congress adopted the President's mandate through the so-called Gramm-Latta process and then the adoption of the 1981 tax bill which gave away and drained the Treasury of a lifeblood of over $600 billion.

Should we be surprised that we have the monstrous deficit? What cupidity to even act surprised. Some say, "Look what the Japanese have done to us." What do we want? In the case of middle Europe, as I have brought out, there is no apparent notion as to what that real world is out there. I do not see any reflection of anybody reading what is being written, say, in Germany or Poland, where you have now a revival of those ancient and preterit animosities, those complex hatreds, those traditional animosities that have given rise to internecine wars for centuries and into which we have blithely ventured forth, sacrificing our blood and our treasure, because we have relegated to second and third place our own first prime interest.

I spoke about these interests that we have abdicated—our power. The decisions that are basic are not being made in the Halls of this Congress, whether on this side or the other, any more than the basic decisions of the State Legislature of Texas, when I was a member of the State senate, when it came to taxation were being made within those hallowed halls. Rather, in those plush offices of the lobbyists, who had a single-minded purpose year in and year out in Austin, TX, and who then—and I am speaking of 1957, 1958, 1959—were earning over $200,000 a year just to sit there and decide

what it was those in the legislature would be able to debate, and of course, absolutely no thought of taxing gas and oil.

Look at Texas today. The day of reckoning, as we are nationally, the day of reckoning, the day when we as the chosen representatives of the people must ultimately account to the people when they have those blinders removed from their eyes and realize what has been done to them.

Of no avail has it been to hear some voices such as John Dent, who was a member of this body, a distinguished member from Pennsylvania, who, when I first came to the Congress 24 years ago, was talking about and saying, "Beware, my colleagues. I come from these industrial centers and heartlands of our country. We will not long be existing. Our jobs are being shipped out."

Where is the discussion on the real issue? MX? Is MX a real eminent decision? I do not think any cool, detached mentality would say so.

Where is mention of the monstrous international debt? We hear a lot about the deficit domestically. But as I have said and reminded since 1970, when I assumed the chairmanship of the Subcommittee on International Finance, we are headed to a reversion. We will be back. That dumping ground of the old mercantile system. And this is where we are. In 4 years we have ceased from being a producing nation. Even Russia outproduces us in petroleum. Russia has been able to create a little flurry of activity, just like now in the European markets on the dollar.

I want the RECORD to show that I spoke out and asked questions which were not answered until after the fact because of the great secrecy that our money handlers, our dollar barons, our lords of privilege, the potentates of power, the ones who now can decide what the standard of living will be for the average American, the ones who will decide what businesses will be able to survive and which shall die, the ones who have diverted the overwhelming preponderant resources of our banking credit and allocations, blithefully forgetting who now knows that the power to coin and to provide for the money of this Nation is not here, as the Constitution says it should be. All you have to do, and I invite you to do this, my colleagues, reach into your pocket and pull out a dollar bill, and you will see, "Federal Reserve note." When I came to the Congress some 24 years ago if you had 10 one-dollar bills, at least Six of those tens would have said, "U.S. Treasury note."

Now, you may say, "What difference does that make?" It is a vital difference. It means that when the Federal Reserve Board ultimately got its complete hands in the manufacture and making of money and creating the credit allocations and not being a Federal agency, as so many think—yes, it was created by Congress, but who in the Congress will remember that? Who in this Congress will stand up and say, "Hey, we ought to audit the Federal Reserve Board, we ought to demand that the Federal Reserve Board come and account to the Congress or to the President"? No. Those of us who have advocated it for 22 years are immediately accused of being what? Spenders, easy money manufacturers.

And it just pains me to see that in the meanwhile the real thing that has happened is that the American people, the great body of people, still sound, that saving sap of democratic thinking and behavior is still there, but forsaken by those in many instances that they have chosen to represent them over the course of a couple of decades or maybe three. How pathetic to have heard a chairman of the Federal Reserve Board, in answer to a question I propounded, tell me, "Yes, of course, yes, the standard of living of some Americans will deteriorate as a result of this policy," which I could never get him to define or divulge.

□ 1530

When I said, yes, but which Americans have you selected for that? Certainly not the bankers, who control you, because the Federal Reserve Board is a private entity today. It is composed, supposedly, of the 14,000-plus commercial banks, but in reality, overtly, covertly, indirectly, directly controlled by six of the principal financial and banking institutions of this country.

Now, what does that mean? Well, it means that the fiscal; that is a big, fancy word; the monetary, that is another fancy word, but what does it mean? It means that the power of control of the people over their own economic power, production, without which this other is not possible, has been either through abdication or subversion, placed into the hands of the very people that the Founding Fathers warned us against in the very beginning of this Nation.

Should we be surprised if now, such policy as was recently evident in Middle Europe, when the so-called gas pipeline from Siberia to Western Europe was in the making, that we would have a President say, "I think we ought to have sanctions, and I am going to get our so-called allies," and then we never heard any more. When we examine the finances of the deal, yes, Mr. Rockefeller comes back on the plane after a visit and the threatened default of the Polish financial system, in what? In its payback to some of the bankers, principally of West Germany, but in turn, inextricably linked with the American banking interests, and that was the issue.

Solidarity? The President could preach about how a tyrannical situation and how the threat of Russian penetration, this, that and the other, but the truth is that in Poland today there is more fear toward Germany than there is toward Russia, and always has been. They do not like either one, and they have been, of course, a sort of subjugated people, but the history of that area is totally ignored by us. When you have writers in Poland writing books that say, yes, we might be less friendly or less hostile, if we see that the Germans will celebrate the downfall of Hitler.

We have the President that had announced his intention to go and visit on the anniversary of the European war's physical termination, and was going to go visit some of the concentration camps in which millions, not thousands, and I would say the overwhelming preponderance of those being Jewish members of those societies in that area, in and out of Germany, and he changed his mind because of the outcry in Germany.

What was the reason? Why, you will be reviving memories that ought to be forgotten now that the German people should not be held accountable at this time, and that we do not want to evoke that period of time. The President acceded to that. But he also has acceded to those forces in Europe, that, for the first time after all the bitter debates that gave rise to the cold war, which was the rearmament of Germany, and where the big, big issue was well, wait a while, we do, we allow West Germany to join NATO and all of that, where do we provide the power?

Well, finally we have decided that the German finger can be on the trigger of the bomb with our agreement that we literally had to force on the deployment of the so-called Pershing II missiles in West Germany, and now in some of the other countries; Belgium, the Netherlands. Totally overlooking what the fact situation is. Also, are we going to be here and then finally hear some of the Representatives say, "How could the Germans do this to us? How can they be asking us to leave Germany? Why should we wait? Why should we continue to try to avoid our responsibility to confront the American people with the basic questions and issues?" They are unpalatable; they are unpopular; they are tricky political questions. Maybe you might not get elected President; maybe you might get defeated as President if you bring them up, just like the international deficiency in our trade, our so-called accounts balance or imbalance, which is a monstrous $133-plus billion.

Why is it monstrous? Because that we will not be able to play around with. The domestic deficiency or defi-

cit, yes. We can piddle around with that as we have for the last 3 years, and we can piddle around maybe a couple of more, maybe. But the other, we cannot. Because for every $10 billion of that $133 billion, we have lost in American over 20,000 jobs forever. Forever.

Who says that? Now, we have had committee hearings; subcommittee hearings. I belong to the Committee on Small Business since its inception as a legislative committee, and we have had testimony for several years. Some of them invited on my recommendation, and we have had preeminent men tell us, "Look, this is what is going to happen because these are the things that are happening now, and you do not have to be an expert or a prophet to know that this is what will result." Yet, we can never penetrate the level of consciousness of either those men in power over in the executive branch, and I am not speaking necessarily of this administration. Economic matters and fiscal matters and monetary matters are not partisan. Just like international matters; they are not Republican, they are not Democratic; in fact, you cannot even say that you can label them liberal, conservative. In those cases, it is very much like a mathematical formula: You are either right or you are wrong. You cannot defy these basic laws. You cannot, because all history shows, and our experiences now are showing, that you cannot have usury or extortionate or unjust rates of interest without destroying that economy. In our case, particularly so. For, as I have tried to point out, unsuccessfully, even to preeminent economists that, I am no expert in economics, but it is obvious to me because I remember what the world was like before World War II.

When our economy, especially the United States, was predicated on mass production, mass consumption, it really did not have an overwhelming significance until after World War II and the development of mass credit availability. Installment purchases; making available the goods, in great profusion, variety and quantity, that we were, through the blessedness of our system, able to produce, and which today, with less than 70 percent factory production, with an unacceptable rate of unemployment, and with our country the dumping ground of the products of other nations, of course we cannot ask that that be done and that we continue to do it on the basis that there is free trade. That was like Dr. Hilmore Schott, the famous financial wizard of Adolf Hitler, who was able to come to the United States. He had dual citizenship, and he was able to get some of our principal corporate activities to finance Mr. Hitler. General Electric was one of those.

□ 1540

The reason is that at that time there were no such things legally or even verbally known as conglomerates or multinationals, but you had what they called then the cartels. But everybody, when they saw the word "cartel," immediately made it synonymous with German cartels. It is true. Franklin Roosevelt, and I remember the headlines at the outset of the war, said "We are going to produce 50,000 warplanes." It was a dream until the cartel by then transferring its activities to Switzerland, and the German members permitted the exportation of magnesium in sufficient number that we could produce those planes.

The same thing is true today in the case of this pipeline I referred to earlier. Why did the President abruptly drop all kinds of efforts to stop? Why? Well, the gas company, the pipeline, insofar as Europe's consumption was concerned, and remember, we had our so-called allies who were not about to sacrifice their national interest and give up having access to natural gas at an affordable price and forever be confined to American domination in the Middle East production fields and other areas.

Should we be surprised? I do not think so. I think we should be the ones who should be saying, "Hey, look, charity begins at home." Even though I may earn my profits now through an investment transfer over to Europe or Asia or Canton or Mexico where I can capitalize on coolie labor, I am not going to do it because American products are still more efficient. But yes, if that essential element of labor is sold out, of course then I will make my dollar, extra dollar profit percentages.

But I believe in the national interest of the country in which I claim nationality. Well, all history shows us that is too much to expect. All history shows us that. We should read that history, even of those meager beginnings or our nationhood, because those same issues, except on a far more microscopic basis than today, were nevertheless the same, and the power is still inherent in those who control the economic destinies of any people.

When we ask ourselves this question today, where are you with respect to defending the national interest first, not by trying to pound your chest and say, "I am for a real defense and we have to develop star wars and this and that and the other," which by now we ought to know that every single development instead of war has given us less security. Why? Because the fundamental issues giving rise to the reason for the weaponry have been overlooked, or the assumptions predicated on a misconception.

The $315 billion that it looks to me now as if this Congress is going to be approving to tax the American people for so-called defense is predicated on a world that no longer exists. Every argument I have heard, and I admire my colleagues, I am not trying to detract, and I do not blame them because inside and out of our news media, inside and out of our deliberations, there seems to be no awareness that we are not basing any longer a correct assessment of our defense needs on, say, a Europe of 1946, but that is exactly what we are doing. We are assuming that that world has not changed, and of course it has, and anybody who bothers to read the news, the literature of these countries, cannot overlook the fact that it is another world.

It is the same thing south of us. Why have I gotten up and introduced resolutions in which I state categorically that the President is guilty of violating the War Power Limitations Act, because of specific facts which are now beyond any kind of debate. The President, in fact, the day before yesterday, astoundingly, with no challenge I know of from our leaders in the Congress, who should be very sensitive to the coequality, the independence and the separation of the organs of our Government. We are not subordinate. We are coequals. The President is not omniscient and all-powerful. The presidency is an office of limited powers and the President is first among equals, as was so carefully pointed out in the course of the debates in the Constitutional Convention.

Let us go back. Where is the power? Where is the inherent power? Who today says that the reason you have banks and the reason that banks have the power now to coin our currency is that they are chartered. They have to be chartered. Of course, that process has been so corrupted since about 1965, some of us got up and spoke ad nauseum on it. Who cared? Nobody gave a tinker's hoot. But what is the reason banks were chartered? For public need and convenience, public need and convenience. Who dares think that is the reason today.

Today the bankers look upon it as a license to plunder and get this country's destiny foresaken, giving up a great patrimony for a mess of potage, so to speak. In Latin America today the President is waging war. He had the temerity to say the day before yesterday, "Even though I know the Congress has said we do not choose this, I am appealing to private, nongovernmental elements to provide what, the means and whereby of what? Of suboring a country whose country we recognize as a recognized entity, Nicaragua, for we have an Ambassador there, and when we do that we are saying, "Look, our repersentative there, recognizing you as a regime in legitimate power." But we have been trying to assassinate their leaders. As I

speak today we continue to do such things as mining their harbors.

Nicaragua went to the World Court. The World Court ruled against us, said we are in serious and grievous violation of international law. What would we do if Nicaragua mined Chesapeake Bay? Would we say that was an act of war or not? Would we sit by and say, "Well, yes, you have the right to do it because you are accusing us of being Marxist and you are against marxism and you do not like that, so you want to topple us over," the truth being that those policies have been dictated by the other branch of this vast, corporate superstructure that today is in total, complete control of our destinies as a Nation, and that portion of that corporate power is men like J. Peter Grace, the great, renowned billionnaire, princeling son who studied our Government and said, "Oh, I can tell you as a private enterpriser, free enterpriser."

Let me tell my colleagues there is a difference between free enterprise and private enterprise. Adolf Hitler and Benito Mussolini had private enterprise to the day they died in their respective countries. That does not mean they had free enterprise.

That is the same thing today. You call General Motors and the automobile manufacturers free enterprise? Is that not a controlled enterprise? Of course. That is where our financial and institutional forces in that respect are today.

□ 1550

And they are now controlled as never before in the history of our country. Always they were, yes, on the threshold, but always we have had men like Woodrow Wilson in 1916 who saw it coming after the Congress adopted the Federal Reserve Act of 1913.

We had President Lincoln, who said, before he was assassinated:

> I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. Corporations have been enthroned. An era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until the wealth is aggregated in a few hands and the Republic destroyed.

I ask my colleagues to tell me if we are not living in an era of the fulfillment of this sad prophecy.

Mr. Speaker, I yield back the balance of my time.

INTERNATIONAL TRADE AND INVESTMENT ACT AMENDMENTS OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 30 minutes.

● Mr. LAFALCE. Mr. Speaker, today I am introducing a bill entitled the "International Trade and Investment Act Amendments of 1985." The goal of this legislation is twofold: To expand free trade by reducing unfair barriers to market access and to increase the ability of U.S. industries to adjust to international competition.

Title I of the legislation would require that the President take specific action to restore an equitable balance in bilateral trade relationships where a finding has been made that a particular country is running a substantial current account surplus with the United States and is engaging in policies or practices that constitute substantial and systematic barriers to the export of U.S. goods and services or to foreign investment by U.S. persons. Title II would increase the emphasis on industry adjustment in the import relief process by authorizing the President to require adjustment plans as a condition for receiving trade relief under the general "fair trade" statute.

The need for such legislation is readily apparent. In recent years, U.S. industry has faced rising barriers to market access in foreign countries and higher levels of import penetration. Our response so far, while predictable, is apt to prove ultimately self-defeating. While we talk of leveling the international playing field, we have in fact focused on building walls around our own. The thrust of our trade policy is increasingly protectionist, despite the Reagan Administration's rhetoric to the contrary.

Unfortunately, history demonstrates that such wall-building quickly spreads. As more and more countries adopted this approach, we would risk destabilizing a world trade system it has taken decades to build. International trade has been a dynamic source of economic growth. There is a fortuitous relationship between economic growth and trade: Increased growth stimulates even faster growth of trade, which stimulates more economic expansion, and so on. The negative side of that relationship is just as strong. World trade tends to decline at a multiple of the shortfall in growth. This situation fosters sharply increased pressures for trade restrictions—which only steepen the downward spiral. Such a negative spiral is reminiscent of the early 1930's and threatens to be characteristic of our own times.

The legislation that I am proposing will move us away from calls for protectionism, and refocus our attention on what I believe must be the primary goals of trade policy: Expansion of international trade and maintenance of an equitable balance in relationships between trading partners.

That balance is critical to trade expansion but is less and less in evidence. For free trade to be fair trade, countries must not face artificial barriers to bringing competitive products into foreign markets. Yet such barriers are proliferating and adversely affecting the ability of U.S. industries with competitive goods and services to export. Japan provides the all-too-familiar obvious example.

No open world trading system can exist if a major trading nation bases its economy on exporting goods and services to the world, while adamantly refusing to import virtually anything other than necessities such as foods, fuels, and minerals. Yet this description capsulizes the Japanese approach. From their point of view, such an approach may appear useful as it provides an economic incubator in which Japanese growth industies can develop. But the Japanese approach will finally do severe damage to the world trading system on which all nations rely. The pressure on those nations increasingly asked to serve chiefly as the repository of Japanese goods and services is unsustainable.

Despite the risks inherent in the Japanese approach, the United States continues to make it viable by providing Japan with its largest market while failing to make any significant inroads into the Japanese market. If this failure reflected an inability of the United States to produce products and services competitive in the Japanese market, we would be entitled to no recourse. There is substantial indication it does not. What it reflects is the imposition of substantial and systematic barriers to imports of competitive U.S. goods and services. The Department of Commerce estimates that our bilateral trade deficit with Japan could be reduced by $12 billion if U.S. goods and services had open access to Japanese markets.

In those sectors where American companies can compete with the Japanese, Japan must open its markets to our goods and services. The time is long past to confront the Japanese on market-access issues. At this point, the only really useful tool is a willingness to act. If the Reagan administration is unwilling to do so, then the Congress must.

There is every indication that Japan on its own has no real intention of changing its approach. Current United States-Japan telecommunications talks are symptomatic. The breakups of AT&T allowed the Japanese to increase their telecommunications exports to the U.S. market from $600 million to $2 billion. In contrast, the Japanese state-owned telephone monopoly, NTT, has in the past purchased virtually nothing from abroad. Now, Japan's telecommunications market, the second largest in the world, could become a prime target for highly competitive U.S. firms. Legislation passed late last year by the Japanese Diet ended the Government mo-

nopoly and potentially opened the field to competition for the first time. Yet draft regulations still to be issued in final form suggest that U.S. companies will face restrictive and cumbersome bureaucratic requirements severely limiting access to Japanese markets. Experts suggest that, even if the regulations were to be reasonable on their face, interpretations of those regulations will ensure that access will remain minimal. The mere $300 million in U.S. telecommunications exports to Japan is unlikely to significantly increase.

Opening in Japan's telecommunications sector was given top priority by President Reagan in his January talks with Prime Minister Nakasone. If these are the results we can obtain for priority sectors, what can we expect for those that are not?

The legislation I am proposing would amend section 301 of the Trade Act of 1974 to mandate that the President take action to restore a balance in bilateral trade relationships when other countries systematically impose artificial barriers to the export of U.S. goods and services. Under current law, the President has a great deal of discretionary power to act when the U.S. Trade Representative identifies foreign trade practices that are unreasonable, unjustifiable, or discriminatory. However, the process for arriving at such a determination is lengthy, cumbersome, and relatively untested, and the President is never required to take specific action.

My bill would require that the President continually monitor market access barriers in foreign countries and identify patterns of behavior that constitutes unreasonable restraints on U.S. exports. Under the legislation, the President would be required to annually report to the Congress those countries with which the United States is running a substantial current account deficit (in excess of 10 percent of the total current account deficit) and which engage in policies or practices that constitute substantial and systematic barriers to the export of U.S. goods and services or to foreign investment by U.S. persons. If such findings were made in regard to a particular country, the President would be mandated to take specific action designed to have an immediate and identifiable impact on the trade imbalance. The President could exercise his authority with respect to any goods or sector on a nondiscriminatory basis or solely against the foreign country involved, and without regard to whether such goods or sector were involved in the policy or practice identified. The bill would also expand the President's authority to deny or restrict licenses or permits for foreign suppliers.

The significance of this provision is that the President would be required to act once the designated findings were made. While the President would be given discretion regarding what tools he would use, action would be mandatory.

At this point, Japan may be the only country to which this provision would apply. While, for example, our trade imbalance with Canada may be substantial, I see no evidence of a pattern of unreasonable market access barriers. But in any case where a severe trade imbalance is created by unreasonable and artificial barriers to market access, U.S. action is warranted.

When the President would initiate action under this bill, he would also be required to direct the U.S. Trade Representative to begin negotiations with the affected foreign government. Action taken would remain in effect for 6 months or until the satisfactory conclusion of such negotiations, whichever would be earlier. If, after 6 months, negotiations would not have reached a satisfactory conclusion, such action would remain in effect until such a conclusion would be achieved. Presidential action would thus act as an effective spur to the successful completion of negotiations.

While unreasonable market access barriers are a significant factor in our increasing inability to compete, in many cases we are our own worst enemy. Testimony by numerous witnesses in hearings held by the Subcommittee on Economic Stabilization over the last 2 years has indicated that much of the declining competitiveness of our industries is attributable to their failure to take necessary steps to adjust to increased international competition. Title II of my bill would address this issue directly by amending section 201 of the Trade Act of 1974 to increase the emphasis on adjustment in the import relief process. The legislation would authorize the President to require adjustment plans as a condition for receiving trade relief under this general "fair trade" statute.

Section 201 provides temporary relief to an injured industry even if there is no evidence of an unfair trade practice. Such temporary relief is intended to provide breathing room for restructuring. The sad fact is that too often the Federal Government provides extensive relief to industries and workers under this provision without assurances that the basic problems that beset the industry will be addressed. As a result, the industry continues to slide, the work force continues to diminish, the Government continues to pay, and no improvement in the industry's competitive position is achieved. In a period of intense international competition, we need to do much better.

Our import relief law should be administered so as to require an industry that receives trade relief to make a commitment to take the steps necessary to become a world class competitor. Relief from import competition should be conditioned on an industry's modernizing its facilities and taking whatever other steps are necessary to become more competitive. A number of experts testifying before the Economic Stabilization Subcommittee, including Ambassador Brock, stated that the authority to require adjustment commitments from industries receiving trade relief would be a useful instrument as trade assistance programs are developed.

My bill would make a request for import relief an opportunity to take a comprehensive look at the industry's underlying problem—its declining competitive position. This legislation would require that industry, labor, and Government work together before import relief could be granted to develop a comprehensive adjustment program to improve competitiveness. In addition, the bill would make continued relief contingent upon implementation of the adjustment plan by increasing the monitoring responsibilities of the International Trade Commission.

Under the bill, an industry would file a petition with the International Trade Commission alleging serious injury due to import competition. The Commission would then be required to make a preliminary finding within 45 days as to whether such an injury has occurred. This would reduce the enormous waste of resources that occurs when inadequate petitions are pursued through the full investigation and recommendation procedures of section 201.

Once the Commission made a preliminary finding of serious injury, it would be required to initiate a full investigation and convene an adjustment plan board chaired by a member of the Commission. The board would be a tripartite body, comprised of representatives of industry, labor, and Government. It would negotiate a plan and prepare a package of recommendations for the Commission. The ITC would have the authority to make its own determination as to the appropriate trade relief and the adequacy of the adjustment program, and then to make recommendations to the President for final action. If the President were to grant the trade relief, the Commission would continue to monitor the plan. If the plan were not being adequately implemented, the Commission would have the authority to investigate and recommend to the President that the trade relief be reduced or revoked.

The bill would also authorize the Commission to recommend action short of import relief under certain circumstances. In many cases, imports might be having a serious adverse impact on an industry's competitive

position, but their impact might not be sufficient to justify import restrictions. The bill would authorize the Commission to recommend such other relief, short of actual import restrictions, as it would deem appropriate, including, but not limited to, Government loans and/or loan guarantees or specific training and retraining programs.

In summary, this legislation would directly and effectively address the most serious problems accounting for our declining competitive position: unreasonable market access barriers in other countries and the failure of our own industries to take the difficult but necessary steps to adjust to increasing international competition. I firmly believe this is the correct approach to take. Too many discussions of late have focused on legislation authorizing retaliatory action in specific sectors. In my view, it would be extremely ill advised to create legislative mechanisms that would essentially institutionalize special interest pleading.

Congress needs to avoid a legislative situation whereby we encourage "an industry-of-the-month club" as aggrieved line up, claiming special needs to be addressed with particular countries through special legislation. What we must do instead is create an overall process that will allow us to respond quickly and effectively to reduce trade barriers where they exist and facilitate industry adjustment to fair competition. I believe that the legislation that I am introducing today will do just that.●

YOUTH EMPLOYMENT OPPORTUNITY WAGE ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. LOTT] is recognized for 30 minutes.

● Mr. LOTT. Mr. Speaker, at the request of President Reagan, I am introducing the Youth Employment Opportunity Wage Act of 1985. Earlier this week, the President sent a message to the Congress asking them to enact this legislation soon. I share Mr. Reagan's sentiments that we cannot afford to waste another summer that would otherwise produce jobs, including that important first job experience, for our young people.

Mr. Speaker, the legislation I am introducing today, joined by 28 of our colleagues, has the potential for creating 400,000 summer youth jobs across the country at no additional cost to taxpayers. This bill, supported by some of our Nation's most prominent mayors, youth, and community organizations, would permit teenagers to accept employment for 75 percent of the statutory minimum wage during the summer months, from May 1 to September 30.

While the weight of economic evidence states that the concept will be successful, without displacement of adult minimum wage workers, it has never been tried in this country. Recognizing this, the President's proposal calls for a 3-year pilot test on the concept. The authorization for the youth wage would extend for three summers, until September 30, 1987, after which a full evaluation would be made to determine the effectiveness of the youth wage in creating summer jobs for youth as well as any adverse effects on other workers. The bill also provides for strict penalties on employers who abuse the youth wage by laying off full-time youth or adult workers in order to hire teenagers eligible for the special wage. These penalties are the same as for other violations of the Fair Labor Standards Act, fines up to $10,000, jail terms up to 6 months, and back pay to the employee, stiff enough to make any employer think twice.

At this point in the RECORD, Mr. Speaker, I include a brief summary of the Youth Employment Opportunity Wage Act of 1985. The summary follows:

SUMMARY—SUMMER YOUTH EMPLOYMENT OPPORTUNITY WAGE

PROPOSAL

Applies to youth age 19 and under from May 1 to September 30.

Allows employers to hire youth at $2.50 per hour, or about 75 percent of the current $3.35 minimum wage, without requiring employers to complete the paperwork that is required under other programs for youth.

Prohibits employers from substituting youth for current employees. Employers who discharge, transfer or demote workers for the purpose of employing eligible youth are subject to various legal remedies and sanctions, including a $10,000 fine, 6 months in prison, and payment of back wages.

Prohibits employers from reducing the wage rate below $3.35 for youth employed by the employer at any time during the 90 day period prior to May 1 of each year.

Establishes a temporary program expiring in September 1987, with an evaluation report to Congress.

ESTIMATED EFFECT

Analysis of previous research indicates that enactment of the proposal at the Federal level would create about 400,000 new summer jobs for youth.

Moreover, if those States with minimum wage laws also provide for a $2.50 summer minimum for youth, the employment increase would be raised to about 640,000 new jobs.

Based on the industry distribution of current minimum wage jobs, over two-thirds of the new jobs would be created in firms other than eating and drinking establishments, such as grocery stores, gasoline service stations, hotels and motels, educational services entertainment and recreation services.

Low-income youth, particularly minorities, would benefit the most from the increase in summer jobs, because studies have shown that such youth have suffered the greatest reductions in employment due to the minimum wage.

RESOLUTION SUPPORTING FEDERAL FOREIGN LANGUAGE AND INTERNATIONAL EDUCATION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, America is faced with a great national challenge. It is a challenge which involves our national security, our economic prosperity, and our ability to conduct a realistic and successful foreign policy in the troubled times ahead. Yet this is not a challenge to develop more sophisticated weaponry or to conquer the far reaches of space. It is a challenge to improve our ability to understand and communicate with other nations.

Make no mistake about it. The security and prosperity of the United States now depend more than ever on our understanding of other languages and cultures. The revolution in Iran, the continuing cycle of violence in Lebanon, and the threat of upheaval in Central America have been unwelcome reminders that our national security does indeed depend on events outside our control. International economic competition from Japan, West Germany, and the nations of the developing world threatens our ability to export American products and further illustrates the need to improve our understanding of other cultures, languages, and economic systems. Yet in the face of a world becoming more closely intertwined economically, politically, and militarily, the President is attempting to eliminate for the third year in a row the most critical foreign language and international studies program in this Nation.

I oppose President Reagan's fiscal year 1986 budget proposal to eliminate the Office of International Education and Foreign Language Studies in the Department of Education. I believe the President's proposal is extremely shortsighted and if accepted by Congress, would be detrimental to the national security and economic prosperity of the United States. Accordingly, together with Representatives WRIGHT, FASCELL, FORD of Michigan, BOLAND, TALLON, and TOWNS, I am today reintroducing a resolution which expresses the sense of the Congress that fiscal year 1986 funding levels for Federal foreign language and international education and exchange programs should be maintained at fiscal year 1985 levels. Given that our resolution calls for funding these programs at current levels, it is perfectly compatible with efforts to freeze Federal spending for fiscal year 1986.

Mr. Speaker, many leading members of the education and defense-security communities have voiced their opposi-

tion to the elimination of the Office of International Education and Foreign Language Studies. When the President proposed closing the Office in fiscal years 1984 and 1985, Defense Secretary Caspar Weinberger wrote twice to then Secretary of Education Terrell Bell to request that he restore or increase funding for this program. In addition, Secretary Bell's own National Advisory Board on International Education concluded that the programs conducted by the Office of International Education "play a crucial role in ensuring the availability of an adequate capacity in this country for foreign languages and international studies. The Board commends the aims, objectives, and accomplishments of these programs and strongly endorses their continuation."

According to some of our Nation's leading defense and intelligence experts, the crucial shortfall in the foreign language proficiency of our diplomatic and intelligence communities is cause for both alarm and immediate action. In 1981, Adm. Bobby Inman, former Deputy Director of the Central Intelligence Agency, testified that "the importance of adequate foreign language capability in the intelligence community cannot be overstated. * * * The foreign language capability of our country is poor and getting worse." Admiral Inman went on to document the importance of foreign language proficiency to U.S. intelligence activities, and the growing problems the CIA, the NSA, and other intelligence agencies are having in recruiting qualified linguists. He said that "decisive action should be taken on the Federal level to ensure improvement in foreign language training in the United States."

Craig Wilson, Special Assistant to the Secretary of Defense for Intelligence and Human Resources, has testified that of the 13,000 positions in the Department of Defense which require foreign language capability, only half are filled by individuals with the necessary language competence. This critical lack of foreign language skills in our Armed Forces could have dire consequences in the event of war. As the former commander in chief of the U.S. Army in Europe—Gen. George Blanchard—once wrote, "language interoperability is not just a nice-to-have professional skill. In time of war, it may prove to be a decisive element on any potential NATO battlefield."

Perhaps the greatest impact of our lack of proficiency in foreign languages has been in the field of international diplomacy. In 1980, when a Soviet soldier in Afghanistan sought asylum in the American Embassy, none of the embassy staff could speak to him in Russian. Only 6 of the 60 American diplomats in Iran in 1978 spoke the local language, and when the embassy was seized, only 2 of the remaining staff could communicate with their captors. Before the Vietnam war, this country did not have even five American-born experts who could speak the Vietnamese language. What a difference a few more experts might have made.

Our most critical shortfall in the field of diplomacy is in the less commonly taught languages: Russian, Arabic, Chinese, and Japanese, which together, comprise 80 percent of the world's spoken languages. The State Department's overall compliance rate in filling Foreign Service positions that require minimum language competence is a sad 66 percent. However, in the less commonly taught languages, the compliance rate is much lower, only 35 percent in Chinese and in Arabic. Furthermore, according to a study prepared for the President's Commission on Foreign Languages and International Studies, less than half of the Federal positions requiring proficiency in Russian are actually filled by individuals competent in that language.

While there are no easy solutions to correct our lack of foreign language skills, the Office of International Education is one of the best means we have of improving the language capabilities of our intelligence and diplomatic communities. The Office's primary function is to help fund the 91 National Foreign Language and Area Studies Resource Centers around the country, 14 of which focus on the Soviet Union and Eastern Europe. These National Centers are our primary source of candidates for Federal positions in the fields of intelligence, diplomacy, and national defense. In addition, the National Centers are virtually our sole source of specialists in the less commonly taught but strategically important languages and cultures. While the Federal contribution to the National Centers constitutes only a portion of their total operating budgets, the Federal funds represent "seed" money which encourages private donations and symbolizes our Nation's commitment to improving our foreign language capabilities.

The Office of International Education funds several other programs which are essential to the improvement of our communications skills in this interdependent world. The Foreign Language and Area Studies Fellowship Program offers full-year and summer scholarships to graduate students and teachers in order to improve their language competence and knowledge in interdisciplinary fields. The Office also provides grants for undergraduate international education and for the Nation's entire research program devoted to the development of teaching materials for over 170 foreign languages. Most important, the Office funds four essential Fulbright-Hays programs including Foreign Curriculum Consulting, Faculty Research Abroad, and Group Projects Abroad. This last program helps to fund the Overseas Resource Centers where American graduate students study Arabic, Russian, Chinese, Turkish, Indonesian, and other languages while living in these various countries.

Mr. Speaker, the fiscal year 1985 appropriation for the Office of International Education is just $32.05 million, less than two-tenths of 1 percent of the total appropriation for the Department of Education. Yet in spite of the obvious contribution the Office makes to our national security and economic potential, President Reagan attempted to cut funding for the program by over 50 percent in fiscal year 1983, and has proposed the elimination of the program in fiscal years 1984, 1985, and 1986. Thankfully, Congress has consistently rejected the President's proposals in this area, and approved funding increases for the Office of International Education for fiscal years 1983-85. Our resolution expresses the sense of the Congress that for 1986, the programs conducted by the Office of International Education should be funded at 1985 levels.

Through the Office of International Education and Foreign Language Studies, the Federal Government can play an important role in the preparation of our Nation for the decades to come. Federal policy in this area can set an important precedent for the actions of State and local governments, businesses, foundations, and individuals. But in the final analysis, the Federal Government holds the ultimate responsibility for the Nation's security and well-being. This responsibility involves guaranteeing that our Nation has the talent necessary to protect our vital national interests, at home and abroad.

I believe that we need to produce diplomats, intelligence experts, military personnel, and corporate executives who are competent in foreign languages and knowledgeable about world affairs. The programs conducted by the Office of International Education can help provide us with these essential human resources. The cost is small and the benefits for our Nation will be great. I urge my colleagues to support this resolution, and I hope that we will continue to advocate a strong Federal role in American foreign language and international education.

H. CON. RES. 104

Concurrent resolution expressing the sense of Congress that funding levels for Federal foreign language and international education and exchange programs should be maintained or increased

Whereas a number of national education task forces and commissions, including the National Commission on Excellence in Education, have outlined a serious decline in the study of foreign languages in the United

States and have recommended increased second language training at all educational levels;

Whereas leading members of the defense and intelligence communities have expressed concern about America's lack of expertise in international studies and in foreign language proficiency;

Whereas the United States has produced insufficient numbers of qualified area studies and foreign language specialists during the last decade to meet our future defense, diplomatic, and intelligence needs;

Whereas the study of the less commonly taught but strategically important languages and cultures such as Japanese, Chinese, Arabic, and Russian is extremely limited in the United States;

Whereas new programs in the combined study of business, foreign languages, and international relations would make a significant contribution to the reversal of America's declining economic competitiveness in international trade;

Whereas in comparison with the investments of America's allies and potential adversaries, the United States Government's investment in foreign language and international education historically has been quite small;

Whereas approximately 80 per centum of the Nation's foreign language training in the less commonly taught languages takes place at federally funded National Resource Centers for Foreign Languages and International Studies;

Whereas for fiscal years 1984, 1985, and 1986 the present administration has recommended zero budget funding for the Office of International Education and Foreign Language Studies, which funds the National Resource Centers and the Fulbright-Hays scholarship program; and

Whereas Congress has consistently rejected the administration's proposals and fully funded the Office of International Education and Foreign Language Studies for fiscal years 1984 and 1985: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the fiscal year 1986 funding levels for Federal foreign language and international education and exchange programs should be maintained at fiscal year 1985 levels.●

BILL INTRODUCED TO PRESERVE AND STRENGTHEN EXIMBANK COMPETITIVENESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. NEAL] is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, today I am introducing a bill to retain the Export-Import Bank direct loan program. My bill prohibits implementation of an interest subsidy payment program, such as the so-called I-Match Program proposed by the administration in its fiscal year 1986 budget recommendations.

The administration proposes to eliminate Eximbank lending, and replace it with this interest subsidy scheme. After a thorough examination of this proposal, including 2 days of hearings in the Subcommittee on International Finance, Trade and Monetary Policy, I have concluded that it has no merit.

The administration claims that the I-Match Program would save the Treasury money. In reality, however, I-Match is merely a bookkeeping gimmick. While it would reduce the recorded budget deficit for a few years, that would not be an economically meaningful reduction. It would seem to reduce the deficit because a commercial loan, with a guarantee and a subsidy payment from Exim, would be substituted for an Exim loan. But there is no economic difference between the Government selling its own bond to finance an Exim loan and the Government guaranteeing the repayment of a private bond sold to finance the same export. If both bonds carry approximately the same interest rate and the export credit funded by them is offered on the same terms—as would be the case with I-Match, the economy can recognize no real difference between these two transactions. The only consequence of a switch from Exim direct loans to I-Match, assuming I-Match could operate as smoothly and effectively as Exim direct lending, would be a change in the name on the debt instrument sold to finance the exports. The claim that I-Match would make any important contribution to deficit reduction, in the sense of a reduction that would benefit the economy, is entirely spurious. It is nothing but budgetary legerdemain.

In fact, it is worse than budgetary legerdemain. I-Match would be inherently more costly than a continuation of Exim's current loan program. A simple illustration will clarify this point.

Assume an Exim loan would carry a rate of 11 percent for 10 years, and that the Treasury must pay 12 percent on its 10-year bonds to finance that loan. If Exim makes the loan, the Government lends at a negative spread of 1 percent. But if a commercial lender made the loan under the I-Match proposal, even with a Government guarantee, it would have to pay a little more to borrow the money than the Treasury. In addition, the commercial lender must cover its own administrative expenses, and show a profit. Finally, as explained in testimony before the subcommittee, a commercial lender would face various technical problems in the management of these funds that are not faced by Exim, problems that would impose greater risk on the commercial lender. If the commercial lender is unwilling to accept these risks, Exim would have to cover them as well, which would entail even higher subsidy payments. Plausible estimates show Exim having to make subsidy payments to the commercial lender to cover a negative interest spread of about 2.0 to 2.5 percent, compared to a 1-percent negative spread on this kind of loan made directly by Exim.

In short, I-Match would make only a bogus contribution to deficit reduction; and it would be even more costly than Exim's current direct loan program.

The direct loan program of the Export-Import Bank has provided critical support to American exporters in their efforts to remain competitive in international markets despite the strong dollar and the efforts of foreign governments to support their own exporters with low-cost financing. These loans do contain a degree of subsidy, but that subsidy has been progressively reduced over the past few years. We now have in place a sound, international agreement that minimizes the amount of subsidy governments can embed in their official export credit, at least for normal commercial transactions. Within the terms of that agreement, the Eximbank's direct loan program is the most efficient and effective means by which the U.S. Government can neutralize foreign export credit competition, and allow our exporters to concentrate on price, quality, and service. There is no need to replace it with something less effective, less efficient, and more costly.

As long as the administration's I-Match proposal, accompanied by its efforts to eliminate Exim lending, lies on the table, our exports are bound to suffer. Our exporters will have a hard time bidding for future sales, as long as they are uncertain as to the kind of export credit support they can expect, as long as they fear they might be stuck with a new, untested, inefficient and costly I-Match Program. And foreign governments will have no incentive whatsoever to negotiate further improvements in the international agreement that imposes some degree of discipline over export credits.

The French Government, in particular, is obstinately resisting any reasonable disciplining of the perverse practice of granting tied aid credit, or so-called mixed credits, which they exploit and abuse for the purpose of stealing markets from American exporters. Under new language the Congress added to the Export-Import Bank Act 2 years ago, Exim is authorized and directed to counter, match, and neutralize these unfair mixed credits with Exim direct loans on comparable terms. The Eximbank would lose this capacity, this vital ammunition, if the administration's proposals were adopted. Without a direct lending capacity of its own, Exim could offer no competition whatsover to the mixed credits employed by other governments, in particular the French—but including the Japanese and the British—to steal our markets. Without this ammunition, we would stand very little chance of securing agreement, through negotiations currently underway, to eliminate, or at least minimize, this perverse form of predatory financing. It is a rather curious strategy

to send negotiators to Paris with a mandate to negotiate better discipline on mixed credits, while simultaneously sending a bill to the Congress that would strip them of the only negotiating leverage they can employ; namely, the threat to match fire with fire until reason prevails.

We have, I think, reached the point where Exim should use its existing mixed credit ammunition more aggressively than it has, targeted to have maximum detrimental effect on the exports of those countries that obstinately refuse to negotiate seriously. Within the Subcommittee on International Finance, which I chair, I intend to explore new ways to strengthen the hand of our negotiators. We cannot, however, make any headway in improving and refining Exim's mixed credit policies until we make sure Exim will at least retain the mixed credit capacity it now enjoys. To do that, we need, first, to preserve Exim's direct loan program, then to think of ways to improve it. Hence we need to kill the administration's Eximbank proposals as quickly and unambiguously as possible. That is what the bill I am introducing today would do.

This bill is not intended simply as a blessing of the status quo. It is intended solely as a definitive statement by the Congress that Exim's current direct loan program should be preserved and strengthened, and neither abolished, as the administration proposes, nor nibbled away over time, as many of our exporters fear, and our foreign competitors hope. Once the preservation of Exim's loan authority is assured, we need to turn our attention to a number of important Exim issues. I have already mentioned mixed credits. In addition, Exim's use of its direct loan budget raises some serious questions. Exim has, in fact, used very little of it—only 19 percent in fiscal year 1983, 38 percent in fiscal year 1984, and about 7 percent through the first 5 months of this fiscal year. Why is that? Are they really being as competitive and aggressive as the Congress desires? And what about their large guarantee and insurance programs? Are there not new and innovative ways to imploy those powers, in cooperation with our exporters and the private financial markets, to boost American exports? These are the issues we should be examining, not a spurious budgetary device like I-Match.●

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 22. Joint resolution designating March 1985 as "National Mental Retardation Awareness Month", and

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites.

PROPOSED RULES OF THE SELECT COMMITTEE ON HUNGER

(Mr. LELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LELAND. Mr. Speaker, in accordance with rule XI, clause 1(d), I am submitting herewith the rules adopted by the House Select Committee on Hunger, on March 28, 1985:

RULES OF THE SELECT COMMITTEE ON HUNGER

RULE 1.—MEETINGS

The regular meetings of the committee shall be held on the third Tuesday of each month at 9:45 a.m., except when Congress has adjourned. The chairman is authorized to dispense with a regular meeting or to change the date thereof, and to call and convene additional meetings, when circumstances warrant. A special meeting of the committee may be requested by members of the committee in accordance with the provisions of House Rule XI, 2(c)(2). Every member of the committee, unless prevented by unusual circumstances, shall be provided with a memorandum at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to each meeting or hearing explaining (1) the purpose of the meeting or hearing; and (2) the names, titles, background and reasons for appearance of any witnesses. The minority staff shall be responsible for providing the same information on witnesses whom the minority may request.

RULE 2.—QUORUMS

A majority of the members of the committee shall constitute a quorum, except that two members shall constitute a quorum for taking testimony and receiving evidence. Proxies shall not be used to establish a quorum. If the chairman is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

RULE 3.—COMMITTEE REPORTS

Every committee report shall be approved by a majority vote of the members voting, a quorum being present. Supplemental, minority, or additional views may be filed in accordance with House Rule XI, 2(1)(5). The time allowed for filing such views shall be three calendar days (excluding Saturdays, Sundays, and legal holidays) unless the committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member seeking to file such views. A proposed report shall not be considered in committee unless the proposed report has been available to the members of the committee for at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to the consideration of such proposed report in the committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the committee prior to the consideration of the proposed report in the committee.

RULE 4.—PROXY VOTES

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present; shall be limited to the date and specific measure of matter to which it applies; and, unless it states otherwise, shall apply to any amendments or motions pertaining to the measure or matter.

RULE 5.—ROLLCALLS

A rollcall of the members may be had upon the request of any member.

RULE 6.—RECORD OF COMMITTEE ACTIONS

The committee staff shall maintain in the committee offices a complete record of the rollcall votes taken at committee business meetings. The original records, or true copies thereof, as appropriate, shall be available for public inspection whenever the committee offices are open for public business. The staff shall assure that such original records are preserved with no unauthorized alterations, additions or defacement.

RULE 7.—TASK FORCE

The committee may establish such task forces as it deems appropriate. The jurisdiction of such task forces shall be established by the chairman of the committee in consultation with the ranking minority member of the committee. The chairman and ranking minority member of the committee shall serve as ex officio on each task force.

RULE 8.—HEARING DATES AND WITNESSES

The chairman of the committee, after consultation with the ranking minority member of the committee, shall announce the date, place, and subject matter of all hearings at least one week prior to the commencement of any hearings, unless he, after consultation with that member, determines that there is good cause to begin such hearings at an earlier date. Whenever any hearing is conducted by the committee upon any measure or matter, the committee's minority party members shall be entitled, upon request by a majority of them to the chairman of the committee before the completion of the hearing to call witnesses selected by them to testify with respect to that measure or matter during at least one day of hearing. Witnesses appearing before the committee shall, so far as practicable, submit written statements at least 72 hours in advance of their appearance.

RULE 9.—OPEN MEETINGS

Meetings for the transaction of business and hearings of the committee shall be open to the public or closed in accordance with Rule XI of the House of Representatives.

RULE 10.—FIVE MINUTE RULE

Insofar as practicable, witnesses shall be permitted to present their oral statements without interruption, questioning by the committee members taking place afterward. After completing his questioning, the chairman shall recognize the ranking majority and then the ranking minority Member, and thereafter in recognizing members present, he may give preference to the members on the basis of their arrival at the hearing, taking into consideration the majority and minority ratio of the members actually

present. A member desiring to speak or ask a question shall address the chairman and not the witness in order to insure orderly procedure.

Each member may question the witnesses for 5 minutes, the reply of the witness being included in the 5-minute period. After all members have had an opportunity to ask questions, the round may begin again under the 5-minute rule.

RULE 11.—INVESTIGATIVE HEARINGS; PROCEDURES

Investigative hearings shall be conducted according to the procedures in House Rule XI, 2(k). All questions put to witnesses before the committee shall be relevant to the subject matter before the committee for consideration, and the chairman shall rule on the relevance of any questions put to the witness.

RULE 12.—STENOGRAPHIC RECORD

A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE 13.—TV, RADIO, AND PHOTOGRAPHS

When approved by a majority vote, an open meeting or hearing of the committee may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, by any of such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of said rule or to maintain an acceptable standard of dignity, propriety, and decorum, the chairman may order such alterations, curtailment or discontinuance of coverage as he determines necessary.

RULE 14.—STAFF

The chairman shall have the authority to hire and discharge majority staff and majority-appointed shared staff. The ranking minority member shall have the authority to hire and discharge minority staff and minority-appointed shared staff. The authorization for the creation of new majority and majority-appointed shared staff positions, subject to the Committee's budget, shall rest with the chairman, and the ranking minority member shall have the same authority with respect to minority and majority-appointed shared staff.

RULE 15.—AUTHORIZATION FOR TRAVEL

Travel to be paid from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel.

(2) The dates during which travel is to be made and the date or dates of the event for which the travel is being made.

(3) The location of the event for which the travel is to be made.

(4) The names of member and staff seeking authorization.

RULE 16.—ADDITIONAL DUTIES OF CHAIRMAN

The chairman of the committee shall—

(1) make available to other committees the Select Committee's findings and recommendations resulting from the investigations of the committee as appropriate; and

(2) prepare a budget for the committee and present such budget to the committee for its approval.

RULE 17.—AMENDMENT OF RULES

These rules may be modified, amended or repealed by a majority vote of the committee at a meeting at which a quorum is present, if at least two legislative days' written notice of the proposed change has been provided each member of the committee prior to the meeting date on which such changes are to be discussed and voted upon.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GARCIA) and to revise and extend his remarks:)

Mr. GONZALEZ, for 60 minutes, April 1.

Mr. GONZALEZ, for 60 minutes, April 2.

Mr. GONZALEZ, for 60 minutes, April 3.

Mr. GONZALEZ, for 60 minutes, April 4.

(The following Members (at the request of Mr. HENRY) to revise and extend their remarks and include extraneous material:)

Mr. MOORE, for 10 minutes, today.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. LOTT, for 30 minutes, today.

Mr. MADIGAN, for 5 minutes, today.

Mr. ROWLAND of Connecticut, for 30 minutes, today.

(The following Members (at the request of Mr. DE LUGO) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. PENNY, for 5 minutes, today.

Mr. BUSTAMANTE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. WEAVER, for 5 minutes, today.

Mr. FLIPPO, for 5 minutes, today.

Mr. LAFALCE, for 30 minutes, today.

Mr. RICHARDSON, for 60 minutes, today.

(The following Member (at the request of Mr. GONZALEZ) to revise and extend his remarks, and include extraneous matter:)

Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HENRY) and to include extraneous matter:)

Mr. DANNEMEYER.

Mr. SHUSTER.

Mr. MCGRATH.

Mr. LOWERY of California.

Mr. GILMAN.

Mrs. ROUKEMA.

Mr. LEACH of Iowa in two instances.

Mr. KEMP in four instances.

Mr. MICHEL.

Mr. NIELSON of Utah.

Mr. YOUNG of Florida.

Mr. DREIER of California.

Mr. DAUB.

Mr. FIELDS in two instances.

Mr. HAMMERSCHMIDT.

Mr. WEBER.

Mr. LEWIS of California.

(The following Members (at the request of Mr. DE LUGO) and to include extraneous matter:)

Mr. MILLER of California.

Mr. GORDON.

Mr. DE LA GARZA in 10 instances.

Mr. GAYDOS.

Mr. YATRON.

Mr. KANJORSKI.

Mr. WHITLEY.

Mr. HEFTEL of Hawaii.

Mr. FORD of Michigan.

Mr. LANTOS in two instances.

Mr. DONNELLY.

Mr. SWIFT.

Mr. LOWRY of Washington in two instances.

Mr. BONER of Tennessee.

Mr. DORGAN of North Dakota in two instances.

Mr. TAUZIN.

Mr. STALLINGS in two instances.

Mr. DYMALLY.

Mr. COELHO.

Mr. OBERSTAR.

Mr. ROSE.

Mr. PEPPER.

Mr. WEISS.

Mr. HAWKINS.

Mr. WAXMAN.

Mr. HUBBARD.

Ms. MIKULSKI.

Mr. MARKEY.

Mr. RANGEL in two instances.

Mr. LEHMAN of Florida in two instances.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p.m.), under its previous order, the House adjourned until Monday, April 1, 1985, at 12 o'clock noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Miscellaneous reports filed with the Committee on House Administration and forwarded to the Clerk of the House concerning the foreign currencies and U.S. dollars utilized by Interparliamentary Unions and other similar groups or delegations during calendar year 1984 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, EXPENSES IN THE UNITED STATES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. AND SEPT. 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
P.A. Abbruzzese	1/22	1/23	Florida		75.00		1,179.43				1,254.43
	3/15	3/16	Florida		75.00		308.00				383.00
	6/10	6/13	California		362.00		925.00				1,287.00
	6/13	6/15	Georgia		542.09		([3])				542.09
	8/21	8/31	Florida, Texas, Oklahoma		500.00		833.38				1,333.38
	9/27	10/1	New York		192.89		140.00		631.94		964.83
R. Badham	1/22	1/23	Florida		75.00		1,179.43				1,254.43
A. Roberts	6/20	6/23	California		425.76		894.00				1,319.76
	8/21	8/31	Florida, Texas, Oklahoma		754.09		833.38				1,587.47
S. Stratton	8/21	8/23	Texas		138.96		2,685.50				2,824.46
Official delegation expenses: Meetings in Washington, DC.									1,778.51		1,778.51
Administrative expenses: Meetings outside of Washington, DC.							4,676.48		1,809.03		6,485.51
Committee total					3,140.79		13,654.60		4,219.48		21,014.87

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Price included in California ticket.

DANTE B. FASCELL, Feb. 1, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, SPEAKER AUTHORIZED TRIP TO LUXEMBOURG, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 24 AND MAY 28, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
P.A. Abbruzzese	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
A. Atwater	5/25	5/28	Luxembourg		[4] 436.58		[3] 3,542.87				3,979.45
J.J. Brady	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
J. Brooks	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
S. Burton	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
D. Cabral	5/25	5/28	Luxembourg		[4] 179.12		[3] 3,542.87				3,721.99
J. Fonvielle	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
R. Garcia	5/25	5/28	Luxembourg		472.00		[3] 1,771.44				2,243.44
L. Hamilton	5/25	5/28	Luxembourg		[4] 191.50		[3] 3,542.87				3,734.37
E. Levitas	5/25	5/26	Luxembourg		236.00		[3] 1,771.44				2,007.44
S. Matts	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
G. O'Brien	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
A. Roberts	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
Total					5,291.20		42,514.45				47,805.65
C. Rose	5/25	5/28	Luxembourg		472.00		[3] 3,542.87				4,014.87
J. Salvia	5/25	5/28	Luxembourg		[4] 255.67		[3] 3,542.87				3,798.54
S. Stratton	5/25	5/28	Luxembourg		[4] 322.49		[3] 3,542.87				3,865.36
C. Sullivan	5/25	5/28	Luxembourg		[4] 313.04		[3] 3,542.87				3,855.91
W.G. Whitehurst	5/25	5/28	Luxembourg		[4] 226.07		[3] 3,542.87				3,768.94
Delegation expenses—House share:											
Embassy assistance							3,203.15				3,203.15
Administrative charges							196.42				196.42
Miscellaneous expenses							304.10				304.10
Ground transportation							2,705.89				2,705.89
Total					1,589.27		17,714.35				25,713.18
Grand total											73,518.18

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents military transportation per person.
[4] Represents refund of unused per diem.

DANTE B. FASCELL, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, UNITED KINGDOM, BELGIUM, ITALY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 8 AND NOV. 20, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
R. Badham	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Bates, J	11/8	11/9	United Kingdom		108.00		68.62		55.12		231.74
	11/9	11/12	France		357.00				110.38		467.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
	11/16	11/20	Italy		460.00		170.19		93.59		723.77
Military transportation							10,952.02				10.952.02
T. Bliley	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/17	Belgium		540.00		113.76		497.64		1,151.40
	11/17	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Total					4,099.00		32,968.78		2,049.43		39,117.21
Boehlert, S	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
J. Brooks	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Burton, S	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
R. Coleman R	11/8	11/9	United Kingdom		108.00		68.62		55.12		231.74
	11/9	11/12	France		357.00				110.38		467.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
Total					4,897.00		32,564.92		2,104.55		39,566.47
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,952.02				10,952.02
C. Collins	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
N. Dicks	11/12	11/17	Belgium		432.00		113.76		497.64		1,043.40
Commercial transportation							1,372.00				1,372.00
R. Lasch	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Total					3,732.00		34,385.92		2,381.57		40,499.49
S. Matts	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/17	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
C. Rose	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
E. Rudd	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							3,301.32				3,301.32
L.J. Smith	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Total					5,098.00		36,081.56		2,530.28		43,709.84
W. Whitehurst	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		[3] 400.82		170.18		93.59		664.59
Military transportation							10,479.54				10,479.54
Administrative expenses in Belgium									835.20		835.20
Total					1,306.82		10,832.10		1,481.55		13,620.47
Grand total											176,513.48

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refund of unused per diem.

DANTE B. FASCELL, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, INTERPARLIAMENTARY UNION, GENEVA, SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 30 AND APR. 8, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Augustus F. Hawkins	3/30	4/8	Switzerland		1,045.00		[3] 1,780.27				2,825.27
Hon. Carroll Hubbard, Jr	3/30	4/8	Switzerland		1,350.00		[3] 1,780.27				3,130.27
Hon. Tony P. Hall	4/3	4/8	Switzerland		650.00		[3] 917.95				1,567.95
Hon. Henry J. Hyde	3/30	4/8	Switzerland		1,141.59		[3] 1,780.27				2,921.86
Hon. Sherwood L. Boehlert	3/30	4/8	Switzerland		1,350.00		[3] 1,780.27				3,130.27
Benjamin J. Guthrie	3/30	4/8	Switzerland		1,350.00		[3] 1,780.27				3,130.27
Vance Hyndman	3/30	4/8	Switzerland		800.00		[3] 1,780.27				2,580.27
Ellen P. Rayner	3/30	4/8	Switzerland		835.00		[3] 1,780.27				2,615.27
Julie Illsley	3/30	4/8	Switzerland		1,055.00		[3] 1,780.27				2,835.27
Delegation expenses:											
Official meals	3/30	4/8	Switzerland		2,310.62						2,310.62
Control room	3/30	4/8	Switzerland		4,266.55						4,266.55
Transportation	3/30	4/8	Switzerland				3,232.52				3,232.52
Overtime (embassy personnel)	3/30	4/8	Switzerland						639.26		639.26
Gratuities	3/30	4/8	Switzerland						31.75		31.75
Miscellaneous	3/30	4/8	Switzerland						54.17		54.17
Committee total					16,153.76		18,392.63		725.18		35,271.57

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] DOD transportation provided pursuant to 31 U.S.C. 22A.

CLAUDE PEPPER, Feb. 28, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, INTERPARLIAMENTARY UNION, GENEVA, SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 22 AND SEPT. 29, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Claude Pepper	9/22	9/29	Switzerland		634.48		[3] 1,869.28				2,503.76
Hon. Charles Hatcher	9/22	9/29	Switzerland		798.33		[3] 1,869.28				2,667.61
Hon. Frank Harrison	9/22	9/29	Switzerland		590.00		[3] 1,869.28				2,459.28
Hon. John Paul Hammerschmidt	9/22	9/29	Switzerland		868.50		[3] 1,869.28				2,737.78
Benjamin J. Guthrie	9/22	9/29	Switzerland		910.00		[3] 1,869.28				2,779.28
Vance Hyndman	9/22	9/29	Switzerland		910.00		[3] 1,869.28				2,779.28
Ellen Rayner	9/22	9/29	Switzerland		594.75		[3] 1,869.28				2,464.03
Julie Illsley	9/22	9/29	Switzerland		720.75		[3] 1,869.28				2,590.03
Delegation expenses:											
Official meals	9/22	9/29	Switzerland		1,203.30						1,203.30
Control room	9/22	9/29	Switzerland		3,254.25						3,254.25
Transportation	9/22	9/29	Switzerland				2,094.18				2,094.18
Overtime (embassy personnel)	9/22	9/29	Switzerland						867.98		867.98
Gratuities	9/22	9/29	Switzerland						80.15		80.15
Miscellaneous	9/22	9/29	Switzerland						19.20		19.20
Committee total					10,484.36		17,048.42		967.33		28,500.11

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] DOD transportation provided pursuant to 31 U.S.C. 22A.

CLAUDE PEPPER, Feb. 28, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, CANADA-UNITED STATES INTERPARLIAMENTARY GROUP, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael D. Barnes	3/8	3/12	United States		447.00		798.26				1,245.26
Edward P. Boland	3/8	3/12	United States		464.05		798.26				1,262.31
William S. Broomfield	3/8	3/12	United States		464.00		798.26				1,262.26
Baltasar Corrada	3/8	3/12	United States		467.72		798.26				1,265.98
Dante B. Fascell	3/8	3/12	United States		459.50		798.26				1,257.76
Bill Frenzel	3/8	3/12	United States		449.00		798.26				1,247.26
Robert Garcia	3/8	3/12	United States		473.61		798.26				1,271.87
Sam Gibbons	3/8	3/12	United States		444.00		798.26				1,242.26
Lee H. Hamilton	3/8	3/12	United States		457.10		798.26				1,255.36
Frank Horton	3/8	3/12	United States		466.55		798.26				1,264.81
John J. LaFalce	3/8	3/12	United States		460.65		798.26				1,258.91
David Martin	3/8	3/12	United States		489.75		798.26				1,288.01
James L. Oberstar	3/8	3/12	United States		476.57		798.26				1,274.83
Arlan Stangeland	3/8	3/12	United States		451.03		798.26				1,249.29
Larry Winn	3/8	3/12	United States		455.25		798.26				1,253.51
Everett Bierman	3/8	3/12	United States		456.05		798.26				1,254.31
Elizabeth Daoust	3/6	3/12	United States		765.20		[3] 270.00 [4] 399.13				1,434.33
George M. Ingram	3/8	3/12	United States		507.34		798.26				1,305.60
	11/26	12/2	United States		573.03		[3] 1,112.00				1,685.03
Stephen Nelson	3/8	3/12	United States		479.10		798.26				1,277.36
Lillian Pubillones	3/8	3/12	United States		500.79		798.26				1,299.05
CeCe Williams	3/8	3/12	United States		449.90		798.26				1,248.16
Delegation expenses:											
Planning sessions									507.92		507.92
Official delegation meals and meetings									22,202.04		22,202.04

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, CANADA-UNITED STATES INTERPARLIAMENTARY GROUP, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Inflight expenses, control room charges, and security.									3,558.18		3,558.18
Stationery supplies									147.57		147.57
Committee total					10,657.19		[3]1,382.00 [4]16,364.33		26,415.71		54,819.23

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial.
[4] Department of Defense.

MICHAEL D. BARNES, Mar. 18, 1985.

REPORT OF EXPENDITURES FOR OFFICAL FOREIGN TRAVEL, MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation expenses: [3]											
Planning sessions									13.90		
Official delegation meals and meetings									10,516.32		
Control room charges									1,127.04		
Ground transportation									2,521.00		
Stationery items									1,121.43		
Miscellaneous									90.50		
Committee total									15,390.19		15,390.19

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Does not include House share of some Senate expenses still not received.
Note.—No travel was performed during 1984.

E de la GARZA, Mar. 18, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

901. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Insecticide, Fungicide, and Rodenticide Act as amended, for 2 years; to the Committee on Agriculture.

902. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the required information concerning the Department of the Navy's proposed letter of offer of defense articles in excess of $50 million to Pakistan, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

903. A letter from the Acting Under Secretary of Defense for Research and Engineering, transmitting a report on independent research and development and bid and proposal costs, pursuant to Public Law 91-441, section 203(c); to the Committee on Armed Services.

904. A letter from the Director, Strategic Defense Initiative Organization, transmitting a letter stating that the strategic defense initiative (SDI) research program can be of optimal benefit if all technology is appropriately classified or unclassified; to the Committee on Armed Services.

905. A letter from the Auditor, District of Columbia, transmitting a report entitled "Escheated Estates Fund Review" to replace the previous copy erroneously issued without the agency comments being included, pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

906. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to extend certain provisions of the Safe Drinking Water Act, as amended, for 2 years; to the Committee on Energy and Commerce.

907. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Clean Air Act, as amended, for 2 years; to the Committee on Energy and Commerce.

908. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter of offer to Pakistan for defense articles and sevices estimated to cost $50 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

909. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions for John Dimitri Negroponte, to be the Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

910. A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Information Agency for fiscal years 1986 and 1987 to enable the Agency to carry out international information and educational and cultural exchange programs; to the Committee on Foreign Affairs.

911. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Coastal Zone Management Act of 1972, as amended, to authorize appropriations for section 315 of the act and administrative expenses for fiscal years 1986, 1987, and 1988, and for other purposes; to the Committee on Merchant Marine and Fisheries.

912. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to advance the scheduled termination date of the Essential Air Service Program, and for other purposes; to the Committee on Public Works and Transportation.

913. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to authorize appropriations for environmental research, development, and demonstration for fiscal years 1986 and 1987; to the Committee on Science and Technology.

914. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968, as amended, and the

Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

915. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

916. A letter from the Acting Assistant Secretary of State for Legislative and Governmental Affairs, transmitting a draft of proposed legislation to amend and extend the Hostage Relief Act of 1980; jointly to the Committees on Foreign Affairs, Post Office and Civil Service, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1185. A bill to amend the act establishing the Petrified Forest National Park (Rept. No. 99-30). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee in Interior and Insular Affairs. H.R. 1373. A bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness; with an amendment (Rept. No. 99-31). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA: Committee on Science and Technology. H.R. 1714. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; with amendments (Rept. No. 99-32). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LOWRY of Washington (for himself, Mr. BIAGGI, Mr. HUBBARD, Mr. TAUZIN, Mr. BORSKI, Mr. BOSCO, Mr. ORTIZ, Mr. MANTON, Mr. YOUNG of Alaska, Mr. DAVIS, Mr. SHUMWAY, Mr. FRANKLIN, Mr. CHAPPIE, and Mrs. BENTLEY):

H.R. 1784. A bill to authorize appropriations for fiscal year 1986 for the operation and maintenance of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CONYERS:

H.R. 1785. A bill to amend the Voting Rights Act of 1965 to prohibit the requirement that a majority, rather than a plurality, of votes cast in a primary election for Federal office be obtained in order to achieve nomination; to the Committee on the Judiciary.

By Mr. BONKER (for himself and Mr. ROTH):

H.R. 1786. A bill to reauthorize the Export Administration Act of 1979, and for other purposes; to the Committee on Foreign Affairs.

By Mr. NEAL (for himself, Mr. LEVIN of Michigan, Mr. FAUNTROY, Mr. FRANK, Mr. MANTON, Mr. FUSTER, Mr. LAFALCE, Mr. CHANDLER, Mr. AUCOIN, and Mr. LOWRY of Washington):

H.R. 1787. A bill to amend the Export-Import Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BIAGGI:

H.R. 1788. A bill to amend the Refugee Education Assistance Act of 1980 with respect to determinations of the number of eligible participants under such act; to the Committee on Education and Labor.

By Mr. BREAUX (for himself and Mr. YOUNG of Alaska):

H.R. 1789. A bill relating to the authorization of appropriations for certain components of the National Wildlife Refuge System; to the Committee on Merchant Marine and Fisheries.

By Mrs. BYRON:

H.R. 1790. A bill to withdraw certain public lands for military purposes, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Armed Services.

By Mr. DANNEMEYER:

H.R. 1791. A bill to amend the Internal Revenue Code of 1954 to allow trustees of certain individual retirement accounts to extend credit, with the account as security for such credit, to the individual for whose benefit such account is maintained if such individual agrees to accept a high-deductible option under a group health insurance plan offered by the employer of such individual in return for contributions by the employer to such account; to the Committee on Ways and Means.

By Mr. DERRICK:

H.R. 1792. A bill to amend title 18, United States Code, to regulate polygraph and other detection of deception examinations and prohibit certain practices with respect thereto for the purpose of protecting the privacy rights of employees and individuals seeking employment with employers engaged in any business or activity in or affecting interstate commerce while permitting such employers to use such examinations to protect their businesses and control property losses attributable to employee theft and other acts of misconduct; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. FLORIO, and Ms. MIKULSKI):

H.R. 1793. A bill to prohibit discrimination in insurance on the basis of race, color, religion, sex, or national origin; to the Committes on Energy and Commerce.

By Mr. DORGAN of North Dakota:

H.R. 1794. A bill to permit States to exercise regulatory jurisdiction over intrastate railroad abandonments; to the Committee on Energy and Commerce.

By Mr. DOWDY of Mississippi:

H.R. 1795. A bill to exempt certain lands in the State of Mississippi from a restriction set forth in the act of April 21, 1806; to the Committee on Interior and Insular Affairs.

By Mr. ECKART of Ohio (for himself, Mr. FEIGHAN, Mr. SIKORSKI, and Mr. TORRICELLI):

H.R. 1796. A bill to protect the public interest in stable relationships among communities, professional sports teams, and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRANK (for himself and Mrs. BOXER):

H.R. 1797. A bill to amend the Immigration and Nationality Act to permit suspension of deportation without regard to departures which do not meaningfully interrupt continuous physical presence; to the Committee on the Judiciary.

By Mr. FUQUA:

H.R. 1798. A bill to authorize appropriations to the Department of Energy for civilian research and development programs for fiscal years 1986, 1987, and 1988; to the Committee on Science and Technology.

H.R. 1799. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal years 1986, 1987, and 1988; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

By Mr. ROSTENKOWSKI (for himself and Mr. DUNCAN):

H.R. 1800. A bill to make technical corrections relating to the Tax Reform Act of 1984, and for other purposes; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. ADDABBO, Mr. ANNUNZIO, Mr. BERMAN, Mr. BIAGGI, Mr. BONIOR of Michigan, Mr. BONKER, Mr. CLAY, Mr. CROCKETT, Mr. DURBIN, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FRANK, Mr. HAWKINS, Mr. HAYES, Mr. HOWARD, Mr. KASTENMEIER, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. MARKEY, Mr. MARTINEZ, Mr. MAVROULES, Ms. MIKULSKI, Mr. MOODY, Mr. OBERSTAR, Mr. OWENS, Mr. PRICE, Mr. RODINO, Mr. ROE, Mr. ROYBAL, Mr. SABO, Mr. SOLARZ, Mr. STOKES, Mr. STUDDS, Mr. TORRES, Mr. TOWNS, Mr. VENTO, Mr. WEAVER, and Mr. WEISS):

H.R. 1801. A bill to provide for the solvency of the Medicare Program and to reform the health care financing system; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GILMAN (for himself, Mr. EDGAR, Mr. DYMALLY, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, and Mr. DASCHLE):

H.R. 1802. A bill to amend title 5, United States Code, to establish certain requirements for the procurement by contract of certain services that are reserved for performance by preference eligibles in the competitive service; to the Committee on Post Office and Civil Service.

By Mr. HEFTEL of Hawaii:

H.R. 1803. A bill to provide for regional petroleum reserves, as part of the strategic petroleum reserve, in certain regions of the United States; to the Committee on Energy and Commerce.

By Mr. HERTEL of Michigan:

H.R. 1804. A bill to amend the Internal Revenue Code of 1954 to provide that certain State and local real property taxes paid by a financial institution on behalf of a mortgagor shall be treated as paid on December 31; to the Committee on Ways and Means.

By Mr. KINDNESS:

H.R. 1805. A bill to amend the Internal Revenue Code of 1954 to eliminate duplicative mailings by State and local governments by allowing the statement of State and local income tax refunds paid during a

calendar year to be furnished before January of the following calendar year; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. BEREUTER, and Mr. OXLEY):

H.R. 1806. A bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-1865; to the Committee on the Judiciary.

By Mr. LAFALCE:

H.R. 1807. A bill to amend the Internal Revenue Code of 1954 to repeal the tax credit for political contributions made to political action committees; to the Committee on Ways and Means.

H.R. 1808. A bill entitled: the "International Trade and Investment Act Amendments of 1985"; jointly, to the Committees on Ways and Means; Banking, Finance and Urban Affairs; Energy and Commerce; Foreign Affairs; and Education and Labor.

By Mr. LANTOS (for himself, Mr. SCHEUER, Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ANDERSON, Mr. ANNUNZIO, Mr. BARNES, Mr. BENNETT, Mr. BERMAN, Mr. BOLAND, Mrs. BOXER, Mrs. BURTON of California, Mr. CLAY, Mrs. COLLINS, Mr. COUGHLIN, Mr. CROCKETT, Mr. DARDEN, Mr. DELLUMS, Mr. DONNELLY, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FRANK, Mr. GIBBONS, Mr. GREEN, Mr. GUARINI, Mr. HEFTEL of Hawaii, Mr. HOYER, Mr. JACOBS, Mr. KILDEE, Mr. LEHMAN of California, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. LEWIS of Florida, Mr. MAVROULES, Mr. MARTINEZ, Mr. MCGRATH, Mr. MCKINNEY, Ms. MIKULSKI, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. PEPPER, Mr. PORTER, Mr. REID, Mr. RODINO, Mrs. ROUKEMA, Mr. ROYBAL, Mr. RUSSO, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SEIBERLING, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. ST GERMAIN, Mr. STARK, Mr. SWIFT, Mr. TORRICELLI, Mr. TOWNS, Mr. VENTO, Mr. WAXMAN, Mr. WHEAT, and Mr. ZSCHAU):

H.R. 1809. A bill to end the use of steel jaw leghold traps on animals in the United States; to the Committee on Energy and Commerce.

By Mr. LEWIS of California (for himself, Mr. STENHOLM, Mrs. MARTIN of Illinois, Mr. FRENZEL, Mr. MICHEL, Mrs. VUCANOVICH, and Mr. MONTGOMERY):

H.R. 1810. A bill to provide for administration of pay of new Government Printing Office employees under the prevailing rate system and the General Schedule, while protecting the pay of present Government Printing Office employees; to the Committee on House Administration.

By Mr. LOTT (for himself, Mr. STENHOLM, Mr. MICHEL, Mr. PACKARD, Mr. LAGOMARSINO, Mr. BARTLETT, Mr. LUNGREN, Mr. NIELSON of Utah, Mr. OXLEY, Mr. BADHAM, Mr. FRANKLIN, Mr. MOORHEAD, Mr. BLILEY, Mr. STANGELAND, Mr. HYDE, Mr. GINGRICH, Mrs. HOLT, Mr. BARNARD, Mr. MACK, Mr. HUNTER, Mr. RUDD, Mr. CHAPPIE, Mr. MONSON, Mr. ARMEY, Mr. BATEMAN, Mr. CRANE, Mr. SOLOMON, Mr. ZSCHAU, Mr. ROGERS, and Mr. LOWERY of California):

H.R. 1811. A bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standards Act of 1938 until September 30, 1987, and for other purposes; to the Committee on Education and Labor.

By Mr. LOWRY of Washington (for himself, Mr. COYNE, Mr. DIXON, Mr. TOWNS, Mr. BEDELL, Mr. WHEAT, Mr. DOWNEY of New York, Mr. FAUNTROY, Mr. MILLER of California, Mr. MATSUI, Mr. GARCIA, Mr. MITCHELL, Mr. DELLUMS, Mr. STOKES, Mr. MARTINEZ, Mr. HAYES, Mr. FAZIO, Mr. BONIOR of Michigan, Mr. OWENS, Mr. DYMALLY, Mr. CONYERS, Mr. CROCKETT, Mr. WEAVER, Ms. KAPTUR, Mr. LELAND, Mr. BERMAN, Mr. WEISS, Mr. BARNES, Mrs. COLLINS, Mr. SAVAGE, Mr. WAXMAN, Mr. VENTO, and Mr. DASCHLE):

H.R. 1812. A bill to prohibit any person from exercising any functions of an honorary consular officer of the Republic of South Africa; to the Committee on Foreign Affairs.

By Mr. MACKAY (for himself, Mr. SHAW, Mr. MACK, Mr. MCCOLLUM, Mr. NELSON of Florida, and Mr. YOUNG of Florida):

H.R. 1813. A bill to deauthorize the Cross-Florida Barge Canal, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MADIGAN (for himself, Mr. STANGELAND, Mr. ROBERTS, Mr. EMERSON, Mr. GUNDERSON, Mr. EVANS of Iowa, Mr. SCHUETTE, Mr. BRUCE, Mr. DURBIN, and Mr. JEFFORDS):

H.R. 1814. A bill entitled: the "Farm Emergency Credit Act of 1985"; to the Committee on Agriculture.

By Mr. MATSUI (for himself, Mr. STARK, Mr. DELLUMS, Mr. LUNDINE, Mr. MACKAY, Mr. ADDABBO, Mr. FRANK, and Mrs. BURTON of California):

H.R. 1815. A bill to amend the Federal Power Act to ensure fair competition in the licensing of existing hydroelectric projects and, in doing so, to maintain and enhance diversity within the electric utility industry, thereby ensuring the maximum development and utilization of the Nation's public resources for the benefit of all electric consumers, and for other purposes; to the Committee on Energy and Commerce.

By Ms. MIKULSKI:

H.R. 1816. A bill to amend title 38, United States Code, to provide veterans with toll free telephone access to the Veterans' Administration for the purpose of obtaining crisis counseling and information about services and benefits offered by the Administration; to the Committee on Veterans' Affairs.

H.R. 1817. A bill to amend title 38, United States Code, to direct the Administrator of Veterans' Affairs to establish, maintain, and utilize a central data bank of information for the purpose of providing immediate information to law enforcement personnel in barricade or hostage situations involving a veteran and for the purpose of improving administrative recordkeeping functions of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. ARMEY:

H.R. 1818. A bill to authorize the Administrator of Veterans' Affairs to release a limitation on the use of certain real property conveyed by the Administrator to the city of McKinney, TX; to the Committee on Veterans' Affairs.

By Mr. NIELSON of Utah (by request):

H.R. 1819. A bill to amend the Federal Food, Drug, and Cosmetic Act to restrict the authority of the Secretary of Health and Human Services with respect to regulating food as drugs; to the Committee on Energy and Commerce.

By Mr. OBERSTAR:

H.R. 1820. A bill to amend section 224 of the Social Security Act to permit an individual who is entitled both to disability insurance benefits and to other periodic benefits, and who is consequently subject to benefit reductions under that section, to lessen the amount of such reduction by taking into account certain noncovered earnings in the year of his or her disability and the 5 preceding years; to the Committee on Ways and Means.

H.R. 1821. A bill to amend title II of the Social Security Act to repeal the special limitation on total family benefits which is presently applicable in cases where the primary beneficiary is entitled to disability insurance benefits; to the Committee on Ways and Means.

H.R. 1822. A bill to amend title II of the Social Security Act to provide that widow's and widower's insurance benefits, as well as old-age insurance benefits, may be increased by the application of the delayed retirement credit; to the Committee on Ways and Means.

By Mr. PASHAYAN:

H.R. 1823. A bill to amend the National Housing Act to protect the rights of State-chartered savings and loan associations to engage in activities and make investments authorized under State law, to ensure effective supervision of such associations by State-chartering authorities and to provide for additional funding of the primary reserve of the Federal Savings and Loan Insurance Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PEASE (for himself, Mr. BARTON of Texas, Mr. FRENZEL, Mr. GARCIA, Mr. HILER, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mr. OBEY, Mr. OLIN, Mr. PETRI, Mr. SEIBERLING, Mr. STARK, and Mr. VOLKMER):

H.R. 1824. A bill to amend title 10, United States Code, in order to provide for certain cost savings related to commissaries, movement of household effects of military personnel, the closing or realignment of military installations, and military aircraft fuel conservation; to the Committee on Armed Services.

By Mr. PEASE (for himself, Mr. BARTON of Texas, Mr. DIXON, Mr. FRENZEL, Mr. GARCIA, Mr. HILER, Mr. JEFFORDS, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mr. OBEY, Mr. OLIN, Mr. PETRI, Mr. PORTER, Mr. SEIBERLING, Mr. STARK, and Mr. VOLKMER):

H.R. 1825. A bill to reduce the costs to the Federal Government of operating, maintaining, leasing, and acquiring motor vehicles, and for other purposes; to the Committee on Government Operations.

By Mr. PEASE (for himself, Mr. BARTON of Texas, Mr. GARCIA, Mr. HILER, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mr. OLIN, Mr. PETRI, Mr. PORTER, Mr. SEIBERLING, Mr. STARK, and Mr. VOLKMER):

H.R. 1826. A bill to increase revenues by improving Internal Revenue Service enforcement of the tax laws and to repeal the

10-day grace period for the payment of certain tobacco-related excise taxes; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. BARTON of Texas, Mr. DIXON, Mr. FRENZEL, Mr. GARCIA, Mr. HILER, Mr. JEFFORDS, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mr. OLIN, Mr. PETRI, Mr. PORTER, Mr. SEIBERLING, and Mr. STARK):

H.R. 1827. A bill to implement five user fee recommendations of the Grace Commission respecting the Departments of Agriculture and Energy, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. PEASE (for himself, Mr. BARTON of Texas, Mr. FRENZEL, Mr. GARCIA, Mr. HILER, Mr. JEFFORDS, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mr. OBEY, Mr. OLIN, Mr. PETRI, Mr. PORTER, Mr. SEIBERLING, and Mr. STARK):

H.R. 1828. A bill to implement two recommendations of the Grace Commission regarding Federal health care, and for other purposes; jointly, to the Committees on Armed Services, Veterans' Affairs, Ways and Means, and Energy and Commerce.

By Mr. RODINO:

H.R. 1829. A bill to recognize the organization known as The Statue of Liberty-Ellis Island Foundation, Inc., and for other purposes; to the Committee on the Judiciary.

H.R. 1830. A bill to amend the Clayton Act to require the Federal Trade Commission and the Department of Justice to maintain a record of outside communications by their employees concerning any proposed acquisition of securities or assets which is subject to the notification and waiting requirements of section 7A of such act; to the Committee on the Judiciary.

H.R. 1831. A bill to amend the Clayton Act to temporarily prohibit certain involuntary acquisitions of persons engaged in commerce or in any activity affecting commerce and to establish an advisory commission to study the effects of voluntary and involuntary mergers; to the Committee on the Judiciary.

H.R. 1832. A bill to establish an Office of Competition and Economic Concentration; to the Committee on the Judiciary.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 1830. A bill to strengthen and refine the provisions of the Federal Deposit Insurance Act, to provide for more flexible assessment procedures, to improve methods for insuring deposits and for paying insured depositors, to establish priorities among claimants to the estates of failed banks, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. SCHROEDER:

H.R. 1834. A bill to provide for a mutual, simultaneous, verifiable cessation of the testing of nuclear warheads effective on August 6, 1985, and for other purposes; jointly, to the Committees on Armed Services and Foreign Affairs.

By Mr. SHUSTER:

H.R. 1835. A bill to amend the Railroad Retirement Act of 1974 to eliminate certain reductions in cost-of-living increases; to the Committee on Energy and Commerce.

By Mr. SLATTERY:

H.R. 1836. A bill to amend the Internal Revenue Code of 1954 to provide that the use of certain public safety and emergency vehicles and certain school buses for commuting purposes shall be treated as a fringe benefit not includible in gross income of the commuter to the extent such use is for the convenience of the employer; to the Committee on Ways and Means.

By Mr. TALLON:

H.R. 1837. A bill to amend the Communications Act of 1934 to eliminate the requirement for carrying of certain out-of-State broadcast signals by any cable system under the must-carry rules of the Commission; to the Committee on Energy and Commerce.

H.R. 1838. A bill to credit certain service performed by National Guard technicians prior to January 1, 1969, as Federal employment for the purpose of civil service retirement benefit; to the Committee on Post Office and Civil Service.

By Mr. TAUZIN:

H.R. 1839. A bill to repeal the provisions of the Tax Reform Act of 1984 relating to the maintenance of contemporaneous records with respect to the business use of certain property, and for other purposes; to the Committee on Ways and Means.

By Mr. TAUZIN (for himself, Mr. ROSE, Mr. WHITTAKER, and Mr. MCEWEN):

H.R. 1840. A bill to amend the Communications Act of 1934 to clarify policies regarding the right to view satellite-transmitted television programming, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WATKINS:

H.R. 1841. A bill to amend the Consolidated Farm and Rural Development Act to require the Secretary of Agriculture to make grants for centers for rural technology development; to the Committee on Agriculture.

H.R. 1842. A bill to provide that the Department of Agriculture shall be known as the Department of Agriculture and Rural Development, to transfer the administration of certain conservation programs from the Farmers Home Administration to the Soil Conservation Service, to establish the Rural Development Administration within the Department of Agriculture and Rural Development, to transfer the administration of certain rural housing programs from the Farmers Home Administration to the Rural Development Administration, to provide that the Farmers Home Administration shall be known as the Farm Administration, and for other purposes; jointly, to the Committees on Agriculture and Banking, Finance and Urban Affairs.

By Mr. WEAVER:

H.R. 1843. A bill to enable States primarily affected by the siting of repositories for high-level radioactive waste or spent nuclear fuel to participate effectively in the site selection, review, and approval process, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. WEISS:

H.R. 1844. A bill to amend the Food Stamp Act of 1977 to establish separate deductions allowable for dependent care expenses and excess shelter expenses for purposes of determining certain benefit levels under the food stamp program, and to increase the maximum amount of such deductions; to the Committee on Agriculture.

By Mr. YOUNG of Alaska (for himself, Mr. DAVIS, Mr. LENT, and Mr. STUDDS):

H.R. 1845. A bill to amend title 38, United States Code, to provide that dependency and indemnity compensation paid to the surviving spouse of an officer who served as Commandant of the Coast Guard shall be paid at the same rate as paid to the surviving spouses of officers who served as chief of one of the other Armed Forces; to the Committee on Veterans' Affairs.

By Mr. PORTER (for himself and Ms. MIKULSKI):

H.J. Res. 218. Joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week"; to the Committee on Post Office and Civil Service.

By Mr. KEMP:

H.J. Res. 219. Joint resolution to reaffirm U.S. solidarity with the aspirations of captive nations in central and Eastern Europe by repudiating the consequences of the 1945 Yalta executive agreements; to the Committee on Foreign Affairs.

By Mr. MONTGOMERY:

H.J. Res. 220. Joint resolution to recognize the vital role played by members of the National Guard and Reserve in the national defense; to the Committee on Armed Services.

By Mr. RINALDO:

H.J. Res. 221. Joint resolution to designate the month of October 1985 as "National Make-A-Wish Month"; to the Committee on Post Office and Civil Service.

By Mr. BEREUTER:

H. Con. Res. 103. Concurrent resolution relating to United States-Japan trade; to the Committee on Ways and Means.

By Mr. PANETTA (for himself, Mr. WRIGHT, Mr. FASCELL, Mr. FORD of Michigan, Mr. BOLAND, Mr. TALLON, and Mr. TOWNS):

H. Con. Res. 104. Concurrent resolution expressing the sense of Congress that funding levels for Federal foreign language and international education and exchange programs should be maintained or increased; jointly, to the Committees on Foreign Affairs and Education and Labor.

By Mr. ANNUNZIO:

H. Res. 117. Resolution electing members of the Joint Committee on Printing and members of the Joint Committee of Congress on the Library; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII,

56. The SPEAKER presented a memorial of the Legislature of the State of California, relative to developmental disabilities funding; to the Committee on Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SABO introduced a bill (H.R. 1846) providing for a 5-year extension of each of two patents relating to cardiac drugs; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. PANETTA, Mr. SEIBERLING, Mr. THOMAS of Georgia, Mr. KANJORSKI, Mr. BOUCHER, Mr. FEIGHAN, Mr. LEHMAN of Florida, Mr. SLATTERY, Mr. DERRICK, Mr. SIKORSKI, Mr. AUCOIN, Mr. HUCKABY, Mrs. SCHROEDER, and Mr. LANTOS.

H.R. 7: Mr. TORRES.

H.R. 70: Mr. BROWN of Colorado, Mr. DORNAN of California, Mr. GINGRICH, and Mr. SILJANDER.

H.R. 86: Mr. ARMEY and Mr. DELAY.

H.R. 94: Mr. CHAPPELL.

H.R. 156: Mr. HOWARD, Mr. MANTON, Mr. WHITEHURST, Mr. BORSKI, Mr. LELAND, Mr. ADDABBO, Mr. DWYER of New Jersey, and Mr. MARTINEZ.

H.R. 230: Mrs. BOGGS, Mr. FAZIO, Mr. GRAY of Pennsylvania, Mr. TORRICELLI, and Mr. BONIOR of Michigan.

H.R. 232: Mr. DELLUMS, Mr. HAWKINS, Mr. DIXON, Mr. MORRISON of Connecticut, Mr. SUNIA, Mr. SAVAGE, Mrs. COLLINS, Mr. FRANK, Mr. TOWNS, Mr. RANGEL, Mr. BIAGGI, and Mr. OWENS.

H.R. 241: Mr. SENSENBRENNER.

H.R. 347: Mr. YATRON, Mr. MOODY, Mr. JEFFORDS, Mr. KILDEE, Mr. SMITH of New Jersey, Mr. FAZIO, and Mr. CHANDLER.

H.R. 386: Mr. WOLPE, Mrs. BURTON of California, Mr. DANIEL, Mr. BOEHLERT, and Mr. EDWARDS of Oklahoma.

H.R. 435: Mr. LOWRY of Washington and Mr. DANIEL.

H.R. 479: Mr. BUSTAMANTE, Mr. GOODLING, and Mr. HEFNER.

H.R. 521: Mr. COATS.

H.R. 534: Mr. VALENTINE.

H.R. 650: Mr. GUARINI.

H.R. 747: Mr. LANTOS, Mr. ANDERSON, Mr. AKAKA, Mr. STARK, Mr. MAVROULES, Ms. KAPTUR, Mr. GONZALEZ, and Mr. DE LUGO.

H.R. 864: Mr. WHITLEY, Mr. NEAL, Ms. KAPTUR, Mr. TALLON, Mr. DWYER of New Jersey, Mr. ECKART of Ohio, Mr. LOWRY of Washington, Mr. SHELBY, Mr. GREGG, and Mr. WISE.

H.R. 887: Mr. MATSUI, Mr. WEISS, Mrs. JOHNSON, and Mr. GUARINI.

H.R. 890: Mr. SCHEUER, Mr. MANTON, and Mr. MARTINEZ.

H.R. 893: Mr. VENTO, Mr. WOLPE, and Mr. WEISS.

H.R. 972: Mrs. COLLINS, Mr. GARCIA, Mr. WILSON, Mr. COELHO, Mr. RAHALL, Mr. TAUZIN, Mr. ARMEY, Mr. MURPHY, Mr. DREIER of California, Mr. DANIEL, Mr. KILDEE, Mr. EDWARDS of Oklahoma, and Mr. SILJANDER.

H.R. 976: Mr. HUBBARD, Mr. HARTNETT, and Mr. DYSON.

H.R. 999: Mr. MARTINEZ.

H.R. 1017: Mr. AKAKA, and Mr. KANJORSKI.

H.R. 1042: Mr. DANIEL, Mrs. COLLINS, Mr. MCCURDY, Mr. RINALDO, Mr. MURTHA, Mr. KILDEE, Mr. PACKARD, Mr. BEVILL, Mr. LANTOS, Mr. GALLO, Mr. TORRICELLI, Mr. MCKERNAN, Mr. DORNAN of California, Mr. MCGRATH, Mr. BUSTAMANTE, Mr. KOLBE, Mrs. JOHNSON, Mr. FROST, Mr. VOLKMER, Mr. FAZIO, Mr. FLORIO, Mr. YOUNG of Florida, Mr. DAUB, Mr. LAGOMARSINO, Mr. MYERS, Mr. ROE, Mr. WHITEHURST, Mr. BROWN of Colorado, Mr. TAYLOR, Mr. GROTBERG, Ms. SNOWE, and Mr. RUDD.

H.R. 1059: Mr. JONES of North Carolina and Mr. LEWIS of California.

H.R. 1100: Mr. LUKEN, Mr. UDALL, Mr. GARCIA, Mr. BROWN of California, Mr. WILLIAMS, Mr. ROBERT F. SMITH, and Mrs. KENNELLY.

H.R. 1188: Mr. MICA, Mr. LEVIN of Michigan, Mr. COYNE, Mr. WEBER, Mr. MCCAIN, Mr. MURPHY, Mr. DANNEMEYER, Mr. RIDGE, Mr. HENRY, Mr. ANDREWS, Mr. RALPH M. HALL, Mr. AKAKA, Mr. BARTON of Texas, Mr. NELSON of Florida, Mr. MACKAY, Ms. KAPTUR, Mr. ARMEY, Mr. CARR, Mr. PACKARD, Mr. YATRON, Mr. PURSELL, Mr. WORTLEY, Mr. MARKEY, Mr. DURBIN, Mr. SMITH of Florida, Mr. ORTIZ, Mr. ROSE, Mr. WILLIAMS, Mr. COUGHLIN, Mr. CLINGER, Mr. CONTE, Mr. HORTON, Mr. RITTER, and Mrs. JOHNSON.

H.R. 1200: Mr. CARPER, and Mr. BUSTAMANTE.

H.R. 1268: Mr. TOWNS, Mr. WHITEHURST, Mr. PACKARD, Mr. MARTINEZ, and Mr. LAGOMARSINO.

H.R. 1272: Mr. BARNES, Mr. WAXMAN, Mr. COELHO, Mr. WYDEN, Mr. SCHEUER, Mr. TORRICELLI, Mr. VENTO, and Mr. LEHMAN of Florida.

H.R. 1283: Mr. ROSE.

H.R. 1316: Mr. BARNES, Mr. BERMAN, Mr. BOLAND, Mr. BONER of Tennessee, Mrs. BOXER, Mrs. COLLINS, Mr. CONYERS, Mr. DANIEL, Mr. DARDEN, Mr. DONNELLY, Mr. FASCELL, Mr. FRANK, Mr. HENRY, Mr. HORTON, Mr. HUGHES, Mrs. JOHNSON, Ms. KAPTUR, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LELAND, Mr. LEVINE of California, Mr. MANTON, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Mr. ROE, Mr. ROSE, Mr. SAVAGE, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SOLARZ, Mr. SUNIA, Mr. TALLON, Mr. UDALL, Mr. VENTO, Mr. WEAVER, Mr. WHITEHURST, Mr. WOLF, and Mr. BOEHLERT.

H.R. 1318: Mr. KANJORSKI, Mr. WIRTH, Mr. ROWLAND of Connecticut, and Mr. DWYER of New Jersey.

H.R. 1319: Mr. ORTIZ.

H.R. 1353: Mr. ROSE, Mr. DE LUGO, Mr. KASTENMEIER, Mr. SMITH of Florida, Mr. SCHUMER, Mr. FAUNTROY, Mr. BERMAN, Mr. LIPINSKI, Mr. ROE, Mr. SAVAGE, Mr. MOAKLEY, Mr. ADDABBO, Mr. FORD of Michigan, Mr. DORNAN of California, Mr. FUSTER, Mr. BONIOR of Michigan, Mr. HUNTER, Mr. PANETTA, Mr. RANGEL, Mr. TORRICELLI, Mr. SMITH of Iowa, Mr. DEWINE, Ms. MIKULSKI, Mr. OWENS, Mr. FAZIO, Mr. MARTINEZ, Mr. MITCHELL, Mr. LELAND, Mr. HOWARD, Mr. KILDEE, Mr. BROWN of California, Mr. NEAL, Mr. CONYERS, Mr. WALGREN, Mr. ECKART, of Ohio Mrs. KENNELLY, Mrs. LLOYD, Mr. WEISS, Mr. STAGGERS, and Mr. DIXON.

H.R. 1379: Mr. DARDEN.

H.R. 1400: Mr. MARKEY, Mr. ECKART of Ohio, Mr. KOLTER, Mr. CONYERS, Mr. MOODY, Ms. MIKULSKI, and Mr. HAYES.

H.R. 1436: Mr. DAUB.

H.R. 1442: Mrs. SCHNEIDER, Mr. OWENS, Mr. DIXON, Mr. BORSKI, and Mr. DWYER of New Jersey.

H.R. 1458: Mr. DASCHLE and Mrs. LLOYD.

H.R. 1461: Mr. COURTER, Mr. PORTER, Mr. CRANE, Mr. BURTON of Indiana, and Mr. DELAY.

H.R. 1515: Mr. KOLTER, Ms. KAPTUR, Mr. VENTO, and Mr. WEAVER.

H.R. 1550: Mr. JONES of North Carolina, Mr. KANJORSKI, and Mrs. BENTLEY.

H.R. 1566: Mr. EVANS of Iowa, Mr. BEREUTER, Mr. MADIGAN, and Mr. HEFTEL of Hawaii.

H.R. 1567: Mr. EVANS of Iowa, Mr. BEREUTER, Mr. MADIGAN, and Mr. HEFTEL of Hawaii.

H.R. 1612: Mr. RICHARDSON, Mr. HILLIS, Mr. FRENZEL, Mr. WHITTAKER, Mr. MARLENEE, Mr. ROBINSON, and Mr. STALLINGS.

H.R. 1615: Mr. MOLLOHAN, Mr. DARDEN, Mr. BEVILL, Mr. WEAVER, Mr. MURPHY, Mr. JONES of North Carolina, and Mr. KOLTER.

H.R. 1630: Mr. LUKEN and Mr. KINDNESS.

H.R. 1650: Mr. MCGRATH.

H.R. 1659: Mrs. COLLINS, Mr. GLICKMAN, Ms. KAPTUR, and Mr. WEAVER.

H.R. 1666: Mr. MAVROULES, Mr. BUSTAMANTE, Mr. LAGOMARSINO, Mr. VENTO, Mr. FAUNTROY, Mr. DAUB, Mr. TOWNS, and Ms. KAPTUR.

H.J. Res. 49: Mr. SENSENBRENNER.

H.J. Res. 64: Mr. ADDABBO, Mr. BENNETT, Mr. BEVILL, Mr. BLILEY, Mrs. BOXER, Mr. BRYANT, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CLAY, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONTE, Mr. COYNE, Mr. DANIEL, Mr. DARDEN, Mr. DUNCAN, Mr. DYMALLY, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. FOWLER, Mr. FUSTER, Mr. GUARINI, Mr. HATCHER, Mr. HAYES, Mr. HEFNER, Mr. HORTON, Mr. HOWARD, Mr. IRELAND, Mr. JEFFORDS, Mr. JENKINS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASICH, Mr. KLECZKA, Mr. LAGOMARSINO, Mr. MCDADE, Mr. MCHUGH, Mr. MARTIN of New York, Mr. MURPHY, Mr. NATCHER, Ms. OAKAR, Mr. PERKINS, Mr. RINALDO, Mr. ROE, Mr. ROWLAND of Georgia, Mr. SISISKY, Mr. SMITH of Florida, Mr. SWINDALL, Mr. TALLON, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. WOLF, and Mr. WORTLEY.

H.J. Res. 65: Mr. BEVILL, Mr. BLILEY, Mrs. BOXER, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CHAPPIE, Mr. CLAY, Mrs. COLLINS, Mr. CONTE, Mr. COYNE, Mr. DANIEL, Mr. DARDEN, Mr. DUNCAN, Mr. DYMALLY, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. FUSTER, Mr. HAYES, Mr. HEFNER, Mr. HORTON, Mr. HOWARD, Mr. IRELAND, Mr. JEFFORDS, Ms. KAPTUR, Mr. KASICH, Mr. LAGOMARSINO, Mr. MCHUGH, Mr. MURPHY, Mr. NATCHER, Ms. OAKAR, Mr. PERKINS, Mr. RINALDO, Mr. ROE, Mr. ROWLAND of Georgia, Mr. SISISKY, Mr. SMITH of Florida, Mr. SWINDALL, Mr. TALLON, Mr. TORRICELLI, Mr. TOWNS, Mr. WOLF, and Mr. WORTLEY.

H.J. Res. 79: Mr. O'BRIEN, Mrs. KENNELLY, Mr. PACKARD, Mr. ARCHER, Mr. BLAZ, and Mrs. BURTON of California.

H.J. Res. 100: Mr. BARNES, Mr. BENNETT, Mr. BORSKI, Mr. BROOMFIELD, Mr. CHAPPELL, Mr. CONTE, Mr. DIOGUARDI, Mr. DYSON, Mr. ENGLISH, Mr. HATCHER, Mr. HEFNER, Mr. IRELAND, Mrs. KENNELLY, Mr. KILDEE, Mr. LAFALCE, Mr. LANTOS, Mr. LIGHTFOOT, Mr. MCHUGH, Mr. MORRISON of Connecticut, Mr. MURTHA, Mr. OBERSTAR, Mr. PERKINS, Mr. PETRI, Mr. ROBINSON, Mr. SCHEUER, Mr. STRANG, Mr. TAUZIN, Mr. WEAVER, Mr. WOLPE, Mr. WYLIE, and Mr. YOUNG of Florida.

H.J. Res. 105: Mr. COYNE, Mr. DARDEN, Mr. GIBBONS, Mr. GREEN, Mr. HEFNER, Mr. HEFTEL of Hawaii, Mr. HILER, Mr. HOYER, Mr. JENKINS, Mr. KRAMER, Mr. LENT, Mr. LOWRY of Washington, Mr. MARLENEE, Mr. MARTIN of New York, Mr. ST GERMAIN, Mr. CLAY, Mr. DINGELL, Mr. HUGHES, Mr. MAVROULES, Mr. PENNY, Mr. QUILLEN, Mr. ROSTENKOWSKI, Mr. SWINDALL, Mr. TOWNS, Mr. WALKER, Mr. KASICH, Mr. LIPINSKI, Mr. SABO, and Mr. WYDEN.

H.J. Res. 108: Mr. ORTIZ.

H.J. Res. 123: Mr. LOTT, Mr. NICHOLS, Mr. HARTNETT, Mr. SCHUETTE, Mrs. KENNELLY, Mr. COATS, Mr. MCEWEN, Mr. COUGHLIN, Mr. ECKART of New York, Mr. AKAKA, Mr. BLILEY, Mr. BOSCO, Mr. MARTIN of New York, Mr. HUTTO, Mr. CHAPPELL, Mr. SAVAGE, Mr. KANJORSKI, Mr. ROEMER, Mr. LEVIN of Michigan, Mr. MOLINARI, Mr. BARNES, Mrs. VUCANOVICH, Mr. HAYES of Illinois, Mrs. BENTLEY, Mr. LELAND, Mr. BROYHILL, Mr. MOLLOHAN, Mr. TOWNS, Mr. BENNETT, Mr. DANIEL, and Mr. SMITH of New Hampshire.

H.J. Res. 136: Mr. MRAZEK, Mr. WILSON, Mr. GALLO, Mr. WOLPE, Mr. GUARINI, Mr. GUNDERSON, Mr. MURPHY, Mr. ERDREICH, Mr. ACKERMAN, Mr. BONER of Tennessee, Mr. LAFALCE, Mr. ROWLAND, of Georgia, Mr. JACOBS, Mr. DIOGUARDI, Mr. GARCIA, Mr. COBEY, Mr. SISISKY, Mr. MCHUGH, Mr. TRAFICANT, Mr. STALLINGS, Mr. COLEMAN of Texas, Mr. DASCHLE, Mr. LANTOS, Mr. APPLEGATE, and Mr. DONNELLY.

H.J. Res. 186: Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ANDREWS, Mr. ANNUNZIO,

Mr. ATKINS, Mr. BARNES, Mr. BARTLETT, Mr. BEDELL, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BOEHLERT, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BREAUX, Mr. BROOKS, Mr. BRUCE, Mrs. BURTON of California, Mr. COELHO, Mr. COLEMAN of Texas, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. COOPER, Mr. COYNE, Mr. CROCKETT, Mr. DANIEL, Mr. DARDEN, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DERRICK, Mr. DEWINE, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FOLEY, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. FUQUA, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GROTBERG, Mr. GUARINI, Mr. RALPH M. HALL, Mr. HAYES, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOWARD, Mr. HUGHES, Mr. JACOBS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KILDEE, Mr. KLECZKA, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LELAND, Mrs. LLOYD, Mr. LOWRY of Washington, Mr. LUKEN, Mr. LUNDINE, Mr. MCKERNAN, Mr. MANTON, Mr. MARTINEZ, Mr. MAVROULES, Ms. MIKULSKI, Mr. MILLER of California, Mr. MOAKLEY, Mr. MONTGOMERY, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. NEAL, Mr. NELSON of Florida, Mr. NOWAK, Ms. OAKAR, Mr. OBERSTAR, Mr. ORTIZ, Mr. PANETTA, Mr. PERKINS, Mr. REID, Mr. ROE, Mr. ROSE, Mr. SABO, Mr. SCHEUER, Mr. SCHUMER, Mr. SIKORSKI, Mr. SISISKY, Mr. SNYDER, Mr. SOLARZ, Mr. STRATTON, Mr. TALLON, Mr. TAUKE, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WATKINS, Mr. WEISS, Mr. WHEAT, Mr. WHITLEY, Mr. WILSON, Mr. WIRTH, Mr. WOLPE, Mr. WORTLEY, Mr. YATES, Mr. YOUNG of Missouri, Mr. HAMMERSCHMIDT, Mr. MARTIN of New York, Mr. MACK, Mr. RUDD, Mr. MCGRATH, Mr. REGULA, Mr. DANNEMEYER, Mr. MCKERNAN, Mr. WEAVER, Mr. LEWIS of California, Mr. YOUNG of Florida, Mr. HENRY, Mr. LOTT, Mr. HENDON, Mr. DONNELLY, Mr. ARCHER, Mr. MCDADE, Mr. GREEN, Mr. CALLAHAN, Mr. BUSTAMANTE, Mr. CHAPPIE, Mr. LENT, Mr. BLAZ, Mr. WEBER, Mrs. JOHNSON, Mr. FRENZEL, Mr. MOLINARI, Mr. HANSEN, Mr. HATCHER, Mr. MINETA, Mr. LATTA, Mr. NIELSON of Utah, Mr. HYDE, Mr. MCCAIN, Mr. CHANDLER, Mr. PORTER, Mr. LEVINE of California, Mr. PACKARD, Mr. SMITH of Florida, Mr. COURTER, Mr. SMITH of New Jersey, Mr. BRYANT, Mr. FIELDS, Mr. O'BRIEN, Mr. SAXTON, Mr. LOEFFLER, Mr. RINALDO, Mr. OWENS, Mr. LOWERY of California, Mr. LEACH of Iowa, Mr. GILMAN, Mr. STANGELAND, Mrs. ROUKEMA, Mr. LIGHTFOOT, Mr. MOORHEAD, Mr. KEMP, Mr. CHENEY, Mr. SHAW, Mr. STRANG, Mr. JENKINS, Mr. DIOGUARDI, Mr. RANGEL, Mr. LAFALCE, and Mr. COLEMAN of Missouri.

H.J. Res. 188: Mr. SABO, Mr. GIBBONS, Ms. SNOWE, Mr. MARTINEZ, Mr. STRATTON, Mr. GRAY of Pennsylvania, Mr. EARLY, and Mr. GEPHARDT.

H.J. Res. 189: Mr. ADDABBO, Mr. ANDREWS, Mr. BERMAN, Mr. BLAZ, Mrs. BOGGS, Mr. BROOKS, Mr. BROWN of California, Mrs. BURTON of California, Mr. CHANDLER, Mr. CHAPPIE, Mr. COELHO, Mr. CONYERS, Mr. COYNE, Mr. CROCKETT, Mr. DELLUMS, Mr. DEWINE, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DYMALLY, Mr. DYSON, Mr. FAUNTROY, Mr. FAZIO, Mr. FOLEY, Mr. FRANKLIN, Mr. GRADISON, Mr. GREEN, Mr. GUARINI, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HAYES, Mr. HEFNER, Mr. HOYER, Mr. HUTTO, Mr. JENKINS, Ms. KAPTUR, Mr. KEMP, Mr. KILDEE, Mr. KOSTMAYER, Mr. MCDADE, Mr. MADIGAN, Mr. MANTON, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mr. NEAL, Mr. NIELSON of Utah, Ms. OAKAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. PEPPER, Mr. RAHALL, Mr. RICHARDSON, Mr. ROEMER, Mr. SCHUMER, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SPENCE, Mr. STOKES, Mr. TALLON, Mr. TORRICELLI, Mr. TOWNS, Mr. VENTO, Mr. WALGREN, Mr. WOLPE, and Mr. WYDEN.

H.J. Res. 202: Mr. LELAND, Mr. WEISS, Mr. MURPHY, and Mr. TOWNS.

H. Con. Res. 2: Mr. ADDABBO, Mr. BEREUTER, Mrs. BOGGS, Mr. CLAY, Mr. FUQUA, Mr. KANJORSKI, Ms. KAPTUR, Mrs. MARTIN of Illinois, Mr. MARTINEZ, Mr. MILLER of Washington, Mr. NIELSON of Utah, Mr. OXLEY, Mr. RANGEL, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STOKES, Mr. WHEAT, and Mr. WILLIAMS.

H. Con. Res. 18: Mr. DIOGUARDI.

H. Con. Res. 69: Mr. HORTON, Mr. HOWARD, Mr. IRELAND, Mr. DWYER of New Jersey, Mr. OWENS, Mr. ROYBAL, Mr. TORRICELLI, and Mr. HEFTEL of Hawaii.

H. Con. Res. 81: Mr. BOULTER, Mr. KOLBE, Mrs. HOLT, Mr. LIVINGSTON, Mr. OXLEY, Mr. LAGOMARSINO, Mr. SHAW, and Mr. WHITEHURST.

H. Con. Res. 83: Mr. SMITH of Florida, Mr. DYMALLY, Mr. MCGRATH, Mr. MACKAY, Mr. BEREUTER, Mr. MARTINEZ, Mr. LAGOMARSINO, Ms. KAPTUR, Mr. TRAFICANT, Mr. RANGEL, and Mr. GILMAN.

H. Con. Res. 84: Mr. ALEXANDER, Mr. YOUNG of Alaska, Mr. RICHARDSON, Mr. CONYERS, Mr. WILLIAMS, Ms. KAPTUR, Mr. RANGEL, and Mr. PERKINS.

H. Con. Res. 90: Mr. WIRTH.

H. Res. 40: Mr. STRANG, Mr. GOODLING, Mr. BOULTER, and Mr. EDWARDS of Oklahoma.

H. Res. 60: Mr. SLAUGHTER, Mr. EDWARDS of Oklahoma, Mr. GROTBERG, and Mr. CARPER.

H. Res. 71: Mr. TORRICELLI, Mr. ARCHER, Mr. YOUNG of Missouri, Mr. ROE, Mr. MRAZEK, Mr. BONIOR of Michigan, Mr. SABO, Ms. KAPTUR, Mr. WEISS, Mr. HORTON, Mr. DURBIN, Mr. BERMAN, Mr. FROST, Mr. KOLTER, Mr. BRYANT, Mr. REID, Mr. MARTINEZ, Ms. MIKULSKI, Mr. RANGEL, Mr. WAXMAN, Mr. COMBEST, Mr. LOWERY of California, Mr. DAUB, Mr. STENHOLM, Mr. FEIGHAN, Mr. MURPHY, Mrs. COLLINS, Mr. DARDEN, Mr. COLEMAN of Texas, Mr. BUSTAMANTE, and Mr. GREEN.

PETITIONS, ETC.

Under clause 1 of rule XXII,

71. The SPEAKER presented a petition of the Department of Development, city of Jamestown, NY, relative to community and economic development programs; which was referred, jointly, to the Committees on Banking, Finance and Urban Affairs and Public Works and Transportation.

SENATE—*Thursday, March 28, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Our Father in Heaven, we pray this morning for all who enjoy the privilege of being a part of this great Senate family. In a family so large many have needs which remain unknown to most of us. We pray for those who are hurting with illness or loneliness—for those overcome with weakness, frustration, failure, or guilt—for those who must find a new job or those with financial difficulty. We pray for homes where husband and wife or parents and children are alienated, for those concerned about a wayward daughter or son—for those who have lost a loved one. We pray for those whose elderly loved ones are ailing. God of all comfort, give to those in need a special dispensation of Your unconditional, reconciling, healing love. Grant that this weekend will be for them a time of refreshing and renewal.

We remember especially the Democratic Senators in their weekend conference. Grant to their leadership wisdom and grace for the responsibility which they bear. Protect all as they travel, prosper their time together with productive ideas and plans, and return them safely to their responsibility here. Make this weekend be for all who participate a time of rest, recreation, and restoration as well as work and achievement. In the name of Him Who is selfless love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders each have 10 minutes. I ask unanimous consent that 5 minutes of my time be given to the distinguished Senator from Washington, Senator GORTON.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Following the leaders' standing orders, there are special orders for not to exceed 15 minutes each for the Senator from Wisconsin, Senator KASTEN, and the senior Senator from Wisconsin, Senator PROXMIRE. I ask unanimous consent that the Kasten special order be transferred to the distinguished Senator from Minnesota, Senator BOSCHWITZ.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Routine morning business will follow not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes. Following the conclusion of routine morning business, the Senate will turn to any legislative or executive items which may have been cleared for action, possibly Calendar No. 15, S. 413, the war risk insurance legislation, and also possibly an Export Administration extension for 75 days, but only if both can be taken up without nongermane amendments.

There is also the possibility of the Senate taking up Senate Concurrent Resolution 15 relating to United States and Japanese trade, only if an agreement can be reached without amendment.

I would indicate to my colleagues that we hope that we can pass the trade resolution. It was reported out of the Senate Finance Committee unanimously, with Democrats and Republicans supporting it. With the announcements in the morning paper about the Japanese expanding their exports into this country, it is my belief that the passage of this resolution, and perhaps a rollcall vote, would demonstrate to those in authority that we are serious and we are concerned about the ever-growing trade imbalance and trade deficit with the Japanese.

I might add, again, for our colleagues who may be wondering about a session on Friday, there will be no session tomorrow. We will be in session next week. I reserve the balance of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mrs. KASSEBAUM). The minority leader is recognized.

Mr. BYRD. Madam President, I yield 5 minutes of my time to the distinguished Senator from Arkansas [Mr. BUMPERS].

S. 763—NATIONAL DEFENSE ENHANCEMENT ACT OF 1985

Mr. BUMPERS. Madam President, I thank the minority leader for yielding this time to me to allow me to introduce a bill today that I feel very strongly about. It is a bill which provides a whole list of conventional weapons and other defense items and it cuts other things, in the more exotic weapons areas. This bill is in keeping with what there is virtual unanimous agreement on, even in the Pentagon.

When Secretary Weinberger was asked about star wars, the strategic defense initiative, and so on, and he was asked about the MX, he wants those things, but he said if we cut defense spending, here is a list of things that are vitally needed that we would have to eliminate.

What my bill does today is to put those items in and reduce the spending for some of the other exotic weapons systems on which there is very serious disagreement in the Congress and, I believe, in the Pentagon as well.

The bill would cut about $7.1 billion from the President's 1986 defense budget and put back $3.1 billion in such unglamorous but vitally important programs, such as ammunition, fighter aircraft, antitank weapons, ammunition trucks, and a whole host of programs. The fact is that programs like star wars are robbing more urgent programs of the funds they need.

Madam President, so far as that particular program is concerned, I want to point out that we are not starving star wars. My proposal cuts the star wars appropriations, for 1986, but it still allows a 23-percent growth over this year's $1.4 billion level. Incidentally, this year's $1.4 billion for SDI is 40 percent more than last year's. And at a time when we do not have enough ammunition, it does not make any sense to spend 166 percent more in 1986 than we did in 1985 on a program where we have not even identified the basic technology for achieving its goals.

I simply want to point out that if we want a lean, tough, strong defense posture in this country, then we have to start listening to the generals who are telling us how to get it. The star wars program has gutted some of our best responses to any near term Soviet breakout of the ABM Treaty by virtually eliminating the traditional site defense ABM research that could, if necessary, be deployed in the next few years.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Madam President, I hope that the Members of this body will look very carefully at this proposal. In my opinion, it puts money into the weapons systems that we are most likely to have to have for the war we are most likely to have to fight.

You do not have to look very far to see what is going on in Iran and Iraq. Iran lost 15,000 men in a period of 7 days in a conventional war. We have a lot of conventional weaponry that is being produced, but it is being produced in such a miserly, meager manner that the Joint Chiefs tell us we could not possibly maintain a war in conventional warfare in Central Europe for more than 30 days to save our life. They will tell you it will take $55 billion just to build our ammunition stocks to fight such a war. Yet we continue to starve all of those programs that they tell us they need.

Here is an article from the August 3, 1984, Washington Post.

A war game conducted by the Joint Chiefs of Staff last fall showed that the armed forces had only enough ammunition and other supplies to fight one small war in one part of the world, according to Defense Department officials.

The military exercise, called "Pressure Point 84," showed that the Army would begin running out of key munitions and other items in the first month of a war in South Korea and could be forced to accept a stalemate because of shortages of critical supplies.

Mr. President, these news articles keep appearing everywhere in the country. The Pentagon keeps testifying about this before the Armed Services Committee and we continue to pump billions into the MX missile, almost $4 billion into star wars, and these stories will continue to come out. Everybody knows that the rate of increase in defense spending is going to be cut in this country. The question is where are we going to cut and where are we going to add on?

My bill is designed to do that in what I believe is a very sensible manner. It puts money into weapons systems that everybody agrees we need. There is not one single controversy, and there will not be one word of dissent from the Defense Department on the floor of this body as to whether these items are needed or not.

Everyone here supports a strong defense. We may differ on what constitutes the best way to achieve such a defense posture, but no one doubts the need for it. After all, we do not live in a Sunday school world, as the recent tragic murder of Major Nicholson in East Germany sadly attests. The carnage in the Persian Gulf, where Iran lost 15,000 soldiers in just one offensive, also reminds us that we must remain strong, even as we work tirelessly toward a more peaceful and humane world.

So I have worked for 3 months designing what I think is a sensible approach to scaling back the rate of increase in defense spending, especially in those exotic weapons systems that are very questionable in nature, very questionable in technology, and exchange them for the kinds of down to earth weapons that everybody agrees we must have more of.

Let me outline the details of my bill, which is very simple in concept. What it does is add money to a number of programs that need more funding, and at the same time cut money from programs that in many cases are actually weakening our defense posture by robbing scarce defense dollars from programs with more merit. This bill also would reduce the deficit, which is one of the biggest threats to our security that we face.

My bill would cut about $7.1 billion from the President's fiscal year 1986 defense budget and put $3.1 billion of it in such unglamorous but vitally important programs such as ammunition, fighter aircraft, antitank weapons, ammunition trucks, and many more. Not the least of these add ons is for extra military housing construction, which will help the most important "weapon system" we have: our men and women in uniform. Most of these add ons aren't anywhere near as glamorous as star wars, but they contribute a lot more to the kind of strong, smart defense we need than does a $30 billion missile that has only a 2-percent chance of surviving a Soviet first strike, like MX.

The fact is that programs like star wars are robbing more urgent programs of the funds they need. When Secretary Weinberger announced his new budget, he said that Congress shouldn't cut any money from his $313.7 billion budget because he had already made billions in cuts just to get down to that level. To his credit, he provided a list of what some of these cuts were.

In reviewing the list, I was shocked to see the list of items that got axed in order to make room for the likes of star wars and the DIVAD gun: $658 million worth of ammunition for the Army, when we already don't have enough to last in a conventional war; munitions for the other services, such as glide bombs and combined effects munitions for the Air Force, and torpedoes for the Navy; dedicated aircraft for the Special Forces, fighters for the Air Force and Navy, surface-to-air missiles for the Army; cannons and ammunition trucks for the Army; and more.

That list upset me, but it also helped to show where we should start in supporting a stronger, smarter defense posture—60 percent of the add ons I am proposing in this bill come from that list. The other items are mostly of the same sort: Unglamorous but essential ingredients for a strong defense posture, things like: enhanced survivability kits for armored personnel carriers, 2.75" rockets, ammunition for the Air Force, Navy, and Marines, 30-millimeter gun pods for Guard and Reserve fighters, Navy transport ships, the multiple launch rocket system, and more research money for the C-17.

The cuts proposed in this bill are simple, but compelling, as the following table shows:

PROGRAM CUTS

A. SDI ("star wars"): Cut $2 billion in R&D, down to $1.722 B.

B. MX: Cut $3,635.0 M.

1. Delete all $3,180.2M for procurement.

2. Delete all $55.8M for milcon.

3. Cut $400M from R&D (down to $404 M).

C. ASAT: Delete all $97.9M in procurement.

D. Battleship: Delete all $75.2M in long lead procurement.

E. AMRAAM: Delete all $432.4M in procurement.

F. LANTIRN: Delete all $436.4M in procurement.

G. DIVAD: Delete all $417.5M in procurement.

My proposed cut in star wars would still allow a healthy 23-percent growth in that program over last year's $1.4 billion level, itself 40 percent more than the year before that. At a time when we don't have enough ammunition, it makes no sense to spend 166 percent more in 1986 than we will in 1985 on a program where we haven't even identified the basic technology for achieving its goals. The program is riddled with other contradictions, too, like the fact that any space-based components will be extremely vulnerable to the star wars system of the other side. We do far more for our security by buying ammunition and gun pods than we do by nearly tripling our spending in 1 year on a research program for the 21st century.

In addition, the current SDI program has gutted our best response to any near-term Soviet breakout of the ABM Treaty by virtually eliminating the traditional site defense research that could if necessary be deployed in a few years. Accordingly, this bill directs that $50 million of the $1.72 billion be used for this type of research. I would have provided for even more, but I am told that more than this would be a waste of money, though more will be needed next year.

One of the most valuable defense assets we have are our military satellites. This is why my bill deletes all production funding for antisatellite weapons, while preserving research funding. The bill also calls for a moratorium on U.S. ASAT tests against objects in space as long as the Soviets do not test. If we do not stop ASAT testing, we are signing a death warrant on our eyes, ears, and early warning systems in space. This is also why my bill

provides an extra $100 million for intelligence satellite survivability.

The MX has been debated endlessly, but the simple fact remains that it will be incapable of surviving a Soviet first strike. We would never fund a conventional weapon that was so vulnerable, yet here we are spending close to $30 billion so that one or two missiles can survive. We're going to pay about $15 billion per surviving MX missile, even though we have the highly survivable Trident II D-5 missile that will be available just 3 years after MX. So my bill proposes to delete all MX production and military construction funding and cut the R&D in half. At the same time, it directs the Navy to plan on backfitting the Trident II missile into existing Trident submarines at a faster rate.

The funds to be spent on reactivating the fourth and final battleship can also be better spent elsewhere. We already have three funded, with two deployed. How many ships are enough? Armed Forces Journal has recently pointed out that we're heading for a 700- or even 800-ship Navy at the rate we're going, far above the 600-ship Navy that we were told would be sufficient. The battleship requires far too many men at a time when we are facing increasing personnel shortages. We weaken ourselves by reactivating this relic of the past.

The AMRAAM and LANTIRN might be desirable if they would work, but there have been reports that both are having serious technical problems. Accordingly, full research money for them is retained, but production funds are deleted. Let us not buy these weapons until we are sure they can work at a price we can afford. This is particularly true for the notorious DIVAD gun, which has failed its tests miserably.

This bill also would apply $4 billion to reducing the deficit. The deficit poses a huge threat to our security as a nation. The tragedy is that this threat is entirely avoidable. Every billion dollars in deficit we allow means we are adding an extra $100 million to our budget next year, and the year after that, forever, just in interest. That saps our economic strength at the same time it takes dollars away from both defense and civilian programs.

This bill also has a number of other provisions that seek to strengthen our defenses. It strengthens the Chairman of the Joint Chiefs of Staff and the Joint Staff more generally by putting the Chairman's designee on all officer promotion boards as a voting member. In cases where current or former Joint Staff officers are considered for promotion, the Chairman's vote is given extra weight. It is widely known that being assigned to the Joint Staff usually is considered bad for one's military career, and this is one step to change that. There is much more to be done in the area of reforming the JCS structure, but this is a start.

The Air Force is also directed to look at slowing down B-1 production. We're going to go from producing 48 B-1's per year to zero per year in just 1 year's time. This is a recipe for contracting and employment disaster which needs to be reviewed.

My bill also directs the Air Force to look at additional options for meeting the small ICBM role. I support the small ICBM concept; unlike MX, it holds the promise of being a survivable system. However, by congressional order the Air Force appears to be developing a tiny ICBM, a missile which, at 30,000 pounds, may be too small and has the potential to be a budgetary and arms control disaster. The whole concept should be thoroughly reviewed before this program goes too much farther.

A slightly larger missile with perhaps two warheads might make more sense. Such a missile would cost little more on a per-missile basis than one with a single warhead, which means that it would take twice as many single RV missiles as two-RV missiles to deploy a given level of warheads. The Air Force has already estimated that it would cost $100 billion in today's dollars to deploy a force of 1,000 mobile single-RV missiles, which 500 two-warhead missiles could cut this cost by $40 billion.

Furthermore, the current 30,000-pound missile under study would pose serious cerification problems for us if the Soviets follow our lead and test a similar missile. Such a missile could be deployed on any normal tractor trailer, so that any big Soviet truck could be a potential launcher. A larger missile would require a unique vehicle that could more easily be monitored.

The bill provides $10,000,000 to permit the hiring of additional auditors to review spare parts purchases. Our spare parts pricing situation is a national scandal that is eroding popular support for our defense program. These auditors will more than pay their way in terms of reduced costs for spare parts.

The bill would also require DOD to report to Congress on the feasibility of multiyear procurement 1 year before a major weapon procurement request is made. Multiyear funding has the potential to save us billions, and its use should be encouraged wherever feasible.

This bill also provides for the freezing of any unobligated military assistance funds to any country where a popularly elected government is overthrown in a coup. This measure would strengthen centrist governments like that of Mr. Duarte in El Salvador, who is trying to steer his country on a middle course toward peace. When the army in foreign countries realize that there will be a price to pay for staging a coup, they will think twice before doing so. We should provide military support where necessary to support democracy, but we should not encourage the overthrow of democratic governments.

This bill would require the President to notify Congress at least 1 year in advance of taking action which would violate an existing strategic arms agreement. These agreements serve vital U.S. interests and should not be tossed aside at the whim of the President. The Senate ratifies treaties, and Congress should play a role in changing such treaties.

The bill also contains a provision directing DOD to accelerate its planned deployment of D-5 missiles into Trident submarines, thereby strengthening our strategic nuclear posture.

Finally, the bill has two personnel provisions. The first would compensate reserve personnel for their weekend away training travel time, which recognizes that some must currently travel for hours to reach the place where they undergo training. The second would increase the claims limit against the U.S. government for military personnel during reassignment. It sometimes happens that military personnel suffer the loss of their household goods during Government-ordered permanent change of station yet are not compensated for the full value of their loss. This provision would increase the maximum claims limit from $40,000 up to $75,000, thereby reducing the number of such cases.

Madam President, it is more urgent than ever that we meet the real defense needs of our country. This bill is just a small, but I believe significant step, in the direction of a stronger, and smarter, national defense. I urge my colleagues to give it their serious consideration.

Madam President, I ask unanimous consent that an accompanying fact-sheet showing precisely the weapons systems that I would cut expenses on and those that I will increase defense spending for, and also a copy of the bill be inserted in the RECORD.

I also ask unanimous consent that the article I just alluded to from the Washington Post from 1984 and an article from the Defense Daily dated March 21, 1985, which says that:

The Navy's deputy chief of Naval operations, Vice Adm. Nils R. Thunman, says there is no foreseeable significant threat to the U.S. strategic submarines.

Responding to "several news articles over the last year with claims of 'transparent oceans,'" Thunman has told the Senate Armed Services Committee there "is factual and authoritative assurance that there is no foreseeable technological capability by which the Soviets could significantly diminish the strategic effectiveness of the U.S. SSBN force.

That is submarine launching missiles from submarines could become vulnerable. I ask unanimous consent that all of those and other newspaper articles be printed in the RECORD, Madam President.

There being no objection, the bill, the factsheet and newspaper articles were ordered to be printed in the RECORD, as follows:

S. 763

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Defense Enhancement Act of 1985".

AUTHORIZATION FOR SPECIFIED PROGRAMS

SEC. 2. Funds authorized to be appropriated in this Act for fiscal year 1986 are for specified programs and, unless otherwise specifically indicated, are in addition to any funds which may be authorized to be appropriated for other programs and activities of the Department of Defense for fiscal year 1986 in any other Act.

TITLE I—PROCUREMENT

ARMY

SEC. 101. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the Army as follows:

(1) For the Multiple Launch Rocket System (MLRS), $607,800,000.

(2) For the Stinger surface-to-air missile, $544,600,000.

(3) For C-12 aircraft, $12,000,000.

(4) For 5-ton trucks, $358,300,000.

(5) For enhanced survivability kits for the M-113 armored personnel carrier vehicles, $40,000,000.

(6) For the M109A2 howitzer, $123,100,000.

(7) For the M109 howitzer modification program, $45,500,000.

(8) For ammunition, $3,121,600,000, of which not less than $53,900,000 shall be available only for the 2.75 Hydra 70 rocket program.

ARMY NATIONAL GUARD

SEC. 102. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the Army National Guard as follows:

(1) For ITV Turret Trainers, $9,000,000.

(2) For the Fire Support Team Vehicle (FISTV). program, $35,000,000.

NAVY

SEC. 103. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the Navy as follows:

(1) For MK-46 submarine torpedoes, $309,500,000.

(2) For SL-7 fast sealift container ships, $290,000,000.

(3) For the 2.75 Hydra 70 rocket, $38,000,000.

(4) For ordnance support equipment, $1,496,500,000.

MARINE CORPS

SEC. 104. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the Marine Corps for ammunition in the sum of $523,900,000, of which not less than $67,200,000, shall be available only for rockets.

AIR FORCE

SEC. 105. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the Air Force as follows:

(1) For MC-130H Combat Talon Special Forces aircraft, $138,600,000.

(2) For flight simulators, $9,100,000.

(3) For the F-16 aircraft, $3,055,200,000.

(4) For selected activities, $4,033,100,000.

(5) For munitions and associated equipment, $1,992,600,000, of which not less than $32,300,000 shall be available only for the 2.75 Hydra 70 rocket program, not less than $620,300,000 shall be available for the CBU-87 Combined Effects Munitions program, not less than $156,900,000 shall be available only for the GBU-15 glide bomb program, and not less than $266,400,000 shall be available only for the CBU-89 gator anti-tank munitions program.

AIR NATIONAL GUARD AND AIR FORCE RESERVE

SEC. 106. Funds are authorized to be appropriated for fiscal year 1986 for procurement for the reserve components of the Air Force as follows:

(1) For 30 mm gun pods for the F/RF-4 aircraft for the Air National Guard, $15,000,000.

(2) For smokeless engine kits for the F-4D aircraft for the Air National Guard and the Air Force Reserve, $8,000,000.

(3) For procurement of Sidewinder missiles and conversion of Sidewinder missiles to "L" configuration for the Air National Guard and the Air Force Reserve, $5,000,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

ARMY

SEC. 201. Funds are authorized to be appropriated for fiscal year 1986 for the use by the Army for research, development, test, and evaluation as follows:

(1) For the Multiple Launch Rocket System (MLRS) for conceptual applications, $2,000,000.

(2) For studies on a replacement system for the Lance missile system, $1,000,000.

(3) For the Guardfist artillery and armor crew training simulator program for the Army National Guard, $2,000,000.

NAVY

SEC. 202. (a) Funds are authorized to be appropriated for fiscal year 1986 for the use by the Navy for research, development, test, and evaluation on the Naval Gunnery Improvement program, $20,870,000, of which $5,000,000 shall be available to conduct the study provided for in subsection (b).

(b)(1) The Secretary of the Navy shall conduct a study to determine the desirability and feasibility of incorporating the Multiple Launch Rocket System (MLRS) aboard Navy ships to assist the naval gunfire support role.

(2) The Secretary shall report the results of such study to the Congress within 270 days after the date of the enactment of this Act.

AIR FORCE

SEC. 203. Funds are authorized to be appropriated for fiscal year 1986 for the use of the Air Force for research, development, test, and evaluation as follows:

(1) For the C-17 aircraft, $533,681,000.

(2) For the SRAM-II advanced air-to-surface missile $88,958,000.

(3) For the MX missile program, $404,000,000.

(4) For the Hypervelocity missile, $20,763,000.

DEFENSE AGENCIES

SEC. 204. (a) Funds are authorized to be appropriated for fiscal year 1986 for the use of the Defense Agencies for research, development, test, and evaluation in connection with the Strategic Defense Initiative, $1,772,000,000.

(b) Not less than $50,000,000 of the amount appropriated pursuant to subsection (a) shall be used for the study of options to respond to a near-term Soviet breakout from the Treaty Between the United States of America and the Union of the Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems (commonly referred to as the ABM Treaty). The activities under this function shall be consistent with the terms of existing arms control agreements.

TITLE III—FAMILY HOUSING

ARMY

SEC. 301. (a) The Secretary of the Army may construct family housing units (including land acquisition) and may acquire manufactured home facilities at such locations as he determines such units and facilities are needed.

(b) Funds are authorized to be appropriated for fiscal years beginning after September 30, 1985, for family housing functions of the Department of the Army as authorized in subsection (a) in the sum of $474,970,000.

NAVY

SEC. 302. (a) The Secretary of the Navy may construct family housing units (including land acquisition) and may acquire manufactured home facilities at such locations as he determines such units and facilities are needed.

(b) Funds are authorized to be appropriated for fiscal years beginning after September 30, 1985, for family housing functions of the Department of the Navy as authorized in subsection (a) in the sum of $204,000,000.

AIR FORCE

SEC. 303. (a) The Secretary of the Air Force may construct family housing units (including land acquisition) and may acquire manufactured home facilities at such locations as he determines such units and facilities are needed.

(b) Funds are authorized to be appropriated for fiscal years beginning after September 30, 1985, for family housing functions of the Department of the Air Force as authorized in subsection (a) in the sum of $284,400,000.

TITLE IV—GENERAL PROVISIONS

MX—MISSILE PROGRAM

SEC. 401. Funds appropriated to or for the use of the Department of Defense may not be used for procurement of MX missiles or for any construction in connection with the MX missile program unless such funds were appropriated and made available for such purposes before the date of the enactment of this Act.

STUDY RELATING TO DEVELOPMENT AND DEPLOYMENT OF A SMALL ICBM

SEC. 402. (a) The Secretary of Defense shall study the desirability of developing and deploying a mobile intercontinental ballistic missile which would exceed 30,000 pounds in weight, but would not exceed 78,000 pounds, and which would carry more than one warhead. The Secretary shall report the results of such study to the Congress not later than April 30, 1986, together with such recommendations for legislation as he determines appropriate.

(b) The Secretary may not consider any option for the development and deployment of an intercontinental ballistic missile which would exceed 78,000 pounds in weight unless specifically authorized to do so by legislation enacted after the date of the enactment of this Act.

ANTI-SATELLITE WEAPONS

SEC. 403. Funds appropriated to or for the use of the Department of Defense may not be used for procurement of anti-satellite weapons unless such funds were obligated for such purpose before the date of the enactment of this Act.

REACTIVATION OF THE U.S.S. "WISCONSIN"

SEC. 404. Funds appropriated to or for the use of the Department of Defense may not be used for the purpose of reactivating the battleship, U.S.S. *Wisconsin.*

ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE PROGRAM (AMRAAM)

SEC. 405. Funds appropriated to or for the use of the Department of Defense may not be used for procurement of advanced medium range air-to-air missiles (AMRAAM) unless such funds were obligated for such purpose before the date of the enactment of this Act.

LANTIRN PROGRAM

SEC. 406. Funds appropriated to or for the use of the Department of Defense may not be used for procurement in connection with the Low Altitude Navigation Targeting System for Night (LANTIRN) program unless such funds were obligated before the date of the enactment of this Act.

DIVAD PROGRAM

SEC. 407. Funds appropriated to or for the use of the Department of Defense may not be used for the procurement of Sergeant York (DIVAD) gun unless such funds were obligated for such purpose before the date of the enactment of this Act.

AUDITORS FOR REVIEW OF SPARE PART PURCHASES

SEC. 408. (a) The Secretary of Defense shall employ such number of auditors, in addition to the number employed by the Department of Defense on April 1, 1985, as he determines necessary to conduct a careful and continuous review of spare parts purchases by the Department of Defense.

(b) There is authorized to be appropriated the sum of $10,000,000 to carry out subsection (a).

REPORT ON PROCUREMENT COMPETITION AND MULTI-YEAR CONTRACTING

SEC. 409. Section 139 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) At least one year before funds are requested from the Congress for the procurement of any weapon system for which fund authorization is required by section 138(a) of this title, the Secretary of Defense shall submit a report to the Congress on the feasibility and desirability of multiyear procurement of such system. Such report may be included in any report required under subsection (a) or (b).".

USE OF VARIABLE MARKET SHARES WHEN MORE THAN ONE SOURCE IS USED FOR A MAJOR SYSTEM

SEC. 410. Section 2305 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of Defense shall ensure that the head of each agency shall consider the feasibility of variable market shares in the awarding of contracts for a major system when more than one source is used for the production of such system.".

ACCELERATION OF DEPLOYMENT OF D-5 MISSILES IN TRIDENT SUBMARINES; STUDY OF FEASIBILITY OF DEPLOYING D-5 MISSILES ON LAND

SEC. 411. The Secretary of the Navy shall take such steps as may be necessary to complete the program for backfitting D-5 missiles into all Trident submarines by not later than January 1, 1994.

B-1 BOMBER

SEC. 412. The Secretary of Defense shall conduct a study of the feasibility of decreasing production of the B-1B bomber aircraft in order to ensure a gradual phase-out of the production of such aircraft no earlier than September 30, 1990. The Secretary shall submit a report containing the results of such study to the Congress not later than the date on which the President submits the budget to the Congress pursuant to section 1105 of title 31, United States Code, for fiscal year 1987.

RESTRICTION ON MILITARY ASSISTANCE EXPENDITURES

SEC. 413. Notwithstanding any other provision of law, funds appropriated for military assistance to foreign governments may not be obligated or expended to provide assistance to any country in which, on or after the date of the enactment of this Act, a democratically elected president or prime minister has been deposed or prevented from taking office by military force or decree.

NOTICE OF ACTION WHICH WOULD DEFEAT OBJECTS AND PURPOSES OF STRATEGIC ARMS AGREEMENTS

SEC. 414. The President shall notify the Congress in writing at least one year in advance of initiating any action that would violate the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems (commonly referred to as the ABM Treaty) or that would defeat the object or purposes of any existing strategic arms agreement.

AUTHORITY OF CHAIRMAN OF THE JOINT CHIEFS OF STAFF TO APPOINT MEMBERS TO SELECTION BOARDS CONVENED UNDER CHAPTER 36 OF TITLE 10, UNITED STATES CODE

SEC. 415. (a) Section 612 of title 10, United States Code, is amended—

(1) in subsection (a)(1) by striking out "Members" and inserting in lieu thereof "Except as provided in paragraph (6), members"; and

(2) by adding at the end thereof the following new paragraph:

"(6) The Chairman of the Joint Chiefs of Staff may appoint an officer of the military department concerned to sit on any selection board convened under this chapter by the Secretary of the military department. A member appointed by the Chairman to be a member of any such selection board shall meet the requirements of this section.".

(b) Section 616(c) of such title is amended by adding at the end thereof the following new sentence (flush to the margin): "In any case in which a board convened under section 611(a) of this title is considering for promotion an officer currently serving on the Joint Staff (provided for under section 143 of this title) or who has served on the Joint Staff on or after the date of enactment of this sentence, the vote of the member of such board appointed by the Chairman of the Joint Chiefs of Staff (if one has been appointed by the Chairman) shall count as one-third of the total votes of such board and the votes of the remaining members shall count collectively as two-thirds of the total votes of the members.".

(c) The Secretary of Defense shall review the operations of the selection boards appointed under chapter 36 of title 10, United States Code, as amended by this section, to determine the desirability of continuing the authority of the Chairman of the Joint Chiefs of Staff to appoint officers to such boards. The Secretary shall submit the results of such review to the Congress, together with such recommendation as he may consider appropriate, not later than three years after the date of the enactment of this Act.

COMPENSATION FOR TRAVELTIME FOR RESERVES

SEC. 416. Section 206 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) Under regulations prescribed by the Secretary of Defense, the Secretary of an armed force may pay a member of the National Guard or a member of a reserve component of an armed force basic pay for any day or part of a day on which that member must travel in order to reach (and return from) the place at which such member is to perform training or other duties as a member of the National Guard or a reserve component of an armed force if the distance required to be traveled is a minimum distance prescribed by the Secretary of Defense".

INCREASE IN AMOUNT OF A CLAIM AGAINST THE UNITED STATES THAT THE HEAD OF AN AGENCY MAY PAY

SEC. 417. (a) Section 3721 of title 31, United States Code, is amended—

(1) in subsection (a), by striking out "$25,000" and inserting in lieu thereof "$75,000"; and

(2) in subsection (c)(1), by striking out "$40,000" and inserting in lieu thereof "$75,000".

(b) The amendments made by subsection (a) shall be effective in the case of claims filed under such section on and after October 1, 1985.

I. PROCUREMENT ADD-ONS

A. Army Procurement: $1,351.4 million.

1. $100M for MLRS.

2. $25M for 2.75" rockets.

3. $675.7M for ammunition.

4. $133M for 5-ton trucks.

5. $40M for enhanced survivability kits for APCs.

6. $240.5M for 3,028 additional Stinger SAMS.

7. $123.M for 152 additional M109 howitzers.

8. $20.1M for howitzer modifications.

9. $12M for 6 C-12 aircraft.

B. Navy Procurement: $604 million.

1. $10M for 2.75" rockets.

2. $100M for ordnance support equipment (ammunition).

3. $204M for 1,021 additional MK-46 torpedoes.

4. $290M for 4 fast sealift container ships.

C. Air Force Procurement: $663.4 million.

1. $218.5M for 12 F-16 fighters.

2. $10M for 2.75" rockets.

3. $100M for munitions and associated equipment.

4. $100M for intelligence satellite survivability.

5. $29M for GBU-15 glide bombs.

6. $67.4M for CBU-87 combined effects munitions.

7. $65M for 3 MC-130H Combat Talon Special Forces planes.

8. $9.1M for for flight simulators.

9. $64.4M for GATOR anti-tank weapons.

D. Marine Procurement: $35 million.

1. $10M for 2.75" rockets.

2. $25M for ammunition.

E. Guard and Reserve Procurement: $72 million.

1. $15M for 30 mm. gun pods.
2. $8M for smokeless engine kits.
3. $5M for procurement/modification of Sidewinder missile.
4. $9.0M for improved TOW vehicle turret trainers.
5. $35M for 50 fire support team vehicles.

II. RESEARCH AND DEVELOPMENT ADD-ONS

A. Army: $2 million.
1. $2M for MLRS conceptual studies.
B. Navy: $5 million.
1. $5M to naval gunnery development to study possible MLRS ship applications.
C. Air Force: $120 million.
1. $100M for the C-17.
2. $10M for the SRAM II short range strategic missile.
3. $10M for the hypervelocity missile.

III. MILITARY CONSTRUCTION ADD-ONS: $240 MILLION

$120M for the Army, $70M for the Air Force, and $50M for the Navy for family housing.

Total cost of add-ons: $3.0928 billion.

III. PROGRAM CUTS

A. SDI: Cut $2 billion in R&D, down to $1.722 B.
1. $50M of remainder to be redirected to site defense studies, which provide our best near-term hedge against a Soviet ABM breakout. This area has been virtually eliminated under SDI.
2. All activities carried out under SDI program to be consistent with the ABM Treaty.
B. MX: Cut $3,635.0 M.
1. Delete all $3,180.2M for procurement.
2. Delete all $55.8M for milcon.
3. Cut $400M from R&D (down to $404M).
C. ASAT: Delete all $97.9M in procurement.
D. Battleship: Delete all $75.2M in long lead procurement.
E. AMRAAM: Delete all $432.4M in procurement.
F. LANTIRN: Delete all $436.4M in procurement.
G. DIVAD: Delete all $417.5M in procurement.

Total Program Cuts: $7.0944 billion (as much as $10.9107 billion if B-1B production rate is stretched out).

IV. MANAGEMENT INITIATIVES

A. Joint Chiefs of Staff.

Makes the Chairman of the JCS an ex officio member of the officer promotion boards of each of the services. Where the officer under consideration has served on the Joint Staff, the JCS Chairman's vote counts half as much as the entire rest of the board.

B. B-1B Procurement Slowdown.

DOD directed to study slowing down B-1 procurement to ensure smoother phase-out of production, also to keep competitive pressures on Northrop for Stealth production. Potential savings of as much as $3.8 billion.

C. Small ICBM.

Directs the Air Force to look at small mobile ICBM options in addition to those stipulated by Congress in FY 1984 Defense Authorization bill.

D. Auditors for Review of Spare Parts Purchases.

$10,000,000 is provided to the Secretary of Defense to permit the hiring of about 100 additional auditors to review spare parts purchases.

E. Multiyear Procurement.

Require DOD to report to Congress on the feasibility of multiyear procurement one year before a major weapon procurement request is made.

V. POLICY INITIATIVES

A. Military Assistance Cut-off in Event of Coup

Freezes any unobligated military assistance funds to any country where a popularly elected government is overthrown in a coup.

B. Arms Control Compliance.

Requires President to notify Congress at least one year in advance of taking action which would violate an existing strategic arms agreement.

C. Anti-Satellite Weapon Testing Moratorium.

Moratorium on testing of ASAT weapons against objects in space as long as Soviets do the same. Does not prohibit testing against points in space.

D. Measures Pertaining to the D-5 Missile.

DOD directed to plan accelerated backfit of D-5 missiles into Trident submarines.

VI. PERSONNEL MATTERS

A. Compensation of Reserve Weekend Away Training Travel Time.

B. Increase in Claims Limit Against U.S. Government.

[From the Washington Post, Aug. 3, 1984]

JOINT CHIEFS' SIMULATION—U.S. FOUND TO LACK SUPPLIES FOR WAR

(By Fred Hiatt)

A war game conducted by the Joint Chiefs of Staff last fall showed that the armed forces had only enough ammunition and other supplies to fight one small war in one part of the world, according to Defense Department officials.

The military exercise, called "Pressure Point 84," showed that the Army would begin running out of key munitions and other items in the first month of a war in South Korea and could be forced to accept a stalemate because of shortages of critical supplies.

If a crisis simultaneously developed in Egypt or Central America, the military would be unable to support the troops that would be sent there, according to the results of the exercise.

The Joint Chiefs' staff concluded that the military was not prepared logistically for anything more than a short and limited conflict, according to those who have seen after-action reports about the exercise.

Stocks of conventional munitions were found to be well below the minimum acceptable for even a small war, and a war in Europe, which was not simulated, would cause still more severe problems, officials said.

The results of the computer-run exercise, which have not been officialy released, lend support to a recently published report by the investigative staff of the House Appropriations subcommittee on defense.

That report, based on research in 1982 and the first half of 1983, concluded that the Army "does not have the men and material to sustain combat operations in a major contingency" and that the Navy could not sustain full combat operations for more than a week.

Defense Secretary Caspar W. Weinberger denounced the House report as outdated, wrong and dangerous.

He said that the Reagan administration had bought "a great deal of ammunition" and he suggested that the house report was politically motivated in an election year.

Attempts to obtain comment from the Defense Department about the exercise were unsuccessful yesterday.

Weinberger said that the House report, and misinterpretations of it, did a "dangerous disservice" to national security by giving friends and adversaries a false picture of U.S. strength.

The charge that the readiness and endurance of the armed forces are not as high as they should be does appear to be emerging as a partisan issue.

Democratic critics of the administration's record military budgets say that too much money has gone to new planes, ships and tanks and not enough to the spare parts, fuel and munitions needed to keep them running.

Weinberger has responded that when President Reagan took office, the military needed improvements in all areas, including nuclear weapons and major weapons systems, and that no area has been neglected.

The Pentagon's test last fall showed that serious problems remained in ammunition supplies, sealift and the other unglamorous but necessary support systems for fighting wars.

Pressure Point 84, instead of examining logistics at the outset of the war as most previous exercises had, began its investigation 30 days after an imaginary North Korean invasion of the south.

Involving all four services and run largely on Pentagon computers, the exercise also simulated a Libyan incursion into Egypt 26 days after the Korean invasion and examined in a cursory way what would happen if U.S. forces prepared to deploy to counter a Nicaraguan attack on a Central American neighbor.

In the scenario, the military encountered severe shortfalls in Korea alone even before a month had elapsed. The Marines based in Okinawa had adequate stocks, but the Navy had to draw on stocks in Europe and the Atlantic, and the Air Force had to significantly deplete munitions stocks around the world.

The Army was most severely pinched, however. It was having to ration 42 of 51 essential items after one month, and, one week later, 33 of those were used up. The commander of U.S. forces in Korea had to limit the use of ammunition to 25 percent and, later, to 10 to 20 percent of normal to avoid running out, the war game showed.

Even if the Army emptied its reserves in this country and left only 15 days of supplies in Europe, the commander in Korea would not have enough munitions, could not fight the war properly and would be forced to accept a stalemate, the exercise found.

The problems were not limited to one type of ammunition, but were spread across the spectrum of supplies.

Industry would take at least a year to reach the needed production level and in many cases would take more than a year, the exercise also found.

A shortage of cargo ships aggravated the situation; supplies piled up in West Coast ports. The backlog for shipping reached 500,000 tons, meaning that what supplies were available reached the war 11 days later.

The inadequancies became more apparent when the planners simulated the Libyan invasion of Egypt, requiring the deployment of one Marine brigade and two Army brigades.

Pre-positioned Marine supplies, on ship in the Indian Ocean, already had been sent to Korea, and the Army had no supplies left anywhere for its troops.

[From the Defense Daily, Mar. 21, 1985]

NAVY SAYS NO FORESEEABLE THREAT TO SUBMARINES

The Navy's deputy chief of Naval operations, Vice Adm. Nils R. Thunman, says there is no foreseeable significant threat to the U.S. strategic submarines.

Responding to "several news articles over the last year with claims of 'transparent oceans,'" Thunman has told the Senate Armed Services Committee there "is factual and authoritative assurance that there is no foreseeable technological capability by which the Soviets could significantly diminish the strategic effectiveness of the U.S. SSBN force.

The same assurance has been provided Congress by Edward Y. Harper, director of the Navy's security program (Defense Daily, March 31).

Thunman also told the committee that the Trident class submarines will be able to spend approximately 66 percent of their life cycle at sea on patrol, compared to about 55 percent for Poseidon ships.

[From the New York Times, Sept. 5, 1984]

GOLDEN ARMS, LEADEN READINESS

(By Carl Levin)

WASHINGTON.—When Congress reconvenes today, it will face major decisions on the largest peacetime defense budget request in recent American history. In doing so, it must address the deeply unsettling question: have taxpayers received the improved defense and improved combat readiness that they have paid for—and been promised—over the past four years?

I believe the answer—an answer provided by the Administration's own evidence—is a disturbing "no."

A close examination of the record leads to the conclusion that the Administration has slighted military readiness and sustainability—our conventional forces' capacity to go to war and keep fighting long enough to win—while buying more strategic nuclear weapons systems than are required to deter the Soviet Union.

Indeed, the Administration has squandered billions of dollars on unneeded strategic nuclear weapons, such as the destabilizing MX missile and the limited-performance B-1B bomber, and has consistently neglected to allocate enough to insure the combat readiness of our conventional forces.

These conclusions have been reinforced by the Administration's own top readiness official, Lawrence J. Korb, the Assistant Secretary of Defense for Manpower, Installations and Logistics. In February, he admitted: "Finally, we must recognize that all of our readiness-related programs are not fully funded despite our pronouncements about the high priority we accord to readiness."

They were also reinforced in February, in testimony before the Senate Armed Services Committee, by leaders of most of our important military commands.

Adm. William J. Crowe, for example, whose Pacific Command covers the strategically vital Far East and Pacific Ocean sea lanes, testified: "We currently have critical shortages . . . of combat support and combat service support, as well as spare parts and equipment."

The Atlantic Command's top officer, Adm. Wesley L. McDonald, expressed a similar view. Gen. Howard Stone, chief of staff of the Army's European Command, stated that the Administration's entire defense program falls "short of our objective in munitions, spares, consumables, weapons and equipment."

The North Atlantic Treaty Organization's top military officer, Gen. Bernard W. Rogers, the Supreme Allied Commander, has put it even more bluntly: "We have mortgaged our defense to the nuclear response . . . . We have failed to provide sufficient sustaining capacity—ammunition stocks, prepositioned matériel to replace losses of equipment on the battlefield such as tanks and howitzers—to keep . . . fighting for a sufficient length of time. Under current conditions, if attacked conventionally, we will have to request the release of theater nuclear weapons fairly quickly."

Other official Defense Department information shows what has happened to our combat readiness under this Administration:

The Army's backlog of tanks, helicopters and other equipment to be overhauled has increased 34 percent since 1980.

The Air Force's backlog of buildings and facilities needing maintenance and repair has increased by 45 percent 1980.

The Navy's backlog of unrepaired buildings and facilities has increased 31 percent since 1981.

The rates measuring the overall operating condition of the Air Force's airlift and tanker aircraft are lower now than in 1981.

During the last four years, the Pentagon's budget has increased by $116 billion, or 40 percent, in constant dollars. Yet the unwise spending of these sums has led to unsatisfactory readines and sustainability.

Congress shares some blame. With few major changes, it ratified the initial Reagan defense budget requests, especially those for big ticket items such as the MX and the B-1. Since then, however, several Congressional attempts to increase funding for combat readiness and conventional weaponry at the expense of strategic nuclear programs have been defeated, principally by the Administration's supporters in the Senate.

In the next few weeks, Congress will grapple with these issues—either in formulating an omnibus continuing resolution for fiscal year 1985 or in debating a separate Defense Appropriations Act.

The record shows clearly enough that this Administration has spent too much for fancy aircraft, vulnerable surface ships and redundant strategic nuclear weapons, while spending too little on the nuts, bolts and staying power of conventional-forces readiness. Even at this late date, Congress must try to correct this troubling defense policy.

Mr. BUMPERS. I thank the minority leader for yielding me time.

Mr. BYRD. The distinguished Senator is welcome.

RECOGNITION OF SENATOR GORTON

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Madam President, I believe I am entitled to 5 minutes of the majority leader's time. Is that correct?

The PRESIDING OFFICER. The Senator from Washington is correct.

Mr. GORTON. Thank you, Madam President.

S. 764—JOB SKILLS PARTNERSHIP ACT

Mr. GORTON. Madam President we all have heard that old saying: "Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime." This maxim assumes that once learned, fishing will prove to be a useful occupation. But as economist Gary Burtless has noted, the next question is: "Where are the fish?"

The simple fact is that training is not a job. Traditional job training programs train individuals for jobs based on forecasts of the labor market, attempting to predict where new jobs will appear. If the forecasts are wrong, people will be trained for jobs that do not exist.

The Job Training Partnership Act [JTPA] was a great step forward by making business and industry partners in the planning and administration of job training efforts. The Job Skills Partnership Act, which I am introducing today, together with the two distinguished Senators from Minnesota, is the next step.

The States of Washington, Massachusetts, Minnesota, and Kentucky have established job skills training programs that combine State funds with an equal share of funds from business and industry to train individuals for existing, specific job openings. This job skills concept involves customized training for a direct match with an available job. Public funds are matched with private business contributions to ensure that skills training is responsive to clearly defined business needs. Not only is training directly matched with employment needs, but the Job Skills Program also works to leverage private investment in job training programs.

In my home State of Washington, businesses match State funds in a joint effort with educational institutions, primarily community colleges, to develop job skills training programs. Although the businesses involved are not required to hire training participants, there is obviously great incentive to do so. After all, the company with a job opening has contributed to the cost of training, and the graduate has been trained specifically for that opening. In Washington State, the Job Skills Program is so successful with the business community that matching funds by private industry have exceeded State funding by as much as $25,000.

The vast majority of new jobs in America in the past decade has been created in small businesses. Yet small businesses often do not have the resources to support the extensive job training programs necessary for skilled workers. The job skills approach allows Government to assist small businesses in developing and

funding training programs. Small businesses may make a contribution inkind, rather than with money, and several small businesses may pool resources together to form training courses.

In addition, the Job Skills Program addresses the growing need for workers equipped for the new high technology workplace. As industries stand at the brink of real opportunities to develop, adapt, and use new and better technologies, they often experience difficulty in hiring skilled workers or finding the appropriate training programs to train current workers for their new operations. While industry is thwarted in its attempts to expand, innovate, or increase productivity because it cannot find skilled workers, potential workers also miss opportunities for new jobs with high growth possibilities. As a result, the ability of American business to compete in the international market is diminished.

The Job Skills Partnership Act would establish a national program to aid the present State efforts and to stimulate other States to establish job skills programs. Senator TSONGAS introduced legislation directed toward the same end during the last session of Congress. This new bill differs by incorporating the job skills concept into the Job Training Partnership Act [JTPA].

As the transition phase of the JTPA is still in process, it would not be appropriate to initiate substantial changes in that program. We should wait until the JTPA is in full operation, and we have the benefit of experience on how effectively it is working, before suggesting major reforms or amendments. However, this bill does not "tinker" with the provisions of the JTPA. Rather, it adds the new element of job skills training, within the general framework of the JTPA.

The Job Skills Partnership Act creates a new program title within the JTPA. Although aspects of the job skills approach are possible under the JTPA, a General Accounting Office analysis of the JTPA issued last month found that customized training with the promise of employment was the primary service in only 2 percent of training contract awards. On-the-job training, which also usually results in placement, accounted for 19 percent of contract awards. This Job Skills Partnership Act would bolster the need for customized training toward specific jobs.

This new job skills title would be funded by earmarking 5 percent of the amounts appropriated under the JTPA for training programs for the economically disadvantaged and dislocated workers. No new spending authorization is requested. The source of funding for actual skills training courses would be 50 percent business contributions, 25 percent State appropriations, and 25 percent Federal grants. Federal funds would be allocated to the States by a formula based on each State's share of the civilian labor force.

To administer the Job Skills Program, the Governor of each State would designate either: First, an agency or public corporation to administer the program on a statewide basis, or second, the private industry councils, as established under the JTPA, to administer the program in each service delivery area in the State. The statewide agency or private industry councils would develop job skills program plans for each skills training course proposed with business matching contributions. The Governor, or a designated representative, would review and approve these plans and allocate the funds to operate the training course. Approval would be granted on a competitive basis within each State based on the merits of proposed training courses.

The role of the Federal Government would not be as administrator but rather to establish objective performance standards to judge the success or failure of the program in each State or service delivery area, based on placement and retention of individuals in employment, increase in earnings, and reduction in welfare dependency.

Persons eligible to participate in a job skills training course would include: First, the economically disadvantaged, defined as low-income individuals and those individuals receiving government assistance; second, dislocated workers with limited opportunity to return to their former occupation; and third, presently employed workers if retraining is necessary to prevent their dislocation or if upgrading would create new job openings. The JTPA does not presently address the training needs of underskilled workers likely to lose their present jobs or unable to progress in their present employment.

Up to 10 percent of the participants in a job skills training course could be individuals facing other barriers to employment, such as individuals with limited English-language proficiency, displaced homemakers, school dropouts, teenage parents, the handicapped, older workers, veterans, offenders, alcoholics, or addicts.

Madam President, I ask unanimous consent that the full text of the bill and the section-by-section analysis be printed in the RECORD.

There being no objection, the bill and the section-by-section analysis were ordered to be printed in the RECORD, as follows:

S. 764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Job Skills Partnership Act".

SEC. 2. The Job Skills Partnership Act (hereinafter referred to as the "Act") is amended—

(1) by redesignating title V and all references thereto as title VI,

(2) by redesignating sections 501, 502, 503, and 504, as sections 601, 602, 603, and 604, respectively, and

(3) by inserting after title IV the following new title:

"TITLE V—JOB SKILLS PARTNERSHIP PROGRAM

"STATEMENT OF PURPOSE

"SEC. 501. (a) It is an important purpose of government to increase opportunities for gainful employment, to assist in promoting a productive and expanding economy, and to encourage the flow of business and industry support for job skills training. It is the purpose of this title to encourage and facilitate the formation of partnership relationships between business and State and local government institutions, with the active support of the Federal Government, to provide for the development and significant expansion of programs of skills training and education directly consistent with employment needs.

"ALLOTMENT

"SEC. 502. From the amounts reserved pursuant to paragraphs (1) and (2) of section 3(d) to carry out this title for each fiscal year, there shall be allotted to each State an amount which bears the same ratio to the civilian labor force of such State as the total amount available for this title bears to the civilian labor force of all States, except that no State shall receive less than one-half of 1 percent of the amount being allotted for each program year and no State shall receive more than 10 percent of the amount being allotted for each fisal year.

"ELIGIBILITY FOR SERVICES

"SEC. 503. (a) An individual shall be eligible to participate in job skills programs receiving assistance under this title only if such individual is—

"(1) economically disadvantaged;

"(2) a dislocated worker, who has been identified pursuant to section 302 of this Act; or

"(3) a worker already employed by an existing industry or business, where job skills upgrading or retraining is necessary to avoid dislocation or where upgrading of existing employees would create new vacancies for other persons eligible under this section.

"(b) Up to 10 percent of the participants in a job skills program plan receiving assistance under this title may be individuals who are not eligible under subsection (a) if such individuals have encountered barriers to employment. Such individuals may include, but are not limited to, those who have limited English-language proficiency, or are displaced homemakers, school dropouts, teenage parents, handicapped, older workers, veterans, criminal offenders, alcoholics, or addicts.

"USE OF FUNDS

"SEC. 504. (a) Financial assistance provided to States under this title may be used to assist eligible individuals to obtain unsubsidized employment through a job skills program, a cooperative course of instruction bringing together government and business concerns to prepare individuals for employment in a specific trade, occupation, or profession, and may involve—

"(1) short-term skills training which has been designated for a specific trade, occupation, or profession;

"(2) on-the-job skills training which has been designated for a specific trade, occupation, or profession;

"(3) skills training operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers for a specific trade, occupation, or profession; or

"(4) skills upgrading or retraining for workers already employed by an existing business concern where necessary to avoid dislocation or where upgrading of existing employees would create new vacancies for unemployed persons.

"(b) Financial assistance provided to States under this title may not be used for wages, stipends, allowances, or subsidized employment of any kind.

"(c) Not more than 5 percent of the allotment to each State for each fiscal year for the job skills program established under this title may be expended for the cost of administration, including the cost of auditing activities and other activities under parts B, C, and D of title I of this Act applicable to this title.

"MATCHING REQUIREMENTS; FEDERAL SHARE

"SEC. 505. (a) Each State receiving financial assistance under this title shall assure that at least 50 percent of the funds for the job skills program established by this title will be furnished by business concerns within the State. The non-Federal contribution by business concerns may consist of financial support, equipment, or technical assistance. Two or more business concerns may jointly contribute to a job skills program course.

"(b) Each State receiving financial assistance under this title shall, from State sources, furnish 25 percent of the cost of the job skills program established by this title.

"(c) The Federal share for any fiscal year shall be 25 percent.

"ADMINISTRATION OF JOB SKILLS PROGRAM

"SEC. 506. (a) In order for the State to receive funds under this title, the Governor of each State shall designate as an entity to administer the job skills program—

"(1) an existing or newly created State agency, quasi-public corporation, or public nonprofit corporation, to be the statewide agency administration the job skill program; or

"(2) private industry councils, as provided for in title I of this Act, to administer the job skills program in each service delivery area in the State.

"(b) Whenever a statewide agency is designated pursuant to subsection (a)(1), the agency shall—

"(1) have as one of its primary purposes the provision of a job skills programs involving a cooperative course of instruction bringing together government and business concerns to prepare individuals for employment in a specific trade, occupation, or profession;

"(2) receive matching contributions by business concerns in the State through financial support, equipment, or technical assistance; and

"(3) receive matching funds from direct State appropriation.

"(c) Whenever private industry councils are designated pursuant to subsection (a)(2), the job skills program shall be administered pursuant to the provisions of titles I and V of this Act. Each private industry council is authorized to—

"(1) provide a job skills program involving a cooperative course of instruction bringing together government and business concerns to prepare individuals for employment in a specific trade, occupation, or profession;

"(2) receive matching contributions by business concerns in the State through financial support, equipment, or technical assistance; and

"(3) receive matching funds from direct State appropriation.

"(d) Each State shall certify—

"(1) that the Governor has made a designation pursuant to subsection (a); and

"(2) that the requirements of subsection (b) or (c) are met.

"FUNCTIONS OF STATEWIDE AGENCY

"SEC. 507. (a) Whenever a statewide agency is designated to administer the job skills program, the agency shall provide policy guidance for, and exercise oversight with respect to, activities under job skills program plans prepared under section 508.

"(b) The agency shall—

"(1) determine procedures for the development of job skills program plans; and

"(2) select as a grant recipient and entity to administer each job skills program plan (which may be separate entities), (A) the agency, (B) another State agency, (C) a nonprofit private organization or corporation, or (D) any other agreed upon entity or entities.

"(c) The agency is authorized to provide oversight over the activities conducted under each job skills program plan in accordance with procedures established by the agency. In order to carry out this subsection, the agency shall have access to such information concerning the activities of each job skills program plan as is necessary.

"(d) In order to carry out its functions under this Act, the agency—

"(1) shall prepare and approve a budget for itself; and

"(2) may hire staff, incorporate, and solicit and accept contributions and grant funds (from other public and private sources).

"(e) As used in this section, the term 'oversight' means reviewing, monitoring, and evaluating.

"JOB SKILLS PROGRAM PLAN

"SEC. 508. (a) Whenever a statewide agency is designated to administer the job skills program, no funds appropriated for this title may be provided to such agency except pursuant to a job skills program plan which is prepared in accordance with section 507 of this Act and which meets the requirements of this section.

"(b) Whenever private industry councils are designated to administer the job skills program, no funds appropriated for this title may be provided to any service delivery area except pursuant to a job skills program plan which is prepared in accordance with section 103 of this Act and which meets the requirements of this section.

"(c) A job skills program plan shall be prepared for each individual skills training course proposed for a grant recipient, in which business concerns are providing a matching contribution of 50 percent and State funding sources are furnishing a contribution of 25 percent. Each such plan may be submitted at any time during the program year.

"(d) Each job skills program plan shall contain—

"(1) identification of the entity or entities which will administer the course and be the grant recipient;

"(2) a description of the course, the type of skills training or education to be provided, a statement of the total cost of the course, the estimated skills training cost per participant, a breakdown of the cost associated with equipment, personnel, facilities, and materials, a statement of the employment needs for the course and evidence in support thereof, and a demonstration that the program does not unnecessarily duplicate existing programs in the area and is provided at a reasonable cost;

"(3) assurances that at least 50 percent of the funds for the course described in the plan will be furnished by business concerns within the State, and a statement of the financial support, equipment, and technical assistance received or to be received from business concerns;

"(4) assurances that the State, from State sources, will furnish 25 percent of the cost of the course;

"(5) procedures for identifying and selecting participants and for eligibility determination and verification;

"(6) performance goals established in accordance with section 511 of this Act;

"(7) the procedures, consistent with section 510 of this Act, used for selecting service providers which takes into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

"(8) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan under section 121 of this Act;

"(9) fiscal control, accounting, audit, and debt collection procedures to assure the proper disbursal of, and accounting for, funds received under this title; and

"(10) procedures for the preparation and submission of an annual report to the Governor which shall include—

"(A) a description of all training activities conducted during the program year under this and all other plans;

"(B) characteristics of all participants in all training activities under this and all other plans; and

"(C) the extent to which training activities during the program year under all plans exceeded or failed to meet relevant performance standards.

REVIEW AND APPROVAL OF JOB SKILLS PROGRAM PLAN

Sec. 509. (a)(1) Each job skills program plan prepared in accordance with section 508 of this Act shall be submitted to the Governor for approval or the Governor's designated representative for approval on a competitive basis with other job skills program plans.

"(2) The Governor may designate the State job training coordinating council, constituted pursuant to section 122 of this Act, or any statewide agency administering the job skills program to be the Governor's representative to review job skills program plans submitted for approval.

"(3) In determining whether to approve a job skills program plan, the Governor or Governor's designated representatives shall evaluate—

"(A) whether the plan may reasonably be expected to succeed in placing job skills training participants in employment;

"(B) the number of jobs to be created or retained by preventing dislocation under the plan;

"(C) whether the plan involves an area of job skills training for which there is a demonstrable employment need;

"(D) the reasonableness of the job skills training plan's cost per participant;

"(E) the reasonableness of the overall cost of the job skills training plan;

"(F) the likely effectiveness of the program in increasing earnings and reducing welfare dependence of the participants;

"(G) the ability of the service provider to effectively deliver job skills training services;

"(H) whether the plan duplicates existing programs in the area;

"(I) whether there are adequate safeguards for the protection of funds received;

"(J) whether corrective measures for deficiencies found in audits or in meeting performance standards from previous years have been taken or are acceptably underway;

"(K) whether the plan complies with the provisions of this Act and the regulations of the Secretary under this Act; and

"(L) whether the plan complies with criteria under section 121(b) of this Act for coordinating activities under this Act with related program activities.

"(4) The Governor or the Governor's designated representative shall approve or disapprove the job skills program plan within 30 days after the date on which the plan is submitted.

"(5) Funds allocated pursuant to any single job skills program plan approved under this section shall not exceed $200,000.

"(b)(1) Whenever—

"(A) private industry councils are designated to administer the job skills program, and

"(B) the private industry council and the appropriate chief elected official or officials fail to reach the agreement required under section 103 (b) or (d) of this Act and, as a consequence, funds for the service delivery area may not be made available under section 508 of this Act,

then the Governor may redesignate, without regard to section 101(a)(4) and (c)(1) of this Act, the service delivery areas in the State to merge the affected area into one or more other service delivery areas, in order to promote agreement. In making the determination required by this paragraph, the Governor shall consider whether the benefits of such redesignation to the administration of this title would be outweighed by the disadvantages of such redesignation on the administration in the affected service delivery area of other activities under this Act.

"(2) In any State in which service delivery areas are redesignated under paragraph (1) of this subsection, private industry councils shall, to the extent necessary for the redesignation, be reconstituted and job skills program plans modified as required to comply with section 102 and 103 of this Act. Services under approved job skills program plans or an approved job training plan shall not be suspended while the council is reconstituted and plans are modified in accordance with this subsection.

"SELECTION OF SERVICE PROVIDERS

"SEC. 510. (a) The primary consideration in selecting agencies or organizations to deliver services under a job skills program plan prepared in accordance with section 508 of this Act and approved in accordance with section 509 of this Act shall be the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance, in terms of the likelihood of meeting performance goals, cost, quality of skills training, and characteristics of participants.

"(b) Financial assistance provided under this title shall not be used to duplicate facilities or services available in the State or service delivery area (with or without reimbursement) from Federal, State, or local sources, unless it is demonstrated that alternative services or facilities would be more effective or more likely to achieve the job skills program's performance goals.

"PERFORMANCE STANDARDS

"SEC. 511. (a) The Secretary shall prescribe annual performance standards for programs under this title based on placement, retention in unsubsidized employment, increase in earning, and reductions in welfare dependency.

"(b) Whenever private industry councils are designated to administer the job skills program, the provisions of section 106(h) of this Act shall apply to a failure to meet performance standards.

"(c) Whenever a statewide agency is designated to administer the job skills program, the Governor shall order a special review by the State job training coordinating council of the reasons for any failure of the job skills program to meet performance standards for a program year. If a failure to meet performance standards persists for a second year, the Governor shall impose a reorganization plan. Such a plan may designate a new statewide agency to administer the job skills program or make such other changes as the Governor deems necessary to improve performance.

"STATE RESPONSIBILITIES, PROGRAM REQUIREMENTS AND FISCAL ADMINISTRATION

"SEC. 512. (a) The applicable provisions of part B of title I of this Act, relating to State responsibilities, shall apply to the job skills program established under this title.

"(b) The applicable provisions of part C of title I of this Act, relating to program requirements, shall apply to the job skills program established under this title.

"(c) The applicable provisions of part D of title I of this Act, relating to Federal and fiscal administrative requirements, shall apply to the job skills program established under this title.

"ADDITIONAL SKILLS TRAINING

"SEC. 513. Nothing in this title shall be construed to limit State or private industry council authority to establish other or augmented job skills programs and courses, involving State and business concern matching contributions, through financial assistance provided under titles II and III of this Act.".

SEC. 3. (a) Section 3 of the Act is amended—

(1) by redesignating subsection (e) as subsection (f), and

(2) by adding after subsection (d) the following new subsection:

"(d)(1) From the amount appropriated pursuant to subsection (a)(1) of this section to carry out part A of title II of this Act, after amounts reserved under subsection (a)(2) in each fiscal year, an amount equal to 5 percent in each fiscal year shall be reserved to carry out title V of this Act.

"(2) From the amount appropriated pursuant to subsection (c) to carry out title III of this Act, an amount equal to 5 percent in each fiscal year shall be reserved to carry out title V of this Act.".

(b) Section 4 of the Act is amended—

(1) by redesignating paragraphs (9) through (12) as paragraphs (11) through (14), respectively;

(2) by inserting after paragraph (9) the following new paragraphs:

"(9) The term 'equipment' means tangible personal property which will further the objectives of the supported job skills program and for which a definite value and evidence in support of the value have been provided by the donor.

"(10) The term 'financial support' means anything of value which is contributed by a business concern which is reasonably calculated to support directly the development and expansion of a job skills program. The term includes funds, equipment, facilities, faculty and scholarships for trainees.";

(3) by redesignating paragraphs (13) through (24) as paragraphs (16) through (27), respectively.

(4) by inserting the following new paragraphs after paragraph (14):

"(15) The term 'job skills program' means a cooperative course of instruction bringing together government and business concerns to prepare individuals for employment in a specific trade, occupation, or profession, as authorized by title V of this Act.";

(5) by redesignating paragraphs (25) through (28) as paragraphs (29) through (32), respectively; and

(6) by inserting after paragraph (27) the following new paragraph:

"(28) The term 'technical assistance' means professional and other assistance provided by a business concern which is reasonably calculated to support directly the development and expansion of a job skills program.".

(c)(1) Section 103(a) of the Act is amended by inserting after "job training plan" the following: "and job skills program plan (whenever private industry councils are designated to administer the job skills program pursuant to title V of this Act)".

(2)(A) Section 103(b)(1)(A) of the Act is amended—

"(i) by inserting "and jobs skills program plan" after "job training plan"; and

(ii) by striking out "the plan" and inserting in lieu thereof "the plans".

(B) Section 103(b)(1)(B) of the Act is amended by inserting "and jobs skills program plan" after "job training plan".

(C) Section 103(b)(2) of the Act is amended by inserting "and jobs skills program plan" after "job training plan".

(3)(A) Section 103(d) of the Act is amended by inserting "or jobs skills program plan" after "job training plan".

(B) Section 103(d)(1) of the Act is amended by striking out "the plan has" and inserting in lieu thereof "such plans have".

(C) Section 103(d)(2) of the Act is amended by striking out "the plan is" and inserting in lieu thereof "such plans are".

(4) Section 103(e)(1) of the Act is amended by inserting "and jobs skills program plan" after "job training plan".

(d)(1) The heading of section 105 is amended to read as follows:

"REVIEW AND APPROVAL OF JOB TRAINING PLAN"

(2) The item relating to section 105 in title I in the table of contents is amended to read as follows:

"Sec. 105. Review and approval of job training plan.".

(e) Section 106(h) of the Act is amended—

(1) by redesignating paragraphs (3) and (4) and paragraphs (4) and (5), respectively; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) If the failure to meet performance standards relates solely to the job skills pro-

gram authorized by title V of this Act, the Governor may develop further job skills program funds available under title V to that service delivery area or impose a reorganization plan with respect to the service delivery area.".

(f)(1) Section 121(a)(1) of the Act is amended by inserting after "job training" a comma and the following: "job skills,".

(2) Section 121(a)(2) of the Act is amended by striking out "and its" and inserting in lieu thereof a comma and the following: "State agencies, and the State's".

(3) Section 121(b)(1) of the Act is amended by striking out "title III" in the parenthetical and inserting in lieu thereof "titles III and V".

(4) Section 121(c)(1) of the Act is amended by inserting after "service delivery areas" the following: "and any statewide agency administering the job skills program".

(5) Section 121(c) of the Act is amended—

(A) by resesignating clauses (8), (9), and (10) as clauses (9), (10), and (11), respectively; and

(B) by adding after paragraph (7) the following new clause:

"(8) activities under title V of this Act;".

(g)(1) Section 122(a)(3)(B) of the Act is amended by inserting after "equivalent" a comma and the following: "any statewide agency administering the job skills program".

(2) Section 122(b)(3) of the Act is amended by inserting after "job training plans" the following: "and job skills program plans".

(3) Section 122(b) of the Act is amended—

(A) by redesignating clauses (5), (6), (7), and (8) as clauses (6), (7), (8), and (9), respectively; and

(B) by adding after clause (4) the following new clause:

"(5) review the operation of any statewide agency administering a job skills program and make recommendations to such agency, the Governor, the State legislature, and the general public;".

(h)(1) Section 123(a)(1) of the Act is amended by inserting after "State" the second time it appears a comma and the following: "any statewide agency administering the job skills program".

(2) Section 123(c)(1) of the Act is amended by striking out "title II" and inserting in lieu thereof "titles II and V".

(i)(1) The heading of part C of title I of the Act is amended to read as follows:

"PART C—PROGRAM REQUIREMENTS".

(2) The item relating to part C of title I in the table of contents is amended to read as follows:

"PART C—PROGRAM REQUIREMENTS".

(j)(1) Section 141(a) of the Act is amended by inserting after "job training plan" the following: "and job skills program plan".

(2) Section 141(e) of the Act is amended by adding at the end thereof the following new sentence: "Whenever private industry councils are designated to administer the job skills program established under title V of this Act, only eligible individuals residing in the service delivery area may be served by the job skills program plans assisted under title V, except that a job skills program plan may provide for limited exceptions to the requirement contained in this sentence.".

(3) Section 141(g) of the Act is amended by adding at the end thereof the following: "No payment shall be made to employers for on-the-job training under title V of this Act as subsidized wages. Payments made to employers under title V shall be made only for the cost of training participants and such other costs permitted under section 504 of this Act.".

(4) Section 141(p) of the Act is amended to read as follows: "No funds available under part B of this title, part A of title II, or title V may be used for public service employment.".

(k) Section 143(c)(2) of the Act is amended by adding at the end thereof the following new sentence: "An opportunity for comment need not be provided with respect to job skills program plans developed under section 508 of this Act.".

(l) Section 144(c) of the Act is amended by inserting after "job training plan" the following: "or the job skills program plan".

(m) Section 162(e) of the Act is amended by inserting after "service delivery area" the following: "or any statewide agency administering the job skills program".

(n)(1) Section 164(a)(1) of the Act is amended by striking out "and III" and inserting in lieu thereof "III, and V".

(2) Section 164(a)(2) of the Act is amended by striking out "and III" and inserting in lieu thereof "III, and V".

(3) Section 164(a)(2) of the Act is further amended by inserting after "State administering agency" a comma and the following: "any statewide agency administering the job skills program".

(4) Section 164(c)(3) of the Act is amended by inserting after "State," the following: "any statewide agency administering the job skills program".

(o) Section 165(c) of the Act is amended by striking out "title I" and inserting in lieu thereof "titles I and V".

JOB SKILLS PARTNERSHIP ACT —SECTION-BY-SECTION ANALYSIS

ENACTMENT CLAUSE

The enactment clause provides that this Act may be cited as the "Job Skills Partnership Act." The Act's short title is intended to emphasize the cooperation between government institutions and business concerns which the bill promotes through the establishment of job skills training programs. In addition, the similarity of this short title to that of the Job Training Partnership Act (JTPA) expresses the close relationship this new job skills program will have with the job training programs established under the JTPA.

SECTION 2

This section amends the Job Training Partnership Act (Public Law 97-300) by adding a new Title V, "The Job Skills Partnership Program." The present Title V, "Miscellaneous Provisions," is redesignated as Title VI. The new Title V Job Skills Program will operate, to a large extent, within the framework of the JTPA and will be subject to the administrative requirements and fiscal controls of that statute.

The new Title V, "Job Skills Partnership Program," will contain the following sections:

Section 501, Statement of Purpose, briefly outlines the purpose and intent of the Job Skills Partnership Act.

Section 502, Allotment, establishes a formula to allot funds for Title V to the states. This formula was adopted from S. 2811, the job skills training bill introduced in 1984 by Senator Tsongas. The formula is based on each state's relative share of the civilian labor force, with the exceptions of guaranteeing each state at least one-half of one percent of available funds and limiting any state's share to 10 pecent.

Section 503, Eligibility for Services, establishes three basic groups of eligible individuals to provide broad opportunities for job skills training to a large segment of the population:

(1) the economically disadvantaged, defined in section 4(8) of the JTPA as low-income individuals and individuals receiving government assistance;

(2) dislocated workers, defined in section 302(a) of the JTPA as individuals terminated or laid-off from employment and unlikely to return to their previous industry or occupation, terminated as a result of a permanent plant closure, or the long-term unemployed with limited opportunity for employment in the same or similar occupation; and

(3) presently employed workers if skills upgrading or retraining will prevent their termination from employment or will create job openings for economically disadvantaged individuals or dislocated workers.

This third group is not presently being served under the JTPA.

This section also provides that up to 10 percent of the participants in a job skills program plan may be individuals who do not fall into the above three categories but who face other obstacles to employment. This provision is adopted from section 203(a)(2) of the JTPA, regarding eligibility for Title II training services for disadvantaged youth and adults.

Section 504, Use of Funds, lays out the authorized uses for funds appropriated for Title V. Financial assistance is limited to job skills training designed to assist eligible individuals to obtain unsubsidized employment in a specific trade, occupation, or profession. Funds appropriated are not to be used for income-maintenance purposes; funds are to be used solely for actual skills training. In addition, a limitation of 5 percent for administrative costs is intended to assure that most of the appropriated funds are devoted to actual training activities. This limitation would apply to all administrative expenses, including auditing, state responsibilities, program requirements, and federal and fiscal control requirements under the JTPA. Both Senator Tsongas' 1984 bill and state job skills training statutes establish such a 5 percent limitation.

Section 505, Matching Requirements; Federal Share, requires a matching contribution for this program of at least 50 percent from private business sources and 25 percent from state sources. The basic thrust of the Job Skills Program is accomplished by this matching requirement. By requiring a substantial contribution, businesses are given strong incentive to hire the individuals from the training program contributed to. These businesses will have participated in the establishment of the job skills training course which will train individuals for specifically designated jobs in those businesses. Thus the Job Skills Program not only directly matches training with employment needs, but also works to leverage private investment in job training programs.

The business contributions may be direct financial support or in-kind, through equipment or technical assistance. Those terms are defined in section 3(b) of this bill. Small businesses may also pool resources to meet this matching requirement.

Section 506, Administration of Job Skills Program, provides that, as with the JTPA, the Job Skills Program will be administered by the states, not the federal government. Each state Governor will be given the choice of creating a new agency or designating an existing agency to administer the

program on a statewide basis, or of designating the private industry councils, established by the JTPA in each service delivery area, as the entity or entities to administer the new Job Skills Program. The Governor will then certify to the Secretary of Labor the designation of the selected administrative entity or entities which will have the authority to administer the program.

As with the JTPA, the federal government's role will be one, not of administration, but rather to establish performance standards to objectively measure the success or failure of the program. The performance standards are provided for in new section 511 and section 3(e) of this bill.

Section 507, Functions of Statewide Agency, outlines the basic functions of a statewide agency to administer the Job Skills Program. The statewide agency is authorized to develop job skills program plans (which develop the actual skills training course), select entities to administer and carry out the course, and provide general oversight over job skills training activities.

If the Governor designates private industry councils to administer the Job Skills Program, the functions of these councils are established in section 103 of the JTPA, as amended by section 3(c) of this bill.

Section 508, Job Skills Program Plan, requires the preparation of a job skills program plan for submission to the Governor as a prerequisite to the allocation of funds to the entity administering the Job Skills Program. This section is analogous to section 104 of the JTPA concerning the preparation of job training plans by private industry councils. However, the job training plan is prepared on a two-year basis as a general plan covering all training activities within a service delivery area. The job skills program plan prepared under this section will be prepared separately for each individual course of skills training established under a grant recipient with business and state matching contributions. Several job skills program plans may be submitted at various times during a year as each specifically customized job skills training course is developed.

Each job skills program plan will identify the entities carrying out the course of job skills instruction, destruction, describe the course of skills training and its costs, assure that matching funds requirements are met, and contain information necessary to meet performance goals, fiscal control, and other requirements under the general administration of the JTPA.

Section 509, Review and Approval of Job Skills Program Plan, establishes criteria for in-state allocation of Title V funds on a competitive basis according to job skills program plan merit. The criteria to be considered include the likelihood of the course's success in placing individuals in employment, the number of jobs involved, the reasonableness of the course's cost, and the ability of the service provider to effectively deliver the job skills training services. No more than $200,000 may be allocated to any single job skills program plan.

Due to the different nature of the Job Skills Program, involving several different job skills program plans submitted at various times during a year, the approval mechanism is more streamlined than that of job training plans under the JTPA. Thus this section requires a decision by the Governor within 30 days and makes no provision for delays due to petitions by interested parties against the plan. The Governor may designate the State Job Training Coordinating Council, constituted pursuant to section 122 of the JTPA, or the statewide agency administering the Job Skills Program as the representative to pass upon job skills program plans.

Under section 105(c) of the JTPA, if a private industry council and the chief local elected official are unable to agree on a job training plan for a service delivery area, the Governor is required to redesignate the service delivery area in an attempt to promote the reaching of agreement. Under this new section 509, if a private industry council is administering the Job Skills Program and is unable to reach agreement on a job skills program plan with the chief local elected official, the Governor is given the option of either ordering a redesignation of the service delivery area to promote agreement or instead denying Title V funds to that service delivery area. This discretion is granted to the Governor in recognition that the private industry council, although unable to prepare a job skills program plan, may be successfully overseeing activities under Title IIA, the economically disadvantaged training program, which involves a much greater commitment of funds than the new Title V Job Skills Program. The Governor may determine that it would be inappropriate to alter this successful administration of Title IIA merely to implement the new Title V program in that service delivery area.

Section 510, Selection of Service Providers, on selection of the entities to administer the actual training courses under a job skills program plan, was adopted primarily from the similar provision in section 107 of the JTPA. The basic purposes of this provision is to assure that service providers be selected on the basis of merit in terms of operating high quality skills training. This section further provides that funds available for Title V shall not be used wastefully to duplicate presently existing services.

Section 511, Performance Standards, provides that the primary role of the federal government, under both the JTPA and this bill, is not to administer training programs but rather to establish objective performance standards to judge the success or failure of such programs. States are given great discretion in the methods and types of training, provided the basic performance criteria are met. This section instructs the Secretary of Labor to develop performance standards for the Job Skills Program, taking into account the basic measures of placement and retention in employment, increase in earnings of the individual, and reduction in welfare dependency.

If private industry councils are administering the Job Skills Program, the failure to meet these performance standards is governed by section 106(h) of the JTPA, as amended by section 3(e) of this bill.

If an agency is administering the Job Skills Program on a statewide basis and fails to meet performance standards, the Governor must take necessary actions to improve performance, such as designating a different agency to administer the program or restructuring the existing agency.

Section 512, State Responsibilities, Program Requirements and Fiscal Administration, confirms that the new Title V Job Skills Program is subject to the general requirements of the JTPA. This section provides that the Job Skills Program is subject to:

Part B of Title I, which establishes certain additional state responsibilities, including preparation of a Governor's coordination and special services plan to coordinate all employment and training programs in the state, creation of a State Job Training Coordinating Council with broad representation and duties including advising the Governor and administrative entities on training programs, and coordination of training programs under the JTPA with educational institutions in the state;

Part C of Title I, which establishes general program requirements for the JTPA and provides for labor standards and a grievance procedure; and

Part D of Title I, which focuses on federal and fiscal administrative provisions, including establishing of training programs on a program year basis, the requiring of prompt allocation of appropriated funds, authorizing the Secretary of Labor to monitor training programs, requiring states to establish fiscal controls and fund accounting procedures and prepare independent audits, requiring fund recipients to make reports and keep records, and mandating nondiscrimination in training programs.

Section 513, Additional Skills Training, provides that although Title V funds must be used for a Job Skills Program involving matching contributions from private and state sources, funds appropriated for Title II (training programs for the economically disadvantaged) and Title III (employment and training programs for dislocated workers) may also be available to establish similar or augmented skills training courses involving business cooperation and matching contributions. States with job skills legislation have drawn upon some JTPA funds to assist in the operation of job skills programs.

SECTION 3

The following sections of the Job Training Partnership Act (Public Law 97-300) are amended as follows:

Section 3, Authorization of Appropriations, is amended to authorize appropriations for the new Title V "Job Skills Partnership Program" by reserving 5 percent of the appropriations for part A of Title II (training services for disadvantaged youth and adults) and 5 percent of the appropriations for Title III (employment and training assistance for dislocated workers).

Appropriations for Title IIA for fiscal year 1985 amount to $1.9 billion. A 5 percent reservation from this appropriation would amount to $95 million. Appropriations for Title III for 1985 are $223 million; a 5 percent reservation thus amounting to $11 million. Assuming that appropriations for fiscal year 1986 are frozen at the 1985 level, the total amount available for the Job Skills Program under the new Title V would be $106 million.

The Job Skills Program requires no new authorization for federal spending.

Section 4, Definitions, is amended by adding a definition of "job skills program", and by defining the types of contributions that may be made by business concerns: "equipment", "financial support", and "technical assistance".

Section 103, Functions of Private Industry Council, is amended to expand the functions of private industry councils to include administration of the Job Skills Program for the service delivery area if the Governor so designates. The council will be authorized to provide policy guidance and oversight over the Job Skills Program, develop a job skills program plan, select grant recipients and administering entities to carry out the plan through an actual job skills training course, and submit a job skills program plan to the Governor, with the joint agreement of the

council and the chief elected official of the general local government in the service delivery area.

Section 105, Review and Approval of Plan, is amended by changing the subject heading of the section to indicate that it applies only to review and approval of the job training plan provided for under section 104. Review and approval of the job skills program plan is governed by section 509 of this bill.

Section 106, Performance Standards, is amended to provide that if private industry councils are designated to administer the Job Skills Program, the failure to meet objective performance standards will be governed by section 106(h). Section 106(h) provides that if performance standards are not met for two successive years, the Governor must impose a reorganization plan which may restructure the council, prohibit use of certain service providers, or make other changes.

This bill amends section 106(h) to provide that if the failure to meet performance standards relates solely to the Job Skills Program, the Governor may choose to avoid reorganization by denying funds for Title V to that service delivery area. In recognition that a private industry council may be successfully operating the Title IIA training program for the economically disadvantaged, the Governor may determine it is more appropriate to forgo the Job Skills Program in that service delivery area than to interfere with an otherwise successful private industry council.

Section 121, Governor's Coordination and Special Services Plan, is amended to incorporate the new Job Skills Program into the requirement under the JTPA that the Governor develop a coordination and special services plan. This plan establishes criteria for coordinating JTPA programs with other services provided in the state. The Governor's coordination and special services activities include providing assistance in carrying out training programs, and, with the amendment in this bill, will include providing assistance in operating activities under the new Title V.

Section 122, State Job Training Coordinating Council, is amended to add oversight of the Job Skills Program to the duties of the State Job Training Coordinating Council. This Council was created to advise the Governor on a coordination and special services plan, to make recommendations to the Governor on the selection of service delivery areas, and to provide general advice and oversight on all employment and training activities in the state and under the JTPA. As with job training plans under the JTPA, the Council will advise the Governor on job skills program plans and will certify the consistency of such plans with the Governor's coordination and special services plan. The bill also provides that officials from a statewide agency administering the Job Skills Program may be members of this Council.

Section 123, State Education Coordination and Grants, is amended to incorporate the Job Skills Program into the provision for coordination of JTPA training programs with educational institutions in the state. Funding is provided under Title IIA to be used by the Governor to assist state education agencies in providing services for participants in JTPA programs through cooperative agreements with the agencies administering those training programs. The bill amends section 123 to permit the use of such state education coordination grants to provide services, including special assistance to individuals who require it, to participants under the Job Skills Program.

The Heading of Part C of Title I, Program Requirement for Service Delivery System, is amended to clarify that Part C establishes program requirements for the entire JTPA, not merely programs within service delivery areas.

Section 141, General Program Requirements, is amended in various ways to incorporate the Job Skills Program into general JTPA program requirements:

The Job Skills Program is incorporated into the requirements that training be provided only to those most in need and best able to benefit from the opportunity, and that training programs should provide equitable services to a substantial segment of the eligible population.

Eligibility for the Job Skills Program is generally limited to persons residing within the service delivery area, if private industry councils are designated to administer the program.

Funds available for the Job Skills Program shall not be used for subsidized employment or for wages in an income-maintenance program. Any payments made to employers for on-the-job training shall be used only for actual skills training activities.

The new Job Skills Program is placed within the prohibition on the use of funds for public service employment. This again emphasized that Title V funds are to be used only for actual skills training activities.

Section 143, Labor Standards, provides that labor organizations representing a substantial number of employees engaged in the same or similar work in the same area shall be given the opportunity to comment on training to be funded under the JTPA. This bill amends that section to provide that such an opportunity for comment by labor organizations need not be provided with regard to job skills program plans. Due to the shorter period of time for approval of job skills program plans and the likelihood that several such plans may be developed in a year, it may not always be appropriate to provide a comment period for interested parties, such as labor organizations. Nothing in this statement, however, prevents a state from choosing to provide such an opportunity for comment.

Section 144, Grievance Procedure, is amended to incorporate the Job Skills Program into the grievance procedure of the JTPA. This section requires each administrative entity and grant recipient under the JTPA to establish a grievance procedure for participants, subgrantees, subcontractors, and other interested parties. The Secretary of Labor is instructed to investigate grievances where the grievance procedure is exhausted without a decision or the Secretary believes the recipient is failing to comply with the JTPA or the training plan, including a job skills program plan.

Section 162, Prompt Allocation of Funds, provides that allotments and allocations under the JTPA are to be based on the latest available data including census information, that formulas for allotments are to be published in the Federal Register, that funds are to be allotted to the states within 45 days after enactment of appropriations, and that funds are to be made available to the grant recipient carrying out the training program within 30 days after the Governor receives the funds or 7 days after a training plan is approved, whichever is later. This bill incorporates the Job Skills Program into this requirement for prompt allocation of funds.

Section 164, Fiscal Controls; Sanctions, is amended to subject the Job Skills Program to the requirements that the states establish fiscal control, fund accounting, and audit procedures, and that state agencies administering these programs make accounts and records open to the Comptroller General. Section 164(a)(2) requires an independent financial and compliance audit at least once every two years, but makes exemptions for certain recipients of JTPA funds. However, this subsection provides that this exemption from audits does not apply to the major JTPA administrative agencies, such as private industry councils and service delivery area training plan administrative agencies. This bill adds the statewide agency administering the Job Skills Program to those entities who may not be exempted from mandatory audits.

Section 165, Reports, Recordkeeping, and Investigations, is amended to incorporate the Job Skills Program into the requirements that recipients shall maintain records to permit the tracing of funds, shall make reports as required by the Secretary of Labor concerning its operations and expenditures, and shall maintain a management information system necessary for reporting, monitoring, and evaluating purposes. The Secretary is also instructed to conduct investigations to ensure compliance with the provisions of the JTPA.

RECOGNITION OF SENATOR BOSCHWITZ

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota [Mr. BOSCHWITZ] is recognized for not to exceed 15 minutes.

AMERICAN FARM EXPORTS

Mr. BOSCHWITZ. Madam President, I rise today to talk about the sudden worsening of the Nation's farm export picture. This has occurred particularly across the board at an alarming rate. Over the last few years, we have seen our percentage of the export markets shrink. We have also seen the actual dollar amounts of our exports in agriculture shrink. We have also seen the tonnage shrink as well.

In a country where we have $123 billion of imports exceeding exports, a negative balance of $123 billion, nevertheless in the case of agriculture we still have a very healthy export surplus. We exported $37 billion worth of farm goods last year and imported approximately half of that.

A few years ago, the proportion was even 3 to 1.

So we see not only our dollar volume shrinking, and our tonnage volume shrinking, but unfortunately in recent days we have seen the sudden worsening of this declining capability, of declining exports particularly in the area of wheat. The problems, of course, is price.

Unfortunately, we find the Argentines are willing to ship wheat at approximately $108 a metric ton, while at the same time the average price in the United States is somewhere in the

$140 to $150 range per ton. The results are very predictable.

Madam President, I ask unanimous consent that an article from the Wall Street Journal of this past Monday be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 25, 1985]

SUDDEN WORSENING OF NATION'S $37 BILLION FARM-EXPORT MARKET MAY POSTPONE RECOVERY IN THE TROUBLED AGRICULTURAL ECONOMY

(By Wendy L. Wall)

CHICAGO.—One day last month Soviet purchases of U.S. grain set a record. But on the Chicago Board of Trade, grain prices were tumbling.

Although Moscow's big imports grabbed headlines that day, traders had been expecting the Soviet record for months. They focused instead on much fresher, and very bearish, developments:

Turkey had just withdrawn an offer to buy some $70 million of U.S. wheat. India, a major importer of vegetable oil, had shunned U.S. soybean oil in favor of competing oils from Brazil, traders said. And even as Moscow made more U.S. corn purchases, it called off major wheat sales for the third time in as many weeks. To make matters worse, rumors flew that a ship loaded with Chinese grain was steaming across the Pacific toward Mexico—one of U.S. farmers' best customers.

The competitive assault reflects an alarming erosion of U.S. grain markets in recent weeks. Although farm exports have been falling almost steadily for five years, a combination of factors has led to a sudden turn for the worse, with foreign buyers cancelling at least $255 million in planned purchases so far this year. Even large Soviet imports, which salvaged U.S. grain exports last fall, haven't been enough to turn the tide.

"The situation has gotten dramatically worse since Christmas," says Dave Rogers, assistant vice president of the commodity marketing division at Cargill Inc.

The sudden and unexpected darkening of the U.S. farm-export market—which is expected to yield $37 billion in total revenue for the year ending Sept. 30 and which absorbs more than 40% of major U.S. crops—is likely to delay any recovery in the deeply troubled farm economy. The slump has still broader implications, threatening to widen the U.S. trade deficit. Barring a steep decline in the dollar or a widespread crop disaster outside the U.S., grain exports are likely to remain depressed until at least 1987, many economists and traders say, in turn delaying any significant farm-economy recovery until at least 1988.

ACCELERATING SHAKEOUT

And the grain merchandising and transportation industry, which geared up for explosive growth in the late 1970s, will face an accelerating shakeout matching the economic distress on the farm. "Only the efficient are going to survive," says Dan Huber, president of Cargill's commodity marketing division.

Complex factors are causing a gap of as much as 37% between U.S. grain prices and lower prices offered by some competitors on world markets. One is a new aggressiveness on the part of competitors, such as China and France. Bumper crops in Latin America, at mid-harvest now, are intensifying the fray. Artificially tight U.S. supplies of some commodities have buoyed prices. And "a dollar that broke the sound barrier," as one grain merchant says, has continued to worsen the situation.

Nothing Washington seems likely to do—such as reducing farm price-supports, a step some merchants and analysts contend would eventually stimulate exports—is expected to have much impact on exports before the fall of 1986, many economists say.

Meanwhile, the increased competition has shattered usual trading patterns and turned world grain markets upside down. Mexico, linked by rail to the heart of U.S. wheat country, is importing wheat from China and Australia. Formerly staunch U.S. customers, such as Japan, South Korea and Indonesia, are turning to unlikely new competitors in South America and the Pacific Rim. Even some U.S. food companies are beginning to look for grain abroad.

"A lot of unusual deals are coming out of the woodwork," says Dieter Tede, a shipping broker based in San Francisco.

Grain merchants count at least 12 contracts or firm plans to buy U.S. wheat—totaling 1,830,000 metric tons worth at least $255 million—that fell through during the first six weeks of the year. These were directly replaced with purchases from other countries, the merchants say. Here are some of the battles being fought in the escalating farm-export war:

Last fall, China bought 250,000 metric tons of U.S. wheat for shipment this spring from several U.S. merchants. At that time, the price difference between U.S. wheat and wheat from Europe and Argentina was no more than $10 a ton. But within months, the Argentine wheat harvest began, inflating supplies there. The dollar continued to rise. And U.S. farmers put more and more grain into storage under U.S. government price-support programs, shrinking U.S. wheat supplies available for sale. By early February, the gap between U.S. and other nation's wheat prices had widened to $23 to $29 a ton. The price-conscious Chinese were able to persuade the dealers to buy back the U.S. wheat. Not surprisingly, the Chinese then bought grain from Argentina and Europe instead.

In early February, Brazil agreed to buy 150,000 tons of wheat, backed by U.S. credit. But the U.S. Agriculture Department, in an effort to urge Brazil to bring up-to-date its lagging debt payments to the agency, delayed processing of the credit. The department's ploy backfired: at least partly "as a gentle reminder to the U.S. that there were other sources of wheat," Brazil canceled the U.S. purchase and bought from France and Argentina instead, a merchant familiar with the transaction recalls, Brazil, too, got a better price, from the other exporters.

In mid-February, the Soviet Union canceled a previous purchase of 500,000 metric tons of U.S. wheat and replaced it with Argentine grain. The Soviets complained that U.S. grain had been sitting in government storehouses for so long that the quality had deteriorated and it was infested with insects. Grain-company officials dispute those allegations. In any case, the switch by the Soviets made economic sense: When the deal was canceled, Argentine wheat was 23% cheaper than U.S. grain.

RISE OF UNLIKELY COMPETITORS

As the world's largest grain supplier, the U.S. also has been hurt by a slowing of growth in global grain demand and the rise of unlikely new competitors, such as Britain, Paraguay and China.

China and the U.S. for instance, are once again doing battle in South Korea, this time on the economic front. As recently as 1983, the U.S. accounted for 96% of all South Korean wheat and coarse grain imports. But last year, Korea turned to Chinese corn, Argentine sorghum and low-quality Australian wheat. Result: the U.S. share of South Korea's imports of these grains plummeted to 76%.

Many grain merchants and others fear the lingering impact of the export erosion. As foreign competitors become entrenched, the U.S. will face an increasingly tough battle to win back lost market share, despite its favorable soil, climate and transportation capabilities, they say.

"It's like building a new highway. Once you build it, someone's going to use the damn thing." says John Urbanchuk of Wharton Econometric Forecasting Associates. As a result, he says, the U.S. "may be looking at a more domestically based agricultural sector" in the future.

But some U.S. companies are quietly beginning to look for grain abroad. One consultant says two of his clients—both multinational food processors with U.S. operations—are exploring European and South American sources of soybean meal, soybean oil, corn and sorghum. Once the import dike breaks, more grain may flood in as other companies struggle to remain competitive, grain merchants and economists say.

Other companies are trying to cash in on the changing trade patterns. Although Continental Grain Co., like most of the world's largest grain merchants, already has an extensive global network, it opened a new export facility in Southampton, England, in 1982. And ConAgra Inc., once primarily a domestic merchant, is rapidly expanding its commodity-trading capability overseas.

But in the U.S., the export slump will take a worsening toll on the grain merchandising and transportation industry, which Cargill estimates is already operating at less than 50% of capacity.

BARGE INDUSTRY IS FOUNDERING

The barge industry, crushed by a one-two punch of falling grain and coal shipments, is foundering. Hundreds of empty barges are tied up in river towns from the Great Lakes to New Orleans. Barge rates are now half of early-1980 levels, and more than 70 barge lines have filed for bankruptcy-law proceedings since 1982, an industry official says.

"There were no profits made in the last three years by any barge line I know of," says William Robertson, president of Agri-Trans Corp., St. Louis.

Grain merchants are also cutting back. Continental Grain last fall closed a big export facility in Longview, Wash., and let its lease on a Louisiana export elevator expire. "To the very same extent that producers geared up for an expanding agricultural capacity, so did the industry," says Bernard Steinweg, a senior vice president of Continental Grain.

Farmer-owned cooperatives, which leaped into the export business in the late 1970s, are bailing out too. Agri Industries has put its Houston export elevator on the block. Farmland Industries Inc. recently mothballed four inland elevators and agreed to sell 10 others—including a huge Galveston, Texas, export facility—to Union Equity Cooperative Exchange of Enid, Okla.

And a host of smaller grain-related companies are being swept away with the tide. Before 1982, half a dozen companies cleaned grain ships before they loaded at the Port

of New Orleans, says Kenneth Parker, a Port Authority superintendent. Now, he counts only two.

Mr. BOSCHWITZ. Madam President, the article points out that one day last month the Soviet purchases of U.S. trade set a record. Their purchases were higher than they had been in any year, yet the prices on the Chicago Board of Trade were tumbling, even on that day. While the headlines were that the Russians were in buying, the prices were tumbling in actuality because in the first month-and-a-half of this year the number of cancellations of orders far exceeded the Russian purchases.

Madam President, I ask unanimous consent that an article entitled "U.S. Competitors Gain as Price Disparity Widens" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. COMPETITORS GAIN AS PRICE DISPARITY WIDENS

A growing disparity between the price of U.S. farm commodities on world markets and those of other producing nations is fueling concern about the future of U.S. exports.

Already, the disparity is of a magnitude seldom seen in the world grain trade, and industry analysts point to a number of U.S. grain purchases that have been canceled in recent weeks as importing nations sought to take advantage of lower prices offered by U.S. competitors.

A comparison of recent world grain export price quotations illustrates just how dramatically world markets have changed.

The changes have been most pronounced in world markets for wheat, following a sharp increase in world production in recent years. Price quotations from Jan. 11, 1985, show U.S. soft red winter wheat at $147 per ton f.o.b., compared with French milling wheat at $122 per ton f.o.b. At the same time a year ago, U.S. soft red winter wheat was $139 per ton f.o.b., $1 below French milling wheat.

The difference between Argentine wheat and U.S. hard red winter wheat jumped from $27 per ton in January 1984 to $43 per ton on Jan. 11, 1985. Argentine wheat in January 1985 was $108 per ton f.o.b., compared with $151 per ton f.o.b. for U.S. hard red winter wheat.

The price quotations for non-U.S. wheat dropped between $10-$22 per ton between January 1984 and January 1985, while U.S. wheat was buoyed by U.S. commodity loan rates and the strength of the U.S. dollar.

The effect of the growing price disparity has been swift. From Jan. 1 to mid-February of this year, actual contracts or firm plans to purchase U.S. wheat—totaling nearly 2 million metric tons—have been canceled and directly replaced by exports from Argentina, the European Community (EC), Australia and Canada.

Among the sales lost to the U.S. were:

250,000 metric tons of U.S. soft red winter wheat to China, replaced by Argentina and the EC.

500,000 metric tons of hard red winter wheat to the Soviet Union, replaced by Argentina.

60,000 metric tons of U.S. white wheat to Indonesia, replaced by Argentina.

25,000 metric tons of U.S. white, northern spring and hard red winter wheat to Malaysia and Hong Kong, replaced by Argentina and Australia.

325,000 metric tons of soft red winter and hard red winter wheat to Turkey, replaced by Australia, Argentina and the EC.

150,000 metric tons of hard red winter wheat to Brazil, replaced by Argentina and the EC.

20,000 metric tons of hard red winter wheat to Nigeria, replaced by Argentina.

20,000 metric tons of northern spring wheat to Norway, replaced by Argentina.

150,000 metric tons of soft red winter and white wheat to Morocco, replaced by the EC.

100,000 metric tons of hard red winter wheat to Peru, replaced by Argentina. Peru had been an exclusive U.S. market for the past several years.

100,000 metric tons of hard red winter wheat to Colombia, replaced by Australia.

125,000 metric tons of white wheat to Egypt, replaced by Canada.

Mr. BOSCHWITZ. This article shows that among the sales that were lost, that were canceled, were 250,000 metric tons to China that was replaced by Argentina and the European community; 500,000 metric tons to the Soviet Union. Though the Soviet Union has canceled some of the orders, those were replaced by Argentina.

Sixty-thousand metric tons to Indonesia replaced by Argentina; 25,000 metric tons to Malaysia and Hong Kong replaced by Argentina and Australia; 325,000 metric tons, a $70 million order, to Turkey, which was replaced by Australia, Argentina, and the European community.

So the list lengthens in this article, and so indeed 1,800,000 tons were canceled. That is approximately 70 million bushels, Madam President. Seventy million bushels is about 3 percent of the U.S. wheat crop. Indeed, there has been a sudden worsening of the farm export picture and with that, of course, the entire export-import balance of the United States will suffer.

Recently we were dealt another blow with respect to agricultural exports. That is a court decision here in the District of Columbia stated that the cargo preference rules would apply not only to Public Law 480, as they have historically been applied, but would apply also to the blended credit program and also the credit guarantee program. The blended credit program and the guarantee program account for approximately $5 billion of exports of a total of $37 billion in exports. So that is a very meaningful figure.

The cargo preference, Madam President, means that half of the shipments, if they are government originated, have to be sent in American bottoms. The difference between an American bottom and the world price on shipping is about 42 percent. The result is that when we give the credit guarantee, which is no price advantage at all—however, there is a credit guarantee and that, of course, is of great value because the sale might not take place without it—we increase the ocean freight by 42 percent.

The blended credit program gives the U.S. exporter a 3.5-percent advantage, roughly, in the sale, and then they are subjected to a 42-percent disadvantage with respect to the freight, far, far more than the advantage they find from the blended credit program.

As you look at the major grain exporters and importers over the past few years in million metric tons, you will see that from 1979 to 1980, where we exported 104 million metric tons of grains other than rice, that is now down to 97 million tons. The Argentines have gone from 10 million to 20 million tons. All other countries have risen. We, indeed, have fallen back.

The European community, which in 1979 to 1980 was a net importer of grains, now is an exporter and exported 18 million tons in the 1984–85 year, or are expected to export that amount. They subsidize their producers. They subsidize their exporters. They are eating away at us in the world market, Madam President. This is something we simply cannot allow to continue.

We have heard much about the problems that exist in the agricultural sector of the economy. Added to the credit problems that have existed there, we now have an export problem understanding that 40 percent of our grains are exported. The problems that we find on the farms will be very costly.

Madam President, I also ask unanimous consent that a Reuter commodity news article be printed in the RECORD at this point. This shows how the subsidies in Europe to farmers are increasing their production.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EAST GERMANY HAS RECORD GRAIN HARVEST IN 1984

EAST BERLIN, January 18.—East Germany produced a record grain harvest of 11.5 mln tonnes in 1984, the country's central statistics board said.

The harvest, helped by a wet early summer and sunshine late in the season, exceeded the previous record of a 10.067 mln set in 1983.

East Germany is stepping up grain production by new irrigation projects and expanded output of agricultural machinery.

Senior Communist officials, aiming to increase their country's self-sufficiency in food, visited England last summer to study British methods of intensive agriculture.

Mr. BOSCHWITZ. In the article, it points out that an effort was made by the East Germans to study British methods of intensive agriculture. My agricultural assistant, Dan Pearson, was in England last summer. He, too, looked at the English agricultural production and was just astonished to be on a 1,500-acre farm which had a yield of 195 bushels per acre in wheat,

Madam President—195 bushels per acre. It is remarkable when you consider that the yield in Minnesota is approximately 20 or 25 percent of that. That is what the subsidies of the European community do for that agriculture

Madam President, I also ask unanimous consent that at this point another Reuters commodity news highlight be printed in the RECORD.

This one shows the heightening competitiveness of Brazilian soybean exports, particularly of the oils and of the processed soybean meal which is heavily subsidized and they, too, are taking away much of our soybean market worldwide, which really is one of the best cash crops that our farmers have.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REUTER COMMODITY NEWS HIGHLIGHTS

SAO PAULO.—Brazilian soybean exports could rise to 2.0–2.5 mln tonnes in the Feb./Jan. 1985–86 marketing year from the 1.6 mln tonnes expected to be shipped in the current year, trade sources said. They expect Brazil's soybean crop this year to be 16.0 mln tonnes, with some estimates higher.

BUENOS AIRES.—The Argentine National Grain Board said it authorized private exporters to register for export an additional 500,000 tonnes of bread wheat from the 1984–85 crop. Grain trade sources said the additional exports were authorized after reports of higher than expected yields.

Mr. BOSCHWITZ. Madam President, I ask unanimous consent that an article from the American Soybean Association's February 8 Washington report be printed in the RECORD at this point.

That article, a short one, shows that the Argentines are inviting tenders to engineering studies on the expansion of facilities at Bahia Blanca, which is the country's second largest grain export capability. The idea is to improve Argentina's grain export capability, boosting shipments that would raise sufficient revenue to pay off the country's $46 billion foreign debt. The U.S.S.R., Madam President, Argentina's biggest grain customer, is behind the effort and projects that Bahia Blanca could double its current grain-handling capability of 5 to 6 million tons in just a few years.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The National Grain Board of Argentina is inviting tenders for engineering studies on expansion of facilities at Bahia Blanca, the country's second-largest grain export terminal. The idea is to improve Argentina's grain export capability, boosting shipments that will raise sufficient revenue to pay off the country's $48 billion foreign debt. The U.S.S.R., Argentina's biggest grain customer, is behind the effort, and projects Bahia Blanca could double its current annual grain handling capacity of 5–6 mmt in just a few years.

Mr. BOSCHWITZ. Madam President, that brings up the important question of our agricultural infrastructure; the railroads, the barges, the rivers, the locks, the dams, the grain elevators, all of which are operating at a very low capacity. In the event that the infrastructure in other countries begins to rise and begins to be developed, we are going to have competition in the area of agricultural exports of an ever-intensifying nature.

It is important that the 1985 farm bill deal with these problems, Madam President. It is indeed the first problem that the bill must deal with, because in the event the 1985 farm bill does not once again restore competitiveness to American agricultural exports, we shall be unable to afford the cost of agriculture. The taxpayers simply will not stand for it, and over a period of time, the 40 percent of our agricultural production that we export is going to be down and down and the farms of the United States will indeed become troubled and we shall have problems here that will be most difficult to cope with.

So it is important that we act early and that we act decisively on a 1985 farm bill—not for employers, but that the farm bill should deal with the export problems, that the farm bill should not wait until the 1986 crop, but should also deal with the 1985 crop as well, and that we move quickly, expeditiously, and decisively to deal with this most important problem because, as we see the export market, not only in steel but in other products that we have, from time to time, exported, we see that the export market in agriculture, that has been traditionally our largest surplus export item, is indeed slipping away.

I yield the floor, Madam President.

APPOINTMENTS ON BEHALF OF THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94-304 and Public Law 99-7, appoints the following Senators to the Commission on Security and Cooperation in Europe: The Senator from New York [Mr. D'AMATO], chairman; the Senator from Pennsylvania [Mr. HEINZ]; the Senator from Idaho [Mr. MCCLURE]; the Senator from Wyoming [Mr. WALLOP]; the Senator from New Hampshire [Mr. HUMPHREY]; the Senator from Rhode Island [Mr. PELL]; the Senator from Vermont [Mr. LEAHY]; the Senator from Arizona [Mr. DECONCINI]; and the Senator from Louisiana [Mr. LONG].

APPOINTMENTS ON BEHALF OF THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, appoints the Senator from Florida [Mrs. HAWKINS] to serve on the U.S. Holocaust Memorial Council.

ORDER OF PROCEDURE

Mr. MATHIAS. Madam President, I understand that the Senator from Wisconsin has a special order. Pending his arrival, I ask unanimous consent that I may address the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION TO BE ABSENT FROM SENATE SESSION

Mr. MATHIAS. Madam President, pursuant to the provisions of rule VI of the Standing Rules of the Senate, I request permission to be absent from the session of the Senate for the balance of today and tomorrow for the purpose of attending a meeting of the standing committee of the North Atlantic Assembly.

The PRESIDING OFFICER. Without objection, it is so ordered.

D. ELDRED RINEHART 1903–85

Mr. MATHIAS. Madam President, we look for heroes in books about history and legend, but we seldom think that we shall meet them on familiar streets or in the offices or on the farms where we spend our lives. Yet we often live with remarkable people whose lives should be an example to be observed and followed. Because they are natural and at ease with themselves we do not recognize them as heroes.

D. Eldred Rinehart of Ringgold, MD, was such an unusual man who made a difference to many people in a remarkable variety of activities. He was a success in managing his own affairs and he shared the keys to that success with his friends. He always found time to counsel and advise about any one of the many subjects on which he had experience and knowledge.

In his early days, he learned to live with nature on easy terms. He respected nature and obeyed her rules. He protected her as a matter of daily conduct. I believe that this was the basic reason that his dairy herd was so productive and his apple and peach trees were laden heavy with fruit each year.

Having proved that he could succeed in that most difficult of professions—farming—he turned his hand to other tasks.

One of the frustrations of farming is that many of the farmer's problems are created off the farm by political action at some level of government. It was typical of his practicality that he attacked this problem at its root and became a political activist. He soon began to be accepted as a leader in the Republican Party at ever higher levels

of the party organization until he was elected State chairman and a member of the Republican National Committee.

After entering politics to solve one problem, he became aware of many others. Horses are more than a sport in Maryland—they are the basis of an important industry. It was logical that he brought his skill and knowledge of animal husbandry and his political acumen to the job of reforming horse racing in Maryland. In his years as chairman of the Maryland Commission, racing became once again a sport its fans could support with confidence that it was honest and fair.

Eldred Rinehart never recognized the horizon as his boundary. He was always looking beyond the place where he was. Much as he loved the orchards and mountains of Washington County, he acquired a deep love for the Chesapeake Bay and for the water. He became an expert navigator and waterman and extended his knowledge of nature to the world of rivers, bays, and oceans and their prolific spawn.

Planting and cultivating are essential to the harvest and Eldred Rinehart applied that principle to people as well as to crops. He took great trouble and invested much time in helping young people who were trying to make a start in one or another of the vocations that he had mastered. That had a ripple effect that widened his acquaintance, because his advice was sought on such varied topics as horses and racing, livestock, orchards, bees, seamanship, politics, banking, and business.

Finally, his reputation for common sense led to his nomination by the President and confirmation by the Senate for the board that supervised defense contracts. He immediately detected a gross inequity—delinquent contractors were being assessed interest at a rate that was only a fraction of the market rate. He advocated corrective legislation that was soon enacted. After several other reforms, he then concluded that the Renegotiation Board had outlived its usefulness and had become dead wood, so he advocated its abolition. Such an act of immolation is not often seen in Government, but the Renegotiation Board soon went out of business with resulting savings to the American taxpayers.

With all of this achievement, Eldred Rinehart never left the fields where he was born and spent his boyhood. The friends of his youth were his friends at the end of his life. The quiet, steady pace at which he worked may not have attracted wide attention, but Eldred Rinehart was an American hero in our great tradition of striving and achieving by individual effort.

ORDER OF BUSINESS

Mr. MATHIAS. Madam President, I do not see that the Senator from Wisconsin has yet arrived on the floor. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DANFORTH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for morning business.

GOV. DICK THORNBURGH OF PENNSYLVANIA ON BALANCED BUDGET AMENDMENT

Mr. THURMOND. Mr. President, I am pleased to report that during its recent annual meeting in Washington, DC the National Governors' Association adopted a bipartisan resolution urging the enactment of a constitutional amendment mandating a balanced Federal budget.

Although I am pleased, I must admit I am not surprised by the Governors' call for a balanced budget amendment. Theirs is a sentiment so strong that it has led to a call by 32 States for a constitutional convention on a balanced budget amendment. Only two more States must act to make such a convention a reality.

Mr. President, the proposed balanced budget-tax limitation constitutional amendment also has strong support in Congress. I am pleased that the proposal that I introduced on January 3, 1985, Senate Joint Resolution 13, already is being cosponsored by 50 of my colleagues.

However, there remain those who doubt the wisdom of a balanced budget constitutional amendment. For those doubters, I highly recommend an article which appeared in the Los Angeles Times on February 1, 1985, in which Gov. Dick Thornburgh of Pennsylvania addressed the objections which are often raised to the amendment.

So that my colleagues will have easy access to this excellent article, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Feb. 1, 1985]

WHY A BALANCED-BUDGET AMENDMENT

THE "POLITICS AS USUAL" THAT PUT US IN THE HOLE OPPOSES REFORM

(By Dick Thornburgh)

Washington's continuing inability to deal with federal deficits of about $200 billion a year (and rising) renews the determination of those of us who support a constitutional amendment requiring a balanced federal budget to press our case even more vigorously during the current congressional session. Such a proposal is increasingly viewed as necessary to impose long overdue fiscal discipline on the executive and legislative branches of the federal government, which have become addicted to easy credit-card spending with no eye toward the day when the bills must be paid.

Thirty-two state legislatures have called for a constitutional convention to adopt a balanced-budget amendment. In 1982 Congress came close to approving the amendment, when more than two-thirds of the members of the Senate and more than a majority (but less than the necessary two-thirds) in the House voted for inserting a balanced-budget requirement into the Constitution.

Doubters remain, however, despite this strong show of support. I have heard certain objections more often than others, and these are my responses:

The amendment would "clutter up" our basic document in a way contrary to the intentions of the Founding Fathers. Wrong: The Founding Fathers clearly contemplated that amendments would be necessary to keep the Constitution abreast of the times, and that process has already been used 26 times. Moreover, one can certainly speculate that the notion of a federal government consistently spending more than it took in was so alien to the thought of 1787 that a balanced-budget provision might well have been deemed to be superfluous in the original document. Indeed, one of the major preoccupations of the Constitutional Convention was how to liquidate the post-Revolutionary war debts of the states in an expeditious manner. It is worth noting that the Treasury did not begin to systematically incur annual deficits until the mid-1930s, nearly a century and a half after the adoption of the Constitution.

The adoption of the amendment would not solve the deficit overnight. Right, but no such claim has ever been made by serious proponents of the amendment. Obviously a period, perhaps 5 or even 10 years, would be required for the full phase-in of a reduction to a zero deficit. But, during this interim period, budget-makers would be disciplined to meet declining deficit "targets" in order to reach a final balanced budget by the established date.

Such an amendment would necessitate vast cuts in social services or (if you will) military or other categories of expenditure. Not necessarily: It would be required that these programs be paid for on a current basis. Certainly difficult choices would have to be made about priorites and levels of program funding in all areas, but the amendment's purpose is to discipline the executive and legislative branches actually to make these choices and to propose or perpetuate vast spending programs without providing revenues to fund them.

A balanced-budget requirement would prevent or hinder our capacity to respond to national-defense or economic emergencies. This is an easy one: Of course any sensible

requirement would feature a "safety valve" to exempt the incurring of deficits to respond to national-defense and economic emergencies—perhaps one requiring a two-thirds or three-fifths vote of the members of both houses of Congress. There would also be nothing to prevent Congress from instituting "rainy-day" funds that would set aside current revenues during good times to be used for countercyclical purposes during economic downturns. This is currently done in 23 states.

A balanced-budget amendment would be "more loophole than law" and could be easily circumvented. Probably wrong, if the experience of the nation's governors is any guide. Such requirements are not in effect in all but one of the 50 states, and have served them well. The inclusion of a presidential line-item veto, which is available to most governors, would ensure that any congressional overruns could be dealt with by the President. And public clamor, the elective process and the courts would provide backup restraint on any tendency to ignore a constitutional directive.

In the final analysis, most of the excuses raised for not enacting a constitutional mandate to balance the budget seem to rest on a stated or implied preference for solving our deficit dilemma through the "political process"—that is, responsible action by the President and Congress.

This has been tried and found wanting, again and again. The last attempt to establish guidelines for such a "political process," the 1974 Budget Reform Act, has given us nothing but mounting deficits, higher interest rates, a huge negative trade balance and further discredit to the governmental process.

Isn't it time to adopt the simple directive of a constitutional amendment to force elected officals to honor their fiscal responsibilities? Thus far no good reason has been suggested for not doing so, and years of experience at the state level argue persuasively in favor of such a step.

THE END OF AN ERA IN KENTUCKY BASKETBALL

Mr. FORD. Mr. President, I rise today in tribute to a Kentucky basketball legend. After 13 seasons as head coach of the University of Kentucky basketball team, my friend, Joe B. Hall, has announced his retirement. This marks the end of an era in Kentucky basketball.

Coach Hall came to the University of Kentucky in the shadow of the great Adolph Rupp, a man whose name was synonymous with basketball in the Commonwealth. They were big shoes to fill, and Joe B. was a perfect fit. He went on to continue the tradition of great basketball at UK, posting one winning season after another. But Coach Hall did more then just win ball games; he took scores of young athletes under his wing and helped them grow. Many of them went on to become professional basketball players under Coach Hall's guidance; all were influenced by him. He was a stickler for discipline, something that benefited all his players throughout their lives.

Joe B. Hall's statistics are truly amazing. Since coming to UK in 1972, he won one NCAA championship, one NIT championship, three regional championships and eight Southeastern Conference championships; he took his teams to the final four three times; he was named National Coach of the Year once and SEC Coach of the Year four times; and, he averaged more then 23 wins per season. Coach Hall has just completed his sixth consecutive NCAA tournament appearance, making it 11 years in a row that his teams have competed in postseason play.

Joe B. Hall never let up. His commitment to excellence over the years has earned him the respect of this peers, the admiration of his players, and the love of his fans. Coach Hall will be sorely missed by basketball fans throughout Kentucky. Once again, there are big shoes to fill at the University of Kentucky.

RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, pursuant to paragraph 2, rule XXVI, of the Standing Rules of the Senate, which requires the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD, I submit the procedural rules of the Committee on the Judiciary adopted by voice vote at the committee business meeting on March 26, 1985, and ask unanimous consent that they be printed.

The procedural rules are as follows:

RULES OF THE COMMITTEE ON THE JUDICIARY

I. MEETINGS OF THE COMMITTEE

1. Meetings may be called by the Chairman as he may deem necessary on three days notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. On the request of any member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. QUORUMS

1. Ten members shall constitute a quorum of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. BRINGING A MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bring the matter to a vote without further debate, a rollcall vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the Minority.

V. SUBCOMMITTEES

1. Any member of the Committee may sit with any Subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the Subcommittee unless he is a member of such Subcommitte.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship, and seniority on the particular Subcommittee shall not necessarily apply.

3. Except for matters retained at the full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the Chairman except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

A CALL FOR AMERICA TO STAND FAST BY ITS ALLIES

Mr. SYMMS. Mr. President, in a recent floor speech, I commended the President and his Secretary of State for their comments about the responsibility of America to stand fast by its allies, and to lend support to groups fighting for their freedom in foreign lands. I believe the President does recognize that to do less is to neglect America's obligation. But, as Senator WALLOP so clearly detailed in a recent speech before the Monday Club, there is a tremendous gap between administration rhetoric and administration action to implement those stated ideals.

Senator WALLOP argues that "a polite insistence that words and deeds match is called sincerity." There's a price to pay for saying one thing and doing another. The sincerity of this administration is being questioned increasingly, as the policies of previous administrations, hostile to our friends, and obsequious to our enemies, are still pursued.

Mr. President, I join my colleague Senator WALLOP in urging the President to launch a war of diplomacy—to give the Adolfo Caleros, the Jonas Savimbis, and the other heroes around the world fighting for the liberation of their homelands, due recognition. The President should inform his State Department that peace and stability, a favorite State refrain, are not achieved by accommodating and strengthening Marxist governments, nor by allowing unelected dictatorships to bask in the aura of legitimacy, and to enjoy official relations and trade with the U.S. Government.

Mr. President, I want to express one last concern that this administration should not shrink from doing what is morally right for fear of upsetting the arms talks. The Soviets clearly do not. The new Soviet leader, with Chernenko barely laid to rest, belligerently threatened to topple Pakistan's Government if the United States continued military pressure on Nicaragua. Was concern for an amiable environment at Geneva the reason for the relative silence about the cold-blooded murder of the American Army official in East Germany, and for the lack of response to Gorbachev's bullying? Arms talks, like diplomacy, stand a better chance of success if America's words are supported by her actions. I commend Senator WALLOP's frank and astute remarks to the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS TO THE MONDAY CLUB—LIVING WITH LIBERATION MOVEMENTS

(By Senator Malcolm Wallop)

In an article in last summer's Strategic Review I casually mentioned that nearly all people engaged in guerrilla warfare around the world today are fighting not to place the yoke of communism over their necks, but to throw it off. I described the large scale fighting in Afghanistan, Angola, and Nicaragua, and mentioned that in Mozambique, Ethiopia, and throughout Southeast Asia there are significant armed movements as well. Those observations, it seems, started a new fad. The Director of Central Intelligence, in his speeches and submissions to Congress prominently featured this "new" reality, supposedly peculiar to the 1980's—that is, people who are ruled by Communists dislike it intensely, and fight back as best they can.

Mr. Casey, of course, is correct to note that this fact offers the United States great opportunities. But the CIA's surprise that most people love freedom enough to fight for it is itself noteworthy. Also, early this year, approving references to the worldwide trend to armed struggle against Communist regimes began to come from the least likely source of all—the U.S. Department of State.

Indeed, last month, before the Commonwealth Club of San Francisco, Secretary Shultz not only gave his blessings to these struggles against communism, but explained our interest in them in a thoroughly compelling way. Does this mean that this administration, having discovered the obvious, will follow the obvious consequences of its discovery and actually try to help oppressed people overthrow Communist regimes? I doubt it. In my view, the administration's adoption of the theme I first sounded last summer is one more manifestation of a split personality, no less immobilizing to it than the same ailment has been to its predecessors since 1960. I want to share with you my reflections on the roots of that schizophrenia, and on what we might do about it.

Let me begin with Secretary Shultz' words, because they express my own views so well. His speech in San Francisco was a lucid rejection of the Brezhnev doctrine.

"The United States," he said, "rejects the contention that once a country has been conquered by a Communist coup, revolution, or invasion, its form of government must never again be put in question." First of all, communism's subjects reject the Brezhnev doctrine with their lives. They fight. Shultz noted correctly that we Americans are not and cannot be indifferent spectators to such fights.

Like the Founding Fathers, he realizes that we cannot live as free people in this country if the forces of tyranny continue indefinitely to expand and never retreat. He also points out that, nowadays more than ever, the imposition of tyranny, even in faraway places, strengthens the hand of one superpower, the Soviet Union, whose ultimate strategic aim is the destruction of our freedom. So, according to Shultz, "when the United States supports those resisting totalitrianism . . . we do so not only out of our historic sympathy for democracy and freedom, but also in many cases in the interests of national security."

Both interest and morality lead us to tell Afghans and Nicaraguans that they have as much right to be free as we do, and that our aid to them will not be a token, but will be effective. He concludes: "Where dictatorships use brute power to oppress their own people and threaten their neighbors, the forces of freedom cannot place their trust in declarations alone." Rise with me and applaud these brave and lucid statements. Bravo.

In practice, however, Secretary Shultz and the department he heads like those before them have accepted the Brezhnev doctrine without exception. Today, neither the Secretary nor anyone in his department say that it is the policy of the United States that this or that country now in Communist hands will be free—ever. In a vain quest for "stability," the Department holds fast to the American counterpart of the Brezhnev doctrine, enunciated by Henry Kissinger's aide, Helmut Sonnenfelt. According to him, everyone is better off if the Soviet Union enjoys the fruits of empire building undisturbed.

Hence, for example, in Afghanistan, Secretary Shultz mandated that some $2 million that the Congress intended be given to the Mujahedeen be spent by the international Red Cross in cooperation with the puppet Kabul government. The Mujahedeen were to present themselves at a time and place known to their enemies to receive aid intended for them alone. Thus the Department has also opposed giving the Afghans effective air defense weapons, and, along with the CIA, denies what everyone who has been in the Afghan countryside knows: That the Soviets are winning a war of scorched earth, starvation, maiming and disease against the population.

Finally, the Department of State and the CIA were the only source of opposition to a joint resolution that passed overwhelmingly last fall, which pledged the U.S. Government to give effective assistance to the Mujahedeen, and which stated that it would be wrong to give the freedom fighters enough to fight and die but not enough to win. I hasten to point out that there was and is no oposition from any sector of American public opinion to helping the Mujahedeen reclaim their country from the Soviets. The Congress is pushing in this direction. It had consistently multiplied all of the administration's requests for aid. But, whether out of belief in the Brezhnev-Sonnenfelt doctrine, or out of a pre-emptive, gratuitous assumption that because Congress ultimately would not agree to the measures necessary to defeat the Soviets, the Department is disinclined to propose such measures. In fact, the State Department has conceded Afghanistan to the Soviet Union.

The State Department is also trying to foist on southwestern Africa a "solution" that would cut off all aid to Jonas Savimbi's freedom fighters, while leaving 10,000 Cuban troops to protect the Communist regime in Angola. The Cubans would be relieved of the burden of keeping the 25,000 troops in Angola, and the cause of freedom would be sacrificed even as it is on the verge of success. In Mozambique, the cause of freedom is even closer to triumph. A brutal Communist regime has lost its grip. A solid Democratic movement, despite the cutoff of assistance from South Africa, is clearly winning. What does the State Department propose to do about it? It proposes American military aid for the Communist government. It protests violations of human rights in South Africa, which is the correct thing to do, but in Mozambique it does not protest the concentration camps, the mass murders carried out by the special punitive battalions formed by the North Koreans. The people of Mozambique and Angola vote with their bodies, and move from under governments that the State Department finds acceptably acceptable, to live under a government that the State Department finds unacceptable.

But the State Department's heart is not with their mundane concerns, or is the State Department's mind amenable to precise calculations of relative good and evil. No, I believe that when Ambassador Andrew Young said that Cuban troops had been good for Africa because they had brought stability he was speaking the orthodoxy that then ruled, and still rules, our State Department.

Closer to home, it is interesting to hear the Secretary today echo the President's words about the Nicaraguan freedom fighters. I cannot help but remember, though, that last October, we could in all likelihood have obtained full funding for those freedom fighters simply by refusing to accept a continuing resolution that contained a prohibition against such funding. George Shultz and his assistant, Langhorne A. Motley, put up no objection. They accepted the continuing resolution without a fight and worked for a treaty—unenforceable except with American troops—that would have traded our acceptance of totalitarianism in Nicaragua for the Sandinistas acceptance of freedom in neighboring countries.

Again and again the State Department refuses publicly to face the basic questions posed by the struggle in Nicaragua, and indeed by every other armed anti-Communist movement, to wit: Who shall win this war? Which side is the legitimate representative of its country's people? Is it in the interest of the United States that the Communist government crush the resistance, or that the resistance overthrow the Communist government? But though Secretary Shultz refuses such questions in public, the State Department clearly answers them in practice. We recognize the Communist government in Managua as the legitimate representative of the Nicaraguan people. We assume that that government sooner or later will crush the resistance, and we try to build good relations between the Communist government and its neighbors.

I could go on recounting the Department's acceptance of the Soviet Union's violation of arms control treaties, and its unwillingness to go back for more of the same; its bombast following the Soviet Union's murder of 269 innocent civilians on an airliner, coupled with an undiminished eagerness for detente. But my point is already

clear: The contrast between words and deeds could not be more stark. But why?

We can get some idea from the instances when Secretary Shultz and others like him are forced to face these inconsistencies. For example, 2 weeks ago, at a hearing before the Armed Services Committee, my colleague Senator Humphrey asked the Secretary pointedly, but politely, why he thinks he can negotiate mutually advantageous agreements with a government whose behavior is indistinguishable from that of nazi Germany. The answer was "come off it, Senator." Those words came with heartfelt comtempt.

By asking such questions Senator Humphrey, it seems, broke a rule much valued by people in the establishment—never translate your words into action, and never, never explain your actions in their own terms. Here is why the rule is so cherished. The American people have shown in an unbroken string of elections that we want our leaders to wholly reject totalitarianism, and to fight for democracy. It is so easy, and so emotionally satisfying, to meet this demand with words. Yet to translate these words into specific action would mean angering many people who just don't see the contrast between freedom and communism as worth the anguish of genuine action.

On the other hand, if one explains any given instance of accommodation in its own terms, as for example, Helmut Sonnenfelt did in 1976, one is likely to find a Ronald Reagan who will destroy his ability to hold public office. No wonder George Shultz was angry with Senator Humphrey's request for a straight answer. The world must be depicted as too complex for such things.

But, in fact, the world's complex details flesh out a simple but deadly struggle. The peoples of Afghanistan, Angola, Mozambique, Cambodia, Nicaragua, and of the whole Soviet empire do not have the luxury of playing Hamlet. Their struggles are providing us time—time that we can use to provide for our defenses and to help the friends of freedom, or time that we can offer up, in Winston Churchill's words "for the locusts to eat."

How shall we use this time? Let me offer a few suggestions.

First, if we allow ourselves to be satisfied with words that are obviously contradicted by actions we will have earned the contempt with which Secretary Shultz and the State Department regard us. The alternative is never to shrink from asking the hard questions, and following them up again, and again, and again. This in not uncivil—quite the contrary. Civility is sustained by the worth of its currency—words. Words are useful insofar as they reflect reality. Hypocrisy is destructive of civility. But a polite insistence that words and deeds match is called sincerity.

We must keep in mind that their hypocrisy is not altogether bad. It is, as St. Thomas said, the debt that vice pays to virtue. That is, regardless of how distasteful the ideas of which President Reagan speaks might be to many establishment officials, these officials feel obliged to pay them lip service. Like Senator Humphrey, we can refuse to let such officials enjoy the luxury of doing and saying contradictory things undisturbed. We can increase the price of the debt that vice is compelled to pay to virtue, and drive these officials, kicking and screaming, to consistency. Some will be driven to do their jobs, others will be driven out of their jobs.

Second, we must keep in mind that ours is a deomocratic government. In his very lucid memoirs, George Kennan dealt succinctly with the responsibility of the Foreign Service to elected officials. The Foreign Service, Kennan said, has no right whatever to circumscribe or in any way to obfuscate fundamental political choices. The argument that the people, and their elected official, are insufficiently wise or strong to face such choices directly may or may not be valid.

But either way it pales into insignificance before one fact: The American people are entitled to make fundamental choices about who their friends and enemies are, whom and what to fight or not to fight. We must keep in mind, and instill into the mind of every Secretary of State and Foreign Service officer that foreign policy is not exclusively their business. It is above all our business. Hence we demand that the issues be framed in terms of the real choices we face, that is shall we recognize the Sandinista regime or the Contras as the legitimate representatives of the Nicaraguan people? Shall we recognize as the legitimate representatives of the Cambodian people the murderous Khmer Rouge, as we now do, or their democratic opponents, or the Vietnamese? Each of these choices has consequences, material and moral that we must bear.

In conclusion, I do accept the charge often made in the White House, that the Congress has cut off aid to the Contras, or that the Congress makes it impossible to aid liberation movement. The Congress is always a faithful register of the pressures put upon it. If I knew nothing about, say, Nicaragua, other than the confused messages about interdiction of arms delivered by some Administration spokesmen on Captiol Hill, and if I noted that in the case of Nicaragua those spokesmen have failed to apply the pressure that they apply when they are serious, and if I realized that the U.S. Government still sees fit to honor the Sandinistas with diplomatic recognition, I would then conclude that the U.S. Government is endangering the lives of thousands of innocent Nicaraguans to pressure the Sandinistas about matters less than essential.

Would the Congress respond favorably to serious requests for aid to liberation movements? Would it agree to action that fully matched the President's splendid words? We will not know the answers until the Administration proposes actions reasonably calculated to match the President's splendid words. Only when the proposed actions would actually realize the goals expressed can the case be made unremittingly clear and the choices become real.

The alternative is to continue to cover the betrayal of allies and the retreat of freedom's front lines with a blanket of forceful rhetoric. But this leads us to suffer the worst consequences of both forcefulness and weakness. Our words earn us the reputation of a bully, and our actions earn us the reputation of a loser. As Henry Kissinger cynically observed, to be an enemy of the United States may be inconvenient, but to be dependent on the United States is fatal. So, if the Secretary wants to do in Central America and Afghanistan what Jimmy Carter did, and in Africa what Andrew Young advocated, it would be better for the United States if his words reflected it. It would be far better, of course, if the Secretary fit his Department's action to the President's words—and to his own.

If the White House were to become sincere about anti-Communist liberation movements, it might begin by appointing a high-level official, on a level, say, with the President's Coordinator for Refugee Affairs, who would be responsible for recommending to the President what he might do to help such movements. Of course this is already the State Department's job, but the State Department shows a positive disinclination to doing it. Such an official ought, for example, point out to the relevant authorities that the United States still grants most favored nation treatment to the puppet Government in Afghanistan, still props up the Nicaraguan economy by importing bananas from it, and props up the Angolan regime by allowing Gulf Oil to operate there.

Of course such an official would ask the President if he really wants to give military aid to the Communist regime in Mozambique. In other words, we can do many things, great and small to advance the course of freedom in the world if we will but do them.

Will this lead us into wars like Vietnam? Quite the contrary! Neither Nicaraguans, Angolans, Mozambicans or Afghans want or need our troops. They are willing and able to fight and win for themselves. But if they lose, and if the cause of freedom continues to lose, and our enemies move to our borders then, yes, we will have no choice but to fight for ourselves. The wages of renunciation are seldom peace. Peace, instead as the Romans taught, is the reward of military preparedness—and the effective support of friends.

SAM WALTON AND WAL-MART, INC., HELP ARKANSAS ECONOMY

Mr. PRYOR. Mr. President, I rise today to pay tribute to an Arkansas-based company and its founder who together have done a great deal for the economy of the State of Arkansas. Sam Walton, founder and chief executive officer of Wal-Mart, Inc., has brought many jobs to the State of Arkansas and 20 other States. This retail discount chain has grown very rapidly over the last 20 years, and there are now 753 stores nationwide.

Recently, Mr. President, Wal-Mart took an important step in an effort to help the apparel industry in the State of Arkansas. The company, headquartered in Bentonville, AR, announced that it had entered into a $612,000 contract to purchase flannel shirts from an Arkansas manufacturer. This contract, with Farris Fashions of Brinkley, AR, will allow the company to hire another 100 workers.

Mr. President, every Member of the Senate is aware of the increasing toll imported goods are having on our economy. Both the apparel and footwear industries in Arkansas are being overwhelmed by imported products. The new contract between Wal-Mart and Farris Fashions represents a corporate commitment to buy American-made products. This will certainly help solve a portion of our trade dilemma.

I look at this new initiative with a great deal of pride and hope. Pride because it is taking place in Arkansas; hope because it represents something new. This is very practical approach

and demonstrates a clear commitment on the part of this company to employ Arkansans. After all, if factories in many communities continue to close their doors, who will continue to buy the products at the retail level?

Wal-Mart and Sam Walton have displayed a commitment to the State of Arkansas and its citizens which transcends the bottom line in any business endeavor—profit. Instead they have looked beyond tomorrow with an understanding of the importance of interdependence. They have said in effect: "It is time for us to try something new." And, new it is since the company has announced that it will seek out other domestic manufacturers and will make concessions—including reduced profit margins—in order to buy more products made in this country.

Mr. President, I hope other companies around the country will look at this arrangement with enthusiasm, and that this will serve as an example for other countries to help solve our trade problems. Sam Walton and Wal-Mart, Inc., are to be commended for their efforts.

REMARKS OF DR. WILLIAM G. BOWEN, PRESIDENT, PRINCETON UNIVERSITY, TO THE PRINCETON CLUB

Mr. PELL. Mr. President, on March 21, 1985, I had the privilege of hearing Dr. William G. Bowen, the president of Princeton University, address the annual congressional luncheon of the Princeton Club. Dr. Bowen's words that day constituted an eloquent and thoughtful analysis of the very adverse impact the administration's student aid proposals would have if they were to take effect. I commend his remarks to my colleagues, and urge that they give them their careful consideration.

Mr. President, I ask unanimous consent that the text of Dr. Bowen's address be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

REMARKS OF DR. WILLIAM G. BOWEN

It is a great pleasure to be with all of you today, to join in this tribute to Princetonians in the Congress, and if you will allow me, to give you some sense of both things that are going "right" for Princeton these days and some serious concerns. I want to comment particularly on the current debate over student aid, but without, I hope, adding overly much to the competition in rhetorical flourishes that has threatened to push facts and even principles off the stage.

Princeton is, I think, doing tolerably well at our ancient and ever-demanding tasks of educating young people and seeking, through scholarship and research, to understand better the world in which we live. Some external evidence of accomplishment is provided by the intense competition for admission to both the undergraduate College and the Graduate School, by the record number of outstanding senior faculty appointments that we have been able to make over the last 18 months in fields ranging from English Literature to Computer Science, and by the success of students and faculty in winning honors of all kinds.

This year has seen the dedication of our fifth residential college for freshmen and sophomores—which, given Princeton's tradition of vigorous debate, links most appropriately the names of Malcolm Forbes '41, self-proclaimed capitalist tool, and Norman Thomas '05, many-time socialist candidate for President, for whom the library of Forbes College (formerly the Princeton Inn) happens by coincidence to be named. (Malcolm has observed wryly that he is very proud of the association, but suspects that Norman Thomas may feel a twinge or two.)

This year also has seen the rededication of a marvelously renovated Baker Rink, the awarding of NSF's largest supercomputer grant to a consortium based in Princeton, and enough instances of outrageous student behavior, lapses of sanity on the part of the faculty, and administrative error, if not incompetence, to demonstrate beyond doubt the humanity of the place.

The University's budget is in at least precarious balance, as we project a surplus of $2,000 for next year in a budget of $340 million. "Precarious" seems too gentle a word. We continue to draw strength from an extraordinarily loyal and generous company of alumni and friends, and as many of you work so hard to keep up the strength of the University through Annual Giving and A Campaign for Princeton, I want simply to say "Thank You." Your support matters enormously.

Our principal concerns: What are they? Not, let me note, concerns about the mission of the University. We are quite clear, I think, about our dedication to liberal education, understood in an almost old-fashioned sense, about the importance of learning to think critically and independently (as sometimes manifested in writing a passable senior thesis!), and about inculcating a desire to serve. This is not to say we cannot do better on all fronts. Of course we can and we should.

Our overriding concern is, quite simply, how to pay for quality. That is what wakes me up at night, especially when I think about modern science and what it costs. We have just spent $17 million to renovate one building: the Frick Chemical Laboratory. And last week Provost Rudenstine told me that we have to find $800,000 to renovate a single suite of laboratories for an outstanding new faculty member in mineralogy, Professor Alexandra Navrotsky. I will not go on to discuss the pressures on faculty salaries or the needs of the library, except to say that both are preoccupations. For all of these reasons, among others, we think it is vitally important that incentives for private giving not be overlooked in the current discussion of tax reform.

I come now (as promised) to concerns about student aid, and particularly about the current federal budget proposals which threaten, among other things, the ability of universities such as Princeton to remain open to the ablest candidates solely on the basis of qualifications and not on the basis of means.

There is so much I want to say on this large and complex subject, and we have so little time today. Major issues exist at the graduate level, including the dramatic increase over the last three years in the average debt burden of doctoral students in the arts and sciences, but I must leave these questions for another time, concentrating today on student aid at the undergraduate level. Let me be as concise and as direct as possible in responding to four questions raised repeatedly:

First: Is it the case that, in resisting the current set of student aid proposals, those of us in higher education (and students and parents) are simply engaged in "special interest" politics designed to spare us our fair share of grief at a time when the federal deficit must be reduced?

No one whom I know doubts either the importance of reducing the deficit or the need to scrutinize carefully all programs, including student aid programs, accepting reductions where justified. But *very* substantial cuts have already been made in this area (in the case of Princeton, for example, reducing the percentage of all grant aid coming from federal sources from 30 percent in 1979–80 to 12 percent in 1984–85). It is clear that even under the best of circumstances, colleges and universities around the country will have to redouble their efforts to generate private scholarship support. And it is also clear that many students (and their families) will have to make major sacrifices to permit attendance at places like Princeton. But the most recent federal proposals would take us well beyond even such a point—they would severely cripple a partnership that has evolved over the last two decades to assure opportunity based on merit, and they would do so on the basis of what more often than not has been misleading assertion and little (if any) hard analysis.

The overall magnitude of what has been proposed is staggering. Some two million students nationally would lose eligibility for federal grants and loans, and almost all other students receiving aid would have their aid reduced—in some cases by fifty percent or more of present levels of assistance. Such large figures can be numbing, and we gain a sharper sense of the character of specific proposals if we consider two further questions.

In the language of the day, why should higher income families be allowed to continue "ripping off" the system by participating in the guaranteed student loan program? To stop this alleged abuse, it is proposed that all families with incomes above $32,500 be declared without need and therefore ineligible.

The present program is predicated on the rather straightforward notion that genuine need cannot be determined by looking at family income alone but must also include reference to such other considerations as number of children in college, the cost of the college, family assets, and other extraordinary family obligations. It is instructive to compare the circumstances of two actual Princeton families.

Family A has two children, one at Princeton and the other still in high school. The father is an accountant, the mother is a secretary; the combined family income is $61,500, and the family owns its own home. This family does not qualify for any form of financial assistance and is expected to pay the cost of a Princeton education (now over $15,000 a year) entirely from its own resources.

Family B has comparable family income (actually slightly higher—$63,000); and, again, both parents work, this time as college teachers. However, there are three children in this family, one in medical school and two in college, the youngest at Prince-

ton. One of the children is paraplegic, and the family has annual unreimbursed medical expenses in excess of $14,000. Family B is expected to make a major contribution to the educational costs of the child attending Princeton ($7,500 per year), but not to pay the entire bill. This family has "need," under any reasonable definition of the term, and the federal government plays a modest but essential supporting role in meeting this need through a guaranteed student loan (not grant) of $1,475. The remaining need is met through a combination of work and scholarship grants from Princeton and other private donors. The dramatic differences in the circumstances of these two families—which would be ignored under the proposed changes in the GSL program—are, I think, evident.

The next question is even more important: with so much public comment concentrated on the alleged abuses of the present system by high income families, is it the case that only the "rich" will be affected significantly by the new student aid proposals?

This is emphatically not so. One particular proposal that would have an especially damaging effect on low and middle income families is to put an arbitrary "cap" of $4,000 per student on all forms of federal grant aid, work study assistance, and access to guaranteed student loans—however great a student's need may be.

Let us consider the effects on another Princeton family, Family C. This is a one-parent family, in which the father is deceased and the mother works as a clerk in a supermarket. Family income, including Social Security, is $15,500. This student currently receives $6,600 in federal aid, including a $1,200 work-study job, two loans totaling $2,450, and Pell and SEOG grants amounting to $2,950. The student also holds an outside scholarship of $500, the University provides a $7,550 scholarship, and the family contribution is $1,700. Under the new proposals, this student would lose $2,600 of her federal aid as a direct result of the $4,000 cap. These proposals assume that, to make up this shortfall, the mother could borrow this sum each year at commercial interest rates, in addition to the sums her daughter is already borrowing—presuming that she felt she could afford to do so and that a banker would regard her, with her $15,500 income, as an acceptable credit risk. Is this what is meant by "belt-tightening?" Is this what we mean when we say we want to protect the truly needy?

Another family, Family D, would be affected by yet another proposal, to deny all grant and work study aid to families with incomes over $25,000. There are two children in this family, both in college, one at Princeton and one at Rice. The father is a bricklayer and the mother is a housewife. The family's income is $29,800, and their only asset is their home (on which there is a mortgage). Currently the Princeton student receives $6,450 in federal funds, including a $1,300 job under work study, two loans totaling $2,900, and a combination of Pell and SEOG grants totaling $2,250. This family would lose all of its federal assistance except for $2,500 under the guaranteed student loan program. They too would have the option of taking out additional loans at commercial rates under the PLUS program—but, again, with no assurance that lenders would make such loans to them even if they could afford to repay the loan. The family would presumably face essentially the same situation in the case of the child at Rice, and for both children to continue their schooling, the parents of this middle income family might well have to assume over $30,000 of debt by the end of four years (in addition to the approximately $20,000 that the two children would have borrowed separately). Suggesting that students in such circumstances "divest themselves of their stereos" somehow does not sound like an effective response.

The fourth and final question posed by the recent debate is the most basic of all: Does it really matter that the students to whom I have made reference, and others like them, be able to attend a university such as Princeton?

There are, fortunately, many excellent colleges and universities in the United States, and some are significantly less expensive than Princeton. However, it must be recognized that the draconian nature of this new set of student aid proposals would in all likelihood close off access for many young Americans to a wide array of public as well as private institutions—to many of the most outstanding state universities, and to private liberal arts colleges already working hard to provide quality education in the face of adverse demographic trends, as well as to the leading private universities.

Why do I believe we should be so concerned about this prospect? There are three principal reasons.

1. This country's human resources are our greatest asset, and it is in the national interest to encourage talented and eager young people to make the most of their abilities—to challenge themselves and to be challenged by the most demanding educational opportunities for which they can qualify. No one is talking about "free rides," but rather about maintaining a system in which students and their families are given enough help, and encouragement, that they are able to invest in themselves. As the United Negro College Fund says so rightly: "A mind is a terrible thing to waste." And that is precisely what will happen, in some degree, if educational opportunities are further constricted.

2. From the standpoint of the quality of the educational process itself, it is widely agreed that, as one of my colleagues put it, "We do not learn very much when we surrounded only by the likes of ourselves." The give-and-take of campus debate, of precept discussion, of interactions in student organizations and in the dining halls, depends very much on the presence of talented students of many predilections and persuasions. Education for leadership, which is one of our proudest goals, surely implies learning to live with, to work with, to learn from, and to respect, individuals from every walk of life. Differences in background can be disturbing and at times profoundly uncomfortable; but they can also be educational in the largest sense. The present-day diversity of the student body at Princeton is not something separate from the University's commitment to educational excellence: it is required by it.

3. The ideal of opportunity is central to America and must be preserved. Many people will, I believe, accept hardships of many kinds so long as there is hope for their children, whatever the limitations under which they themselves have lived.

Allow me to repeat a personal reminiscence that I often think of at commencement time. On the night before one commencement, some years ago, I was talking with the mother of a senior. She was a woman who I knew had had no schooling beyond the seventh grade. She was surrounded that evening by family who had come from many places to be there for graduation, and in looking at all of those people she said: "You know, Mr. Bowen, my son thinks we are making too much of all this. But you must understand," she went on, "that I knew from an early age that there was a limit on what I could achieve because of my race and my education. I was determined that for my children there would be no limits."

Is it silly or sentimental to suggest that much of the spirit of America is captured by that mother's determination and vision? I don't think so. On the contrary, as I listen to some of the current debate, I ask myself: Have we forgotten our history? Have we forgotten our values?

A student in the Class of 1986, who is at Princeton because of the partnership that links the government, private donors, and families in making educational opportunity real, wrote this letter of thanks to a benefactor:

"Whether I am racing with books to a class, eating dinner with a bunch of feisty debaters, plowing through Dostoyevsky's *Crime and Punishment*, or bicycling around the nearby countryside, I am continually dumbfounded by the fact that I am truly at Princeton—that fairy-land of academia which for so long was an unreachable stone tiger in one brochure or another. . ."

A second student wrote:

"[Princeton] is a place of unequalled opportunity . . . and a place of equal opportunity, thanks to your support of financial aid. I can't thank you enough—it makes a lifetime difference."

Do students appreciate what the society does to make a stone tiger reachable, to make Princeton a place of equal opportunity as well as unequalled opportunity? I think so. And I think too that they will repay, many times over, through "lifetime differences," the investments that all of us acting together are privileged to make in their futures—and thus in our own.

RATIFICATION OF THE GENOCIDE CONVENTION ESPECIALLY TIMELY NOW

Mr. PROXMIRE. Mr. President, I can think of no better time—and I mean none—for the Senate to turn to the consideration of the Genocide Convention right now.

As I pointed out Tuesday, every indication points to the inescapable fact that this is the best possible time to debate the merits of this important human rights treaty.

First, we have the request of President Reagan that the Senate act without delay. His request came in the closing days of the 98th Congress and, with few days left in the session, it was impossible to accommodate the President's request until now.

Second, we have the mandate of Senate Resolution 478 that we act expeditiously on the treaty in the first session of the 99th Congress.

And, finally, we have the overriding pragmatic reason that the Senate simply has no other pressing business on which to act and is in the best possible position right now to consider a

controversial treaty, which will require extensive debate.

But there are other compelling reasons that would make Senate action now all the more timely.

In just a few weeks we will be sending our representatives to the Helsinki implementation conference. It is crucial that at that conference America be in the strongest possible position to hold the Soviets' feet to the fire for their failure to live up to the human rights commitments they have made.

The symbolic value of firm and decisive action by this body would lend credence to our protests at that conference and, more importantly, it would deprive the Soviets of their favorite excuse for their own failures. As our representatives have repeatedly pointed out, whenever the Soviets find their backs up against the wall in defending their own policies of systematic, continual abuse of the rights of their minorities, the Soviets always attempt to shift the focus of discussions to the U.S. failure to ratify important human rights treaties, such as the Genocide Convention.

It is time that we deprive them of that tactic. It's time that we remove any doubt or hint of doubt regarding our courage to stand firmly for human rights as the leader of the Free world.

And the symbolic impact of acting now—not this summer, not this fall, but now—would be great indeed.

In addition, we will commemorate in less than a month, the days of remembrance for the victims of the Holocaust as well as the Armenian genocide.

What better step could this Senate take to commemorate this tragedy, to reaffirm our commitment to the pledge "Never again!", than to ratify the Genocide Convention?

Memorials are important, educational programs are important but decisive action is even more important, and action by the Senate now to ratify the Genocide Convention is the most meaningful step we can take.

We must not delay any further and it is crucial that the leadership promptly schedule the Genocide Convention for action as soon as it is reported by the Foreign Relations Committee.

We have waited far too long already. Time is slipping by all too fast.

HAS ARMS CONTROL COME TO THE END OF THE ROAD

Mr. PROXMIRE. Mr. President, an article in the Bulletin of Atomic Scientists for January 1985, By Gerard C. Smith offers four compelling arguments the Senate should consider in deciding on funding the strategic defense initiative [SDI] or star wars. Mr. Smith is extraordinarily qualified as a spokesman on arms control. He is the chairman of the Arms Control Association. From 1969 to 1973 he served the Nixon administration as the Director of the Arms Control and Disarmament Agency. He was also the chief negotiator of the SALT I Treaty. Mr. Smith's analysis of star wars comes as a response to a contention by Zbigniew Brzezinski, the Carter administration's Special Assistant for National Security that "arms control as we know it has come to the end of the road." Smith emphasizably disagrees.

He answers four contentions of Brzezinski that support Brzezinski's thesis that arms control is dead. First, Brzezinski argues that new technology is making exsting ICMB's anachronistic. In support of this position, Brzezinski quotes from a Naval War College Review that "on the horizon are stealth-type bombers launching Stealth cruise missiles and precision guided munitions, further obviating the role of ICMB's" Smith asks how star wars or any of the proposed defense would defend against any of these new weapons. The answer is that they would not.

Second, as Smith argues if only a small part of the $26 billion the Reagan administration is asking for SDI were put into research on verification problems, we might be able to meet the one serious objection that the administration repeatedly raises to arms control, that is, verification. Why not, says Smith, call for a search—equal to the challenge to the ingenuity and energy of our scientists and engineers to develop effective verification techniques? For example, the heart of the arms race is the constant research breakthroughs on both sides that develop new nuclear weapon designed to do two things: First, they are designed to frustrate any existing verification system. Second, they are designed to meet the limitations of arms control. For example, the SALT limits on missiles is met by Mirving the smaller number of missiles with independently targeted missiles so that each side can expand their kill capacity while reducing the number of missiles in accordance with arms control agreements. Result: arms control is nullified by the onrushing technology. So how and when do we make arms control effective? Let us start with an agreement to end nuclear weapons testing. When and if arms control complies with already firm commitments by the United States and the Soviet Union to stop nuclear weapons testing including underground testing, we will, as the head of the Livermore lab so vividly put it, have performed a frontal lobotomy on nuclear weapons research. We must also develop our scientific resources to research on verification, including of course, research on verification of underground nuclear weapons testing.

Brzezinski's third contention is that the most likely first preemptive strike against the United States is a terrorist attack. Right. But so what? Such an attack as Smith points out would not come in the foreseeable future from terrorists, as there is virtually no chance the terrorists will develop ICBM's in the near future. So obviously an SDI defense would be useless against what Brzezinski sees as the most likely first strike against our country. And here is another reason why arms control that stops the still continuing underground nuclear weapons testing is so critical to our national safety.

The research that testing advances will in time develop nuclear devices tailor-made for terrorists. I think Brzezinski is right in his judgment that a terrorist executed attack is the most likely nuclear danger for America. So how do we reduce that terrible danger? Nothing would be more likely to prevent such an attack than an end to the testing and research that would develop the technology that could bring it on. Here is another reason why arms control which alone can prevent that testing and research represents our best resource.

Fourth, Gerard Smith points out that Brzezinski's argument that antimissile defense represents a better course than arms control is hoist on Brzezinski's own petard, his vision of the future outlook with a reliance on ABM defense instead of arms control. Just listen to the Brzezinski discussion of how we dwell in a world without nuclear arms control relying entirely on ABM defense. Here are Brzezinski's words, "It is bound to be a protracted trial-and-error, piecemeal process, with both sides experimenting, deploying partially, and digesting capabilities with neither one at any point in the next 15 to 20 years feeling it is truly invulnerable to the other side, even though over time the vulnerability of each side to a first strike by the other will gradually be declining." As Smith comments: "What a blueprint for an unstable strategic relation!"

Smith concludes with the wise observation: "As strategic arms control become more difficult, it also becomes more important as an essential component of national security." Mr. President, let us face it, persons in high positions in our Government have lost faith in arms control. And there is something to the point they can make that deterrence—the immense capacity of each super power to retaliate against any attack, after the attack—represents the force that has primarily kept the nuclear peace for some 40 years. So why not rely frankly and fully on deterrence? Why not scuttle arms control? The answer is that continued primary reliance on the arms race, certainly an exclusive reliance on the arms race to keep the peace would greatly increase the danger of nuclear

war. As Gerard Smith so clearly shows, we need arms control, now more than ever.

I ask unanimous consent that the article to which I have referred by Gerard C. Smith in the Bulletin of the Atomic Scientists for January 1985, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO DEAD END FOR ARMS CONTROL

(By Gerard C. Smith)

Some time ago, Zbigniew Brzezinski, special assistant for National Security in the Carter Administration, stated in a *Wall Street Journal* column, that "it is quite possible that arms control as we know it has come to the end of the road." This observation was probably limited to strategic arms control and should not be taken to mean that proliferation and other arms control efforts are now dead. Brzezinski would have the United States react to this stalemate by developing strategic defenses, presumably a plug for the Administration's Strategic Defense Initiative (SDI), so as to put pressure on the Soviet Union to return to serious arms control negotiations. But what would be the point of such negotiations if he is correct in speculating that arms control has come to the end of the road?

This speculation—that the present arms control sickness is terminal—is quite at odds with President Reagan's more recent hopeful prognosis. It would be ironic if, after the Reagan years of rearmament to develop a position of strength in order to negotiate arms limitations, we found, as Brzezinski suggests, that the road had come to a dead end. Brzezinski rests his case on two contentions:

Controls face two insurmountable obstacles: the bloody-mindedness of present Soviet leadership and the dynamics of the technological revolution;

U.S. and Soviet security require unilateral actions by both sides in the area of strategic defense.

But it was not Soviet bloody-mindedness that torpedoed the SALT II Treaty which Brzezinski had a hand in crafting; it was the United States' refusal to ratify it. And the Reagan Administration must share at least part of the blame for the failure of START and the INF (Intermediate Nuclear Force) negotiations. It took 16 months to prepare an opening SALT negotiating position and then only under pressure of the freeze movement. Pre-election statements by the Reagan Administration about defensive weapons systems suggest that Washington is not overly concerned about preserving the ABM Treaty.

Brzezinski argues that new technology is making existing ICBMs anachronistic. If so, why start developing anti-ICBM systems which even under optimistic assumptions can be fully effective only many years from now, if ever? He cites a statement in the Naval War College Review that "on the horizon are Stealth-type bombers launching Stealth cruise missiles and precision guided munitions, further obviating the role of ICBMs." But the proposed strategic defenses would not be effective against any of these new "over-the-horizon" weapons systems.

If only a small fraction of the $26 billion requested by the Reagan Administration for the research and development phase of the strategic defense program were put into stimulating scientists and engineers to work harder on verification problems, solutions might appear that have thus far escaped us in what can hardly be called an all-out search for new verification techniques. It would help the president's arms control credentials if he were to call for a verification search, to match his challenge to the ingenuity and energy of American scientists to develop new defensive weapons systems.

Brzezinski projects various contexts for a possible first strike against the United States and concludes that a terrorist attack is probably the most likely. This may be the case, but I know of no serious military estimates that suggest terrorists will in the foreseeable future be able to deliver nuclear weapons by ballistic missiles. Much more likely would be some form of clandestine operation, against which the proposed strategic defense systems would be helpless.

The combination of Brzezinski's conclusions that strategic arms control is probably outmoded and that we should develop defenses strikes me as a model for an indefinite and destabilizing arms competition. He describes this future quite frankly: "It is bound to be a protracted trial and error piecemeal process, with both sides experimenting, deploying partially, and digesting capabilities with neither one at any point in the next 15 to 20 years feeling it is truly invulnerable to the other side, even though over time the respective vulnerability of each side to a first strike by the other will gradually be declining." What a blueprint for an unstable strategic relation!

As Sidney Drell and his co-authors of the Reagan Strategic Defense Initiative: A Technical, Political, and Arms Control Assessment recently concluded, A mixed defense-offense posture designed to deprive the opponent of a strike capability is likely to look—in motivation and in capability—uncomfortably like a first strike posture. This would be particularly true of a space-based ABM system, where the fragility and vulnerability of the components make them unreliable except in support of a preemptive strike. The result would be an unending spiral of arms build-up on both sides, and most important, a dramatic increase in the likelihood of nuclear war in a crisis.

Having considered Brzezinski's reasoning and evidence, I would conclude that it is not time to surrender the possibilities of future arms control. But even if it were, pursuit of a second arms competition to see who can mount the most effective ballistic missile defenses would hardly improve American security. As strategic arms control becomes more difficult, it also becomes more important as an essential component of national security.

THE REAGAN ADMINISTRATION CHAMPION OF FOREIGN AID

Mr. PROXMIRE. Mr. President, quietly, without public or press recognition, President Reagan has presided over the biggest buildup in foreign aid in modern history. President Reagan, based on the facts deserves a new title—Mr. Foreign Aid.

In mythology, Atlas was supposed to hold up the world. This administration is just trying to buy it.

President Reagan in his first 6 years in office will spend over $91 billion in foreign aid or more than the combined total spending by Presidents Nixon, Ford, and Carter. During their 12 years in office, they spent about $77.8 billion for foreign aid. President Reagan has taken one-half the time to spend $13.2 billion more than his three predecessors.

Before this administration leaves office it will have spent at least $138 billion in foreign aid or more than every President combined starting from the middle of President Eisenhower's first term in 1954.

Even looked at in constant dollars—that is not counting inflation—the Reagan administration still is the all time big spender in recent memory. The fiscal year 1985 total of $19.6 billion is the largest constant dollar foreign aid spending level since the post-World War II Marshal plan. There has been an 83-percent, real increase in foreign aid since 1979.

What makes the constant dollar figures especially startling is that the growth in foreign aid has come at a time when domestic discretionary spending—nondefense spending such as for the FBI, Federal parks, the environment or food stamps—has been dropping. Spending on these programs for American citizens has declined by more than 6 percent in real terms from 1980–85 while foreign aid has increased by 17 percent in real terms.

The conclusion? This administration doesn't believe that charity begins at home. In fact just the opposite—foreign aid comes before domestic aid. When it comes to putting your money where your mouth is this is a "put America last" administration.

The total foreign aid expenditures for fiscal year 1985 are estimated to be $19.6 billion. In current dollars this is 176 percent higher than 10 years ago and 356 percent higher than 15 years ago under President Nixon.

Even looked at in comparable 4-year terms, President Reagan is way out front as the big spender in foreign aid. The Reagan foreign aid budget for fiscal year 1981–84 was $53.1 billion in outlays. President Carter's 4 years saw an expenditure of $34.1 billion. This represents a $19 billion or 56-percent increase for the Reagan 4 years in current dollars.

Similarly the first 4 Reagan years were $27.3 billion or 106 percent higher than the Nixon/Ford term and $35.2 billion or 197 percent higher than the Nixon years of 1969–72.

There has been indepth examination of the defense budget in the Reagan administration and this has been appropriate. But there has been no examination of the mammoth increase in foreign aid under the Reagan administration. When people talk about reordering the budget and realigning the priorities, this is one of the first areas that should be considered for reductions.

It is the height of irony that this administration is known as frugal and conservative when in reality it is only frugal on the programs that it opposes ideologically while it gives huge increases to programs it favors such as defense, and as the facts show, foreign aid.

Mr. President, the figures in this statement are based on official data from the historical tables volume of the 1986 Budget. Constant dollars were calculated using the GNP deflator. All spending data are from the international affairs budget category and OMB has adjusted them for consistency. The international affairs category includes foreign economic and financial assistance, international security assistance, conduct of foreign affairs, foreign information and exchange activities and international financial programs. All figures are based on outlays—actual Government expenditures rather than budget authority.

FREE FATHER JENCO

Mr. DIXON. Mr. President, I rise today to remind my colleagues of an unpleasant fact. Several Americans have plummeted into that black hole known as Beirut, and remain missing, presumably the kidnaping victims of a shadowy terrorist organization, Islamic Jihad.

While each of their stories is a tragedy and demands the continuing efforts of the United States and the international community, I come to the Senate today to speak about one of the victims, Father Lawrence Jenco. Father Jenco is a 51-year-old Catholic priest and native of Joliet, IL. He was the director of Catholic Relief Services in Beirut prior to being abducted on January 8, 1985.

Just a few days ago, more than 10 of Father Jenco's relatives flew all the way to Washington, DC, for meetings at the State Department to discuss his plight. During their visit they came to my office to inform Congressman GEORGE O'BRIEN, Senator PAUL SIMON, and me about their discussions with members of the Foreign Service.

Without going into any sensitive details, I think it is fair to say that the situation is not entirely optimistic. Our Government is in constant contact with officials of the Lebanese Government, as well as with representatives of other nearby states. The critical problem is that very little is known about Islamic Jihad, other than it is believed that its members are pro-Iranian Lebanese Shia extremists. It is extremely difficult to obtain accurate information about this group, and even more difficult to penetrate.

Yet, I believe the Jenco's were heartened to be assured that the administration has been engaged in Governmentwide efforts to obtain the safe release of Father Jenco. The central point I wish to convey today is that these efforts must continue. The plight of Father Jenco, and the other missing Americans and westerners, must remain on the front burner.

I am confident that the State Department is aware of this fact. For my part, I pledge my best efforts to make sure that the safe return of Father Jenco remains a high priority of our Government.

THE DEATH OF MAJ. ARTHUR D. NICHOLSON, JR.

Mr. DODD. Mr. President, last Sunday, inside East Germany, a brave young Army officer, a constituent of mine, Maj. Arthur D. Nicholson, Jr., was senselessly gunned down by a member of the Soviet military.

Major Nicholson's family moved to Redding, CT, when he was a high school junior. In these formative years, he was a very popular and talented young man, and grew up to become a highly trained Army officer of outstanding professional ability. Beyond expressing grief over this senseless destruction of a valuable young life, I would like to offer a few observations concerning this incident.

Media reports of this tragedy have rather loosely used expressions such as "spying mission" or "espionage." These words imply stealth, a furtive, secretive activity. I want to make the point that Major Nicholson was on a perfectly legitimate mission; he was unarmed, wore a uniform, and traveled on a standard U.S. military vehicle. He was well inside Warsaw Pact territory. I am certain that the Soviets and/or the East Germans knew who he was and where he was all the time. Even if the Soviet account of the incident were believable, where could Major Nicholson have run away to? Why did they have to murder him?

Another point I want to make is that, far from engaging in a provocative activity, Major Nicholson's mission was a peacekeeping activity, part of the post-World War II arrangements to keep tensions along the intra-German border under control. Arms control agreements resulting from the Geneva talks may well call for similar procedures for the verification of their implementation. It ill serves the required minimal confidence that is necessary to establish such arrangements if we have to fear that the Soviets will shoot our onsite inspectors.

Mr. President, I express my deep sympathy to the parents of Major Nicholson, Mr. and Mrs. Arthur Nicholson, to his widow, Karen, and to his little daughter, Jennifer, as well as to his other relatives and friends. At the same time, I hope that the President and our arms control negotiators will tell the Soviets that the suspicion and aversion with which they feel they are often treated from these shores is largely their own doing and they have a lot to change in their attitudes and practices before they convince us that they genuinely seek to improve the relations between our two countries.

Mr. President, among all the media reactions to this tragedy, the editorial in yesterday's Washington Post stands out with its clarity of reasoning and conclusion. I ask unanimous consent that the text of the editorial be printed in the RECORD at the conclusion of my statement.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 27, 1985]

KILL FIRST, QUESTION LATER

Maj. Arthur Nicholson, the American officer the Soviets murdered in East Germany on Sunday, was traveling in uniform, unarmed, in a marked military car, in daylight. He had been accredited by the Soviet authorities, since 1982, for the "monitoring" mission that the Soviets and Western powers have been letting each other's military liaison teams perform in the two German states for almost 40 years. That much is not in contention.

There is a dispute over whether, when he was shot, he was in or merely near a restricted area. Our presumption is that the American side, which says he was not in a restricted area and was not doing anything outside the familiar terms of a time-tested liaison agreement, is telling the truth.

There is no dispute over the further American report that the Soviets did not allow Maj. Nicholson's driver to administer first aid to him and did not themselves tend to him until he had died.

Even if Maj. Nicholson had been in a restricted area, of course, the right and reasonable thing for the Soviet guard to have done would have been to warn him, perhaps to detain him, perhaps to take away his camera. But to *kill* him?

The right thing for the Soviet authorities to have done after the murder would have been to apologize and announce steps to establish accountability. Instead, they simply expressed regret at the death and then blamed the dead man for it, saying he had been caught spying. As in the KAL episode, their defensive blustering comments make a bad situation worse. As usual, they are attempting to recover by representing themselves as the aggrieved party.

The liaison missions are a form of authorized espionage whose useful purpose is to keep nerves and armies steady on both sides of a line that is the most heavily militarized front in the world. The missions give each side the confidence of knowing a bit more about what the other is doing, and since the Soviet Union as well as the United States benefits from the arrangement, the incident is doubly shocking. Once again the Soviets have demonstrated their proclivity to kill first and question later. There is no excuse or justification for it.

President Reagan is without illusion about this Soviet trait, so as each incident comes along he does not feel under pressure to change his foreign policy in order to show that he is without illusion. The Geneva negotiations go on, as they should. But the Soviets should understand the rage they have stirred by the killing of Maj. Nicholson, and

the fresh political damage they have inflicted on the prospects for the improved relations they profess to seek.

NEED PROGRAMS

Mr. HEINZ. Mr. President, as chairman of the Alliance to Save Energy, I am pleased to take this opportunity to commend the millions of students across the Nation for their recent participation in National Energy Education Day [NEED] programs.

March 22 marked the fifth anniversary of NEED, which is designed to develop and enhance energy education programs at all grade levels of public and private schools. In order to ensure that this country meets its future energy demands, we must encourage our greatest resource—the minds and talents of this country's youth—to understand and help find answers to the energy questions our world faces. NEED programs have proven to be an effective vehicle for integrating energy education into the Nation's schools.

Mr. President, having served as cochairman of this project in 1983, I take great pleasure in noting that over 8,000 schools in 36 States participated in this year's program. NEED promotes energy education and student leadership through a variety of activities, including devising games to teach other students about energy, community cooperation activities such as recycling and science fairs, and many other educational programs.

The outlines for many of these projects are submitted to State coordinating committees for judging, and the best projects receive awards from the national NEED organization. Winners from each State will visit Washington this June and will serve as "Senator" in a simulated Senate hearing on nuclear licensing reform.

Much of NEED's success can be directly attributed to the hard work of its executive director, Gerard Katz. I would like to thank Mr. Katz for the vital service that he is providing for our Nation, and congratulate him on the superb program his dedicated effort has produced.

I would also like to thank a group in my own State of Pennsylvania, the Keystone Energy Education Network [KEEN], which coordinates the State's participation in both NEED and the Pennsylvania Governor's Energy Education Award. KEEN has also participated in the Alliance to Save Energy's campaign, "Partners for an Energy Efficient Tomorrow."

Mr. President, although we are currently experiencing an oversupply of oil, it is imperative that we plan now for that day when oil may again be scarce. This means ensuring adequate domestic energy resources to serve our needs. We must do all we can to develop a wide range of alternate sources of energy—from synthetic fuels and solar and wind power, to geothermal and nuclear fusion energy. This effort will require updating our educational system at all grade levels to prepare this Nation's youth for the demands and challenges ahead.

National Energy Education Day brings together students, teachers, school officials, and community members to focus attention on the need for a greater understanding of energy issues. NEED also provides the necessary support for encouraging talented youth to choose fields of energy as viable career options.

Mr. President, I urge my colleagues to lend their full support for energy education programs such as NEED. Our support can give millions of Americans who participate a headstart in solving the energy challenges we all face in years to come.

DEFENSE CASH PAYMENTS

Mr. CHILES. Mr. President, there is a very important study going on this week in the Pentagon. The study concerns cash payments defense contractors receive. Mr. President, prior to 1981, progress payments for costs incurred were set at 85 percent for large business concerns and 90 percent for smaller concerns. At that time a portion of the cash payment was withheld until the product was complete and the quality of the product could be assured. However, in 1981 when the new administration arrived the defense industry lobbied hard to increase the levels of these cash payments. They argued inflation was high and the defense industry needed more cash if it was to respond quickly and rebuild America's defenses. Secretary Weinberger agreed and raised the minimum levels of payments to 90 and 95 percent respectively. In fact, today the rule of thumb is that most of these contractors receive 100 percent of costs incurred.

Mr. President, this change has had two effects. First, it has increased the level of cash in the defense industry as it was designed to do. Indeed, the defense industry is awash in cash. More importantly, we have removed the incentives for performance and quality control by giving these contractors 100 percent of their cash payments up front.

Mr. President, a surprising thing happened last year. The Grace Commission determined this cash payment practice to be wasteful. The Grace Commission estimated that $9 billion in one-time outlay savings could be achieved if we returned to the pre 1981 rates of payments and reformed the practice. At my request, CBO computed an estimate of the outlay savings to be slightly lower at $6 billion. Secretary Weinberger's own Inspector General has recommended reform of the practice in light of a significant drop in inflation across the defense industry and the excellent health of the defense economy.

Mr. President, last year before the Defense Subcommittee of the Appropriations Committee I asked Secretary Weinberger about these findings. At that time, he was unable to answer my questions but I have been assured that the Defense Department is looking very closely at this and will make a decision within the week. I am encouraged but I remain concerned about the final decision.

In addition to addressing the percentage of payment we must also address industry incentives. At present, we make these payments based on costs incurred rather than actual progress. Therefore, the higher the costs the more the cash payment. We do not have progress payments. We have cost payments. I suggest, Mr. President, we institute a policy based on progress which insures quality control.

Finally, Mr. President, while we all welcome additional outlay savings, I hope Secretary Weinberger does not use a change in this policy as another form of his pricing adjustments or cut insurance. Last year, after he said we couldn't cut a dollar from his budget or we would endanger national security, he came in with $10 billion worth of pricing adjustments like lower fuel prices, lower stock fund prices and foreign currency adjustments. We should all recognize the savings resulting from a reform of this policy are one-time outlay savings. We would just be slowing the rate at which we outlay cash but sooner or later we will spend it. If we are to bring the defense budget under control we must make reductions in budget authority. I ask unanimous consent that a New York Times story dated March 18, 1985, which details the problem of excess profits and cash margins in the defense industry, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 18, 1985]

PENTAGON STUDY EXPLORES PROFITS FOR CONTRACTORS

(By Jeff Gerth)

WASHINGTON, March 17—With Congress hungry for painless ways to cut military spending, the Pentagon is examining whether defense contractors make too much profit or not enough.

It hopes to find out whether its pricing rules encourage companies to cut costs or—as many critics charge—perversely reward inefficiency because, under the rules, higher costs generally yield greater profits.

This spring the Defense Department will complete its first comprehensive review of profits and accounting practices in a decade. The General Accounting Office, the investigative arm of Congress, is monitoring the Pentagon study and will issue its own evaluation.

DEBATE ON DEFENSE BUDGET

These two studies of procurement and profits are likely to figure prominently in the coming debate over the defense budget and may leave a lasting impact on one of the nation's largest industries—defense and aerospace.

Some critics say it is already obvious that military procurement practices have perverse results. Richard Stubbing, who spent 20 years at the Office of Management and Budget before retiring in 1981 as deputy chief for national security, contends that the Pentagon's buying has become "a public works program" in which "rewards go to those companies that don't produce."

For its part, the Pentagon concedes it does not now know exactly how much profit the major defense contractors actually reap.

Other profit surveys are contradictory, but by at least one measure—the publicly reported net income of the largest military contractors—the defense and aerospace companies have enjoyed substantially higher returns than other manufacturers generally.

Procurement, at $107 billion a year, is the largest portion of the the defense budget. Together with research and development, at $39 billion more, these costs are the fastest growing, most uncontrollable elements of the $313 billion defense budget. Major weapons systems coming into the Pentagon inventory over the next few years will cost almost $600 billion, the Defense Department estimates.

Col. Ronald R. Finkbiner, who heads the Pentagon review, said Pentagon contractors "will bare their financial soul" for the study. He also said that the study, which must be approved by top Pentagon officials, may lead to more regular monitoring of military profits. According to Colonel Finkbiner, the Pentagon gave up measuring how profitable defense contracts actually are because it decided its figures were dated and not very useful.

Months before the study's release, though, the General Accounting Office and Colonel Finkbiner already disagree about the adequacy of the Pentagon's new data—which depends on voluntary responses from contractors—and some of the study's likely conclusions.

RECENT GROWTH OF EARNINGS

Much has happened to the defense industry since the last review. The top contractors' profits have grown substantially. The Government has increased its "incentives" for military contractors by billions of dollars. Most of the largest companies, taking advantage of accepted accounting practices, have paid little or nothing in Federal income taxes.

At the same time, routine outside scrutiny of military profits has diminished. Congress, prodded by the defense industry, stopped financing the Renegotiation Board and the Cost Accounting Standards Board, tow independent agencies that monitored defense profits and accounting practices. In 1981 Congress also repealed legislation dating from 1934 that limited profits on certain contracts.

For critics, these developments show that the defense industry has become unaccountable and wasteful, unnecessarily driving up military costs while making big profits.

"Incentives are a disaster in the defense world," said Mr. Stubbing, now a professor and assistant provost at Duke University in Durham, N.C. "There are no incentives to lower labor costs or increase productivity."

PERFORMANCE IS CITED BY THE INDUSTRY ITSELF

Karl G. Harr Jr., president of the Aerospace Industries Association, the main trade group comprising defense contractors, takes vigorous exception to such views.

"The industry is strong and healthy and performs better than ever," Mr. Harr declared. If anything, he added, companies need higher profits, more incentives and less interference with management by Congress and the Pentagon.

The Defense Department has introduced a system of financial incentives for contractors to improve their financial health and to reward investment and higher productivity. The incentives include larger advance payments for contractors, changes in accounting standards to allow reimbursement of more costs and a revised pricing formula that allows more profit. The formula takes into account a contractor's risk, the type of contract and the contractor's costs and capital investment.

Military contractors also benefit from certain Internal Revenue Service accounting standards. Last November, in its proposal to overhaul the tax system, the Treasury Department called these arrangements a subsidy that understates the true cost of Federal contracts.

A central debate about defense profits concerns how to define and calculate profit. At present, the formula is 70 percent based on a contractor's costs. The remaining 30 percent is tied to a contractor's investment in plant and equipment devoted to military output.

For example, in a 1983 audit of spare parts for aircraft engines, the Defense Contract Audit Agency noted that prices were negotiated to give the contractor (the Pratt & Whitney unit of the United Technologies Corporation) a profit that reflected a certain percentage of its estimated costs. The agency also said contractors that were paying subcontractors "more and more to deliver spare parts are rewarded with greater profits as the traditional 13 percent profit factor is applied to higher costs."

Several studies by Congress and the Pentagon have found that the companies have not increased their investment in plant and equipment despite higher profits and increased incentives and that the incentives often reward higher costs.

The 1983 audit found that, although Pratt & Whitney was essentially a middleman, it wound up with a 30 percent profit, or 17 percentage points higher than originally negotiated and far higher than the average manufacturing company earns.

A REWARD FOR INVESTMENT

Mr. Stubbing advocates changing the investment formula to weigh in a company's past performance and reward investment more than cost.

Similarly, a study conducted for the Air Force last year by Edward M. Kaitz, a consultant now with Arthur D. Little & Company, noted a general belief that "the defense industries have not responded to the capital formation incentives provided to them" and thus failed to realize the cost savings possible in major weapons systems.

Mr. Kaitz concluded that procurement of major weapons systems had come to resemble "welfare economic theory," with pricing based on costs in a market where most prime contractors enjoy a product monopoly.

Mr. Harr, the aerospace industry spokesman, said he believes the best inducement for investment is profits but said he is unfamiliar with the Defense Department's profit formula. He also rejected the notion that the Pentagon's financing arrangements amount to a subsidy.

"One man's incentive is another man's just due," he said.

Although the defense industry has a lot of support on Capitol Hill, Congress is looking harder at defense financial practices, according to two members of the House—Barbara Boxer of California, a Democrat, and John R. Kasich of Ohio, a Republican.

While procurement of oil, uniforms and food follows commercial bidding practices, most awards fall under special military rules. There are many kinds of contracts, ranging from fixed-price to cost plus a percentage of cost as profit. Each type involves different risks and rewards for contractors and different weightings that affect prices and profits.

A FEW BIG COMPANIES DOMINATE CONTRACTING

Thousands of companies receive Defense Department contracts, but just a few large contractors are dominant. In the fiscal year 1984, the top 15 contractors received 41 percent of all military contracts, according to an Air Force study.

The top 15 include such enterprises as the General Dynamics Corporation, the Rockwell International Corporation, the McDonnell Douglas Corporation, Litton Industries, the Martin Marietta Corporation and the Lockheed Corporation.

By return on shareholder equity, a standard widely used on Wall Street, the publicly reported profits of defense companies over five years were much better than average. The profits of 10 of the largest contractors, at 25.6 percent, were higher than those of any other industry, according to a survey of 1983 results for 1,000 corporations by Media General Financial Services Inc. for Forbes magazine. Return on investment for the 1,000 companies averaged 15.1 percent.

While the Defense Department does not survey contractors' actual profits, its data for negotiated rates show they rose to 13.1 percent in 1983 from 10.7 percent in 1979, according to unpublished Pentagon data reviewed by a reporter.

INDUSTRY NOTES STATISTICS

The industry itself tells a different story. According to the Aerospace Industry Association, Census Bureau data and its own estimates show that profits as a percentage of shareholder equity declined to 12.2 percent in 1983 from 18.4 percent in 1979 but still exceeded the average for all manufacturers. As a percentage of sales or assets, however, the profit figures fell below the overall corporate average.

According to the industry, no matter what the measure, profits are insufficient. "Obviously I'm going to say they're not high enough," Mr. Harr said of aerospace profits.

In 1976 a Defense Department study of profit levels came to a similar conclusion. Changes followed in the Defense Department profit formula as well as in accounting standards and payment schedules. The idea was to increase contractors' profits and encourage investment in new plant and equipment. Underlying all these actions was the belief that national security required a strong, privately organized industrial base.

But the Defense Department kept the profit formula based largely on costs, despite objections by the G.A.O., which contends that the formula should more directly reward investment as well as how well a contractor did with prior military work.

STANDARD MEASURE SOUGHT

A. Ernest Fitzgerald, an Air Force management systems deputy and longtime critic of defense accounting practices, said profits should be tied to a standard measure of performance, or what a contract "should cost." He would peg profits to standard rates for various tasks, like so many hours for mounting an engine plus a certain profit on top of that.

A 1982 study by the Air Force Systems Command found that while profits were higher between 1977 and 1981, investment in the defense industry lagged behind that attained in commercial business. "The assumption that higher return on sales will stimulate investment on defense contracts was not supported by actual experience," the study found.

The current study of defense profits headed by Colonel Finkbiner, which is entitled "Defense Financial and Investment Review," is looking into the usefulness of Pentagon financial incentives and the adequacy of industry profits. Colonel Finkbiner sent questionaires to 126 companies, but only 81 of them have replied, and not all the replies are usable. The survey is voluntary, and the profitability of specific companies will not be determinable.

Colonel Finkbiner considers the data base adequate, but the Comptroller General of the United States, Charles A. Bowsher, wrote Defense Secretary Caspar W. Weinberger last November that voluntary data were "questionable" in analysis.

HOW TO TREAT THE COST OF MONEY IS DISPUTED

One disputed incentive under review concerns a cost accounting standard that allows contractors to include their cost of money in their reimbursable capital costs. Then the total is included in the base from which the profit is computed.

The Defense Department treats the cost of money differently from the private sector, where there is no explicit accounting for an imputed cost, and from other Government agencies that do not allow for the cost of money when calculating profit, according to official documents.

Colonel Finkbiner and officials of the General Accounting Office disagree about the usefulness of the provision. Colonel Finkbiner said the system worked in 1977, the first year it was used, while G.A.O. officials said it should have worked longer.

IN 1983 the director and chief of the surveys and investigations staff of the House Appropriations Committee studied the effect of the cost of money on shipbuilding contracts. The study found a "lack of support in authoritative accounting literature" for its use and estimated that it cost the Government between $1.4 billion and $2.1 billion a year.

LEGISLATION WOULD END RULE

Representative Boxer, relying on data uncovered during the staff study, recently introduced legislation to end the cost-of-money provision, which she called a "special loophole for defense contractors."

Industry officials defend the cost of money as necessary in light of the Defense Department's failure to allow interest costs to be reimbursed. But the Pentagon does finance a contractor's inventory and work in progress, reducing the need to borrow money.

This financing involves progress payments, in which large contractors can quickly be paid for 90 percent of their incurred costs and, for shipbuilders, up to 105 percent. The Reagan Administration has liberalized the payments several times, though Defense Secretary Weinberger recently ordered a review of progress payments for overhead, and the President's Private Sector Survey on Cost Control, also known as the Grace Commission, estimated that the Pentagon could save $10 billion a year by cutting progress payments.

According to Mr. Fitzgerald, the Pentagon often makes progress payments without evidence of actual progress. If contractors receive the payments before they actually pay the expenses, the result is a float of cost-free money to invest. Mr. Fitzgerald has recommended that the Air Force officially adopt guidelines tying payments to actual progress.

Mr. Harr of the aerospace association said reducing progress payments would be a "burden."

LABOR THE MAIN COST ITEM

The most important cost factor in military contracts is labor, not only because labor costs are large but also because they are used to calculate other items such as overhead. Labor costs also include the 7 percent payroll tax paid by employers for Social Security. Both the labor costs and the payroll tax are included in calculating profit.

Studies by the G.A.O. and the Air Force have found that salaries of executives in aerospace exceed those of executives elsewhere by more than 40 percent. Mr. Fitzgerald and others recommend that the Pentagon allow no more than prevailing or comparable wage rates for a particular area.

According to Mr. Harr, it is unfair to compare aerospace salaries with those in other industries.

"Compare us to others in the industry," he said. In his view, aerospace requires unusually capable people. "You are talking about the cutting edge of technology, what will beat the Russians," he said. "Do you want run of the mill?"

For Mr. Harr, the setting of salaries is "one of the most important management prerogatives" and disallowing any of those costs would be meddling.

TEN OF THE LARGEST DEFENSE CONTRACTORS

[Ranked according to the size of their 1984 contracts]

Company:	Contract amount approved by Congress (millions)	5-year average profit rate 1979–83; as a percent of equity
General Dynamics	$9,027	19.7
Rockwell	5,628	18.7
McDonnell Douglas	5,283	13.4
Litton	3,285	25.5
Martin Marietta	2,542	21.3
Lockheed	2,276	87.1
Boeing	1,506	22.2
Grumman	971	12.0
Raytheon	885	23.2
FMC	822	13.1

Average profit rate for these 10 companies: 25.6 percent.

Sources: Air Force Business Research Group, Media General Financial Services Inc.

THE NICARAGUAN RESISTANCE: IS IT BEING SOLD DOWN THE RIVER?

Mr. HELMS. Mr. President, the American people are beginning to realize that the President of the United States is right when he identifies the Communist regime in Nicaragua as a security threat to the Western Hemisphere. They realize that the President is right when he characterizes the regime in Managua as an oppressive Marxist-Leninist instrument that is dependent upon Cuba and the Soviet Union to maintain totalitarian control over the Nicaraguan people.

Unfortunately, Mr. President, there are some Members of both bodies of the U.S. Congress who do not recognize the totalitarian nature of the Nicaraguan regime. They profess to see the Nicaraguan regime as a group of reformers intent upon establishing social justice in a land once ruled by a dictatorship. They dismiss the Soviet and Cuban connections of the Nicaraguan regime as accidental associations contracted in a struggle for survival against the hostility of the U.S. Government. They attack the support that the United States has given to the Nicaraguan freedom fighters as illegal interference with the internal affairs of a sovereign nation.

Moreover, the U.S. State Department, and its operating arm, the CIA, are working in league with the aims of those Members of Congress who oppose the President's policy. They are seeking an accommodation with the Marxist-Leninist regime in Nicaragua, in exchange for obscuring the Sandinistas' alignment with Fidel Castro and the Soviet Union. So, in effect, they are using Ronald Reagan's rhetoric to accomplish the aims of those who oppose the President.

The President has made clean his wish to support a heroic fight for freedom by the people of Nicaragua against their oppressors; but I greatly fear that the U.S. State Department and the CIA may be planning for a Bay of Pigs. Are they working to exclude those elements of the Nicaraguan resistance who refuse to accept a negotiated surrender to the Communists? Whether this is deliberate and intentional, I will leave to others to assess. But I am stating the obvious effect of what is happening. President Reagan and the people of Nicaragua must not be betrayed.

Mr. President, I strongly support President Reagan in his campaign to aid the Nicaraguans in throwing off the tyranny that has enveloped their land. I reject any suggestion that the Government of Nicaragua possesses any legitimate claim to rule the Nicaraguan people. The Sandinista regime established itself by force, suppressed the right of dissent and political action, and held elections only after it so controlled the fabric of Nicaraguan society and consolidated its power that no one could possibly describe the electoral process as free. That fact has been confirmed by the Inter-American Human Rights Commission of the OAS.

Moreover, Marxism in itself is a denial of human rights in its basic principles. Not only does it deny individual rights that our traditions hold to be essential to freedom—the right to own property, the right to worship freely, the right to raise one's family according to one's moral values, and the right to free political action as a guarantee of the basic rights—but the control necessary to impose Marxist concepts on an unwilling people necessarily involves the suppression of human dignity and the use of force against the proponents of freedom.

Finally, Marxism, when combined with Leninism, is an attack not only on the people of the country involved, but necessarily seeks to destroy the freedoms of surrounding countries and bring them under the Marxist system. Thus the Marxist-Leninist regime in Cuba, which many dismissed as an irrelevancy to our interests in the Western Hemisphere, has never ceased to be a center for the promotion of revolution among our neighbors. It continues to be a forward base for Soviet military objectives, and was central to Soviet penetration of Nicaragua and the consolidation of Communist power on the American Continent.

There is no such thing as benign Marxism. Marxism is a fundamental rejection of justice, equity, and freedom, and it cannot survive without a Leninist component. It necessarily is antagonistic to American values, and will constantly work to undermine U.S. interests and aspirations.

PAST U.S. SUPPORT FOR THE SANDINISTAS

In the early days of the Managua regime, the United States poured more than $150 million of aid into Nicaragua in the hope of stabilizing the anti-Communist and non-Communist sectors, seeking to pull the regime into the Western orbit. But at the same time, the Sandinistas had called in 3,000 Cuban military personnel to consolidate their power so as to extinguish the flame of freedom.

This was the policy of the Carter administration, which looked upon the Sandinistas as romantic, benevolent revolutionaries, forced by Western hostilty to turn toward the Communist orbit. This policy was the product of a certain historic mentality in the U.S. Department of State and in the foreign policy establishment generally. The State Department, and its operating arm, the CIA, fundmentally sympathized with the aims and philosophy of the Sandinistas, believing them to be misguided in seeking Soviet and Cuban support. The same philosophical sympathy was demonstrated by the State Department toward the Soviet revolution, the Chinese revolution, the Cuban revolution, and, indeed, everywhere were Western culture has been extinguished by force. The same policy is always proposed as a remedy; namely, to offer negotiations and financial assistance.

Mr. President, I was one of the few members of this body to express skepticism about the efficacy of such aid programs in the face of the known principles of Marxism-Leninism. Regretably, I did not prevail. The U.S. funding in Nicaragua—the largest ever given to a Latin American country—served only to establish the Communist grip more firmly. Thus no one can assert that the Sandinistas turned to the Soviet system because of premature rejection by the West.

That is why I firmly support the policy of President Reagan to back the Nicaraguan freedom fighters. The United States bears an awesome responsibility for supporting the Sandinista government from the very beginning. Indeed, the secret records of our diplomacy, as well as hearings held in the House of Representatives, show that the United States not only took a passive role in funding the Sandinista regime, but an active role in providing diplomatic assistance and in allowing the shipment of arms to the Sandinistas during their attempt to overthrow the Somoza government. We owe it to the people of Nicaragua to make retribution. We must help them throw off the tyranny the United States helped to establish.

The previous government of Anastasio Somoza was without question an authoritarian regime, intent upon maintaining political control with the economic advantages to the rulers which such control implied. Many areas in the United States have been governed by similar principles in past history; but it is the nature of such political machines that they are eventually turned out. Somoza had no ideology to impose. His only preference was for the United States, presenting an opportunity for the United States to use its influence to expand the Nicaraguan system so that Nicaraguans might eventually enjoy the whole range of political and human rights that we have in our own country. Instead, our influence was used to impose a system that was totalitarian in requiring conformity to Marxist ideology across every field of human endeavor, ranging from economic activity, to education, to social organization, and to divine worship.

THE STATE DEPARTMENT UNDER REAGAN

It is not surprising to those of us who have been around for awhile that the State Department in its working levels has not changed its policies under the Reagan administration. We have come to expect this sort of thing. Despite the President's eloquent and clearly expressed desire to support freedom, the State Department's bureaucrats have continued to exhibit the same poverty of imagination in constructing policies as before. The State Department, and its operatives in the CIA, have continued to assume that the Sandinista revolution is fundamentally beneficial to Nicaragua, if only it would cut its links to the Soviet and Cuban system. They assume that negotiations will defuse the threat of outside involvement from the Communist system.

In the first stage of this mania for negotiations, the State Department thought that the flow of weapons to El Salvador could be stopped by diplomacy. It is a fact that Assistant Secretary of State Thomas Enders had meetings in both Managua and Mexico, promising better relations if the Sandinistas would stop assisting the Communist insurgents in El Salvador. At this point, covert funding was supplied in limited amounts to the Contras in order to put pressure on Managua to stop the arms flow.

But the strategy did not include support for the fundamental aims of the Contras; namely, the overthrow of the tryranny which enslaved Nicaragua. The justification give to Congress was that the purpose of the assistance was to interdict the arms flow, not to overthrow the government. In other words, the Contras, particularly in the north in Honduras, were being used to apply pressure intended to secure limited aims in the secret negotiations. There was a deep suspicion in the State Department of the aims of the Contras, as though to be a counterrevolutionary was in itself philosophically wrong. It was all right, in the State Department's view, for the Contras to put their lives on the line, but they shouldn't be allowed actually to destroy the Sandinista regime—only to bruise the Sandinistas enough to convince them to abandon their Soviet ties. During this period, the military actions of the Contras were tightly regulated by the CIA so as to escalate the pressure without the Contras achieving victory. It was simply a show for diplomatic purposes, much like the escalation policies followed so disastrously in Vietnam.

Meanwhile, the defection of Eden Pastora, "Comandante Zero," one of the original heroes of the revolution, offered the State Department new hope. Although part of the coalition that governed in the early months of the Sandinista government, Pastora fled to Panama and announced his resignation. Shortly after his arrival in Panama, President Omar Torrijos died in a plane crash, and the Panamanians turned Pastora over to Cuba, where reportedly he was placed under house arrest for 5 months because he had objected to the "Cubanization" of the Sandinista revolution.

Eventually, Pastora was released through Panamanian intervention. The State Department then thought that he was the answer to their problem. With Pastora, the State Depart-

ment apparently expected to establish a made-in-U.S.A. Marxism to destroy Soviet-made Marxism. The CIA began funding Pastora's guerrilla group in the south, operating first from bases in Costa Rica, and then from the territory of Nicaragua itself. The State Department saw Pastora as an acceptable revolutionary who might even replace the Sandinista leadership in a benign Marxist government, as contrasted with the northern guerrilla movement led by antirevolutionaries.

Pastora turned out to be an anti-Marxist, who resisted the CIA's attempts to use him only as a pressure point to assist a negotiated settlement. He refused to negotiate with Castro, despite what has been described as incredible pressure from his CIA control agents, who eventually sent another emissary to Cuba in Pastora's place. Pastora says he wanted to achieve victory over the Managua regime, and continued to take and hold territory in Nicaragua in defiance of CIA orders. But he says that when the CIA insisted that Pastora hold talks with key members of the Socialist International, such as Willy Brandt and Felipe Gonzalez, Pastora protested that these men were strong backers of the Sandinista regime. Regardless of whom one chooses to believe, or to what degree, the fact remains that Pastora was cut off without a penny.

Meanwhile, the State Department shifted tactics, opening up the so-called Contadora process, which promised to lead to the illusive negotiated settlement. Under Contadora, the Sandinistas were supposed to give up supplying the El Salvador guerrillas, and reduce the foreign military personnel in Nicaragua. In return, the United States would stop supplying the Contras. But the Contadora process broke down when the Sandinistas would offer no effective guarantees, and when Costa Rica was disillusioned by the invasion of its embassy premises in Managua by Nicaraguan troops. In any case, the Contadora process would have resulted in the betrayal of the freedom fighters for the sake of a cosmetic agreement.

Finally, Mr. President, we come to the present stage of affairs. The State Department clearly appears to have concocted a new plan amounting to a betrayal of not only the freedom fighters, but also the desire of President Reagan to see freedom established in Nicaragua. The new plan is to impose the former Sandinista Ambassador to Washington, Arturo Cruz, as a de facto leader of the freedom fighters, in an effort once more to achieve a negotiated settlement with the Sandinistas. Mr. Cruz has never been known as an advocate of anticommunist ideology. He has never fought in the jungle for his country's freedom.

He never denounced the Sandinista tactics, until his attempt to run for president in the farcical elections last November was aborted by the tight Sandinista control. His political philosophy can hardly be distinguished from the Marxist orientation of the Sandinistas, although he does not embrace the Leninist tactics of his erstwhile colleagues. Will he be the new Pied Piper to lead the freedom fighters to a negotiated surrender? The latest State Department maneuvers are revealed in an unusual manifesto revealed by Mr. Cruz a few days ago in San Jose, Costa Rica.

THE DOCUMENT ON NATIONAL DIALOG OF THE NICARAGUAN RESISTANCE

Mr. President, on March 3, some 70 Nicaraguans in exile signed a document which was reportedly "read to members of the Nicaraguan exile community" in San Jose, Costa Rica. It is purportedly a manifesto setting forth the philosophy and aims of the resistance leaders. Ordinarily, such a document would be worthy of little notice; unfortunately, some of the persistent lower echelon bureaucrats in the administration are trying to make this document into a litmus test for Nicaraguan patriots.

Actually, Mr. President, I doubt that any Nicaraguan patriot would have signed the document, if he or she had taken the time to read it carefully. Indeed, it is very hard to find any one who will admit to having been involved in the writing of the document, or who was given more than a few hours—or minutes—to consider signing it. I would not be surprised if many of those who did sign, will now, upon mature reflection, repudiate the document.

The supposed intention of the document was to demonstrate unity among the various elements of the resistance movement. But the doctrines set forth in the document are not calculated to unify; rather they are clearly divisive. Perhaps that is why, with one or two exceptions, the signers of the document do not represent the freedom fighters in the field. Knowledgeable sources in the exile community point out that the overwhelming perponderance of the signers are fighting the good fight from their comfortable condominiums in Miami. Those who are in the jungles and the hills did not come down out of jungles and the hills to join in the photo opportunity in San Jose.

Nor is the list of signatories politically representative of the exile community. At least 10 percent of the list includes former ministers and high level officials from the government of Anastasio Somoza; and another 40 or 50 percent are those who are tagged with the accusation of "Somocista." This Senator is not one of those who believe that everyone who was in any way associated with the Somoza government is somehow tainted for life. Such thinking is common among Marxists and other ideologues of revolution.

With all his warts, shortcomings, and authoritarian methods, Somoza never resorted to the repressive methods of the present Sandinista regime. Nevertheless, Somoza and his associates have had their day. It does a disservice to the Nicaragua patriots who are putting their lives on the line to free their country to recruit signers of this manifesto from a narrow spectrum. It also undermines the efforts of those of us in the U.S. Congress who are campaigning for congressional approval of funding for the freedom fighters.

Finally, a good percentage of the signers are persons who have never been associated either with the political sector or with the guerrilla sectors. What claim does Bianca Jagger's sister have to represent the freedom fighters? Or the chauffeur of Arturo Cruz? They may echo the sentiments of the resistence, but John Hancocks they are not.

One looks in vain, for example, for names such as Donald Castillo, representing the Christian Workers of Nicaragua; Jose Davila, representing the Christian Democrats; Eden Pastora, the one authentic folk hero of the revolution; other political leaders, such as Alvaro Jerez, Carlos Gutierrez, and Alfredo Cesar; Francisco Fiallo; the Misurasata, or other Indian groups which have suffered so grievously at the hands of the Sandinistas. Where are the representatives of the internal resistance? Of the private sector inside Nicaragua? Of the Indians unaligned with the Misurasata? Or of the repressed political parties still inside Nicaragua? What's going on here, anyway?

One doesn't know whether to laugh or to weep. I do not know whether it was conceived and drafted by the CIA or by the Sandinistas. As a manifesto, it hardly bears examination. What is its doctrine?

THE PHILOSOPHICAL CONTENT

A Marxist would have no trouble assimilating any of its doctrine. It calls for:

First. Promoting development in accordance with a model which gives high priority to the dispossessed sectors.

Second. Authentic pluralism.

Third. A just, efficient mixed economy.

Fourth. An economic system which provides for the development of the private sector which includes cooperative enterprises, as well as the clear definition of the participation of the state as a subsidiary economic agent and promoter of social development.

Fifth. An electoral system which guarantees free elections and alternation in power.

Sixth. Integral agrarian reform.

Seventh. Effective autonomy for municipal government.

Mr. President, taken as a whole, this is a blueprint for fuzzy-minded socialism—the kind of socialism that always retards development, assures economic stagnation, destroys agricultural production, creates shortages and starvation, and prevents the achievements of freedom, justice, and equity.

If there is anything we have learned about economic development, it is that a conscious giving high priority to the dispossessed sectors results in a distributionist mentality that kills production. Or that authentic pluralism has been the code word for legitimizing Communist parties and movements. Or that an economy cannot be mixed and just as efficient at the same time. Or that a state which thinks of itself as providing for a private sector, while retaining for itself the role of promoter of social development is a state which could just as well be Communist China, Communist Yugoslavia, Communist Romania, or even the Soviet Union, where the private sector, despite its illegality, is the backbone of daily life.

And how can you have free elections and alternation in power at the same time? It is true that there are some countries in Latin America, with reputations as democracies, which do have informal arrangements which allow for an alternation of the political parties in power. But how can you guarantee it?

And land reform once again? Can you imagine anyone seriously proposing land reform, after the bitter history of land reform in every country where it has been attempted? One need only look at the disaster in El Salvador—an economic disaster, a political disaster, a social disaster, and an agricultural disaster. Could anyone in his right mind be proposing land reform in Nicaragua, especially after the agricultural failures induced by the Sandinista land reform already implemented?

Finally, what is effective municipal autonomy? Municipal autonomy is a formula for the establishment of Marxist or other socialist strongholds, whatever the national government might be. Looking at neighboring El Salvador, for example, can anyone imagine that President Duarte would be President today if he had not appointed his son as the major and Chicago-style political boss of San Salvador? After all, 10 out of 14 states in El Salvador voted for Duarte's opponent; it was only in the machine-controlled and tightly organized cities, like San Salvador, that Duarte was able to eke out a majority. Is this the plan for Nicaragua as well? But, more important how many U.S. citizens are even aware of this?

IMPLEMENTATION OF THE PLAN

As a political philosophy, the plan outlined in the San Jose manifesto is fatuous. But there are woolly headed political philosophers in every country. The real danger of the manifesto is the plan for implementation. It includes the following:

First, a cease-fire by the freedom-fighters;

Second, confirmation of Ortega and the Sandinistas in power during the process of dialog.

Third, the participation of the Central American Governments as guarantors of the agreements which might be reached.

Fourth, acceptance of the Bishops Conference as the organizer and conducter of the dialog.

Such steps work entirely against the hopes to restore freedom in Nicaragua. Once the freedom fighters agree to a cease-fire, they have given up whatever leverage they might have. Once a cease-fire is in place, the resistance movement will be demoralized; the fighting forces will eventually disintegrate, as they will have lost their purpose. Support for the freedom fighters in the United States will gradually fade away in the hope that peace is just around the corner. All that Ortega has to do is to stall for 6 months, and he has achieved his objective.

Indeed, Ortega would have scant incentive to negotiate honestly once the freedom fighters are gone. He would be expressly legitimized by the terms of the manifesto; the moral stance of the resistance would be weakened. Why should he make any concessions to the freedom fighters then? Does anyone really believe that Nicaragua's Central American neighbors can guarantee his cooperation? Will Costa Rica, for example, which doesn't even have an army, guarantee the peace and security of the agreements? When Costa Rica cannot even maintain the integrity of its embassy premises in Managua against Sandinista attack, how could any Central American country agree to be a "guarantor"?

What would be the obligation on the Sandinistas' side? The manifesto calls for the following:

First. Implementation of the OAS Pact of San Jose of 1979.

Second. Disassociation of the Sandinista Party and the Nicaraguan Army.

Third. Removal of all foreign troops and military advisers.

Fourth. Dismantlement of the notorious block committees.

Fifth. Dissolution of the National Constituent Assembly.

Sixth. New electoral laws and procedures.

Seventh. A plebiscite on new Presidential elections.

Eighth. Release of political prisoners and general amnesty. Would the Sandinistas agree to all these propositions, which virtually amount to an abdication of the power entrenched by the assistance of Cuba and the Soviet Union? The answer is, of course: The Sandinistas would agree to it all—on a timetable which would stretch out interminably until the will of the resistance movement was totally sapped, and a more effective repression would have silenced all dissent.

The terms of the manifesto are not realistic. They are lopsided in favor of the continuance of the Sandinista regime. The only possible result of the negotiation could be cosmetic changes, with perhaps a new coalition with some of the signers of the San Jose manifesto, so as to qualify for U.S. aid and give the Soviets and the Cubans some relief from the burden of support.

We have seen all this before—in 1979, to be exact. We saw how Ortega demonstrated his flexibility by including non-Communists in his government, following Castro's instructions.

THE ROLE OF ARTURO CRUZ

It was, after all, men like Arturo Cruz, who went along with the previous arrangements, and it is Arturo Cruz who is the ostensible leader of the San Jose manifesto. The philosophy of the San Jose manifesto is hardly distinguishable from the Sandinista philosophy. Ortega would have no trouble agreeing with the philosophy, even though he would never implement the practical steps of dismantling Sandinista power.

Is Arturo Cruz the obvious candidate for the cosmetic coalition? Why not? His hands are all over the San Jose document. The basic points—confirming Ortega in power, a cease-fire by the freedom fighters, guarantees by the powerless Central American countries—are all on display in an article which appears under his byline in the March 18 New Republic magazine.

It may be that the people of Nicaragua would want to support a man like Arturo Cruz; but then again they may not. Cruz is, after all, a man who is scarcely beloved in Nicaragua. He is Washington's man, not the choice of the people of Nicaragua. He knows the streets of Washington, DC, better than the streets of Managua, since he has spent most of his professional career as a self-declared exile, first working for the Inter-American Development Bank, and then as the Sandinista Ambassador to Washington.

And, by the way, did any one ever hear any loud denunciations of the Sandinistas by Mr. Cruz when he resigned as Ambassador? On the contrary, he returned to Nicaragua to enter the political scene, leaving the country again only when it became obvious to the world that the Sandinista-organized elections were a farce. Mr. Cruz was correct in making the assessment that the democratic process is

impossible under the Sandinista government, but that doesn't make him the de facto leader of the Nicaraguan resistance, whatever the boys in the State Department and the CIA might think.

Are there any outstanding philosophical differences between Mr. Cruz and the Sandinistas? Or does he merely object to the totalitarian implementation of that philosophy, and the external control by Cuba and the Soviet Union? The Nicaraguan people should have the opportunity to choose leaders from moderate and conservative factions, as well as those who are the ideological bedfellows of their current oppressors.

Some of those who signed the San Jose manifesto no doubt thought that they were doing the patriotic thing, little thinking that they were being railroaded on the Cruz express train. It is hard for citizens of other countries to understand that so many of the operational level officers of the U.S. State Department and the CIA embrace political philosophies that would be decisively rejected if put to the test of an election in the United States. These people, desperately hoping for freedom and justice, are often browbeaten and tricked into agreeing to programs for their countries that would never even get a hearing in a Senate committee if it were aimed at implementation in the United States.

Over the past few days, my office has received numerous complaints from Nicaraguan exiles all across the spectrum about undue pressure exerted by U.S. Government officials to sign the San Jose document, which they view as a negotiated surrender. I have asked officials of the U.S. Government about this. I received only vague, lame explanations which, after I considered them, were insulting to one's intelligence.

Mr. President, if any Nicaraguan exile has signed this document under what they consider undue pressure, I urge him to feel free to dissassociate himself from it immediately. The Nicaraguan resistance certainly ought to be striving for unity. It is appropriate that the resistance should attempt to express that unity in writing. But I see no reason why the search for unity should be carried out in conformity with an ideological program repugnant to freedom. Moreover, a unilateral cease-fire by the resistance, confirmation of the Sandinista President in office, and a negotiated settlement after all leverage has been surrendered does not bode well for the future of the movement.

Mr. President, let us support the resistance movement. Let us find a common unity of purpose. Let us back up the President in his purpose of restoring freedom and security to Central America. But let us not make a flawed document the passport to future participation in the fight for freedom.

Mr. President, I ask unanimous consent that the text of the Document on National Dialog of the Nicaraguan resistance be printed in the RECORD at the conclusion of my remarks, along with the text of an article by Mr. Arturo Cruz published in the March 18 New Republic.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"DOCUMENT ON NATIONAL DIALOGUE OF THE NICARAGUAN RESISTANCE" AS SIGNED BY THE VARIOUS RESISTANCE LEADERS AND READ TO MEMBERS OF THE NICARAGUAN EXILE COMMUNITY

We, democratic citizens, representatives of all sectors of the Nicaraguan Resistance, announce to the Nicaraguan people, to the governments and peoples of the Americas and of the world, the following manifesto:

THE PRESENT SITUATION OF NICARAGUA

In recent years, the Sandinista Front has submerged our people in a crisis without precedent in our national history.

At this time, the impact of this crisis is evident in the economic, political, social and moral spheres of the nation.

This situation is rooted both in the abandonment of the Original Program of Government and the Fundamental Statute as well as in the interference of the Soviet Bloc in our internal affairs.

Both factors, the sole responsibility of the Sandinista Front, have brought about a sharp conflict whose protagonists are the governing party on the one hand and the Nicaraguan people on the other.

The Nicaraguan people reject, of course, the imposition of a regime which in essence contradicts the values and aspirations which gave birth to the revolutionary process. They are founded on the recovery of freedom, democracy and social justice so often postponed because of the Somoza regime.

In conclusion, the national crisis we face did not grow out of a confrontation between imperialism and the revolution, as the Sandinista Front pretends, but out of the contradictions which emerge from the clash between democratic expectations of the Nicaraguan people and the imposition of a totalitarian system such as that which is being implanted in our country by the Sandinista Front.

This conflict, which has produced a civil war, today threatens to destroy the Nicaraguan nation. And as stated in the recent document of the Nicaraguan Democratic Coordinator, it cannot be resolved through negotiations between the governments of other nations and the Sandinista Front nor through sectarian dialogues.

From that perspective, it is clear that the elections of November 4, 1984, by virtue of having been a farce, contributed nothing toward the resolution of the national crisis. This view has been supported by the Inter-American Commission of Human Rights in its report for the period 1983–84, as well as by the political groups which decided to participate in the "elections", as they stated in the document entitled "Proposals of Minimum Concurrence for the Renewal of the National Dialogue," issued in January of this year.

The solution to the national crisis can only be found through a genuine understanding among all Nicaraguans that might end the civil war and lead to the reconciliation of the Nicaraguan family.

We wish to emphasize that this initiative is not taken merely to search for a quota of power, but rather it seeks only to establish in Nicaragua the rule of law which will permit the people to live in peace and to go about resolving our problems within a new constitutional order.

COMMON ASPIRATIONS

We aspire to the democratization of Nicaragua, conscious that democracy is the only means to carry out an authentic revolution and rescue our national identity and sovereignty.

We aspire to reconstructing Nicaragua, to promoting its development in accordance with a model which gives priority to the dispossessed sectors.

We aspire to the establishment of a political system which guarantees a real separation of powers, authentic pluralism and a just, efficient mixed economy.

In order to carry out the foregoing, the following is required:

(a) To recognize the primacy of civilian society with respect to the State and to assure through it the dissolution of the totalitarian state-party-army

(b) Full respect for human rights and fundamental freedoms of expression, assembly, religion and education.

(c) Demilitarization of society and the absolute subjection of police functions to civilian authority.

(d) A foreign policy which has as objectives the preservation of national sovereignty, peace and harmony with neighboring countries in particular, and effective reactivation of the historical aspirations of Central American Unity.

(e) An economic system which provides for the development of the private sector which includes cooperative enterprises, as well as the clear definition of the participation of the State as a subsidiary economic agent and promoter of social development.

(f) Institutionalization of a multi-party electoral system which guarantees free elections, alternation in power and respect for the minority.

(g) Freedom to organize unions.

(h) A modern, productive process of integral agrarian reform.

(i) Administrative decentralization and effective autonomy for municipal government.

(j) Full recovery of the Atlantic Coast, integrating it completely in the national life, guaranteeing respect for the culture and traditions of the various ethnic groups of the region and of the rest of the country within a framework of effective municipal autonomy, exercised in the context of the insolubility of the Nicaraguan nationality.

(k) General amnesty and pardon for political crimes and related crimes.

(l) Expulsion from the country of all foreign internationalists, military advisors and troops, including those who may be found using the identity of deceased Nicaraguan citizens and those who have been improperly naturalized.

THE LAST AND DEFINITIVE SUMMONS

After having carried out multiple peace initiatives in the last three years directed toward establishing a constructive dialogue with the Sandinista Front that would end the civil war and lead to the reconciliation of the Nicaraguan family, we recognize that those efforts have been fruitless because of the intransigence of the Sandinista regime and because of the designs of the Soviet bloc.

The Sandinista Front, by ignoring and failing to comply with the agreements made in the past, has lost the necessary credibility to reach a good faith understanding. Such is the case of the agreements reached with the XVII Consultative Meeting of the OAS Council of Ministers, the Original Program of Government, the Fundamental Statute, the Eighteen Points of Concurrence of the Forum for Discussion of National Problems, and the promises to carry out a free and honest election, among others.

Therefore, in view of the gravity of the moment, and conscious of our civic responsibilities and of the urgent need to save our people from greater suffering, we accept the call to convene issued by the Nicaraguan Democratic Coordinator and we call upon the Sandinista Front, for the last time, and in definitive and absolute fashion, to participate in a national dialogue which will end the national crisis. This dialogue should follow these modalities:

Convocation

The Nicaraguan Bishops Conference is the entity with the necessary moral authority to organize and coordinate the National Dialogue. In this regard, we reiterate the petition made to it by the Democratic Coordinator to convene the National Dialogue.

Participants

In order that the dialogue be efficient and produce the desired results, it is necessary to structure it in accordance with Nicaraguan reality. There are two political tendencies in Nicaragua: the totalitarian one which for the moment has accepted the Sandinista Front as its vanguard, and the democratic one which is divided into armed organizations and civilian organizations; therefore, the Dialogue should be between these two political tendencies so that both can name their respective delegates, as many as the Bishops Conference feels is appropriate.

Observers and Guarantors

We suggest to the Bishops Conference that it request the participation of the Central American Governments in the Dialogue as guarantors of the agreements which may be reached, given the fact that the sister peoples of Central America are, in the final analysis, are those which have been most directly affected by the Nicaraguan crisis.

The presence of these governments as guarantors in no way hinders the presence as observers or even as guarantors of other governments and democratic entities of the American continent.

Minimum Requirements

We support fully the minimum requirements demanded by the Democratic Coordinator in order to initiate the National Dialogue. They are: Suspension of armed activities, with a cease-fire in situ; lifting of the state of emergency; absolute freedom of expression and assembly; general amnesty and pardon for political crimes and related crimes; entry into effect of the right of asylum and habeus corpus, adding the granting of full protection of the physical and moral integrity of those members of the Resistance who participate in the Dialogue, in the event that it should take place in Nicaragua.

The application of these measures should be carried out under the supervision of the guarantor governments.

Temporary Permanence of the Executive

If this dialogue is carried out, we commit ourselves to accept that Mr. Daniel Ortega continue acting as head of the Executive Branch until such time as the people pronounce themselves in a plebiscite. During this period, Mr. Ortega should govern in fulfillment of the promises of the Nicaraguan Revolutionary Government Junta contained in the document of July 12, 1979 and directed to the Secretary General of the Organization of American States, and in fulfillment of the Original Program of Government, the Fundamental Statute and the American Human Rights Convention and the Pact of San Jose.

Initial Points of the Agenda

Although it will be up to the Bishops Conference to establish a definitive agenda, by agreement of the parties, we urge it to include as of now the following points:

(1) That the legal procedure and actions of the government conform immediately to the American Convention of Human Rights, or the Pact of San Jose, which was ratified by the Nicaraguan Government of National Reconstruction on September 25, 1979, declaring it the law of the land and committing the national honor to its enforcement.

(2) The dismantlement and immediate dissolution of all the party repressive organisms such as the CDS (Sandinista Defense Committees) and the other para-military organs.

(3) Education of military strength, the apolitical nature of the army, an end to the arms race, and the withdrawal of all foreign military troops and advisors and internationalists.

(4) Immediate dissolution of the National Constituent Assembly.

(5) A new provisional electoral law.

(6) A new provisional law for political parties.

(7) Re-structuring of the electoral system in accordance with the above provisional laws.

(8) Calling of elections for a National Constituent Assembly.

(9) Calling of municipal elections.

(10) Calling of a plebiscite on the conduct of new presidential elections.

Initiation of the National Dialogue, Instrumentation and Deadlines

In order to carry out the National Dialogue proposed by the Democratic Coordinator, on the basis of the statements contained in this document, and conscious of the leninist tactic of stalling in order to consolidate the totalitarian program of the Frente Sandinista, said Dialogue must begin by March 20, 1985. This date cannot be postponed. If by April 20, 1985 the National Dialogue has not begun or has not progressed in clear and substantial form, it will be definitely suspended by the Nicaraguan Resistance, thereby terminating the possibilities for a peaceful resolution of the national crisis.

If the Nicaraguan Bishops Conference considers it useful to hold conversations with this group for purposes of preparations leading to the speedy realization of the Dialogue, we announce our immediate availability to participate in such conversations. To that end we appoint as our representatives Mssrs. Arturo J. Cruz, Alfonso Robelo and Adolfo Calero.

May love for our fatherland overcome selfishness and foreign involvement, so that the National Directorate of the Sandinista Front will respond positively to this our last effort to grant to our country a civilized solution.

God Save Nicaragua!

[From the New Republic, Mar. 18, 1985]

A PEACE PLAN FOR NICARAGUA

(By Arturo Cruz and Arturo Cruz, Jr.)

(Arturo Cruz, a former member of the ruling Sandinista junta and former Nicaraguan ambassador to the United States, is the leader of the country's democratic opposition. Arturo Cruz Jr. is an adviser to his father.)

Nicaragua's elections last November, far from easing the country's crisis, only compounded it. The elections were neither free nor fair, and brought Nicaragua no closer to democracy. According to the annual report of the Inter-American Human Rights Commission, the Sandinistas used their absolute control of the state to place themselves in a position of advantage over other contestants and to consolidate their power. The other governments of Central America, ranging from parliamentary democracies to military dictatorships, agreed. None of Nicaragua's neighbors sent delegations to the inauguration of President-elect Daniel Ortega. Carlos Andres Perez, the former president of Venezuela and now vice chairman of the Socialist International, publicly declined to attend, stating that "those of us who believe we have done so much for the Sandinista revolution feel cheated because sufficient guarantees were not provided to assure the participation of all political forces." Andres Perez called upon Ortega "to reflect upon what the rest of the world hoped for from the great revolution of all the Nicaraguan people: political pluralism, a mixed economy, and non-alignment—as the revolution pledged—conveying the true wishes of its people."

We of the democratic opposition within Nicaragua have consistently made the same appeal. Our organization, the Coordinadora Democratica, which is the largest opposition group in the country, planned to register for the November elections provided the government guaranteed that opposition leaders and their followers could assemble, organize, and campaign freely. By refusing to meet even the most minimal concessions, the Sandinistas made it impossible for the Coordinadora to run. We were not alone. Virgilio Godoy, a former Sandinista labor minister and the widely respected leader of the Independent Liberal Party, also withdrew from the race. Even the docile splinter parties that ran in the campaign have now joined the outright opposition in their demands against the regime. The socialist and the communist parties have both signed a document denouncing the dire state of public affairs and the electoral process.

The opposition leaders—politicians (including Godoy), labor leaders, and businessmen—told me in January that they intend to remain inside Nicaragua whatever the consequences. But as the Sandinistas encounter more popular pressure to open up the political process, their tactics are likely to prove less effective, and they will curtail civil liberties even more.

The Sandinistas are stepping up their struggle against the armed resistance as well. They are vigorously increasing both the volume and quality of their military operations. They have acquired weaponry far more sophisticated than that of any other Central American country. Outside of Nicaragua, the Sandinistas are waging a propaganda campaign, designed to distort the truth about the rebellion. They are attempting to get the rebels off their backs either through direct negotiations with Washington, or by undermining United

States support for the insurgents in Congress and among the American public by claiming that they have no popular support.

Likewise, the Sandinistas profess a willingness to reach an accommodation through the Contadora peace process. Their true intention, though, is to preserve a free hand for the consolidation of their power in exchange for a few tactical security commitments to the United States at the regional level. Nicaragua's neighbors oppose this kind of solution, knowing that unless the Sandinistas accept democracy they will always pose a threat to regional peace.

Now that the space for democratic action has narrowed, it is all the more critical for the opposition to use its few remaining political options effectively. Supporters of democracy in Nicaragua must understand that blanket support for the Sandinistas or opposition to the Reagan administration will not bring permanent peace to Nicaragua. It is necessary to remove the causes of what has become virtually a civil war, including those for which the Sandinistas are responsible. The Sandinistas' excesses have incited Nicaraguans to armed rebellion. Now the Sandinistas must make genuine modifications in their policies if we are to avoid national bloodshed.

Four points must be kept in mind.

First, the armed opposition in Nicaragua has a real social basis. What is true of the insurgency in El Salvador also applies in Nicaragua: you cannot manufacture revolutions. The sheer fact that the ranks of the so-called *contras* now include 12,000 to 15,000 men is a telling sign that something is genuinely wrong in Nicaragua. The rebels can no longer be dismissed as "mercenaries." They have gone from being an instrument of U.S. policy to a social movement.

Second, it follows that the fundamental conflict in Nicaragua is among Nicaraguans. The question "Can the United States learn to live with a revolutionary regime?" is misplaced. The problem is not between Washington and Managua. It cannot be resolved by the talks between representatives of the Sandinista government and the Reagan administration that have been held in recent months in the Mexican city of Manzanillo. The real question is whether Nicaraguans can or should learn to live with a vanguard—the Sandinistas—whose ideological ambitions are rejected by the rest of the society.

Third, in order for the Nicaraguan revolution to survive and to become a model for all of Central America, the Sandinistas must modify their ideological ambitions. The Sandinista ideology is sometimes called Marxist-Leninist, but that label cannot mean much in a country that has practically no working class. What matters is that the shopkeepers are furious with the restrictions of the government, the farmworkers want to be left alone, the city dwellers don't want to be watched by the block committees. But whether the Sandinistas have enough autonomy from the Soviet Union and Cuba to modify their totalitarian inclinations is open to serious doubt.

Fourth, it is important to recognize the possibility that for the Sandinistas ideology and political practicality may go hand in hand. It may be that the Sandinistas have so alienated the Nicaraguan people that if they do not exercise absolute power, they will exercise no power at all. Even if they now made room for the opposition, they might not be able to control the discontent. The people speaking through the democratic process might demand new leaders. The Sandinistas would have to hand over power to others, which they would never do. Or they would have to repress the Nicaraguan people ever more violently.

We do not yet assume that it is too late to negotiate. In the coming days the democratic opposition leaders will challenge the Sandinistas to a national dialogue. With a sense of urgency we want to explore the last hope of achieving peace through national reconciliation and democracy and by avoiding the catastrophe of bloodshed that otherwise lies ahead. We urge President Ortega to avoid the ideological blackmail of his more extremist supporters. In the national insurrection against Somoza, Ortega showed imagination and flexibility in working with all sectors of Nicaraguan society. We hope that he will show similar imagination and flexibility now and prevent a full-scale civil war.

To begin with, we need a gesture of goodwill from each side. The rebels should proclaim a unilateral ceasefire, and the Sandinistas should proclaim an effective amnesty for all political prisoners. Everyone who is in jail for political crimes—some 1,400 people, according to the Nicaraguan Human Rights Commission—should be released immediately.

From these measures we need to move to create the proper climate for a national debate on Nicaragua's future. We in the opposition have long called for the separation of the Sandinista party and the state. But even before that, the state and the party both must get out of civil society. This means that freedom of expression, freedom of the press, and freedom of movement must be guaranteed. La Prensa must be allowed to publish what it wants. University students must be allowed to read what they want and not just the books published in Moscow. (In Nicaragua today, students are not allowed to read Gramsci or Trotsky.) The block committees, the so-called Committees in Defense of the Revolution, must end their role as instruments of social control. They must not, for example, be the organization that distributes rationing cards. Once these measures are taken, the conditions will exist for Nicaraguans alone to freely decide Nicaragua's future. We ask the Sandinistas: Can you withstand free ideological debate?

If the government and the opposition come to some kind of formal pact about Nicaragua's future we propose that the bishops of Nicaragua, in the presence of representatives of the other Central American governments and the Contadora countries, act as witnesses, supervisors, and guarantors of whatever agreement is reached.

To begin this debate, we offer these specific and moderate points. We must rectify the injustices of the last election with a new electoral process. President Ortega should remain as president within the parameters of the Sandinistas' original Plan of Government offered in 1979. However, the assembly elected in November should be dissolved and a new, genuinely open campaign held. The reconstituted assembly should then draw up a new constitution and establish an independent judiciary. Eventually a national plebiscite can be held to decide whether Nicaragua needs a new president.

But it is not the details that are most important. What matters is the commitment to democratic institutions governed by regular popular elections. Unlike the guerrillas in El Salvador, we are not demanding power, we are demanding only our rights. We do not want a military solution; we want a constitutional solution. But the Sandinistas have driven tens of thousands of Nicaraguans to believe that there is no alternative but armed struggle. The U.S. Congress may cut off aid to these forces, but that will not change their minds; nor will it end the conflict. Only the creation of a just and open society will end Nicaragua's civil war. It is now Sandinistas' obligation to contribute to the creation of that society and to redeem the promise of the Nicaraguan revolution.

THE FARMS CAN'T WAIT

Mr. HELMS. Mr. President, this past Monday an article appeared in the Washington Post authored by our distinguished majority leader, Senator DOLE. It was entitled "The Farms Can't Wait."

Senator DOLE explains the critical necessity that Congress adopt a new farm bill in 1985 as the 1981 legislation expires. His courageous statement regarding the obligation and responsibility to try to develop policies that cost less and work better stand in sharp contrast to some handwringing observers who believe that if we simply extend current law for a year or two our farm problems will go away and Congress will not be forced to make any tough agricultural policy decisions.

I wish to associate myself, as chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, with the farm policy opinions expressed in the article by Senator DOLE.

The resolve to shape new policies for American agricultural producers expressed by the majority leader is helpful and encouraging to farmers, taxpayers, and all Members of Congress who recognize that current policies simply are not working.

As Senator DOLE stated in his article, the Senate Agriculture Committee is currently holding hearings on 1985 farm bill authorities. I assure Members of Congress that the Senate Agriculture Committee intends to move ahead with farm legislation in 1985, and I trust we shall. Wringing our hands for a few more years will only make our problems worse.

I ask unanimous consent that Senator DOLE's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FARMS CAN'T WAIT

We've all heard the old expression, "If you're not part of the solution, you're part of the problem." It may not apply in all situations, but it could well be true this year for agricultural policy making and Congress.

Nineteen-eighty-five is the year for Congress to write new farm legislation to replace current authorities under the 1981 farm bill, which expires in October. Starting with 1986 crops, new programs are needed for most basic commodities, including feed grains, wheat, soybeans, cotton, rice, dairy, peanuts and others. If Congress fails to act in time, some very complicated, antiquated and potentially costly statutes—some dating

back to 1938—will automatically come in to effect.

No one involved in agriculture wants that to happen. But some in Washington have already decided that the depressed farm economy will make it too difficult for Congress to write new legislation this year. They are arguing that, to avoid reverting to permanent law, we should simply extend the current 1985 farm program for another year or so.

This may be the conventional wisdom, but in my view it is neither conventional nor wise. The present farm program, as we never tire of telling each other in Congress, is full of policy contradictions. It encourages fence-to-fence production while requiring farmers to cut back their acreage to receive government benefits. It was meant to be market-oriented but does not reflect the increasing trade restrictions and unfair competition faced by U.S. agricultural exports. It looks to the marketplace to provide adequate farm prices and income although the government has paid out $63 billion in program benefits to farmers in 1982-86 compared to $57 billion during the preceding 20 years.

To continue current farm policies for another four years—or even for one—could cause irreparable damage to American agriculture. We are witnessing the relentless erosion of our foreign markets for agricultural exports, a trend that will accelerate if forceful action is not taken soon. The fabric of our rural economy and society—so dependent on farm income—is unravelling at an alarming rate.

The operating capacity of companies that process and merchandise farm commodities is down to as low as 40 percent. Truly, we are faced with a crisis that requires immediate action in Washington, and at the state and local levels. It will only get worse if we wait another year.

Some members of Congress would have us believe that the farm credit bill vetoed by President Reagan was a responsible effort to address the crisis by advancing loans to farmers on the crops they will harvest later this year. For farmers who have a fair chance of staying in business, however, the last thing needed or wanted is more government credit. Their debt load and interest payments are already at back-breaking levels. Advancing half the loans would only have created a new cash-flow problem after harvest, when the full loans are usually made.

The fact that this unnecessary budget buster was vetoed may provide some members of Congress a convenient excuse for sitting on their hands and delaying action on the farm bill. There may also be some glib arguments in favor of "freezing" farm supports and expenditures at 1985 levels as part of the budget process.

The real reason for inaction, unfortunately, is that the political risks of trying to do something responsible to help the farmer are far greater than the likelihood that we will write "popular" legislation. A number of our staunchest farm advocates go through their entire congressional careers without ever voting for a farm bill. They can never be satisfied. Enough is never enough. They would rather allow agriculture to continue its downward slide and blame the administration than seek responsible solutions that may dissatisfy some of their constituents.

I never have and never will participate in this charade. Those of us from farm states were sent here to develop and, it is hoped, improve agricultural policy. That is our responsibility. Those who do not intend to do their job should go home and give someone else a chance.

The Senate Agriculture Committee began holding hearings on the 1985 farm bill two weeks ago. There are more than 20 hearings scheduled before markup of the legislation starts in May. There have been some hearings on various issues by the House Agriculture Committee. There is some question whether the House actually intends to write new farm legislation this year. It is my hope that the budget process will help move things along before we run into the time for planning fall-sown crops in June.

Everyone agrees that the farm policies of the past four or eight years have not worked well. They have contributed to overproduction and low commodity prices. They have been expensive, and not just because of some decision or mismanagement by one administration or the other. Congress can also take its share of the blame.

Still, I believe we can write a good bipartisan farm program that works better and costs less. And even if we can't, we owe it to farmers and taxpayers to try.

SIGNIFICANT DATE

Mr. MATSUNAGA. Mr. President, that our great Nation is one which holds out the promise of full citizenship to all, regardless of "race, creed or color" is especially pertinent to recall during this week.

In my home State we observe March 26 as a State holiday to celebrate the birthday of a former Member of Congress who was also an authentic member of royalty. But for a bloodless political overthrow of the Kingdom of Hawaii he might have become a king. I refer, of course, to Hawaiis "Citizen Prince" Jonah Kuhio Kalanianaole, former Delegate from the Territory of Hawaii. His is an absorbing and poignant story of political leadership in behalf of an oppressed people, a man who by his personality and example became one of the most beloved figures in Hawaiian history. For an appreciation of his qualities and for the enlightenment of readers of the RECORD I ask unanimous consent that an article written by Phaenon Landen of the Hawaii Visitors Bureau, entitled "Prince Kuhio—a Man Who Might Have Been King," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRINCE KUHIO—A MAN WHO MIGHT HAVE BEEN KING

(By Phaenon Landen)

March 26, Kuhio Day, is a State holiday in Hawaii set aside to honor the birth date of Jonah Kuhio Kalanianaole, Hawaii's "Citizen Prince"—a man who, except for a bloodless revolution, might have been king.

Prince Kuhio was born March 26, 1871 in a grass hut on the island of Kauai. He was the son of a high chief whose father was the last king of Kauai. His mother was a princess and sister of Queen Kapiolani, consort of King Kalakaua.

Kuhio's mother died soon after his birth and he and his two older brothers were adopted by the then future king, David Kalakaua and his wife Kapiolani, who were childless. When Kalakaua ascended the throne as king of Hawaii in 1874, he officially bestowed the title of prince on each of the boys.

Kuhio grew up and attended school in Honolulu on the island of Oahu. His higher education was obtained in California and in England.

Prince Kuhio's expected role as future king of Hawaii was shattered abruptly by the overthrow of the monarchy in 1893. Prince Kuhio was naturally a staunch supporter of his aunt, Queen Liliuokalani (sister of the deceased Kalakaua) and wanted to see her returned to her throne. He, like many Royalists at the time, joined a group of revolutionaries who tried to overturn the new Republic and restore the queen to her throne. His actions led to his arrest and a charge of treason for which he served one year as a political prisoner.

A year after his pardon and release from prison in 1895, Kuhio married Elizabeth Kahanu Kaauwai, daughter of a chief of Maui and his childhood friend, who had faithfully visited him every day during his imprisonment.

Accepting the fact that the monarchial system had ended, Kuhio determined that the only way to help his people was to cease resisting and to work instead within the political structure of the United States of America. In 1902 he was elected as Hawaii's second delegate to the American Congress, a post he held for 10 consecutive terms until his death in 1922.

During that time, Kuhio worked hard in Congress to champion the cause and welfare of the Hawaiian people and the development of the Territory of Hawaii. He argued fiercely in Congress, telling his peers of his anxiety over the diminishing population of the Hawaiian race and the loss of the people's lands. Yet as an ardent American he constantly reminded Hawaiians of their good fortune in being citizens of the United States. In relation to this, his main concern, he worked for and saw the passage, in 1921, of the Hawaiian Homes Commission Act, a measure that allowed for the leasing of certain government lands as homesteads to native Hawaiians at a very nominal fee.

Kuhio accomplished much during his life to help his people, including the formation of Hawaiian Civic Clubs in 1917 to provide a vehicle for his people to become involved in affairs of the community. These clubs, still active today, keep the memory of their beloved Prince Kuhio alive. In a way, Kuhio's history personified—it may be said to be to a great extent—is the history of the Hawaiian race in its transition from one governmental era to another through all the myriad, and often painful, changes.

Kuhio was democratic, lovable, friendly and generous by nature, so he was loved not only by his people in Hawaii, but by his political peers in Congress as well. When he died, his eulogy contained so many inspiring memorial addresses made by his Congressional colleagues that they were later bound into a small memorial book.

The koa wood casket in which Kuhio was buried bore the inscription "ke alii nakaaiana", which means "Prince of the Citizens". He is entombed at the Royal Mausoleum in Nuuanu Valley in Honolulu where most of Hawaii's royal family members have been laid to rest.

The island of Kauai honors its native prince each year with a week-long festival. This year's events, March 23-31, start with

canoe races and continue with runs, a rodeo, musical and hula tributes, and a memorial ceremony at his statue in Prince Kuhio Park. The festive week on Kauai ends with a royal holoku ball.

Prince Kuhio Day observances on Oahu include a celebration at the Prince Kuhio Federal Building and a memorial service at the Royal Mausoleum on March 26.

On the Sunday before Kuhio Day, at Kawaiahao Church in Honolulu—the church built by early missionaries, where Hawaii's royal families worshipped—a special service will be held to honor the beloved "Citizen Prince"—a man who might have been king.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is ended.

UNITED STATES-JAPAN TRADE

Mr. DANFORTH. Madam President, I ask unanimous consent that the Senate now turn to the consideration of Senate Concurrent Resolution 15, relating to United States-Japan trade, and it be considered under the following time agreement:

That 30 minutes on the concurrent resolution, to be equally divided between the chairman of the Finance Committee and the ranking minority member or their designees;

That no amendments be in order with the exception of the committee reported amendments;

That no motions, appeals, or points of order be in order; and that the agreement be in the usual form.

Mr. HEINZ. Reserving the right to object——

Mr. BYRD. Madam President, reserving the right to object, may I simply ask a couple of questions?

What does the distinguished Senator mean by "committee reported amendments"? Are those amendments that have already been explained in the news media, No. 1? No. 2, are those amendments in the measure at the desk or will they be committee reported amendments that will be offered from the floor by the chairman of the committee or anyone who is so authorized?

Mr. DANFORTH. Madam President, the amendments are at the desk. The amendments were adopted as a substitute for the original version of Senate Concurrent Resolution 15 by the Senate Finance Committee yesterday, and the amendments taken together are what have been reported in the press.

Mr. BYRD. And there will not be any floor amendments offered under the terminology of their having been committee-supported; they are committee amendments, and so on?

Mr. DANFORTH. That is correct.

Mr. BYRD. I have nothing further.

The PRESIDING OFFICER. Are there any objections to the agreement? Hearing none, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 15) relating to United States-Japan trade.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. Madam President, I yield myself 5 minutes.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Senator DANFORTH has done all of the work on this resolution, and he deserves a great deal of the credit for persuading many of us who previously shared a different position to support it, and I think it is only fitting he handle the time. I therefore relinquish the time in the unanimous-consent order that I have to him to manage the bill.

Mr. DANFORTH. Madam President, I yield myself 5 minutes.

Mr. BYRD. Madam President, will the distinguished Senator yield to me merely to designate on this side who will handle time?

Mr. DANFORTH. Madam President, I yield.

Mr. BYRD. Madam President, the time on this side will be under the control of the distinguished Senator from Texas [Mr. BENTSEN] or his designee.

I thank the Senator for yielding.

Mr. DANFORTH. Madam President, again I yield myself 5 minutes.

Madam President, several weeks ago the President announced that there would be no request on the part of the United States for an extension of the voluntary restraints on the shipment of Japanese automobiles into the United States. That announcement came immediately following the release of the trade statistics for 1984. The 1984 trade numbers showed that the United States ran a bilateral deficit with Japan of approximately $37 billion. The estimates of the effect of limiting the voluntary restraints on automobile imports are that this will mean an increased level of Japanese auto sales in the United States of somewhere between $4 billion on up—the highest figure I have heard is about $10 billion.

This concurrent resolution would have been a bill except for a procedural problem. The procedural problem is that the House takes the position that trade bills have to originate in the House. The Finance Committee has not yet received a House bill on which to put this proposition, and therefore the best we could do was a sense-of-the-Congress resolution.

The thrust of the resolution is that the $4 billion plus additional sales of Japanese automobiles must be offset by at least that amount of additional sales by the United States in the Japanese market.

The theory of the resolution is that it focuses on results rather than promises. The resolution focuses on numerical results. If the Japanese are going to be shipping x number of dollars of additional cars into markets, we are going to have at least x numbers of dollars of additional sales into the Japanese markets. Failing that, the resolution calls on the United States to retaliate.

Madam President, let me say what this resolution is not. This resolution is not a message directed to the Japanese. I do not think transmitting messages does very much good. Rather, the resolution is designed to establish a policy in international trade, a policy which will be the policy of the United States, and that is that $37 billion is too much, that the $37 billion is not going to be increased by increased sales of automobiles, and that the United States deserves equal treatment by the Japanese; and if we do not get it, we will act to retaliate.

Mr. HEINZ. Madam President, will the Senator from Missouri yield me 4 minutes or 3½ minutes?

Mr. DANFORTH. Three minutes.

Mr. HEINZ. Madam President, I am going to support this resolution, as I did yesterday in the Senate Finance Committee.

I will agree, for the sake of not being disagreeable with my friend, the chairman of the Trade Subcommittee, that this is not a message; that it is action oriented, even though, unfortunately, as he has described it, it is a resolution; and a resolution carries with it only moral weight, not legal weight, and there is a difference.

I must say that even if this were a bill, I think it scarcely meets the test of taking the kind of action and achieving the kind of performance on the part of Japan that is needed at this time.

We know that we have a serious trade problem with Japan; but what is less well known is that, as serious as our problem is, the problems of other countries with Japan are worse. Where their currencies are relatively weak and the yen is strong, as was the case of Korea and Germany, they have even less success penetrating the Japanese market than we do, in spite of our strong dollar and, relative to the dollar, the weak yen.

What is the problem? The problem is that the Japanese nation has become the most protectionist nation on Earth. It is not new. It started many years ago, even before the Meiji period, but today what we see is a policy that protects infant industries. It is a policy that protects declining industries for decades. It is a policy called industrial targeting, which continues to this day, part of which is to

protect those industries that are targeted while they are growing.

At each stage, that protection gathers political support among the members of the Diet and the bureaucracy that is responsive to, appointed by, and works with the politicians in the Diet—an entire constituency for continuing Japan's kind of protectionism.

Unless we take much stronger action—and I am today introducing a bill that provides for a 20-percent across-the-board surcharge, aimed only at Japan, on all imports from Japan, to last for 3 years—unless we take that kind of direct, specific action, their politicians are never going to understand the need to act to dismantle their trade barriers. Until that happens, I am afraid we will be passing resolution after resolution for many years to come without achieving any results.

Mr. BOREN. I yield myself 3 minutes in support of the resolution.

Madam President, it is very clear that the time has come for action. It has been said again and again that the patience of the Congress of the United States has run out. My own patience is exhausted. We are facing an intolerable situation.

The trade deficit with Japan has grown from $10 billion in 1980 to over $37 billion in 1984. Actions recently announced in regard to auto exports by themselves would push that deficit to $42 billion.

I believe very strongly in the concept of free trade. The Senator from Missouri, with whom I am very proud to join in being a major sponsor of this resolution, and I have a reputation of being strongly for free trade. But one nation cannot bring about free trade by itself. It takes two parties. It takes two trading partners who are committed to free and open trade with each other.

It has been estimated by the Department of Commerce that Japan, if it were to drop its unfair trade practices, could realistically increase its purpose of competitive U.S. goods by at least $10 billion a year.

Secretary of State Shultz, in the fall of 1984, issued an update on the failure of Japan to take actions it should be taking in order to open its markets to American products. Negotiations are currently underway on telecommunications, wood products, electronics, medical equipment, pharmaceuticals, and other products. These negotiations must be encouraged and should be concluded in a positive way in the near future.

I think it is important that those negotiating on the part of Japan understand that our patience has worn thin, that they can expect from us not simply more talk but action, if we do not have an opening of Japanese markets to products in these areas where we are competitive. I mention agricultural products as well. Japanese imports of beef to the United States were increased by only 2 ounces per capita last year, and this meager gain came about only after long and arduous negotiations.

There comes a time, if we are going to preserve free trade and avoid a round of protectionism in response, that we have to take firm action in order to demonstrate that we mean business. Unilateral disarmament does not bring the other side to the negotiating table in arms reduction talks. It is clear that talk, by itself, has not worked with the Japanese. Apparently, they have not understood our good faith efforts at negotiations.

Therefore, it is time for us to begin to consider concrete action that, it is hoped, will not start a round of trade barriers and protectionism on both sides but will be enough of a shock, enough of a statement that we mean business, that will bring the other side to the negotiating table, so that we can start the cycle in the right direction toward a reduction of trade barriers.

I think this resolution is timely. I think it is clear from the debate in the Finance Committee yesterday that if there is no response from the administration in terms of taking concrete actions, and certainly if there is no response on the side of the Japanese negotiators who are now negotiating with officials of our own Government on the removal of some trade barriers which they have now directed against our producers, there will be further action in Congress. I beleive this resolution sends that message very clearly.

Madam President, I yield 3 minutes to the Senator from Montana.

Mr. BAUCUS. Madam President, in 1816, an American businessman tried to sell products in Japan, but failed. The Japanese, he said, "Told us they had plenty of everything we had to offer."

Unfortunately, things haven't changed much. Japan still protects its market as stubbornly as in 1816. But now, finally, our patience is running out. The situation reminds me of a Japanese proverb: "The sack of a man's patience is tied with a slipknot." Well, the slipknot is tightening.

I am also reminded of a Japanese poem:

I always knew that one day I would travel down this road, only I did not know it would be so soon.

We have known for some time that we would be traveling down this road, where we stop talking and start acting.

I do not have enough time alloted to me to explain all the reasons why we have to start acting today. Suffice it to say that Japan's market is closed. And not just to beef, but also to telecommunications, processed forest products, pharmaceuticals, electronics—you name it.

It is true that some of the problem arises here at home. We have to increase our productivity, bring our deficits down, and generally get our house in order. But that is only half the story.

The other half is the failure of the country of Japan to live up to its world responsibility.

No country has benefited more by an open free-trading system than has the country of Japan—no other country. Consequently, no country has more to lose if the barriers break down, if we revert to Smoot-Hawley protectionism, than the country of Japan has.

Given this situation, Japan has a responsibility to open its markets to American products and to other Third World countries' products. They are not.

Let's look at the statistics. The United States imports 58 percent of the Third World countries' exports. Japan's economy is half the size of the United States. Therefore, you would think that Japan would import roughly 25 percent, 26 percent, 27 percent of the Third World countries' exports.

Madam President, that doesn't happen. In fact, Japan imports only 8 percent of the Third World countries' exports.

So, we see that Japan is closing its markets not only to American products but also to Third World countries' products. As a consequence, those Third World countries inundate us with their products. They do not have access to Japan, so they flood our markets because we are open.

The PRESIDING OFFICER (Mr. ANDREWS). The Senator's 3 minutes have expired.

Mr. BAUCUS. Mr. President, I ask unanimous consent to proceed for 30 additional seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized for an additional period of 30 seconds.

Mr. BAUCUS. I thank the Chair and thank the distinguished Senator from Texas.

In conclusion, Mr. President, we may have to go much farther than we have thus far. But, before that happens, the country of Japan realizes that the days of talk are over and the days of action are beginning. As a consequence, I hope that the country of Japan lives up to its world responsibilities and opens up its markets. That way, we can avoid protectionism and instead achieve our true goal, which is an open trading system where trade flows freely and Japan opens up its markets not only to American products but to other countries' products as well.

I thank the Chair and the Senator from Texas.

Mr. DANFORTH. Mr. President, I yield 1 minute to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, if this resolution be called a restrictive antitrust resolution, so be it. I never voted for one in the past, and I do not regard this as one. As far as I am concerned, I regard this as sheer retaliation. I have reached the limits of my patience with the Japanese. I have reached the limits of trying to open our markets to wood, citrus, meat, and electronics.

All they have done is defer action and turn their back to us.

As far as I am concerned, as chairman of the Finance Committee, I am going to do everything I can to retaliate in kind to any of their products that come to this country.

Mr. DANFORTH. Mr. President, I yield 2 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I support this resolution because it is only as far as we can go at this moment. My sense is to take much stronger action based on what the Japanese are doing.

I believe at this moment we should be doing two things:

One, is not to have our markets open at all to the Japanese unless their markets are reciprocally open to us.

Second, stop subsidizing dumped goods coming from Japan, and for that matter from every other country.

Earlier this week I was in Pittsburgh, PA, meeting with some 200 unemployed workers who are in a desperate circumstance looking for an extension of unemployment compensation benefits, and their plight can be significantly traced to unfair foreign predatory trade practices of subsidized dumping coming into this country partly on steel, partly on automobiles, partly on many, many other goods.

Mr. President, this a very mild resolution which I do support, but let it be a signal that unless there is some restraint and some sensibility on the part of the Japanese this Congress may soon come forward with legislation on domestic content which has a tremendous amount of support, something that I have not been willing to sign onto. Quota legislation that was introduced last year on steel is gaining adherents, and, if there is not reciprocity, in the absence of subsidies and dumping, I think this resolution is a signal that there may be much more drastic action coming out of this body.

I thank the distinguished chairman for yielding this time, and I thank the Chair.

Mr. DANFORTH. Mr. President, I ask for the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I yield 5 minutes to myself.

Mr. President, I state for the benefit of those here that we are seeking an additional 30 minutes, if we can clear that. I have discussed it with the majority leader. My understanding is that he has no objection to it.

Mr. President, I am a reluctant supporter of this resolution, and I am a reluctant supporter because I do not think it goes far enough.

I have seen this kind of resolution come and go without any noticeable impact on Tokyo.

I would have voted against it in the committee yesterday if I had not been assured that the committee will soon be acting on a measure providing for mandatory action in this regard.

Let me give you an example of a bill that Senator DANFORTH and I helped pass through the Senate last year. That bill provides:

> If the President determines that action by the United States is appropriate to respond to any act, policy, or practice of a foreign country or instrumentality, that is unjustifiable, unreasonable or discriminatory and burdens or restricts U.S. commerce, the President shall take all the appropriate and feasible action on a nondiscriminatory basis or solely against the foreign country involved.

It took us 3 years to get that single paragraph in place. We had to fight for every word of it.

Mr. President, the point is that the President already has the power to do something about the protectionism that has been taking place in Japan and is taking place today.

The Japanese Government is now talking about limiting their increase in exports to us of automobiles to some 24 percent. This is a typical action by Japan. They say nothing about opening up their markets, only about limiting the increase in their exports. We have seen that kind of an action time and time again.

You are seeing this country become a debtor nation. In 5 more years, at the present rate, we will have a $1 trillion net external debt. Japan will have over $500 billion external surplus—a creditor nation. That is an incredible turnaround in the debtor-creditor relationship in the world.

This is a bit like what happened with OPEC a decade ago. But this has far more impact than that. This will not be a temporary situation unless this country begins to do something about it.

People say, "Well, the United States is becoming a service-oriented Nation. What is happening is just the beginning of the change that is taking place in your economy."

Mr. President, we cannot remain a great Nation unless we have a diversified manufacturing base in this country of ours. When you talk about services you are talking about many things that are not exportable. You are talking about health care services and about other kinds of nontradable services to the citizenry of this country.

People say, "Well, what you are moving toward is protectionism, and this is going to lead to a trade war." What do you think we are in? We have been in a trade war, and we are losing it.

People say, "You have to be an example to the rest of the world of what a free trading nation is."

Though we have some protectionsim in this country, we are the greatest free-trading nation still around in the world. But are we serving as an example?

What country are the lesser-developed countries using as an example now? Not us. The example they are following is Japan—because they see the Japanese example working. And that is what you are going to see in South Korea, that is what you are going to see in Singapore, that is what you are going to see around the rest of the world, as these newly industrialized countries follow Japanese practices and say, "We will protect our burgeoning industries; we will hold out U.S. goods, but we can export our products to the United States with impunity and we can take over their markets."

Once they develop their market share in this country, we will have a tough time ever getting it back. And the problem is aggravated when some of our international companies move offshore and then ship the goods they have made abroad back to us.

Prime Minister Nakasone was here and had a nice social visit with our President. The President talked to him about trade. The Prime Minister of Japan was sympathetic to our concerns. He said he would go back and try to do something about the situation.

But what did the bureaucrats back there in Japan say? "Prime Ministers in our country come and go." And so the situation remains the same.

In Japan, with its cultural background and its history, it has long been understood that they must trade to survive. But trade involves importing as well as exporting. There is a serious problem in carrying export promotion too far. We are heading toward a situation where we may become a trillion-dollar net debtor nation in the next 5 years while Japan has become a $500 billion creditor nation. It becomes a very unhealthy situation when they continue to increase their exports to us while denying us access to their markets, enlarging on what already is

by far the biggest merchandise trade surplus that any nation has ever gained over another one.

If Japan wishes to keep our markets open to them, they need to import enough American goods so that there are some interests in this country that will be concerned about losing markets already established in Japan. If we had a reasonable merchandise trade balance with Japan, where we were exporting substantial amounts, something on a par with what they are sending to us, then we would have a citizenry here that was deeply concerned that we keep that trade relationship on an equal basis. But that is not what is taking place. People do not feel a stake in trade with Japan because it is not reciprocal.

Let me give as an example the domestic content proposal. I ran for reelection in 1982. We have automobile assembly plants in my State. I opposed requiring domestic content in automobiles under U.S. law. It became an election issue, and I had a lot of dissatisfied constitutuents because I opposed a domestic content requirement. I did not think that was the way to go.

I hear others say that we ought to put a 10-percent surtax on all imports. Every econometric model I have seen indicates that when you do that type of thing, all the numbers turn down. You have a very temporary payoff and then it becomes very negative. And you have hurt your country.

What we are going to have to do is some bilateral action against those countries that have been flagrant in their opposition to our products coming into their country. There are some products we are not competitive with the Japanese on. We understand that. But there are other products where we really are out front. We are on the cutting edge of scientific advances. And those products should be available to the Japanese market and to the Japanese consumer.

I look at the pages of ads that are taken in this country to try to influence the U.S. Congress. Japanese interests will take a whole page, wanting to be sure that every Congressman reads it at that morning breakfast table. I think the U.S. Chamber of Commerce, I think the National Manufacturers Association, and I think the U.S. farm groups ought to take full page ads in the Tokyo newspapers.

Show them what a sirloin steak costs in Japan and what it costs in Washington, DC. Go right down the list. Show them what orange juice sells for here and what it sells for in Japan. They have domestic content on orange juice in Japan. When they talk about opening up their markets to us, when we finally got them to take some orange juice, it was only on condition the U.S. juice was mixed with Japanese orange juice before you are allowed to sell it in Japan. We have the same kind of problem on beef.

We have heard all kinds of arguments. They say, "We cannot take your product because the car is too large" or "This product does not fit our cultural background." A lot of that is baloney. A lot of that is a subterfuge.

Take the beef situation. Our beef is as good as their beef. We do not have any cultural background problems there. Yet, they put up enormous barriers to the importation of our beef. Time and time again we have heard the story in the Senate of the fight to open the Japanese beef market. And when we finally found out that they were taking 16,000 metric tons that turned out to be just about one-quarter pound burger per Japanese per year. When we finally got them to take another 14,000 metric tons, all we did was gain another quarter pounder.

It is to the benefit of each nation that we get back to free trade. But every GATT round we have had—and particularly the first five—we traded away economic advantages on trade for some advantage we thought we were gaining in foreign policy.

Finally, you ended up with a wide disparity between the access of other nations of the world to our market and our access to theirs. It is not just Japan we are talking about. I have a great admiration for the people of Japan. They have done an incredible job, but they are also the smartest, the toughest, and the most patient negotiators on trade.

They will talk and talk and ship and ship and talk and talk and ship and ship. When they finally make some concession, it is a modicum. It is nothing of great significance. How long do you think it is going to take to get some kind of a concession on telecommunications gear? I doubt very seriously that when you look at what our former negotiators have done you will see much success. I was talking to one of our negotiators the other day who said he made up to 52 trips back and forth between here and Japan in the last 10 years, and yet during all that period of time our deficit in trade with Japan has continued to increase. Can you imagine how long it is going to take them to agree to buy $2 billion of U.S. Telecommunications equipment?

Some people say retaliation is protectionism. I do not believe that is the case at all. We are really against protectionism. What we are asking for is the opening up of their markets, and it may well be that we have to go through this narrow tunnel of tough trade actions to get back to something that resembles free trade.

Consider the situation with agricultural trade with the European Common Market. With all the barriers they put up to our products, we ought to be doing something about it. Yet in the 14 years I have been in the Senate, we have not had any serious negotiations on agriculture in which we were able to make any headway with the European market. A good example of that is what they do to subsidize and dump sugar. Today in the European market, they pay the French farmer 27 cents a pound for sugar. Since the result is that they produce more sugar than they consume, they dump it on the world market at 4 to 5 cents and destroy that commodity market. Look what they did to Central America. Sugar is the principal export crop for Central America. Last year, that dumping cost Central America and the Caribbean Basin approximately $3 billion. Imagine the contribution that made to the economic unrest and the political unrest of Central America.

What we ought to be doing is using our surplus products in this country to compete with the European Common Market head to head, follow their practices as we did in Egypt where we sold over a billion dollars worth of wheat flour heavily discounted. The European Common Market had taken that market away from us.

When we took that kind of direct action, the European Common Market was really shaken up—until they realized that this was just an ad hoc response. The State Department moved in and said, "We can't do that. We are going to hurt somebody's feelings." If we had taken actions like the Egyptian flour sale for 6 months, using some of the surplus farm products we have in this country, you would have seen a situation where the European Common Market would have taken us seriously, they would have come to the bargaining table, and we would have gotten rid of some of these subsidies that cost their consumers and our consumers so much, and that cost their taxpayers and our taxpayers so much. But unless we get tough, they are not going to respect mere words of complaint.

I am going to vote for the pending resolution, but we need something much more than that if we are going to make any headway.

The distinguished chairman of the Trade Subcommittee last year took the lead in helping pass legislation giving the President the authority to do what needs to be done. I did everything I could to assist him as we managed that bill on the floor of the U.S. Senate. But the tools we gave the President are not being utilized. This administration has not done what it could have done. This administration has no trade strategy and no trade policy.

In my personal opinion, one of the reasons Bill Brock is no longer the Trade Representative and was willing to serve as Secretary of Labor—I am sure he would have to deny this as a

policy matter—is because he really was not backed up. He had worked up a good trade policy for our relations with Japan. But he received very little support in that regard.

There are too many different voices out there talking about trade policy and representing the U.S. Government in trade matters. The State Department on the one side, the Defense Department on another side, Commerce Department on another side, and the Trade Representative off somewhere on his own.

Mr. President, a lot of people say: "How does this affect me? Am I not getting a lower price for the tennis shoes I buy, or whatever the product might be because of open U.S. imports?"

The problem is that you had better have a job to pay for imports. What you are going to see is more and more of those jobs exported overseas. For example, the 24-percent increase in automoble imports will cost us an additional estimated 90,000 jobs.

Imports of one car or even one product line by itself does not hurt, but now it is adding up to our becoming the major debtor nation in the world.

We cannot continue that kind of mode of operation without finally lowering the standard of living of all our people.

So it is important that we work back toward free trade. We will only get that by opening up other markets, at least as open as the markets in this country.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

Mr. BYRD. Will the Senator withhold on that?

Mr. BENTSEN. I will withhold the request for a quorum.

Mr. BYRD. Mr. President, I understand that there is a desire on the part of some Senators to extend the time for debate, let us say, 30 minutes. Would it be agreeable if we extend the time to 2 p.m.? That is 45 minutes.

Mr. BENTSEN. That is fine.

Mr. SPECTER. Mr. President, reserving the right to object.

Mr. BYRD. Mr. President, I did not make the request. I did not put the request. That would be something the floor managers would do.

Mr. DANFORTH. Mr. President, it is perfectly satisfactory to our side to extend debate until 2 o'clock, with the understanding that the time would be equally divided.

Mr. BENTSEN. Mr. President, I had made the request of the distinguished chairman of the subcommittee and the majority leader and minority leader, and I think it would be very helpful.

The PRESIDING OFFICER. Does the Senator from Missouri make such a unanimous-consent request?

Mr. DANFORTH. Mr. President, I make that request.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, reserving the right to object, without any intention of objecting, I would ask unanimous consent that a unanimous-consent agreement be added to provide for a 5-minute colloquy to occur next between the distinguished Senator from Oregon, Mr. PACKWOOD, and myself.

Mr. DANFORTH. Mr. President, that is satisfactory to me. It is my understanding that would be on my time.

The PRESIDING OFFICER. Without objection, is the amended unanimous-consent request agreed to?

Hearing no objection, the request is granted.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank the distinguished Senators for the unanimous-consent agreement.

I had intended to offer an amendment to the pending resolution to provide for an extension of unemployment benefits for an additional 6 months under the Federal supplemental compensation legislation which I introduced on Tuesday of this week. I had intended to offer that amendment to this vehicle as the first available vehicle, but had not done so based upon assurances which were given to me by the distinguished chairman of the Finance Committee, Senator PACKWOOD.

Earlier this week, on Tuesday, I introduced legislation to extend the unemployment compensation benefits for an additional 6-month period because of the tremendous problems faced by the unemployed across this Nation and especially in the Commonwealth of Pennsylvania.

At that time, in a floor statement, I related the findings that I had observed at open-house town meetings all across Pennsylvania, and specifically the grave problems of the unemployed steelworkers and carpenters and other unemployed people in Pittsburgh in a meeting which I attended on Monday. There is great pain and suffering in the land, and there is a need for the extension of these unemployment compensation benefits, and I had awaited the first opportunity for a matter to be on the floor to offer that amendment.

Since that time, I have discussed the matter with Senator PACKWOOD, who has given me substantial assurances, which he is about to recite, so that I think it inappropriate to offer the amendment at this time, especially in the context that this concurrent resolution may be the start of a process to give some relief to the unemployed of Pennsylvania and the unemployed of this Nation from predatory trade practices, those at which this resolution is directed.

Mr. PACKWOOD. Might I respond to the Senator?

Mr. SPECTER. Yes.

Mr. PACKWOOD. Mr. President, next Tuesday the Finance Committee will have a markup on an unemployment compensation bill. I have checked with the administration. They are not enthusiastic about any bill.

What I am going to try to suggest, at least, is an extension of the eligibility for benefits of those who are currently on benefits; not new claimants, but those who are currently on it. The cost is about $100 million. Whether or not even that is acceptable, I do not know.

But there will be a markup on Tuesday in the Finance Committee. I have been in touch with the chairman of the Ways and Means Committee, Congressman ROSTENKOWSKI. He is going to try to move a bill. If we are going to help these people at all, we have to do it next week. We will be in recess the week after. Their benefits stop on March 31. There will be a markup.

Mr. SPECTER. Mr. President, when the distinguished Senator from Oregon says he is not sure whether that will be acceptable, I do not know whether he says that is acceptable to the Senator from Pennsylvania, the unemployed, or acceptable to the Finance Committee.

Mr. PACKWOOD. I mean the administration.

Mr. SPECTER. I hope it would be acceptable to the Finance Committee and perhaps to the Senate before facing the question as to whether it is acceptable to the administration.

My request to Senator PACKWOOD has been for a 6-month extension or, in the absence of that, for a 5-month extension, because I think the matter ought to be addressed in some forceful way at this time.

But we will abide by the events of Tuesday in seeing precisely what will come out of that markup. As I say, I am not offering the amendment at this time because I think that this concurrent resolution ought to go forward without amendment and be passed.

I thank the Senator from Oregon for his action in scheduling the markup on Tuesday and the expectation that we can see some action for the unemployed sometime next week.

Mr. DANFORTH. Mr. President, I yield 1 minute to the majority leader.

Mr. DOLE. Mr. President, I believe this resolution is a timely effort to express the views of the Senate on our growing trade imbalance with Japan. I would only say that this resolution as modified by the Finance Committee represents a powerful sentiment in the Congress, and in the United States, that we have now exhausted all reasonable methods for talking away our differences on trade with the Japanese Government. We are not drawing a line in the sand and threatening immediate retaliation if access to the Japanese market remains tightly constrained. However, we are saying that, at $37 billion in 1984, our trade deficit

with Japan has reached an intolerable level and simply must not continue to grow.

EXPIRATION OF VOLUNTARY RESTRAINT AGREEMENT

As we all know, the administration decided about a month ago not to attempt to renegotiate the Voluntary Restraint Agreement on imports of Japanese automobiles that has been in effect for the past 4 years. Their rationale, which I fully endorse, is that the VRA has served as a tacit endorsement of our trade status quo with Japan and that the status quo has become clearly unacceptable.

Our negotiators in the Office of the U.S. Trade Representative have knocked on every door, met with every official, and used every argument and means of friendly persuasion in the effort to open the Japanese market to our exports. First we were told that U.S. companies just weren't making enough of an effort to be competitive. Then it was a question of changing the regulations and turning the Japanese economy more toward private sector control. And as these excuses have worn themselves out, we are now informed that, despite Prime Minister Nakasone's best efforts, the career bureaucrats who run the Government over there just listen politely and then ignore the instructions of their political superiors.

EXCUSES NOT ACCEPTABLE

I for one do not accept these excuses, Mr. President. I simply cannot conceive of a political system in which the elected officials can not get something done if it is important enough. I do not believe Japan is on some kind of governmental autopilot. Every country in the world has bureaucrats and every country has ways to get them to implement necessary policies. It is time Japan stopped trying to come up with explanations for why their system is unique. All our systems are unique. But we are talking about international trade and market access, and it is a game where everyone has to play by the same rules or the game is over.

During a recent visit by some top Japanese industrialists to the United States, the point was raised that Japan has directed major efforts toward becoming an exporter. This is entirely understandable considering Japan's need to import most of her oil, foodstuffs, and other strategic items.

What is not understandable, however, is how Japan expects her trading partners—and particularly the United States—to continue to absorb her growing exports of industrial goods with no provision for equal access for their own exports. Those of us who believe in fair trade do so on the assumption that we all benefit from it. Japan's attitude has been and continues to be one of extreme selfishness and myopia.

THE DANFORTH/BOREN APPROACH

Mr. President, the resolution clearly states that any increase in Japanese exports as a result of the unilateral suspension of the voluntary restraint agreement by the United States should be matched by an increase in our exports to Japan. If our trade gap continues to widen, the administration is urged to take any and all legal measures available to redress that imbalance. Next to passing legislation, this approach is the closest we can come to endorsing trade retaliation.

NEED TO AVOID PROTECTIONISM

And most of us continue to believe that allowing the current protectionist tide to overwhelm our efforts to preserve the world trading system would trigger a disaster in the global economy in which every nation would lose. We are well aware how easily the United States and the world slid into the high import barriers of the 1930's, and the resulting economic stagnation of the worst years of the depression.

So we do not take these matters lightly. And we want the Japanese Government to understand that we are watching very closely, and will be watching, as efforts continue to open up greater access to American products. The latest indication that Japanese automakers will be allowed to expand their exports by some 500,000 vehicles—roughly 25 percent of the VRA level—is not an encouraging sign unless it is quickly followed by reciprocal action on import access.

Passage of this resolution should make the trade posture of the Senate, and of the United States, manifestly clear to Japan. If the trade situation between our two countries does not improve in the near future, there should be no misunderstanding on what we expect. Trade is a two-way street. It is now up to the Japanese to take down their stop signs.

Mr. President, I echo the views already expressed on the floor in a bipartisan way. It is going to be a strong message that leaves this Senate Chamber today—I do not know of anyone who is going to oppose the resolution—of a strong bipartisan support. I know the distinguished Senator from Texas does not think it goes far enough. I think that is an indication of the growing sentiment in this body on both sides of the aisle.

I hope that those in authority in Japan will understand that we believe in free trade. We are opposed to protectionism. We enjoy a great friendship with Japan, but we have a lot of problems.

I understand Japan may have some problems, too. But I suggest that unless there is some willingness to address the problems that we have very quickly, I think we will be back here very soon with not just a resolution, but legislation that may be very meaningful.

I thank the distinguished Senator from Missouri, the Senator from Texas, the Senator from Oklahoma, and others who have been active in this matter.

Mr. BENTSEN. Mr. President, I would like to yield 10 minutes to the distinguished Senator from Florida.

Mr. CHILES. I thank the distinguished Senator from Texas.

Mr. President, I have listened to the remarks given on the floor today and a lot of them have a common theme. Everybody is going to vote for the resolution, but it does not do anything; it does not go far enough, and we really have to do something more.

I think that is exactly right. In recent weeks we have seen the 1984 trade figures showing the United States with a record international trade deficit. This weekend the voluntary Japanese auto export quota will expire. On Monday, we will learn the Japanese response to our interest in obtaining a greater share of the Japanese communications market.

It seems to me that the time is right to try some new approaches, and I hope the Finance Committee will consider the one I am going to offer today on the Japanese trading issue.

S. 774—EXPORT PROMOTION AND ECONOMIC GROWTH ACT OF 1985

Mr. President, I am introducing a bill today that would seek an additional $10 billion of access to Japanese markets for American goods over the next 2 years.

If that does not come to pass, then the President would be directed.

It takes a different tact. It does not provide that the President "may." It says the President "will be directed" to adopt Japanese trade practices. We are willing to cooperate with Japan but in these days of intense competition for world markets, we are also willing to adopt the same techniques they have used on us in the past.

I have read with great interest about the deep friendship the President has with the Prime Minister of Japan. I think it is fine to have that kind of friendship. But when I see that our trade deficit has gone from $19 billion to $37 billion in 1 year, I wonder how much that friendship really means to us. How warm is that friendship, and does it mean as much to us as it does to them?

We are not talking about protectionism on the floor today. We are talking about a way to break down trade barriers.

On March 24, the New York Times reported on the American electronics industry. That has been the brightest jewel in an export crown that is beginning to tilt on the head of Uncle Sam.

The Times pointed out that last year we imported $6.8 billion more in electronics goods than we exported overseas. The American Electronics Asso-

ciation reported that unless we reverse the trend, the trade loss could slow the creation of new jobs in electronics, "and bring premature stagnation to an industry that is expected to be crucial to the American economy's health in the 1990's."

It turns out that our electronic trade deficit with Japan is even larger than our trade deficit with them in automobiles.

Mr. President, there is no question whatsoever that Japan produces a quality product and markets those products aggressively around the world. Many of us in this country have been exasperated by the Japanese, but all of us have to admire their initiative. They have pursued their own interests and done what they firmly believe is best for their country.

That is an excellent standard to follow. It's exactly the standard we should demand of ourselves in world trade. But we have been falling short, while other nations do all they can. I wonder if many of our problems might not just be—at least in part—self-inflicted.

For years, our greatest national wealth has allowed us to grant concessions and accept barriers without much protest. And in those cases when we actually went out and tried to do something for ourselves in trade markets, we often backed down when other nations accused us of gearing up for a trade war.

It seems to me the table is a little tilted when one nation can promote its trade in the national interest. But when we do the same thing, it's a trade war.

I have great respect for the Japanese worker. But I have great respect plus a deeply felt obligation to American workers, business people, and industrial workers to do the best possible to protect their livelihoods and give them an even chance to compete for international sales.

Over the years our trade discussions with the Japanese have been complicated, generally polite—and usually unproductive. In fact, for the Japanese, selling their goods in our country it has been the 100-yard dash, while for Americans selling goods in Japan it has been the high hurdles. I think it is time we ran the same course, and I frankly don't see how anyone could object.

Our allies in Japan have been very reluctant to play by the rules that give both sides the same opportunities. They have pretty much had it their way. So maybe it is time the United States just go ahead and adopt the Japanese rules and play the same game.

Before we do that, however, I believe we should take just one more step to work out an alternative set of guidelines. I am not sure the Japanese want us to adopt their trading rules in the same way they have adopted our technology. We will if they want us to. But I am not sure they would like it very much.

What I have in mind is a different approach that takes into consideration our past experience in trade negotiations and concedes that Japanese leaders have political problems of their own.

The proposal I have put before the Senate is intended to reduce our trade imbalance with Japan by $10 billion over 2 years. And it would accomplish that aim by allowing the Japanese to expand American access to their markets.

I think it is worth looking at our level of exports to Japan and measureing how they have grown over the last few years.

Mr. President, total U.S. exports to Japan were $18 billion in 1979. Those exports had grown all the way from $18 billion to $22 billion in 1983. Some growth. Just a $4 billion increase between 1979 and 1983.

Over the 1979 to 1984 period, Japan, while their economy was growing over 25 percent, our exports to them were growing by only $4 billion.

It is obviously what they have done. They are not allowing imports into their country. They are making all of their trade, all of the profit for their country and GNP, on the basis of trade, not on the basis of domestic use.

We have learned when we negotiate with Japan on a product-by-product basis, we always seem to run afoul of protectionist claims. When we broaden the discussions, the Japanese always point to the political barriers they face at home.

I do not know how many Japanese delegations I have had come by and talk to me about oranges. Every time they ask if we know about their problems, they tell me "these producers are so important to our coalition that if we allow anymore oranges in, they will not vote for us." They make it sound like if you allow 50 boxes into Japan, they will go Communist. You hear the same argument on beef. You hear the same argument on any product you try to to deal with.

The Japanese should remember, however, that their imports into the United States have grown from $26 billion to $41 billion in the last few years. They increased $15 billion. And in 1984, the imbalance was $37 billion.

Mr. President, I have come to realize that you cannot deal with Japan on a product-by-product basis. You have to set an overall ceiling and say, "We expect you to do something in terms of this ceiling and you figure out how it should be done."

So, what I propose is to simply set an overall goal for expanded access to Japanese markets, and leave it to the Japanese to work out for themselves which areas offer the best chance for progress.

If the Japanese are not able to reach the improved access goal, that would be the point at which we adopt the Japanese trade rulebook.

This measure would require the President to respond with precisely the same type of nontariff techniques the Japanese have practiced for years. And the President would have flexibility in choosing both the number and timing under which those techniques would be adopted.

What this measure would do is simply shift the burden of cooperation as well as the responsibility onto the broad shoulders of the Japanese Government and its business leadership. This would give the Prime Minister some clout when he goes to talk to some of his bureaucrats because he could say, "Wait a minute, fellows. If we do not reduce some of our trade barriers, if we do not allow $10 billion more of U.S. goods to come into Japan, then they are going to do the same thing that you have been doing to them. They are going to stop our autos in one port and have them all examined for auto emissions. They are going to test all our pesticides and fertilizers to see whether they comply with their standards. They are going to look at what we are doing with orange juice and the quotas and tariffs we are placing on beef and other products and impose similar requirements."

Can you imagine the consternation in Japan when, it dawns on them? It would be interesting to be there when the Japanese ask, "Do you mean they are going to do to us what we have been doing to them? My gosh, how terrible that would be."

I think the Prime Minister would be able to get the attention of the Japanese with the proposal I make today.

All we are saying to them is we would like to have a comparable level of access to your markets consistent with the level of access you have to our markets. We are actually giving the Japanese the opportunity to help determine at what level that access will be set. We will cooperate if we can. We will not retaliate even if we cannot. We will just cooperate in the fashion selected by the Japanese.

We are not talking about protectionism. We are talking about playing with the same set of rules.

If the President finds himself in a position where we are to adopt Japanese trade techniques some of those procedures could involve product parity, similar to Japanese quotas on United States goods.

They could include automobile testing for emissions on imported Japanese automobiles.

They might include environmental testing of Japanese pesticides at the port of United States entry.

And they could extend to customs inspections of articles produced or manufactured in Japan.

There are other possibilities all within the range of procedures familiar to the Japanese by reason of their own practices in the past.

But the President would be required to impose at least one of these measures.

These techniques have shown results before.

Three years ago, France told Japan that they had had enough of the nontariff barriers to trade. When the Japanese remained inscrutable, France said, "OK, we will start importing all Japanese video recorders through a single French town." Japanese video recorder sales to France dropped almost at once. But so did some of those trade barriers.

The United States has also shown some muscle in the past. Not long ago, we subsidized the sale of 1 million tons of wheat to Egypt. It is true we displaced some European exports in the process. But our purpose was to let the Europeans know we would no longer accept their export advantages derived from their heavy agricultural subsidies.

We have to ask ourselves if maybe—just maybe—we have not been overly generous in granting concessions and accepting foreign restrictions.

I think we have been way too complacent. The United States just cannot go on playing Anne Landers and letting the rest of the world cry on our shoulders when it comes to foreign trade. Even Anne Landers can spot a bad deal when she sees one. We have to be more forceful in standing up for our own interests.

Now, I am not talking about any trade war. That term seems to come up every time the United States starts talking about getting more active in world markets. What we have to make our trading partners understand is that we are not interested in "getting even". But we are ready to get moving.

I hope the Senate Finance Committee will give full consideration to this approach as it moves ahead with its deliberations.

I support the resolution before us. I understand that the Finance Committee will soon markup an actual Bill, and I hope they will take account of this approach.

Mr. President, I ask unanimous consent that a table entitled United States-Japanese Import Tariff Rates be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

UNITED STATES/JAPANESE IMPORT TARIFF RATES

	Japan	United States
Product:		
Beef	[1] 25% (35¢/lb)	2¢/lb.
Fresh Oranges:		
June–November	20% (8.5¢/lb.)	1¢/lb.
December–May	40% (17.0¢/lb.)	1¢/lb.
Kraft paper	9.3%	2%
Calf leather	20%	3.6%–7.3%
Bourbon whiskey	24.5% ($1.79/gal.)	43¢/gal.
Chocolate confectionery	20%	5–7%
Particle Board	13.1%	5–7%

[1] Figures in parentheses denote average costs.

Source: U.S. Japan Trade Study Group.

Mr. CHILES. Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Export Promotion and Economic Growth Act of 1985".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) the current $37,000,000,000 merchandise trade deficit of the United States with Japan is unacceptably high and is threatening the economic well-being of both the United States and Japan;

(2) a significant part of this trade deficit is due to Japan's continued reliance on nontariff trade barriers to protect Japanese agriculture and industry;

(3) in light of the slow progress being made through sector-by-sector trade negotiations, an overall trade deficit target should be established; and

(4) the President and the United States agencies responsible for trade agreements should have the authority necessary to respond in a timely fashion to the Japanese use of nontariff trade barriers.

(b) It is the purpose of this Act to reduce the trade deficit of the United States with Japan through the reduction of trade barriers to no more than $27,000,000,000 by the date that is 2 years after the date of enactment of this Act.

REPORT ON NONTARRIFF BARRIERS TO TRADE

SEC. 3. Subsection (a) of section 181 of the Trade Act of 1974 is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

"(3) NONTARIFF BARRIERS IMPOSED BY JAPAN.—The analyses and estimates required under this subsection shall include detailed consideration of all—

"(A) product approval procedures,

"(B) customs procedures, and

"(C) other nontariff trade barriers, imposed by Japan with respect to United States exports.".

NEGOTIATIONS

SEC. 4. (a) The President is authorized to enter into negotiations with Japan for the purpose of obtaining agreements which—

(1) ensure the access of United States goods and services to the markets of Japan,

(2) ensure the access of United States persons to direct investment opportunities in Japan.

(3) extend the principles of the General Agreement on Tariffs and Trade to trade between the United States and Japan in the areas of—

(A) direct investment,

(B) trade in services,

(C) trade in high-technology goods, and

(D) intellectural property rights, and

(4) establish an internationally acceptable basis for enforcement of trading and investment rights.

(b) If the President finds that insufficient progress has been made in obtaining the agreements described in subsection (a), the President shall recommend to Congress such legislative changes in the trade policy of the United States with respect to Japan, including denial of nondiscrimination (most favored nation) treatment to Japan, as the President determines to be necessary.

RESPONSE TO NONTARIFF TRADE BARRIERS

SEC. 5. (a) If the President determines that the trade deficit goal referred to in section 2(b) has not been met through increased access of United States goods and services to the markets of Japan, the President is authorized to take the following actions and shall take at least one of the following actions:

(1) deny entry to any article produced in Japan that is imported for use as food or beverage if such article fails to meet such composition requirements as the Secretary of Agriculture is hereby authorized to prescribe that are similar to the types of composition requirements imposed by Japan with respect to United States goods;

(2) impose quantitative limitations on the entry of articles produced in Japan that are imported for use as food or beverage;

(3) deny entry to all motor vehicles manufactured, in whole or in part, in Japan that, in an inspection conducted at a port of entry of the United States with respect to each of such vehicles, fail to meet the requirements necessary to obtain a certificate of conformity under section 206 of the Clean Air Act;

(4) require that all inspections required under paragraph (3) take place at one port of entry designated by the Secretary of the Treasury;

(5) limit the rate at which the inspections required under paragraph (3) are conducted;

(6) deny entry to any article produced or manufactured, in whole or in part, in Japan if proof, based on testing conducted at the port of entry by any person designated by the Secretary of the Treasury (other than the importer), that such article meets the requirements of the Toxic Substances Control Act or the Federal Insecticide, Fungicide, and Rodenticide Act is not presented to the appropriate customs officer in such form and manner as the Secretary of the Treasury may prescribe by regulations;

(7) deny entry to any products or services of Japan if such products or services fail to meet such approval standards or certification requirements as the Secretary of Commerce is hereby authorized to prescribe that are similar to the types of approval standards and certification requirements that Japan imposes with respect to any products or services of the United States;

(8) modify customs procedures applicable to the entry of any article produced or manufactured, in whole or in part, in Japan to make such procedures comparable to the customs procedures used by Japan with respect to articles produced or manufactured in the United States;

(9) deny entry to any article produced or manufactured, in whole or in part, in Japan if—

(A) such article is imported for use in a trade fair, and

(B) such article has not been submitted at least 1 year prior to the date of such trade fair for review by a special panel appointed by the Secretary of Commerce from among representatives of the domestic industry;

(10) require the appropriate customs officer to physically inspect every article produced or manufactured, in whole or in part, in Japan that is entered;

(11) require that a description of each joint business venture between any person of the United States and any person of Japan be submitted to the Secretary of Commerce for review at such time and in such manner as the Secretary of Commerce may prescribe;

(12) take any action within the powers of the President that is necessary to halt any business venture described in paragraph (11) if the Secretary of Commerce, in consultation with the Secretary of Defense, determines that such venture would compromise the national or security interests of the United States; and

(13) increase the rate of the taxes imposed by subchapter 3 of chapter 38 of the Internal Revenue Code of 1954 with respect to the importation of any article produced, or manufactured, in whole or in part, in Japan.

(b) The President may exempt any article from any action taken by the President under this seciton if the President determines that the application of such action to such article would not be in the national interests of the United States.

(c) For purposes of this section, the term "entry" means entry, or withdrawal from warehouse, for consumption in the customs territory of the United States.

Mr. ZORINSKY. Mr. President, I am pleased to join Senator CHILES in introducing the Export Promotion and Economic Growth Act of 1985. This legislation is designed to improve the trade balance between the United States and Japan through increased access of our Nation's commodities, goods, and services to the Japanese market.

Currently, the United States has a $37 billion trade deficit with Japan. This huge trade imbalance must be addressed before it causes economic disaster to our country. The purpose of this legislation is to reduce the trade deficit by $10 billion within 2 years after its enactment.

One of the primary reasons for our Nation's trade imbalance with Japan is the numerous nontariff trade barriers that the Japanese Government has erected against non-Japanese commodities, products, and services. For many years, these trade barriers have effectively precluded access to the Japanese market of agricultural commodities and products produced in the United States. These barriers have also restricted the sale of many of our Nation's forestry products to Japan. At the same time, the markets of this Nation have been flooded with goods produced in Japan. The sector-by-sector negotiations with Japan have not been effective in eliminating these barriers.

This legislation would provide Japan with the opportunity and incentive to take action to move toward fairer trade relations with our country.

The bill would authorize the President to enter into negotiations with Japan to reduce the trade barriers that limit sales of U.S. products to Japan.

If progress toward the goals of gaining access to Japanese markets for U.S. goods, services, and investment capital cannot be made, the President would be directed to recommend to Congress trade legislation that will require reciprocal treatment of Japanese goods, as the President determines necessary.

If the trade deficit cannot be reduced through increased sales to Japan, the President would be authorized to take any of a series of actions to reduce the trade deficit. Further, the President would be required to take at least one of the actions enumerated in the bill. These actions include:

First, deny entry to any article produced in Japan that is imported for use as food or beverage if such article fails to meet specified composition requirements;

Second, impose quantitative limitations on the entry of articles produced in Japan that are imported for use as food or beverage;

Third, deny entry to all motor vehicles manufactured, in whole or in part, in Japan that, in an inspection conducted at a port of entry of the United States with respect to each of such vehicles, fail to meet the requirements of the Clean Air Act;

Fourth, require that all inspections of Japanese motor vehicles take place at one port of entry designated by the Secretary of the Treasury;

Fifth, limit the rate at which these inspections are conducted;

Sixth, deny entry to any article produced or manufactured, in whole or in part, in Japan if proof, based on testing conducted at the port of entry, that such article meets the requirements of the Toxic Substances Control Act or the Federal Insecticide, Fungicide, and Rodenticide Act is not presented to the appropriate customs officer in such form and manner as the Secretary of the Treasury may prescribe by regulations;

Seventh, deny entry to any products or services of Japan if such products or services fail to meet such approval standards or certification requirements as the Secretary of Commerce is hereby authorized to prescribe. These requirements will be similar to the types of approval standards and certification requirements that Japan imposes with respect to any products or services of the United States;

Eighth, modify customs procedures applicable to the entry of any article produced or manufactured, in whole or in part, in Japan to make such procedures comparable to the customs procedures used by Japan with respect to articles produced or manufactured in the United States;

Ninth, deny entry to any article produced or manufactured for use in a trade fair unless such article has been submitted at least 1 year prior to the date of such trade fair for review by a special panel appointed by the Secretary of Commerce from among representatives of the domestic industry;

Tenth, require the appropriate customs officer to physically inspect every article produced or manufactured, in whole or in part, in Japan that is entered;

Eleventh, require that a description of each joint business venture between any person of the United States and any person of Japan be submitted to the Secretary of Commerce for review at such time and in such a manner as the Secretary of Commerce may prescribe;

Twelfth, take any action within the powers of the President that is necessary to halt any joint United States-Japanese business venture if the Secretary of Commerce, in consultation with the Secretary of Defense, determines that such venture would compromise the national or security interests of the United States; and

Thirteenth, increase the rates of the taxes imposed on Japanses goods imported.

To safeguard the interests of U.S. workers, the bill authorizes the President to exempt goods from these actions if the President determines that the application of such action to such article would not be in the national interest of the United States.

The trade deficit with Japan is undermining our economy and must be eliminated if we expect prosperity to return to our farms, ranches, and our factories.

I urge my colleagues to support this legislation.

Mr. DANFORTH. Mr. President, I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. First, Mr. President, I want to congratulate the chairman of the subcommittee for bringing this resolution to the floor in a very timely and appropriate manner. I would also like to say that we are really moving, in my opinion, toward a very intensely damaging trade war. This is just the beginning of the response by not just the Senate and the Congress and the American people and hopefully the administration to an unacceptable situation that we are finding ourselves confronted with. This sense-of-the-Senate resolution hopefully will send all sorts of strong signals, but I can tell you the signal I received in a positive way is there are legislative responses and other responses if things do not

change and attitudes do not change, if there is not more basic equity within the international trade arena on a bilateral basis.

Mr. President, I fear that yesterday's announcement by the Japanese Ministry of International Trade to allow the expansion of auto exports into the United States—without allowing reciprocal expansion of American exports to Japan—has brought us to the brink of a very damaging trade war.

The United States and Japan have now exhibited for the world the results of unilateral concessions. Despite a burgeoning trade deficit with Japan; despite sustained unemployment and hardship in domestic industries brought on by unrestricted imports from Japan; and despite a continued policy of restraint of American imports into Japan; the United States recently permitted the expiration of the Voluntary Restraint Agreements.

Those of us who have stood behind the principles of fair and free trade in the past were hopeful, though not optimistic, that this unilateral action by the United States would spur the Japanese Government to allow free and fair imports of American products into Japan. Yesterday our hopes were severely shaken.

I am fearful of the effects such an action could have on international trade and prosperity. The Japanese have struck a damaging blow to the cause of fair and free trade. In our reaction the United States may feel compelled to resort to tariffs and mandatory quotas. Such actions will hurt the American consumer as well as foreign producers. I would hope that we could find some way to convince the Japanese that similar constraints now in effect against U.S. producers in Japan hurt Japanese consumers and producers also. Free trade is in both our interests.

Unfortunately, the Japanese have not responded to our entreaties to solve this problem amicably through negotiation and mutual concession. We must now, I fear, impress upon them the political and economic facts of the modern world. I support this resolution—not because I hope that bilateral protectionism will continue—but because the Japanese must be convinced that bilateral free trade must! I would like to see both Japanese exports to America and Japanese imports from America expand continually. Such dynamic international free economic exchange would benefit consumers and producers everywhere. But if the Japanese continue to hamper international free trade and prosperity we must do what is in our power to stand by our own producers and domestic markets.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I yield 1 minute to the Senator from South Dakota.

Mr. PRESSLER. Mr. President, I would like to join in the comments of my colleagues today on the United States-Japan trade relationship. As a cosponsor of this resolution, I am very concerned about our rapidly growing trade deficit with Japan and the need to show the Japanese that we are going to take a tough stand on trade issues. We can no longer afford to let the Japanese drag their feet on trade liberalization. If Japan is not going to open its markets to United States or other nations' products, then we will be forced to restrict imports from Japan.

For decades, the Japanese have continued to impose trade restrictions on imports. We have been "good guys" in trade negotiations, while Japan has made relatively small concessions in trade liberalization. For example, last year Japan and the United States signed an agreement on beef imports into Japan. The slight concessions made by Japan on beef last year are nothing in comparison to our total trade deficit or the automobiles exported from Japan to the United States.

The Japanese restrictions on imports also affect other nations' trade with the United States. Underdeveloped and developing nations are restricted from exporting their products to Japan. As a result, in many cases they export those products to the United States because we are one of the few nations that has not erected protectionist barriers.

Several years ago, I introduced trade reciprocity legislation which would require the United States to impose trade restrictions on Japanese imports equal to the restrictions imposed on U.S. exports to Japan. I believe if Japan does not take some major actions to open up their domestic markets to U.S. products, the Congress will take action to impose a surcharge or restrictions on Japanese exports to the United States. The time has come for the United States to take more decisive action on the U.S. trade deficit with Japan.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I yield myself such time as I may require, since I see no one else who seeks recognition at this point. .

I noticed in the morning Washington Post that there was apparently some question on the part of people in Japan as to where the United States is going in trade policy and what we are asking Japan to do. I think it would be appropriate to clarify at least some of my own thoughts as to the general relationship that exists at the present time.

Mr. President, I think the first thing that should be pointed out is trade difficulties which exist with Japan are not unique to the United States. We tend, of course, to focus on our own troubles, but Japan has been a problem for the world. The United States has a very large deficit with Japan; Japan is also racking up surpluses with the rest of the world. A good window to see the general global trading relationship with Japan is how the United States and the Japanese differ with respect to taking imports from lesser-developed countries.

The United States takes 58 percent of the exports of manufactured goods that are sent on the world market from lesser-developed countries. The Japanese, by contrast, take only 8 percent of such exports. Therefore, Japan has really not been carrying its share of the load. It has been an active exporter but only imports what it cannot produce itself. This has created difficulty not only for the United States but for the world as a whole.

The second point that should be made is that while it is frequently said that the largest trade problem we have now is the problem of exchange rates, the difficulty with Japan would exist with or without the exchange rate problem. Senator HEINZ stated in his remarks that countries which have a currency which is valued low in comparison to the yen also have problems with Japan. Korea, Germany, France, and Italy all have currencies which have depreciated against the yen and still they have difficulties exporting products to Japan.

A third point to be made is that, at least in the opinion of this Senator, negotiations between the United States and the Japanese on international trade have accomplished very little. We have attempted negotiations over a long period of time; indeed, we are involved in negotiations with the Japanese right now. The problem is that the proliferation of nontariff barriers in Japan is a means of keeping out imports from other countries. One barrier can be negotiated away after a period of months or even years only to be replaced by something else.

I think what we are going to see next week are very euphoric claims about what has been accomplished in telecommunications negotiations with Japan. But my guess is that after a period of time, we shall realize that what was accomplished on paper in negotiations has not proved itself out in the form of additional exports from the United States to Japan. Therefore, it seems to me that we should be reticent about claiming victory when we have completed a round of negotiations and that the test to be used with respect to United States-Japanese trade relations should be the value of imports and the value of exports.

The fourth point, and I say this with great reluctance, is that I think the administration's trade policy is a failure. I think that the administration has taken a basic position in international trade that our market is going to be open no matter what, that there is no figure, there is no trade deficit number which is going to trigger any retaliatory response by the United States, and that there is going to be no unfair trade practice of Japan which is going to lead to some retaliatory action by our country.

The administration's policy has been to leave the U.S. market almost entirely open to Japan regardless of the size of the trade deficit and regardless of what they do to us. I think that when we go into negotiations with the Japanese, that creates an impossible situation for our negotiators. I have a very great respect for Ambassador Brock and for the staff of the U.S. Trade Representative—they really are the shock troops of American trade policy and practice. But it is impossible, I think, to get anywhere if there is never any possibility, real possibility, that the United States is ever going to do anything to retaliate.

It strikes me as being ironic that an administration that is so concerned about maintaining a strong bargaining position with respect to arms negotiations, and is so anxious to marshal its bargaining chips going into arms negotiations, is willing to undertake trade negotiations with Japan where our entire approach is verbal.

We in the Finance Committee asked of two administration witnesses if they could name any time when the United States has ever retaliated against Japan in trade. The answer was silence. I think that, therefore, what we have gotten ourselves into as a country is a position where all we do is complain, all we do is talk.

I think that this is bad, Mr. President. I think it is bad for the overall relations between Japan and the United States because when we have no mechanism in place to redress the problems that we have with another country, when we do not see the problem as one of exports and imports and the dollar value of the trade deficit, when we have no real trade policy to deal with the Japanese, then we in Congress and people who are interested in problems of international trade fall back on the only thing that is left to them, and that is rhetoric. We have gotten ourselves into a situation where the rhetoric between the United States and Japan, which has been a substitute for any kind of effective action to deal with the real problem, has gotten inflammatory, overheated, and, oftentimes, nasty. I think that that is demeaning to us and insulting to Japan.

Japan should be viewed as a friend and an ally of the United States and our difficulties should be worked out in almost a mechanical fashion. But the administration has abandoned the concept of any systematic way of working out the trade problem and we are left with rhetorical excesses. And it is poisoning the total relationship between the United States and Japan.

Therefore, Mr. President, my conclusion is that the time has come to act—not talk, not complain, not insult, but act. This is only a resolution, as I said earlier, because procedurally, a bill now is not appropriate. But, we will eventually get a House bill and we will attach an amendment to it and we will deal with this problem in the more normal legislative form. What this resolution attempts to do is set out a method of action, to take the position that $37 billion is enough, it is too much; that we are not going to grant unilateral access to our market anymore; that we are going to insist on the principle or reciprocity; that we are going to insist that increased Japanese access to our market due to the expiration of the VRA is going to be responded to by access and sales to their market or in the alternative we in the United States are going to retaliate in a very specific manner. I say that not as a threat, not to send a message. I am tired of sending messages and threatening and rattling sabers; I think that is wrong, but simply as a statement of a practical way to solve a real problem.

Mr. President, I yield 2 minutes to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I commend the Senator from Missouri for his sponsorship of this resolution. I will make a few comments on it.

Mr. President, I approach this basically from the same point of view as the Senator from Missouri but with perhaps a shade of difference. My concern is not over the size of the trade deficit with Japan. If Japan is building a better mousetrap, a better automobile, a better camera, telecommunications equipment, whatever it might be, then three cheers. They should have access to our markets. Our consumers can then make a choice as to which product best serves their interests and preference. That is why this Nation is in favor of the continuation and strengthening of the GATT. That is why we favor free and open trade. That is why I strongly urged the President not to seek renewal of the Japanese auto export restraints. I applaud the President's decision as one good for the consumer and good for the economy.

My problem with Japan, Mr. President, is that there is no reciprocity in the form of access to the Japanese markets for our goods. In certain areas we are clearly superior in terms of quality and price of our goods, and telecommunications is, it seems to me, the most favorable illustration I can give. But there are others—lumber, citrus fruits, pharmaceuticals, tobacco, beef. In these areas where we have superiority, our products are not allowed in their markets.

Now, there is the problem. What are we going to do? As the Senator from Missouri has pointed out, we have tried all kinds of actions and now we must go beyond threats and declarations. We are trying to do something substantial. Perhaps this resolution is not doing it correctly, perhaps it is doing it with a sledgehammer, but we have no other way to operate. We have tried and tried, but we cannot seem to get their attention.

The distinugished Prime Minister of Japan has stated that he is in favor of opening the markets and providing access for our goods. His proposals go through the bureaucracy and nothing happens. There are all kinds of restrictions, tests, qualifications, certifications, delays in the imports, delays through customs—all nontariff barriers—and the result is our goods do not have the equal access which we are seeking.

We must now enact some form of retaliation. This is not a signal that we should yield to the growing sentiment toward wholesale protectionism. Japan is a very important and valuable ally of this country and we must preserve that relationship. Yet no other solution is available to us to keep our competitive edge in this important sector.

Mr. President, that is why I am in favor of this resolution, not because I want strict equality in trade levels. I think a $37 billion deficit in our trade with Japan is bad, but it is up to us to close the gap in our trade balance by selling goods which are competitive in terms of price and quality, if we have access. The trouble is we do not have that access. Hopefully this will help gain the access that both the Senator from Missouri and I care so much about.

I would have preferred this Senate to take a more direct and meaningful step than a nonbinding resolution to make our views perfectly clear to the Government of Japan. One such direct step is a bill I introduced on March 20, S. 728, which would deny entry into the United States, of Japanese telecommunications products until we are satisfied that we have true and equal access to the soon to be privatized Japanese market. April 1 will come and go without any major concessions.

I urge my colleagues to join me as cosponsors of S. 728 and request hearings be held immediately. This matter is urgent and this kind of narrowly defined retaliation has become necessary.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I yield 1 minute to the Senator from Georgia.

Mr. MATTINGLY. I thank the Senator from Missouri. I rise in support of the resolution. It has been noted many times that Japan has always had the slogan: trade or die. Well, it's working; they are trading and our export levels are dying. There is nothing in the resolution that hasn't been said many times before. And while I support this legislation, I fear that, like similar efforts, it will be ignored or have little effect on our trade policy. In fact, as the Senator from Missouri reluctantly said, we do not have a trade policy. I am not reluctant to say it because it is the unfortunate truth. It is far past the time for us to take the trade related offices and agendas that are now scattered over something like 25 different agencies and craft a unified, comprehensive and far reaching trade policy that will serve as the engine of world economic growth and carry us into the 21st century.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Missouri has 20 seconds remaining.

Mr. DANFORTH. Mr. President, I yield my time to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 20 seconds.

Mr. MURKOWSKI. Mr. President, I think the resolution is an expression of frustration of the Senate. Obviously, it is going to get a great deal of attention. It in itself is not an appropriate vehicle to address the existing inequities. Several Senators have touched on the matter but the reality is there is no accountability in this country for trade policy. If you do business in Japan, you deal with MITI. MITI is the accountable agency. They will tell you your percentage of the market, how you can come in, but in our country there are six or seven agencies involved including the administration, the executive branch.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MURKOWSKI. There is no accountability, and that is the problem, Mr. President.

The PRESIDING OFFICER. The Senator from Texas has 4 minutes remaining.

Mr. BENTSEN. I yield 1 minute to the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. MOYNIHAN. Mr. President, I rise in support of the measure which I voted for in the Finance Committee yesterday. I wish, however, to point out that there is a limit to the arguments we can make against Japan at the same time that we have failed to take action here.

In the last 4 years, we have allowed the value of the dollar to all but double against the currencies of our main trading partners. This has put American exports at a disadvantage without precedent in our history. It has happened on the watch of this administration, which appears to have no plans for, or capacity, doing anything about it. And if they plunge this country into a protectionsist mode, which this resolution is not, because of the mismanagement of our fiscal and monetary affairs, then placing all the blame on a trading partner is, to me, not a persuasive approach.

Clearly the Japanese have to do more to open up their markets to our exports. But clearly there is also a lot to be done right here at home, including the prospect of creating an effective department of trade. I thank my distinguished colleague from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, how much time do I have?

The PRESIDING OFFICER. Three minutes.

Mr. BENTSEN. I reserve the last minute for myself, and I promised 30 seconds to my friend from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

THE GOOSE THAT LAID THE GOLDEN EGG

Mr. DIXON. Mr. President, on February 20, I joined my colleagues in introducing Senate Concurrent Resolution 15. The unanimous endorsement of that resolution, yesterday, should send a clear message to the Japanese Government that our markets are not up for grabs.

The Japanese response to the President's decision not to ask for an extension of the voluntary restraint agreement on automobiles is predictable. It has been announced that they will limit their exports to an additional 450,000 units. That is a 25-percent increase, Mr. President, and not a great effort on their part, since it matches their production capacity at this point.

Let's look at what an additional 450,000 cars from Japan will mean to us. It is not insignificant.

Two direct results for my State of Illinois have occurred in the past few weeks.

First, Chrysler Corp. had been planning to expand its operations and was considering a plant site in Peoria, IL, for a new assembly plant. When the President announced his decision not to ask for an extension of the voluntary restraint agreement, Chrysler abandoned its plans for the new plant.

Second, there is a Chrysler factory in Belvidere, IL, which currently manufactures the Omni and Horizon. It was to be the site of production for the new "P" car. The company has decided, based on the end of the voluntary restraint agreement, to build a limited number of these cars in Sterling Heights, MI, and to import the rest from Japan. Two hundred thousand cars that would have been built in Illinois are now going to be built in and imported from Japan. The future of the Belvidere plant is now uncertain. The future of its workers is equally uncertain.

The U.S. auto market is approximately 10 million units. Of that number, 7.5 million are produced in this country by people in my State, in Michigan, in Ohio, all over the industrial Northeast and Midwest. We have about 2½ million people who are dependent on the auto industry for their livelihoods, with 850,000 people working in manufacturing and 1.7 million people in related industries such as steel, rubber, and electronics, as well as dealers and suppliers. In addition to that, there are another 5 million people in occupations such as retailing and services, who are supported by each auto-related job. Each domestically produced car means one full-time American job. So, for each additional car coming in, one job would be either directly or indirectly affected. An additional 450,000 imported cars would add about $3 billion to the merchandise deficit with Japan.

Currently, our account is in the red by $36.8 billion with the Japanese alone, and $123.3 billion with all our trading partners, compared with the 1983 figures of $21.7 billion negative balance with Japan and $69.4 billion worldwide. It is painfully obvious that the situation is deteriorating. Our trade deficit with Japan has increased 41 percent and our overall trade deficit was 43.7 percent worse in 1984.

The resolution we are considering today recognizes the harsh realities that brought us to this point. The only real answer to the world trading situation is to open up markets, expand access across the board, and give everyone a larger piece of a larger pie. But today, there are fewer people coming to the table, and those of us who are still there, are assuming an unfair portion of the burden.

The United States is, in a sense, the goose that lays the golden egg. We are the most lucrative market in the world and the most open. The Japanese market is one of the most restricted. Let us consider, as an example, Third World exports. We are trying to be good citizens in the world market, keeping our doors open in an attempt to expand world trade, yet we do not see a similar willingness on the part of the Japanese. We buy 58 percent of the goods produced for export by the Third World. Japan only allows 8 percent of these goods inside its borders. Is there any question why the Japanese have an immense trade surplus and we have an unacceptably high def-

icit? Their markets are essentially closed, and ours continue to be the most open in the world.

How long can this continue to occur? It would seem to this Senator that the end of this story could go the same way as that children's tale of the goose that laid the golden eggs. It was killed because of greed, as you may recall. With the announcement by the Japanese of their intention to increase auto imports by 25 percent, it may just kill that goose; our markets might cease to exist because of a glut of Japanese cars in our country; because of lost jobs induced by an unstable auto industry; because of a reduced number of consumers for all goods due to unemployment; and because the American people might demand more protectionist action by its leaders. All of these possibilities would be regrettable, and counterproductive for all concerned.

We have an obligation to stand up to any threats to our national security. This economic situation is as real as any military threat that could come our way. It is eating away at the very fiber of our country, and it must stop.

This resolution sends a serious message to our trading partner that our country and its markets are not up for grabs.

We are willing to play fair, but we must not be the only ones playing by the rules.

Japan has not opened its markets to our products and they apparently have very little intention of doing so, regardless of our Government's attempts to negotiate a reasonable solution.

April 1 is approaching. On that date, the auto market will no longer be restricted in any way. We should not be the April fools, and I hope that this resolution will begin to resolve the many difficult problems surrounding our world trading situation. We must begin to insist on fairness. We must stand up for what is right. We must say, enough is enough. The time is coming when the Congress may well take more serious actions which may not yield the desired results. Apparently setting a good example is not working. We must take more positive action in behalf of our industries, our people, and our country.

I urge the adoption of this resolution.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. I yield 1 minute to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 1 minute.

Mr. BAUCUS. Mr. President, I would like to leave this body with one word, "Bo-eki-sen."

Just so everyone knows what that means, that is Japanese for trade war. Mr. President, Japan must realize that we, too, can engage in a trade war, if it comes to that. I deeply hope that it doesn't come to that, but we are running out of time to come up with solutions.

In closing, I compliment the Senator from Texas [Mr. BENTSEN], who is heading up efforts on our side of the aisle to develop a comprehensive sensible trade policy, and the Senator from Missouri, Senator DANFORTH; he is doing what he can to do the same on his side of the aisle.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

The Senator from Texas has 1 minute 59 seconds.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senator from Texas be allocated 1 minute 59 seconds but that I may be granted an additional 5 minutes.

Mr. STEVENS. I object.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I be granted 3 minutes beyond the time of the Senator from Texas.

The PRESIDING OFFICER. Is the Senator asking that the time of the vote be changed?

Mr. METZENBAUM. Yes.

The PRESIDING OFFICER. To what time?

Mr. METZENBAUM. 2:03 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The vote will occur at 2:03 p.m.

The Senator from Texas has 1 minute, and the Senator from Ohio has 3 minutes.

Mr. BENTSEN. I yield 3 minutes to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I rise to address myself to this issue and to support the resolution.

I am prepared to vote for it. However, I want it understood that I do so because of my concern for U.S. autoworkers and because of the arrogance of the Japanese in not permitting our products to be sold in their country and their further position of wanting to export an additional 25 percent automobiles to our country.

I think this is a two-way street, and it concerns me. It concerns me as to what the American auto manufacturers are doing. I do not want them to misinterpret the view of many of us in the Senate. We are concerned about the fact that they have used the limitations on imports to raise prices; and, as a consequence, the American consumer has been required to pay approximately $2,000 per car additional.

In addition to that, the American auto companies are now pressing to get a waiver in connection with the fuel efficiency standards, a matter which the Energy Committee will address shortly. I believe that to get a waiver in connection with the fuel efficiency standards would be retrogressive. I do not think it would help us with energy consumption in this country. I do not think it will help the American automobile companies with respect to their sales or help save domestic auto jobs.

I want to be certain that when they see this overwhelming vote which I am sure will occur in connection with this subject, they not misinterpret it and not pay attention to the problems that American consumers and workers have with the American auto industry with respect to pricing, fuel efficiency standards, and keeping auto jobs in this country.

I thank the Senator from Texas and the Senator from Missouri for yielding me additional time.

Mr. RIEGLE. Mr. President, I am pleased to support this resolution which will finally put the Senate on record as saying that the time for just talking with the Japanese is over. The President must act now—not with more negotiations, but with specific retaliatory measures.

This resolution sets out in writing what we have known all along. Japan is the most protectionist industrialized nation in the world. Japan does not only discriminate against United States exports; they discriminate against imports from all nations. But the issue here is more than free trade. At issue here is the strength of the American economy and, ultimately the world trading system. We simply can not afford to accept this drain on our Nation's economy.

Last year our trade deficit with Japan was $36 billion. This is a 75-percent increase over the trade deficit in 1983, and more than twice the deficit in 1982. Yesterday, in the wake of reports that the Japanese were unwilling to open their markets in telecommunication products, we learned that Japan would be increasing its auto exports to the United States by 25 percent. This will add another $4–5 billion to the trade deficit. It will cost us as many as 90,000 jobs and take needed capital away from the auto industry.

The United States cannot tolerate an increase in the trade deficit with Japan. And with this resolution we are saying that we are willing to do something about it.

Under this resolution the President is directed to take all steps necessary to put our trade with Japan on a level playing field. Specifically the President is directed to take action to reduce the trade deficit with Japan by an amount at least equal to the cost of the increase in Japanese auto imports to the United States.

My only reservation about this bill is that it is nonbinding. I am also disturbed to note that the President already has the authority to address this situation under section 301 of the Trade Act of 1974.

The United States must develop an effective, coherent trade policy based on an understanding of American competitiveness and a willingness to take action to defend our national interest. The auto industry is the cornerstone of our industrial economy. Yet our current trade policy on auto imports is made at the whim of our biggest competitor.

Yesterday we learned the cost of such a policy. The lesson unfortunately comes at a high cost to American workers, American industry, and the entire national economy. The decision by the Japanese Government to boost auto imports to the United States by nearly 25 percent is unacceptable. Japan is now sending in too many cars and trucks—and no increase in imports should take place.

We as a nation must face up to the inequity of our trade relations with Japan by taking decisive action. In the coming weeks we must give serious consideration to proposals such as an import surcharge or the establishment of our own barriers to Japanese products.

Mr. President, this bill is only a first step, but it is an important one and I urge my colleagues to vote for it.

Mr. GLENN. Mr. President, I rise to support this resolution calling on the President to respond to the unfair trade practices of the Japanese.

I do so because trade between the United States and Japan has increasingly become a one-way street. The U.S. merchandise balance of trade deficit with Japan has grown from $10 billion in 1980 to $37 billion in 1984. This unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy.

I have always supported the principle of free trade that calls for trade between nations to flow on the basis of each nation's comparative advantage. Unfortunately, while Japan has extensive access to the U.S. market for products in which Japan has a comparative advantage, U.S. exporters lack access to the Japanese market for manufactured goods, forest products, key agricultural commodities, communications equipment, and services—areas in which we hold a comparative advantage.

Although it is clear to the Japanese that their practices cost the United States hundreds of thousands of jobs every year, they have been unwilling to negotiate meaningful improvements in market access for competitive American goods and services. The time for such negotiations is running out.

For several years now, we in Congress and Presidents in both Democratic and Republican administrations have been struggling unsuccessfully to convince the Japanese to open their markets to American goods and services. It is now clear that conventional approaches to this problem are not taken seriously by the Japanese Government and that more forceful action is required.

Notwithstanding the need for reciprocity in trade, the Reagan administration, expresses an attitude of benign neglect toward our bilateral trade deficit with Japan. For example, rather than act to extend voluntary restraints on autos, President Reagan left it to the Japanese to decide what share of our market they would take. The Japanese have responded. They want to increase their exports by 25 percent—that means 400,000 more imported cars and a $4 billion increase in our balance of trade deficit. An import surge of this magnitude would result in such large market share losses for American companies that small car domestic production would no longer be economically feasible.

I want to make two things clear in my support of today's action. First, this resolution is not an attack on the people of Japan. Our relations with Japan and our respect for its people are not based simply on commerce but embrace our common commitment to Democratic institutions and our shared interest in a stable Pacific region. Moreover, there are Japanese firms that have acted in good faith, such as Honda of America, to invest in production in the United States. These companies should not be unfairly penalized by actions under this resolution or other legislation that may follow.

Second, this resolution is not a first strike by the United States in a trade war with Japan. Japan's shortsighted and self-centered trade policy has already struck our shores and those of other nations. Today's action is the beginning of our retaliation.

Mr. President, it is painfully clear to me that we can not leave the crucial issue of trade reciprocity up to the Japanese to decide. And, if the President and his advisers refuse to heed this resolution, we must take stronger action than this resolution provides to enforce U.S. rights under trade agreements to which Japan is a party and respond vigorously to unfair Japanese trade policies and practices.

Mr. President, our competitive position in the international economy has deteriorated because we have failed to develop policies responsive to the changing context of international trade. Whereas private, multinational firms seeking the most efficient production and distribution of goods and services once dominated world markets, economic nationalism now prevails. In the critical areas of oil, steel, and autos, government owned or directed, vertically integrated corporations shape the flow of trade. They do so as instruments of national governments and their actions are directed by political, rather than economic considerations. Although I do not advocate adoption of such policies here in the United States, neither do I believe we can shape a coherent, effective foreign economic policy without responding to them.

Adoption of this resolution is a step in that direction. It tells our trading partners that our markets will not be fair game until the game is fair. Just as our Federal Government has a commitment to ensure that competition among firms in our domestic market is fair, so does it have a responsibility to ensure that American firms are not unfairly disadvantaged in world markets as a result of their commitment to free enterprise. Just as we can no longer afford to be the world's policeman, neither can we afford to be its only willing customer for goods and services.

The successful modernization of our basic industries, the employment of skilled American workers and the full expression of our service sector's creativity can not await the cessation of unfair trade practices and the realization of fair and equal investment opportunities. In short, we can no longer afford to pursue the ideal of free trade unless our trading partners are willing to reciprocate.

Mr. LEVIN. Mr. President, I am pleased to be a cosponsor of this resolution, and I urge my colleagues to adopt this important legislation. The resolution, proposed by Chairman DANFORTH and Senator BOREN, is now cosponsored by 36 other Senators. This resolution urges the President to take actions to respond to Japanese trade practices which discriminate and restrict U.S. commerce. It also asks the President to at least negate the cumulative impact that the elimination or relaxation of the voluntary restraints on Japanese automobiles will have on the trade balance between Japan and the United States.

This resolution is necessary because the President has made a serious negotiating mistake. In announcing that the administration was going to lay down its defenses against Japanese automobiles, the administration was in effect telling the Japanese: "Do what you want to our automobile industry."

And they have responded. Yesterday, the Japanese announced that they intend to increase their car exports to the United States by 25 percent. That is their version of restraint, when in fact, it is no restraint at all. It would increase their share of the U.S. market from about 18 to 22 percent and it represents the loss of about 100,000 American jobs. The Japanese stand to gain approximately $4 billion from this increase. That is not restraint.

No one should be surprised by this announcement—the Japanese are only responding to the invitation of President Reagan to take more of our

market. And the Japanese are laughing all the way to the bank.

The current voluntary restraint agreement [VRA] expires on March 31, 1985. Retaining those restraints is extremely important not only to the American auto industry but also to other sectors of our economy which are struggling to improve their international competitiveness. By allowing the VRA to expire, the President would share in the responsibility for reversing the slow decrease in the unemployment rate that we have been experiencing over the past 2 years.

A recent study by the Commerce Department showed the Japanese will continue to get a greater share of the U.S. market due to lifting the restraints on automobiles.

When Japanese imports increase, American workers lose their jobs. The job losses occur not only among auto workers, but also among other workers in the steel, rubber, glass, iron ore, textiles, machine tool, paint, aluminum, and copper industries, plus workers in disparate supplier and service industries. Every automobile job supports about 2.3 jobs in other industries.

That is why it is important that the Senate acts today to send a message to the President and to the Japanese that the United States wants more to be done to rectify the current trade imbalance. This resolution will help to send that message. We dare not delay and have our inaction misinterpreted as aquiesence in the current trend. We dare not have our inaction send the signal that the jobs lost by our auto workers, steel workers, glass, iron ore, and copper workers as well as our farmers and textile workers among others are unimportant. Quite the contrary. They are vital to this Nations economic recovery, vital to this Nation's agricultural and industrial base, and vital to our self respect as a nation.

This resolution is a step in the right direction and it must be followed with good faith efforts by the President to push hard in that direction. If this is done, then Japan will receive the message that the United States is not going to stand by and watch an increasing share of our markets be captured. If this is not done, then it is clear that stronger retaliatory measures will be inevitable. And one thing is clear. Those retaliatory measures will have the strong support of the Congress and the people of the United States.

Mr. KASTEN. Mr. President, Japan's announcement yesterday that it would raise by 25 percent its annual auto imports to the United States to 2.3 million cars is not a concession. It is another black eye for the United States in the face of Japan's $37 billion trade deficit with our country.

Is this an example of the open hand of friendship that Japan professes to offer?

I'm fed up with talking across the table to the Japanese about its closed door policy. Like many of my colleagues here in the Senate, I'm ready to meet the Japanese down at the docks to impose the same custom inspections, the same strict standards and certification processes that Japan imposes on U.S. imports. Export restraints by Japan are not an acceptable substitute for open markets in Japan.

As a cosponsor of Senator DANFORTH's resolution, I urge President Reagan to take the toughest possible retaliatory measures against Japan unless it opens new markets to American goods. The real question before us today is not whether Congress is ready to take further action, but whether Japan can wake up and read the handwriting on the wall.

This is not an issue limited to one particular market, however. What we are talking about are competitive products like telecommunications; wood and paper products; sophisticated electronics and medical equipment that Japan prevents from entering its markets on an equal basis.

Time magazine recently reported that the Japanese ministry of posts and telecommunications, for example, could force American companies to disclose business plans, sales projections and even customer names before allowing U.S. firms to market their sophisticated telecommunications services in Japan. Despite their protests to the contrary, Japan remains committed to keeping its markets protected from foreign competition.

It is time for action on the part of Congress and the President of the United States. The Japanese will not make changes until they realize we are seriously committed to changing the status quo.

An open door trade policy does not mean trading with Japan through a crack in the door. Open door must mean a completely open door and free trade must mean fair trade.

It is time for the United States to get tough on the trade issue. I, therefore, urge the immediate passage of Senate Concurrent Resolution 15.

Mr. LAUTENBERG. Mr. President, I rise to support Senate Concurrent Resolution 15, which expresses the Senate's growing impatience with the failure of the Government of Japan to ensure access to its market by American exporters.

It also focuses on the failure of our own Government to maintain a trade policy that secures a free trading system in the world. The administration unilaterally endorsed an end to the voluntary restraint agreement on automobile imports. The result was disclosed today: Auto exports from Japan to our market reportedly will go up 25 percent. Mr. President, what does the administration have to show for this step? Good will? Promises to negotiate? Good faith?

Mr. President, instead of importing good will, we should be exporting products. Negotiations have gone on long enough. In the meantime, our trade deficit with Japan reached $37 billion last year.

The situation involving telecommunications products exemplifies the unsatisfactory trading relationship between our Nation and Japan. With the divestiture of AT&T and deregulation of our telecommunications industry, our market has been thrown wide open. Not surprisingly, manufacturers from Japan and elsewhere have come in. Our $200 million 1982 trade surplus in telecommunications quickly turned into a $1 billion trade deficit in 1984.

The Japanese have decided to bring greater competition in their telecommunications industry. They are privatizing NTT, Nippon Telephone & Telegraph, the Government-owned monopoly. On April 1, the Japanese will issue regulations to govern their market under this new regime. I joined colleagues in the Congress, representatives of industry, and the administration in urging the Japanese to ensure, in those regulations, access to market as free and as open as that provided in our Nation.

The signs are, however, that we will be disappointed. We will be disappointed by the regulations on paper, and we will be disappointed by the results in the marketplace. Mr. President, I have pursued the matter of telecommunications trade in hearings of the Commerce Justice State and Judiciary Subcommittee of the Appropriations Committee. FCC Chairman Fowler confirmed that the United States provides a more open market than that proposed in Japan. Deputy USTR Lighthizer expressed dissatisfaction with the posture of negotiations with the Japanese. Commerce Secretary Baldrige declared that if the regulations were promulgated as they have been proposed, our negotiating effort would be a failure.

We cannot let that happen. We must take firm and responsive steps. And I am committed to take such steps. We must seek comprehensive trade legislation on telecommunications like that which I joined in sponsoring with my colleague from Missouri, Mr. DANFORTH, last Congress, and which will be reintroduced in a revised form in this session.

But, Mr. President, we may also want to take more immediate steps, to stop the one-way trade in telecommunications. If the Japanese insist on closing their telecommunications market to us, I have suggested that we slow the certification of Japanese tele-

communications equipment in the United States, by restricting the budget of the FCC used for certification. Then, access to our market by Japanese products would face regulatory barriers, just as American products now face regulatory barriers to market access in Japan. This would send a powerful message to the Japanese and other trading partners that nations wanting full access to U.S. markets for their products should reciprocate by dropping the barriers that keep our products out of their markets.

But, Mr. President, telecommunications is only one industry. We confront barriers in pharmaceuticals. We confront barriers in agricultural products. We confront barriers in electronics.

The time has come for this Congress to act, to secure what the administration has failed to secure: a free and open trading relationship with Japan. Today's resolution is an expression of resolve. We must act.

Mr. DODD. Mr. President, I rise in strong support of Senate passage of Senate Concurrent Resolution 15. This resolution expresses in a concrete way the grave and growing concern of the American people and of this Congress with Japan's failure to respond to the most serious problem in our bilateral relations: Japan's unfair trade practices and the huge American trade deficit with Japan that results, at least in part, from those practices.

This concurrent resolution does several important things. First, it expresses the sense of Congress that the President should take all appropriate and feasible action to enforce the rights of the United States under trade agreements to which Japan is a party, and to obtain the elimination of Japan's unfair trade practices. Second, this concurrent resolution requires the President to report to Congress on the actions he has taken to accomplish these objectives.

The need is very plain. Yesterday, Japan told the United States that it will increase its automobile shipments to the United States by more than 25 percent. That is very close to the upper limit of Japan's total export capacity for automobiles. In short, this limit is no limit at all.

Mr. President, I was in Japan for a short time toward the end of last year. In my conversations with Japanese officials, the trade deficit was the overriding concern. I might add that this trade deficit is of particular importance to such an export-dependent State as my own home of Connecticut. Last year, Japan sent to us $37 billion more than we were allowed to send to them. That is alsmost one-third of the total U.S. trade deficit of over $123 billion, the largest in our history.

The message I had for Japan's leaders, from Prime Minister Nakasone on down, was this: that deficit is unacceptable.

I am not the only one who has carried this message, to be sure. Many others have said much the same. But the Japanese response, as demonstrated by their action yesterday, does not suggest an effort to cooperate. The trade deficit is not the favorite subject of Japan's leaders in discussions with Americans, I can assure you. But time and again, I tried to make it plain to them that if the door to U.S. products remains locked, Congress will move to reciprocate.

This concurrent resolution before us makes reference to several specific commodities, manufactured products, forest products, key agricultural goods, and certain services, in which the United States has a comparative advantage relative to Japan. In addition, this resolution makes reference to the imbalance between the yen and the U.S. dollar, made very much worse by our Federal deficit with which we must deal, but of which the Japanese have clearly taken unfair advantage.

In short, this concurrent resolution puts the Japanese on notice that trade must be a two-way street. I am a cosponsor of this concurrent resolution; I intend to vote for its passage. I hope that the President will take advantage of a firm expression of the will of the Senate in this matter to get the Japanese to understand that we mean business, and to that end, I urge my colleagues to support Senate Concurrent Resolution 15 unanimously.

Mr. THURMOND. Mr. President, I rise today in strong support of Senate Concurrent Resolution 15, expressing the sense of Congress that the President respond to unfair trade practices of Japan. My colleagues on the Senate Finance Committee are to be commended for their initiative in taking this immediate action, which I believe will demonstrate to the Japanese and others that the United States is committed to bringing to an end the unfair trade practices which have resulted in record levels of imports flooding our domestic markets.

For a long time, Mr. President, we have allowed foreign governments to pursue—with virtual impunity—unfair trade practices aimed at fulfilling the threefold purposes of creating jobs for their workers, acquiring U.S. dollars, and achieving a more favorable balance of trade; all at the expense of American businesses and workers. The Japanese, as well as other nations, have been creative, innovative, and remarkably successful in these efforts. Last year, imports from Japan accounted for almost one-third of the entire United States record trade deficit.

Mr. President, one reason we have such a trade imbalance with Japan is the extensive access we have granted them with respect to our domestic market, while they have consistently denied to us similar access to their markets for our manufactured goods, forest products, agricultural commodities, and certain services. Due to these unreasonable trade restrictions established by the Japanese, American exports to Japan have been held to very low levels. The effect of these and other unfair trade practices (on the part of Japan and other nations) have been devastating to many of our industries. In my home State of South Carolina, the textile/apparel industry has been crippled by massive increases to imports. In 1984 alone, textile imports increased by 35 percent over the previous year. Almost 50 percent of all textile/apparel goods sold in the United States today are imported. The 1984 imports of almost 10 billion square yards of textile/apparel goods represent 1 million lost job opportunities for American workers.

Mr. President, we simply cannot allow the current trend to continue. I believe this resolution will send the strong message that we will no longer tolerate unfair trade practices.

Mr. EVANS. Mr. President, I rise in support of this resolution. It is important to indicate clearly the united resolve of the Senate on the lack of progress in negotiations to improve the access of U.S. products to the Japanese market. We have been patient with Prime Minister Nakasone's government for some time. But positive results in trade have not been forthcoming. In fact, it took great pressure at the highest levels to bring the Japanese to the bargaining table today in four sector-specific areas—telecommunications, wood products, electronics, and pharmaceuticals and medical equipment.

I have a strong and obvious interest in ensuring that tariffs and nontariff barriers on wood and paper products are reduced substantially. But the Japanese have shown an almost total unwillingness to engage in serious negotiations on wood and paper products over the past 2 months. They seem to have come to the table only to talk, not to take action. That is clearly an unacceptable position to me and my constituents in the forest products industry. Senator BAUCUS and I have introduced a resolution focusing on the wood products sector, and hope to be able to bring it to the attention of the Senate in the near future.

It is very important to make prompt advances in each sector, and to do so in a package rather than separately. That is why I support this resolution—it sends a clear and timely message to the executive branch and to the Japanese Government that Congress stands united in its resolve to see prompt action.

But I also think it is important not to go too far down the path of restrict-

ing imports. This resolution is proper in invoking the President's authority under section 301 to identify those trade policies in Japan that are "unreasonable, unjustifiable, or discriminatory, and burdens or restricts United States commerce." This forces the President to first identify such policies in Japan but provides him with the flexibility that he should have in determining what action in response is appropriate and feasible. It is also timely and appropriate to require the President to report to Congress within 45 days.

I think it is wrong, however, to focus too much on the bilateral trade imbalance as the proper barometer of our trade policies. And I also think it is wrong to begin to restrict unilaterally Japanese access to our markets without more carefully looking at all the factors which contribute to the problems of U.S. competitiveness in Japan and other markets today.

My colleagues seem to have selected the trade imbalance figures of $37 billion as the magic figure to base unilateral trade restrictions on. But it is the worldwide current account balance, and Japan's percentage of that, that is the more appropriate criterion. By that measure, Japan's imbalance as a percentage of the U.S. overall trade imbalance has actually declined in 1984. That figure has remained relatively constant over the past decade—at a level of about 30 percent. The doubling of the U.S. overall deficit in 1984 was due to a variety of factors not directly related to Japan's trade practices including the high value of the dollar, the increasing imports from Europe and the less developed countries. Few people seem to remember that a few years ago, the United States enjoyed a healthy current account surplus with the European Community; today, we have a substantial deficit.

While the bilateral trade deficit does highlight the nature of the problem, our focus in the current trade negotiations with Japan should be to improve market access. We should develop the appropriate criteria to measure openness, and focus all of our energies to make significant progress as quickly as possible. Obviously, it is more difficult to quantify "openness" and "equal access", and actual results that show up in the bilateral United States-Japan trade balance may be delayed for several years. This is true for the four sectors under negotiations right now, especially telecommunications equipment.

I am also troubled by the lack of analysis given to the more fundamental nature of the United States-Japan trade relationship. We tend to forget that Americans buy Japanese products because they prefer them. American consumers think that Japanese manufacturers make a superior product, in terms of quality, cost, and services, in a broad range of consumer products. Consumer preference is very important. We should devote more time to finding out why the Japanese consumer, in many cases, does not prefer American products. Besides improving market access, we must focus more of our energies on improving the quality of U.S. products, developing marketing strategies, and lowering our costs.

I do not believe that the approach in this resolution of focusing on the impact of lifting the voluntary restraints agreement on autos is correct. It is going to be extremely difficult to determine a value that is both relatively accurate and fair to the American consumer. The VRA's have forced the American consumer to purchase Japanese cars at a premium, increasing the profits of both the Japanese and United States auto companies. The price discipline that the Japanese companies exerted on the United States Big Three has not functioned over the past 4 years, thus allowing the United States car companies to increase their profits beyond competitive levels. Paying an additional $1,500 to $2,000 for every automobile purchased in Japan is certainly not in the interest of the American consumer. Does the determination of the "cumulative impact" of lifting the auto quotas take these factors of increased prices to consumers into account? Finally, it does not appear that MITI intends to lift the voluntary restraints on automobiles to any significant extent. It will continue to use administrative guidance to restrain shipments to a politically acceptable level. Even with a 10-percent or 25-percent increase in automobile shipments from Japan to the United States, retail auto prices will not be significantly reduced.

Mr. President, I do not mean to defend the Japanese position in these current negotiations. I think their government's position is wrong and unjustified. I oppose it very strongly. But I do not think that we are in a trade war, as some Members suggest, that requires all Members of this body to engage in unrestricted castigation of Japan. There is a danger of going too far in our rhetoric. I have some disagreement with the means of this resolution. But, I agree with its objectives and it is important to send a clear message to the Japanese people at this time. I think Prime Minister Nakasone and his Cabinet certainly understand what we are saying; they probably do not need to hear our message again. But the members of the Diet, especially those of the LDP, need to hear this message. And the entrenched interests in the Japanese bureaucracy, especially the Ministry of Posts and Telecommunications and the Ministry of Agriculture, Forestry, and Fisheries, need to hear this message. I believe they will and therefore understand that Congress is very serious in its resolve to see improved access to the Japanese market.

Mr. ROCKEFELLER. Mr. President, the resolution we adopt today sends a signal that congressional patience with repeated delays by Japan in opening their markets to American exports has run out. The frequently made promises that conditions will change have simply not been enough. We are still battling unsuccessfully to get our products into Japan, while keeping our markets wide open for some of their products which contribute most to their national prosperity—VCR's, cameras, stereos. A massive trade deficit of $37 billion has resulted—a deficit which includes increasing weakness in sectors where the United States still lead the world—such as telecommunications and computers. We need to retaliate against unfair trade practices and the total absence of reciprocity in our trade relations with Japan.

But this resolution should also send a strong signal to the Reagan administration and our trade negotiators. They have been willing to settle for promises from Japan, rather than insist on concrete accomplishments. The Senate is considering this resolution today because of Japan's actions—but because of our country's as well. The administration should not, in my view, have ended the voluntary restraint agreements which limited the number of Japanese automobiles coming into this country without first getting substantial, measurable commitments on opening the Japanese market. The administration has the authority under the trade laws to take action to get reciprocity, and they have not used it. They have settled for talk, and not action.

But while this resolution is justified and overdue, we should speak plainly about the nature of our problems. Our trade deficit soared to $123 billion last year. We run trade deficits with Korea, Taiwan, Mexico, the European Community—virtually every country in the world. In key industry after industry, our imports have doubled in 4 years' time. We have trade deficits in basic industries like textiles and steel, and in high-tech industries like telecommunications.

Obviously, our trade problems go well beyond Japan. The economic and trade policies of this administration have crippled the ability of our industries to compete. The overvalued dollar resulting from the Reagan budget deficits and excessively high interest rates is great for Americans vacationing abroad, but it amounts to a subsidy for other countries' products and a tax on our own—killing exports and drawing in imports at a furious rate. Changing these economic policies

would certainly help to reduce our trade imbalance. But we have also continued to practice free trade while other nations close their markets, protect their industries, subsidize their exports, and dump their products here at unfairly low prices. Combine these untenable economic policies with naive trade policies and the result is a $123 billion deficit, the loss of American jobs, and lasting damage to many of our key industries.

President Reagan tells us that we have entered a new golden age of prosperity without inflation. But the President's own Commission on Competitiveness has pointed out that "the United States is losing its ability to compete in world markets. In industry after industry, U.S. firms are losing world market share, even in high technology. * * * Most dramatic is our declining position in the world trade arena."

It is a simple, inescapable fact that a nation cannot go on spending $2½ billion more each week buying things from abroad than it is earning from selling things. In the short run, a flood of imported goods helps consumers. But this country is paying a very high price in terms of jobs: Coal, steel, and chemical jobs in my State, but other manufacturing jobs throughout the country as well—farm machinery in Illinois; computers in California.

These jobs—the basic strength of our economy—are being sacrificed because of the economic and trade policies of the Reagan administration. Our companies and workers can compete against anybody, if our Government gives them a fair chance through realistic economic and trade policies. We need economic and trade policies designed to preserve American jobs and America's industrial strength. Today, beneath the surface of this economic recovery, we are draining our economic strength. This resolution will have value only if it focuses our attention on the full scope of the problems we face.

The PRESIDING OFFICER (Mr. MCCONNELL). All time has expired.

Without objection, the committee amendment is agreed to.

The question is on agreeing to the concurrent resolution, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. EAST], the Senator from Oregon [Mr. HATFIELD], the Senator from Maryland [Mr. MATHIAS], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from New York [Mr. D'AMATO] and the Senator from North Carolina [Mr. EAST] would each vote "Yea."

Mr. CRANSTON. I announce that the Senator from Vermont [Mr. LEAHY] and the Senator from Montana [Mr. MELCHER] are necessarily absent.

I further announce that the Senator from North Dakota [Mr. BURDICK] is absent on official business.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] would vote "Yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote Legislative No. 22 Leg.]

YEAS—92

Abdnor	Goldwater	Mitchell
Andrews	Gore	Moynihan
Armstrong	Gorton	Murkowski
Baucus	Gramm	Nickles
Bentsen	Grassley	Nunn
Biden	Harkin	Packwood
Bingaman	Hart	Pell
Boren	Hatch	Pressler
Boschwitz	Hawkins	Proxmire
Bradley	Hecht	Pryor
Bumpers	Heflin	Quayle
Byrd	Heinz	Riegle
Chafee	Helms	Rockefeller
Chiles	Hollings	Roth
Cochran	Humphrey	Rudman
Cohen	Inouye	Sarbanes
Cranston	Johnston	Sasser
Danforth	Kassebaum	Simon
DeConcini	Kasten	Simpson
Denton	Kennedy	Specter
Dixon	Kerry	Stennis
Dodd	Lautenberg	Stevens
Dole	Laxalt	Symms
Domenici	Levin	Thurmond
Durenberger	Long	Trible
Eagleton	Lugar	Wallop
Evans	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Wilson
Garn	McConnell	Zorinsky
Glenn	Metzenbaum	

NOT VOTING—8

Burdick	Hatfield	Melcher
D'Amato	Leahy	Stafford
East	Mathias	

So the concurrent resolution (S. Con. Res. 15), as amended, was agreed to, as follows:

S. CON. RES. 15

Whereas, the United States merchandise balance of trade deficit with Japan reached the unprecedented level of $37 billion in 1984—accounting for almost one-third of the entire United States deficit with the world;

Whereas, this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

Whereas, the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

Whereas, Japan has extensive access to the United States market for products in which Japan has a comparative advantage;

Whereas, United States exporters lack access to the Japanese market for manufactured goods, forest products, key agricultural commodities, and certain services in which the United States has a comparative advantage;

Whereas, many other countries experience comparable difficulty in obtaining access to the markets of Japan;

Whereas, the bilateral trade imbalance is costing the United States hundreds of thousands of jobs every year;

Whereas, negotiating with Japan over the years to secure meaningful improvements in market access for competitive United States exports has been largely unsuccessful;

Whereas, the high value of the United States dollar relative to the Japanese yen effectively subsidizes Japanese exports to the United States and taxes United States exports to Japan;

Whereas, an end to the voluntary restraint agreement on automobiles without a comparable improvement in access for competitive United States exports to the Japanese market will severely exacerbate the bilateral trade deficit;

Whereas, this merchandise balance of trade deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan; and

Whereas, action by the United States is appropriate—

(1) to enforce United States rights under trade agreements to which Japan is a party, and

(2) to respond to Japanese acts, policies, and practices which are—

(A) inconsistent, and otherwise deny benefits to the United States, under trade agreements to which Japan is a party; and

(B) are unjustifiable, unreasonable, or discriminatory and burden or restrict United States commerce: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring, That it is the sense of the Congress that the President should take all appropriate and feasible action within the power of the Presidency (including, but not limited to, the actions described in section 301(b) of the Trade Act of 1974 (19 U.S.C. 2411(b))) to—

(1) enforce the rights of the United States under trade agreements to which Japan is a party, and

(2) obtain the elimination of the acts, policies, and practices described in the last clause of the preamble to this resolution.

SEC. 2. (a)(1) By no later than the date that is 45 days after the date on which this resolution is agreed to by the Congress, the President should report to the Congress and publish in the Federal Register notice of the actions that the President has determined to take to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution.

(2) The President should implement all actions that the President has determined to take to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution by no later than the date that is 90 days after the date on which this resolution is agreed to by the Congress.

(3) Any action taken by the President to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution should be modified or revoked only if the President determines that the minimum objective described in subsection (b) has been achieved. The President should report to Congress and publish in the Federal Register notice of such determination.

(b) Action by the President to accomplish the objectives described in paragraphs (1) and (2) of the first section of this resolution should at least negate the cumulative impact that the elimination or relaxation of the voluntary restraints on Japanese automobile exports to the United States will have on the merchandise balance of trade between Japan and the United States.

Action taken to accomplish this objective should be directed against competitive Japanese exports including, but not limited to, automobiles, telecommunication products, and electronics products.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, the amendment to the preamble is agreed to.

Without objection, the preamble, as amended, is agreed to.

The title was amended so as to read: "To express the sense of the Congress that the President respond to unfair trade practices of Japan.".

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond the hour of 3 p.m.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, may I ask the distinguished assistant majority leader if he anticipates any more rollcall votes today and is the Senate going to be out tomorrow?

Mr. SIMPSON. Mr. President, I will indicate to the minority leader that it is the intent of the majority leader to proceed with the export measure and war risk measure if at all possible without amendment. That package is presently being discussed. If that can be done by simply a voice vote, then there will be no session tomorrow, as I understand it.

Mr. BYRD. I thank the Senator.

Mr. PROXMIRE. Will the acting majority leader yield?

Mr. SIMPSON. I yield.

Mr. PROXMIRE. Mr. President, it is my understanding that I had a 15-minute order. I guess it has been wiped out by the rollcall vote. I was told if I came to the floor after the vote I would be able to use that order. Is the situation that special orders are wiped out by the action of the assistant majority leader? If so, that is all right with me.

Mr. SIMPSON. Mr. President, I certainly would accommodate in any way the Senator from Wisconsin. We are in a period for morning business.

Mr. BYRD. Mr. President, I mentioned this to the majority leader today. He indicated that he was willing to change the order so that the Senator's time would be preserved. I assume the majority leader inadvertently forgot to do that.

If the assistant majority leader will change the order, we could preserve it.

Mr. PROXMIRE. I appreciate that.

Mr. SIMPSON. I certainly will indicate that we will change the order to accommodate the Senator from Wisconsin.

Mr. MOYNIHAN. Mr. President, will the assistant majority leader yield for a further inquiry?

Mr. SIMPSON. Indeed.

Mr. MOYNIHAN. Mr. President, the majority leader earlier mentioned that he would like to bring up this afternoon, if possible, Senate Joint Resolution 23 designating 1985 as the "Year of Social Security." The measure is cleared on both sides. The majority leader is a cosponsor, as is the minority leader.

Mr. SIMPSON. Mr. President, I will indicate to the Senator from New York that I certainly will inquire as to whether that matter could be cleared on this side of the aisle. I am personally not aware of that. It seems like a reasonable request. But let me inquire.

Mr. MOYNIHAN. Thank you.

Mr. DIXON. Mr. President, will the assistant majority leader yield further?

Mr. SIMPSON. Mr. President, I yield.

Mr. DIXON. May I say to the assistant majority leader that I conferred with the majority leader about introducing a bill at this point in time.

I have a statement. But I am glad to place that in the RECORD to be reproduced as though read in full so it will only take a moment's time. I wonder if I might do that at this juncture along with my colleague, if that is what he would like to do, before speeches ensue.

Mr. SIMPSON. Mr. President, I believe there are two requests which will just take a moment of time. Is that my understanding?

Mr. HEINZ. Mr. President, will the Senator yield for a unanimous-consent request?

The PRESIDING OFFICER. A unanimous-consent request is pending. The request is that there be a period of morning business not to extend beyond the hour of 3 o'clock. Is there objection to that request?

Without objection, it is so ordered.

S. 776—FARM EMERGENCY CREDIT ACT OF 1985

OUR FARMERS STILL NEED HELP

Mr. DIXON. Mr. President, the members of this Senate and our colleagues in the House of Representatives recently took a very important step toward helping the American farmer gain sufficient funds to plant his spring crop. We passed in this body a very simple plan to allow the farmer to obtain an advance loan this spring against the Commodity Credit Corporation loan he would otherwise qualify for in the fall, so he will have sufficient money to pay for seed, fuel and fertilizer.

This Congress acted in a timely and responsible manner early this month by adopting this important legislation. It was my privilege to sponsor the amendment, in cooperation with my colleagues Senators GRASSLEY, PRESSLER, SIMON, CRANSTON, EXON, SASSER, LEVIN, BENSEN, MELCHER, PRYOR, and HARKIN. The amendment passed 50 to 48 here in the Senate and 255 to 168 in the House.

Unfortunately, President Reagan vetoed the measure, thereby dashing the hopes of the Congress and the hopes of American farmers for meaningful help to assist with spring planting.

The administration has contended since last September that it has a plan to restructure a farmer's debts by working through the commercial banks and the Farmers Home Administration. It's true the administration has a plan. Regrettably, Mr. President, the plan simply isn't working.

Do you know how many farmers have been helped in Illinois under the administration's plan since last September, Mr. President? Exactly two! Out of the thousands of Illinois farmers who are facing financial difficulties, just two have been helped under the administration's plan since it was first announced last September. I am told that 12 other applications are being processed. Even if all of them are approved, we will still have a total of only 14 farmers in Illinois who will have been helped.

Now, Mr. President, how many farmers do you think have been helped nationally—not just in one State—but nationally? I regret to tell you, Mr. President, that only 73 farmers have been assisted nationally. A few days ago, that figure was merely 61.

There are various estimates about the total number of farmers who are in dire straits across this great land of ours. Some estimates range as high as a couple of hundred thousand farmers who will go out of business this year. No one knows for certain, but all of us can gather from what we read, and from our mail, and from our telephone calls, that the situation is serious, not just for our farmers, but also for the lifeblood of our rural communities.

Ward Sinclair in the March 26 Washington Post cites statistics from the American Bankers Association indicating that farmers are failing at the rate of 238 per day. That's one every 6 minutes, Mr. President. But this distressing figure only tells us about the farmer who is dealing with a commercial bank. If we add in the farmers who are going under and who have been borrowing through the Farm Credit System, or the Farmers Home Administration, then the failure rate per day jumps to more than 600. Yet, we have helped only 73.

This situation is totally unsatisfactory! As a matter of fact, it's just plain ridiculous when we have at hand a perfect solution to help the farmer get through the spring planting season so he can harvest a crop and obtain some funds to help him pay off some of his most pressing bills. That immediate source of help is the advance loan payment program which the Senate and House passed earlier.

I regret very much that the President vetoed this measure. I feel very strongly that the administration has made a serious mistake by vetoing this legislation. I likewise feel strongly that the administration is making a more grievous error by insisting that it's program of debt restructuring is assisting the farmer, when, in fact, it is not. I am glad 73 farmers have been helped. But that small number receiving assistance over a period of 7 months does not begin to alleviate the problem.

Now, Mr. President, I am a realist. My colleagues who joined me in our initial successful effort to pass this bill are realists. We recognize there is no sense in passing another bill, only to have it vetoed. What we would like to see is a change of heart by the administration.

Let me tell you what we have been doing during the days since the administration rejected this bill. We have worked assiduously to get the administration to take a more reasonable view of this very responsible, and very helpful, plan.

In this connection, we have worked on a bipartisan basis. I have kept in close touch with Congressman BOB MICHEL, the minority leader in the House, as well as with Congressman ED MADIGAN, the ranking minority member of the House Agriculture Committee. Both are loyal supporters of the administration, but they are also desirous of helping the farmer.

My staff and I have worked countless hours conferring with Members of the Senate and Members of the House in attempting to bring about a change of heart on the part of the administration. We have talked at great length with representatives of the Department of Agriculture and other agencies in an attempt to achieve that goal. We have worked with Gov. James Thompson and Agriculture Director Larry Werries of Illinois, as well as with members of the senate and house in the Illinois General Assembly. We have held meetings with members of the Illinois Task Force on Farm Issues, a group which was created by Gov. James Thompson on March 6 to focus attention on the farm crisis in Illinois and to make recommendations for dealing with that crisis. We have also worked with representatives of our farm organizations, who have a vital interest in this matter as they seek to assist their members through this time of great turmoil.

We had a meeting here in Washington with all of these interested parties on March 21. We reached a consensus to make another effort at introducing legislation on the advance loan payment which might be more agreeable to the administration. While they were in Washington, representatives of the various parties I mentioned met with everyone here in the Capital who shares our concern about the farm problem. As my colleagues can see, a great deal of time and effort and enthusiasm has gone into this undertaking.

All of us who have been engaged in this endeavor have been on the same wavelength. All of us fully support this effort. We have the common objective of trying to do something immediately for the farmer so he can get his spring crop in the ground.

We agreed that we must do something by early April or it will be too late.

We decided to rewrite the bill along the lines of what everybody felt would be a moderate, straightforward, revenue neutral measure.

We agreed to reduce the size of the advance the farmer could obtain by scaling it down from one-half to one-third of the total loan.

We agreed that we would reduce the cap on the advance loan from $50,000 to $30,000.

We agreed that we would include a credit elsewhere test so that only needy farmers would qualify.

We agreed to include corp insurance so that neither the farmer nor the Government would suffer losses as a result of any disaster that might befall his crop.

All of these points are the key elements of the bill I am introducing today.

I would like to reiterate that this bill is the product of a joint effort by scores of individuals who want to help the American farmer with his immediate problem of spring planting.

I simply can't see how or why the administration can be against this assistance. It's revenue neutral; it's simple; it will be effective.

I can assure my colleagues and the administration that far more than 73 farmers will be helped by this measure once it's enacted. Thousands will be helped. Our best estimate is that more than 100,000 farmers will be saved from bankruptcy. That is what we want to do. That is what we should do. That is what we must do.

Mr. President, I would like the RECORD to reflect at this point that 10 of my colleagues are joining me as cosponsors of this bill, namely, Senators GRASSLEY, PRESSLER, ABDNOR, ANDREWS, SIMON, MELCHER, LEVIN, PRYOR, BURDICK, BUMPERS, and HARKIN.

I ask unanimous consent that the text of the bill be printed in the RECORD to accompany my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Emergency Credit Act of 1985."

ADVANCE RECOURSE COMMODITY LOANS

SEC. 2. Effective for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make advance recourse loans available to producers of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act, as follows:

"(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1985 crop of that commodity taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes as determined by the Secretary. No producer, who has received a commitment or been furnished sufficient credit or a loan for production of the 1985 crops, shall be eligible for an advance recourse loan to finance the production of such crops.

"(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity. Within the limits set out in paragraphs (4) and (7) of this subsection, advance recourse loans shall be available (A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-third of the farm program yield for the commodity times the farm program acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary, (B) to producers of tobacco and peanuts who are on a farm for which a farm marketing quota or poundage quota has been established on an amount of the commodity equal to one-third of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary, and (C) to producers of other commodities on an amount of the commodity equal to one-third of the farm yield for the commodity times the farm acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(3) An advance recourse loan under this section shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under this section shall specify such due date. The Secretary shall establish procedures, where practicable, under which producers, simultaneously with repayment of the recourse loans, may obtain nonrecourse loans on the crop, as otherwise provided for in this Act, in amounts sufficient to repay the recourse loans. In cases in which nonrecourse loans under this Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay the recourse loan at the time the producer

receives advances or other payment from the producer's disposition of the crop.

"(4) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1985 crops that are incurred or are outstanding on or after the date of enactment of the Farm Emergency Credit Act of 1985.

"(5) To obtain an advance recourse loan, the producers on a farm must provide a first lien on the growing crop covered by the loan as security for the loan or such other security as is available and determined by the Secretary to be adequate to protect the Government's interests.

"(6) To obtain an advance in recourse loan, the producers on a farm must obtain multi-peril crop insurance, if it is available, to protect the growing crop that serves as security for the loan. In countries where the sign-up period for multi-peril crop insurance has expired, producers on a farm must obtain other crop insurance, if available.

"(7) The total amount of advance recourse loans that may be made to any person under this section shall not exceed $30,000.

"(8) Advance recourse loans shall be made available only to producers who agree to comply with such other terms and conditions determined appropriate by the Secretary consistent with the provisions of this section.

"(b) The Secretary shall carry out the program provided for under this section through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and, in addition, the services of the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to make determinations of eligibility with respect to the credit test under clause (1), and determinations as to the sufficiency of security under clause (5), of subsection (a) of this section, and in such other capacities, as the Secretary determines appropriate.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 3. (a) Congress finds that—

(1) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(2) many financially-stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(3) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(b) The Secretary of Agriculture shall immediately take steps—using authorities of law provided to the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary is authorized to hire additional temporary employees (in addition to those authorized to be hired on February 19, 1985) to meet processing schedules, and shall assign such temporary employees to States (other than those receiving temporary employees under the February 19, 1985, authorization) in proportion to the total number of unprocesssed applications on the date of enactment of this title.

REGULATIONS

SEC. 4. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue, or as appropriate amend, regulations to implement the provisions of this Act as soon as practicable but not later than fifteen days after the date of enactment of this Act, and loans and other assistance provided under this Act shall be made available beginning on the date such regulations are issued or amended.

Mr. DIXON. Mr. President, I send a bill to the desk, and ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 776) to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1985 planting season operation, and for other purposes.

Mr. DIXON. Mr. President, I thank the majority leader.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, does the distinguished Senator from Illinois wish to ask for a second reading, if he is attempting to trigger the rule XIV?

Mr. DIXON. I thank the minority leader for his assistance and suggestion. I ask for a second reading of that bill.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. I object, Mr. President.

The PRESIDING OFFICER. Objection having been heard, the bill will remain at the desk pending a second reading on the next legislative day.

ORDER OF BUSINESS

Mr. KENNEDY. Mr. President, if I may have the attention of the assistant majority leader, is it his intention to ask for a consent agreement on the Export-Administration Act for next Tuesday?

Mr. SIMPSON. Mr. President, I believe that is what the majority leader is circulating. I believe he is attempting to get a unanimous-consent agreement. I am not certain about the Tuesday date.

Mr. KENNEDY. Mr. President, I want to cooperate with the majority leader in the consideration of that legislation. As the assistant majority leader knows, I have an interest in action on Senate Joint Resolution 96, which I introduced on the issue of apartheid in South Africa.

I would like to reserve the right to offer that resolution as an amendment to the Export-Administration Act, if it is not possible to obtain clearance for the Senate to take it up as a separate measure.

Hopefully, the resolution will be acceptable to the Senate. I would hope we could have a vote for it as resounding as the vote that we have just taken. The resolution on South Africa condemns the killings of this past week and requests the State Department to report to the Congress on the killings. It uses the language of the Secretary of State, who has strongly condemned the killings. It ought to be noncontroversial, and I hope that it will be considered as separate legislation while it is still timely.

So I would like to register with the assistant majority leader my intention to object to any consent agreement that would prohibit the consideration of my resolution on South Africa as an amendment to another bill. Over the weekend, perhaps the administration and others will have a chance to examine it and see the merit in it, and that we can take it up in the Senate early next week. But I want to express at this time my objection to a consent agreement that would prevent me from offering it. I would certainly be willing to enter into a short time agreement, perhaps an hour equally divided.

Mr. EXON addressed the Chair.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. Mr. President, I welcome any comment of the assistant majority leader, and I will be glad to yield the floor if another Senator wishes to make a comment.

Mr. SIMPSON. Mr. President, I was not seeking to have the Senator yield the floor because I was only responding to the Senator's remarks. I can respond that I certainly hear him very clearly on what he is expressing. I can only tell him that the Foreign Relations Committee is attempting to work something out there. There is no attempt to foreclose. I understand what it is the Senator is trying to do because of the location of the joint resolution in the calendar at the present time.

Mr. President, I cannot give a complete response because of the activities of the Foreign Relations Committee.

Mr. KENNEDY. Mr. President, the committee acted on other South African legislation late last evening. In a close vote, they rejected part of the

separate legislation which Senator WEICKER and I and others have offered. The committee did approve a Mathias bill on South Africa, but it has nothing to do with the resolution I am talking about now, which is related to the massacre which took place last week in South Africa. I do think it is appropriate that this body go on record deploring those killings and requesting the Secretary of State to submit a report. The Mathias bill reported by the Foreign Relations Committee is an independent measure with more far-reaching provisions, which will be taken up in due course. But we ought to act now to express our abhorrence of the recent killings.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that I might yield for 1½ minutes to my colleague from New York, who has a very brief statement to make.

The PRESIDING OFFICER. Without objection, it is so ordered.

YEAR OF SOCIAL SECURITY

Mr. MOYNIHAN. Mr. President, it is my understanding that Calendar Order No. 23, which is Senate Joint Resolution 23, can be approved.

Mr. SIMPSON. Mr. President, I would wish to accommodate the Senator from New York. I call up Calendar Order No. 23, Senate Joint Resolution 23.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 23) designating 1985 as the "Year of Social Security."

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the joint resolution.

Mr. MOYNIHAN. Mr. President, this is a wholly bipartisan measure which is sponsored by the distinguished majority leader, the distinguished minority leader and Senators on both sides of the aisle.

Mr. President, this is the 50th year of Social Security. It might be of interest to some Members of the body that this most important piece of social legislation in our history was introduced by Robert F. Wagner, of New York, on this floor on January 17, 1935, as the Economic Security Act of that year, and was signed by President Roosevelt 7 months later, on August 14.

We tended to our affairs with greater dispatch in those days.

The resolution, as one would expect it to, asked that the President of the United States designate 1985 as the "Year of Social Security" and requests and authorizes him to issue a proclamation calling upon the people of the United States to observe the year with appropriate ceremonies and activities.

Mr. President, I have no doubt the Senate today will approve Senate Joint Resolution 23, a resolution I introduced on January 22 to commemorate the 50th anniversary of the Social Security Act. Indeed, I am delighted that 42 of my colleagues have joined as cosponsors of this resolution.

Passage of this resolution will recall to us the principles of economic security embodied in the original act. It will also provide us with the opportunity to examine the effect the Social Security Act has had on the lives of millions of Americans since 1935, through its many programs which now include old-age and survivors insurance, disability insurance, supplemental security income, Aid to Families With Dependent Children, Medicare, and Medicaid.

Fifty years ago, on January 17, 1935, Senator Robert F. Wagner of New York introduced the "Economic Security Act," S. 1130, based on recommendations from President Roosevelt's Committee on Economic Security. Seven months later, on August 14, 1935, President Roosevelt signed the Social Security Act, establishing the Nation's basic income security program to protect Americans from "the hazards and vicissitudes of life."

President Roosevelt recognized both the act's historic significance, and the fact that it would be but a first step in providing social insurance for Americans. On signing the legislation, he said it "represents a cornerstone in a structure which is being built but is by no means complete."

In five decades since, this program has grown to provide some form of economic security, now or in the future, to millions of Americans. The largest Social Security Program—the OASDI Program—affects the largest group of Americans. Over 115 million workers are currently contributing to Social Security and thus building retirement, survivor, disability and health insurance protection for themselves and their dependents. Nearly 37 million persons benefit from Social Security, including 25 million retired workers and their dependents, nearly 4 million disabled workers and their dependents, and more than 7 million surviving dependents.

Just 1 month ago, in the "1985 Economic Report to the President," the Council of Economic Advisers reported the tremendous improvement in the financial status of the elderly. The Council stated: "Thirty years ago, the elderly were a relatively disadvantaged group in the population. That is no longer the case." According to the Census Bureau, the poverty rate for the elderly in 1983 was 14.1 percent, lower than that for the population as a whole.

Social Security is the primary reason for this progress. The monthly cash beneifts received by nearly 37 million Americans provide a base of economic protection on which beneficiaries can build additional protection through pensions, insurance, savings and other income. Again, according to the 1985 report of the Council of Economic Advisers:

Social Security benefits are the principal source of income for the majority of elderly Americans. Benefits comprise about 40 percent of the income of the elderly, and for 59 percent of the elderly households they make up at least 50 percent of their income.

The popularity and support the program enjoys today would not have been predicted 50 years ago. The swift passage of the Social Security Act of 1935 did not reflect, or ensure, its universal acceptance. In the first years following 1935, the act was challenged both in the courts and on the campaign trail. The courts, and the people, rallied to the act.

In 1937, the Supreme Court held constitutional both the old age benefit and the unemployment compensation features of the act. In Helvering versus Davis, Justice Benjamin N. Cardozo wrote:

The hope behind this statute is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near.

His works ring true today. According to Census Bureau data for 1983, without these benefits and without other income to take their place, 17 million more Americans today would be living below the poverty line—nearly 2 million children under age 18, 5.4 million persons age 18–64, and 9.7 million age 65 and older.

During the 1936 Presidential campaign, the President's opponents characterized Social Security as a "cruel hoax" and "a fraud on the workingman." A rumor campaign warned that workers would be required to wear "dog tags" around their necks, and that the Federal Government had plans to catalog every aspect of every worker's personal life.

Just 10 days before the election—in what, I believe, may have been the first direct mail campaign—many workers found in payroll envelopes the following warning:

You're sentenced to a weekly pay reduction for all your working life. You'll have to serve the sentence unless you help reverse it November 3.

The fears of the 1936 campaign did not prove true, and Social Security quickly became a program supported and endorsed by Americans of all political parties.

Shortly after its enactment, the then-independent Social Security Board charged with administering the program issued a publication "Security in Your Old Age." The pamphlet was directed to "* * * Employees of industrial and business establishments—

factories, shops, mines, mills, stores, offices, and other places of business." Its purpose was to introduce this radical new law to some 26 million American who were "covered workers" under the provisions of the new law. The pamphlet begins in this way:

There is now a law in this country which will give about 26 million working people something to live on when they are old and have stopped working. This law, which gives other benefits, too, was passed last year by Congress and is called the Social Security Act.

This means that if you work in some factory, shop, mine, mill, store, or almost any other kind of business or industry, you will be earning benefits that will come to you later on. From the time you are 65 years old, or more, and stop working, you will get a Government check every month of your life * * *.

The checks will come to you as a right. You will get them regardless of the amount of property or income you may have.

Title II of the Social Security Act of 1935 initially provided benefits only for retired workers, but eligibility was soon broadened. In 1939, before the first retirement benefit was paid, dependents and survivors were accepted as beneficiaries. Under President Dwight D. Eisenhower, in 1956, disabled workers began receiving Social Security checks. And in 1965, medical insurance for elderly and poor Americans became part of our basic economic security program. Social Security is a success, perhaps the greatest success of the 20th century Congress.

In recent years, the solvency of the Social Security trust funds was threatened and Congress immediately responded. As a result of the Social Security Amendments of 1983, the "1984 Report of the Social Security Trustees" found that the benefits provided "under these programs can be paid well into the next century." The recently released 1985 trustees report makes a similar finding.

These reforms, based on the recommendations of the National Commission on Social Security Reform, on which I served, ensured the financial solvency of the system in both the long and short term. Social Security is a shared enterprise between this Government and all its citizens. It is an insurance program into which every American worker contributes. This sacred trust must not be broken.

I should like to remind my colleagues that the Social Security Act of 1935 contained, in addition to the old age benefits program and unemployment compensation program, three welfare assistance programs, vocational rehabilitation, and grants to States for maternal and child health and crippled children's services. In 1972, the grants to States for assistance to the needy aged and blind were incorporated into the Supplemental Security Income Program, providing a federally guaranteed income for needy blind, aged, and disabled Americans.

Title IV of the Social Security Act, now known as AFDC [aid to families with dependent children] continues to provide funds to States for assistance to needy children.

These are also crucial pieces of the protection provided by the Social Security Act. Income from AFDC and SSI kept over 2 million persons—young and old alike—out of poverty in 1983.

The 50th anniversary of the Social Security Act is a time to celebrate the principles of economic security embodied in the original act.

In so doing, let us reassure all Americans that the system is securely financed and one on which we all can depend.

I urge my colleagues to support the adoption of Senate Joint Resolution 23 and to take part in the celebration of the 50th anniversary of the Social Security Program.

I ask unanimous consent that the pamphlet, "Security in Your Old Age," and that two articles from the Social Security Bulletin tracing the development of the Social Security Act in Congress 50 years ago, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TO EMPLOYEES OF INDUSTRIAL AND BUSINESS ESTABLISHMENTS—FACTORIES, SHOPS, MINES, MILLS, STORES, OFFICES, AND OTHER PLACES OF BUSINESS

Beginning November 24, 1936, the United States Government will set up a Social Security account for you, if you are eligible. To understand your obligations, rights, and benefits you should read the following general explanation.

There is now a law in this country which will give about 26 million working people something to live on when they are old and have stopped working. This law, which gives other benefits, too, was passed last year by Congress and is called the Social Security Act.

Under this law the United States Government will send checks every month to retired workers, both men and women, after they have passed their 65th birthday and have met a few simple requirements of the law.

WHAT THIS MEANS TO YOU

This means that if you work in some factory, shop, mine, mill, store, office, or almost any other kind of business or industry, you will be earning benefits that will come to you later on. From the time you are 65 years old, or more, and stop working, you will get a Government check every month of your life, if you have worked some time (one day or more) in each of any 5 years after 1936, and have earned during that time a total of $2,000 or more.

The checks will come to you as a right. You will get them regardless of the amount of property or income you may have. They are what the law calls "Old-Age Benefits" under the Social Security Act. If you prefer to keep on working after you are 65, the monthly checks from the Government will begin coming to you whenever you decide to retire.

THE AMOUNT OF YOUR CHECKS

How much you will get when you are 65 years old will depend entirely on how much you earn in wages from your industrial or business employment between January 1, 1937, and your 65th birthday. A man or woman who gets good wages and has a steady job most of his or her life can get as much as $85 a month for life after age 65. The least you can get in monthly benefits, if you come under the law at all, is $10 a month.

If you are now young

Suppose you are making $25 a week and are young enough now to go on working for 40 years. If you make an average of $25 a week for 52 weeks in each year, your check when you are 65 years old will be $53 a month for the rest of your life. If you make $50 a week, you will get $74.50 a month for the rest of your life after age 65.

If you are now middle-aged

But suppose you are about 55 years old now and have 10 years to work before you are 65. Suppose you make only $15 a week on the average. When you stop work at age 65 you will get a check for $19 each month for the rest of your life. If you make $25 a week for 10 years, you will get a little over $23 a month from the Government as long as you live after your 65th birthday.

If you should die before age 65

If you should die before you begin to get your monthly checks, your family will get a payment in cash, amounting to 3½ cents on every dollar of wages you have earned after 1936. If, for example, you should die at age 64, and if you had earned $25 a week for 10 years before that time, your family would receive $455. On the other hand, if you have not worked enough to get the regular monthly checks by the time you are 65, you will get a lump sum, or if you should die your family or estate would get a lump sum. The amount of this, too, will be 3½ cents on every dollar of wages you earn after 1936.

TAXES

The same law that provides these old-age benefits for you and other workers, sets up certain new taxes to be paid to the United States Government. These taxes are collected by the Bureau of Internal Revenue of the U.S. Treasury Department, and inquiries concerning them should be addressed to that bureau. The law also creates an "Old-Age Reserve Account" in the United States Treasury, and Congress is authorized to put into this reserve account each year enough money to provide for the monthly payments you and other workers are to receive when you are 65.

Your part of the tax

The taxes called for in this law will be paid both by your employer and by you. For the next 3 years you will pay maybe 15 cents a week, maybe 25 cents a week, maybe 30 cents or more, according to what you earn. That is to say, during the next 3 years, beginning January 1, 1937, you will pay 1 cent for every dollar you earn, and at the same time your employer will pay 1 cent for every dollar you earn, up to $3,000 a year. Twenty-six million other workers and their employers will be paying at the same time.

After the first 3 years—that is to say, beginning in 1940—you will pay, and your employer will pay, 1½ cents for each dollar you earn, up to $3,000 a year. This will be the tax for 3 years, and then, beginning in 1943, you will pay 2 cents, and so will your employer, for every dollar you earn for the

next 3 years. After that, you and your employer will each pay half a cent more for 3 years, and finally, beginning in 1949, twelve years from now, you and your employer will each pay 3 cents on each dollar you earn, up to $3,000 a year. That is the most you will ever pay.

Your employer's part of the tax

The Government will collect both of these taxes from your employer. Your part of the tax will be taken out of your pay. The Government will collect from your employer an equal amount out of his own funds.

This will go on just the same if you go to work for another employer, so long as you work in a factory, shop, mine, mill, office, store, or other such place of business. (Wages earned in employment as farm workers, domestic workers in private homes, Government workers, and on a few other kinds of jobs are not subject to this tax.)

Old-age reserve account

Meanwhile, the Old-Age Reserve fund in the United States Treasury is drawing interest, and the Government guarantees it will never earn less than 3 percent. This means that 3 cents will be added to every dollar in the fund each year.

Maybe your employer has an old-age pension plan for his employees. If so, the Government's old-age benefit plan will not have to interfere with that. The employer can fit his plan into the Government plan.

What you get from the Government plan will always be more than you have paid in taxes and usually more than you can get for yourself by putting away the same amount of money each week in some other way.

Note.—"Wages" and "employment" wherever used in the foregoing mean wages and employment as defined in the Social Security Act.

WHERE TO GET MORE INFORMATION

If you want more information, write to the Social Security Board, Washington, D.C., or get in touch with one of the following offices:

Region I—Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut: Social Security Board, 120 Boylston Street, Boston, Mass.

Region II—New York: Social Security Board, 45 Broadway, New York, N.Y.

Region III—New Jersey, Pennsylvania, and Delaware: Social Security Board, Widener Building, Juniper and Chestnut Streets, Philadelphia, Pa.

Region IV—Virginia, West Virginia, North Carolina, Maryland, and District of Columbia: Social Security Board, National Theatre Building, Washington, D.C.

Region V—Kentucky, Ohio, and Michigan: Social Security Board, Bulkley Building, 1501 Euclid Avenue, Cleveland, Ohio.

Region VI—Illinois, Indiana, and Wisconsin: Social Security Board, 211 West Wacker Drive, Chicago, Ill.

Region VII—Tennessee, Mississippi, Alabama, Georgia, Florida, and South Carolina: Social Security Board, 1829 First Avenue North, Birmingham, Ala.

Region VIII—Iowa, Minnesota, North Dakota, South Dakota, and Nebraska: Social Security Board, New Post Office Building, Minneapolis, Minn.

Region IX—Missouri, Kansas, Arkansas, and Oklahoma: Social Security Board, Dierks Building, 1006 Grand Avenue, Kanasa City, Mo.

Region X—Louisiana, Texas, and New Mexico: Social Security Board, Smith-Young Tower Building, San Antonio, Tex.

Region XI—Montana, Idaho, Utah, Colorado, Arizona, and Wyoming: Social Security Board, Patterson Building, 1706 Welton Street, Denver, Colo.

Region XII—California, Oregon, Washington, and Nevada: Social Security Board, Humboldt Bank Building, 785 Market Street, San Francisco, Calif.

FIFTY YEARS AGO THIS MONTH

(This note is the first in a series tracing the development of the Social Security Act in Congress 50 years ago. It was prepared by William J. Nelson, Jr., Office of Research, Statistics, and International Policy, Office of Policy, Social Security Administration.)

President Franklin D. Roosevelt, in his State of the Union message to Congress on January 4, 1935, promised to present legislation that would "cover the broad subjects of unemployment insurance and old-age insurance, of benefits for children, for mothers, for the handicapped, for maternity care and for other aspects of dependency and illness where a beginning can now be made." Such legislation, the President noted, was necessary to provide for "the security of men, women and children in the nation" who must be protected "against the major hazards and vicissitudes of life."

On January 17, 1935, the President transmitted to Congress a message on economic security, which embodied the recommendations made to him 2 days earlier by his Committee on Economic Security. The Committee, consisting of Cabinet members and chaired by Frances Perkins, Secretary of Labor, had been established in June 1934. Its mission was to develop a comprehensive social insurance system covering all major personal economic hazards, especially the hazards of unemployment and old age. This included studying the problems relating to economic security and making recommendations for a program of legislation.

Upon presentation of the Committee's work to Congress, President Roosevelt focused on the recommendations dealing with old-age insurance when he noted that—

In the important field of security for our old people, it seems necessary to adopt three principles—first, noncontributory old-age pensions for those who are now too old to build up their own insurance; it is, of course, clear that for perhaps 30 years to come funds will have to be provided by the States and the Federal Government to meet these pensions. Second, conpulsory contributory annuities which in time will establish a self-supporting system for those now young and for future generations. Third, voluntary contributory funds by which individual initiative can increase the annual annuities received in old age.

President Roosevelt recommended action on the Committee's proposals by concluding that—

The establishment of sound means toward a greater future economic security of the American people is dictated by a prudent consideration of the hazards involved in our national life. No one can guarantee this country against the dangers of future depressions but we can reduce these dangers. We can eliminate many of the factors that cause economic depressions, and we can provide the means of mitigating their results.

This plan for economic security is at once a measure of prevention and a method of alleviation.

The concept of a contributory old-age insurance system, of course, became the foundation of the old-age and survivors insurance program. The Committee believed that this proposal would lighten the burden on future generations imposed by support for the aged:

With an increasing number and even more rapidly increasing percentage of the aged, the cost of supporting old persons will be a heavy load on future generations regardless of any legislation that may be enacted. In order to reduce the pension costs and also to more adequately provide for the needs of the not yet old but who will become old in time, we recommend a contributory annuity system on a compulsory basis, to be conducted by the Federal Government. A contributory annuity system, while of little or no value to people now in these older age groups, will enable younger workers, with the aid of their employers, to build up gradually their rights to annuities in their old age. Without such a contributory system, the cost of pensions would, in the future, be overwhelming. Contributory annuities are unquestionably preferable to noncontributory pensions. They come to the workers as a right, whereas the noncontributory pensions must be conditioned upon a "means" test. Annuities, moreover, can be ample for a comfortable existence, bearing some relation to customary wage standards, while gratuitous pensions can provide only a decent subsistence.

The Committee further noted that while "children, friends, and relatives have borne and still carry the major part of the cost of supporting the aged," this burden had become unbearable for many children because of the depression and because the number of old persons who were dependent upon public or private charity had greatly increased:

Many children who previously supported their parents have been compelled to cease doing so, and the great majority will probably never resume this load. The depression has largely wiped out wage earners' savings and has deprived millions of workers past middle age of their jobs, with but uncertain prospects of ever again returning to steady employment. For years there has been some tendency toward a decrease in the percentage of old people gainfully employed. Employment difficulties for middle-aged and older workers have been increasing, and there is little possibility that there will be a reversal of this trend in the near future.

On January 21, the House Ways and Means Committee began hearings on the Economic Security Bill, introduced by Congressmen David J. Lewis (D.-Md.) and Robert L. Doughton (D.-N.C.). The next day, the Senate Finance Committee began hearings on an identical bill introduced by Senator Robert F. Wagner (D.-N.Y.).

FIFTY YEARS AGO

(This note is the second in a series tracing the development of the Social Security Act in Congress 50 years ago. It was prepared by Thomas E. Price, Office of Research, Statistics, and International Policy, Office of Policy, Social Security Administration.)

Immediately after President Roosevelt's transmission of the Report of the Committee on Economic Security to Congress on January 17, 1935, identical bills were introduced in both Houses as the Economic Security Act. The original bill was sponsored in the Senate by Senator Robert F. Wagner (D.-N.Y.) and in the House by Congressman David J. Lewis (D.-Md.). From January 21 to February 20, public hearings were held by both the House Ways and Means Committee, chaired by Congressman Robert L. Doughton (D.-N.C.), and the Senate Finance Committee, chaired by Senator Pat Harrison (D.-Miss.)

The overall program proposed by the Committee on Economic Security included a public works bill to stimulate the economy. The Economic Security Act was considered a companion measure and dealt with those aspects of economic security that the work programs did not. The bill proposed nine programs aimed at providing what the Committee called "Old-Age Security," "Unemployment Compensation," "Security for Children," and protection against "Risks Arising Out of Ill Health."

To meet the problem of economic security for the aged, three complementary programs were proposed—noncontributory old-age pensions, compulsory contributory annuities, and voluntary contributory annuities. All were to take effect at age 65.

Old-age pensions were recommended to support needy persons already aged 65 or older. The term "pensions" referred to the free, noncontributory nature of the grants. The bill called for grants-in-aid to the States to pay half the costs of the pensions, provided that the Federal share did not exceed $15 a month per person. No limit was specified on the State's portion, but the bill would have required the States to conform to certain standards, including the provision of a subsistence income compatible with decency and good health.

Old-age annuities were proposed as a compulsory contributory system applying to all employed persons under age 60 on January 1, 1937, except nonmanual workers earning more than $250 a month and individuals employed by the government or covered under the Railroad Retirement Act. Contributions were to be collected through a payroll tax beginning at 1 percent, equally divided between employer and employee. The tax was to rise 1 percent every 5 years to a maximum of 5 percent.

The original proposal assumed that covered persons would fund their own pensions on the basis of the number and amount of their contributions when the annuity system matured in 20 years. In the interim, benefits for persons already past middle age would have to be supplemented with an unearned allowance. To pay the unearned portion, the bill authorized borrowing from the reserve fund and deferred repayment until 1965, when outgo would exceed revenue.

To provide for those not covered by the compulsory contributory system (professional and self-employed persons, for example) and to supplement old-age income under the compulsory system, a voluntary system of old-age annuities, similar to deferred life annuities sold by commerical insurance companies, was proposed. This system was to be entirely self-supporting, with purchasers receiving annuities based solely on their contributions. The annuities would be sold in various small amounts but none would have a maturity value of more than $100 per month. The voluntary annuities plan was designed to enable persons to purchase smaller annuities than those sold at the time by the insurers.

Unemployment compensation was the final "social insurance" aspect of the bill. It was to be administered by the States, assisted and guided by the Federal Government, and financed entirely by a payroll tax on all employers with four or more employees. The rate of taxation in the first 2 years, ranging from 1 to 3 percent, was to depend on progress toward economic recovery. In the third year the rate was to be uniformly 3 percent.

In the area of security for children, Federal grants-in-aid to the States were proposed to (1) help meet the costs of aid to dependent children (ADC), (2) provide welfare services to mentally and physically handicapped children (CWS), (3) supply maternal and child health services (MCH), and (4) provide transportation, hospitalization, and convalescent care for crippled and other physically handicapped children (CCS). This marked the first Federal participation in CCS and CWS and restored money to the MCH program, which had existed in 1922–29.

The final program proposed was an expansion of preventive public health programs through grants-in-aid for the development of State and local health services, the training of personnel for State and local health work, and for the Public Health Service to investigate diseases and problems that were national in scope.

The bill proposed that a newly created Social Insurance Board within the Department of Labor (DOL) administer old-age annuities, unemployment compensation, and study social security laws; that the Federal Emergency Relief Administration administer old-age pensions and ADC; that the Children's Bureau in DOL administer MCH, CCS, and CWS; that the Pubic Health Service, then housed in the Treasury, administer public health grants; and that the Treasury manage and invest all reserve funds.

Mr. DOLE. Mr. President, I am pleased to cosponsor with Senator MOYNIHAN a resolution calling on the President to declare 1985 as the "Year of Social Security." The Economic Security Act was introduced 50 years ago, and the legislation was signed into law on August 14, 1935. Today, Social Security is the largest domestic program of the Government, dispensing almost $15 billion in benefit payments each month to some 36 million Americans, or 1 out of 7 in the Nation. Over 116 million workers pay Social Security taxes. Total expenditures for the program will exceed $200 billion this year.

While the program was controversial at its inception—prior to the Depression, income security was not regarded as an appropriate concern of the Federal Government—Social Security is now considered one of the most successful social programs we have ever enacted. Over the years, the program has been expanded to raise payment levels and to include new benefits. Coverage has been enlarged to include survivors and children. Retirement benefits alone were provided by the original Social Security Act of 1935, benefits for dependents and survivors by the 1939 amendments, and benefits for the dependents of disabled workers by the 1958 amendments. The health insurance program, generally know as Medicare, became effective on July 1, 1966.

Mr. President, the most recent major legislation, the Social Security Amendments of 1983, demonstrated the strong bipartisan support that this program enjoys in the Congress and thoughout the Nation. As chairman of the Finance Committee when that legislation emerged, I was pleased to work with Senator MOYNIHAN to make the system solvent again. My colleagues will recall the serious financial difficulties the Social Security cash benefit programs faced in the early 1980's, as the system moved closer and closer to insolvency. Many proposals to balance outgo with income were subjected to harsh political attack.

The President responsed by establishing a 15-member bipartisn commission to develop proposals for reform. The Congress demonstrated the degree of cooperation and flexibility essential to the enactment of a responsible Social Security financing bill. That bill was signed by the President on April 20, 1983.

As a result of the decisions made by the President and Congress in 1983, taxpayers and beneficiaries alike can feel newly secure about the short- and long-term viability of the Social Security System. Elected officials know the importance of the program to workers and to retirees. We can be optimistic that the sometimes tough steps which are necessary to preserve the system will be taken—now and in the future.

Declaring 1985 as the "Year of Social Security" demonstrates our commitment to this vast program—to the workers who support it and to the beneficiaries who rely upon it each month. We can all be proud of the role Social Security has played over the years in bringing economic security to millions of our fellow-citizens. We must all dedicate ourselves to preseving the system and its financial integrity for many more generations of Americans.

Over the next 50 years, the Nation will have to accommodate a very large increase in the proportion of the population that is aged. It is vital that there be greater public understanding of how the system works, in order to encourage broader and more informed discussion of future policies. This anniversary commemoration will help to focus public attention on the program and its role in our society.

Let us join together to celebrate this important milestone—the 50th year of the Social Security Program.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 23), with its preamble, is as follows:

S.J. RES. 23

Whereas the Social Security Act was signed into law by President Franklin D. Roosevelt fifty years ago on August 14, 1935, establishing the beginnings of a new social insurance system that today protects families against loss of income due to the re-

tirement, disability, or death of a wage earner and assists in meeting the medical expenses of the elderly and long-term disabled;

Whereas 94 per centum of those reaching age sixty-five are eligible for monthly Social Security benefits, 95 per centum of young children and their surviving parents are eligible for monthly benefits upon the death of a worker, and over four out of five workers have worked long enough that they could get benefits should they become severely disabled;

Whereas more than one hundred and twenty million people work in covered employment and self-employment and pay Social Security taxes;

Whereas the Social Security System today provides to nearly thirty-seven million Americans monthly cash benefits that are adjusted automatically to protect against erosion by inflation;

Whereas the Social Security Program is the base of economic protection on which workers can build additional protection through pensions, insurance, savings, and other income;

Whereas Social Security protects from poverty fourteen million Americans, two-thirds of whom age sixty-five or older would have incomes below the poverty line were it not for their Social Security benefits; and

Whereas the Social Security Program is one of the most important and successful social programs in the history of our Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1985 is hereby designated the "Year of Social Security", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such year with appropriate ceremonies and activities.

Mr. MOYNIHAN. Mr. President, I thank the chairman and the distinguished minority leader.

UNANIMOUS-CONSENT REQUEST

Mr. SIMPSON. Mr. President, I would inquire of the minority leader if he is in a position to turn to the consideration or to indefinitely postpone any or all of the following calendar items: Calendar Orders Nos. 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30 through 46, and Calendar item No. 5, designated by their appropriate joint resolution numbers and with various notations as to their disposition, passage, or indefinite postponement, with the insertion of a statement by Senator DOLE on Calendar Item No. 21 and the insertion of a statement by Senator GORTON on Calendar Order No. 36.

We can delay while the minority leader reviews this matter.

And, of course, Calendar Item No. 23, which has just been dealt with.

Mr. President, I would ask unanimous consent that the calendar items just identified be considered en bloc, agreed to en bloc, and all amendments, preambles, and amendments to titles be deemed agreed to en bloc.

Mr. HEINZ. Mr. President, reserving the right to object, first, I would like to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Mr. President, in the normal course of consideration, would not these items be subject to amendment as are other joint resolutions?

The PRESIDING OFFICER. Joint resolutions are subject to amendment.

Mr. HEINZ. Mr. President, I must say I am a little perplexed by a statement made by the Senator from Massachusetts, Senator KENNEDY, a moment ago. He seems to have the very urgent resolution having to do with South Africa, and yet we are about to pass, if the majority leader will permit me to look at the list, two or three dozen resolutions, to any one of which the Senator could append his urgent resolution. But he seems to have left the floor.

Mr. President, I do not object in principle to the list of joint resolutions being brought up by the assistant majority leader, but I am wondering where the Senator from Massachusetts is to press his legislation. Now is the time for him to move ahead. I would like to know where he went.

So, Mr. President, I object.

ORDER OF BUSINESS

Mr. SIMPSON. Mr. President, I inquire of the minority leader if it is appropriate to go forward with a unanimous-consent request that the Senate go into executive session to consider the following nominations on the Executive Calendar: No. 62, Wanda L. Forbes, with an accompanying statement of Senator THURMOND: No. 63, Margaret Phelan; No. 64, Patricia Barbour; No. 65, Daniel W. Casey; No. 66, Marianne Mele Hall; No. 67, Frank H. Conway; No. 68, James R. Laffoon; No. 69, Annelise Graebner Anderson; No. 70, Karen J. Lindstedt-Siva; No. 71, Simon Ramo; No. 72, William Lockhart Ball III and No. 73, Alfred Clinton Moran.

I shall also ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

Mr. BYRD. Mr. President, reserving the right to object, I hope the distinguished majority leader will not present that request until I have an opportunity to review the calendar. This request was not presented to me earlier. It will take me 2 or 3 minutes to examine, if the distinguished Senator will allow me.

Mr. SIMPSON. Mr. President, I greatly regret that that had not been submitted to the minority leader. I assure him that was an oversight that I was not aware of. He may take whatever time he wishes or object and we shall do it at a later time.

Mr. BYRD. Mr. President, I thank the distinguished assistant majority leader. When he is ready to renew his request, if he would not mind restating it, now that I have the calendar in front of me, some of those have been cleared on this side.

Mr. SIMPSON. I shall, Mr. President, restate the request.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations which I previously referred to: Calendar Orders No. 62, Wanda Forbes, No. 63, Margaret Phelan; No. 64, Patricia Barbour; No. 65, Daniel Casey; No. 66, Marianne Mele Hall; No. 67, Frank H. Conway; No. 68, James R. Laffoon; No. 69, Annelise Graebner Anderson; No. 70, Karen Lindstedt-Siva; No. 71, Simon Ramo; No. 72, William Lockhart Ball, III; and No. 73, Alfred Clinton Moran.

I ask unanimous consent, after the minority leader has reviewed those, that the nominations be considered en bloc and confirmed en bloc.

Mr. BYRD. Mr. President, reserving the right to object, may I say to the distinguished assistant Republican leader that on this side, we have cleared the following calendar orders: Calendar Orders Nos. 62, 63, 64—and 56, may I say—65, 69, 70, 71, 72, and 73. That is it. On behalf of my colleagues, I would have no objection to proceeding as the distinguished assistant Republican leader has asked, to do those that have been cleared on this side en bloc.

Mr. SIMPSON. Mr. President, then that request will be renewed, with the omission of Calendar Items Nos. 66, 67, and 68.

Mr. BYRD. That is correct.

How about 56? It is cleared on our side.

Mr. SIMPSON. Mr. President, according to my information, Calendar Item No. 56 has not been cleared on this side of the aisle. There is an inability to give that approval at this time on this side of the aisle.

Mr. BYRD. I have no objection to proceeding with those calendar orders which have been cleared on this side of the aisle. If Calendar Order No. 56 has not been cleared on the other side, as I think I understand——

Mr. SIMPSON. It has not.

Mr. BYRD. Then, of course, Mr. President, I do not ask that that be included for consideration by the other side.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. SIMPSON. Mr. President, I move to reconsider the vote.

Mr. HEINZ. I move to lay that motion in the table.

The motion to lay on the table was agreed to.

The nominations considered and confirmed en bloc are as follows:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Wanda L. Forbes, of South Carolina, to be a Member of the National Commission on Libraries and Information Science.

Margaret Phelan, of Kansas, to be a Member of the National Commission on Libraries and Information Science.

Patricia Barbour, of Michigan, to be a Member of the National Commission on Libraries and Information Science.

Daniel W. Casey, of New York, to be a Member of the National Commission on Libraries and Information Science.

NATIONAL SCIENCE FOUNDATION

Annelise Graebner Anderson, of California to be a Member of the National Science Board, National Science Foundation.

Karen J. Lindstedt-Siva, of California, to be a Member of the National Science Board, National Science Foundation.

Simon Ramo, of California, to be a Member of the National Science Board, National Science Foundation.

DEPARTMENT OF STATE

William Lockhart Ball, III, of Georgia, to be an Assistant Secretary of State.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Alfred Clinton Moran, of Illinois, to be an Assistant Secretary of Housing and Urban Development.

THE NOMINATION OF MRS. WANDA L. FORBES OF CLOVER, SC

Mr. THURMOND. Mr. President, it is a pleasure to support the nomination of Mrs. Wanda L. Forbes of Clover, SC, to be a member of the National Commission on Libraries and Information Science.

Along with another of these nominees to this Commission, Mrs. Forbes has been awaiting Senate confirmation of her appointment by President Reagan since June of last year. While I am not aware of any controversy surrounding her nomination, the Senate failed to act on several nominees before adjourning last session. I am pleased, therefore, that the President has renominated Mrs. Forbes in this Congress to be a member of the Commission.

Mrs. Forbes received her B.A. degree in English and psychology from Queens College in North Carolina and an M.A. in school librarianship from Winthrop College in South Carolina. She has also completed postgraduate studies at Clemson University and the Universtiy of South Carolina.

Her past experience as an instructor with the Winthrop College Department of Reading and Education Media, as a member of the South Carolina Library Association and South Carolina Association of School Librarians, and as a school librarian will allow her to fulfill the duties as a member of this Commission with great distinction. Because of her outstanding qualifications in the information science field, I am confident that this body will agree with the unanimous recommendation of the Committee on Labor and Human Resources and confirm her appointment to the post for which she has been nominated.

Mrs. Wanda Forbes will be a valuable member of the National Commission on Libraries and Information Science, and I am pleased to commend her nomination to the Senate for confirmation.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDENT OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST

Mr. HEINZ. Mr. President, I rise to propound a unanimous consent request. I ask all Members to listen to it.

I ask unanimous consent that it be in order to send to the desk a bill relating to the Export Administration and ask for its immediate consideration, and that it be considered under the following time agreement: 10 minutes on the bill to be equally divided between the chairman of the Banking Committee and the ranking minority member or their designees; that no amendments be in order; that no motions, appeals or points of order be in order; and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, Mr. KENNEDY had announced earlier on the floor that he would be constrained to enter an objection against proceeding with that measure unless a provision were included to permit him to call up an amendment dealing with South Africa.

Mr. HEINZ. Will the Senator yield?

Mr. BYRD. Yes; I yield.

Mr. HEINZ. Mr. President, I thank my friend from West Virginia for yielding.

Mr. BYRD. Mr. President, I do not have the floor.

Mr. HEINZ. I thank him for being willing to engage in a brief colloquy with me, then.

Mr. BYRD. Mr. President, I was just reserving the right to object.

Mr. HEINZ. I thank my colleague from West Virginia.

Mr. President, I was present on the floor when the Senator from Massachusetts indicated that he had a matter dealing with South Africa, a resolution that he wanted to deal with with some urgency. He indicated that he would like to have the opportunity to put it on the legislation that I seek unanimous consent for, a 75-day extension of the Export Administration Act. He is certainly entitled to object to the consideration of this bill. It is only a brief extension of the act.

It seems to me, however, that if he really wants immediate consideration of his resolution, he does not need a bill on which to put that resolution. We have 20 or 30 resolutions that are about to come back to the Senate for consideration.

I do not know if the minority leader can help me on this: Does he understand that the request that he has made is to object to any legislation or just to this piece of legislation?

Mr. BYRD. Mr. President, I beg the Senator's pardon.

Mr. HEINZ. I was saying that the distinguished Senator from Massachusetts indicated that his resolution dealing with South Africa was of some urgency and that he sought the opportunity to put it on a measure. He singled out for special attention the 75-day extension of the Export Administration Act on which I have just propounded a unanimous-consent request.

My question to the minority leader is, if he knows the answer to this, is it the intention and the desire of the Senator from Massachusetts to object to any legislation that he might be able to amend going through the Senate, or does he just object to this particular bill going through the Senate without his opportunity to amend it? I do not know if the minority leader knows the answer to this question. Maybe he can help me.

I do not know if the minority leader knows the answer to this question, but maybe he can help me.

Mr. BYRD. Yes; I do. Mr. President, the distinguished Senator from Massachusets had indicated to me he would like to call up his resolution and have it immediately considered, but it is my understanding that that was objected to, or would be objected to. Therefore, he would object at this point to proceeding to any major bill or resolution unless there could be agreement that he, Mr. KENNEDY, would be allowed to offer a resolution in the form of an amendment to that particular legislation. His resolution deals with South Africa. And on the basis of what he said to me, I have to believe that he would object to our proceeding to any major measure at this point unless he could offer his amendment thereto.

Mr. HEINZ. Mr. President, I understand the position of the minority leader. I am not being critical of either him or Senator KENNEDY, but I observe, when we are about to pass 20 or 30 resolutions, all of which are amendable, it strikes me as odd that they are not just as important as this mere 75-day extension. All of these will have, I

presume, a permanent life. The one I seek has a 75-day life.

Although I anticipate the minority leader will be constrained to object, I renew my unanimous-consent request.

Mr. BYRD. Mr. President, may I say also that Mr. LEVIN wishes to call up an amendment dealing with an extension of the Unemployment Compensation Act and, unless provision can be included that he may be able to offer his amendment, it is my understanding he would likewise object.

The PRESIDING OFFICER (Mr. DANFORTH). Is there objection to the request?

Mr. BYRD. Yes; I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, in my desire to help my friend from Pennsylvania, I renew his unanimous-consent request to which I have just objected but with the additional provision that Mr. KENNEDY be allowed to offer his amendment on South Africa and that Mr. LEVIN be permitted to offer his amendment on the extension of unemployment compensation.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, I do object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

Mr. BYRD. Mr. President, I hope that something can be worked out over the weekend which will allow these measures to be taken up in one way or another.

Mr. SIMPSON. Mr. President, I certainly share the observation of the minority leader and, indeed, hope in this intervening time something can be worked out. We are all aware of what we are doing, which is important even though we are not doing anything. Thank you very much.

Mr. BYRD. Mr. President, there is no objection on this side to proceeding as the distinguished assistant Republican leader has outlined. May I just clarify a couple of things: One, the measures that would be indefinitely postponed under the order which he seeks to enter would be calendar orders numbered 5, 19, 27, and 29; am I correct?

Mr. SIMPSON. Mr. President, the minority leader is correct. Those are the four items that would be indefinitely postponed.

Mr. BYRD. Yes. And those that would be acted upon under the dimensions of the request by the distinguished majority whip would be, en bloc, calendar orders numbered 20 through 46, with the exception of 23, which has already been acted upon, and with the exceptions of those which are marked for indefinite postponement.

Mr. SIMPSON. Mr. President, I say to my distinguished colleague, that is the intent.

Mr. BYRD. Mr. President, I do not object.

Mr. SIMPSON. Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

HELSINKI HUMAN RIGHTS DAY

The joint resolution (S.J. Res. 15) to designate May 7, 1985, as "Helsinki Human Rights Day", was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 15

Whereas this year will be the tenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki Accords");

Whereas on August 1, 1975, the Helsinki Accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the Helsinki Accords express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki Accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki Accords also express the commitment of the participating States in whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law, will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and co-operation among themselves as among all States";

Whereas the Helsinki Accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations and will endeavour jointly and separately, including in co-operation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki Accords also express the commitment of the participating States to "confirm the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki Accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki Accords, have acknowledged an adherence to the principles of human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas the aforementioned Governments have not fulfilled their commitments to the Helsinki Accords by denying individuals their inherent rights to freedom of religion, thought, conscience, and belief;

Whereas on May 7, 1985, a meeting of experts on human rights and fundamental freedoms will be convened in Ottawa, Canada, to discuss questions concerning respect for human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas this meeting is called for in the concluding document of the Madrid Review Conference of September 9, 1983; and

Whereas this meeting will be attended by representatives of all Helsinki signatory nations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) May 7, 1985, the opening date of the Ottawa meeting of experts on human rights and fundamental freedoms, is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki Accords, urging all signatory nations to abide by their obligations under the Helsinki Accords, and encouraging the people of the United States to join the President and Congress in observance of "Helsinki Human Rights Day" with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights provisions of the Helsinki Accords by raising the issue of noncompliance with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania at every available opportunity;

(4) the President is further requested to convey to all signatories of the Helsinki Accords that respect for human rights and fundamental freedoms is a vital element of

further progress in the ongoing Helsinki process; and

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is the most effective means to promote the full implementation of the human rights and humanitarian provisions of the Helsinki Accords.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

JEWISH HERITAGE WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 17) to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

Mr. DOLE. Mr. President, setting aside April 21-28 as Jewish Heritage Week is a fitting tribute to the integral role Judaism and Jewish history have played in American life.

From the basic tenets of our Judeo-Christian culture, to the traditions of family and community involvement, the legacy of the Jewish people is woven into the fabric of our country.

Therefore, it is a privilege to join with Senator D'AMATO and others in support of commemorating the week of April 21 as Jewish Heritage Week.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 17

Whereas the Congress recognizes that an understanding of the heritage of all American ethnic groups contributes to the unity of our country; and

Whereas intergroup understanding can be further fostered through an appreciation of the culture, history, and traditions of the Jewish community and the contributions of Jews to our country and society; and

Whereas the months of March, April, and May contain events of major significance in the Jewish calendar—Passover, the anniversary of the Warsaw Ghetto uprising, Israeli Independence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe that week with appropriate ceremonies, activities, and programs.

NATIONAL MENTAL RETARDATION AWARENESS MONTH

The joint resolution (S.J. Res. 22) designating March 1985 as "National Mental Retardation Awareness Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 22

Whereas mental retardation affects six million individuals and their families throughout the United States;

Whereas the most effective weapons for prevention and alleviation of this serious problem are public knowledge and understanding;

Whereas the potential for citizens with mental retardation to function independently and productively must be fostered;

Whereas mental retardation offers a challenge and an opportunity to all segments of society to develop constructive solutions, to support research efforts, and to act responsively to ensure that all mentally retarded citizens are afforded the civil rights needed for normal living; and

Whereas in March of each year organizations throughout the country carry on educational and fundraising campaigns to assist the campaign against mental retardation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating March 1985 as "National Mental Retardation Awareness Month" and calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

NATIONAL INDEPENDENT RETAIL GROCER WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 28) to designate the week of September 8 through September 14, 1985, as "National Independent Retail Grocer Week."

Mr. BOSCHWITZ. Mr. President, I rise today in support of Senate Joint Resolution 28, which designates September 8-14, National Independent Retail Grocer Week.

Across this great Nation, in the largest of cities and the smallest of towns, the independent retail grocer ensures the steady and uninterrupted flow of grocery products to the American consumer. These small business people raise the American free enterprise system to its highest levels, providing needed services to the communities in which they live and work.

Independent retail grocers are the backbone of the food distribution system in the United States. They account for 64 percent of all grocery stores in this country and are responsible for nearly one-half of all grocery products sold. They provide employment for over 1 million people. Independent retail grocers know no socio-economic or geographical boundaries, with locations as diverse as a small country store at a cross roads in rural America, to an expensive store in the hub of a large city.

Sherm Quisberg and his family of Golden Valley, MN, independent retail grocers, exemplify the small business entrepreneur in the grocery industry. In 1954, Sherm Quisberg got out of the Navy and having a wife and son to support, started working as a carryout boy for the local A&P. Within 5 years, Sherm had risen to the position of store manager. In 1960, A&P pulled out of Minneapolis and Sherm Quisberg purchased a large portion of the store he had worked in as a carryout boy. Today, Sherm owns five stores which enjoy yearly sales in excess of $50 million. Sherm, his son Steve, general manager and his daughter Gretchen, administrative assistant, all actively participate in the operation of their family business. The Quisbergs are representative of the thousands of independent retail grocers across the country who deliver the highest quality products at the least expense to the American consumer.

Mr. President, I encourage my colleagues in the Senate to vote for passage of this legislation proclaiming September 8-14 as National Independent Grocer Week.

Mr. HOLLINGS. Mr. President, I am pleased to rise today to express my support of Senate Joint Resolution 28, which proclaims the week of September 8-14 as National Independent Retail Grocer Week.

The independent retail grocer exemplifies the small business entrepreneur, the backbone of the American free enterprise system. Usually operating one store, independent grocers tailor their businesses to serve the needs of the community where they are located. Independent retail grocers deliver the highest quality product at the least expense—unsurpassed by any other food distribution network in the world.

James Reid Boylston III, of Barnwell, SC, is a prime example of these small business people who raise the American free enterprise system to its highest levels, providing needed service to the community in which they live and work.

Reid Boylston began his career in the food distribution industry stamping State tax stamps on tobacco products during high school. While working his way up he spent time in the store development division and 18 months as a store engineer at Wetterau Inc. In 1972, on a Small Business Administration loan, Reid Boylston opened up Reids Red and White, a 12,000 square foot store in Barnwell. In 1977, he enlarged his store by 10,000 square feet and in 1980, added a restaurant. His store offers a bakery, deli, and seafood market to the 10,000 customers he now serves per week.

Reid Boylston is representative of thousands of independent retail grocers across this great land, who deliver the highest quality products at the least expense to the American con-

sumer. Most independent retail grocers operate on a 1 to 2 percent profit margin while providing fresh fruits, vegetables, dairy products, and quality meat, poultry, and fish to their customers. When consumers in New York pick up a head of lettuce from California they often do not stop to think how it got from the field to the market, for less than 1 dollar. Independent retail grocers work hard to keep the American consumer well fed and it is only right and fitting we should honor them with this resolution.

Mr. President, I ask my colleagues to join me in paying homage to the independent retail grocer.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 28

Whereas the independent retail grocer has served the American consumer for over two hundred years;

Whereas independent retail grocers account for 64 per centum of all grocery stores in the United States and are responsible for nearly one-half the grocery product distributed;

Whereas the independent retail grocer exemplifies the small business entrepreneur, the backbone of the American free enterprise system; and

Whereas the independent retail grocer offers a wide array of services to the community in which the grocer lives and does business: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 8 through September 14, 1985, be proclaimed "National Independent Retail Grocer Week".

NATIONAL REYE'S SYNDROME WEEK

The joint resolution (S.J. Res. 29) to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 29

Whereas Reye's syndrome is a disease of unknown cause that usually attacks healthy children nineteen years of age and under, and kills or cripples more than half of the victims within several days;

Whereas Reye's syndrome is one of the top ten killers among all diseases of children aged one to ten;

Whereas Reye's syndrome was a misdiagnosed illness of children until recognized as a specific illness in 1963;

Whereas the current reporting of cases of Reye's syndrome may not provide an accurate appraisal of the incidence of the disease because not all States are required to report such cases to the Centers for Disease Control;

Whereas national Reye's syndrome volunteer organizations are established throughout the United States and are supported by thousands of parents;

Whereas such volunteer organizations exist to encourage involvement of the Federal Government in supporting Reye's syndrome research, to encourage coordination of the treatment and research efforts by the various Reye's syndrome treatment and research centers, to establish Reye's syndrome as a reportable disease in every State, to establish a position for the review of data on Reye's syndrome patients at the Centers for Disease Control, to sponsor programs to educate parents and medical professionals with respect to diagnosis and treatment of the illness, and to raise funds for research into the cause, prevention and treatment of Reye's syndrome;

Whereas the public and the Federal Government are not sufficiently aware of the incidence of Reye's syndrome; and

Whereas the Governors of several States have declared Reye's syndrome weeks: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 11, 1985, through November 17, 1985, is designated "National Reye's Syndrome Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

NATIONAL FAMILY WEEK

The joint resolution (S.J. Res. 31) to designate the week of November 24 through November 30, 1985, as "National Family Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 31

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week of November 24, 1985, through November 30, 1985, as "National Family Week", and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such week with appropriate ceremonies and activities.

YEAR OF THE TEACHER

The Senate proceeded to consider the joint resolution (S.J. Res. 48) to designate the year of 1986 as the "Year of the Teacher."

Mr. BOREN. Mr. President, education is the key to our solving the problem of the trade imbalance, developing competitive business technology, insuring the strength of our defense, and diversifying our economy into the 21st century.

Whether we like it or not, we are now a part of a world economy; 25 years ago, only 3 percent of our national income was dependent upon world trade. By the end of the century, the portion will probably approach one-third.

If we are to compete with the rest of the world, we must invest more in human resources.

Today's investment for developing engineers, computer specialists, business leaders, and teachers will be the key to our keeping the highest standard of living in the world. A nation which allows its education system to become second class will soon become a second-class nation.

While there certainly is some good news in education, many of the current national problems bring into focus the need to plan and invest in the future. I am frightened by some of the trends:

Only 2 percent of the top quarter of college students plan to enter the teaching profession; well over half are ranked in the bottom quarter of their classes according to test scores.

The administration's budget calls for education to take five times its proportionate share of budget cuts in the fiscal year 1986 budget.

We cannot assume that the future will take care of itself. We must take action now to assure that the incentives are put in place to attract into the teaching profession a portion of our best and brightest young people and to keep the best teachers we now have in the classroom.

Nothing is more essential to the quality of education than the quality of the teacher. Few persons outside of our own immediate families exert such an influence on our lives. Few make such a mark on our total culture and society as do teachers.

Mr. President, I ask my colleagues to join in not only recognizing the important contribution of our teachers, but also striving this and next year to ensure that their work and contribution is a national priority.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 48

Whereas teaching and learning are vital activities that must be understood and prized:

Whereas teachers are and will continue to be a major source of the insight and direction of the development of our Nation;

Whereas the teaching profession, consisting of the more than three million teachers at all levels of education, is performing in an exemplary manner;

Whereas the Nation must respect and reward the teaching profession in order to attract intellectually capable people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year beginning January 1, 1986, is designated as the "Year of the Teacher", and the President is

authorized and requested to issue a proclamation calling upon the people of the United States to observe the year 1986 with appropriate ceremonies and activities including work shops, conferences, public debates, exhibits, and local public service announcements.

NATIONAL DRUG ABUSE EDUCATION AND PREVENTION WEEK

The joint resolution (S.J. Res. 58) to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 58

Whereas the illegal drug trade consists of over $80,000,000,000 in retail business per year;

Whereas removing the demand for drugs would reduce the illegal drug trade;

Whereas drug abuse destroys the future of many of the young people and adults in the Nation;

Whereas the eradication of drug abuse requires a united mobilization of natural resources, including law enforcement and educational efforts; and

Whereas the most effective deterrent to drug abuse is education of parents and children in the home, classroom, and community: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 21, 1985, through April 27, 1985, is designated as "National Drug Abuse Education and Prevention Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to participate in drug abuse education and prevention programs in their communities and encouraging parents and children to investigate and discuss drug abuse problems and possible solutions.

SENIOR CENTER WEEK

The joint resolution (S.J. Res. 60) to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 60

Whereas local communities support over eight thousand senior centers and there is hardly a city or town without one;

Whereas senior centers affirm the dignity, self-worth, and independence of older persons by facilitating their decisions and action, tapping their experiences, skills, and knowledge, and enabling their continued contribution to the community;

Whereas senior centers, encouraged and supported by the Older Americans Act, function as service delivery focal points helping older persons to help themselves and each other, and offering service or access to community services as needed;

Whereas the national theme for Senior Center Week is "Senior Centers are Wellness Centers", and senior centers nationwide are viewed as centers to promote the well-being of older persons—emotionally and physically; and

Whereas the month of May has historically been proclaimed Older Americans Month, and communities across the country are giving special recognition to older persons and the role of senior centers in serving them; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second week in May, May 12 through May 18, 1985, is designated as "Senior Center Week" and the President is authorized and requested to include this designation of Senior Center Week as part of the proclamation for Older Americans Month, calling upon the people of the United States to honor older Americans and these local organizations that bring together activities and services for their benefit.

NATIONAL OSTEOPOROSIS AWARENESS WEEK

The joint resolution (S.J. Res. 61) to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 61

Whereas fifteen to twenty million persons in the United States are afflicted with osteoporosis, a degenerative bone condition;

Whereas approximately 25 percent of postmenopausal women in the United States develop osteoporosis;

Whereas among those who live to be age ninety, 32 percent of women and 17 percent of men will suffer a hip fracture due mostly to osteoporosis;

Whereas more than fifty thousand older women and many older men die each year in the United States as a result of such complications;

Whereas hip fracture complications related to osteoporosis often result in loss of independence for older persons;

Whereas approximately three billion eight hundred million dollars is expended annually in the United States for health care costs relating to osteoporosis;

Whereas osteoporosis is associated with the loss of bone tissue by estrogen lack and low calcium intake;

Whereas the majority of men and women are unaware of the condition of osteoporosis; and

Whereas the best treatment for osteoporosis is prevention through education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 1, 1985, through May 7, 1985, is designated as "National Osteoporosis Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

NATIONAL ALZHEIMER'S DISEASE MONTH

The joint resolution (S.J. Res. 65) designating the month of November 1985 as "National Alzheimer's Disease Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 65

Whereas more than two million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is the fourth leading cause of death among older Americans;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $20,000,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1985 is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

NATIONAL AGRICULTURE DAY

The joint resolution (S.J. Res. 70) to proclaim March 20, 1985, as "National Agriculture Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 70

Whereas agriculture is the Nation's most basic industry, and its associated production, processing, and marketing segments together provide more jobs than any other single industry; and

Whereas the productivity of American agriculture is a vital ingredient in our strength as a Nation, both domestically and on the world scene; and

Whereas to maintain a healthy agriculture it is necessary that all Americans should understand how agriculture affects their lives and well-being, and should be aware of their personal stake in an abundant food and fiber supply: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 20, 1985, is hereby proclaimed "National Agriculture Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with appropriate ceremonies and activities.

COMMENDING LT. GEN. LINCOLN D. FAURER FOR DISTINGUISHED SERVICE TO THE UNITED STATES

The concurrent resolution (H. Con. Res. 92) to commend Lt. Gen. Lincoln D. Faurer for exceptionally distinguished service to the United States of America, was considered, and agreed to.

The preamble was agreed to.

NATIONAL ORGAN DONATION AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 35) to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

Mr. GORTON. Mr. President, it is with great pleasure that I support Senate Joint Resolution 35, and I urge my Senate colleagues to give their final approval to this measure, which authorizes and requests the President to proclaim April 21-27, 1985, as "National Organ Donation Awareness Week." I thank the many Senators who cosponsored Senate Joint Resolution 35, and I appreciate the Senate Judiciary Committee's swift action in forwarding the resolution to the Senate. I trust the House of Representatives will act as expeditiously on this or the companion measure, House Joint Resolution 123, which Congressman SID MORRISON is shepherding toward passage.

I'm sure many of you saw last night's television documentary on "The Gift of Life," which took a look at the tremendous good that organ and tissue transplants can do. It also pointed up the tragic shortage of available donors, and it is the whole thrust of our efforts on "National Organ Donation Awareness Week" to heighten public awareness of the importance of and critical need for organ and tissue donation. I certainly recognize and accept that many people have philosophical problems, or are just plain queasy, about the idea of having their organs and tissues transplanted to another human being after they die. I respect that decision; but I also know, and this has been borne out by a number of surveys, that many more people would sign organ donor cards if they only knew of them, or if someone or some organization reminded them.

My hope is that passage of this resolution, and having President Reagan issue a proclamation for "National Organ Donation Awareness Week," will aid the National, State, and local organizations that are working hard to publicize the designated week, and that are working year-around to get the word out about why organs and tissues are needed for transplant and how easy it is to sign an organ donor card, which is provided for on most drivers licenses, and which is recognized as a legal document in all 50 States.

Here in Congress, I would like to alert my colleagues that Senator DURENBERGER, Senator GORE, Congressman SID MORRISON and I will be sending around shortly an invitation to an organ donation card signing ceremony, which will be on Wednesday, April 24, in room S-126 of the Capitol. My colleagues and their staff will be able, and indeed, encouraged, to stop by and sign an organ donation card.

The numbers of people waiting for a transplanted organ or tissue dramatizes how far we have yet to go in meeting the demand for these gifts of life. According to the National Kidney Foundation and the American Council on Transplantation, more than 100,000 Americans benefit each year from an organ or tissue transplant; however, another 100,000 in need do not get one because of lack of available transplants. More than 6,000 Americans received kidney transplants in 1984 but another 6,000 are still in need; 20,000 cornea transplants are performed each year but thousands more are needed; while skin for skin grafts, bone marrow, hearts, and lungs are all needed in increasing numbers.

These statistics are borne out in my own State of Washington, where the Organ Donation Association pioneered the efforts to coordinate and publicize organ transplants and donation. The Organ Donation Association came together in 1976 as a partnership of the Lions Eye Bank, Northwest Kidney Foundation, the Washington State Medical Association Auxiliary, and others. The organization planned a statewide "Organ Donation Awareness Week" in 1981, and the idea has spread to most of the States of the Union. It has been my great pleasure to be involved with these efforts on the Federal level since 1982.

Organ transplants can do a world of good. By granting its approval to Senate Joint Resolution 35, the Senate can do its part to spread the word about that potential, and how Americans who have foresight can give the gift of life to those in need. I thank my colleagues, and urge adoption of the measure.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed; as follows:

S.J. RES. 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week".

WORLD HEALTH WEEK AND WORLD HEALTH DAY

The joint resolution (S.J. Res. 50) to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as World Health Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 50

Whereas the health of a nation depends upon the health of its people;

Whereas improvement of the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation—a principle enunciated in the Constitution of the World Health Organization and accepted by the United States;

Whereas the United States is an active member of the World Health Organization and has both benefited from and contributed to the achievements of the Organization;

Whereas the countries of the world, acting through the World Health Organization, are committed to the goal of "Health for All by the Year 2000";

Whereas primary heath care is recognized as a key to the attainment of "Health for All by the Year 2000";

Whereas health education and health awareness, prevention, and treatment of common diseases and illnesses, basic sanitation, and adequate nutrition are essential elements of primary health care;

Whereas the World Health Organization has established April 7 of each year as World Health Day to call attention to what individuals and governments can do to further the health of human beings everywhere, and the American Association of World Health has sponsored and assisted in this endeavor; and

Whereas it has been the custom for the President to call attention to World Health Day each year in the form of a public message: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 1, 1985, through April 7, 1985, is designated as "World Health Week" and April 7, 1985, is designated as "World Health Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

YOUTH SUICIDE PREVENTION MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 53) to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

Mr. DENTON. Mr. President, on February 20, 1985, I introduced Senate Joint Resolution 53, a joint resolution to designate June 1985 as "Youth Suicide Prevention Month." On March 26, the joint resolution was unanimously reported to the full Senate by the Judiciary Committee.

Mr. President, American children, adolescents, and young adults are killing themselves in ever-increasing numbers. The rate of suicide has increased more than threefold in the last 20 years and is still continuing to rise. This year, more than 5,000 young Americans can be expected to take their own lives.

Suicide now trails only accidents and homicides as the leading cause of death for those between the ages of 15 and 24. Even younger children experience problems which lead them to commit suicide. According to a report prepared by the National Center for Health Statistics, during a 13-year period ending in 1978, there were almost 2,000 documented cases of suicide among children under the age of 14.

The statistics represent only the "tip of the iceberg." Some experts estimate that the actual number of suicides among young people is at least four times greater than is reported. Recent studies indicate that more than 2 million high school students attempted suicide last year.

Mr. President, youth suicide is a phenomenon which is so perplexing, contradictory, frightening, and troubling that our society avoids addressing it. As individuals and as a Nation, we refuse to believe that young people emerging from childhood can feel the degree of sadness, hopelessness, and despair that leads to suicide.

Inaction and walls of silence serve only as barriers to solving the problem. As a caring Nation concerned about the future of our youth, we must help. The children who we have already lost to suicide included some of the best and brightest of their generations and the hope for our future. Youth suicide is a problem of nationwide scope. It can only be solved through the combined efforts of individuals, families, communities, organizations, and Government to educate our society about what can be done.

Mr. President, I hope by calling attention to the problem by designating the month of June 1985 as "Youth Suicide Prevention Month," we can help end the tragedy.

I urge my colleagues to support the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 53

Whereas the youth of society represent the hope for the future;

Whereas the rate of youth suicide has increased more than threefold in the last two decades;

Whereas over five thousand young Americans took their lives last year, many more attempted suicide, and countless families were affected;

Whereas youth suicide is a phenomenon which must be addressed by a concerned society; and

Whereas youth suicide is a national problem which can only be solved through the combined efforts of individuals, families, communities, organizations, and government to educate society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of June 1985 is designated as "Youth Suicide Prevention Month" and the President is authorized and requested to issue a proclamation calling upon the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such month with appropriate programs and activities.

TWENTY-FIFTH ANNIVERSARY OF U.S. WEATHER SATELLITES

The joint resolution (S.J. Res. 62) commemorating the 25th anniversary of U.S. weather satellites, was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 62

Whereas United States' weather satellites have tracked the Earth's weather since April 1, 1960, and have brought unique benefits to the American people and to the world;

Whereas weather satellites have proven exceptionally valuable in detecting, monitoring, and giving early warning of hurricanes, severe storms, flash floods, and other life-threating natural hazards, on a local, national, and international basis;

Whereas the international weather satellite search-and-rescue program has saved over three hundred lives since 1982;

Whereas the achievements of the scientific and aerospace communities in developing weather satellites have contributed significantly to the United States leadership in satellite technology, international cooperation in space, and an integrated global weather forecasting system;

Whereas television and radio weather forecasters have made major contributions to public health, safety, and welfare through the use and general dissemination of weather satellite information;

Whereas weather satellites have evolved into environmental satellites that also monitor snow and ice cover, frost damage, vegetation, forest fires, volcanic eruptions, sea surface temperatures, and ocean currents;

Whereas environmental satellite data are used for research and for commercial purposes in meteorology, hydrology, agriculture, oceanography, forestry, and fisheries;

Whereas the United States international prestige is enhanced by the direct dissemination of environmental satellite data to more than one hunderd and twenty countries;

Whereas the National Aeronautics and Space Administration has been the world leader in the development of experimental and prototypical weather and environmenal satellites; and

Whereas the National Oceanic and Atmospheric Administration of the Department of Commerce has demonstrated outstanding leadership in the management of operational weather and envoronmental satellite systems and programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of March 31 to April 6, 1985, is hereby designated as "National Weather Satellite Week" in recognition of the twenty-fifth anniversary of weather satellites and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies.

WORLD FOOD DAY

The joint resolution (S.J. Res. 72) to designate October 16, 1985, as "World Food Day," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 72

Whereas hunger and chronic malnutrition remain daily facts of life for hundreds of millions of people throughout the world and famine is again afflicting so many of the countries of Africa;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment, including blindness, because of vitamin and protein deficiencies;

Whereas Congress is particularly concerned by the rise of hunger, recurring natural catastrophes, and inadequate food production and distribution now affecting a large number of African countries and the need for an appropriate United States response to emergency and long-term food needs of that continent;

Whereas there is growing recognition that improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and national economic growth;

Whereas there is a need to increase the involvement of the private voluntary and business sectors, working with governments and the international community, in the search for solutions to food and hunger problems;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas national policies concerning food, farmland, and nutrition require continuing evaluation and should consider and strive for the well-being and protection of all residents of the United States and particularly those most at health risk;

Whereas there is widespread concern that the use and conservation of land and water resources required for food production throughout the United States ensure care for the national patrimony we bequeath to future generations;

Whereas the United States has always supported the principle that the health of a nation depends on a strong agriculture based on private enterprise and the primacy of the independent family farm;

Whereas the United States, as the world's largest producer and trader of food, has a key role to play in efforts to assist countries and people to improve their ability to feed themselves;

Whereas the United States has a long tradition of demonstrating its humanitarian concern for helping the hungry and malnourished;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and therefore to the security of the United States;

Whereas Congress is acutely aware of the paradox of immense farm surplus and rising farm foreclosures in the United States despite the desperate need for food by hundreds of millions of people around the world;

Whereas a key recommendation contained in the 1980 report of the Presidential Commission on World Hunger is that efforts be undertaken to increase public awareness of the world hunger problem;

Whereas the member nations of the Food and Agriculture Organization of the United Nations designated October 16 of each year as World Food Day because of the need to alert the public to the increasingly dangerous world food situation;

Whereas the Food and Agriculture Organization was conceived at a conference in Hot Springs, Virginia, with a goal of freedom from hunger and 1985 marks the fortieth anniversary of the organization's existence;

Whereas past observances of World Food Day have been supported by proclamations of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, by resolutions of Congress, by Presidential proclamations, by programs of the United States Department of Agriculture and other Government departments and agencies, and by the governments and peoples of many other nations; and

Whereas more than three hundred and thirty private and voluntary organizations and many thousands of community leaders are participating in the planning of World Food Day observances for 1985: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1985, is hereby designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate activities to explore ways in which our Nation can further contribute to the elimination of hunger in the world.

FAIR HOUSING MONTH

The joint resolution (S.J. Res. 79) to designate April 1985, as "Fair Housing Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 79

Whereas the year 1985 marks the seventeenth anniversary of the passage of title VIII of the Civil Rights Act of 1968 as amended (commonly referred to as the "Federal Fair Housing Act"), declaring a national policy to provide for fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and her people; and

Whereas in this seventeenth year since the passage of the Federal Fair Housing Act, we must work to strengthen enforcement of fair housing laws for all Americans so as to make the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1985, is designated "Fair Housing Month". The President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe that month with appropriate ceremonies and activities.

NATIONAL PHYSICAL FITNESS AND SPORTS MONTH

The joint resolution (S.J. Res. 80) to authorize and request the President to designate the month of May 1985, as "National Physical Fitness and Sports Month," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 80

Whereas one of every two adults in our country is a regular participant in exercise and sports;

Whereas the number of physically active men and women has doubled in ten years and continues to grow rapidly;

Whereas today we recognize that physical activity is an important part of daily life for people of both sexes and of all ages;

Whereas physical activity is vital to good health and is a rich source of pleasure and personal satisfaction;

Whereas our physical fitness and sports programs are one of the primary means by which we strengthen our bodies and refresh our spirits; and

Whereas is it essential that we make fitness and sports programs increasingly available so that all of our citizens will be able to experience the joys and benefits they offer: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of May 1985, as "National Physical Fitness and Sports Month", and to call upon Federal, State, and local government agencies, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

NATIONAL CHILD ABUSE PREVENTION MONTH

The Senate proceeded to consider the joint resolution (H.J. Res. 121) to designate the month of April 1985, as "National Child Abuse Prevention Month."

Mr. DECONCINI. Mr. President, this coming Monday, the first day of April, marks the first day of "National Child Abuse Prevention Month." I wish to convey my strong support for House Joint Resolution 121, the measure presently before the Senate. I am the sponsor of the Senate companion measure Senate Joint Resolution 56, which calls upon the President to designate the month of April 1985, as "National Child Abuse Prevention Month."

It is extremely important for the Congress to bring to the public's attention the growing problem of child abuse in this country. The public must become more aware of this problem and its dreadful impact on our families and children nationwide. By proclaiming April the special month to focus attention on this increasing social ill, we can join with numerous organizations and agencies to continue the fight to prevent the abuse of more than 2 million children each year.

As we read report after report from across the country and hear story after story telling us of, yet another victim or victims of child abuse and neglect, we must intensify our public education and awareness efforts to combat this devastating occurrence. Most of the surveys and reports conducted by national agencies indicate an alarming rise in cases of child abuse and neglect. Just recently, according to the National Committee for Prevention of Child Abuse, 42 States have reported an increase in the number of child abuse and neglect cases during 1984. This figure in no way reflects the even greater proportion of incidents involving child abuse which go unreported. One State reported an unbelievable 190-percent increase during that same time period. These are the kind of statistics that point to the need for this Nation to make a commitment to establish more comprehensive prevention and treatment programs for child abuse and neglect. I believe the designation of the month of April 1985 as "National Child Abuse Prevention Month," will provide a necessary step in that direction.

Mr. President, I urge the Senate to give its unanimous approval to House Joint Resolution 121.

The joint resolution was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

NATIONAL EMPLOY-THE-OLDER WORKER WEEK

The joint resolution (H.J. Res. 134) authorizing and requesting the President to designate the week of March 10 through March 16, 1985, as "National Employ-The-Older-Worker

Week," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

NATIONAL ENERGY EDUCATION DAY

The joint resolution (H.J. Res. 160) designating March 22, 1985, as "National Energy Education Day," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

COMMENDING MEDICARE ON ITS TWENTIETH ANNIVERSARY

The concurrent resolution (S. Con. Res. 9) expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care, was considered, and agreed to.

The preamble was agreed to.

The concurrent resolution and the preamble are as follows:

S. CON. RES. 9

Whereas Congress authorized Medicare in 1965 under title XVIII of the Social Security Act to consist of hospital insurance and supplemental medical insurance;

Whereas Medicare has contributed immeasurably to the security, improved health and extended longevity of older Americans;

Whereas Medicare provides health insurance coverage to thirty-one million aged and disabled persons, and is the largest personal health care financing program in the United States;

Whereas over half of all physicians serve Medicare patients, and over twenty thousand organizations—hospitals, nursing homes, home health agencies, labs, and clinics participate in Medicare;

Whereas Medicare is one of the most vitally important and successful programs in the history of the United States, without which many older Americans could not afford basic health care; and

Whereas one of the greatest social issues facing our Nation today is maintaining the integrity of Medicare to ensure the health and well-being of all older Americans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Medicare be commended on its twentieth anniversary for the program's success in helping to protect older Americans against the high cost of health care.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the measures were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

JOINT REFERRAL OF H.R. 1025

Mr. SIMPSON. Mr. President, I inquire of the minority leader as to the unanimous-consent agreement that H.R. 1025, a bill to authorize appropriations to carry out the Anadromous Fish Conservation Act be jointly referred to the Committees on Commerce, Science, and Transportation and Environment and Public Works?

Mr. BYRD. Mr. President, there is no objection.

Mr. SIMPSON. Mr. President, I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

BIOMASS ENERGY AND ALCOHOL FUELS ACT OF 1980

Mr. SIMPSON. Mr. President, on behalf of Senator EXON, I ask for the immediate consideration of S. 781.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 781) to amend the Biomasss Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the Act.

There being no objection, the Senate proceeded to consider the bill, which was introduced by Mr. EXON, for himself, Mr. COHEN, Mr. ZORINSKY, Mr. MITCHELL, and Mr. ABDNOR.

Mr. EXON. Mr. President, this legislation simply makes a technical correction to the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of the Congress with regard to the Department of Energy's program. This measure involves no new authority or new spending, but rather provides the opportunity for several pending ethanol loan guarantee applications to complete their negotiations with the agency.

The most able majority leader, and the chairman of the Senate Energy Committee and his staff, as well as the minority staff, have all been most helpful and accommodating on this important matter. Without this assistance, prompt consideration of this measure would not have been possible. I also wish to thank my good friend from Ohio, Senator METZENBAUM, who has been most helpful and cooperative on this matter.

The Senate's expeditious action is required to ensure that these pending projects are allowed to move forward on a timely basis. This bill does not approve these conditional commitments but merely provides time to complete action on each project. The DOE is interpreting section 221 of the Energy Security Act in a manner which would have these projects dropped in the midst of negotiations.

Mr. President, this measure is required to clarify the intent of the Congress for the benefit of the DOE's Office of the General Counsel. That office has interpreted section 221 of the 1980 act as terminating the entire alcohol fuels loan guarantee program. Members of Congress and committee staff involved in the 1980 act differ with the General Counsel as to this interpretation.

Certainly the Congress did not intend that meritorious projects should be dropped in the midst of the negotiation process. Rather than terminate the program, section 221 is intended to cap the loan guarantee program, limiting the DOE to considering those projects with conditional commitments as of September 30, 1984.

Conference committee report language, Mr. President, is clearly instructive on this matter. The report states that section 221 prohibits the commitment or negotiation of "new" insured loan agreements, guarantees, or other forms of authorized assistance after September 30, 1984. Projects holding conditional commitments prior to that date are not new projects.

This bill before the Senate today is merely an extension of time consistent with the intent of section 221. Similar legislation was approved without objection in the House on February 27, 1985.

The 4 projects are all that remain of the 11 projects originally awarded conditional commitments under the program. Of these 11, 1 project has been constructed with a DOE loan guarantee. The remaining four projects, located in Nebraska, Maine, Minnesota, and Louisiana, would utilize the equivalent of 40 million bushels of grain per year.

These facilities will help expand the domestic fuel ethanol industry's ability to provide critically needed domestic outlets for U.S. farm commodities. In addition, fuel ethanol is a proven octane enhancer and a leading replacement for lead additives which the EPA is rapidly phasing out of gasoline.

Time is of the essence. Due to construction time, absent swift approval of this clarification bill, these projects will be unable to complete construction by the end of 1985. These projects have spent millions of dollars each in a good faith response to the DOE solicitation and deserve the opportunity to finalize those efforts.

Delays at the DOE and uncertainties created by the Treasury Department's announced tax reform plan have robbed these projects of the few critical weeks needed to complete negotiations with the DOE. The Congress did not intend to bring these projects to the brink of completion only to abandon them in the midst of ongoing negotiations.

Mr. President, this measure does not sanction or provide approval of the loan guarantees for these projects. It merely gives each project the opportunity to meet DOE's financial scrutiny and hopefully close on the loan guarantee. These projects offer a valuable

contribution to our Nation's energy supply and our efforts at reducing the lead content in gasoline.

The Senate's indulgence and consideration of this unique circumstance is greatly appreciated.

Mr. DOLE. Mr. President, I rise today in support of this legislation, which is a technical amendment to the Biomass Energy and Alcohol Fuels Act of 1980. Mr. President, this legislation clarifies the authority of the Department of Energy to continue negotiations with four fuel ethanol projects awarded conditional loan guarantees in 1981.

The Department of Energy has recently taken the position, subject to considerable dispute, that their authority to continue negotiations expired on September 30, 1984. This bill simply extends until September 30, 1985, the time available for the four projects with conditional commitments to complete their negotiations with the Department of Energy for loan guarantees. Identical language was passed by the House of Representatives without objections on February 27, 1985.

NO NEW COMMITMENTS

Let me make clear that this legislation involves no new commitments, it simply would allow the four remaining fuel ethanol projects under the Office of Alcohol Fuels to finalize their conditional commitments. The legislation is absolutely necessary to allow the continued progress toward finalization of the conditional commitments. This is due to an unintended ambiguity in the statutory language that failed to distinguish between existing conditional commitments and new commitments entered after the statutory expiration date of September 30, 1984.

In my view the legislative history of Public Law 96-294 provides clear evidence of the distinction between an extension of an existing conditional commitment, as opposed to entering into negotiations for a new commitment. However, the DOE general counsel has taken the opposite view. Unfortunately, a legal challenge to the Department's position did not reach this question. Nevertheless, the judge in that case felt compelled to note for the record the "substantial possibility" that the Secretary had reached an erroneous conclusion.

EQUITABLE TREATMENT

Currently there are four projects with conditional commitments that existed prior to the end of fiscal year 1984. In response to Government solicitations and requirements, these four projects have in good faith committed nearly 4 years of effort and millions of their own dollars to finalization of their conditional commitments. I believe it is only equitable that they now be provided the opportunity to see those efforts through, and that in the process we establish a definite termination date for the program of September 30, 1985.

In addition, Mr. President, countless hours and thousands of dollars have been spent since the first of the year seeking to find a way to continue these projects. The Department of Energy participated and encouraged the continued effort, but maintained the view that the Department simply lacked legal authority to complete the negotiations. Thus the need for this legislation. I would expect, based on their representations over the past 3 months, that the Department will carry out the will of Congress and complete negotiations on these projects after their authority to do so is clarified by an extension.

EXPANDING AGRICULTURAL MARKETS

Although the positive attributes of fuel ethanol are not at issue here, in light of our recent concern with the state of the farm economy, I believe it is appropriate to note the benefits to American agriculture of a vigorous domestic fuel ethanol industry. Already fuel ethanol has clearly established that it is the most significant liquid fuel alternative in the U.S. United States ethanol production utilized 200 million bushels of corn in 1984. The annual ethanol production of the four projects before us represents the equivalent of another 40 million bushels of corn annually.

Mr. President, this legislation, by correcting a technical ambiguity, will create substantial new outlets for U.S. farm products, reduce U.S. oil imports, create environmentally safe alternatives to lead as an octane enhancer, and, most importantly, extend equitable treatment to project sponsors who have made a substantial investment in response to government solicitations. I encourage its immediate adoption.

Mr. ZORINSKY. Mr. President, I urge my colleagues to support this legislation. It is designed to ensure that the Department of Energy will have until the end of the current fiscal year to issue loan guarantees under a program authorized by the Biomass Energy and Alcohol Fuels Act of 1980.

The extension is needed because the program under which loan guarantees for ethanol production facilities are issued has expired. Several companies have already invested millions of dollars in developing projects based on their understanding that the Department of Energy would issue loan guarantees needed to complete the construction of the projects.

The Department has already approved the applications for the loan guarantees but, because of the complex nature and large size of these projects, the companies in question need additional time to complete their financing arrangements. These arrangements must be completed to satisfy the requirements of the Department of Energy before the loan guarantees can be issued.

One of the projects that will be affected by this legislation is in my State of Nebraska. In the town of Blair, the Circle Energies Corp. is developing a 15-million-gallon ethanol production plant that will eventually create numerous new jobs.

Ethanol production facilities help develop domestic energy resources while providing alternative uses for our grain production. The four projects that will be built if this legislation is approved will produce an estimated 92 million gallons of ethanol fuel and use 40 million bushels of corn annually.

Further, this legislation does not involve any subsidy at the expense of the taxpayer. The financing will be provided by commercial lenders who have judged these projects to be feasible and profitable investments.

I urge my colleagues to support this legislation.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 781

Be it enacted by the Senate and House of Repesentatives of the United States of America in Congress assembled, (a) That the first sentence of section 221 of the Biomass Energy and Alcohol Fuels Act of 1980 is amended by inserting before the period at the end thereof the following: ", except that all conditional commitments for loan guarantees under this subtitle which were in existence on September 30, 1984, are hereby extended through September 30, 1985".

(b) Enactment of this bill shall not be interpreted as indicating Congressional approval with respect to any pending conditional commitments under this act.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, move to lay that motion on the table.

The motion to lay on the table was agreed to.

USE OF CAPITOL ROTUNDA ON APRIL 18, 1985

Mr. BYRD. Mr. President, on behalf of Mr. PELL, for himself Mr. DOLE, Mr. BOSCHWITZ, Mr. DANFORTH, and Mr. LAUTENBERG, I send to the desk a concurrent resolution which has been cleared on the other side, and I ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 33) authorizing the Rotunda of the United States Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. PELL. Mr. President, during the week of April 14 to April 21, thousands of survivors of one of the most tragic events of our time, the Holocaust, will gather in Washington to honor the memory of the martyred Jews and non-Jews who were killed by the Nazis and to remember the suffering, the pain, and the lessons of the Holocaust. The concurrent resolution that I am introducing today authorizes the use of the Capitol Rotunda on Thursday, April 18, 1985, for a ceremony to commemorate the days of remembrance of victims of the Holocaust.

Recently, I was reminded of the horror of the Holocaust by the eloquent words of Elie Wiesel, the noted author who survived Auschwitz and is now chairman of the United States Holocaust Memorial Council. In testimony urging ratification of the Genocide Convention, Mr. Wiesel spoke as follows:

> It happened some forty odd years ago [when] hundreds and hundreds of communities were wiped out in a tempest of blood and steel and reduced to ashes * * * I have seen the flames. I have seen the flames rises to nocturnal heavens; I have seen parents and children, teachers and their disciples, dreamers and their dreams, and woe unto me, I have seen children thrown alive in the flames. I have seen all of them vanish in the night, as part of a plan, of a program conceived and executed by criminal minds * * *

The United States is a nation founded on the principles of liberty and equality for all human beings. Yet, during the Holocaust, we allowed our commitment to these cherished values to falter and stood by while millions of Jews were killed at the hands of Nazi aggressors. During World War II, even when the horror and extent of the German atrocities become evident, our Government still remained insensitive to the tragic fate of the victims of Nazi oppression.

One of the most important lessons of this sad episode in our history is that the United States must never again commit the sin of silence but must instead be at the forefront of international efforts to bring perpetrators of genocide to justice. It is my hope that the Senate will at long last ratify the Genocide Convention after 36 years of consideration so that the United States may join the 96 other nations that have pledged themselves to halting once and for all the barbarity of genocide.

The Holocaust is one of the darkest periods in the history of mankind. It is our duty and responsibility to keep the memories and lessons of this period alive in our minds in order that history may never again repeat itself.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader for his courtesy in clearing this resolution for immediate action.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 33

Whereas, pursuant to the Act entitled "An Act to establish the United States Holocaust Memorial Council" and approved October 7, 1980 (94 Stat. 1547), the United States Holocaust Memorial Council is directed to provide for appropriate ways for the Nation to commemorate the days of remembrance of victims of the Holocaust, as an annual, national, civic commemoration of the Holocaust, and to encourage and sponsor appropriate observances of such days of remembrance throughout the United States;

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated April 14, through April 21, 1985, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas, the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on April 18, 1985, consisting of speeches, readings and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on April 18, 1985, from 10 o'clock ante meridian until 3 o'clock post meridian for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 27, 1985, received messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received on March 27, 1985 are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

CONTINUATION OF EXPORT REGULATIONS—MESSAGE FROM THE PRESIDENT—PM 33

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

On March 30, 1984, in light of the expiration of the Export Administration Act of 1979, I issued Executive Order No. 12470 declaring a national emergency and continuing export regulations under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*). Under Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on the anniversary date of its declaration unless I publish in the Federal Register and transmit to the Congress notice of its continuation.

I am hereby advising the Congress that I have extended the emergency concerning the continuation in effect of export regulations. Attached is a copy of the notice of extension.

RONALD REAGAN.

THE WHITE HOUSE, *March 28, 1985.*

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 27, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the House disagrees to the amendments of the Senate to the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. NATCHER, Mr. OBEY, Mr. TRAXLER, Mr. MCHUGH, Mr. CONTE, Mr. KEMP, and Mrs. SMITH of Nebraska as

managers of the conference on the part of the House.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

MESSAGES FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill in which it requests the concurrence of the Senate:

H.R. 752. An act to ensure an orderly transition to the new active-duty and Guard and Reserve GI bill educational assistance programs provided in the Veterans' Education Assistance Act of 1984.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. THURMOND].

At 3:40 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution:

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

MEASURE DEEMED TO HAVE BEEN PASSED

The following joint resolution was deemed to have been passed pursuant to the provisions of Public Law 98-473:

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as follows:

H.R. 752. An act to ensure an orderly transition to the new active-duty and Guard and Reserve GI Bill educational assistance programs provided in the Veterans' Education Assistance Act of 1984; to the Committee on Veterans' Affairs.

The following bill was referred jointly, by unanimous consent, as indicated:

H.R. 1025. An act to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal years 1986, 1987, and 1988; to the Committee on Commerce, Science, and Transportation and the Committee on Environment and Public Works.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary reported that on today, March 28, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 71. Joint resolution to approve the obligation of funds made available by Public Law 98-473 for the procurement of MX missiles, subject to the enactment of a second joint resolution.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-714. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report of the nondisclosure of Safeguards Information by the NRC for the quarter ended December 31, 1985; to the Committee on Environment and Public Works.

EC-715. A communication from the Secretary of Transportation, transmitting, pursuant to law, the eighth progress report on railroad-highway demonstration projects; to the Committee on Environment and Public Works.

EC-716. A communication from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the increased participation by the United States in the International Bank for Reconstruction and Development the International Finance Corporation, and the African Development Bank; to the Committee on Foreign Relations.

EC-717. A communication from the Director of the Arms Control and Disarmament Agency, transmitting drafts of proposed legislation to amend the Arms Control and Disarmament Act to increase the authorization for appropriations for fiscal year 1985, and to extend the authorization for appropriations for the U.S. Arms Control and Disarmament Agency for fiscal years 1986 and 1987, and for other purposes; to the Committee on Foreign Relations.

EC-718. A communication from the Director of the Defense Security Assistance Agency and the Under Secretary of State for Security and Assistance, Science and Technology, transmitting, pursuant to law, notice of the reprogramming of certain military assistance funds; to the Committee on Foreign Relations.

EC-719. A communication from the Under Secretary of Labor, transmitting a draft of proposed legislation to cancel the cost-of-living adjustment otherwise payable under the Federal Employees' Compensation Act in fiscal year 1986; to the Committee on Governmental Affairs.

EC-720. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office during February 1985; to the Committee on Governmental Affairs.

EC-721. A communication from the Deputy Assistant Secretary of the Interior (Indian Affairs), transmitting a draft of proposed legislation to add a representative of Indian tribal governments to the membership of the Advisory Commission on Intergovernmental Relations; to the Committee on Governmental Affairs.

EC-722. A communication from the Director of the Office of Management and Budget and the Secretary of the Treasury, transmitting, pursuant to law, a report stating that their are no recommendations that they need to address in the annual report of the Comptroller General; to the Committee on Governmental Affairs.

EC-723. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "State Rather Than Federal Policies Provided The Framework For Managing Block Grants"; to the Committee on Government Affairs.

EC-724. A communication from the Deputy Secretary of the Treasury, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-725. A communication from the Dirctor of the Selective Service System, transmitting, pursuant to law, the annual report of the system under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary

EC-726. A communication from the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-727. A communication from the chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-728. A communication from the Secretary of Education, transmitting a draft of proposed legislation to improve the operation of the chapter 1 and chapter 2 programs authorized under the Education Consolidation and Improvement Act of 1981, to improve the effectiveness of migrant education programs, to allow for use of the most recent available decennial census information, to provide greater administrative flexibility to State educational agencies, and for other purposes; to the Committee on Labor and Human Resources.

EC-729. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Women's Educational Act program; to the Committee on Labor and Human Resources.

EC-730. A communication from the Secretary of Education, transmitting a draft of proposed legislation to amend the Education for Economic Security Act in order to clarify certain of its provisions and improve the operation of programs authorized by that Act, and for other purposes; to the Committee on Labor and Human Resources.

EC-731. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase the rates of compensation for disabled veterans and the rates of dependency and indemnity compensation for surviving spouses and children of veterans, and for other purposes; to the Committee on Veterans' Affairs.

EC-732. A communication from the Acting Under Secretary of Defense (Research and Engineering), transmitting, pursuant to law, a report on contractor independent research and development and bid and proposal advance agreement negotiations completed during fiscal year 1984; to the Committee on Armed Services.

EC-733. A communication from the Acting Under Secretary of Defense (Research and Engineering), transmitting, pursuant to law, a report on independent research and development costs and bid and proposal costs for fiscal year 1984; to the Committee on Armed Services.

EC-734. A communication from the chairman of the Securities and Exchange Commission, transmitting a draft of proposed legislation to amend the Securities Act of 1933, the Securities Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisors Act of 1940 to make certain technical, clarifying, and conforming amendments, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-735. A communication from the Acting Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a modification report and need to construct modifications to the Jackson Lake Dam, Minidoka Project, Wyoming-Idaho; to the Committee on Energy and Natural Resources.

EC-736. A communication from the chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to provide applicants for, or holders of a production facility license or a utilization facility license with access to certain Federal criminal history records; to the Committee on Environment and Public Works.

EC-737. A communication from the chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Energy Reorganization Act of 1974 to clarify notification requirements for noncompliance, and for other purposes; to the Committee on Environment and Public Works.

EC-738. A communication from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to abolish the Economic Development Administration, to repeal the Public Works and Economic Development Act of 1965, and for other purposes; to the Committee on Environment and Public Works.

EC-739. A communication from the President of the United States, transmitting, pursuant to law, notice of his intent to designate the Bahamas as a beneficiary of the trade liberalizing measures contained on the Caribbean Basin Economic Recovery Act; to the Committee on Finance.

EC-740. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-15, adopted by the Council on March 12, 1985; to the Committee on Governmental Affairs.

EC-741. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 6-14, adopted by the Council on February 26, 1985; to the Committee on Governmental Affairs.

EC-742. A communication from the Director of the Office of Information, Office of Governmental and Public Affairs, Department of Agriculture, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-743. A communication from the chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1984; to the Committee on the Judiciary.

EC-744. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act to provide criminal sanctions for an act of sabotage of a nuclear powerplant during its construction which could affect the public health and safety were it to go undetected; to the Committee on the Judiciary.

EC-745. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act to clarify that the Nuclear Regulatory Commission is authorized to protect from public disclosure certain sensitive generic safeguards information, the disclosure of which could negate or compromise site-specific security measures; to the Committee on the Judiciary.

EC-746. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend title 18 of the United States Code to make it a criminal offense to kill or forcibly assault, resist, oppose, impede, intimidate, or interfere with an NRC employee who is performing his official duties; to the Committee on the Judiciary.

EC-747. A communication from the Principal Deputy Assistant Secretary of the Interior for Policy, Budget, and Administration, transmitting, pursuant to law, the annual report of the Department on awards on sole-source contracts for fiscal year 1984; to the Committee on Small Business.

EC-748. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 178(c) of title 10, United States Code, to modify the method of selection of Directors of the Henry M. Jackson Foundation for the Advancement of Military Medicine; to the Committee on Armed Services.

EC-749. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to provide that the companies of the Corps of Cadets at the U.S. Military Academy may be commanded by commissioned officers of the Army, Navy, Air Force, or Marine Corps; to the Committee on Armed Services.

EC-750. A communication from the Acting General Counsel of the Department of Energy transmitting a draft of proposed legislation to authorize appropriations for DOE for national security programs for fiscal years 1986 and 1987; to the Committee on Armed Services.

EC-751. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1986 and 1987 for certain maritime programs; to the Committee on Commerce, Science, and Transportation.

EC-752. A communication from the Secretary of the Interior transmitting, pursuant to law, the latest supplement to the Report on the Teton Claims Program; to the Committee on Energy and Natural Resources.

EC-753. A communication from the Director of the Office of Legislative Affairs, U.S. International Development Cooperation Agency [AID] transmitting, pursuant to law, a revised table 1 for the Interagency Task Force Report on Biological Diversity; to the Committee on Foreign Relations.

EC-754. A communication from the co-chairmen of the German-American Tricentennial Commission transmitting, pursuant to law, the Commission's Final Report; to the Committee on the Judiciary.

EC-755. A communication from the Administrator of NASA transmitting, pursuant to law, the 1984 report on requests for extraordinary contractual relief involving costs in excess of $50,000; to the Committee on the Judiciary.

EC-756. A communication from the Acting Assistant Secretary of State transmitting a draft of proposed legislation for payment to the Government of Switzerland funds for final settlement of a longstanding dispute involving vested property; to the Committee on the Judiciary.

EC-757. A communication from the Acting Assistant Secretary of State transmitting a draft of proposed legislation authorizing various agencies to take certain actions in furtherance of the settlement of claims between U.S. nationals and the Government of Iran; to the Committee on Foreign Relations.

EC-758. A communication from the President of the United States transmitting, pursuant to law, a report on the relationship of 1986 budget proposals to enunciated policies for soil and water programs; to the Committee on Agriculture, Nutrition, and Forestry.

EC-759. A communication from the Executive Associate Director of the Office of Management and Budget transmitting, pursuant to law, a report on the reapportionment of an appropriation on a basis necessitating a supplemental appropriation; to the Committee on Appropriations.

EC-760. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to extend the time during which all elements of a National Guard unit must complete a training assembly; to the Committee on Armed Services.

EC-761. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to authorize a course of instruction, in time of war or national emergency, of not less than three years, at the U.S. Military, Naval, Air Force, and Coast Guard Academies, and to authorize appointment of graduates as commissioned officers without Senate confirmation; to the Committee on Armed Services.

EC-762. A communication from the Chairman of the Federal Deposit Insurance Corporation transmitting, pursuant to law, the annual report of FDIC's Office of Consumer Programs; to the Committee on Banking Housing, and Urban Affairs.

EC-763. A communication from the Science Advisor to the President transmitting, pursuant to law, notice that the biennial report to science and technology has been delayed several months; to the Committee on Commerce, Science, and Transportation.

EC-764. A communication from the Acting Deputy Associate Director for Royalty Management, Department of the Interior, transmitting, pursuant to law, a report on nine refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-765. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, a report on performance profiles of major

energy producers for 1983; to the Committee on Energy and Natural Resources.

EC-766. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on the state of domestic mining, minerals, and mineral reclamation industries; to the Committee on Energy and Natural Resources.

EC-767. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Need to Strengthen Social Security's Beneficiary Reporting Requirements and Enforcement Authority"; to the Committee on Finance.

EC-768. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Escheated Estates Fund Review"; to the Committee on Governmental Affairs.

EC-769. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Effective Management of Computer Leasing Needed to Reduce Government Costs"; to the Committee on Governmental Affairs.

EC-770. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to eliminate the requirement for a decennial census of drainage; to the Committee on Governmental Affairs.

EC-771. A communication from the senior vice president of the Federal Land Bank and Federal Intermediate Credit Bank of Columbia, SC transmitting, pursuant to law, the annual report of the Farm Credit Retirement Plan, Columbia District; to the Committee on Governmental Affairs.

EC-772. A communication from the chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the Board's government in the sunshine annual report; to the Committee on Governmental Affairs.

EC-773. A communication from the Secretary of the Federal Trade Commission transmitting, pursuant to law, the Commission's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-774. A communication from the Deputy Director of the Executive Office of the President transmitting, pursuant to law, the Office's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-775. A communication from the Director of Legislative Affairs, AID, transmitting, pursuant to law, AID's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-776. A communication from the chairman of the Council on Environmental Quality transmitting, pursuant to law, the Council's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-777. A communication from the Acting Assistant Attorney General transmitting a draft of proposed legislation to provide for interim appointments of U.S. attorneys and U.S. marshals by the Attorney General; to the Committee on the Judiciary.

EC-778. A communication from the chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the Board's 1984 Freedom of Information report; to the Committee on the Judiciary.

EC-779. A communication from the Assistant Attorney General of the United States transmitting, pursuant to law, a report on competition in the Coal Industry; to the Committee on the Judiciary.

EC-780. A communication from the presiding officer of the Advisory Council on Education Statistics transmitting, pursuant to law, the Council's 10th annual report; to the Committee on Labor and Human Resources.

EC-781. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the 1984 annual report on health in the United States; to the Committee on Labor and Human Resources.

EC-782. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report on cases recommended for equitable relief in 1984; to the Committee on Veterans' Affairs.

EC-783. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to provide authority for the Armed Forces to recover and examine certain remains; to the Committee on Armed Services.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-118. Joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Agriculture, Nutrition, and Forestry.

"JOINT MEMORIAL No. 102

"We, your Memorialists, the Senate and the House of Representatives of the State of Idaho assembled in the First Regular Session of the Forty-eighth Idaho Legislature, do hereby respectfully represent that:

"Whereas, a financial crisis appears imminent in the agricultural sector of our economy as the result of high interest rates, declining commodity prices and declining prices of farmland; and

"Whereas, there have been a high number of foreclosures on farms both in Idaho and the Nation; and

"Whereas, many farmers in the State of Idaho and the United States are having difficulty obtaining needed operating loans for planting spring crops and implementing vital soil conservation practices; and

"Whereas, side effects of this financial crisis is showing up with fertilizer dealers going out of business, implement dealers filing for bankruptcy, farm machinery manufacturers going broke and thousands of people being thrown out of work; and

"Whereas, necessary steps must be taken to save the existence of thousands of rural banks, Production Credit Associations, ranches and farms in this State and Nation from heading into bankruptcy.

Now, therefore, be it resolved by members of the First Regular Session of the Forty-eighth Idaho Legislature, the Senate and the House of Representatives concurring therein, That the President of the United States and the Congress of the United States take immediate action to provide needed loan moneys at reasonable interest rates which are necessary to avert the collapse of the nation's farm economy.

Be it further resolved That the Secretary of the Senate be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the United States, the Secretary of Agriculture, the President of the Senate and the Speaker of the House of Representatives of Congress, the Chairman of the Senate Agriculture and House Agriculture Committees in Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States."

POM-119. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE RESOLUTION No. 27

"Whereas, Hawaii's sugar industry is a vital component of the State's economy and has provided gainful employment and income for many of the State's residents; and

"Whereas, Hawaii's sugar producers are among the most productive, innovative, and efficient sugar producers worldwide; and

"Whereas, sugar is a widely produced commodity and almost every producing nation has highly protective market mechanisms to support its domestic sugar industry; and

"Whereas, United States' sugar producers cannot economically compete in a world market wherein better than 80 percent of the sugar is either controlled, pre-purchased or subsidized; and

"Whereas, despite the imposition of sugar import quotas, significant amounts of foreign surplus sugar are dumped in the United States which has contributed to depressed sugar prices; and

"Whereas, the sugar price support provisions of the 1981 Farm Bill have enabled U.S. domestic sugar producers to continue operations and have proven to be acceptable to nearly everyone; and

"Whereas, the sugar program has operated without cost to the government, given stability to domestic sugar prices, and assured consumers an adequate supply of sugar at reasonable prices; and

"Whereas, the price supports provided domestic sugar in the Farm Bill as well as the import quotas set by the U.S. Department of Agriculture will expire in 1986; and

"Whereas, the Farm Bill has worked well in the past and is in the best interests of agricultural producers and consumers throughout the United States as well as in Hawaii; now, therefore,

"Be it resolved by the Senate of the Thirteenth Legislature of the State of Hawaii, Regular session of 1985, That the Congress of the United States is requested to include sugar price support provisions within its 1985 Farm Bill; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the United States Department of Agriculture, and to each member of Hawaii's Congressional delegation."

POM-120. A concurrent resolution adopted by the State of South Carolina; to the Committee on Appropriations.

"A CONCURRENT RESOLUTION

"Whereas, the National Railroad Passenger Corporation, known as Amtrak, serves the citizens of this State; and

"Whereas, our citizens' use of Amtrak has increased continuously and dramatically since 1971 to arrive in and depart from points in our State; and

"Whereas, Amtrak directly employs many citizens of this State and indirectly supports the employment of many other citizens of this State through the purchase of supplies and equipment from their employers; and in addition Amtrak has substantial investments in this State in the form of passenger facilities; and

"Whereas, Amtrak has continually improved the quality of its service, its financial position, and the number of passengers carried to the point where it transported twenty-two million people in 1984 and expects to increase that amount by two to three percent in 1985; and

"Whereas, the budget presented to the Congress of the United States by the President would, if enacted, deprive Amtrak of the federal funding required for its continued existence; and

"Whereas, the effective elimination of Amtrak would result in serious adverse economic consequences to this State and its citizens in terms of loss of investment, loss of income to equipment and supplies contractors with Amtrak, loss of rail passenger service, loss of twenty-five thousand jobs nationwide, and a concomitant strain on the public assistance funding for the unemployed and the Railroad Retirement System by the loss of many contributors to that system.

"Now, therefore, be it resolved by the House of Representatives, the Senate concurring, That Amtrak must be continued in operation to serve this State as it has in the past and the Congress of the United States is urged to provide sufficient funding through appropriation of those amounts of money necessary to keep Amtrak in fiscal year 1986 in at least as sound a position operationally and financially as it has in fiscal year 1985.

Be it further resolved That a copy of this resolution be forwarded to the President of the United States, to the Secretary of Transportation, to the presiding officers of each body of the Congress, and to each member of the South Carolina Congressional Delegation."

POM-121. Joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Appropriations.

"ENROLLED JOINT RESOLUTION No. 6, HOUSE OF REPRESENTATIVES

"Whereas, the federal government, over the years has managed agriculture in such a way as to sell at world prices; and

"Whereas, the federal government recognized that agriculture was buying goods and services at national prices which were higher than world prices; and

"Whereas, the federal government knew that agricultural net income was low, even to the point of the federal government, over the years, claiming that agriculture's income was derived from increased land values rather than cash income; and

"Whereas, lending institutions, including those of the federal government, have ceased lending on asset value and will now only lend on cash flow; and

"Whereas, the federal government itself has created ulta-high interest rates by excessive borrowing and by its failure to operate on a cash flow basis; and

"Whereas, the federal government's economic planners have failed to recognize or plan for the economic tragedy they would cause for agriculture and other domestic industries; and

"Whereas, it now appears that the federal government's planners do not recognize that untold billions of dollars of equity have been withdrawn from agriculture, home owners and domestic industry; and

"Whereas, the federal government's plan to reduce borrowing through high interest rates has succeeded except in the case of federal government borrowing, all to the detriment of agriculture, the home owners and domestic industry; and

"Whereas, high interest rates have reduced exports and increased imports; and

"Whereas, the federal government could have reduced borrowing by reducing its own spending and imposing borrowing restrictions on others, while holding interest rates at a much lower level; and

"Whereas, there is no relationship whatsoever between the current inflation rate and interest rates.

Now, therefore, be it resolved by the Members of the Legislature of the State of Wyoming:

"SECTION 1. That the federal government immediately restrict its spending and restrict other borrowing while lowering interest rates substantially.

"Sec. 2. That all government agricultural subsidy programs be terminated and replaced with a five percent (5%) loan program so that:

"(a) Stability can return to agriculture;

"(b) Agriculture can then produce for the marketplace at an interest rate which will allow this low return industry to survive; and

"(c) Spending by agriculture can stimulate other private economic activity.

"Sec. 3. That the Secretary of State forward copies of this resolution to: the President of the United States; the President of the Senate and the Speaker of the House of Representatives of the United States Congress; the presiding officer in each house of each of the other state legislatures; and each

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POM-122. Joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Commerce, Science, and Transportation.

"ENROLLED JOINT RESOLUTION No. 2, HOUSE OF REPRESENTATIVES

"Whereas, Congress enacted the Staggers Rail Act of 1980 to provide for the deregulation of competitive rail traffic; and

"Whereas, Congress in the Staggers Rail Act also provided certain protections for captive shippers against the exercise of monopoly power by the railroads; and

"Whereas, the Interstate Commerce Commission has failed to implement the protections for captive shippers provided in the Staggers Rail Act; and

"Whereas, the Interstate Commerce Commission has implemented the Staggers Rail Act in such a way that captive shippers cannot effectively challenge the reasonableness of rail rates; and

"Whereas, the uncontrolled exercise of monopolistic pricing power by railroads has resulted in excessive rates and has seriously affected the markets for coal, trona, agricultural and other products and other commodities produced in Wyoming and other states; and

"Whereas, the demand for Wyoming coal and other commodities will continue to be depressed by unreasonably high rail rates, thereby affecting the Wyoming economy generally through the loss of jobs and tax revenues; and

"Whereas, the protection of captive shippers is not inconsistent with the maintenance of a strong and viable railroad system;

* * * * *"

POM-123 Concurrent resolution adopted by the Legislative Assembly of the State of North Dakota; to the Committee on Commerce, Science, and Transportation.

"SENATE CONCURRENT RESOLUTION No. 4041

"Whereas, the approval of rail line abandonments is presently under the authority and control of the Interstate Commerce Commission with little input from state government; and

"Whereas, the question of approval of abandonment of portions of rail line, particularly when the line to be abandoned is located wholly within one state, may uniquely affect the citizens of a state with little impact on interstate commerce or the federal government; and

"Whereas, rail lines have critical value to the farm economy and state regulation would provide for more localized assessment of the need for the rail line subject to an abandonment application;

"Now, therefore, be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring therein:

"That the Forty-ninth Legislative Assembly urges the Congress of the United States to enact legislation to transfer to the states the power and authority to approve or disapprove abandonment of rail lines in the respective states; and

"Be it further resolved, that the Secretary of State forward copies of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the North Dakota Congressional Delegation."

POM-124. Resolution adopted by the Association of Pacific Island Legislature; to the Committee on Energy and Natural Resources.

"RESOLUTION No. E-3-2

Be it resolved by the association of Pacific Island legislatures:

"Whereas, the political relationship between the Northern Marianas and the United States is clearly set forth in the Commonwealth Covenant, a contract mutually entered into both parties; and

"Whereas, under the Covenant, the United States is permitted to exercise certain rights and privileges under specific terms and conditions such as the right to lease certain land in the Northern Marianas; and

"Whereas, such rights and privileges granted to the United States by the Covenant does not include the power of eminent domain nor the jurisdiction over the waters of the Northern Marianas; and

"Whereas, the Northern Marianas has historically always had control over its surrounding waters and has never granted to the United States the right to control and regulate its waters, the United States, through the President and Congress, has enacted certain laws and executive orders purporting to control and regulate the waters of the Northern Marianas, including the extension of the Presidential Order; and

"Whereas, the Northern Marianas Legislature and the Northern Marianas Commission on Federal laws has expressed strong opposition to such actions by the United States with respect to its waters and has asked the United States to withdraw the application of such laws and orders to the Northern Marianas; now therefore, be it

"Resolved, by the Association of the Pacific Island Legislatures, Third General Assembly, March 1984, that the United States is hereby urged to recognize the right of the Northern Marianas under the Commonwealth Covenant to establish its own 200-miles economic zone and to control and reg-

ulate exploitation of the resources therein; and be it further

"Resolved, that the President certify and the Secretary attest to the adoption hereof and that copies of this resolution be transmitted to the President of the United States; the Presiding Officers of U.S. Congress; the Chairmen of the U.S. Senate Committee on Energy and Natural Resources and the U.S. House Committee on Interior and Insular Affairs; the Secretaries of State, Commerce and Interior Departments; the CNMI Representative to the United States; the CNMI Governor; the Presiding Officers of the Fourth Northern Marianas Legislature; to each Chief Executive of the APIL members; and to each Member of APIL."

POM-125. Joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Finance.

ENROLLED JOINT RESOLUTION NO. 4. HOUSE OF REPRESENTATIVES

"Whereas, the recent pronouncements of the federal government have been directed toward reducing the burden of regulation; and

"Whereas, considerable effort has been devoted in many areas to achieving that objective; and

"Whereas, the proposed regulations of the Internal Revenue Service concerning record-keeping for vehicles used for business, charitable and personal purposes represents a dramatic departure from the philosophy of reduced regulation;

"Whereas, the effect of these regulations results in the unproductive waste of effort to generate and retain these records to the significant detriment of the business and charitable goals of the businesses and individuals; and

"Whereas, the record-keeping requirements for vehicles used for business, charitable and personal purposes when combined with the new sixteen thousand dollar ($16,000.00) limitation on depreciation and the one thousand dollar ($1,000.00) limit on the investment tax credit for vehicles, inhibits investment and creates costly and unnecessary record-keeping and compliance costs for individuals and businesses of all sizes.

"Now, therefore, be it resolved by the members of the Legislature of the State of Wyoming:

Section 1. That the Internal Revenue Service eliminate its proposed regulations which require excessive and burdensome record-keeping requirements for vehicles used for business, charitable and personal purposes."

POM-126. Joint resolution adopted by the Legislature of the State of Wyoming; to the Committee on Finance.

"ENROLLED JOINT RESOLUTION NO. 3

"Whereas, reasonable financing alternatives for agriculture do not currently exist due to high interest rates and the status of markets for agriculture products; and

"Whereas, the use of tax free industrial development bonds for agricultural purposes are severely limited due to federal restrictions regarding depreciable items and refinancing of outstanding debt; and

"Whereas, due to severe weather, market conditions and interest rates the agricultural industry in Wyoming and nationwide is depressed and family ranching and farming units are disappearing;

"Now, therefore, be it resolved by the members of the Legislature of the State of Wyoming:

Section 1. That the legislature requests the Congress of the United States to adopt specific legislation authorizing the several states to issue tax free agriculture revenue bonds, the proceeds of which may be used for low interest loans to and refinancing of existing loans for members of the agriculture community as determined necessary by the several states.

"Section 2. That the Secretary of State forward copies of this resolution to: the President of the United States; the President of the Senate and the Speaker of the House of Representatives of the United States Congress; and each member of Wyoming's congressional delegation."

POM-127. Resolution adopted by the Council of the City of Marion, Ohio supporting "Senate Bill S. 318 and House Bill H.R. 796 that propose to continue the General Revenue Sharing Program at the current level and declaring an emergency; to the Committee on Finance.

POM-128. Resolution adopted by the City of Hallandale, Florida relating to budgetary appropriations for social and public programs rather than military expansion; to the Committee on Governmental Affairs.

POM-129. Resolution adopted by the House of Representatives of the State of Washington: to the Committee on the Judiciary.

"HOUSE FLOOR RESOLUTION NO. 85-28

"Whereas, Willfried and Ilona Schorno are currently residents of the State of Washington; and

"Whereas, The Schornos hired an attorney to assist them in paperwork to emigrate from their Switzerland and the attorney advised them to come to Washington. They disposed of all their possessions and moved to this state. They have learned that they were misguided by their attorney and are now being threatened with deportation; and

"Whereas, The Schornos have established a business in Tacoma, the Matterhorn Restaurant, and are bona fide business people with a staff of five in their established business; and

"Whereas, Congressman Norman D. Dicks has introduced a bill (H.R. 488) in the United States Congress seeking relief from their status with the United States Immigration and Naturalization Service; and

"Whereas, H.R. 488 has been referred to the House Committee on Judiciary;

"Now, therefore, be it resolved, by the House of Representatives of the State of Washington, That the United States Congress is urged to move quickly to expedite the plight of the Schorno family by enacting H.R. 488 to grant them permanent residence, and that the Secretary of State shall instruct the proper officer to deduct two numbers from the total number of immigrant visas and conditional entries which are made available to natives of the countries of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

"Be it further resolved, That copies of this Resolution be forwarded to President Ronald Reagan, Secretary of State George Shultz, the President of the United States Senate, the Speaker of the United States House of Representatives, to the members of the congressional delegation from Washington State, and the Schorno family."

POM-130. A concurrent resolution adopted by the Legislative Assembly of the State of North Dakota; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE CONCURRENT RESOLUTION NO. 3054

"Whereas, soil and water are state and national treasures; and

"Whereas, by the establishment of the United States Department of Agriculture's Soil Conservation Service, our soils were designated as a public resource, inferring governmental assistance in the stewardship of the land; and

"Whereas, the Soil Conservation Service has the responsibility of providing needed technical assistance to soil conservation districts on all soil and water conservation problems, including programs to prevent soil erosion, provide soil mapping, develop watersheds, and prevent flood damage; and

"Whereas, these programs were planned and executed in cooperation with numerous state and federal agencies and private cooperators; and

"Whereas, the 1982 National Resource Inventory showed that 42 percent of this state's cropland, approximately 11.4 million acres, is eroding at a rate exceeding tolerable soil losses and 13 percent of the cropland, approximately 3.5 million acres, is eroding at a rate double the tolerable soil loss limits; and

"Whereas, the Soil Conservation Service annually provides conservation services to stem soil and water loss to over 18,000 landowners in the state of North Dakota, assisting in the application of over 8,000 conservation practices and the development of resource plans on nearly one million acres; and

"Whereas, the Soil Conservation Service provides leadership in the cooperative soil survey and supports the North Dakota Soil Survey program through the services of 30 soil scientists, resulting in the survey of over 67 percent of the state's land; and

"Whereas, over 10 million acres of the remaining land in North Dakota which has not been surveyed, is cropland and has high priority to be surveyed; and

"Whereas, the Soil Conservation Service provides technical and financial assistance to the Great Plains Conservation Program in 38 counties in North Dakota, under 622 contracts with landowners, covering approximately one million acres; and

"Whereas, the Soil Conservation Program provides technical assistance through the Agricultural Conservation Program which assists approximately 5,600 farmers each year; and

"Whereas, there are over 220 communities that have flooding problems in North Dakota and over 2.5 million acres of land which receive flood damage each year; and

"Whereas, the Soil Conservation Service provides technical assistance through the Water Bank Program; and

"Whereas, the Soil Conservation Service provides assistance through the Small Watersheds Program, with 12 watersheds completed in North Dakota covering approximately 1.5 million acres where flood damages have been reduced; and

"Whereas, there are five additional watersheds in the construction stage in North Dakota; and

"Whereas, there have been 17 floodplain management studies completed covering nearly 700 river miles of floodplains, and there is a need for over 25 additional floodplain management studies in the state; and

"Whereas, the Soil Conservation Service's Floodplain Management Program has assisted state floodplain management programs; and

"Whereas, through the Resource Conservation and Development Program, the Soil Conservation Service is helping accelerate the conservation, development, and use of natural resources to improve the general level of economic activity and to enhance the environment; and

"Whereas, citizens throughout North Dakota and the nation recognize that the health, prosperity, and welfare of our present and future citizens depends upon proper conservation of our soil, water, and other natural resources, provided through the assistance of the United States Department of Agriculture's Soil Conservation Service;

"Now, therefore, be it resolved by the House of Representatives of the State of North Dakota, the Senate concurring therein:

"That the Forty-ninth Legislative Assembly urges the Congress of the United States to maintain the programs and technical assistance now provided by the United States Department of Agriculture's Soil Conservation Service, and the 62 soil conservation districts in the state of North Dakota, to fulfill the intent of assisting in the application of soil conservation practices; and

"Be it further resolved, that copies of this resolution be forwarded by the Secretary of State to the President of the United States, the chairmen of the Senate and House Appropriation Committees, the Secretary of Agriculture, each member of the North Dakota Congressional Delegation, the Secretary of the Senate of the United States, and the Clerk of the House of Representatives of the United States."

POM-131. A resolution adopted by the Association of Pacific Island Legislatures; to the Committee on Energy and Natural Resources.

"RESOLUTION NO. GA-3-4

"Be it resolved by the Association of Pacific Island Legislators:

"Whereas, since time immemorial, the people of the Pacific Islands have relied upon the resources of the ocean for their livelihood; and

"Whereas, several metropolitan countries of the Pacific have announced plans to dump nuclear wastes in the Pacific Ocean and this APIL has strongly opposed such plans and has notified these metropolitan governments; and

"Whereas, the metropolitan countries should seek alternative ways and means to rid themselves of low-level nuclear wastes and other toxic chemicals; and

"Whereas, dumping of nuclear wastes in the Pacific Ocean is detrimental to mankind; now, therefore, be it

"Resolved, by the Association of Pacific Island Legislatures, Third General Assembly, March, 1984, that APIL reaffirms its position against nuclear waste dumping in the Pacific Ocean and that all metropolitan governments concerned be urged to seek alternative ways and means to rid themselves of their nuclear wastes; and be it further

"Resolved, that the President certify and the Secretary attest to the adoption hereof and that copies of the same be thereafter transmitted to the Secretary General of the Asian Pacific Parliamentarians' Union; the Secretary General of the United Nations; to the House Speaker and President of the Senate of the United States Congress; to the government of Japan; to the Secretariat of the London Dumping Convention; and to each member of the APIL."

POM-132. A resolution adopted by the Legislature of the State of New Hampshire; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION NO. 1

"Whereas, the First Congress of the United States of America in 1789 made the following proposition to amend the Constitution of the United States in the following words:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two thirds of both Houses concurring. That the following [article] be proposed to the legislatures of the several states, as [an amendment] to the constitution of the United States'. . . Which [article], when ratified by three fourths of the said legislatures, to be valid to all intents and purposes, as part of the said constitution, viz:

"ARTICLE

"No law varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened, and

"Whereas, it is in the best interest of the taxpayer that this proposed amendment be ratified so that self interest will not play a direct role in the decision of a United States senator or representative when voting on a law varying the compensation of senators or representatives; and

"Whereas, to date at least 9 states have ratified the proposed article; now, therefore, be it

"Resolved by the House of Representatives, the Senate concurring:

"That the proposed amendment to the Constitution of the United States requiring an election to intervene before a pay raise to federal legislators may take effect is hereby ratified; and

"That certified copies of this resolution, signed by the speaker of the house and the president of the senate, be by them forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States and the Administrator of General Services of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs, without amendment:

S. Res. 111. An original resolution authorizing expenditures by the Committee on Governmental Affairs; referred to the Committee on Rules and Administration.

By Mr. WEICKER, from the Committee on Small Business, without amendment:

S. Res. 113. An original resolution authorizing expenditures by the Committee on Small Business; referred to the Committee on Rules and Administration.

By Mr. PACKWOOD, from the Committee on Finance, with an amendment in the nature of a substitute, and amendment to the preamble, and an amendment to the title:

S. Con. Res. 15. A concurrent resolution relating to United States-Japan trade.

By Mr. HATCH, from the Committee on Labor and Human Resources:

Special Report entitled "Legislative Review Activities During the 98th Congress of the Committee on Labor and Human Resources (Rept. 99-18).

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

Special report entitled "Legislative Review Activities During the 98th Congress of the Committee on Agriculture, Nutrition, and Forestry (Rept. No. 99-19).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED

*1. In the Navy there are 17 promotions to the permanent grade of rear admiral (list begins with Dennis Matthew Brooks). Ref. No. 136.

*2. Lt. Gen. Lincoln D. Faurer, USAF (age 57), to be placed on the retired list. Ref. No. 138.

**3. In the Air Force there are 1900 appointments to a grade no higher than captain (list begins with John T. Abbott, Jr.) Ref. 139.

**4. In the Navy there are 214 promotions to the permanent grade of captain (list begins with Philip Richard Albert). Ref. No. 140.

Total 2,132.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of March 19 and March 20, 1985, at the end of the Senate proceedings.)

By Mr. HATCH, from the Committee on Labor and Human Resources:

Daniel H. Carter, of Texas, to be a member of the National Commission on Libraries and Information Science.

(The above nomination was reported with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS:

S. 763. A bill to authorize funds to strengthen certain Department of Defense programs, to limit funds for certain Department of Defense programs, to prohibit the

expenditure of funds for certain Department of Defense programs, and for other purposes; to the Committee on Armed Services.

By Mr. GORTON (for himself, Mr. BOSCHWITZ, and Mr. DURENBERGER):

S. 764. A bill to stimulate the development of State programs for job skills training, consistent with employment needs, involving the active partnership of Federal, State, and local governments, and business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KASTEN (for himself, Mr. GLENN, Mr. PROXMIRE, Mr. BOSCHWITZ, Mr. LEVIN, Mr. HEINZ, Mr. RIEGLE, Mr. MOYNIHAN, Mr. QUAYLE, and Mr. D'AMATO):

S. 765. A bill to provide for coordinated management and rehabilitation of the Great Lakes and for other purposes; to the Committee on Governmental Affairs.

By Mr. CHILES (for himself, Mr. NUNN, and Mr. BIDEN):

S. 766. A bill entitled the "International Narcotics Control Act of 1985"; to the Committee on Foreign Relations.

By Mr. BUMPERS:

S. 767. A bill to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 768. A bill to authorize the President of the United States to award a Congressional Gold Medal to Jan C. Scruggs in recognition of his work on behalf of Vietnam veterans, and to authorize the Secretary of the Treasury to sell bronze duplicates of such medal; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER (for himself and Mr. ABDNOR):

S. 769. A bill to amend title 38, United States Code, to allow the use of upright grave markers in national Veterans' Administration cemeteries; to the Committee on Veterans Affairs.

By Mr. HEINZ:

S. 770. A bill to amend the Tariff Schedules of the United States to impose a surcharge tariff on all imports from Japan; to the Committee on Finance.

By Mr. LUGAR (by request):

S. 771. A bill to facilitate the adjudication of certain claims of U.S. nationals against Iran, to authorize the recovery of costs incurred by the United States in connection with the arbitration of claims of U.S. nationals against Iran, and for other purposes; to the Committee on Foreign Relations.

By Mr. D'AMATO (for himself and Mrs. HAWKINS):

S. 772. A bill to require the Secretary of Health and Human Services to prepare a report on the health effects of cocaine use; to the Committee on Labor and Human Resources.

By Mr. BENTSEN:

S. 773. A bill for the relief of Dr. Oscar Raul Espinoza Madariaga, his wife, Maria Inez, his son, Felipe Andres, and daughter, Claudia Paola; to the Committee on the Judiciary.

By Mr. CHILES (for himself, Mr. FORD, and Mr. ZORINSKY):

S. 774. A bill to promote economic growth in the United States and encourage exports through the elimination of Japanese nontariff trade barriers.

By Mr. BOSCHWITZ:

S. 775. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to provide an alternative regional trigger, and for other purposes; to the Committee on Finance.

By Mr. DIXON (for himself, Mr. GRASSLEY, Mr. SIMON, Mr. ABDNOR, Mr. MELCHER, Mr. PRESSLER, Mr. LEVIN, Mr. PRYOR, Mr. BURDICK, Mr. BUMPERS, Mr. ANDREWS, Mr. HARKIN, and Mr. HEFLIN):

S. 776. A bill to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1985 planting season operation, and for other purposes; read the first time.

By Mr. HEINZ (for himself, Mr. CHILES, Mr. BRADLEY, Mr. ROTH, Mr. GLENN, and Mr. BENTSEN):

S. 777. A bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to extend hospice benefits under the Medicare Program for an additional 3 years; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. BENTSEN, Mr. BRADLEY, Mr. HATCH, Mr. PRYOR, Mr. BURDICK, Mr. LAUTENBERG, Mr. STAFFORD, Mr. SASSER, Mr. COHEN, Mr. MELCHER, Mr. ANDREWS, Mr. KENNEDY, Mr. BINGAMAN, Mr. D'AMATO, and Mr. GLENN):

S. 778. A bill to amend title XVIII of the Social Security Act to allow medicare coverage for home health services provided on a daily basis; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. BURDICK, and Mr. D'AMATO):

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. HATCH, Mr. BRADLEY, Mr. D'AMATO, and Mr. MELCHER):

S. 780. A bill to amend title XIX of the Social Security Act to allow States to implement coordinated programs of acute and long-term care for those individuals who are eligible for both Medicare and Medicaid; to the Committee on Finance.

By Mr. EXON. (for himself, Mr. COHEN, Mr. ZORINSKY, Mr. MITCHELL, and Mr. ABDNOR):

S. 781. A bill to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the Act; considered and passed.

By Mr. EAST (for himself and Mr. HELMS):

S. 782. A bill to extend for 5 years the existing temporary duty-free treatment of hosiery knitting machines; to the Committee on Finance.

By Mr. EAST (for himself and Mr. HELMS):

S. 783. A bill to extend for 5 years the existing temporary duty-free treatment of double-headed latch needles; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. GRASSLEY, Mr. WEICKER, Mr. DODD, Mr. KENNEDY, Mr. KERRY, and Mr. SIMON):

S. 784. A bill to amend the Internal Revenue Code of 1954 to exclude from income the value of lodging located in the proximity of an educational institution and rented by such institution to its employees at cost; to the Committee on Finance.

By Mr. LUGAR (by request):

S. 785. A bill to authorize appropriations for the U.S. Information Agency to carry out in fiscal years 1986 and 1987 international information and educational and cultural exchange programs, and for other purposes; to the Committee on Foreign Relations.

By Mr. NUNN (for himself and Mr. LAUTENBERG):

S. 786. A bill to establish an Information Age Commission; to the Committee on Governmental Affairs.

by Mr. NUNN:

S. 787. A bill to authorize the Secretary of the Army to accept and to operate a National Science Center for Communications and Electronics in order to enhance military training and to share technology development in the communications, electronics, and computer industries, and for other purposes; to the Committee on Armed Services.

By Mr. BRADLEY (for himself, Mr. HEINZ, Mr. INOUYE, Mr. MELCHER, Mr. ANDREWS, and Mr. RIEGLE):

S. 788. A bill entitled the "Senior Citizens Independent Community Care Act"; to the Committee on Finance.

By Mr. PROXMIRE:

S. 789. A bill to repeal section 312 of the Home Mortgage Disclosure Act of 1975; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. HAWKINS (for herself, Mr. DECONCINI, Mr. D'AMATO, Mr. DIXON, Mr. ABDNOR, Mr. GRASSLEY, Mr. MATTINGLY, Mr. COCHRAN, Mr. DENTON, Mr. CHAFEE, Mr. HOLLINGS, Mr. FORD, Mr. BENTSEN, Mr. MURKOWSKI, and Mr. GARN):

S. 790. A bill to terminate U.S. assistance for Bolivia unless Bolivia eradicates 10 percent of its coca production, and for other purposes; to the Committee on Foreign Relations.

By Mr. D'AMATO (for himself and Mr. MATTINGLY):

S. 791. A bill to provide for limitations on brokered deposits; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHILES:

S. 792. A bill to deauthorize the Cross-Florida Barge Canal, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CHAFEE (by request):

S. 793. A bill to review and extend certain provisions of the Federal Water Pollution Control Act, as amended, for 5 years, and for other purposes: to the Committee on Environment and Public Works.

By Mr. GRASSLEY:

S. 794. A bill to establish a Presidential Advisory Panel for Coordination of Government Debt Collection and Delinquency Prevention Activities; to the Committee on Governmental Affairs.

By Mr. EXON:

S. 795. A bill to amend section 13(i) of the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GORTON (for himself and Mr. RIEGLE):

S. 796. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH (for himself, Mr. THURMOND, Mr. WALLOP, Mr. GRASSLEY, Mr. ABDNOR, Mr. DENTON, Mr. EAST, Mr. HECHT, Mr. LAXALT, Mr. MATTINGLY, Mr. MCCLURE, and Mr. WILSON):

S. 797. A bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor

Standards Act of 1938 which shall terminate on September 30, 1987 and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WALLOP (for himself and Mr. SIMPSON):

S. 798. A bill to amend the Fair Labor Standards Act of 1938 to permit an employee to take compensatory time off in lieu of compensation for overtime hours, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WALLOP (for himself and Mr. SIMPSON):

S. 799. A bill to prohibit age discrimination in apprenticeship programs; to the Committee on Labor and Human Resources.

By Mr. McCLURE:

S. 800. A bill to increase the maximum annual dollar amount limitation on deductions allowed under the Internal Revenue Code of 1954 for contributions to an individual retirement account of a spouse and to provide that the limitation relating to the amount of compensation received shall be computed on the basis of the combined compensation of a husband and wife; to the Committee on Finance.

By Mr. HATCH:

S. 801. A bill to authorize appropriations for the National Science Foundation for fiscal year 1986; to the Committee on Labor and Human Resources.

By Mr. DIXON (for himself, Mr. FORD, Mr. SIMON, and Mr. McCONNELL):

S. 802. A bill to grant the consent of the Congress to the Central Midwest Interstate Low-Level Radioactive Waste Compact; to the Committee on the Judiciary.

By Mr. DeCONCINI:

S. 803. A bill to amend title XX of the Social Security Act to provide additional funds for the social services block grants in order to promote economic self-support and self-sufficiency among individuals and families, to ensure families greater access to affordable quality child care, and to prevent child abuse and neglect through the provision of additional protective services; to the Committee on Finance.

By Mr. DODD (for himself, Mr. CRANSTON, Mr. DeCONCINI, Mr. KENNEDY, Mr. RIEGLE, Mr. HART, and Mr. BRADLEY):

S. 804. A bill entitled the "Child Development Associate Scholarship Assistance Act of 1985"; to the Committee on Labor and Human Resources.

By Mr. RIEGLE (for himself and Mr. KENNEDY):

S. 805. A bill to provide for a program for the provision of child care services in public housing projects; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. RIEGLE (for himself, Mr. KENNEDY, Mr. CRANSTON, and Mr. HART):

S. 806. A bill to strengthen the program for grants to States for planning and development of dependent care programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HART (for himself, Mr. CRANSTON, Mr. DeCONCINI, Mr. DURENBERGER, Mr. KENNEDY, and Mr. RIEGLE):

S. 807. A bill to authorize payments to States to be used for grants to provide support for family day care providers; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself and Mr. HART):

S. 808. A bill to provide grants for school-based child care and early childhood education demonstration projects; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 809. A bill to provide financial assistance to expand the availability of child care services for college students, particularly low-income students, in order to increase the access of such students to institutions of higher education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON (for himself, Mr. DODD, Mr. KENNEDY, Mr. RIEGLE, Mr. HART, and Mr. DeCONCINI):

S. 810. A bill to amend title XX of the Social Security Act to assist States in improving the equality of child-care services; to the Committee on Finance.

By Mr. GARN (for himself and Mr. HATCH):

S. 811. A bill to clarify the treatment of mineral materials on public lands; to the Committee on Energy and Natural Resources.

By Mr. GARN (for himself and Mr. PROXMIRE):

S. 812. A bill to amend the Export Administration Act of 1979 to authorize controls on the export of capital from the United States; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PACKWOOD (for himself and Mr. FORD):

S. 813. A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PACKWOOD (for himself and Mr. LONG):

S. 814. A bill to make technical corrections relating to the Tax Reform Act of 1984, and for other purposes; to the Committee on Finance.

By Mr. LEVIN:

S. 815. A bill to limit the employment of certain former Government personnel by Government contractors, to provide as administrative penalty for violations of the limitations, and for other purposes; to the Committee on Governmental Affairs.

By Mr. EXON:

S. 816. A bill to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself and Mr. RIEGLE):

S. 817. A bill to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON:

S. 818. A bill to authorize appropriations for activities under the Federal, Fire Prevention and Control Act of 1974; to the Committee on Commerce, Science, and Transportation.

By Mr. MATHIAS (for himself and Mr. SARBANES):

S.J. Res. 97. Joint resolution designating the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems at the University of Maryland as the National Study Center for Trauma and Emergency Medical Systems; to the Committee on Labor and Human Resources.

By Mr. D'AMATO (for himself, Mr. INOUYE, Mr. DIXON, and Mr. SPECTER):

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the United Nations General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations; to the Committee on Foreign Relations.

By Mr. PELL (for himself and Mr. MATHIAS):

S.J. Res. 99. Joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of office of the President, Vice President, and Members of Congress; to the Committee on the Judiciary.

By Mr. WALLOP:

S.J. Res. 100. Joint resolution proposing an amendment to the Constitution of the United States with respect to the number of terms of office which Members of the Senate and House of Representatives may serve; to the Committee on the Judiciary.

By Mr. LEVIN (for himself and Mr. D'AMATO):

S.J. Res. 101. Joint resolution to designate April 24, 1985, as "National Day of Remembrance of Man's Inhumanity to Man"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH:

S. Res. 111. An original resolution authorizing expenditures by the Committee on Governmental Affairs; from the Committee on Governmental Affairs; to the Committee on Rules and Administration.

By Mr. COHEN (for himself, Mr. BIDEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BURDICK, Mr. CHILES, Mr. DANFORTH, Mr. DURENBERGER, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GORTON, Mr. HEINZ, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. MATHIAS, Mr. PRESSLER, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SIMON, Mr. HATFIELD, and Mr. HART):

S. Res. 112. Resolution relating to bilateral discussions between the United States and the Soviet Union to ban chemical weapons; to the Committee on Foreign Relations.

By Mr. WEICKER:

S. Res. 113. An original resolution authorizing expenditures by the Committee on Small Business; from the Committee on Small Business; to the Committee on Rules and Administration.

By Mr. GARN (for himself, Mr. DOMENICI, Mr. LAXALT, Mr. DeCONCINI, Mr. HECHT, Mr. GOLDWATER, Mr. HATCH, Mr. HEINZ, and Mr. McCLURE):

S. Res. 114. A resolution relating to abolition of the Compensatory Financing Facility; to the Committee on Foreign Relations.

By Mr. BYRD (for Mr. PELL (for himself, Mr. DOLE, Mr. BOSCHWITZ, Mr. DANFORTH, and Mr. LAUTENBERG)):

S. Con. Res. 33. A concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance

of victims of the Holocaust; considered and agreed to.

By Mr. PELL:

S. Con. Res. 34. A concurrent resolution to affirm the national policy of metric conversion benefitting the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. DODD (for himself, Mr. PELL, Mr. SIMON, Mr. MOYNIHAN, Mr. KENNEDY, and Mr. CRANSTON):

S. Con. Res. 35. A concurrent resolution to support Federal foreign language and international education and exchange programs; to the Committee on Appropriations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS:

S. 763. A bill to authorize funds to strengthen certain Department of Defense programs, to limit funds for certain Department of Defense programs, to prohibit the expenditure of funds for certain Department of Defense programs, and for other purposes; to the Committee on Armed Services.

(The remarks of Mr. BUMPERS and the text of the legislation appear earlier in today's RECORD.)

By Mr. GORTON (for himself, Mr. BOSCHWITZ, and Mr. DURENBERGER):

S. 764. A bill to stimulate the development of State programs for job skills training, consistent with employment needs, involving the active partnership of Federal, State, and local governments, and business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

(The remarks of Mr. GORTON and the text of the legislation appear earlier in today's RECORD.)

By Mr. KASTEN (for himself, Mr. GLENN, Mr. PROXMIRE, Mr. BOSCHWITZ, Mr. LEVIN, Mr. HEINZ, Mr. RIEGLE, Mr. MOYNIHAN, Mr. QUAYLE, and Mr. D'AMATO):

S. 765. A bill to provide for coordinated management and rehabilitation of the Great Lakes, and for other purposes; to the Committee on Governmental Affairs.

GREAT LAKES MANAGEMENT ACT

Mr. KASTEN. Mr. President, today I am introducing the "Great Lakes Management Act of 1985." This legislation will provide for comprehensive environmental management of the Great Lakes.

The Great Lakes are this Nation's most important water resource. They contain 95 percent of the surface fresh water in the United States. 27 million people depend on them as their source of drinking water. In addition, they are essential to commerce and industry in the Midwest.

Efforts to manage the Great Lakes, however, are a disgrace. No single agency is responsible for the comprehensive environmental management of the Great Lakes. Instead, management responsibilities are divided between at least a dozen Federal agencies, eight States, and the Canadian Federal and provincial governments.

The result is a bureaucratic maze that is ineffective in coming to terms with the problems of the Great Lakes.

What is needed is a single agency that is responsible for the environmental health of the Great Lakes. This agency should take a comprehensive approach to the management of the environmental resources of the entire Great Lakes Basin. Its perspective should not be limited by narrow geographic bounds or discipline. It should assure the coordination of all efforts to manage the resources of the Great Lakes.

My legislation accomplishes this goal by taking several critical steps.

First, it recognizes the Environmental Protection Agency as the lead agency with responsibility for the environmental health of the Great Lakes.

Second, it establishes a basinwide surveillance and monitoring program.

Third, it requires interagency cooperation in effects to manage the Great Lakes.

Fourth, it establishes a 5-year program for reducing nutrient loading in the Great Lakes.

Fifth, it establishes a 5-year pilot program to demonstrate techniques for removing in-place toxics from lake bottoms; and

Sixth, it requires an annual state of the lakes report describing the changes in the conditions of the Great Lakes and resource needs to provide the necessary management of this Nation's most important water resource.

This legislation has taken years to develop. Over the past several years, I have worked with various Federal agencies, State agencies, Canadian officials, and numerous environmental and citizen groups to develop this bill. By spending the past year gathering suggestions on how to address the environmental problems of the Great Lakes, I believe we have been successful in developing a major initiative to provide for the comprehensive environmental management of the Great Lakes.

I ask unanimous consent that a copy of the "Great Lakes Management Act of 1985" be printed in the RECORD at this point.

In addition, I would like to recognize the efforts of several other Senators who have worked with me to develop this legislation. I would like to add as original cosponsors of this legislation Senators GLENN, PROXMIRE, BOSCHWITZ, LEVIN, HEINZ, RIEGLE, MOYNIHAN, QUAYLE, and D'AMATO, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 765

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Great Lakes Management Act of 1985.

FINDINGS AND PURPOSE

SEC. 2. The Congress finds that—

(1) the Great Lakes are a valuable national resource, continuously serving the people of the United States and other nations as an important source of food, freshwater, recreation, beauty and enjoyment;

(2) the Great Lakes, containing 95 percent of the surface freshwater of the United States and 20 percent of the world's freshwater, are among the greatest natural resources of the world;

(3) the Great Lakes are among the world's major waterways, each year carrying tons of waterborne shipping to and from all parts of the world;

(4) the ecosystems of the Great Lakes which provide sustenance and recreation to the people of the United States and other nations have been severely affected, and are continually threatened, by the introduction of foreign species into the lakes and by pollution of the Great Lakes waters;

(5) careful management of the Great Lakes will permit the rehabilitation and protection of the lakes, their waters, and their ecosystems, while continuing and expanding their use for industry, food production, transportation, and recreation;

(6) management of the Great Lakes is currently divided among many Federal, State, tribal, international and local organizations;

(7) effective management of the Great Lakes is best accomplished through a partnership of the States and the Federal Government;

(8) agencies with management and research responsibilities for the Great Lakes should coordinate activities among themselves more effectively in order to obtain maximum benefits;

(9) a greater awareness of the importance of preserving and protecting the ecosystem and environmental quality of the Great Lakes is in the national interest; and

(10) Congress recognizes the Great Lakes Water Quality Agreement of 1972 as amended in 1978 and the need to comply with such agreement, with a particular need for meeting the goals pertaining to toxic pollutants.

(b) The purposes of this Act are—

(1) to provide for rational and effective coordination of the management of the Great Lakes and of the federally supported research aimed at protecting, rehabilitating, and enhancing the environmental quality and natural resources of the Great Lakes;

(2) to identify issues of concern which are affecting or will affect the Great Lakes and their ecosystem, and to develop and promote coordinated research, data synthesis, and management plans which address these issues;

(3) to provide for the development of the necessary data bases of information to support the rational, efficient, and equitable utilization, development, protection, and rehabilitation of the Great Lakes and their resources;

(4) to provide to the Department of State problems and issues to be referred to the

International Joint Commission for study and action;

(5) to foster public understanding and appreciation, and to assure greater understanding at all levels of government, of the role of the Great Lakes as unique natural resources;

(6) to reduce the input of nutrients into the waters of the Great Lakes;

(7) to demonstrate techniques for removing in place toxics from lake sediments; and

(8) to achieve the goals embodied in the Great Lakes Water Quality Agreement of 1978 through improved organization and definition of mission on the part of the Federal Government.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "Great Lakes" means Lake Ontario, Lake Erie, Lake Huron (including Lake Saint Clair), Lake Michigan, and Lake Superior, and the connecting channels (Saint Mary's River, Saint Clair River, Detroit River, Niagara River, and Saint Lawrence River to the Canadian Border);

(2) the term "Great Lakes System" means all the streams, rivers, lakes, and other bodies of water within the drainage basin of the Great Lakes; and

(3) the term "tribe" means any Indian tribe recognized by the United States or a consortium of such tribes.

GREAT LAKES MANAGEMENT

SEC. 4. (a)(1) The Great Lakes National Program Office (previously established by the Administrator of the Environmental Protection Agency) is hereby permanently established within the Environmental Protection Agency in accordance with the provisions of this section.

(2) The Great Lakes National Program Office shall be headed by a Director who by reasons of his management experience and technical expertise relating to the Great Lakes is highly qualified to direct the development of programs and plans on a variety of major Great Lakes issues.

(3) The Director of the Great Lakes National Program Office may appoint such staff as the Director, with the concurrence of the Administrator of the Environmental Protection Agency, determines are necessary to carry out the duties and responsibilities of such Office and to fulfill the purposes of this Act. The staff appointed pursuant to this paragraph shall be appointed subject to the provisions of title 5, United States Code governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The responsibilities of the Great Lakes National Program Office are as follows:

(1) The Office shall develop, in cooperation with the appropriated Federal, State, tribal, and international agencies, the long term, comprehensive environmental, resource, and economic data bases required for sound assessment of the impacts of proposed decisions of such agencies on the environmental health, productivity, and economic well being of the Great Lakes. These shall include, but not be limited to, developing, and reporting to Congress, specific action plans to carry out the responsibilities of the United States under the Great Lakes Water Quality Agreement of 1978.

(2) The Office shall inventory all Federal, State, tribal, and international agencies with management responsibilities for the Great Lakes system, identify jurisdiction overlap, and management plans and cooperative management activities in existence, and update the inventory biennial.

(3) The Office shall identify priority management needs to protect and rehabilitate the Great Lakes and their resources. In cooperation with appropriate Federal, State, tribal, and international agencies, the Office shall develop management plans where needed for the entire Great Lakes system, for specific Lakes, or for specific issues.

(4) The Office shall develop, in consultation with the States, a five year plan and program for reducing the input of nutrients into the Great Lakes. Such program shall include a soil conservation program for reducing nutrient runoff from nonpoint sources, and a program for monitoring nutrient runoff into, and ambient levels in, the Great Lakes.

(5) The Office shall carry out a five year study and demonstration projects relating to the control and removal of toxic pollutants in the Great Lakes, with emphasis on the removal of toxic pollutants from bottom sediments.

(6) The Office shall identify lead agencies with primary responsibilities for each specific issue relating to the Great Lakes. Each agency identified as a lead agency shall submit a report on such issues to the Office by the end of each fiscal year. The report shall identify any changes in the Great Lakes system with respect to such issue.

(7) The Office shall prepare an annual report on the state of the Great Lakes, which shall be submitted to Congress and the President prior to December 31 of each year, and shall be made available to appropriate Federal, State, and tribal agencies which manage, monitor, or conduct research on the Great Lakes. The report shall contain an executive summary and appropriate scientific and technical data. The report shall include (but not be limited to)—

(A) an annual report on the status of the Great Lakes ecosystem, including, (but not limited to) water quality, fisheries, and other biota;

(B) an annual update to reflect changing priorities in Federal, State, tribal, and international management needs as well as the need for fundamental research;

(C) a plan for the establishment and maintenance of comprehensive, long term environmental, resource, and economic data bases on the Great Lakes;

(D) identification of the priority management issues in the Great Lakes system, and, in cooperation with Federal, State, tribal, and international agencies, the development of management plans to address these issues; and

(E) identification of the priority needs for rehabilitation and restoration of the Great Lakes and their resources, and in cooperation with Federal, State, tribal, and international agencies, the development of rehabilitation and restoration plans which address these needs.

(8) The Office shall actively promote, at the Federal, State, tribal, and international levels, the adoption and execution of the management and rehabilitation plans.

(9) The Office shall serve as a source of issues which the Federal Government refers to the International Joint Commission for study.

(10) The Office shall host a meeting (not less often than annually) for officials of Federal, State, and tribal agencies involved with the Great Lakes.

(c) The Administrator of the Environmental Protection Agency shall, in the agency's annual budget submission to the Congress, include a funding request for the Great Lakes National Program Office as a separate budget line item.

(d) The Great Lakes National Program Office shall be located in a Great Lakes State.

GREAT LAKES RESEARCH

SEC. 5. (a)(1) There is established within the National Oceanic and Atmospheric Administration the Great Lakes Research Office.

(2) The Great Lakes Research Office shall be headed by a Director who by reason of his management experience and technical expertise relating to the Great Lakes is highly qualified to direct the development of comprehensive data collection program for the Great Lakes basin.

(3) The Director of the Great Lakes Research Office may appoint such staff as the Administrator of the National Oceanic and Atmospheric Administration, working with the Administrator of the United States Environmental Protection Agency, determines are necessary to carry out the duties and responsibilities of the Office and to fulfill the purposes of this Act. The staff appointed pursuant to this paragraph shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The responsibilities of the Great Lakes Research Office are as follows:

(1) The Research Office shall identify Federal, State and tribal research programs, and, to the extent feasible, those of private organizations and other nations, relating to the Great Lakes system, and shall annually update that inventory.

(2) The Research Office shall establish a Great Lakes research exchange for the purpose of facilitating the rapid identification, acquisition, retrieval, dissemination, and use of information concerning research projects which are on-going or completed, and which affect the Great Lakes system.

(3) The Research Office shall identify the priority research needs for the protection and rehabilitation of the Great Lakes.

(4) The Research Office shall conduct, through the Great Lakes Environmental Research Laboratory, the National Sea Grant College Program, other Federal laboratories, and the private sector, appropriate research and monitoring activities which address priority issues and current needs relating to the Great Lakes.

(5) The Research Office shall cooperate with the Environmental Protection Agency, in the operation of a Great Lakes systemwide surveillance and monitoring network and reporting system to monitor water quality of the Great Lakes, with specific emphasis on the monitoring of toxic pollutants. The Research Office shall utilize any relevant data available from Federal agencies, State, local, or tribal agencies, and international agencies.

RESEARCH AND MANAGEMENT COORDINATION

SEC. 6. (a) Prior to October 1 of each year, the Great Lakes National Program Office shall inform the Great Lakes Research Office of the Great Lakes Program Office's research needs for the fiscal year which begins in the following calendar year.

(b) Prior to January 1 of each year the Great Lakes Research Office shall inform the Great Lakes National Program Office of

its budgetary requirements for conducting the research required under subsection (a).

(c) The Great Lakes Research Office shall report its findings to the Great Lakes National Program Office prior to October 1 of each Fiscal Year.

FINANCIAL ASSISTANCE

SEC. 7. (a) The Administrator of the Environmental Protection Agency may provide financial assistance in the form of grants or contracts for research, monitoring, and planning projects and activities necessary to address the priorities and needs established under section 4(b)(3) which are not being adequately addressed by Federal, State, or tribal agencies. The Director of the Great Lakes National Program Office shall make recommendations to the Administrator of the Environmental Protection Agency with respect to the awarding 24 of grants and contracts under this section.

(b) Any person, including institutions of higher education and departments, agencies, and instrumentalities of the Federal Government, of any State or political subdivision thereof, or of any tribe, may apply for financial assistance under this section for the conduct of projects and activities described in subsection (a) of this section, and in addition, specific proposals may be invited. Each application for financial assistance shall be made in writing and in such form and manner, and containing such information, as the Administrator of the Environmental Protection Agency may require. The Administrator of the Environmental Protection Agency may enter into contracts under this section without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(c) The projects and activities supported by grants or contracts made or entered into under this section shall, to the maximum extent practicable, be administered through existing Federal programs concerned with research, monitoring, and management.

(d) The Administrator of the Environmental Protection Agency shall act upon each application for a grant or contract under this section within six months after the date on which all required information is received by the Administrator from the applicant. Each grant made or contract entered into under this section shall be subject to such terms and conditions as the Administrator of the Environmental Protection Agency deems necessary in order to protect the interest of the United States. The total amount paid pursuant to any such grant or contract may, in the discretion of the Administrator of the Environmental Protection Agency, be up to 100 percent of the total cost of the project or activity involved.

(e) Each recipient of financial assistance under this section shall keep such records as the Administrator of the Environmental Protection Agency shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or activity in connection with which such assistance was given or used, the amount of the portion of the cost of the project or activity which was supplied by other sources, and such other records as will facilitate an effective audit. Such records shall be maintained for three years after the completion of such projects or activity. The Administrator of the Environmental Protection Agency and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of receipts which, in the opinion of the Administrator of the Environmental Protection Agency or of the Comptroller General, may be related or pertinent of such financial assistance.

INTERAGENCY COOPERATION

SEC. 8. (a) The head of each department, agency, or other instrumentality of the Federal Government which is engaged in, is concerned with, or has authority over programs relating to research, monitoring, and planning to maintain, enhance, preserve or rehabilitate the environmental quality and natural resources of the Great Lakes—

(1) shall cooperate with the Administrator of the Environmental Protection Agency and Administrator of the National Oceanic and Atmospheric Administration in carrying out the purposes of this Act;

(2) may upon written request from the Administrator of the Environmental Protection Agency or Administrator of the National Oceanic and Atmospheric Administration, make available to such Administrator such personnel (with their consent and without prejudice to their position and rating), services, or facilities as may be necessary to assist such Administrator in achieving the purposes of this title; and

(3) shall upon written request from the Administrator of the Environmental Protection Agency or the Administrator of the National Oceanic and Atmospheric Administration, furnish such data or other information as such Administrator determines is necessary to fulfill the purposes of this Act.

(b) The Chief of Engineers of the Army, the Chief of the Soil Conservation Service, the Commandant of the Coast Guard, the Director of the Fish and Wildlife Service and the Administrator of the National Oceanic and Atmospheric Administration shall each submit an annual report to the Administrator of the Environmental Protection Agency with respect to the efforts by that agency or office to comply with the Water Quality Agreement of 1972 as amended in 1978 and with recommendations made by the Office.

RELATIONSHIP TO EXISTING FEDERAL AND STATE LAWS AND INTERNATIONAL TREATIES

SEC. 9. Nothing contained in this Act shall be construed to affect the jurisdiction, powers, or prerogatives of any existing department, agency, or officer of the Federal Government, or of any State government, or of any tribe, nor any powers, jurisdiction, or prerogatives of international bodies created by treaty with authority relating to the Great Lakes.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. (a) There are authorized to be appropriated to the Environmental Protection Agency for the purposes of this Act not to exceed $12,600,000 for each of the fiscal years 1986, 1987, 1988, 1989, and 1990.

(b) Of such amounts, $2,300,000 in each fiscal year shall be used for the program of soil conservation as follows:

(A) $1,000,000 for the Lake Erie Basin.

(B) $700,000 for Saganaw Bay.

(C) $300,000 for Lake Ontario.

(D) $300,000 for Southern Lake Michigan.

(c) Of such amounts, $700,000 in each fiscal year shall be used for the program of nutrient monitoring.

(d) Of such amounts, $5,000,000 is authorized for demonstration projects of the feasibility of controlling and removing toxic pollutants.

(e) The Administrator of the Environmental Protection Agency shall transfer to the Administrator of the National Oceanic and Atmospheric Administration such amounts as are necessary to conduct research pursuant to section 5, as requested by the Administrator of the Environmental Protection Agency pursuant to section 6.

(f) Amounts authorized in this section shall be available without regard to fiscal year limitations.

Mr. MOYNIHAN. Mr. President, I am pleased to join Senator KASTEN as a cosponsor of the Great Lakes Management Act of 1985. As even a casual glance at a map of North America reveals, the lakes are a unique resource, the world's largest body of freshwater. They provide municipal and industrial water supply, navigation, and recreation to a large region of the continent. It is our duty to protect this resource, and the bill we are introducing today would provide the tools to do so.

Not long ago, Lake Erie was widely referred to as a "dead" lake. The continued discharge of municipal and industrial sewage had caused a textbook case of a phenomenon called eutrophication. Nutrients in the sewage stimulated the growth of algae; as the algae died, settled to the bottom and decomposed, the lake was robbed of oxygen. Only a few hardy species of fish could survive in this polluted environment. Recently, however, populations of such valuable species as trout, walleye, and whitefish have been increasing in Lake Erie as discharges of nutrients have been reduced by sewage treatment and other measures.

Our next challenge is to control remaining sources of pollution, especially nonpoint source pollution and discharges of toxic contaminants. I might add that additional steps are not only desirable, they are required by an agreement with Canada, the Great Lakes Water Quality Agreement of 1978.

Toxic substances are found in the water, sediments, and fish of all the Great Lakes. The problem is especially severe in Lake Erie, Lake Ontario, and the Niagara River, and is therefore a major concern in the State of New York. Efforts to improve water quality are underway. I would especially like to commend the recent efforts of the binational Niagara River Toxics Committee, with representatives from New York, Ontario, and the American and Canadian Governments. The committee's report recommends an aggressive program to monitor and reduce pollution from sewage discharges, hazardous waste disposal sites, and other sources.

The Great Lakes Management Act of 1985 would encourage such efforts throughout the Great Lakes Basin. The bill would make the management of Great Lakes water quality more effective by establishing the EPA's Great Lakes National Program Office as the lead agency to identify priorities and carry out programs. Research on the lakes would be carried out under the direction of the National

Oceanic and Atmospheric Administration. The bill would authorize a modest $12.6 million per year for the control of nutrient pollution by soil conservation, demonstration programs for the removal of toxic pollutants, and other vital programs.

I hope my colleagues will give careful consideration to our proposal.

Mr. D'AMATO. Mr. President, I rise today in support of the Great Lakes Management Act, introduced by my distinguished colleague and friend, Senator KASTEN. I am pleased to be an original cosponsor of this legislation.

In a report on this issue, the GAO indicated that the United States is having a great deal of difficulty living up to its commitment to clean up the Great Lakes, and that to do so will require "greater focus and direction of existing efforts."

Mr. President, I believe that the Great Lakes Management Act will go a long way toward providing that focus and direction. The current situation, despite all the good intentions, involves a variety of players on both the Federal and State levels. As the GAO put it, we have been hampered by a "lack of effective overall strategies for dealing with Great Lakes water quality problems."

Proper management of our Great Lakes resources is vital to much of New York's economic and environmental well-being. For example, the city of Buffalo is making plans to maximize its economic and recreational potential by redeveloping underutilized waterfront property. However, much of this planning depends on a continued Federal commitment to Great Lakes management.

The International Joint Commission, a watchdog group with members from the United States and Canada, recently issued a report on the Great Lakes cleanup effort. The report acknowledged the achievements that have been made in controlling conventional pollutants and phosphorus, but at the same time indicated that these efforts were hampered by the lack of a coordinated strategy for toxic wastes control and risks assessment. As a Buffalo News editorial so aptly stated, "* * * Remedial action on the Great Lakes and the Niagara River is necessarily a long-term project, and such efforts demand continued funding of coordinated research and remedial efforts."

Mr. President, I believe the Great Lakes Management Act is an investment in the long-term growth of all Great Lakes cities. A commitment now will pay valuable dividends for all who use or enjoy the Great Lakes in the future.

Thank you, Mr. President.

Mr. RIEGLE. Mr. President, I am pleased to rise today as an original cosponsor of this very important piece of legislation. I hope that by bringing attention to the Great Lakes and the problems they are facing, the administration and our colleagues in Congress will recognize the very real need to provide for comprehensive research and management of this unique resource. This is particularly important in light of the continuing efforts of the administration to reduce or eliminate funding for key Great Lakes programs including the Sea Grants program, the Great Lakes Environmental Research Lab in Ann Arbor and the Large Lakes Research Program in Grosse Ile, all of which carry out fundamental Great Lakes research. We cannot afford to continue to pursue a policy of neglect of the Great Lakes, the world's largest freshwater ecosystem.

The Great Lakes are vital not only to the States which surround them, but to this entire country and Canada as well. They contain 95 percent of the Nation's surface freshwater and provide water for more than 37 million people. The lakes support our country's industrial heartland, providing water and transportation. Millions of tons of goods including coal, iron ore, and grains are shipped annually on the Great Lakes. The lakes also support vital commercial fishing, tourism, and recreation industries. The basin supports 25 percent of the U.S. economic activity and 60 percent of Canada's national income. Thus, they are an important resource that must be protected.

In spite of their vast size, research has shown that the Great Lakes are particularly sensitive to various pollution problems including nutrient enrichment and toxic contamination. There are more than 7,000 different toxic substances in use in the Great Lakes basin, most of which have not been fully analyzed or evaluated. More than 800 chemicals have been found in the water, bottom sediments, and fish tissues. We know that without careful management, human activities can cause significant deterioration of the Great Lakes water quality. But the impact of these activities are not fully known or understood. A recent evaluation of the status of Great Lakes research by the National Oceanic and Atmospheric Administration concluded:

> The complexity of the Great Lakes water quality issues warrants an intensive program of multidisciplinary research specific to the Great Lakes resources problems. . . . Since fundamental information and tools are lacking, such research must include a long-term commitment in process research, numerical modeling research, and applied research to improve engineering assessment tools and decision making. If research is inadequate, it will be difficult to assess problems and develop alternative management options.

The Great Lakes have long been recognized as a critical resource, resulting in State, Federal, and international efforts to manage and protect them. Of particular importance are our water quality agreements with Canada. The combined efforts of our two nations and the Great Lakes States to build and improve wastewater treatment facilities and impose tough pollution standards is paying off. We're seeing some progress in the overall quality of the Great Lakes. This joint effort must be strengthened, however. Research and management efforts need to be better coordinated to prevent duplication of effort and improve the depth of our knowledge about the lakes and their problems. This need is highlighted by the fact that we are still having difficulty meeting the comprehensive objectives of the Great Lakes Water Quality Agreement. In addition, we are now recognizing other threats, such as toxics, to the lakes that will require renewed planning and research. Clearly, the time has come to reevaluate research and cleanup activities on the Great Lakes to improve the effectiveness of these programs. I believe this legislation is an important step in the process of calling attention to the problems of the lakes, determining the current status of research and cleanup efforts and outlining a strong and reasonable plan for their management and preservation as a great national resource.

Mr. QUAYLE. Mr. President, I am pleased to join my colleague, the Senator from Wisconsin, in sponsoring today the Great Lakes Management Act.

Those of us from Middle America recognize the importance of this vast natural resource. The Great Lakes and St. Lawrence Seaway system represent a major waterway of national importance to our country's commerce. In addition, the lakes represent 95 percent of our Nation's fresh water supply. However, we are extremely concerned about the problems of the Great Lakes which are not being addressed. For example, the accumulation of toxic substances in the food chain is a problem which goes beyond regional concerns and which must be remedied.

The Great Lakes Management Act will consolidate the various management responsibilities for the Great Lakes which are now scattered throughout the Federal bureaucracy. The Great Lakes Program Office within the Environmental Protection Agency will be given increased responsibility for the environmental protection of the lakes. Of particular note is a 3-year pilot program designed to demonstrate techniques for removing in-place toxics from lake bottoms. In this heavily industrialized region, this type of technology is not only needed, it is paramount to ensuring compatibility between industry and the environment. The Great Lakes Program

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Office will also undertake a 5-year program to control the input of substances into the lakes, including a soil conservation program to control runoff from nonpoint sources.

The Great Lakes Program Office will identify priority management needs and will submit an annual report on the state of the Great Lakes. Such reporting will give Congress and the Nation the opportunity to track the progress and improvement of environmental protection on the lakes.

In addition, the Great Lakes Management Act designates the National Oceanic and Atmospheric Administration [NOAA] as the lead agency responsible for overseeing vital research efforts on the Great Lakes. Too often in the past, research has been duplicated by various agencies, or worse yet, left undone. Under NOAA supervision, research among various States and Federal agencies can be coordinated. NOAA will be charged with establishing a systemwide surveillance and monitoring program and will also identify priority research needs of the Great Lakes region.

I am pleased to cosponsor this effort at streamlining duplicative efforts, while at the same time utilizing our Federal resources in the most effective way. The Great Lakes are one of our Nation's most important natural resources and I thank the Senator from Wisconsin for focusing on the problems of their management. I urge prompt consideration of this measure.

Mr. LEVIN. Mr. President, the Great Lakes are an invaluable natural resource. They contain 95 percent of the surface fresh water in the United States and provide drinking water for 75 percent of the Great Lakes basin's 35 million people. The Great Lakes are located in the industrial heartland of the Nation—in fact, one-fifth of U.S. manufacturing is located along the Great Lakes shores; 78.6 million tons of commercial cargo were shipped through the Soo Locks, and 94.7 million tons passed through the St. Lawrence Seaway during 1983. The Great Lakes provide a water transportation route over 2,000 miles long, extending from the western end of Lake Superior to the gulf of the St. Lawrence on the Atlantic Ocean. Important manufacturing industries are located in the region such as automobile, steel, electrical equipment, appliances and furniture, paper, printing, food processing and chemicals.

In addition, water-based recreation and tourism generates between $8 and $12 billion for the region's economy and sport fishing alone produces almost $1.5 billion. There is no doubt that the Great Lakes must be adequately protected and carefully managed.

The Great Lakes Management Act of 1985 being introduced today and of which I am a cosponsor, recognizes the importance of the Great Lakes and the necessity of the Federal Government to coordinate its environmental managment efforts under one agency, the Great Lakes National Program Office within the Environmental Protection Agency [EPA]. The Office, under this legislation, would develop a long term, comprehensive management plan for the Great Lakes. In addition, environmental protection of the lakes would be greatly enhanced by implementation of a program to control nutrient runoff and a 3-year study and demonstration projects relating to the control and removal of toxic pollutants in the lakes. The National Oceanic and Atmospheric Administration [NOAA] would be the lead agency for Great Lakes research, under this bill.

The Great Lakes National Program Office would prepare an annual report on the state of the Great Lakes, a provision which would be extremely helpful to the Federal Government in assessing the priorities and needs of the lakes.

The legislation being introduced today is vital to the health of the Great Lakes and the economy of the States which border them. I urge the Senate to adopt the Great Lakes Management Act.

By Mr. CHILES (for himself, Mr. NUNN, and Mr. BIDEN):

S. 766. A bill entitled the "International Narcotics Control Act of 1985"; to the Committee on Foreign Relations.

INTERNATIONAL NARCOTICS CONTROL ACT

Mr. CHILES. Mr. President, several years ago a Time magazine story characterized Florida as "Paradise Lost." That Time article crystallized for the Nation the terrible onslaught of crime that south Florida was suffering, mainly as a result of the flood of illegal narcotics from Latin America and Caribbean.

Since that article's publication, with the active help of many Floridians, we've taken a number of valuable steps to combat the drug traffickers and their deadly wares. The last Congress culminated with enactment of the Comprehensive Crime Control Act which is a major step toward assuring swift and certain punishment of these criminals.

On March 25, 1985, I picked up the Washington Post to read a page one story entitled, "Drugs Making Miami Synonymous With Crime." It brought home in very graphic terms that with all the efforts of the past few years we have barely made a dent in the drug trade. Record loads of cocaine, heroin, and marijuana continue to inundate our society spreading corruption, violence, and ruined, wasted lives. And for reasons mostly of geography, southern Florida remains a haven for the smugglers.

The State Department's "International Narcotics Control Strategy Report" for 1985 and a recent House Committee on Foreign Affairs staff report, "U.S. Narcotics Control Programs Overseas: An Assessment" provide ample evidence of our failure to contain the international drug trade. And our failure stems in large part from our problems in stopping [illegible] at their source. A consistent theme every report and study, in every panel and hearing examining the narcotics program is that the key to a successful drug law enforcement strategy is starting at the source of supply. All of the efforts to beef up drug interdiction forces, to break up organized crime drug rings, and to strengthen criminal penalties are undermined by a situation of ever increasing drug crops in foreign countries. With over 300,000 acres of coca fields now being cultivated in the major producing countries of Peru, Bolivia, Colombia and Ecuador it is not difficult to understand why with all our interdiction efforts there is a glut of cocaine on the market.

Controlling the drug problem from foreign source countries is obviously a long-term and difficult proposition. Success in one country often simply means development of new production in a neighboring country. Efforts by the governments of foreign source countries to destroy drug crops and narcotics production facilities range from sporadic bursts of activity, usually under U.S. pressure, to a passive acceptance of the drug trade. Efforts by the United States have involved dedication of significant financial resources, U.S. personnel, and even American lives with very limited results.

Mr. President, there are some who would conclude that we face an impossible mission in trying to eliminate narcotics production and trafficking in Latin America. I refuse to subscribe to that conclusion because the consequences are simply too deadly for our society. Rather my conclusion is it's time to get tough. It's time to rethink old approaches and cautions and make it clearly understood that no issue has higher priority in our bilateral relations with each narcotics source country than the elimination of those narcotics. In fact, there can be no amicable relationship with any nation that fails to cooperate to the fullest extent in that task. That should be our message: We're serious about stopping drugs and we expect them to be equally serious.

In recent months the chairman of the House Committee on Foreign Affairs, DANTE FASCELL, initiated an extremely valuable staff study of our overseas narcotics control program. As an outgrowth of the committee's staff report I am very pleased to be joining with Chairman FASCELL in introducing

a comprehensive legislative package which aims to deliver the message that we will use every resource and lever at our disposal to shut down foreign drug production. Senator NUNN and Senator BIDEN, who have long been leaders in the Senate in combating drug trafficking and who are responsible for some of the major antinarcotics statutes, are joining me in introducing the Senate version of the International Narcotics Control Act of 1985. This legislation attempts to further strengthen the U.S. response to foreign illicit drug production and make clear what we expect and demand of our neighbors to the south.

LATIN AMERICAN REGIONAL NARCOTICS CONTROL

In Latin America international borders mean little to the drug traffickers. When the heat is on in one country they move next door. The recent crackdown in Colombia has resulted in Brazil's emergency as a major producer of cocaine and marijuana. What is needed is a regional approach to combat narcotics. The Secretary of State is required by the legislation to report to the Congress within 6 months on the feasibility of establishing a regional organization in Latin America which would combat narcotics production and trafficking through regional information sharing and a regional enforcement unit.

MEXICO TRAVEL ADVISORY

No nation should be permitted to accede to violence against agents of the U.S. Government. The murder of DEA agent Enrique Salazar is intolerable. Until those responsible are brought to justice and a verdict obtained, the Secretary of State is directed to issue a travel advisory warning U.S. citizens of the dangers of traveling in Mexico.

U.S. ARMED FORCES SUPPORT

Within 60 days of enactment the President shall report to Congress on why the United States Armed Forces should not exert greater effort in facilitating and supporting interception of narcotics traffickers, and in gathering narcotics-related intelligence, outside the United States.

COMMUNIST COUNTRY INVOLVEMENT IN ILLICIT DRUG TRAFFIC

Current reporting requirements under the Foreign Assistance Act of 1961 shall be amended to require a description of the direct or indirect involvement of Communist countries in the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances and any other activities of Communist governments which facilitated illicit drug trafficking.

MANSFIELD AMENDMENT

The bill provides for an exemption from the current ban on involvement of U.S. personnel in arrest actions and interrogations in narcotics control efforts abroad when the Secretary of State and the government of that country agree to such an exemption. This will allow the active participation and assistance of DEA agents in efforts of foreign law enforcement agencies to accomplish the arrest of major narcotics traffickers.

FOREIGN ASSISTANCE PROGRAMS

Brazil.—The Secretary of State is directed to enter into negotiations with the Government of Brazil to establish a bilateral narcotics control agreement with the goal of a 10-percent reduction in illicit coca production in calendar year 1986. If agreement is not reach within 3 months of enactment, the President shall consider reassigning 10 percent of the United States sugar quota for Brazil to designated beneficiary countries under the Caribbean Basin Economic Recovery Act.

Bolivia.—Bolivia has compiled a record of zero accomplishments in terms of eradicating coca and remains a principal source of the world's cocaine supply. Unless and until Bolivia demonstrates a serious commitment to drug eradication, including the enactment of legislation to outlaw coca production except for traditional Bolivian medicinal uses, foreign assistance to that country will be terminated. A schedule is established for specified portions of that assistance to be restored when the President certifies that certain eradication targets are achieved by Bolivia.

Peru.—Funds authorized for fiscal year 1987 shall be made available to the Agency for International Development project in the Upper Huallaga Valley in Peru only if the AID Administrator certifies to Congress that a comprehensive review of that project has been completed which establishes the effectiveness of that project in reducing and eradicating coca leaf production, distribution, and marketing in the Upper Hallaga Valley.

Jamaica.—Of foreign assistance funds allocated to Jamaica for fiscal year 1986, $5 million shall be withheld from obligation until the President certifies to Congress that the Government of Jamaica has prepared, presented, and committed itself to a comprehensive plan or strategy for the control and reduction of illicit cultivation, production, processing, transportation, and distribution of marijuana within a specified period of time.

UNITED NATIONS FUND FOR DRUG ABUSE CONTROL

Funds authorized for the United States contribution to the United Nations Fund for Drug Abuse Control will be withheld until that organization includes in its crop substitution projects a plan for cooperation with the law enforcement forces of the host country.

PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR DRUG CROP ERADICATION

Use of foreign assistance funds is prohibited for the purpose of reimbursing persons whose illicit drug crops are eradicated.

COST SHARING

U.S. International Narcotics Control assistance will accomplish its objectives only if the recipient government is equally serious about those objectives. As a demonstration of that seriousness of purpose, U.S. assistance shall be provided only if the country in question puts up 25 percent of the costs of any narcotics control program, project or activity for which such assistance is made available.

DEPARTMENT OF STATE

Strengthening Personnel.—The State Department's narcotics control assistance programs have been plagued by numerous inadequacies from a personnel standpoint. Apparently, assignment of Foreign Service Officers to such aid programs is on a basis that has undermined establishment of the professional cadre necessary to accomplish the goals of the program. Consequently, the Secretary is directed to report to the Congress within 90 days on steps to improve the staffing and personnel management in the Bureau of International Narcotics Matters. This report shall include consideration of a narcotics specialist personnel category in the Foreign Service.

Information Sharing.—To facilitate information sharing concerning drug trafficking, the Department of State shall cooperate with U.S. law enforcement agencies in establishing a comprehensive information system on all drug arrests of foreign nationals in the United States. This system will enable U.S. Embassies to act to deny visas to drug traffickers for entrance back into the United States.

Extradition Treaties.—The Secretary of State shall increase U.S. efforts to negotiate updated extradition treaties relating to narcotics offenses with each major drug producing country.

This legislation represents a number of steps that we can take to address the weakest link in our defensive strategy against illicit drugs—stopping them at their source. It signals that in our international relations we have no higher priority or security interest than defending American society against this poison. It may ruffle a few feathers in diplomatic channels and it may be a departure from the traditions of the State Department. Frankly, we can't afford to be concerned that some countries aren't going to like these steps. It's about time they get concerned about what we don't like and won't tolerate: cocaine, heroin, and marijuana.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 766

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Narcotics Control Act of 1985".

SEC. 2. LATIN AMERICAN REGIONAL NARCOTICS CONTROL ORGANIZATION.

(a) FEASIBILITY STUDY.—The Secretary of State, with the assistance of the National Drug Enforcement Policy Board, shall conduct a study of the feasibility of establishing a regional organization in Latin America which would combat narcotics production and trafficking through regional information-sharing and a regional enforecement unit.

(b) REPORT.—No later than six months after the date of enactment of this Act, the Chairman of the National Drug Enforcement Policy Board shall report to the Committee on Foreign Affairs and Committee on the Judiciary of the House of Representatives and the Committee on Foreign Relations and Committee on the Judiciary of the Senate on the advisability of encouraging the establishment of such an organization.

SEC. 3. ESTABLISHMENT OF A TRAVEL ADVISORY ON MEXICO.

(a) VIOLENCE AGAINST AMERICANS.—The Congress—

(1) deplores the brutal murder of Drug Enforcement Administration agent Enrique Camarena Salazar, and the disappearance of numerous other Americans, in Mexico; and

(2) finds that the violence perpetrated by drug traffickers and other lawless elements in Mexico constitute a danger to the safety of United States citizens traveling in Mexico.

(b) TRAVEL ADVISORY.—The Congress, therefore, directs the Secretary of State to issue a travel advisory warning United States citizens of the dangers of traveling in Mexico. Such travel advisory shall remain in effect until those responsible for the murder of Drug Enforcement Administration agent Camarena have been brought to trial and a verdict has been obtained.

SEC. 4. GREATER EFFORT BY UNITED STATES ARMED FORCES TO SUPPORT NARCOTICS CONTROL EFFORTS ABROAD.

No later than 60 days after the date of enactment of this Act, the President shall report to the Congress on why the United States Armed Forces should not exert greater effort in facilitating and supporting interception of narcotics traffickers, and in gathering narcotics-related intelligence, outside the United States.

SEC. 5. ANNUAL REPORTS ON INVOLVEMENT OF COMMUNIST COUNTRIES IN ILLICIT DRUG TRAFFIC.

Section 481(e) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(6) Each report pursuant to this subsection shall describe the involvement, during the preceding fiscal year, of the governments of communist countries (as defined for purposes of section 620(f) of this Act) in illicit drug trafficking, including—

"(A) the direct or indirect involvement of communist governments in the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances; and

"(B) any other activities of communist governments which have facilitated illicit drug trafficking.".

SEC. 6. EXEMPTION FROM BAN ON INVOLVEMENT OF U.S. PERSONNEL IN ARREST ACTIONS AND INTERROGATIONS IN NARCOTICS CONTROL, EFFORTS ABROAD.

Section 481(c) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(2) Paragraph (1) of this subsection shall not apply with respect to a foreign country to the extent that the Secretary of State and the government of that country agree to such an exemption. The Secretary of State shall report any such agreement to the Congress before the agreement takes effect.".

SEC. 7. NARCOTICS CONTROL EFFORTS IN BRAZIL.

(a) REDUCTION IN COCA PRODUCTION.—The Secretary of State shall enter into negotiations with the Government of Brazil in order to establish a bilateral narcotics control agreement. Such agreement shall have as a goal a 10 percent reduction in illicit coca production in Brazil in calendar year 1986.

(b) BRAZIL'S SUGAR QUOTA.—If agreement described in subsection (a) has not been reached within 3 months after the date of enactment of this Act, the President shall consider reassigning 10 percent of the United States sugar quota for Brazil for the next fiscal year to designated beneficiary countries under the Caribbean Basin Economic Recovery Act.

SEC. 8. CONDITIONS ON ASSISTANCE TO BOLIVIA.

United States assistance (as defined in section 481(i)(4) of the Foreign Assistance Act of 1961) may be provided to Bolivia for fiscal years 1986 and 1987 only under the following conditions:

(1) Of the aggregate amount of assistance allocated for Bolivia for fiscal year 1986—

(A) up to 25 percent may be provided at any time after the President certifies to the Congress that the Government of Bolivia has enacted legislation which prohibits more than two hectares of coca production per family; and

(B) the remaining 75 percent may be provided at any time subsequent to a certification pursuant to subparagraph (A) if the President certifies to the Congress that the Government of Bolivia achieved the eradication targets for the calendar year 1985 contained in its August 1983 narcotics control agreements with the United States.

(2) Of the aggregate amount of assistance allocated for Bolivia for fiscal year 1987—

(A) up to 50 percent may be provided at any time after the President certifies to the Congress that during the first 6 months of calendar year 1986 the Government of Bolivia achieved at least half of the eradication targets for the calendar year 1986 contained in its August 1983 narcotics control agreements with the United States; and

(B) the remaining 50 percent may be provided at any time after the President certifies to the Congress that the Government of Bolivia fully achieved the eradication targets for the calendar year 1986 contained in its August 1983 narcotics control agreements with the United States.

SEC. 9. UPPER HUALLAGA VALLEY PROJECT IN PERU.

Funds authorized to be appropriated for fiscal year 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 for the project of the Agency for International Development in the Upper Huallaga Valley of Peru may be made available for that project only if the Administator of that Agency, after consultation with the Congress, determines that a comprehensive review of that project has been completed which establishes the effectiveness of that project in reducing and eradicating coca leaf production, distribution, and marketing in the Upper Huallaga Valley.

SEC. 10. CONDITIONS ON ESF ASSISTANCE TO JAMAICA.

Of the funds allocated for Jamaica for fiscal year 1986 under chapter 4 of part II of the Foreign Assistance Act of 1961, $5,000,000 shall be withheld from obligation until the President certifies to the Congress that the Government of Jamaica has prepared, presented, and committed itself to a comprehensive plan or strategy for the control and reduction of illicit cultivation, production, processing, transportation, and distribution of marijuana within a specifically stated period of time.

SEC. 11. REALLOCATION OF FUNDS IF CONDITIONS NOT MET.

If any of the funds described in sections 8, 9, and 10 of this Act are not used for the country for which they were allocated because the conditions specified in those sections are not met, the President shall reprogram those funds in order to provide additional assistance to countries which have taken significant steps to halt illicit drug production or trafficking.

SEC. 12. CONDITIONS ON UNITED STATES CONTRIBUTIONS TO THE UNITED NATIONS FUND FOR DRUG ABUSE CONTROL.

Section 482(a) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new paragraph:

"(3) Funds authorized to be appropriated by this section for fiscal year 1986 and for fiscal year 1987 may be used for a contribution to the United Nations Fund for Drug Abuse Control only if that organization includes in its crop substitution projects a plan for cooperation with the law enforcement forces of the host country.".

SEC. 13. PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROP ERADICATIONS.

Chapter 8 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 483. PROHIBITION ON USE OF FOREIGN ASSISTANCE FOR REIMBURSEMENTS FOR DRUG CROPS ERADICATIONS."

"Funds made available to carry out this Act may not be used to reimburse persons whose illicit drug crops are eradicated.".

SEC. 14. REQUIREMENT FOR COST-SHARING IN INTERNATIONAL NARCOTICS CONTROL ASSISTANCE PROGRAMS.

(a) ESTABLISHMENT OF REQUIREMENT.—Section 482 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(d) Assistance may be provided under this chapter to a foreign country only if the country provides assurances to the President, and the President is satisfied, that the country will provide at least 25 percent of the costs of any narcotics control program, project, or activity for which such assistance is to be provided. The costs borne by the country may include 'in-kind' contributions.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 15. STRENGTHENING THE PERSONNEL SYSTEM OF THE BUREAU OF INTERNATIONAL NARCOTICS MATTERS.

No later than 90 days after the date of enactment of this Act, the Secretary of State shall report to the Congress on the status of proposals implemented or under consideration to improve the staffing and personnel

management in the Bureau of International Narcotics Matters. This report shall explicitly discuss whether a narcotics specialist personnel category in the Foreign Service is an appropriate mechanism to serve these purposes and, if not, what alternatives are contemplated.

SEC. 16. INFORMATION SHARING CONCERNING DRUG TRAFFICKERS.

(a) REPORTING SYSTEMS.—In order to ensure that foreign narcotics traffickers are denied visas to enter the United States, as required by section 212(a)(23) of the Immigration and Nationality Act (22 U.S.C. 1182(a)(23))—

(1) the Department of State shall cooperate with United States law enforcement agencies, including the Drug Enforcement Administration and the United States Customs Service, in establishing a comprehensive information system on all drug arrests of foreign nationals in the United States, so that that information may be communicated to the appropriate United States Embassies; and

(2) the National Drug Enforcement Policy Board shall agree on uniform guidelines which would permit the sharing of information on foreign drug traffickers.

(b) REPORT.—Not later than six months after the date of the enactment of this Act, the Chairman of the National Drug Enforcement Policy Board shall submit a report to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate on the steps taken to implement this section.

SEC. 17. EXTRADITION TREATIES.

The Secretary of State with the assistance of the National Drug Enforcement Policy Board shall increase United States efforts to negotiate updated extradition treaties relating to narcotics offenses with each major drug-producing country, particularly those in Latin America.

Mr. BIDEN. Mr. President, I will join with Senators CHILES and NUNN in introducing this bill because it is time to stop threatening to do something about countries that have been negligent in responding to narcotics production and start demonstrating our seriousness about tying U.S. foreign aid to narcotics reduction.

As a member of the Senate Foreign Relations Committee and the ranking member of the Judiciary Committee, I believe nothing is more important to the domestic security of this country than stemming the flow of drugs. Nothing bothers me more than continuing promises by the State Department that, "Things will get better next year."

Next year is now, and countries like Bolivia, Brazil, Peru, and Jamaica are on notice that with U.S. foreign assistance funds and trade agreements comes an expectation that there will be more than lipservice paid to the cultivation, refining, and trafficking of narcotics in their countries.

The tragedy in Mexico last month when Drug Enforcement Administration Agent Enrique Camarena was brutally murdered should set the resolve for Congress, the President, and the American people that we will not tolerate foreign countries ignoring our requests for help in stopping the flow of drugs to this country.

Four years ago, I worked in the Foreign Relations Committee in developing a requirement that the State Department produce a report annually that describes the amount of narcotics being produced in foreign countries and provided for the suspension of all U.S. assistance except emergency aid to those nations not showing positive results in reducing production of illicit narcotics. Two years ago, with several of my Senate colleagues, we added additional language to the statute that required the State Department to set maximum achievable reductions for all source producing countries. These figures were intended to set a benchmark by which progress can be judged in stemming the flow of drugs in these countries and making determinations about foreign aid in the next fiscal year.

The State Department this year has made no recommendations to reduce foreign aid to any of the nations we know are doing little or nothing to reduce cultivation and production of narcotics within their borders. For example, the State Department recommends we give Boliva, which produced an estimated 49 metric tons of coca, $57 million in foreign aid for fiscal year 1986 even though Bolivia didn't pull up one single coca plant last year. Also, the State Department has been telling us for years about the great cooperation with Mexico in destroying opium and marijuana. This year, production of both are up, our DEA agent is murdered there, and there has not been a major drug trafficker arrested in Mexico in 8 years.

Admittedly, we have made some progress in Mexico in the last few weeks, after we slowed the crossing of our mutual borders down to a crawl and Mexico saw real quick what that would mean in U.S. tourist dollars.

This bill is a comprehensive approach to addressing the international aspects of narcotics. The approach is similar to the reform of the Federal Domestic Law Enforcement Program we undertook last year in the Comprehensive Crime Control Act of 1984, the most encompassing revision of Federal criminal law to occur in decades. In that legislation we gave Federal authorities new tools to go after the assets of drug traffickers, detain them without bail pending trial, and increase prison sentences for all drug trafficking crimes.

As a member of the Foreign Relations Committee, I will ask Chairman LUGAR to call for hearings on this bill quickly so that we may offer the entire bill or provisions of the bill to the foreign assistance bill on the Senate floor this spring.

I compliment my colleagues and pledge my support in trying to move this legislation in the Senate.

By Mr. PRESSLER:

S. 768. A bill to authorize the President of the United States to award a congressional gold medal to Jan C. Scruggs in recognition of his work on behalf of Vietnam veterans, and to authorize the Secretary of the Treasury to sell bronze duplicates of such medal; to the Committee on Banking, Housing, and Urban Affairs.

CONGRESSIONAL GOLD MEDAL TO JAN C. SCRUGGS

● Mr. PRESSLER. Mr. Presideant, I would like to offer a bill today to provide a congressional gold medal in honor of Jan C. Scruggs, president of the Vietnam Veterans Memorial Fund. Such a medal would be a fitting tribute to a man who, almost singlehandedly, made the Vietnam Veterans Memorial a reality.

As a Vietnam veteran, I am truly proud of all that Jan has done for his fellow veterans, for the building of the memorial and the two dedication ceremonies have been at the center of the movement to build the image of the Vietnam veteran. As we all know, this has been a very long and arduous process.

At the conclusion of the Vietnam war, a pall was cast over those that served in that ignominious conflict. Many have dwellt on the problems that Vietnam has caused—not only for the soldiers who were there, but also for the American society as a whole. In the 12 years since the signing of the Paris Accords, a slow healing process has been underway. That we have come as far as we have is largely because of people like Jan Scruggs, a Vietnam veteran who feels that these brave men and women should be recognized for all they have done for this country.

Jan Scruggs served as an infantryman in Vietnam. After returning home, he resumed his college studies and was left to ponder the Vietnam experience. Subsequently, he recommended to Congress that a monument to our 22.7 million Vietnam veterans be erected. After some debate as to financing, Scruggs stepped forth to spearhead a private national fundraising effort; $8.3 million were raised.

In November 1982, the Vietnam Veterans Memorial was dedicated before 150,000 people from across the country. This past Veterans Day, a second ceremony was held, with the Three Fightingmen Statue being unveiled. Again, thousands witnessed this historic occasion.

Now, as we look at this popular memorial which draws up to 15,000 visitors daily, there is a certain sense of pride. Today, it is an honor to be a Vietnam veteran. More than ever, this country realizes that the veterans of this war performed valiantly—indeed, did everything possible in an often difficult situation. We should thank Jan Scruggs for his monumental part in

this new national awareness. A congressional gold medal would, indeed, be an appropriate way to do it.

By Mr. PRESSLER (for himself and Mr. ABDNOR):

S. 769. A bill to amend title 38, United States Code, to allow the use of upright grave markers in national Veterans' Administration cemeteries; to the Committee on Veterans' Affairs.

USE OF UPRIGHT GRAVE MARKERS IN VETERANS' CEMETERIES

● Mr. PRESSLER. Mr. President, today I am introducing legislation to amend Veterans' Administration policy regarding the use of headstones in our national cemeteries. This bill will change regulations that are at odds with what many consider to be a proper military burial.

In 1982, the VA adopted regulations to require that new sections of existing national cemeteries and new national cemeteries be required to use flat markers. This was done for the stated reasons of cost savings, operational efficiency, and conservation of grave space. I would like to address each of these points.

While I recognize that procurement costs are less for flat markers, I question whether these negligible savings override the strong personal emotions here. A great many veterans from my home State of South Dakota and across the Nation have contacted me on this issue. To my recollection, none of them have supported present policy. The Veterans of Foreign Wars, American Legion, Disabled American Veterans, and all veterans groups of which I am aware oppose the mandatory use of flat markers. Most equate the upright headstone with a proper military burial.

There is another very important consideration. That is the fact that winters in the Midwest are generally severe and snowfall is abundant. The flat headstones are easily covered and might remain so for weeks or even months. What happens to the family who wishes to visit a relative's gravesite? The VA has informed me that on such an occasion, their employees would be happy to clear the gravesite. The fact that most visits to our national cemeteries come after working hours and on weekends brings into question how much help this would be.

Finally, the VA points out that with flat markers, a 4 foot by 8 foot gravesite can be utilized, whereas a 5 foot by 10 foot site is necessary with an upright marker. They note that this allows more veterans to be buried in our national cemeteries. While this is true, it does not take into account the orderly expansion of the national cemetery system. Done properly, this will become a nonissue.

Mr. President, the legislation I am offering today could be implemented quite easily. An identical bill, S. 2953, was introduced last year by Senator BOSCHWITZ, Senator ABDNOR, and me. I would also add that hearings have already been held in the House on similar legislation.

Simply stated, this bill would amend title 38, United States Code, to allow the veteran and his/her family to choose the type of marker to be used. Separate sections would be established in national cemeteries for both types. In this manner, the concerns of our veterans can be met, while preserving the esthetic beauty of these memorial lands.

I urge my distinguished colleagues to support me in this endeavor to revise VA headstone policy. Since the founding of this country, our finest citizens have answered the call to arms and have performed admirably in our defense. The least we can do is accord them the honor and respect they deserve in burial.●

By Mr. LUGAR (by request):

S. 771. A bill to facilitate the adjudication of certain claims of U.S. nationals against Iran, to authorize the recovery of costs incurred by the United States in connection with the arbitration of claims of U.S. nationals against Iran, and for other purposes; to the Committee on Foreign Relations.

IRAN CLAIMS ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to facilitate the adjudication of certain claims of U.S. nationals against Iran, to authorize the recovery of costs incurred by the United States in connection with arbitration of claims of U.S. nationals against Iran, and for other purposes

This proposed legislation has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs to the President of the Senate, dated March 21, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Iran Claims Act".

RECEIPT AND DETERMINATION OF CERTAIN CLAIMS

SEC. 2. (a) The Foreign Claims Settlement Commission of the United States is hereby authorized to receive and determine, in accordance with the provisions of title I of the International Claims Settlement Act of 1949, the validity and amounts of claims by nationals of the United States against Iran which are settled en bloc by the United States. In deciding such claims, the Commission shall apply, in the following order, the terms of any settlement agreement, the relevant provisions of the Declarations of the Government of the Democratic and Popular Republic of Algeria of January 19, 1981, giving consideration to interpretations thereof by the Iran-United States Claims Tribunal, and applicable principles of international law, justice and equity.

(b) The Commission shall certify to the Secretary of the Treasury any awards determined pursuant to subsection (a) of this section in accordance with section 5 of title I of the International Claims Settlement Act of 1949. Such awards shall be paid in accordance with sections 7 and 8 of that title, except that—

(1) the Secretary of the Treasury is authorized to make payments pursuant to Section 8(c)(1) in the amount of $10,000 or the principal amount of the award, whichever is less; and

(2) the Secretary of the Treasury is authorized to deduct pursuant to section 7(b) an amount equal to 2 percent, instead of 5 percent, of payments made pursuant to section 8(c).

DEDUCTIONS FROM ARBITRAL AWARDS

SEC. 3. (a) Except as provided in section 4, whenever the Federal Reserve Bank of New York shall receive an amount from the Security Account established pursuant to the Declarations of the Democratic and Popular Republic of Algeria of January 19, 1981, in satisfaction of an award rendered by the Iran-United States Claim Tribunal in favor of a United States national, the Federal Reserve Bank of New York as fiscal agent of the United States shall deduct from the amount so received an amount equal to two percent thereof as reimbursement to the United States Government for expenses incurred in connection with the arbitration of claims of United States nationals against Iran before the Iran-United States Claims Tribunal and the maintenance of the Security Account.

(b) Amounts deducted by the Federal Reserve Bank of New York pursuant to subsection (a) shall be deposited into the Treasury to the credit of miscellaneous receipts.

(c) Nothing in this section shall be construed to affect the payment to United States nationals of amounts received by the Federal Reserve Bank of New York in respect of awards by the Iran-United States Claims Tribunal, after deduction of the amounts specified in subsection (a).

(d) This section shall be effective as of June 7, 1982.

EN BLOC SETTLEMENT

SEC. 4. The deduction by the Federal Reserve Bank of New York provided for in section 3(a) of this Act shall not apply in the case of a sum received by the Bank pursuant to an en bloc settlement of any category of claims of United States nationals against Iran when such sum is to be used for payments in satisfaction of awards certified by the Foreign Claims Settlement Commission pursuant to section 2(b) of this Act.

REIMBURSEMENT TO THE FEDERAL RESERVE BANK OF NEW YORK

SEC. 5. The Secretary of the Treasury is hereby authorized to reimburse the Federal Reserve Bank of New York for expenses incurred by the Bank in the performance of fiscal agency agreements relating to the settlement or arbitration of claims pursuant to the Declarations of the Democratic and Popular Republic of Algeria of January 19, 1981.

CONFIDENTIALITY OF RECORDS

SEC. 6. Notwithstanding the provisions of the Freedom of Information Act, section 552 of title 5, United States Code, records pertaining to the arbitration of claims before the Iran-United States Claims Tribunal shall be prohibited from disclosure to the general public except that:

(1) rules, awards, and other decisions of the Tribunal and claims and responsive pleadings filed at the Tribunal by the United States on its own behalf shall be made available to the public unless the Secretary of State or his designee determines that public disclosure would be prejudicial to the interests of the United States or United States claimants in proceedings before the Tribunal, or that public disclosure would be contrary to the rules of the Tribunal; and

(2) the Secretary of State or his designee may determine on a case-by-case basis to make such information available when in his judgment the interests of justice requires.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED IRAN CLAIMS ACT

I. INTRODUCTION

The proposed legislation (hereinafter referred to as "the Bill") contains authority for certain actions by the Foreign Claims Settlement Commission, the Department of the Treasury, and the Federal Reserve Bank of New York in implementation of the Algiers Accords of January 19, 1981, which achieved the release of the American hostages from Iran.

Specifically, the Bill authorizes the Foreign Claims Settlement Commission to adjudicate claims by United States nationals against Iran in the event that they are settled by agreement between the United States and Iran. It also authorizes the Secretary of the Treasury to make payments in satisfaction of the Commission's determinations. It provides authority and procedures for reimbursement to the United States Government of a portion of its expenses incurred for the benefit of U.S. nationals who obtain arbitral awards against Iran from the Iran-United States Claims Tribunal. Finally, the Bill would allow the Secretary of State to maintain the confidentiality of certain records pertaining to the arbitration of private claims before the Iran-United States Claims Tribunal.

The Algiers Accords consisted primarily of two "declarations" by the Government of Algeria which were adhered to by the United States and Iran. The first of these (the "General Declaration") provided inter alia for the revocation of sanctions, the transfer of certain Iranian financial assets and property, and the nullification of certain claims and attachments through reference to binding arbitration in accordance with the second declaration (the "Claims Settlement Agreement"). The General Declaration also provided for the establishment of a Security Account, funded from transferred Iranian assets at an initial level of $1 billion, to secure the payment of arbitral awards against Iran. Iran is obliged to replenish the Security Account whenever the payment of claims causes it to fall below $500 million. The Claims Settlement Agreement provided for the establishment of the Iran-United States Claims Tribunal at The Hague to decide, inter alia, claims by nationals of the United States against Iran arising out of debts, contracts, expropriations or other measures affecting property rights. The expenses of the Tribunal are borne equally by the Governments of Iran and the United States.

In accordance with the Claims Settlement Agreement, claims of U.S. nationals against Iran for less than $250,000 each are to be presented to the Tribunal by the United States Government rather than by the claimants themselves. The Bill would authorize the Foreign Claims Settlement Commission and the Department of the Treasury respectively to adjudicate and pay these "small" claims in the event that Iran and the United States agree to settle them on a lump-sum (or en bloc) basis rather than to arbitrate them before the Tribunal.

Under implementing agreements signed on August 17, 1981, by the Federal Reserve Bank of New York as Fiscal Agent of the United States, Bank Markazi Iran, Banque Centrale d'Algerie as escrow agent and the Dutch Central Bank and its subsidiary depositary bank, arbitral awards rendered by the Tribunal against Iran in favor of U.S. nationals are certified for payment by the Tribunal and paid from the Security Account to the Federal Reserve Bank of New York. The Bill would authorize the reimbursement to the United States Government of a portion of its expenses incurred in connection with the Tribunal and the Security Account by deducting two percent from each amount received from the Security Account for payment to a U.S. national in satisfaction of a Tribunal award.

The question of further distribution of the amounts received by the New York Federal Reserve Bank is not addressed in the relevant agreements. Since 1982, these amounts have been transmitted directly to the U.S. national in whose favor an award has been made immediately and without any additional deduction. The proposed legislation would not change this practice.

The Department of State is charged with implementing the Claims Settlement Agreement of the Algiers Accords. The Department monitors Tribunal activities, analyzes Iranian factual and legal arguments, and prepares factual and legal materials to support U.S. Government and U.S. claimants' positions. Since the Claims Settlement Agreement requires that private claims of less than $250,000 each be presented by the Government of the national concerned, the Department collects all the information necessary to prepare and present such claims before the Tribunal. The Department also represents the United States Government at the Tribunal, filing claims on its behalf and responding to claims filed against it by the Government of Iran. Finally, the Department identifies common legal issues and coordinates the presentation by large and small private claimants and by the Government of such issues before the Tribunal. The proposed legislation protects records collected by the Department of State and other departments pertaining to private claims which may be used by our adversaries against the Government or against U.S. claimants at the Tribunal. At the same time claimants and legal scholars will continue to have access to government records in order to achieve a favorable resolution of U.S. claims pending before the Tribunal.

PROVISIONS OF THE BILL

Section 1. Short title

This section states that the Bill may be cited as the "Iran Claims Act".

Section 2. Receipt and determination

This section authorizes the Foreign Claims Settlement Commission of the United States, a component of the Department of Justice, to adjudicate claims of U.S. nationals against Iran in the event that they are settled as between Iran and the United States.

Under the Claims Settlement Agreement, claims of U.S. nationals which are, in the aggregate, for less than $250,000 each (the "small" claims) are to be presented to the Iran-United States Claims Tribunal by the United States Government rather than the claimants themselves. Prior to the January 19, 1982 deadline, some 2,795 small claims were filed by the Department of State with the Tribunal. Arbitration of such a large number of small claims would place a severe bruden on the Tribunal. The United States has proposed to Iran that such claims be settled by a lump-sum (or en bloc) agreement. If such a settlement were negotiated, the amount received in discharge of the claims thereby settled would be distributed among individual claimants on the basis of adjudication by the Foreign Claims Settlement Commission.

Subsection (a) makes clear the authority of the Commission to adjudicate the claims on the basis of title I of the International Claims Settlement Act of 1949, as amended, in the event of a settlement. The precise nature of a settlement cannot be predicted. To ensure consistency of result regardless of the form it takes, the Commission is directed to apply the terms of any settlement agreement, relevant jurisdictional provisions of the Claims Settlement Agreement, giving consideration to interpretations thereof by the Tribunal, and the applicable principles of international law, justice and equity.

Subsection (b) also directs the Commission to certify its awards under section 5 of the International Claims Settlement Act to the Secretary of the Treasury for payment in accordance with the provisions of sections 7 and 8 of that Act. Section 8(c)(1) currently limits the initial payment which the Secretary of the Treasury may make on account of an award to the amount of $1,000 or the principal amount of the award, whichever is less. Subsection (b)(1) of the Bill authorizes the Secretary of the Treasury to make such payments to successful claimants up to the amount of $10,000 or the principal amount of the award, whichever is less. Payments on the unpaid balance of awards in excess of $10,000 would thereafter be made in accordance with the existing provisions of Section 8(c) of title I of the International Claims Settlement Act. Section 7(b) of the International Claims Settlement Act currently reimburses the Government in the amount of 5 percent of payments made under section 8(c)(1). Subsection (b)(2) reduces this recovery to 2 percent to eliminate the disparity in the amount deducted from awards rendered by the Tribunal and those rendered by the Commission.

Section 3. Deductions from arbitral awards

This section, consisting of four subsections, establishes the basic structure for effecting reimbursement of the expenses in-

curred by the U.S. Government on behalf of U.S. claimants in connection with the Iran-United States Claims Tribunal and the Security Account. Those expenses include both the U.S. contribution to the Tribunal for its capital and operating expenses (which are borne equally by Iran and the United States) and the U.S. share of the management fees associated with the Security Account, as well as the costs incurred by U.S. Government agencies and the Federal Reserve Bank in connection with U.S. participation in the Tribunal.

Subsection (a) generally directs the Federal Reserve Bank of New York to deduct the reimbursement from each payment received from the Security Account in satisfaction of an arbitral award, including any interest thereon, by the Tribunal in favor of a U.S. claimant. Thus, reimbursement is collected only from those claimants who avail themselves of the Tribunal, receive a favorable award and are paid from the Security Account. Those claimants who do not benefit from both the Tribunal and the Security Account would not be required to reimburse the Government.

This subsection establishes the amount of the deduction at two percent of the amount received by the Federal Reserve Bank. Given the expected rate of awards in favor of U.S. nationals and the fulfillment by the Government of Iran of its obligation to replenish the Security Account whenever the balance therein falls below $500 million, that amount is estimated to be sufficient to meet that portion of the anticipated costs, both direct and indirect, of U.S. participation in the Tribunal which can reasonably be allocated to private claimants. The bill is not intended to recoup from private claimants those costs attributable to the arbitration of claims by and against the U.S. Government itself.

Subsection (b) provides that the amounts deducted for reimbursement to the Government of its expenses shall be deposited into the miscellaneous receipts of the Treasury. The agencies incurring expenses for the operations of the Tribunal will not be able to use any of these funds. Rather, the agencies will be responsible for justifying to the Congress appropriations in amounts necessary to pay their expenses. The Federal Reserve Bank of New York would be reimbursed under the provisions of section (5).

Subsection (c) makes clear that the authority to make the deductions provided by this section does not otherwise affect the distribution of amounts received by the Federal Reserve Bank in satisfaction of awards by the Tribunal. After the two percent deduction is made, the balance of the award would be transmitted in full and at once to the successful claimant, as has been done to date.

Subsection (d) establishes June 7, 1982 as the effective date of this section. On that date, the Treasury Department issued a directive license under the authority of the Independent Offices Appropriations Act authorizing the Federal Reserve Bank of New York to deduct two percent of each amount received in satisfaction of an award of the Tribunal and to pay the balance immediately thereafter to the awardee without further deduction or alteration. Monies so deducted have been deposited in the Treasury miscellaneous receipts. However, suit has been brought in the U.S. Claims Court challenging the use of this general statutory authority. This subsection is intended to ratify the Treasury Department's action in issuing the directive license, and to give Congress an independent opportunity to review and approve the amount and character of these deductions.

Section 4. En bloc settlement

Section 4 provides an exception to the requirement for a two percent deduction in the case of any amount received by the Federal Reserve Bank in satisfaction of settlement of claims of U.S. nationals which are to be adjudicated by the Foreign Claims Settlement Commission. Section 2(b)(2) of the Bill separately provides for a two percent deduction from each payment by the Department of the Treasury as reimbursement for U.S. Government expenses in the case of claims decided by the Foreign Claims Settlement Commission. In the absence of the exception provided in this section of the Bill, U.S. nationals with claims against Iran which were adjudicated by the Foreign Claims Settlement Commission rather than the Tribunal could be subjected to duplicative deductions from their awards—first by the Federal Reserve Bank under section 3(a), and second by the Treasury Department under section 2(b)(2) of the Bill.

Section 5. Reimbursement to the Federal Reserve Bank

This section authorizes the Secretary of the Treasury to reimburse the Federal Reserve Bank of New York for its expenses in acting as Fiscal Agent of the United States, in connection with banking arrangements which implement the Algiers Accords. That portion of the expenses of the Federal Reserve Bank of New York which are appropriately related to the arbitration and payment of claims of U.S. nationals has been taken into account in the establishment of the level of reimbursement to be deducted from awards under section 3(a) of the Bill. The section is intended to clarify the authority of the Secretary of the Treasury to make such reimbursements in the context of this arbitration, rather than rely on the more general authority of sections 321 and 3302 of title 21 of the United States Code.

Section 6. Confidentiality of records

This section would allow the maintenance of the confidentiality of records pertaining to the arbitration of claims before the Iran-United States Claim Tribunal by exempting these records from the Freedom of Information Act, 5 U.S.C. § 552(b)(3). The majority of claims pending before the Tribunal have been brought by United States nationals against the Government of Iran, seeking billions of dollars in compensation for losses suffered as a result of the revolution in Iran. Pursuant to the Tribunal's own Rules of Procedure, pleadings and other materials filed by claimants are not publicly available. Most claimants also treat materials concerning their claims as confidential.

The United States Government, through the Departments of State, Justice and Treasury, play a unique role in the arbitration of claims before the Iran-United States Claims Tribunal. The Department of State, through the Office of the Legal Adviser and the U.S. Agent at the Tribunal, acts as the legal representative of the United States Government and presents the claims of the 2,795 United States nationals whose claims are for less than $250,000 each. In order to provide proper representation, the Department monitors Tribunal activities, analyzes factual and legal arguments, and prepares memorials and other legal submissions in support of U.S. positions. It is thus in a unique position to assist the more than 500 or so United States nationals with claims of $250,000 or more in presenting their claims directly to the Tribunal by serving as a clearinghouse for information on Tribunal developments and by coordinating the presentation of U.S. positions before the Tribunal. The Departments of Justice and Treasury also play an important role in the collection and analysis of private claimant information and formulation of U.S. positions.

The disclosure provisions of the Freedom of Information Act impair the Departments' ability to carry out these vital functions by inhibiting the flow of information. Private claimants cannot be assured that the confidential information which they provide to the Government either in support of their claim or their legal positions will be protected; release of certain information may jeopardize the safety of certain claimants or their relatives or the ability of the claimant to settle the claim; and documents received on a basis of confidentiality from the Tribunal, unless classified, may be required to be disclosed to the public. In addition, coordination of proposed positions and arguments with a group of claimants could be found to constitute public disclosure.

Paragraph (1) of the Bill requires that claims and responsive pleadings filed at the Tribunal on behalf of the U.S. Government, as well as awards, rules, and other decisions of the Tribunal, be made available to the public. The United States, however, would be able to respect the Tribunal's policy of confidentiality for certain types of information. In general, arbitral proceedings in individual claims are conducted privately by the Tribunal, which does not make public pleadings and other legal or factual documents submitted in support of those claims. Moreover, under the Tribunal's Rules of Procedure, a claimant may request that an award not be made public or that only portions of the award from which the identity of the parties, other identifying facts and trade secrets have been deleted be made public. The Secretary of State would be authorized under this paragraph to withhold from publication those portions excised by the Tribunal.

Paragraph (2) of the Bill allows the Secretary of State to make records pertaining to the arbitration of claims at the Iran-United States Claims Tribunal available on a case-by-case basis after determining that in special circumstances justice requires such disclosure.

Insofar as an individual's files are concerned, the Privacy Act remains applicable.

U.S. DEPARTMENT OF STATE,
Washington, DC, March 21, 1985.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: I transmit herewith a bill to authorize various agencies of the Executive Branch to take certain actions in furtherance of the settlement of claims between United States nationals and the Government of Iran pursuant to the Algiers Accords of January 19, 1981. The proposed legislation would authorize the Foreign Claims Settlement Commission to adjudicate certain of those claims in the event they are settled by bilateral agreement between Iran and the United States. It would also authorize the recovery from successful claimants of a portion of the costs incurred by the United States Government in connection with the arbitration of claims before the Iran-United States Claims Tribunal at The Hague. Finally, the bill would authorize the Secretary of the Treasury to reimburse the Federal Reserve Bank of New York for its

expenses as fiscal agent of the United States in the implementation of the hostage release agreements and would maintain the confidentiality of certain records pertaining to the arbitration of claims before the Tribunal. This bill was originally introduced by request in the 97th Congress as S. 2967 and in the 98th Congress as S. 1072 but no action was taken on it.

Under the Algiers Accords which led to the release of the 52 American hostages in Tehran, the United States and Iran agreed among other things to refer certain claims of U.S. nationals against Iran to binding arbitration before a newly created arbitral body, the Iran-United States Claims Tribunal. Some of those claims had been pending in U.S courts and had been the subject of judicial injunctions and court-ordered attachments. Pursuant to the Accords, once the hostages had been released, the United States revoked the regulatory authority for those attachments and injunctions, thus rendering them null and void. Following an intensive review of the Accords by the Administration, litigation involving claims which might be presented to the Tribunal was suspended by Executive Order No. 12294, issued on February 24, 1981. That action, and steps taken by the previous Administration in implementation of the hostage release agreements, were upheld by the United States Supreme Court in its decision in *Dames & Moore* v. *Regan* on July 2, 1981.

Under the Accords, the Iran-United States Claims Tribunal is charged with deciding the claims of U.S. nationals against Iran arising out of debts, contracts, expropriations or other measures affecting property rights. The Tribunal, whose members include three appointed by the United States, three by Iran, and three third-country arbitrators, continues to adjudicate the several thousand claims filed before it by the January 19, 1982 deadline. The Accords provide that the Tribunal shall decide all cases on the basis of respect for law, and that its decisions shall be final and binding. The Accords also provide that the Tribunal's awards shall be enforceable in the courts of any nation in accordance with its laws.

To help assure payment of awards of the Tribunal in favor of U.S. nationals, some of whom had been successful in obtaining attachments against Iranian assets and property in the United States, a Security Account was also established at a specifically established, wholly-owned subsidiary of the Dutch Central Bank. The Account was funded at an initial level of $1 billion from certain Iranian assets and properties in the United States. Under the Accords, Iran has an obligation to replenish the Security Account whenever payments to successful U.S. claimants cause it to fall below $500 million. To date, the Tribunal has awarded successful U.S. claimants principal and interest totalling over $318 million.

The Accords provide that the claims of U.S. nationals against Iran for less than $250,000 each (the "small" claims) are to be presented to the Tribunal by the Government of the United States, while U.S. nationals with claims of $250,000 or more represent themselves directly. Following an extensive registration program, the Department of State filed some 2,795 small claims with the Tribunal on January 18, 1982. The adjudication of such a large number of claims represents an enormous undertaking for the Tribunal which could delay the disposition of hundreds of "large" claims of U.S. nationals. The United States has proposed to Iran that the small claims be settled through negotiation of a en bloc settlement. If a satisfactory settlement can be negotiated, these claims would then have to be individually adjudicated. The enclosed bill would authorize the Foreign Claims Settlement Commission to decide claims thus settled in accordance with the provisions and procedures of the International Claims Settlement Act of 1949, as amended, subject to the provisions of the relevant claims settlement agreement. This explicit authorization is necessary to clarify the Commission's ability to adjudicate the claims under Title I of the International Claims Settlement Act. Payment of the Commission's awards would be made in accordance with the provisions of that Act, except that the Secretary of the Treasury would be authorized to make initial payments in the amount of up to $10,000, as opposed to the lesser amounts currently provided by law.

Under the Claims Settlement Agreement, the operating expenses of the Tribunal are borne equally by the Governments of the United States and Iran. In addition, the Departments of State and Treasury, other agencies of the United States Government, and the Federal Reserve Bank of New York have incurred direct and indirect expenses in connection with the establishment and organization of the Tribunal and the establishment and management of the Security Account. The United States Government also provides many valuable services to United States claimants, such as the service of documents and the presentation of positions and supporting legal arguments on major issues of common interest.

The proposed legislation would require successful claimants to help bear the costs of those services from which they benefit. More specifically, it would permit the Government to recover a portion of its expenses by authorizing the Federal Reserve Bank of New York to deduct an amount equal to two percent of any payment from the Security Account in satisfaction of an award of the Tribunal in favor of a U.S. national. The amounts thus deducted will be deposited into the miscellaneous receipts of the Treasury. The agencies incurring those expenses will not directly benefit from the deduction, but will continue to be responsible for justifying to the Congress appropriations necessary to pay their expenses. The reimbursement will be collected only from those U.S. claimants who avail themselves of the Tribunal, receive a favorable award, and are paid from the Security Account. The bill also provides that once the deduction has been made, payments to U.S. claimants will be made without further delay or any additional deductions.

Pursuant to a directive license issued by the Treasury Department on June 7, 1982 under the authority of the Independent Offices Appropriations Act, the Federal Reserve Bank of New York has been making a two percent deduction, and depositing the proceeds into miscellaneous receipts, from amounts received to date from the Security Account in satisfaction of awards of the Tribunal. However, suit has been brought in the U.S. Claims Court challenging the use of this general statutory authority. The bill would ratify the two percent deduction retroactively, and thus will give Congress an independent opportunity to review and approve the amount and character of these deductions.

The bill also includes two technical sections intended (a) to preclude duplicate deductions from payments to claimants whose claims are adjudicated by the Foreign Claims Settlement Commission and (b) to authorize the Secretary of the Treasury to reimburse the Federal Reserve Bank of New York for expenses it has incurred as fiscal agent of the United States in implementation of the Algiers Accords.

Finally, the bill would resolve a dilemma created by the requirements of the Freedom of Information Act. In order to obtain the most favorable resolution of both private and public U.S. claims before the Iran-United States Claims Tribunal, the United States needs to be able to collect information from U.S. claimants and share information with them. Such cooperation and coordination is impaired by the absence of specific legislation on public disclosure. The proposed legislation would provide appropriate rules for maintaining the confidentiality of records pertaining to arbitration of private claims before the Tribunal.

The claims settlement process put in motion by the Algiers Accords represents one of the largest and most significant efforts of its type in recent U.S. or international practice. It includes the claims of thousands of U.S. nationals, involving billions of dollars in debts, contracts, investments, and other commercial relationships interrupted by the Islamic Revolution in Iran. The successful and expeditious resolution of those claims remains an important objective of the Administration's foreign policy. This bill would contribute significantly to these ends and I urge its early passage.

The Office of Management and Budget has advised that there is no objection to the presentation of this bill for the consideration of the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

J. EDWARD FOX,
Acting Assistant Secretary, Legislative and Intergovernmental Affairs.●

By Mr. D'AMATO (for himself and Mrs. HAWKINS):

S. 772. A bill to required the Secretary of Health and Human Services to prepare a report on the health effects of cocaine use: to the Committee on Labor and Human Resources.

COCAINE AND HEALTH REPORTING ACT

● Mr. D'AMATO. Mr. President, today I am introducing the "Cocaine and Health Reporting Act" to require a Report to the Nation on the health effects of cocaine. I am very pleased that Senator HAWKINS, the distinguished chairman of the Senate Subcommittee on Children, Family, Drugs and Alcoholism, is an original cosponsor of this legislation.

This Nation is in the grips of a cocaine epidemic. One out of every ten Americans reports that they have tried cocaine at least once. As many as 10 million Americans are regular abusers of this drug, and every day an estimated 5,000 teenagers and adults try cocaine for the first time.

These statistics demonstrate that cocaine abuse has spread to every population group. Despite the fact that one million Americans are so dependent on cocaine that they cannot stop using it, the myth persists that cocaine is not

addictive. It is the intent of the bill I introduce today to dispose of that myth once and for all in clear, unmistakeable, and authoritative terms that the average person can understand.

In the first of a series of triennial reports to Congress issued in January 1984, the Secretary of Health and Human Services states that there is a need for greater attention to many of the scientific and therapeutic issues surrounding cocaine abuse. This report recognizes that the mechanisms by which the physical and mental health problems associated with cocaine abuse "have not been thoroughly delineated."

At one point, the report indicates that cocaine is addictive, yet at another point it indicates that evidence of cocaine's addictive capability is only preliminary. As long as there is inadequate and inconclusive information about cocaine, millions of Americans can be expected to become cocaine abusers. They will believe that they are immune to its dependence-producing properties.

As this report recognizes: What is not well appreciated is the quite different spectrum of effects and consequences at higher and more frequent doses. Until that is fully accepted and understood by potential users, one might expect increasing popularity of use.

The first triennial report concludes its review of cocaine by citing a number of important questions that remain. Although organ damage has not been noted in humans, it has been noted in laboratory animals. Other questions concern cocaine's ability to induce psychosis and the effects of cocaine when used with other drugs or with the additives to cocaine sold in the illicit market.

No one believes that complete information alone will end this country's cocaine problem. However, there are people who might not ever try cocaine if it lost its reputation as a benign recreational drug. Deglamorizing cocaine will help to reduce peer pressure to use it.

No one approach to our national drug epidemic will work. We must have a comprehensive strategy that includes effective law enforcement, prevention, and treatment efforts. This bill is not offered as a panacea, but as an important element of a comprehensive program.

Mr. President, I ask unanimous consent that the Cocaine and Health Reporting Act be printed in the RECORD in its entirety at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 772

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cocaine and Health Report Act of 1985".

SEC. 2. (a) The Congress finds that—

(1) two-thirds of all American young people try an illicit drug before they finish high school;

(2) 20 percent of all Americans have used illicit drugs during the past year;

(3) drug abuse has penetrated every part of the population;

(4) more than 50 percent of all crime is related to drug abuse, and violent crime permeates the population of drug abusers;

(5) one of the most dangerous drugs that produces dependence is cocaine, and there is significant evidence that cocaine is addictive;

(6) between 5,000,000 and 10,000,000 Americans use cocaine at least once a month, an estimated 1,000,000 Americans are so dependent on cocaine that they are unable to stop cocaine use, and an estimated 5,000 Americans try cocaine for the first time each day;

(7) cocaine use has reached such epidemic levels in recent years among so many population groups that cocaine is now cited as the drug of greatest national concern in the First Triennial Report to Congress on Drug Abuse by the Secretary of Health and Human Services;

(8) such report indicates that many important questions regarding the health consequences of cocaine abuse have not been adequately answered; and

(9) if authoritative answers to such questions are presented by the Secretary of Health and Human Services in a language and format that are readily understood by the average reader, a significant contribution will be made to a comprehensive national campaign against drug abuse.

SEC. 3. (a) By September 30, 1986, the Secretary of Health and Human Services (hereinafter referred to as the "Secretary"), after consultation with the Surgeon General of the United States and other appropriate individuals, shall transmit to the Congress a report which contains—

(1) current information on the health consequences of cocaine use, whether alone or in combination with other drugs, including detailed information on—

(A) possible damage to human organs which may result from cocaine use;

(B) the physical and mental health consequences of occasional, regular, and chronic cocaine abuse; and

(C) the addictive potential of cocaine;

(2) a specification of—

(A) the percentage of the total number of cocaine abusers in the United States who have succeeded in breaking their dependence on cocaine; and

(B) an allocation of the percentage specified under subparagraph (A) among different levels of cocaine abuse and dependence;

(3) a specification of—

(A) the percentage of the total number of cocaine abusers in the United States who have been treated for cocaine abuse and who have failed to break their dependence on cocaine; and

(B) an allocation of the percentage specified under subparagraph (A) among different levels of cocaine abuse and dependence;

(4) information concerning the effects of cocaine abuse on families of cocaine abusers;

(5) information concerning the impact of cocaine abuse on automobile accident rates and deaths;

(6) an estimate of the costs of providing hospital physician, and mental health services to treat the various physical and mental disorders associated with and resulting from cocaine abuse, and an estimate of the costs of providing drug rehabilitation services to cocaine abusers; and

(7) such recommendations for legislative, administrative, and other action as the Secretary considers appropriate.

(b) Not later than 180 days after the date of enactment of this Act, the Secretary shall prepare and transmit to the Congress a preliminary report concerning the matters specified in subsection (a).

(c) The reports required by subsections (a) and (b) shall be written in such style, and shall be presented in such format, as may be readily understood by the average reader, and as may be useful to drug prevention and treatment programs.

(d) The Secretary shall disseminate and make available to the public the reports required by this Act.●

By Mr. BENTSEN:

S. 773. A bill for the relief of Dr. Oscar Raul Espinoza Madariaga, his wife, Maria Inez, his son, Felipe Andres, and daughter, Claudia Paola; to the Committee on the Judiciary.

RELIEF OF MADARIAGA FAMILY

Mr. BENTSEN. Mr. President, I am pleased to introduce legislation for Dr. Oscar Raul Espinoza Madariaga, his wife Inez and their children Claudia and Felipe so that they may ultimately be admitted to the United States for permanent residence status. Dr. Raul Espinoza entered this country on October 26, 1977, as a J-1 nonimmigrant to participate in an exchange visitor program as a post graduate medical trainee. This program is sponsored by the Education Commission for Foreign Medical Graduates to provide a period of orientation in American medicine, culture, and language training. Dr. Espinoza's wife Inez and the couple's two children, Claudia and Felipe came to the United States on November 11, 1977 to join Dr. Espinoza.

Dr. Espinoza is currently practicing medicine in the city of Fairfield, TX. Although there are four other physicians in the city, Dr. Espinoza is the only surgeon. He serves the citizens of Fairfield and surrounding rural communities. The nearest large medical facilities are between 60 and 110 miles away. The risk of a drive that distance for surgical assistance could jeopardize the life of many of the residents in the community that Dr. Espinoza serves. Additionally, Dr. Espinoza speaks both English and Spanish and is able to provide health related services to the Spanish speaking people in the area.

Since Dr. Espinoza entered the United States after January 10, 1977, he is subject to a 2 year foreign residency requirement. As a foreign medical graduate, he is not eligible for a waiver of the 2 year foreign residency requirement under section 212(e) of the Immigration Nationality Act. Dr. Espinoza was licensed to practice medicine in the State of Texas in 1980.

Several community leaders in Fairfield have asked me to introduce this legislation on behalf of Dr. Espinoza, because of his tremendous contribution and service to the people of Fairfield and outer lying areas. I admire Dr. Espinoza's dedication and know of no reason why my bill should not be enacted swiftly into law.

By Mr. CHILES (for himself, Mr. FORD, and Mr. ZORINSKY):

S. 774. A bill to promote economic growth in the United States and encourage exports through the elimination of Japanese nontariff trade barriers; to the Committee on Finance.

(The remarks of Mr. CHILES and the text of the legislation appear at another point in today's RECORD.)

By Mr. BOSCHWITZ:

S. 775. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to provide an alternative regional trigger, and for other purposes; to the Committee on Finance.

REGIONAL UNEMPLOYMENT COMPENSATION ACT

● Mr. BOSCHWITZ. Mr. President, today I am introducing the Regional Unemployment Compensation Act of 1985 which addresses several concerns I have with our current unemployment compensation programs.

There are three programs now in operation. The first is the traditional unemployment compensation [UC] program that is run by the States and financed by State-set employer payroll taxes. States are allowed a fair amount of discretion in setting benefit levels and tax rates so there exists a range of benefits through the 50 States.

The second, the extended benefit [EB] program, was created by Congress to assist in times of economic distress and is funded by 50 percent Federal 50 percent State-set employer payroll taxes. EB is "triggered" on when an individual State's unemployment rate meets a certain criteria. Once triggered on the unemployed in the State who have run out of regular UC benefits are eligible for up to 13 additional weeks of benefits.

To trigger on States must now have an insured unemployment rate [IUR] of at least 5 percent and their IUR must be at least 20 percent of the average level over the past 2 years. The IUR is figured by dividing the number of recipients of UC by the total number of people working in jobs covered by unemployment insurance. States trigger off when either their IUR falls below 5 percent and/or they no longer meet the 120-percent requirements.

The final program is Federal supplemental compensation [FSC] which is funded by the Federal Government. FSC began in 1982 and has been extended three times, but will expire on March 31, 1985. FSC has provided benefits to unemployed individuals whose other benefits—UC or EB—have expired. The maximum number of weeks is determined by each State's IUR, with a range of 8 to 14 weeks of additional benefits.

Unfortunately, these programs have not worked the way we had hoped. Instead of having EB available to assist the longer-term unemployed, we found that many States were not eligible for EB. We also discovered that for all practical purposes the FSC program took on the role EB should have held. And now, with the FSC program ending, it is clear that we must look for ways to improve the EB program.

Mr. President, that is what the legislation I am introducing today is designed to do. As I see it, there are three basic problems with the current EB program.

First, in computing the IUR only those receiving regular UC are counted. Those who have had their benefits expire or who are receiving FSC benefits are not figured into the quotient—and these are the folks the program is designed to help! This means that States suffering from long-term unemployment can see their IUR dropping even while their total unemployment rate is going up!

Second, to qualify for EB States must meet the 120-percent rule. This means States that experienced prolonged high unemployment often find they cannot meet this test and thus don't qualify. Again, States which seems to logically belong on EB are not.

Third, States that have pockets of very high unemployment—heavy industrial regions for example—often don't trigger on because the balance of the State is doing moderately well. This means that areas we have attempted to target for assistance with the jobs bill, the Job Training and Partnership Act [JTPA], the Maybank amendment to the Department of Defense appropriations, and the surplus labor area programs are not specifically served at all by a basic unemployment assistance program.

My bill tries to address these three concerns with what I believe is a reasonable and realistic approach. It contains four changes from current law:

First, substate regions, defined as service delivery areas, set up under the Job Training Partnership Act, will be eligible for EB is their IUR is 5 percent.

Second, regions will also be allowed to qualify for EB if their total employment rate is 1.75 times the national unemployment rate; and is at least 12 percent. With our national rate now at 7.3 percent, the region would trigger on with an average unemployment rate over the past 3 months of 12.8 percent.

Third, in computing the IUR recipients of FSC—or other future temporary supplemental benefits—should be included along with those on the regular UC.

Fourth, the IUR necessary for States to trigger on will be increased to 5.5 percent, with the 6 percent State option retained.

I believe this approach much better addresses the problems of long-term unemployment and the pockets of high unemployment we see around the Nation. It is also easier to administer than previous substate plans because it taps into an already existing set of regions. The SDA's as designed by the JTPA and set up by the Governors, consist of areas of similar interests and economic activities with overall populations of each SDA also relatively uniform.

Governors now apportion their State's share of job training moneys on a formula basis of: one-third relative unemployment; one-third excess unemployment—amount above 4.5 percent—and one-third number of economically disadvantaged—as defined by the Department of Labor. This means each SDA will need to determine its unemployment rate and could then fairly easily figure its IUR. So, administratively we have ready-made regions that can be adapted to a regional EB program.

I hope my colleagues will carefully review the legislation I am proposing. And also recognize these simple facts—the current EB program is serving only two States, Alaska and West Virginia, and over the past 2 years each of us has areas of our State that would benefit from this bill. I hope it will receive widespread support. In Minnesota, the hard-pressed Iron Range of northeastern Minnesota would immediately qualify, and several other SDA's could potentially trigger on through their IUR's.

Long-term unemployment, or structural unemployment, are problems that don't just go away overnight. And for areas of the country dependent on steel employment the problem is even more difficult. The Iron Range in Minnesota is such an area. The unemployment rate up there has hovered around 20 percent for the past several years.

And when you visit these areas you see that chronic long-term unemployment means more than just no work. The cumulative effects on families, community organizations and communities themselves can be devastating. I believe the reforms in my bill are a small step to take to help these people out.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 775

Be it enacted by the Senate and House of representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Regional Unemployment Compensation Act of 1985".

REGIONAL TRIGGER

SEC. 2. Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new subsection:

"Alternative Regional Trigger

"(f)(1) A State may be law provide that extended benefit periods with respect to such State shall be established on a regional basis under this subsection, rather than on a Statewide basis under the preceding provisions of this section.

"(2)(A) If a State chooses to establish extended benefit periods on a regional basis, the determination for each region within such State shall be made on the basis of regional 'on' and 'off' indicators.

"(B) There is a regional 'on' indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks—

"(i) the rate of insured unemployment for such region equals or exceeds 5 percent; or

"(ii) the total unemployment rate for such region (as certified by the appropriate State agency) equals or exceeds 12 percent and equals or exceeds 175 percent of the national total unemployment rate; or

"(iii) at the option of the State, if the rate of insured unemployment for the State equals or exceeds 6 percent, in which case there shall be a regional 'on' indicator for region within the State.

"(C) There is a regional 'off' indicator for a week if there is not an 'on' indicator for such week.

"(3) For purposes of this subsection, the term 'region' means a Service Delivery Area as defined for purposes of the Job Training Partnership Act.

"(4) An individual shall be considered to be in the region in which he was last employed for purposes of establishing eligibility for regular compensation.".

MODIFICATION OF STATE TRIGGER

SEC. 3. (a) Section 202(d)(1)(B) of such Act is amended by striking out "5 per centum" and inserting in lieu thereof "5.5 percent".

(b) Section 202(d) of such Act is amended in the matter following paragraph (2) by striking out "5" and inserting in lieu thereof "5.5".

MODIFICATION OF INSURED UNEMPLOYMENT RATE

SEC. 4. Section 202(e)(1)(A) of such Act is amended by inserting after "regular compensation" the following: ", Federal supplemental compensation, or any Federal program of temporary unemployment compensation payable only upon exhaustion of regular and extended compensation".●

By Mr. HEINZ (for himself, Mr. CHILES, Mr. BRADLEY, Mr. ROTH, Mr. GLENN, and Mr. BENTSEN):

S. 777. A bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to extend hospice benefits under the Medicare Program for an additional 3 years; to the Committee on Finance.

HOSPICE EXTENSION ACT

Mr. HEINZ. Mr. President, I am pleased to be joined by Senator CHILES and other distinguished colleagues in introducing a bill of utmost importance to thousands of terminally ill Medicare beneficiaries. This bill would extend the Medicare hospice benefit beyond the statutory sunset date of October 1, 1986, to October 1, 1989. A similar bill was introduced recently in the House of Representatives by the Honorable WILLIAM LEHMAN of Florida.

As a long-standing advocate of the hospice care concept, and one of the principal authors of the original hospice legislation, I firmly believe that the hospice benefit represents a compassionate and cost-effective alternative to traditional forms of acute medical care.

There are, Mr. President, three major reasons for us to extend the Medicare hospice benefit through October 1989. First, because of the slow, careful implementation of this benefit, many terminally ill Medicare beneficiaries have only recently gained access to it. When the Congress enacted the original hospice legislation, we anticipated that the new benefit would serve over 31,000 individuals in just the first year of implementation. But we learned at a Senate Finance Committee hearing last fall—nearly 1 year after the program's implementation date—that less than 1,000 terminally ill beneficiaries actually had received the hospice benefit.

Today, just 6 months later, I am pleased to note an increase in the number of Medicare certified hospices from 119 to 165, and a five-fold increase to over 5,100 in the number of older Americans served by the program. During that same time period, four more hospices signed up to serve the Medicare population in my home State of Pennsylvania.

Quite clearly, the new hospice benefit is just getting off the ground. It would be absurd to terminate the program when it appears to be on the verge of success. To withhold renewed funding now would cut off at the knees one of the Nation's most humane, decent alternatives to care for the terminally ill elderly.

A second reason to extend the program is that the administration needs sufficient time for a comprehensive and thorough evaluation of the new hospice benefit. The Department of Health and Human Services is now required by law to evaluate both the quality of care and the cost savings under the new benefit. Given the considerable delays in implementing the hospice law, an additional 3 program years are critical for adequate data collection and analysis.

A third and timely reason to support this legislation is that the hospice benefit can actually save money for the Medicare Program. Preliminary results of the national demonstration project conducted by the Health Care Financing Administration documents convincingly the fact that hospice is a cost-effective alternative to traditionally covered Medicare services for terminally ill beneficiaries. Moreover, the Congressional Budget Office estimates show that substitution of hospice care for acute medical services typically used during the last 6 months by a terminally ill patient, will save more than $100 million for Medicare during the first 3 years alone.

Savings will increase as the benefit becomes more accessible to more people. Given the commitment of Congress to reduce the deficit, it seems perfectly appropriate for Congress to support and extend the Medicare benefit at this time. And as chairman of the Special Committee on Aging, I am particularly committed to programs that can brake Medicare's skyrocketing costs without deflecting additional expenses on beneficiaries.

Mr. President, this bill sends a clear signal to some 955 operating hospices and the additional 450 hospices expected to open in the near future: Congress intends to give this hospice alternative a reasonable amount of time to succeed. Put another way, Congress does not intend to allow this program to sunset before it has had the chance to be fully and effectively implemented.

So many beneficiaries have confirmed our belief that hospice is, in many cases, a compassionate and much-preferred alternative to traditional medical care. Patients and their families want the support made available to them through the new benefit to help cope with a terminal illness. The new Medicare benefit alleviates pain and suffering and allows the terminally ill patient to die with dignity. At the same time, it represents a significant potential savings to the Medicare Program.

I therefore urge you, Mr. President, and each of my colleagues to support this important piece of legislation to extend the Medicare hospice benefit for an additional 3 years.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 777

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hospice Extension Act".

SEC. 2. THREE-YEAR EXTENSION OF HOSPICE BENEFITS UNDER MEDICARE PROGRAM.

(2) IN GENERAL.—Section 122(h)(1) of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248, 96 Stat. 362), relating to the end of the effective date for hos-

pice care, is amended by striking out "October 1, 1986" each place it appears and inserting in lieu thereof at each such place "October 1, 1989".

By Mr. HEINZ (for himself, Mr. BENTSEN, Mr. BRADLEY, Mr. HATCH, Mr. PRYOR, Mr. BURDICK, Mr. LAUTENBERG, Mr. STAFFORD, Mr. SASSER, Mr. COHEN, Mr. MELCHER, Mr. ANDREWS, Mr. KENNEDY, Mr. BINGAMAN, Mr. D'AMATO, and Mr. GLENN):

S. 778. A bill to amend title XVIII of the Social Security Act to allow Medicare coverage for home health services provided on a daily basis; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. BURDICK, and Mr. D'AMATO):

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. HATCH, Mr. BRADLEY, Mr. D'AMATO, and Mr. MELCHER):

S. 780. A bill to amend title XIX of the Social Security Act to allow States to implement coordinated programs of acute and long-term care for those individuals who are eligible for both Medicare and Medicaid; to the Committee on Finance.

LONG-TERM CARE LEGISLATION

Mr. HEINZ. Mr. President, a few weeks ago, I received a preliminary report from the General Accounting Office [GAO]. At my request as chairman of the Special Committee on Aging, GAO went to six cities to evaluate the impact of the new Medicare prospective payment system [PPS] on post hospital long-term care. Mr. President, I am sorry to report that the GAO's findings raise a red flag: Medicare patients are being discharged from hospitals quicker and sicker; in some cases they have been discharged prematurely. Worse, in too many cases, these older patients are being sent out into a no-care zone, without access to the health care services they so urgently need to recuperate. The question before us today is, how did this troubling situation arise and what are we going to do about it?

Congress designed the prospective payment system to encourage hospitals to trim the fat from costs, and to function more efficiently. No one among us, however, intended for hospitals to cut back costs by tightening the belt on the quality of care. Testimony presented before committees in both the House and Senate assured us that the incentives inherent in PPS to shorten hospital stays could be beneficial to many patients. Moreover, we had no reason to doubt that patients discharged, who were still in need of continued skilled care, would be able to receive that care either in a skilled nursing facility or at home, for both benefits are covered under Medicare. I believed then, as I believe now, that cost containment should and can be perfectly consistent with quality care.

Moreover, Congress charged the peer review organizations [PRO's] as the watchdogs for quality care under the PPS. These PRO's are under contract with the Health Care Financing Administration [HCFA] to oversee such fundamental areas as admissions, and readmissions, utilization, and quality.

Even with these safeguards, according to the GAO, it appears that some patients are falling between the cracks.

Major concerns raised in the GAO's preliminary report include the following: First, patients are being discharged from hospitals after shorter lengths of stay and in poorer states of health. Second, beneficiaries are upset and confused about their Medicare benefits. Many patients are being told, improperly, that their Medicare DRG has run out. Third, it is not clear that nursing homes, home health, and other community providers are fully equipped to deal with the relatively sicker patients discharged from hospitals. And, fourth, the demand for posthospital care is expected to increase under DRG's; yet at the same time, there is a critical shortage of nursing home beds and the Federal Government continues to discourage the use of the Medicare home health benefit.

The GAO findings call for immediate action. I have written to Secretary Heckler asking what the Department plans to do vis-a-vis the report.

To address the issue of care beyond the hospital door, I am introducing, today, with several of my colleagues, a long-term-care legislative package containing three bills. These bills would make significant strides toward reforming both the financing and delivery of long-term care in the United States. They are: First, the Home Care Protection Act, second, the Tax Credit for the Care of Elderly Family Members Act, and, third, the Health Care Coordination Act.

Mr. President, these three bills address separate policy issues, but are closely related to one principal objective: to make long-term care services available to those who need them. Each bill encourages care in the most appropriate setting—the place where most older Americans would rather be—at home.

A 1983 survey of American Association of Retired Persons members found an overwhelming majority of older Americans would prefer to stay and be cared for at home.

Yet, Mr. President, our public programs and private insurance plans, in many instances, provide strong disincentives for the use of noninstitutional care. The bills that I am introducing today should do away with such perverse incentives: If enacted they would help put an end to excessive Government spending for unnecessary or inappropriate hospital and nursing home care, and help make appropriate care more readily available to those who most need it.

The first of these three bills is the Home Care Protection Act; 1 year ago, Senator BENTSEN and I introduced this bill, along with many of our colleagues on both sides of the aisle, in response to an extremely serious problem in the administration of the Medicare home health benefit: too many older Americans were being denied urgently needed medical care at home and the benefit was being administered inconsistently throughout the country. The Home Care Protection Act reassures Medicare beneficiaries of their lawful entitlement to home health services when their physician considers such care medically necessary.

The problem with the benefit hinged on the definition of the "intermittent" care standard. For several years, intermittent or part-time care was defined by Congress and interpreted by intermediaries to mean noncontinuous or less than full-time or part-time skilled care at home. But recently, visits of 1 hour or less, sometimes made on a daily basis, have been construed by intermediaries to mean full-time in-home care—which by definition renders it similar to nursing home care and therefore nonreimbursable. I have heard from nurses who are working in home health agencies that they are afraid to say that their patients are improving, because the intermediary will cut off Medicare coverage prematurely. I have heard from agencies who are concerned about going into the home 7 days a week, for fear that the intermediary will rule that that many visits per week is excessive. Most recently, I have heard that the number of retroactive denials for home care services are increasing dramatically, even though the services provided appear to the agency to be medically reasonable and necessary.

Let me share with just one disturbing example, that of a 69-year-old female who was discharged from the hospital with a terminal diagnosis of metastatic cancer. The physician, the discharge planner, and the nursing supervisor of the home health agency held a conference and determined that the patient could be cared for at home with daily visits by a registered nurse and less frequent visits by home health aids and other professional personnel. The patient was therefore discharged from the hospital to the care of a home health agency and the attending physician. The intermediary denied coverage of these services on the basis of the patient being too sick to be at home.

Mr. President, we will no doubt see many more cases like this one as a result of the prospective payment system; hospitals can be expected to discharge patients when no further inpatient treatment is clearly called for. How can we then tell these patients that no coverage is available at home? The Congress did not instruct the Health Care Financing Administration [HCFA] to put the squeeze on posthospital care. Older Americans, like the woman described, have a statutory right to the home health benefit. The decision to deny her coverage under Medicare is not only inhumane, but clearly contrary to the intent of Congress.

In the last year, there has been a new twist to the problem. Since Congress focused on the intermittent issue, the decision to deny coverage now seems to be based on whether that care is medically reasonable and necessary. The following example illustrates this point:

It is the case of a 71-year-old man from Indiana. The patient suffered from inflammatory lubosacral plexopathy, a disease just described in the Annals of Neurology in May 1984. The patient was hospitalized. Upon discharge, the neurologist requested physical therapy three times a week, to help his patient ambulate and regain overall strength. Therapy continued for 1 month, at which point, it was discontinued because the patient had learned how to walk and was no longer homebound. The Medicare benefit should have allowed this 71-year-old man to recover from his illness, and regain his independence. Yet all of the visits made by the therapist were retroactively denied by the intermediary, because they were not medically reasonable and necessary.

In our efforts to control hospital costs, we must not lose sight of the individual needs of elderly Medicare patients. When failure to provide a single service in the home leads to a hospital admission, we are doing something terribly wrong. It seems obvious to me that during this time of massive transition within the health care sector, every effort should be made to provide necessary services outside of the hospital setting.

Quite frankly, I am not sure why this controversy surfaced in the first place. The law is quite clear that home health services should include part time or intermittent nursing care provided by or under the supervision of a registered nurse. Over the past decade, Congress has asserted time and time again its support for home health care. In 1980, Congress removed financial restrictions to the benefit, including the copayment, and removed the limit of 100 visits per beneficiary per benefit period.

Some suggest that recent efforts to restrict utilization of the Medicare home health benefit, with denials based on either the intermittent or the medical necessity criteria, stem from HCFA's initiatives to eliminate coverage of uncovered benefits. No one is recommending liberalization with this bill. We are, rather, arguing for consistent and fair administration of the home health benefit, which is for so many people, the most humane, the most appropriate, and the most cost-effective form of care. Furthermore, appropriate use of the home health benefit, as this bill would clearly allow, would discourage excessive hospital readmissions and nursing home admissions. Limiting full and appropriate use of this benefit, in light of the findings of the new GAO report, is penny wise and pound foolish.

The Home Care Protection Act sends a clear message to Medicare beneficiaries, to home health providers, to fiscal intermediaries, and to HCFA: Congress intends to keep its promise. Older Americans have the right to receive daily, medically necessary, home care as originally intended by Congress, in a fair, consistent, and humane manner. I hope you will join us in support of this legislation.

Mr. President, the second bill in my legislative package would amend the Internal Revenue Code to allow a credit against taxes for a portion of expenses incurred in the care of chronically ill elderly persons at home, including such services as home health aides, adult day care, respite care, nursing care, and medical or health-related equipment and supplies.

Families most in need are targeted for the greatest financial relief. Credit amounts will be determined on a sliding scale based on annual income. The sliding scale is based on the same formula as the dependent care tax credit adopted by Congress as part of the Economic Recovery Tax Act of 1981.

Families with incomes of $10,000 or less can claim a tax credit for 30 percent of the expenses listed above, up to a maximum credit of $1,050. Low-income families who do not pay enough taxes to get the full benefit of the credit will have credit refunded directly to them. Families with adjusted gross incomes in excess of $50,000 will be ineligible for the credit. In no case will a family be eligible to claim a credit if the elderly relative's adjusted gross income exceeds $15,000. This legislation is designed to encourage independence of the elderly person. Therefore, it does not impose a financial dependency requirement or require that the elderly relative live in the family's home.

Families may claim the credit for services provided to chronically ill individuals aged 75 and over, or individuals diagnosed with Alzheimer's disease, a form of premature senile dementia.

With regard to Alzheimer's, I do not need to describe to you what the financial and emotional drain experienced by a family in care for an Alzheimer's patient and how desparately relief is needed.

Built into the legislation are safeguards against abuse or overuse. In addition to the absolute cutoffs placed on family income at $50,000 and elderly income at $15,000, the bill requires that only billable services can qualify for the credit, thus facilitating documentation. The Internal Revenue Service will be required to report annually to Congress on the credit users, their incomes, the services claimed, and the absolute amounts paid. Furthermore, the tax credit will not apply to those services reimbursed under Medicare, Medicaid, or other insurance plans.

Assistance of this kind—a tax credit—will help give families the choice as to what services are most appropriate and necessary to enable their elderly relative to remain at home.

Mr. President, the third bill that I am introducing today constitutes the next important step in the reform of long-term care financing and service delivery. The Health Care Coordination Act amends title XIX of the Social Security Act to allow States to implement comprehensive programs of acute and long-term care for persons eligible for both Medicare and Medicaid. This bill would permit States for the first time to combine Medicare and Medicaid resources, to provide expanded home and community-based services to dually eligible persons. There are more than 3 million persons nationwide who are dually eligible—that is, eligible for both Medicare and Medicaid. By combining Medicare and Medicaid resources, overall savings can be achieved through the use of appropriate hospital, nursing home, home health and community-based services.

The significance of this legislation—the Health Care Coordination Act—is that it confronts and changes some of the traditional barriers to appropriate care.

Medicaid, the source of about 90 percent of all public funds spent on long-term care, provides coverage for a range of institutional services to the categorically or medically needy population. The Medicare Program, on the other hand, provides skilled services for a limited period of time; it is neither intended nor designed to serve those truly in need of long-term care. This bill attempts to overcome Medicare's and Medicaid's structural differences—with this bill, States may use both Federal and State dollars to provide the kind of care that is usually preferred by families and for those in need of long-term-care services.

The Health Care Coordination Act contains a financing mechanism that permits comprehensive services to be provided within strict incentives to control costs. For States participating in the program, Medicare would pay a capitated rate—the average adjusted per capita cost [AAPCC]—for each enrolled participant.

The amount paid by Medicare for those who are not frail would cover 95 percent of the noninstitutional AAPCC. Payments for those persons designated as "frail" would equal 95 percent of the institutional AAPCC. For the purposes of this bill, persons considered frail are: inpatients in a SNF or ICF; or those, determined by the State to require the level of care provided in SNF's or ICF's; or persons who are dependent on personal assistance on at least two of the defined activities of daily living. Any additional cost of providing services to the enrolled population in excess of total Medicare payments will be paid by Medicaid.

The bill targets the dually eligible for several reasons. First, this is the only group which qualifies for reimbursement for Medicare and Medicaid nursing home services. In order to assure a representative population, however, the number of persons enrolled in nursing homes is limited to 25 percent of the total enrollment. Second, by combining Medicare and Medicaid and thus limiting the population to the dually eligible, the bill prevents cost shifting to the Medicare Program. Third, this population base allows us to establish an approach to long-term-care reform that is not targeted to the frail. With this program design, the general acute care system should learn better ways of caring for the chronically ill. Fourth, although limited to some 3 million or more dually eligible persons, data generated from this program will eventually enable this approach to be expanded to the entire Medicare population.

Mr. President, I encourage my colleagues to join me in sponsoring these three important health and long-term care initiatives, and I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 778

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Home Care Protection Act of 1985".

AMENDMENT TO DEFINITION OF HOME HEALTH SERVICE

SEC. 2. Section 1861(m) of the Social Security Act is amended by adding at the end thereof the following new sentence: "For purposes of paragraphs (1) and (4), nursing care and home health aide services may be provided under such paragraphs on a daily basis (with one or more visits per day) for a period of up to sixty days with monthly physician certification of the need for services on such a basis, and after such sixty-day period based on a physician certification of exceptional circumstances requiring such services on a daily basis.".

EFFECTIVE DATE

SEC. 3. The amendment made by this Act shall apply with respect to services furnished on or after the date of the enactment of this Act.

S. 779

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Family Care Act of 1985".

SEC. 2. CREDIT FOR CARE OF ELDERLY FAMILY MEMBERS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to refundable credits allowable against tax) is amended by inserting after section 34 the following new section:

"Sec. 34A. EXPENSES FOR CARE OF ELDERLY FAMILY MEMBER.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable percentage of qualified elderly care expenses paid by such individual for the care of a qualifying family member during the taxable year.

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 30 percent reduced (but not below 20 percent) by 1 percentage point for each $2,000 (or fraction thereof) by which the adjusted gross income of the taxpayer (and the spouse of the taxpayer in the case of a married individual filing a separate return) for the taxable year exceeds $10,000.

"(b) LIMITATIONS.—For purposes of this section—

"(1) LIMIT ON INCOME OF TAXPAYER.—No credit shall be allowable under subsection (a) for a taxpayer with an adjusted gross income of $50,000 or more for the taxable year ($25,000 or more in the case of a married individual filing a separate return).

"(2) DOLLAR LIMITATIONS ON AMOUNT OF CREDIT.—

"(A) MAXIMUM QUALIFIED ELDERLY CARE EXPENSES TAKEN INTO ACCOUNT.—The amount of qualified elderly care expenses taken into account under subsection (a) by any taxpayer for any taxable year shall not exceed $7,000 and not more than $3,500 of qualified elderly care expenses may be taken into account with respect to any qualifying family member.

"(B) SPECIAL RULES FOR MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual filing a separate return, paragraph (1) shall be applied by substituting '$3,500' for '$7,000' and '$1,750' for '$3,500'.

"(C) 2 OR MORE INDIVIDUALS MAKING EXPENDITURES WITH RESPECT TO SAME QUALIFYING FAMILY MEMBER.—If 2 or more individuals have qualified elderly care expenses with respect to any qualifying family member during any calendar year, then—

"(i) the amount of the qualified elderly care expenses taken into account with respect to such qualifying family member shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year, and

"(ii) the amount of such expenditures taken into account by each of such individuals for the taxable year in which such calendar year ends shall be equal to the amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFYING FAMILY MEMBER.—The term 'qualifying family member' means any individual (other than the spouse of the taxpayer) who—

"(A) is related to the taxpayer by blood or marriage,

"(B) is at least 75 years of age (or is diagnosed by a physician as having senile dementia of the Alzheimer type), and

"(C) has a family income of $15,000 or less for the taxable year.

"(2) FAMILY INCOME.—The term 'family income'—

"(A) in the case of an individual who is not married, the adjusted gross income of such individual; and

"(B) in the case of a married individual, the adjusted gross income of such individual and his spouse.

"(3) QUALIFIED ELDERLY CARE EXPENSES.—The term 'qualified elderly care expenses' means payments by the taxpayer for home health agency services (but only if provided by an organization certified by the Health Care Financing Administration), homemaker services, adult day care, respite care, or health-care equipment and supplies which—

"(A) are provided to such qualifying family member,

"(B) are provided by an organization or individual not related to the taxpayer or to the qualifying family member, and

"(C) are not compensated for by insurance or otherwise.

"(4) APPLICATION WITH OTHER CREDITS.—Notwithstanding any provision of this part, the amount of the credit allowable under subsection (a) shall be allowed as a credit against the tax imposed by this chapter before any other credit allowed by this part.

"(d) DENIAL OF DOUBLE BENEFIT.—No deduction or credit shall be allowed under any other provision of this chapter with respect to any amount for which a credit is allowed under subsection (a).".

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 34 the following new item:

"Sec. 34A. Expenses for care of elderly family member.".

(4) Paragraph (4) of section 6201(a) of such Code (relating to assessment authority) is amended—

(A) by striking out "or section 32 (relating to earned income)" and inserting in lieu thereof ", section 32 (relating to earned income), or section 34A (relating to expenses for care of elderly family member)", and

(B) by striking out the heading and inserting in lieu thereof the following:

"(4) OVERSTATEMENT OF CERTAIN CREDIT.—".

(5) Section 6513 of such Code (relating to time return deemed filed and tax considered paid) is amended by adding at the end thereof the following new subsection:

"(f) TIME TAX IS CONSIDERED PAID FOR ELDERLY CARE CREDIT.—For purposes of section 6511, the taxpayer shall be considered as paying an amount of tax on the last day prescribed by law for payment of the tax (determined without regard to any extension of time and without regard to any election to pay the tax in installments) equal to so much of the credit allowed by section 34A (relating to expenses for care of elderly family member) as is treated under section 6401(b) as an overpayment of tax.".

(6) Subsection (d) of section 6611 of such Code is amended by striking out the heading and inserting in lieu thereof the following:

"(d) ADVANCE PAYMENT OF TAX, PAYMENT OF ESTIMATED TAX, CREDIT FOR INCOME TAX WITHHOLDING, AND EXPENSES FOR CARE OF ELDERLY FAMILY MEMBER.—".

SEC. 3. EFFECTIVE DATE; REPORTS.

(a) EFFECTIVE DATE.—The amendments made by this Act shall apply to taxable years beginning after December 31, 1984.

(b) REPORTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall prepare a report for taxable years ending in 1984 (and each of the 4 calendar years thereafter) which—

(A) the number of individuals who were allowed a credit under section 34A of the Internal Revenue Code of 1954 for taxable years ending during such calendar year,

(B) the utilization of such credit by income group for such calendar year,

(C) the utilization of such credit by category of qualified elderly care expenses (as defined in paragraph (3) of subsection (c) of section 34A of such Code) during such calendar year, and

(D) the total effect on the revenues of the United States of allowing such credit during such calendar year.

(2) TIME FOR FILING.—Any report required under paragraph (1) shall be submitted to the Congress no later than September 15 of the calendar year following the calendar year for which it is required.

S. 780

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Health Care Coordination Act of 1985".

PURPOSE

SEC. 2. It is the purpose of this Act to provide a coordinated continuum of care and expanded home and community-care services for those individuals who are eligible for both medicare and medicaid. Under this Act, for the first time, a State will be allowed to pool medicare and medicaid resources in order to offer a comprehensive program encompassing the entire range of acute care and community-based and institutional long-term care services. It is also the purpose of this Act to encourage cost savings through the use of capitated and other competitive health plans.

STATE PROGRAMS AUTHORIZED

SEC. 3. Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"COMPREHENSIVE HEALTH CARE PROGRAM FOR INDIVIDUALS ELIGIBLE FOR MEDICARE AND MEDICAID

"SEC. 1919. (a)(1) Any State may, subject to a waiver being granted under subsection (f), establish as a component of its state plan under this title a comprehensive program under which individuals who are both eligible for medical assistance under the State plan and entitled to benefits under title XVIII (other than an individual having end stage renal disease) shall be furnished health care and other services (described in subsection (b)) under such program.

"(2) A program established under this section need not be in effect statewide. In any case in which more than one program is in effect in a State, each program shall be considered independently for purposes of meeting the requirements of this section, but each must provide the same services and must be administered by a single State administrative unit. Separate programs in the same State may utilize different methods and rates of payment.

"(b)(1) Any program established under this section must provide the following services for those individuals enrolled in the program:

"(A) all services for which payment would be made to or on behalf of such individual under parts A and B of title XVIII;

"(B) all medical assistance for which such individual would otherwise be eligible under the State plan;

"(C) case management, including assessments and periodic reassessments; and

"(D) to the extent the State determines such services to be required by an individual enrolled in the program—

"(i) homemaker and home health aide services; and

"(ii) adult day health care services.

"(2) In addition to the services required to be provided under paragraph (1), the program may provide any other community-based services deemed necessary to maintain an enrolled individual in the community who would otherwise be institutionalized. Such additional services must be requested by the State and approved by the Secretary.

"(3) All services provided under any such program must be provided by health care providers or persons who are qualified to provide such services under the applicable provision of title XVIII or the State plan.

"(c)(1) Any program established under this section shall provide for coverage under the program for any individual, subject to paragraphs (2), (3), and (4), who is eligible for assistance under the State plan, is entitled to benefits under part A of title XVIII, and is enrolled under part B of title XVIII, but excluding any individual having end stage renal disease.

"(2) Enrollment in a program established under this section shall be optional with the individual. Any individual who chooses to enroll in such program shall not be eligible for coverage under the State plan (other than under this section) or under part A or part B of title XVIII. The program shall provide any individual who chooses to enroll in the program the opportunity to terminate his enrollment (and return to coverage under the other provisions of the State plan and under title XVIII) at any time during the first month such individual is enrolled and at 6-month intervals thereafter.

"(3) No individual who is an inpatient in a skilled nursing facility or intermediate care facility may enroll in a program established under this section if, at the time such individual wishes to enroll, the number of individuals enrolled in the program who are inpatients in such facilities exceeds 25 percent of the total number of individuals enrolled in such program.

"(4) The percentage of individuals enrolled in a program established under this section who are disabled individuals or frail elderly individuals must be approximately equal to or greater than the percentage of the population of such individuals who are eligible under title XVIII and under the State plan in the area served by such program.

"(d) Any program established under this section shall provide that the State, or a health care provider or other entity designated by the State, shall assess and periodically reassess the health care needs of, and develop a plan of care and case management system for, each individual enrolled in the program. Periodic health reassessments shall be made not less often than every 6 months in the case of frail elderly individuals. A health reassessment shall also be made at any time that an individual's status changes for purposes of reimbursement (as described in subsection (h)).

"(e) The amounts and methods of payment under the program to providers of services may be any of the following methods:

"(1) a prepaid capitation payment arrangement with one or more health maintenance organizations or competitive medical plans, which meet the requirements of section 1876, and which may contract with other entities to provide those services under the program which are not services covered under title XVIII;

"(2) a negotiated payment method and rate which meets the requirements of section 1902(a)(13)(A); or

"(3) a reimbursement system which provides for payment in accordance with title XVIII for those services covered under title XVIII and for payment in accordance with the generally applicable provisions of the State plan for those services not covered under title XVIII.

"(f)(1) The Secretary shall grant a waiver of those requirements of this title and of title XVIII described in paragraph (2) to any State as may be necessary to establish a program or programs under this section if such State provides assurances satisfactory to the Secretary that—

"(A) the program shall meet all the requirements of this section;

"(B) the total cost to the State and Federal Governments for each fiscal year in which the program is in effect will not exceed the total cost which would have been incurred by the State and Federal Governments for such fiscal year if the program were not in effect, taking into account such factors as trends in the rate of cost increases and changes in eligible populations which might occur in the absence of the program; and

"(C) quality of and access to health care under the program shall be maintained.

During the period prior to October 1, 1986, the Secretary shall not grant waivers under this section to more than 20 States.

"(2) A waiver granted under this subsection may include a waiver of the skilled care, intermittent care, and homebound requirements for the provision of home health services under title XVIII, the skilled care and post hospital requirement for extended care services under title XVIII, and the requirements of this title relating to statewideness, comparability of services, and freedom of choice of providers. The waiver may include a waiver of any provision of title XVIII or this title relating to methods and amounts of reimbursement, subject to the requirements of subsection (e).

"(3) Waivers granted under this section shall be for a period of 3 years and shall be renewable for additional 3-year periods. The Secretary shall approve any request for a waiver or renewal unless the Secretary can demonstrate that the conditions specified in paragraph (1) will not be or have not been met. The Secretary may terminate a waiver prior to the expiration of the 3-year period if the Secretary can demonstrate that such conditions have not been met.

"(4) A waiver granted under this subsection may allow for the imposition of restrictions and limitations in the amount and duration of covered services, but such restrictions and limitations may not be more restrictive than those imposed under title XVIII or those imposed under the otherwise applicable provisions of the State plan.

"(5) A waiver granted under this subsection may not allow for the imposition of any restrictions or limitations which are more restrictive than those allowed under a waiver granted under section 1915(c), if the State has a waiver in effect under such section.

"(6) A waiver granted under this subsection may allow for the eligibility under the State plan (for purposes of the program under this section) of frail elderly individuals and disabled individuals living in the community who, if in an institution, would be eligible under the State plan, without regard to whether the State generally applies a higher income eligibility level under its plan with respect to institutional care.

"(7) A waiver granted under this subsection may allow for enrollment fees, premiums, deductions, cost sharing, and similar charges in excess of those generally allowed under section 1916 if the program provides services in addition to those required to be provided under subsection (b)(1), but such additional amounts shall not exceed an amount which bears the same ratio to the actuarially determined value of such additional services as the amounts allowable under section 1916 bear to the actuarially determined value of the services otherwise provided under the State plan.

"(g)(1) The State must provide for quality assurance review of any program established under this section, either through a contract with a utilization and quality control peer review organization having a contract with the Secretary under part B of title XI, or with another quality assurance entity designated by the State and approved by the Secretary for purposes of this section.

"(2) The organization performing quality assurance review under paragraph (1) shall, as a minimum requirement, be responsible for reviewing on a sample basis the validity of the assessments and reassessments performed for purposes of determining reimbursement levels pursuant to subsection (h)(2).

"(3) Payment with respect to expenses incurred by the State in meeting the requirements of this subsection shall be made under section 1903(a)(3)(C).

"(h)(1) The Secretary shall make payments to the State on a per capita basis with respect to each individual enrolled in a program under this section. The amount of such payment shall be equal to 95 percent of the adjusted average per capita cost (as determined for purposes of section 1876(a)) for parts A and B of title XVIII for the class to which such individual is assigned under section 1876(a), but subject to paragraph (2) of this subsection.

"(2)(A) For purposes of this subsection, payment shall be equal to 95 percent of the adjusted average per capita cost of institutionalized individuals (as determined for purposes of section 1876(a)) in the case of any individual who is an inpatient in a skilled nursing facility or intermediate care facility, or who—

"(i) has been determined to require the level of care provided in a skilled nursing facility or intermediate care facility, but for the provision of home or community-based services under this program, and

"(ii) is dependent on personal assistance on at least a daily basis for at least two of the following activities: eating, bathing, use of the toilet, transferring to and from bed, or dressing.

"(B) The State shall provide to the Secretary the assessment criteria to be utilized for purposes of determining those individuals who meet the requirements of subparagraph (A).

"(3) In the event that the amount of the payments received by the State under paragraph (1) is greater than the amount of the expenses incurred by the State for providing the medicare parts A and B services required to be provided by reason of subsection (b)(1)(A), the State must use such excess to provide services under the program or to offset other expenditures for medical assistance under the State plan. Such excess amount shall not be considered to be an amount expended by the State for purposes of payment under section 1903.

"(4) Expenses incurred by the State for providing medical assistance under the program (other than expenses for the medicare parts A and B services required to be provided by reason of subsection (b)(1)(A) and the excess payments referred to in paragraph (3)) and for administrative and related costs of the program shall be included for purposes of payment under section 1903.

"(5) The State shall pay the premium under part B of title XVIII for each individual enrolled in the program. Such payment shall be included as an amount expended by the State for purposes of section 1903. The State may make such payments to the Secretary, or may have the amount of such payments deducted from the amount otherwise payable to the State under paragraph (a). Any amount so paid to the Secretary or deducted shall be transferred by the Secretary into the Federal Supplementary Medical Insurance Trust Fund.

"(6) Payments to States under paragraph (1) shall be made from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in the same proportion as payments are made from such Trust Funds under section 1875(a)(5).

"(i) Each State having any program under this section shall submit reports to the Secretary at intervals which the Secretary determines to be appropriate, but not less often than annually, with respect to any such program in such State. Each report shall include assessments of—

"(1) the number of individuals enrolled in the program, and the proportion of those individuals who are frail and living in the community, and the proportion who are frail and living in skilled nursing facilities or intermediate care facilities;

"(2) the total number and type (on a basis of age and health and institutional status) of individuals living in the area served by the program;

"(3) the services provided to enrolled individuals, the utilization rates of community-based services as compared to hospital and other institutional care services, and any changes in such utilization rates;

"(4) a comparison of actual average per capita costs of the program to the adjusted average per capita costs established for the area served by the program;

"(5) the number and types of health care providers who have participated in the program;

"(6) a description of case management and assessment procedures utilized under the program, including a description of the criteria and procedures used in determining whether an individual is considered to be frail for purposes of this section;

"(7) the proportion of total expenditures under the program for community-based services, and the proportion for hospital and other institutional care services, and any changes in such proportions;

"(8) the proportions of total costs of the program which are borne by the Trust Funds (under subsection (h)(1)), by the Federal Government under section 1903, by the State, and by the enrolled individuals; and

"(9) the procedures used by the State for monitoring cost and service utilization under the program, including the procedures for program audits.

"(j)(1) The Secretary shall submit an interim report to the Congress not later than 1 year after the date of the enactment of this section describing steps taken by the Secretary to implement the provisions of this section, including procedures for monitoring and evaluating State programs, the status of approved or pending waiver requests, and problems encountered by States in implementing programs under this section.

"(2) The Secretary shall submit a report to the Congress not later than 3 years after the date of the enactment of this Act evaluating the programs established under this section. The report shall include assessments of—

"(A) the effectiveness of the programs in achieving coordination of community-based services and institutional care services by combining financing under title XVIII and the State plan;

"(B) the impact of the programs on the utilization of community-based services as compared to institutional care services;

"(C) the effectiveness of the programs in preventing or delaying the need for institutional care services, and in shortening the duration of such services, through the use of community-based services; and

"(D) the impact of the programs on total expenditures under title XVIII and the State plan for the enrolled individuals.".

Mr. BENTSEN. Mr. President, I am pleased to join the distinguished Senator from Pennsylvania, Mr. HEINZ, in introducing the Home Care Protection Act of 1985. This legislation would clarify current law regarding the availability of Medicare coverage for home health care by explicitly allowing Medicare reimbursement for up to 60 days of home care. The Home Care Protection Act will guarantee beneficiaries access to these services as Congress clearly intended when the Medicare Program was created in 1965.

A review of the legislative history of home health care confirms that, in creating the home health benefit, Congress foresaw the need to provide care on an "intermittent" basis. When a physician determines that such serv-

ices are appropriate, the Medicare statute authorizes coverage.

However, the availability of home health care has been severely limited for the past 3 years because of a new and more restrictive interpretation of the term "intermittent" care by fiscal intermediaries under contract to the health care financing administration. The result has been substantial variations in home health coverage between regions and, in some instances, elimination of coverage. For example, intermediaries in Federal region V limit home health care to a maximum of 31 days whereas region I permits up to 42 days of care. In my own State, the Dallas Visiting Nurse Association, which has been providing home health services since 1934, stopped accepting Medicare patients in need of intermittent home care 9 months ago. This decision was prompted by mounting uncertainties about whether the fiscal intermediary would reimburse for intermittent care.

The Home Care Protection Act would also provide needed protection to Medicare beneficiaries whose hospital stays have been shortened as a consequence of the new DRG prospective payment system. According to a report just released by the General Accounting Office, implementation of this new reimbursement system has resulted in an increasing number of sicker patients being released early. Enactment of this bill would help insure that these patients receive the services they need from qualified professionals in a setting which their physicians feel is most appropriate.

In sum, the Home Care Protection Act of 1985 would clarify current law on the availability of Medicare coverage for home health care and ensure that Medicare beneficiaries will have full access to these services as Congress intended when it created the Medicare Program in 1965.

Mr. BRADLEY. Mr. President, I rise as a cosponsor of the Home Care Protection Act, a bill introduced by Senator Heinz to expand home care services. This bill clarifies the definition of "intermittent care" to provide Medicare reimbursement to cover daily home care for up to 60 days. The administration currently has adopted a very restrictive definition that, in my opinion, forces many people back into hospitals.

At present, the administration regulations now provide reimbursement for "intermittent care" for only a 2- to 3-week period and usually only 3 to 4 visits a week. This bill mandates that Medicare will provide reimbursement for daily care for up to 60 days, when medically necessary.

Mr. President, the Federal Government needs to provide stronger incentives to promote home care rather than hospitalization. Some might argue that the current DRG system provides sufficient incentives for hospitals to reduce institutionalization and expand home care. I don't agree. DRG's do help but are insufficient. We need to provide greater incentives to treat people in their homes.

Mr. President, New Jersey led the way in demonstrating that DRG's could help contain hospitalization costs. New Jersey hospitals demonstrated that with the correct incentives, the average length of a hospital stay could be shortened significantly.

But what are the lessons to be learned from the New Jersey DRG experience as they relate to home care? John Paul Marosy, the Director of New Jersey's Home Health Agency Assembly, recently prepared testimony on the results of a study on the New Jersey experience. I ask unanimous consent that his comments be included in the RECORD at the conclusion of my remarks. The results of the study confirm what we all have known all along:

First, the earlier the discharge, the greater the need for home care services. The New Jersey study concludes that about 6 to 8 percent of New Jersey's home health visits are directly attributable to implementation of DRG's. Discharged patients are sicker and they are simply going to need more services in the home.

And second, there is a mismatch between the expanding need for home care services and the restrictive Medicare reimbursement policies now in effect. The current Medicare benefit is simply insufficient to meet the needs of some patients discharged to their homes. We know that the DRG cost containment measures have been effective limiting the length of stay in hospitals, but there has not been a corresponding increase in reimbursement for home care services. In fact, over the past few years the administration has imposed tighter regulatory limits on the availability of home care.

I disagree with the administration's philosophy. To help keep people out of hospitals and to further reduce length of hospital stays, we need to improve Medicare home care reimbursement policy, not restrict it. And it is to this end that this bill is directed.

In summary, Mr. President, the Federal Government has a responsibility to help to develop innovative ways to meet the health care needs of this Nation's citizens—particularly the elderly. More emphasis in needed on home-based care—for cost reasons and for humanitarian reasons. This bill is one step in this direction.

TESTIMONY BEFORE THE NATIONAL ASSOCIATION FOR HOME CARE LEGISLATIVE AND REGULATORY CONFERENCE

(By John Paul Marosy, Executive Director, Home Health Agency Assembly of New Jersey, Inc.)

Senator Moss, distinguished members of the panel, ladies and gentlemen: I am John Paul Marosy, Executive Director of the Home Health Agency Assembly of New Jersey, Inc., an organization which represents 51 of the 54 certified home health agencies in the state of New Jersey. The Home Health Agency Assembly was founded eleven years ago and is the leading voice of the home health care industry in the state of New Jersey. We are proud of the high quality of care that home health agencies provide for New Jerseyans. In addition, we are proud of the leadership that our Governor, Tom Kean, and the members of New Jersey's Congressional delegation, in particular Senator Bill Bradley, have displayed in seeking to assure access to home health care for the millions of Americans who need this help to remain in the dignity and comfort of their own homes.

In 1980, New Jersey became the first state in the nation to implement a prospective pricing system for hospital care, based on diagnostically related groups (DRG's). We have closely monitored the impact of this method of paying for hospital care on the home health care industry in New Jersey.

A data report by our organization that was just published documents three important facts:

1. The DRG system in New Jersey has increased the number of hospital referrals to home health care

2. Home health agencies have greatly increased their provision of high technology care in the home in order to respond to the earlier discharges, and

3. Home health agencies have expanded their hours of operation to meet hospital discharge requirements.

In the remainder of my testimony, I will describe New Jersey's DRG system, report our data findings, and point out what we see as contradictions in current health care policy which are preventing home health agencies from providing care to those in need.

NEW JERSEY'S SYSTEM OF PROSPECTIVE PRICING FOR HOSPITAL CARE

In 1980 New Jersey established a system of prospective payment for hospital care, based on DRG's, under a federal Medicare waiver contract. The Department of Health and Human Services recently approved extension of the waiver through 1987. The New Jersey system differs from the federal Medicare prospective pricing system in several important ways: First, it covers all third party payers, whereas the federal system covers Medicare only; Second, the New Jersey system covers all uncompensated care and the federal system does not; Third, rates are hospital-specific in New Jersey; Fourth, there are deliberate, due process appeals mechanisms which are more open than those in the federal system; Fifth, because New Jersey's system covers all payers, the DRG rates are set to reflect as closely as possible the resources consumed in each DRG by typical acute care hospital inpatients. Consequently, New Jersey has a much higher percentage of outliers (cases whose costs either exceeded or were significantly less than the DRG rate per case). The state felt that by removing atypical hospital inpatients from the average rate structure, quality would not be compromised. Sixth, outpatients are not excluded from the New Jersey system. They are billed on a fee per visit.

It is important to note these six differences from the federal system, since they have a direct bearing on the incentives which dictate length of stay for hospital pa-

tients and the circumstances surrounding discharge planning for home health care.

IMPACT OF NEW JERSEY'S DRUG SYSTEM ON HOME HEALTH AGENCIES

New Jersey's hospitals were phased into the DRG system over a three year period: 1980, 1981 and 1982. According to the New Jersey Health Department the average length of stay in 1979 (pre-DRG) for the seven most common types of licensed hospital beds was 7.43 days; this figure dropped to 7.0 days in 1982 and decreased further, to 6.39 days in 1983. By comparison, the Department of Health and Human Services reports a reduction in average length of stay in the Medicare program from 9.5 days to 7.5 days after the first full year of the federal prospective payment system. Clearly, prospective payment results in earlier hospital discharges.

In a data report, compiled in cooperation with the New Jersey Department of Health, the Home Health Agency Assembly of New Jersey found that the number of admissions to home health agencies from hospitals jumped from 61% to 68% of total admissions between 1980 and 1981, the first year of phase-in for the DRG system in New Jersey. Since 1981, hospital referrals have remained a constant 67% of total admissions for home health care. We assume that this increase during the first year of phase-in reflects the adaptation to DRG's by all hospitals in the state, in anticipation of their being phased-in. The net impact of the DRG system is an increase of 8,000 admissions to home health care in 1983. There were a total of 133,000 persons served by home health agencies in New Jersey in 1983.

Over the same four year period during which the average length of stay steadily dropped, the number of high technology services offered by home health agencies grew dramatically. We lack good baseline data because in the early 1980's high technology home care services were in such an early stage of development that they were not included in the data questionnaire check-off list. However, according to 1983 data, the following services were offered by a significant number of home health agencies:

TABLE 1.—TYPES OF PROGRAMS AVAILABLE (1983)

	Number	Percent
Home Catheter Care [1]	50	98.0
Tracheostomy Care [1]	45	88.0
Intravenous Therapy	26	51.0
Respiratory Therapy (MIA Respirator)	17	33.0
Chemotherapy	13	25.5

[1] Catheter care and tracheostomy care are standard procedures and 51% of NJ home health agencies offer some kind of high technology service such as intravenous therapy or chemotherapy.

The growth in high technology services experienced over the period paralleling the DRG implementation years suggests a relationship between the two events, explained by the introduction of more acutely ill patients into the home health care setting.

The trend to expanded hours of operation—both business hours and service hours—is the most striking change in home health agency operations since the implementation of the DRG system. 82% of home health agencies in New Jersey schedule admissions and visits seven days per week, and virtually all agencies provide emergency phone and referral service around the clock. Four years ago, only 66% of the agencies offered evening and weekend coverage.

POLICY CONTRADICTIONS THWART EFFECTIVE USE OF HOME HEALTH CARE

Home health agencies in New Jersey have responded to the needs of patients being discharged earlier, due to DRG's. However, agencies throughout the state report that they are thwarted in their efforts to develop appropriate plans of care by Medicare's definition of intermittent care and by gaps in private insurance coverage for high technology home health care services.

Federal policy contradicts itself. While the prospective payment system for Medicare hospital care is intended to reduce institutional care costs by reducing length of stay, Medicare home health policy guidelines require Fiscal Intermediaries to apply increasingly restrictive criteria in claims reviews. Patients who need high-tech care at home often require a daily nursing visit to supervise that care. Currently, such daily visits are frequently interpreted as not meeting the "intermittent" care requirement, and are, therefore, unreimburseable.

The "intermittent" care requirement was promulgated in the 1960's at a time when the types of high-tech home care now available were not even anticipated as possible in the home setting. In the 1980's, this policy is myopic and contradicts efforts to contain health care costs. Why will Medicare pay for needed nursing services in support of high technology care in the hospital or nursing home, often at double or triple the cost, but not at home?

Private insurers have some catching up to do, too. Most policies lack home health care coverage, or pay for only a portion of the cost of care, rather than the 100% coverage of most procedures performed in an institution. This is a clear disincentive to use of less costly home health services for the post-acute patient.

In conclusion, we believe that the experience of home health agencies in New Jersey since the implementation of prospective payment for hospital care shows that it is high time for Congress and the business community to re-shape health care policies to remove this wasteful and inhumane policy contradiction. The number of persons falling into the "No Care Zone" is increasing. The problem needs to be addressed now.

By Mr. MOYNIHAN (for himself, Mr. GRASSLEY, Mr. WEICKER, Mr. DODD, Mr. KENNEDY, Mr. KERRY, and Mr. SIMON):

S. 784. A bill to amend the Internal Revenue Code of 1954 to exclude from income the value of lodging located in the proximity of an educational institution and rented by such institution to its employees at cost; to the Committee on Finance.

EXCLUSION FROM INCOME OF LODGING AT EDUCATIONAL INSTITUTIONS

● Mr. MOYHIHAN. Mr. President, I rise today to introduce legislation to redress a problem facing our Nation's colleges and universities.

In 1871, President James A. Garfield defined the ideal education: "Give me a log hut, with only a simple bench, Mark Hopkins on one end and I on the other." President Garfield, a student of the great American educator Hopkins at Williams College, conveyed the vast education to be derived by a student immersed in a community of scholars.

For almost 350 years, since the founding of our first great universities, American higher education has sought to create intellectual communities on and around the thousands of college campuses in our country. Interaction between scholars and students both in the classroom and outside is a value that every educator recognizes. The store of facts garnered by reading and research pales in comparison to the wisdom gained from academic discourse and argument. Student and teacher must meet outside the classroom for real learning to occur.

To create an atmosphere conducive to academic exchange, our colleges and universities have long provided low-cost housing to faculty members on or near campuses to encourage scholars to live near other scholars and, especially, so scholars and pupils can interact.

Mr. President, there is no doubt that education—indeed, higher education—is a public good. And low-cost housing provided by colleges and universities to faculty makes that public good all the more possible.

But, there is a problem here, Mr. President—a problem which this bill is intended to remedy. Since 1981, the Internal Revenue Service has attempted to tax as income the difference between the rent a faculty member pays for his home and the so-called "fair market" value of the housing. The IRS has asserted that the difference between what a university could rent a home for on the open market and what it actually charges its faculty tenant is a form of taxable compensation.

The IRS has specifically applied this interpretation of our tax laws in the case of four New England colleges, Amherst, Smith, Wellesley, and Wesleyan. But this is not a small problem, either in scope or magnitude. If the IRS succeeds in collecting taxes from the four New England schools for the taxable compensation it alleges has been provided since 1973, then the faculty housing problems at all our colleges and university will be imperiled, including those in New York. Additionally, rising housing costs around many college campuses could cause colleges and universities to incur significant tax liabilities, due to the growing difference between what the IRS defines as the fair market value of faculty housing and what is actually charged.

The IRS is misguided in asserting that low cost faculty housing should be taxed as compensation to college and university professors. Without low cost faculty housing, it would be difficult—if not impossible—for most faculty members to live near campus. The academic community will near be lost.

The learning outside the classroom that has characterized American education for more than three centuries will, for all practical purposes, happen no more. American education will be different. This is not a simple tax matter at all, but a question of education and national priorities.

That is why in 1984 Congress approved a 2-year moratorium to prevent the IRS from treating as taxable income the difference between the low rents charged by universities to their faculty for housing and the fair market rental value of the housing. We passed that moratorium to give Congress an opportunity to address the problem of the tax treatment of faculty housing.

The legislation I am introducing today presents just such a legislative solution. It simply states that colleges and universities must charge in rent at least the direct operating cost of the housing they provide faculty. Anything less than the direct operating cost will be considered taxable compensation. This legislation has an effective date of December 31, 1972, to remedy the retroactive problem facing the four New England schools and to clarify for the future that faculty housing shall not be considered taxable compensation.

Mr. President, the moratorium on the taxation of faculty housing expires at the end of this year. It is time to act, and act responsibly. I urge my colleagues to support this important legislation, and I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 119 of the Internal Revenue Code of 1954 (relating to meals or lodging furnished for the convenience of the employer) is amended by adding at the end thereof the following new subsection:

"(d) LODGING FURNISHED BY CERTAIN EDUCATIONAL INSTITUTIONS TO EMPLOYEES.—In addition to the exclusion provided by subsection (a), there shall be excluded from the gross income of an employee of an educational institution described in section 170(b)(1)(A)(ii) the value of lodging—

"(1) located on or in the proximity of, a campus of such institution, and

"(2) furnished to the employee, his spouse, or any of his dependents by or on behalf of such institution,

except to the extend that the direct operating cost of such lodging to the educational institution exceeds amounts paid by the employee for the use of such lodging.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1972.●

By Mr. LUGAR (by request):

S. 785. A bill to authorize appropriations for the U.S. Information Agency to carry out in fiscal years 1986 and 1987 international information and educational and cultural exchange programs, and for other purposes; to the Committee on Foreign Relations.

U.S. INFORMATION AGENCY AUTHORIZATION ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the U.S. Information Agency for fiscal years 1986 and 1987.

This proposed legislation has been requested by USIA and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Director of the U.S. Information Agency to the President of the Senate dated, March 22, 1985.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 785

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this title may be cited as the "United States Information Agency Authorization Act, Fiscal Years 1986 and 1987."

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) In addition to the amounts otherwise authorized for such purposes, there are authorized to be appropriated for the United States Information Agency $973,639,000 for the fiscal year 1986 and $1,154,177,000 for the fiscal year 1987 to carry out international information, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, the Radio Broadcasting to Cuba Act and the National Endowment for Democracy Act, and other purposes authorized by law.

(b) Amounts appropriated under this section are authorized to remain available until expended.

U.S. INFORMATION AGENCY,
Washington, DC, March 22, 1985.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: Pursuant to the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan No. 2 of 1977, the Radio Broadcasting to Cuba Act, and the National Endowment for Democracy Act, we are required to submit the enclosed proposed legislation to authorize appropriations for the United States Information Agency for Fiscal Years 1986 and 1987 to enable the Agency to carry out international information and educational and cultural exchange programs.

The Office of Management and Budget has informed us that there is no objection to the presentation of this proposed legislation and that its enactment would be in accord with the program of the President.

Sincerely,

CHARLES Z. WICK,
Director.●

By Mr. NUNN (for himself and Mr. LAUTENBERG):

S. 786. A bill to establish an Information Age Commission; to the Committee on Governmental Affairs.

INFORMATION AGE COMMISSION ACT OF 1985

● Mr. NUNN. Mr. President, today Senator LAUTENBERG and I are introducing the Information Age Commission Act of 1985. The purpose of this bill is to create a forum for discussions on the present and future impact of computer and communications systems on our Nation and its citizens, and to present critical choices to the President, the Congress, and the public that will maximize the benefits of the information age to our society.

Mr. President, information systems of all kinds are playing an increasingly important, and controlling, role in our society. Sophisticated computer technology is being used routinely in business, in education, in Government, and in the military. It is being used in information storage, processing, management, and decisionmaking. Most of this technology was not even in the conceptual phase several years ago.

Furthermore, the introduction of additional information technology is driving social and economic changes. Most of these changes are benefiting our society and generally improving the quality of our lives. In the next few years, information technologies will continue to undergo rapid development and will be applied to a growing number of activities. However, these technological changes also appear to be rapidly outpacing the capability of our economic and legal system to respond.

To date, policy development regarding the information age has been a piecemeal effort, and generally reactive to situations that have come to our attention. For example, in the last Congress we adopted changes to the copyright laws for protecting computer chips. We adopted legislation which I cosponsored with Senator TSONGAS to provide assistance to small business in the areas of computer security and education; this legislation was the first of several computer crime bills adopted in the 98th Congress. We enacted several laws making it a crime to alter medical records or use a computer to obtain classified information.

Nevertheless, the 40 or so criminal laws which are on the books today, even coupled with the actions we took last year, are not sufficient to provide a firm basis for combating computer crime. Many States were not able to even wait for the Federal Government, and have adopted their own set

of laws on computer crime and security.

Mr. President, I will not take the time here to spell out the litany of congressional reports, Executive agency actions, or private sector studies that demonstrate the fragmented nature of our information age policy, or the need for a comprehensive review of this issue. Suffice it to say, there is almost no one who believes that our current understanding of these issues, or our ability to respond, is adequate or satisfactory.

We cannot continue to tackle these critical national issues in a piecemeal fashion. In my view, it is worth the time and effort to take a step away from our current reactive efforts and try to identify general focal points for the resolution of these issues at the national level. It is for that reason that Senator LAUTENBERG and I have joined together to introduce this Information Age Commission Act of 1985.

The Commission, to be composed of 23 members, will draw from government at all levels, industry, labor, education, and academia. According to the legislation, the Commission is to conduct studies and analyses of the information age, including: The efforts and resources needed to maximize the benefit to society of computer and communications systems; the effort and resources needed to maintain the lead of the United States in the world information marketplace; the education and reeducation needed for our society; the use and impact of computers and communications systems on our national security, labor and employment; and the effort and resources needed to encourage technological innovations.

This Commission is to complete its work within 2 years, and then submit its final report to the Congress and the President. I would hope that there would be interim reports as necessary when the Commission identifies critical issues which Congress or the Executive should immediately address.

We have purposely structured the Commission to draw on the best resources that are available within and outside the Government. For example, we have specifically added the Secretaries of Commerce, Defense, and Education as members of the Commission. Each of these departments are directly and significantly affected by the use of computers and communications systems, and has a critical role in any comprehensive solution of the problems of the information age. These perspectives must be brought to bear on the Commission's deliberations.

Of the public members, we have specified that at least three representatives be from the information industry, labor, and from academe. This will ensure that each of these perspectives are made available to the Commission for its deliberations. In fact, under the terms of the bill, the non-Federal members on the Commission have a majority of the votes on the Commission.

The total authorization that has been provided for this Commission for its 2-year life is $3 million. In my judgment, that will not be enough to do all of the work that will be required. But in light of the serious budgetary constraints which we face at the national level, that is all that I believe can reasonably be allocated to this important responsibility at this time. So we have included in this bill language that would permit the Commission to receive contributions of money or services from the private sector to assist the Commission in carrying out its work. Frankly, I see this as a very important provision. Many in the information industry have expressed their concerns about the implications of entering the last decades of this century, and the 21st century, with a disjointed or nonexistence policy and have offered their talents. I would expect that industry as a whole, including large and small businesses, trade associations, and individual scholars, contributing to the work of the Commission.

While it is possible for the private sector to undertake a great deal of this work, Governmental participation is essential to provide a balance against protective action by industry. In addition, Government's responsibilities in national security, trade policy, or education cannot be obtained in the private sector.

Mr. President, in the development of this legislative proposal, we have been working with many of the information age industry associations and companies. The Association of Data Processing Service Organizations [ADAPSO] has been particularly helpful in framing this issue, and assisting me in developing the outlines of this proposed legislation. However, this bill is not, and cannot be, a competitive proposal, with one group or company or type of technology seeking to use this Commission for its own purposes.

This legislation is the beginning of a long process that we as a nation must take if we are to deal with the complexities and multifaceted nature of our computer and communications society. But we cannot delay the process much longer. I would welcome the recommendations of industry, of government, and of the private sector on ways to improve this legislation, expand its scope, or more carefully focus its efforts. I hope that this can be accomplished within the first session of this Congress, as well. I look forward to working with every interested group toward the enactment of this proposal.

Mr. President, I ask unanimous consent that a copy of the bill, and a brief section-by-section analysis of this proposal, be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Information Age Commission Act of 1985".

SEC. 2. The Congress finds and declares that—

(1) the introduction and use of computer and communications systems have brought our Nation and the world into the Information Age;

(2) computer and communications systems are affecting the manner in which business, education, and government operate, and the manner in which our Nation's security and involvement in world trade are carried out;

(3) the rapid pace of technological change and the complexity of the issues involved with respect to computers and communications systems have combined to diminish public awareness and understanding of their impact on society;

(4) the impact of computer and communications systems on society has not been completely analyzed; and

(5) while Congress has begun to address issues relating to the Information Age, such as intellectual property rights, computer education, computer crime, and privacy, there remains a need for a comprehensive and systematic study of the Information Age.

SEC. 3. The purposes of this Act are to—

(1) create a forum for discussions and targeted research on the present and future impact of computer and communications systems on our Nation and its citizens; and

(2) present critical alternative views and choices to the President, Congress, and the public generally, so that such views and choices may serve as a catalyst for change, if necessary, and maximize the benefits of the Information Age to our society.

SEC. 4. (a) There is established a commission to be known as the Information Age Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twenty-three members. Individuals appointed to the Commission pursuant to clause (3) of this subsection shall have a competence in the areas with which the Commission deals. Members of the Commission shall be appointed as follows:

(1) three members appointed by the President pro tempore of the Senate, two upon the recommendation of the Majority Leader of the Senate and one upon the recommendation of the Minority Leader of the Senate;

(2) three members appointed by the Speaker of the House of Representatives, two upon the recommendation of the Majority Leader of the House of Representatives and one upon the recommendation of the Minority Leader of the House of Representatives;

(3) seventeen members appointed by the President including, to the extent feasible, at least three representatives each from the information industry, labor, and academe, not more than two public officials from State and local governments, and six members drawn from the Executive branch of the Federal Government, including the Secretary of Commerce or his designee, the Secretary of Defense or his designee, and the Secretary of Education or his designee.

(c) Of the members specified in paragraphs (1) and (2) of subsection (b) of this section, not more than two members specified in each such paragraph shall be from the same political party.

(d) The President shall designate one member of the Commission appointed from the private sector as Chairman of the Commission, and one such member as Vice Chairman of the Commission.

(e) Twelve members of the Commission shall constitute a quorum.

(f) Any vacancy in the Commission shall not affect its power, but shall be filled in the same manner in which the original appointment was made.

SEC. 5. (a) The Commission shall conduct or have conducted, through subcommittees or study groups, such research and studies as it determines necessary to develop a responsible understanding of the Information Age, including, but not limited to—

(1) the efforts and resources needed to maximize the benefit to society of computer and communications systems;

(2) the effort and resources needed to maintain the lead of the United States in the world information marketplace;

(3) the education and reeducation required to equip the people of the United States for the Information Age;

(4) the use and impact of computer and communications systems on the national defense of the United States;

(5) the effort and resources needed to encourage new technological innovations; and

(6) the impact of computer and communications systems on labor and employment.

(b) In carrying out its functions and duties, the Commission shall make every reasonable effort to avoid duplication of studies and research relating to the matters referred to in subsection (a) of this section, and shall marshal existing information for reevaluation.

(c) The Commission shall develop a data base of material information to which the public shall have reasonable access during the life of the Commission.

(d) The Commission shall, from time to time, submit to the President and Congress analyses and reports summarizing the materials and positions of the Commission, and outlining responsible alternative views and choices developed by the Commission.

(e) The Commission shall assemble and reasonably make available, upon request, a comprehensive index of relevant materials.

(f) The Commission shall provide maximum information to the media and the public so as to stimulate the broadest responsible public understanding and appreciation of the Information Age.

SEC. 6. (a) The Commission, or on the authorization of the Commission, any subcommittee or study group thereof, shall, for the purpose of carrying out the functions and duties of the Commission, hold such public hearings and sit and act at such times and places throughout the Nation as the Commission or such subcommittee or study group may deem advisable.

(b) The Commission is authorized to negotiate and enter into such contracts with private organizations as the Commission determines necessary to enable it to carry out its duties and functions under this Act relating to research and studies and the preparation of analyses and reports.

(c) The Administrator of General Services, at the request of the Chairman of the Commission, shall provide the Commission with necessary administrative services (including those relating to budgeting, accounting, financial reporting, personnel, and procurement). Payment for such services shall be made in advance or by reimbursement from funds appropriated to the Commission. Payments shall be in such manner and in such amounts as may be agreed upon by the Commission and the Administrator of General Services.

(d) The Commission is authorized, in accordance with this subsection, to secure directly from any executive department, agency, or independent instrumentality of the Federal Government any information, facilities, and services the Commission deems necessary to carry out its functions and duties under this Act; and each such department, agency, and instrumentality is authorized and directed to cooperate with the Commission and, to the extent permitted by law, to furnish such information, facilities, and services to the Commission upon request made by the Chairman, unless the head of such department, agency, or instrumentality determines that urgent, overriding reasons will not permit the making of such information, facilities, or services available to the Commission and so notifies the Chairman in writing.

SEC. 7. Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

(1) appoint, terminate, and fix the compensation, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, or any other provision of law relating to the number, classification, and General Schedule rates, of such personnel as the Commission deems advisable to assist in the performance of its duties; and

(2) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the extent as is authorized by law for agencies in the Executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule.

SEC. 8. (a) Members of the Commission shall serve on the Commission without additional compensation for their services as such.

(b) All members of the Commission shall be reimbursed for travel as authorized by section 5703 of title 5, United States Code, subsistence, and other necessary expenses incurred in the performance of the functions and duties of the Commission.

SEC. 9. The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

SEC. 10. For the purpose of carrying out its functions and duties under this Act, the Commission may accept, use, and dispose of gifts or donations of money, services, or property.

SEC. 11. On or before the expiration of the twenty-four-month period following the date on which this Act becomes law, the Commission shall transmit to the President and to the Congress a final report containing a detailed statement of the findings of, and studies conducted by, the Commission under this Act, together with its recommendations, if any. Upon the expiration of the thirty-day period following the date of the transmission of such report to the President and the Congress, the Commission shall terminate.

SEC. 12. There is authorized to be appropriated the sum of $3,000,000 to carry out the provisions of this Act.

SECTION-BY-SECTION ANALYSIS OF NUNN/LAUTENBERG "INFORMATION AGE COMMISSION ACT OF 1985"

Section 1 provides that the short title of the bill is the "Information Age Commission Act of 1985".

Section 2 of the bill states five findings. These findings include that computers and communications systems are affecting business, education and government, and the manner in which our national security is carried out; that Congress has already begun to address some of the issues in the Information Age such as intellectual property rights, computer education, and computer crime, but that there remains a need for a comprehensive and systematic study of the Information Age.

Section 3 of the bill identifies the two purposes of the Act which are to create a forum for discussions and research on the present and future impact of computers and communications systems, and to present choices for change which maximize the benefits of the Information Age to our society.

Section 4 establishes a commission to be known as the "Information Age Commission". The Commission is to be composed of 23 members. Of the 23 members, 3 are to be from the Senate, 3 are to be from the House of Representatives, 6 are to be from the Executive Branch (including the Secretaries of Commerce, Education and Defense), and 11 are to be from the private sector. Of the 11 private sector members, representatives should be drawn from the information industry, labor, academe, and state and local government.

Section 5 provides the functions of the Commission. The Commission shall conduct studies to develop an understanding of the Information Age, focusing specifically on at least six named topics, including:

The resources needed to maximize the benefits of computer and communications systems to society;

The resources needed to maintain the U.S. lead in the world information marketplace;

The education and reeducation required to equip our citizens for the Information Age; and

The impact of computer and communications systems on labor and employment;

The effort and resources needed to encourage new technological innovations; and

The impact of computer and communications systems on labor and employment.

In carrying out its responsibilities, the Commission shall make every reasonable effort to avoid duplicating existing research.

Section 6 states certain routine powers for the Commission, including the authority to hold hearings, contract for research and other services, obtain the services of the Administrator of General Services for day-to-day administrative needs, and obtain the information and assistance of other departments and agencies.

Section 7 provides certain routine authority for the Commission to hire staff.

Section 8 provides that Commission members shall serve without compensation, but may be reimbursed for travel expenses incurred in the performance of their official duties on the Commission.

Section 9 provides routine authority for the Commission to adopt rules to govern its procedures.

Section 10 provides routine authority for the Commission to accept, use and dispose of gifts and donations of money and services. It is expected that industry and educational organizations will contribute services to assist the Commission in carrying out its important study responsibility.

Section 11 provides that the Commission shall submit its final report to the President and the Congress within 2 years after the enactment of this Act. The Commission shall expire thirty days after the final report is submitted to Congress and the President.

Section 12 provides a $3 million authorization to carry out the provisions of the Act.

● Mr. LAUTENBERG. Mr. President, I am pleased to join my colleague from Georgia [Mr. NUNN] in introducing the Information Age Commission Act of 1985. This legislation would establish a commission, to be drawn from academia, industry, labor, and government, to help us understand more clearly the complex issues and choices presented by the advent of the "information age."

Our economy and our society have been transformed. More than 60 percent of our Nation's work force is employed in the creation, storage, processing, or distribution of information, compared to just 17 percent in 1950. We were once an agrarian society. Then we became an industrial society. Now we are an information age society.

Leading this transformation are the communications and computer industries. Computing services and software industries are growing at a phenomenal 22 percent a year in the United States, and almost as fast in Japan and Europe. The market in telecommunications products is projected to rise from $18 billion in 1983 to $41 billion 10 years later. Production of computers is rising at 10 percent a year.

We are a wired nation. Computer and telecommunications advances have affected the way we work, the way we play, and the way we learn. With a terminal and a data link, people can and are working from their homes, tapped into a firm's headquarters miles away. Children fortunate enough to have access to computers are learning in ways we never imagined. Computer technology is revolutionizing the factory floor, assisting in the design and manufacture of products. From the broadest perspective, changes are occurring that will have a profound effect on our society and our place in the world economy.

Mr. President, we can ride the wave of this technological change, or we can be swamped by it. The information age brings great benefits: Increased productivity, enhanced communications, accelerating advances in science and technology. But it poses great challenges. There are challenges to our privacy, challenges to our industrial competitiveness, challenges to our ability to educate our youth, and challenges to our ability to maintain an active and self-fulfilled work force.

This Congress has begun to address some of the critical issues presented by this transformation. My colleague from Georgia [Mr. NUNN] has been a leader in addressing the complexities of computer crime. I have called for a national commitment to computer education, and to highlight the need, in a technology-based world economy, for an effective system of intellectual property rights, to protect our Nation's technological and economic edge. Our colleagues have begun to address issues of personal privacy.

Yet, we lack a comprehensive review of the problems. We lack a comprehensive review of the choices we will face. The Information Age Commission, created by the legislation we introduce today, would contribute to the task of conducting such a review. It would provide a forum for the public discussion of these important issues. It would synthesize work and thinking that has already been done. It would present the Congress and the Nation with its analysis of the critical choices we face. The Commission would be asked to complete its work within 2 years.

Mr. President, technological change is proceeding at an accelerating rate. Policymakers, individuals, workers, companies, and society as a whole has less and less time to understand the impact of those changes, and to adjust. The Information Age Commission is intended to contribute to our knowledge, our understanding, and our ability to make the change wrought by the information age changes for the better.●

By Mr. NUNN:

S. 787. A bill to authorize the Secretary of the Army to accept and to operate a National Science Center for Communications and Electronics in order to enhance military training and to share technology development in the communications, electronics, and computer industries, and for other purposes; to the Committee on Armed Services.

NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS ACT OF 1985

● Mr. NUNN. Mr. President, two and a half years ago, in December 1982, the Congress passed Senate Concurrent Resolution 130 which expressed the sense of the Congress that the advancement of science and technology in the field of communications and electronics was vital to the needs of the United States. Specifically, the Congress supported the establishment of a national center for the advancement of science and technology in the area of communications and electronics.

Since that time, we have continued to see signs both of how important these skills are to our economic and military strength, as well as how far we as a nation have to go if we are to fully develop our considerable potential in these areas. In a 1983 National Science Board Commission report on Precollege Education in Mathematics, Science, and Technology, the Commission stated that ". . . a nation that dramatically and boldly led the world into the age of technology is now failing to provide its citizens with the intellectual skills needed for the 21st century." In a similar vein, the highly acclaimed report of the Department of Education, entitled "A National at Risk," observed that "our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world." These are serious indictments, indeed, and I believe we must respond with vigor to reverse this trend.

There are abundant signs of America's failure to compete with other nations for academic excellence, particularly in terms of the percentages of our students who choose technical curricula, and the overall level of technical literacy of our high school and college graduates. The results of this situation are all too clear:

Many of our industrial processes are becoming increasingly obsolete;

Productivity is often not competitive with international industrial standards; and

High technology American industries often face shortages of trained personnel.

Mr. President, this situation impacts both our national economic strength and our ability to be a competitive international trading partner. It also impacts our fundamental military readiness. As our weapons system become increasingly complex, we are asking more of today's soldier, both in terms of technical literacy when enlisting, and in developing high technology skills during military service.

The Army's Signal Corps training center at Fort Gordon, GA, faces the inadequacy of our scientific education system on a daily basis when it must train young service personnel in the advanced communications and electronics equipment of our military. Fort Gordon is the largest high technology training establishment in the free world, It is at the cutting edge in devising responses to the critical need for technical literacy, as they develop new training techniques to provide soldiers the skills necessary to operate and maintain advanced communications equipment. Within its important, but limited mission, Fort Gordon has already taken on the goal recommended by the National Science Board Commission: "By 1995, our Nation must provide for all its youth a level of mathematics, science and technical education that is the finest in the

world." The work already accomplished by the Army can serve as the foundation for a much broader program to enhance out Nation's scientific and technical skills.

Mr. President, I am proud that the science center called for in Senate Concurrent Resolution 130 has already been established and is functioning in a unique partnership with the United States Army. The National Science Center for Communications and Electronics (NSCCE) Foundation was established as a private nonprofit corporation to develop the technical skills so critical to our national economic and military security. It is this type of center which the Department of Education identified in its report as one solution to our deficiencies in scientific education. The center has four specific goals:

Promote science and technology across the United States.

Educate and train the youth of the Nation in the fields of communication and electronics.

Help recruit young people into careers in communications and electronics.

Preserve our Nation's proud heritage in communications and electronics.

It is because of the direct correlation between science and technology skills and military readiness that the U.S. Army has been a vital partner with the NSCCE Foundation in this venture. In a memorandum of understanding signed by the Foundation and the Secretary of the Army last July, the Army entered into a unique partnership with the private sector to develop the scientific and technological training tools needed for both the communications and electronics industry, and the national defense establishment.

The bill which I am introducing today recognizes this partnership and specifically authorizes the Department of the Army to:

Provide a suitable location at, or near, Fort Gordon for the National Science Center for Communications and Electronics;

Accept from the Foundation, the gift of the Science Center which will be constructed using private funds, but built to Army specifications and requirements;

Assume operational control and maintenance of the Center, consistent with the mission of the Army.

Mr. President, the National Science Center for Communications and Electronics is an exciting venture. It marks the beginning of a creative partnership between the Defense Department and private enterprise. This partnership grew out of the realization that national strength is more than the size, sophistication, and readiness of a country's military forces. National strength includes the creative spirit of a people, their educational institutions which develop this spirit into technical skills, and an economy which is both competitive internationally, and can lead the way in research and technological innovation.

The NSCCE will serve as a multiplier for our national technical education system through its Learning and Information Network Center [LINC]. The LINC will provide the means to allow teachers in local schools to make use of the best minds in teaching scientific and technical principles. It will also allow interactive access to the Center's electronic learning displays.

The two partners—the Army and the NSCCE Foundation—will be able to capitalize upon each other's considerable skills in scientific education, increasing the technical literary of students as well as members of the Armed Forces. Ultimately, by increasing the level of technical and scientific education, we will restore the vigor of our Nation's high technology industries and, at the same time, provide more qualified personnel for the increasingly technical demands of our armed services.

Mr. President, I urge my colleagues' support for this undertaking.●

By Mr. BRADLEY (for himself, Mr. HEINZ, Mr. INOUYE, Mr. MELCHER, Mr. ANDREWS, and Mr. RIEGLE):

S. 788. A bill entitled the "Senior Citizens Independent Community Care Act"; to the Committee on Finance.

SENIOR CITIZENS INDEPENDENT COMMUNITY CARE ACT

Mr. BRADLEY. Mr. President, I rise today to reintroduce the Senior Citizen's Independent Community Care Act. This bill is identical to legislation introduced in the last Congress by Senators PACKWOOD and I that was subsequently cosponsored by 20 other Senators.

Why is this legislation needed? A woman from my home State of New Jersey wrote me a short letter about her personal struggle to provide loving care for her 91-year-old mother. She said her mother was "mentally alert but extremely feeble" and she was no longer able to pay for the constant assistance that she required.

> To have someone come once a week and give me a whole day to myself would give me a new lease on life. We thought about a nursing home, but just couldn't do it after examining a few. Even mother says she has lived too long, but there has to be another answer besides nursing homes!

Sad as that may seem, we all know that the problem this woman describes is becoming increasingly common in this country. More and more, we hear people speak in almost desperate words about their responsibility for an elderly relative suffering from physical of psychological disabilities. As another letter writer told me:

> We want to be able to stay at home and help our loved ones there, but with soaring costs and ever-tightening restrictions, we're reaching the point of having to hope for an early and painless death at the first sign of debilitating illness.

Even more alarming is the plight of elderly people who have no family to take care of them, or whose families are simply unable to help because of financial, social, or psychological strains. What happens to these older people? Many find themselves trapped—some at home with no support systems and others inside hospitals and nursing homes—isolated in a lonely environment and deprived of their personal independence and dignity.

I realize, Mr. President, that there are no easy solutions. But I am convinced that in many cases life would be a lot better for many elderly people and concerned families if this country developed a comprehensive approach to providing long-term medical and social services at home. Families could be kept intact and many elderly persons would no longer be forced into institutions, as they are now because Federal programs don't pay for needed treatment unless provided in an institution.

In short, if we had a national long-term care policy centered on home-based care, we could end the senseless waste of lives and dollars while helping the elderly be as independent as possible and close to their loved ones. Instead, too many people are being placed in a hospital or nursing home when intensive medical care is not required, solely because that is the only way any help is available.

The current health care delivery system views institutional care as the norm and home-based care as a promising alternative care system. We need to turn this around. Home care should not be viewed as an alternative. Home care should be the norm and institutional care should be the alternative only when home care is not feasible.

Mr. President, we know that long-term care may be a serious problem for many elderly today, but unless we take action, it will be a problem for many more elderly in the years ahead. The most striking factors affecting long-term health care needs are the increased life expectancy of individuals, the dominance of chronic disability in older individuals, and the "shrinking" of the American family.

Between 1968–79, 2 years were added to the life expectancy of a 65-year-old American, more than in the 50 years from 1900–50. By the year 2000, the over-85 population in this country will be 60 percent larger than it is today. Because of the increasing life span and aging of the population, as well as the multitude of medical advances that have taken place in the past and which will continue to take place in

the future, an increasing number of older individuals suffer from some form of chronic illness such as strokes or cancer; it is estimated that by the year 2000, over 15 million older Americans will suffer chronic disease that will limit their daily activities, a 50 percent increase over 1980.

Finally, our older Americans also are facing increasing difficulty getting needed care from other family members because the extended American family is "shrinking." People are marrying later. Families are much more mobile now, moving to other parts of the country. There are more divorces. More women are working, and couples are having fewer children. This means that direct family care is much less available to those in need than it was in the past.

The demographics drive us toward developing a long-term care strategy. But, Mr. President, the changing demographic picture is not the only reason we need to develop a strategy for meeting the long-term care needs of the elderly. Despite the expanding need for services, long-term care is more often than not unavailable because of its considerable cost, the lack of private insurance coverage, and the gaps in coverage within and between the present Government programs. In 1983, of the $24.2 billion spent on nursing-home care, private health insurance contributed only $.2 billion; Federal Medicare payments were only $.4 billion; and Federal Medicaid contributed $6.6 billion. Most of the balance came directly from patients.

The private insurance industry has begun exploring long-term care insurance options, but long-term care insurance won't be a panacea for many because the policy will probably be priced out of the reach of most middle and lower income people. To date, private insurance policies have not significantly reduced the cost of patient care since most policies generally either totally exclude coverage for nursing home and home care or limit the latter to full-time private duty nursing. This is primarily due to the high cost of long-term care, and the elderly on fixed income are simply not able to pay for those costs.

Medicare has primarily focused exclusively on acute short-term care, specifically excluding any form of "custodial" care, which is precisely the type of care needed by the chronically ill and disabled.

While Congress has taken action to expand Medicare home care benefits for postacute patients, home health personnel have testified before the House and the Senate that regulatory limits have been tightened to the point that Congress' efforts to liberalize benefits have been more than canceled out.

This leaves Medicaid as the primary source of funding for long-term care. Problems and shortcomings are also inherent in this policy. In 1980, only 3.5 million people over 65, approximately 13 percent of the total 25.7 million elderly, were covered. In addition, the Medicaid cost-sharing formula imposes a great financial burden on States and long-term care is the fastest growing part of that burden. Also, there is a problem of continuity of care. Benefits, if they exist at all, are fragmented between Medicare, Medicaid, and extraneous sources available to the 87 percent who do not qualify for Medicaid.

Mr. President, the demand for long-term care continues to grow. And the deficiencies within the current patchwork policy, compounded by the aforementioned demographic factors, points to the need for a comprehensive national long-term home care policy. We simply must find ways to coordinate services, fill in the gaps and end the fragmentation between acute and long-term care.

And it is to this end that this legislation is directed. I realize that this legislation by itself will not solve all the difficulties I've outlined, but I believe that it will make important steps in that direction.

Our bill would amend title XVII of the Social Security Act to provide for a long-term care demonstration program in four States. The program would test the cost effectiveness of a prepaid capitation system of providing acute and long-term-care services for individuals aged 65 or older. It would provide home health services for such services for such individuals in order to avoid unnecessary institutionalization, thus saving on the high costs of these facilities and promoting the maximum functional independence of individuals. It would coordinate public and private programs serving the elderly through a screening process that determines the eligibility and level of care needed by individuals.

The bill provides the following scope of benefits:

Services listed under Medicare parts A and B.

Homemaker-home health aid services to include such help as aid in bathing, grooming, light housekeeping, and preparation of food.

Adult day care services performed on a regular basis, but less than 24 hours per day, in facilities approved by the State.

Respite care services to provide relief for the persons who normally care for the chronically ill individual.

Service coordination to insure access and appropriate utilization without duplication.

To be eligible for benefits, clients must be entitled to Medicare benefits under part A and enrolled under part B; be age 65 or older; reside in a State in which a demonstration program is in effect; agree to participate in the program; not be in an institution or be within 90 days of being discharged from that institution; and be certified by a preadmission assessment screening team as someone who is likely to need help for a period of at least 6 months. This unmet need for help must be for two or more of the following services: preparation of meals, housework or shopping assistance, administration of medication, medical treatment at home, or personal care. The physical or mental impairments of individuals would have to result in moderate or severe restrictions of these daily living activities. While severe impairments are defined as an inability to act independently, moderate impairments include the need of human assistance for selfcare in these categories.

Preadmission assessment screening teams are created to evaluate each individual's health status, functional capabilities, and home and family environment, in order to determine the type and frequency of services needed. Such evaluations will determine initial and continued eligibility through ongoing assessment of individuals, performed not less than every 6 months.

The payments of benefits will be based on a capitation method. The fixed per capita fee paid to each provider will be determined jointly by the Secretary and the participating State reflecting urban and rural differentials and adjusted to fit costs.

In addition, there would be a system of copayments by eligible individuals which would parallel the fees under part A or B for the same services. Those receiving homemaker-home health aid services, adult day services, and respite care services would pay a sliding fee based on their income.

Prior to the conclusion of the demonstration, the Secretary of Health and Human Services and the Comptroller General are to evaluate the program and make recommendations for implementing the program on a national basis, as well as suggest legislative changes necessary to ensure effective implementation.

Mr. President, this approach promotes what I believe are the essential features of a national long-term home care policy. Foremost, it provides home health care services to enable an individual to remain within his or her own family and community. Second, a capitation payment method is employed to give incentives for innovative delivery of care. Third, the bill specifically targets the high risk elderly, those that need home services if they are to be kept out of nursing homes and functioning independently. And fourth, the bill requires providers to develop a coordinated approach to care for the elderly. Only by enlisting the medical community in addressing the problem of how to link long-term

care with acute care will we achieve any meaningful change.

Mr. President, the Federal Government has a responsibility to develop innovative ways to meet the long-term care needs of this Nation's elderly. More emphasis is needed on home-based care—for cost reasons and for humanitarian reasons. I hope that this Congress will give serious consideration to this approach.

I ask unanimous consent that the bill and a summary of the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 788

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Senior Citizens Independent Community Care Act".

ESTABLISHMENT OF PROGRAM

SEC. 2. Title XVIII of the Social Security Act is amended by adding at the end thereof the following new part:

"PART D—LONG-TERM CARE PROGRAM

"ESTABLISHMENT OF PROGRAM

"SEC. 1890. (a) STATE PROGRAMS.—Any State which is willing and able to do so may establish a statewide prepaid capitation program for providing acute and long-term care services for individuals aged 65 or older who require long-term care by reason of impairments which restrict daily living activities.

"(2) During the first 4 fiscal years in which this part is in effect, the Secretary shall limit the number of States which may establish such a program under paragraph (1) to 4. The 4 States shall be selected by the Secretary, and shall include urban and rural areas which are representative of urban and rural areas throughout the United States.

"(3) Beginning with the fifth fiscal year in which this part is in effect, the Secretary may limit the number of additional States which may establish a program under paragraph (1) as may be necessary to insure that the establishment of such additional programs will not require payments from the Federal Hospital Insurance Trust Fund in excess of the amounts available in such Trust Fund.

"(b) PURPOSE.—It is the purpose of this part—

"(1) to insure that individuals aged 65 or older, who have been determined to be in need of long-term care services, are assisted in remaining in their own homes or communities, and therefore avoid unnecessary placement of such individuals in institutional facilities, and, where possible, to allow individuals in such facilities to return to their communities.

"(2) to assess a prepaid capitation method of reimbursement in order to determine whether such method is a cost-effective and efficient way of providing the services available under this title;

"(3) to assess the impact of the services provided under this part in aiding families in caring for individuals eligible for benefits under this title, and, to the extent possible, to determine if the provision of such services has encouraged such families to continue care for such individuals at home, rather than in institutional facilities;

"(4) to assess how public and private programs serving the elderly can be coordinated to provide necessary support services;

"(5) to assess the effectiveness of implementing a system whereby a separate public or private sector entity would—

"(A) be solely responsible for the screening and assessment of all eligible individuals before they receive long-term care, to make sure that such care is needed;

"(B) have the responsibility of screening all individuals aged 65 or older, who are entitled to benefits under this title, prior to their entering skilled nursing facilities to make sure such institutional care is necessary, and that community-based care would not be more appropriate and cost-effective; and

"(C) collect data with respect to home health care as a cost-effective alternative to institutional care; and

"(6) to determine the demand for long-term home care provided under this part.

"SCOPE OF BENEFITS

"SEC. 1891. (a) BENEFITS.—Each eligible individual (as determined under section 1892) shall be entitled to the following benefits:

"(1) All services to which such individual would be entitled, or would be entitled to payment for, under part A and part B of this title.

"(2) Homemaker-home health aide services.

"(3) Adult day services.

"(4) Respite care services for up to 14 days, or 366 hours, in any calendar year.

"(5) Service coordination.

"(6) Preadmission screening and assessment.

"(7) Intermediate care facility services for up to 20 days in any calendar year, but the number of days of extended care services to which an individual would otherwise be entitled under this title for any spell of illness shall be reduced by the number of days of intermediate care facility services provided to such individual under this part during such spell of illness.

"(8) Other services which the Secretary determines may be of value to elderly individuals.

"(b) SERVICES ARE IN LIEU OF OTHER SERVICES.—Services provided under this part shall be in lieu of any payments or services to which an individual would otherwise be entitled under part A or part B, or under any other program funded in whole or in part by Federal funds.

"(c) CONDITIONS AND DEFINITIONS OF SERVICES.—For purposes of this part:

"(1) Payment may be made for home health services without regard to the conditions (set forth in section 1814(a)(2)(D)) that the individual is or was confined to his home and needs or needed skilled nursing care or physical, speech, or occupational therapy.

"(2) Payment may be made for extended care services without regard to the condition (set forth in section 1812(a)(2)) that such services be posthospital.

"(3)(A) The term 'homemaker-home health aide services' means services provided by a homemaker-home health aide (as defined in subparagraph (B)) to an individual who would require institutionalization but for the provision of such services, which are designed to maintain or increase the personal care of such individual and his home (not including the structure of the home) in a manner which promotes the functional independence of the individual and to avoid the need for institutionalization. Such services shall include—

"(i) personal care services designed to assist such individual in the activities of daily living such as bathing, exercising, personal grooming, and getting in and out of bed; and

"(ii) household care services such as maintaining a safe living environment, light housekeeping, and insuring good nutrition (including the purchase and preparation of food).

"(B) The term 'homemaker-home health aide' means an individual who—

"(i)(I) has successfully completed a training program which extends for at least 40 hours, and consists of classroom instruction and at least 20 hours (in the aggregate) of supervised clinical instruction, and which is directed toward preparing students to deliver home health services; or

"(II) has demonstrated, pursuant to regulations promulgated by the Secretary, an equivalent amount of training by work experience, or through testing, licensure, or other means; and

"(ii) is under the supervision of a registered nurse or licensed practical nurse, or, in the case of a homemaker-home health aide providing services to an individual patient who is in need of physical, speech, or occupational therapy, is under the supervision of the qualified therapist who is providing such services to the individual patient.

"(4) The term 'adult day services' means services provided (other than care provided for the primary objective of providing medical services) on a regular basis, but less than 24 hours per day, in a multipurpose senior center or any other facility which meets guidelines specified by, and is approved by, the State, which are provided to an individual who is in need of social, training, or developmental activities during the daytime hours but does not require institutionalization, and which are provided for the purpose of assisting such individual to maintain a maximum level of independence. Such services may include (but are not limited to) provision of health care, recreation and educational activities, physical and vocational rehabilitation, and social, developmental, or independent living services.

"(5) The term 'respite care services' means services for an individual who is unable to care for himself on a full-time basis, which are provided on a temporary basis to such individual to provide relief for the person who normally cares for such individual. Such services shall be provided by persons who have met specific training guidelines specified by the Secretary, and who are employed by an agency or organization which meets guidelines specified by the State for agencies which provide services described in the preceding sentence. Such services shall, when necessary and appropriate, be provided in addition to other services under this part to insure that such individual receives a coordinated system of services designed to help that individual reach a maximum level of independence and to lessen such individual's dependence upon the individual who normally cares for him.

"(6) The term 'service coordination' means services, provided to an individual who has a developmental or other disability, which will assist such individual in gaining access to necessary social, medical, health, educational, and other services, including—

"(A) follow-along services which insure, through a continuing relationship between an agency or provider and such individual and the individual's family or guardian, that the changing needs of such individual and

family relating to such disability are recognized and appropriately met; and

"(B) services which provide support to such individual, access to and coordination with appropriate services providers, information relating to available programs and services, and monitoring of such individual's progress.

"(7) The term 'intermediate care facility services' has the same meaning as in section 1905(d) of this Act.

"ELIGIBILITY FOR BENEFITS

"SEC. 1892. (a) ELIGIBLE INDIVIDUAL.—An eligible individual for purposes of this part is any individual who—

"(1) is entitled to benefits under part A and is enrolled under part B;

"(2) has attained age 65;

"(3) resides in a State in which a program under this part is in effect;

"(4) agrees to participate in the program established by the State under this part;

"(5) is not in an institution (but certification of eligibility, to begin on the date of discharge, may be made with respect to an individual who is in an institution but will be discharged within 90 days, as certified by a preadmission assessment and screening team);

"(6) is certified by a preadmission assessment and screening team to have an unmet need (for a period of at least 6 months) for 2 or more of the following services:

"(A) preparation of meals,

"(B) housework or shopping assistance,

"(C) administration of medication,

"(D) medical treatment at home, or

"(E) personal care; and

"(7) has a physical or mental impairment or combination of impairments which results in at least—

"(A) 2 moderate impairments of activities of daily living, as determined under subsection (b)(1), or

"(B) 3 severe impairments of instrumental activities of daily living, as determined under subsection (b)(2), or

"(C) one severe impairment of activities of daily living as determined under subsection (b)(1), and 2 severe impairments of instrumental activities of daily living as determined under subsection (b)(2).

"(b) SEVERE OR MODERATE IMPAIRMENTS.—(1) For purposes of this section, severe or moderate impairments of activities of daily living shall be determined in accordance with the following table:

Activity	Severe impairment	Moderate impairment
Eating	Unable to eat, or must be fed.	Requires other human assistance.
Bed or chair transfer	Must be lifted	Requires other human assistance.
Dressing	Must be dressed	Requires other human assistance, other than shoe typing or grooming.
Bathing	Must be bathed in bed, or requires assistance in washing more than back, feet, or hair.	Requires other human assistance, other than supervision if institutionalized.
Toilet	Does not use toilet	Requires human assistance.
Continence	Incontinent at least once per week, or requires human assistance with equipment.	Requires equipment with self-care.

"(2) For purposes of this section, a severe impairment of an instrumental activity of daily living means any one of the following impairments:

"(A) inability to prepare a light meal,

"(B) inability to perform light work,

"(C) inability to shop for groceries with a companion,

"(D) inability to take premeasured medication,

"(E) inability to manage money for routine purchases, and

"(F) inability to answer a telephone and to dial a telephone for assistance.

"(c) CERTIFICATION.—Certification of eligibility under this section shall be made by the State, and a recertification shall be made on an annual basis.

"(d) CESSATION OF ELIGIBILITY WHEN INSTITUTIONAL CARE IS REQUIRED.—In the case of an individual who is determined to be an eligible individual, and is subsequently determined to be in need of extended care services in a skilled nursing facility or intermediate care facility services, after the twentieth day of such services the individual shall cease to be an eligible individual under this part until such time as the individual is recertified to be an eligible individual in accordance with the criteria of subsection (a), and has been discharged from such facility.

"PREADMISSION SCREENING AND ASSESSMENT; SERVICE PROVIDERS

"SEC. 1893. (a) SCREENING AND ASSESSMENT.—(1) No eligible individual as defined under section 1892 shall be eligible to receive any benefits under this part unless such individual has been screened and assessed in accordance with the provisions of this part, and has a plan of care (as defined in this section) under which the provision of such care or benefits is determined to be appropriate.

"(2) The purpose of such assessment and screening is to provide, through the use of a preadmission assessment and screening team (PAT), an evaluation of each individual's health status, functional capabilities, and, where appropriate, home and family environment, to determine the types and frequency of services required by such individual in order to assure the achievement of the maximum level of independence by such individual.

"(b) PLAN OF CARE.—(1) The PAT services shall be provided to every eligible individual in cooperation with such individual's personal physician whenever possible, who shall be consulted with and kept informed by the PAT with respect to the plan of care developed for such individual, and with respect to the implementation of such plan. Such screenings and assessments shall be carried out as follows:

"(A) An initial screening shall be performed to determine the need for, and appropriateness of, any acute or long-term care provided for or reimbursed under this part that may be required by the individual at the time of initial referral. In the case of an individual who is hospitalized, the initial screening and preparation of the plan of care may be done by the discharge planning unit of the hospital, if such a unit is available, rather than by the PAT.

"(B) A plan of care shall be prepared for the individual based upon an assessment of the individual's health status and functional capabilities, which shall determine those acute and long-term care services (if any) which are most appropriate for the individual, and the frequency of such services. Any change in the type or frequency of the services provided under the plan must be approved by the PAT.

"(C) The individual's status shall be assessed on an ongoing basis, and the plan of care shall be appropriately updated. An initial review of the plan of care shall be made within 30 days after the initiation of the plan of care, and ongoing assessments shall be made at such times as the PAT determines to be necessary, but not less than every 3 months for any individual.

"(D) In developing the plan of care, the PAT shall utilize, when possible and appropriate, services provided by volunteers, to insure that such volunteer services are continued whenever possible.

"(E) The PAT shall refer the individual to any other appropriate services specifically designated for the elderly and available to such individual in his community, and shall provide for coordination with (but not reimbursement for) community mental health center services provided under the Mental Health Systems Act.

"(2) Such screenings and assessments shall be provided by a preadmission screening and assessment team (PAT) designated under subsection (c) without charge to the individual.

"(3) Such screenings and assessments may be provided in the individual's place of residence whenever possible.

"(C) PAT.—(1) The Governor of each State having a program under this part shall designate the State agency or agencies which shall administer or supervise the administration of this part in such State, and if more than one agency is so designated, the Governor shall determine the components which each shall administer and shall insure cooperation among such agencies. Agencies so designated may include the State's department of health (or equivalent agency), a State agency administering any program of medical assistance, the State's department on aging (or equivalent agency), or the State's department for social services.

"(2)(A) Such agency or agencies designated by the Governor under paragraph (1) shall coordinate the designation of entities which shall provide services under this part in as many areas of the State as such agency or agencies, and the Secretary, determine to be necessary. Such entities shall be responsible for establishing the PAT and providing (directly or through arrangements with other individuals or entities) all services under this part. Such entities may include a State agency administering any program of medical assistance, the State's department of social services, an area agency on aging, a hospital, a skilled nursing facility, a local government's department of health, a rural health clinic, a health maintenance organization (HMO), a home health agency, or any similar entity, if such entity meets the requirements of this part for a PAT and for providing all services under this part.

"(B) In the case of any entity designated under subparagraph (A) which is not a certified service provider under this title, a State plan approved under title XIX or XX, the Older Americans Act, or a Federal block grant program, the State shall establish standards (approved by the Secretary) which shall be applicable to such entity for the purpose of insuring financial viability, competence of personnel, and quality of management and health care.

"(C) The State shall carry out quarterly onsite financial audits and quality of care reviews of each entity designated under subparagraph (A), in accordance with a plan established by the State and approved by the Secretary. In the case of an entity which is a service provider under any provision of law described in subparagraph (B), the State shall provide for coordinated audits and reviews.

"(3)(A) The members of a preadmission screening and assessment team (PAT) may

be full- or part-time employees of the entity establishing the PAT or may operate under contractual arrangements with the entity which will ensure the availability of appropriate personnel to conduct the required screenings and assessments.

"(B) The Secretary shall determine the compositions of the PAT in order to assess the effectiveness of different compositions. Each PAT shall consist of at least—

"(i) a physician (who may be the individual's personal physician or, if the individual has no personal physician or if such personal physician is unable or unwilling to participate in the PAT, shall be a physician designated by the entity establishing the PAT), a registered nurse or nurse practitioner, or a physician assistant, and

"(ii) a social services worker.

"(4) Each entity providing services under this part within a State shall collect data with respect to individuals receiving such services utilizing a statewide uniform assessment instrument. Each State shall determine the type of uniform instrument it will use, but such instrument must be approved by the Secretary.

"(5) The PAT shall collect relevant data at the time of such assessments and screenings with respect to individuals' functional ability at the start of care and functional ability after care, and, to the extent possible, with respect to the extent and time of involvement by family and friends in the case of such individual. Such data shall remain confidential and shall be used to make comparisons with respect to the average number of visits required, the average cost per visit, the average cost per individual, and other information deemed appropriate in assessing the economy and efficiency of various methods of providing long-term care.

"(d) PAYMENT FOR STATE COSTS.—The Secretary shall reimburse any State for the reasonable costs incurred by such State in carrying out its duties under this part.

"(e) DUTY OF SECRETARY.—If a State fails to carry out its duties under this part, the Secretary shall assume such duties and shall designate preadmission screening and assessment teams in such State.

"PAYMENT OF BENEFITS

"SEC. 1894. (a) AMOUNT OF PAYMENT.—The Secretary shall pay a fixed per capita fee to each entity, designated under section 1893(c)(2)(A), providing (directly or through arrangements with others) services for which payment may be made under this part, on behalf of each eligible individual which such entity agrees to provide services to under the program. The amount of such per capita fees shall be developed jointly by the Secretary and the appropriate State agencies as determined by the Governor, but may not exceed (on a monthly basis) an amount equal to 60 percent of the average monthly rate in such State for services provided in free-standing skilled nursing facilities. Such fee amounts shall reflect urban and rural differentials and shall be adjusted annually to reflect changes in costs. Proposed fee amounts shall be submitted to each unit of general purpose local government to allow providers and other persons providing such services in such area 30 days for comment. Such proposals shall be accompanied by an explanation of how the amounts were determined. The State shall issue final fee amounts within 60 days after reviewing and evaluating public comment received with respect to such amounts after they have been approved by the Secretary.

"(b) INFORMATION.—No payment shall be made to any entity under this part unless there has been furnished such information as may be necessary in order to determine the amounts due such entity under this part for the period with respect to which the amounts are being paid, or for any prior period.

"(c) PAYMENT ONLY FOR APPROVED SERVICES.—No payment may be made under this part with respect to any individual unless the services provided to such individual are approved by a preadmission screening and assessment team in accordance with section 1893.

"(d) LIMIT ON PAYMENT BY PATIENT.—No payment shall be made to any entity under this part unless such entity agrees that the amount paid under this part and the copayments required under section 1895 shall be the full charge for services rendered under this part, and that the eligible individual shall not be required to make any payment to such entity for such service in excess of such copayments.

"(e) RETENTION OF PAYMENTS.—The entity shall retain any amounts paid under this section and section 1895 which may exceed amounts expended for services provided to individuals under this part.

"COPAYMENTS BY ELIGIBLE INDIVIDUALS

"SEC. 1895. (a) COPAYMENTS FOR SERVICES AVAILABLE UNDER PART A OR PART B.—An individual receiving services under this part which are otherwise covered services under part A or part B shall pay to the entity providing such services a copayment equal to the amount which such individual would be required to pay under part A or part B for the same services.

"(b) COPAYMENT FOR NEW SERVICES.—An individual receiving homemaker-home health aide services, adult day services, respite care services, or other services referred to in section 1891(a)(6), shall pay to the entity providing such services a copayment amount equal to 20 percent of the reasonable charge for such services (as determined by the Secretary).

"(c) INCOME-TESTED LIMIT ON COPAYMENTS.—(1) No eligible individual shall be required to make copayments under subsection (b) in any calendar year which are in excess of the applicable percent of his income for the preceding calendar year as determined under the following table:

"Applicable Income	Percent
$0 to $3,500	0
$3,501 to $5,000	1
$5,001 to $8,500	2
$8,501 to $10,000	3
$10,001 to $15,000	4
$15,001 to $20,000	5
$20,001 to $30,000	6
$30,001 to $40,000	7
$40,001 or over	8

"(2) The amount (if any) by which the copayments allowed pursuant to subsection (b) exceed the copayments allowed to be paid by the eligible individual by reason of paragraph (1) of this subsection shall be borne by the entity providing the services.

"(3) For purposes of this subsection the term 'income' means income as determined under section 1612(a) of this Act.

"(4) All income determinations under this section shall be made by the State.

"RIGHT TO HEARING

"SEC. 1896. Any individual or other person shall have the right to reasonable notice and opportunity for a hearing with respect to determinations made by the Secretary under this part in the same manner as under part A of this title.

"EFFECTIVE DATES; REPORTS

"SEC. 1897. (a) EFFECTIVE DATE.—This part shall become effective on January 1, 1986.

"(b) REPORTS.—(1) The Secretary shall monitor the effect of this part with respect to any changes in the utilization of inpatient services, any changes in the utilization of the various types of services provided under this part and other provisions of Federal and State law, and any other trends in costs or utilization rates of various services. The Secretary shall submit an interim report to the Congress with respect to such monitoring not later than January 1, 1988, and a final report with respect to the four initial State programs not later than January 1, 1990. The interim report shall include a study to determine the need for and cost of care provided under this title, and the use of skilled nursing facility services and intermediate care facility services, according to functional disability.

"(2) The reports submitted under paragraph (1) shall include a recommended strategy for implementing this part on a national basis, with particular emphasis on implementation at the State and local levels. Such reports shall include—

"(A) an analysis of potential obstacles to such implementation;

"(B) suggested legislative changes which may be necessary to ensure effective and efficient implementation; and

"(C) a detailed plan for such implementation.

"(3) The Office of Management and Budget shall prepare an analysis of the budgetary impact of the implementation of this part on a national basis, and shall submit an interim report to the Congress with respect to such analysis not later than January 1, 1988, and a final report not later than January 1, 1990.

"PAYMENTS AUTHORIZED FROM TRUST FUNDS

"SEC. 1898. Payments under this part shall be made from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, in such proportions as the Secretary determines to be appropriate based upon the types and amounts of services provided under this part. Payments related to services provided under this part which are not otherwise covered services under part A or part B shall be made from the Federal Hospital Insurance Trust Fund.".

STUDY RELATING TO PREPAID CAPITATION PLANS UNDER MEDICAID FOR INDIVIDUALS ELIGIBLE FOR BOTH MEDICARE AND MEDICAID

SEC. 3. The Secretary of Health and Human Services shall conduct a study of the feasibility and desirability of establishing a program under which State medicaid programs would provide prepaid capitation plans for providing all medicare and medicaid services to those individuals eligible for both such programs. The study shall include an analysis of the possible mechanisms for funding such a program in order to best insure that such funding reflects the proper cost sharing among the Federal Hospital Insurance Trust Fund, the Federal Supplemental Medical Insurance Trust Fund, Federal funds available under title XIX of the Social Security Act, and State funds expended under the State's medicaid plan under such title. The Secretary shall report the results of the study to the Congress not later than June 30, 1986.

SUMMARY OF THE SENIOR CITIZENS INDEPENDENT COMMUNITY CARE ACT

PURPOSE

This legislation is designed to assist Medicare patients age 65 or older to avoid placement in a nursing home unless it is absolutely necessary.

BENEFITS

People eligible under this program would receive all Medicare Part A and B services and the following new services:

Homemaker/home health aide.
Adult day care.
Respite care.
Individual assessment and treatment plan.
Service coordination.
Other services deemed necessary by the Secretary of Health and Human Services.

ELIGIBILITY

To participate in the demonstration, individuals must meet a strict set of requirements. To be eligible an individual must:

a. Be at least 65.

Not be in an institution or scheduled for discharge from an institution within 90 days.

c. Be certified to need at least six months of two of the following services:

1. Meal preparation.
2. Housework or shopping assistance.
3. Administration of medication.
4. Medical treatment at home.
5. Personal care.

d. Additionally, individuals must have a defined level of physical or mental disability that impairs activities of daily living such as continence or dressing and instrumental activities such as using the telephone or performing light work.

The Medicare Home Health skilled care and homebound requirements would be eliminated for the program.

PATIENT EVALUATION AND SCREENING

Before participating in the program, each patient must receive an individual assessment and treatment plan. Then throughout their participation there will be ongoing evaluation of the individual's care needs. This will usually be done by a preadmission assessment and screening team (PAT) consisting of a physician, registered nurse, nurse practitioner or physician's assistant and social worker.

COST SHARING

Copayments and deductibles will remain the same as under current law for Medicare Parts A and B services. For the services added under this bill, copayments will be indexed to income.

ADMINISTRATION

In participating states, the governor will assign a state agency or department to administer the program. The state through the designated agency will in turn be responsible for determining:

client eligibility for the program;
provider designation;
capitation rates for eligible providers;
quality of care monitoring and necessary reporting.

Designated provider entities will be responsible for providing and coordinating all services under the bill.

PROVIDER PAYMENT

The payment mechanism for these projects would be in the form of a "capitation payment." This capitation would include both Medicare Parts A and B services plus the services added in this bill. A competitive arrangement with respect to the program has been built into the legislation similar to an HMO arrangement. A provider administering the services covered under this bill will be held "at risk." This means the provider must provide all Parts A and B services either directly or on a contractual basis as well as the new services covered in this legislation. The provider would receive a monthly capitation payment for each individual participating in the program. Under this bill, the amount of the capitation cannot exceed 60 percent of the monthly skilled nursing facility rate under Medicare.

An example will show how the capitation payment works. Assume the patient capitation payment is $1,100 per month for the demonstration. Let's say Patient A requires $600 worth of services during the first month. The reminder of the capitation payment, $500, would be held by the provider (the entry at risk) as possible profit. However, during the next month Patient A requires $2,000 worth of services. The provider still receives the patient capitation payment of $1,100 for the second month, but is responsible to provide the full $2,000 worth of services. This system makes the provider an "entity at risk"—the provider gets the capitation payment, but no more, they make a profit if the services are less than the capitation payment but they must provide all the necessary and required services even if the cost exceeds the capitation payment.

This approach requires a provider to be a cost-effective and efficient provider and operator. It is to a provider's advantage to make sure the patient only receives those services necessary and appropriate, and does not receive services that are not. In addition, it encourages providers to better utilize volunteer services as well as the help of relatives wherever possible.

EFFECTIVE DATE

The program will become effective January 1, 1986, in not more than four states for four years.

REPORTS AND STUDIES

The bill directs the Secretary of Health and Human Services to submit an interim report on the utilization, trends and costs of this program no later than January 1, 1988, and a final report no later than January 1, 1990. The report will include a strategy and plan to implement a program nationwide.

The Office of Management and Budget will prepare an analysis of the budgetary impact of such a program nationwide with an interim report due January 1, 1988, and a fiscal report on January 1, 1990.

Lastly, the bill directs the Secretary to conduct a study on the feasibility of establishing a prepaid capitation program for individuals dually eligible for both Medicare and Medicaid.

By Mr. PROXMIRE:

S. 789. A bill to repeal section 312 of the Home Mortgage Disclosure Act of 1975; to the Committee on Banking, Housing, and Urban Affairs.

REPEAL OF SECTION 312 OF HOME MORTGAGE DISCLOSURE ACT

Mr. PROXMIRE. Mr. President, I am introducing legislation today to continue and amend the Home Mortgage Disclosure Act of 1975.

This act was approved in 1975 in Public Law 94-200 and reauthorized, with amendments, in 1980 in Public Law 96-399. Its current authority expires on September 30 of this year.

The Home Mortgage Disclosure Act does exactly what its title says: it requires federally regulated lending institutions to disclose certain information. It authorizes no appropriation. It authorizes no new sanction: the Federal Reserve Board and other financial institutions regulatory agencies take care of compliance under their existing regulatory authority.

The purposes of the act are clearly stated: The first purpose is to enable private citizens and Government regulators to determine whether depository institutions are fulfilling their legal obligations to serve the neighborhoods and communities in which they are located. The second purpose is to help local government officials design public programs to encourage private investment in targeted neighborhoods.

HMDA was enacted to encourage private and public sector investments in neglected neighborhoods, and to curb discriminatory lending practices, particularly the "redlining" of older and minority neighborhoods and other neglected areas. This law is generally considered a complement to the Fair Housing, Community Reinvestment and Equal Credit Opportunity Acts which reflect national efforts to strengthen civil rights, urban revitalization, and consumer protection.

HMDA is important and highly beneficial legislation. I urge my colleagues in the Senate to approve this measure before the end of this fiscal year, in order to assure that there is no interruption in the flow of information that is now regularly used by neighborhood organizations, private lenders, local governments, and Federal regulatory agencies.

How does HMDA work? The statute requires federally regulated commercial banks, mutual savings banks, savings and loan associations, and credit unions which have $10 million or more in assets, and are located in metropolitan areas to disclose certain information concerning their home mortgage and improvement loans. Some 8,000 lending institutions submit a simple report to their regulatory agencies once each year. The report, filed on a form prescribed by the Federal Reserve Board, presents the number and value of home mortgage and improvement loans which have been originated or purchased in the metropolitan area in which the institution is located. The information is coded by census tract.

The Federal Financial Institutions Examination Council compiles and aggregates the information for each metropolitan area and sends it to a data library, or repository, in each metropolitan area where it is made available for public inspection. The Department of Housing and Urban Development also is required to compile and make available at the metropolitan data library similar information based on HUD-insured mortgage loans.

Housing mortgage data has become an indispensible tool:

For understanding where credit is flowing, and where it has dried up.

For examining neighborhood investment needs in relation to financial resources.

For initiating constructive dialog between citizens, lending institutions and government.

For stimulating joint private sector—local government action to improve neighborhoods which have been bypassed.

For evaluating the performance of lending institutions which are regulated under U.S. laws.

Scholars, neighborhood advocates, bank officials, and local government officials have reported that information about credit flows in urban neighborhoods has served a variety of purposes. Before HMDA, little or no information was available. All of the interested parties now appear to agree that such basis information is vital today.

Neighborhood groups tell us that HMDA data provides them with the basis for talking to their lending institutions, as well as their local governments. Before HMDA, there was little, if any, discussion. Now the facts talk, and everybody agrees that HMDA has stimulated necessary and constructive dialog.

Lenders have reported that HMDA has made them more aware of the unmet investment needs in their own backyards, as well as many overlooked but bankable loan opportunities.

Local governments report that HMDA data is an invaluable tool for assessing neighborhood needs, planning public investments, and establishing public policies to induce targeted private investment.

Federal regulators have testified that HMDA provides them with quantifiable data that can be used to measure the performance of a banking institution in meeting the requirements of our banking laws.

From many cities now, there are reports of private institutions and public agencies directing millions of dollars of new investments into communities which had previously been written off or overlooked.

The cost of providing HMDA data is negligible when compared to its benefits. While there was concern, when the law was passed, that the cost would be burdensome, it appears that the computer has put that to rest. Lending institutions do not appear to be phased by the once-a-year report—and a number have indicated they, in fact, find it has helped them. A study conducted by the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation found, in 1980, that the cost of collecting and disseminating the information averaged $1.42 per loan. The cost today is clearly less than that, since many more of the institutions have automated their data processing; computer technology has made considerable progress; and information processing procedures to carry out HMDA are now firmly in place.

The bill I am introducing today would make Home Mortgage Disclosure a permanent statute. It would repeal the present sunset provision on the basis of the act's 10-year track record. There's no real question any longer. It has been thoroughly demonstrated that the act is needed, and works. It doesn't increase sanctions. It doesn't promote wasteful activity. It doesn't require any Federal appropriation.

I am generally in favor of sunset legislation. I think it's important under certain circumstances—particularly when substantial Federal expenditures are involved, and where oversight is likely to be neglected. Neither of these conditions are present in this case. The regulatory agencies and the neighborhood activists will guarantee there's adequate oversight—and the statute provides no authority to spend taxpayer money.

HMDA shouldn't any longer be faced with automatic termination unless Congress acts. Neighborhood groups should not continue to be forced to rally their forces and expend their very scarce resources to demonstrate the benefits of the law. I think it's time for us to say: let them who oppose HMDA bear the burden of proving that the disclosure of information to the public isn't beneficial. I think it's time we say that HMDA information is like other important public policy data, like that collected by the Census and the BLS. I think it's time that HMDA be considered a permanent part of the law, as a companion measure to the Fair Housing, Equal Credit Opportunity and Community Reinvestment Acts. There simply is no good reason for sunsetting HMDA any longer.

Mr. President, I have presented the reasons why the Home Mortgage Disclosure Act of 1975 should be continued as part of the law of the land. They are sound reasons. Neighborhood organizations all across the Nation want this legistion. I urge my colleagues to pass it this year.

I request that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 789

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 312 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2811) is repealed.

By Mrs. HAWKINS (for herself, Mr. DECONCINI, Mr. D'AMATO, Mr. DIXON, Mr. ABDNOR, Mr. GRASSLEY, Mr. MATTINGLY, Mr. COCHRAN, Mr. DENTON, Mr. CHAFEE, Mr. HOLLINGS, Mr. FORD, Mr. BENTSEN, Mr. MURKOWSKI, and Mr. GARN):

S. 790. A bill to terminate U.S. assistance for Bolivia unless Bolivia eradicates 10 percent of its coca production, and for other purposes; to the Committee on Foreign Relations.

TERMINATION OF U.S. AID TO BOLIVIA

● Mrs. HAWKINS. Mr. President, I am today introducing legislation to terminate all U.S. economic and military assistance for the Bolivian Government unless this nation eradicates 10 percent of its coca production.

Mr. President, I did not arrive at this decision easily. I have made numerous efforts, personally, to try to convince the Government of Bolivia to take steps to curb its drug production. I went to Bolivia and met with authorities there to make sure that they knew how destructive is their major crop of export; I sponsored a Western Hemisphere Conference on Narcotics Control in Washington and included Bolivian representatives for them to witness the drug control efforts of their fellow Western Hemisphere nations; I introduced the diplomacy against drugs amendment to give notice to drug producing nations that their involvement in the narcotics trade was intolerable; and I conducted a hearing into the State Department's international narcotics control strategy report on the compliance of drug-producing nations to the diplomacy against drugs law. The results of this report were for me, the last straw.

The only thing left to us, in our efforts to stop the flow of cocaine into the United States, is to do what we threatened to do, and that is to cut off U.S. aid to Bolivia.

I am, as I said in my recent Senate Subcommittee on Children, Family, Drugs and Alcoholism hearing, totally disgusted with Bolivia. We have given them time, we have given them support, we have given them notice, and we have given them money. Lots of money—almost $50 million in U.S. aid is slated for Bolivia for the next fiscal year. It is time to stop funding our own destruction.

Before this report was released, it was acknowledged that Bolivia was the producer of close to 50 percent of the world's cocaine. After the report, it is the case that not only is Bolivia now providing full half of the world's cocaine, but its production has actually increased—dramatically. This report contained the following fact: Bolivia has not eradicated a single coca bush in the last year.

The diplomacy against drugs law was passed in the Senate by a vote of 96–0. Every one of my colleagues thereby acknowledged that use of this economic and diplomatic leverage could be effective in stopping drugs at

the source. Then why not use it? Isn't 2 years for a nation with a strong army, alternate agricultural possibilities, and massive direct and indirect aid from the United States, enough time to pull up one coca bush?

I think it is, Mr. President. As a matter of fact, I am sure it is. I have waited long enough, and while waiting for Bolivia to take the action that it must I have seen too many children go through the hell of narcotics addiction; too many young adults ruin their careers and their marriages before they've even started; too many people suffer financial calamity; too much drug-related criminal activity; and too much death and destruction—all because of cocaine. Bolivia must be forced to accept its responsibility in this situation, and I am convinced the only way to make them understand is in economic terms.

Very simply, Bolivia, we in the U.S. Congress are saying to you with this legislation: you continue to produce and market your coca crop, you will lose U.S. aid. All of it.

With this legislation, we are giving them even more time, time that I don't think they deserve. All they have to do to show that they are making an effort is to eliminate 10 percent of their coca crop. And this action would even benefit this troubled nation directly. They are currently operating at an astounding, 2,200 percent inflation rate—caused in a large part by the false economic atmosphere created by their illegal narcotics industry.

Mr. President, I ask my colleagues to join me in this necessary measure to stop the flow of drugs into our country and to help me, and help the citizens of our Nation, by taking whatever steps are necessary to enact this legislation with all possible speed.●

● Mr. CHAFEE, I am pleased to join my distinguished colleague, Senator HAWKINS, in sponsoring this bill to terminate aid to Bolivia unless it begins to cooperate with U.S. efforts to reduce cocaine smuggling.

This legislation would add a new, forceful weapon to our Nation's arsenal in the war on illegal drug smuggling. It calls on the President of the United States to cut off all economic assistance to the Government of Bolivia, unless it eradicates at least 10 percent of its huge coca crop—one of the world's principal sources of cocaine.

In recent years, the burgeoning growth of cocaine importation and use in the United States has become a problem of immense, far-reaching proportions. Its insidious effects pose a menace to the health of millions of Americans: experts estimate that every day 5,000 Americans use cocaine for the first time. Many of these will become addicts, destroying their physical and mental health and turning their family lives into nightmares.

The horror stories of cocaine use have become distressingly familiar to us. Lately the cocaine trade itself has raised a new threat: U.S. drug enforcement officials fighting to cut off the cocaine pipeline from Latin America have become the targets and, in one case, the victims of the ruthless cocaine syndicates. As one recent magazine article stated, the "evil empire" of cocaine trafficking "grows like a poisonous weed."

Now is the time to uproot the cocaine problem at its soruce, and Bolivia is the logical place to focus our attention and efforts. According to the State Department's international narcotics control strategy report issued last month, the Bolivian Government has the world's worst record of fighting drug production. Bolivia's vast coca fields, which yield the leaves that are eventually refined into cocaine, produce crash-crop profits of almost $2 billion per year, three times the value of the nation's entire legal exports. Bolivia is now the source of more than 50 percent of the world's cocaine, and the coca fields are growing larger.

Our efforts to work with Bolivia to reduce coca production began 2 years ago, when there was no Government coca reduction program in operation, no known reduction of coca cultivation, and no apparent Government intention to address the problem. In August 1983 the United States and Bolivia signed four project agreements, which provided U.S. assistance to a narcotics control program in the Chapare region, where the coca production is concentrated. As this effort to reduce the coca crop began, the U.S. Agency for International Development signed a complementary agreement to provide development assistance to the same area. A police strike force was formed in October 1983 and began receiving field equipment from the United States in December.

Those initiatives, committing U.S. funds and materiel to the war on the illegal drug trade, have had no success, due largely to lack of cooperation on the part of Bolivian authorities. Last January, President Reagan warned Bolivia that if it did not begin reducing coca production, the United States might cut off the $58 million in U.S. funds set aside for coca eradiction and accompanying rural development. This warning was largely ignored. Perfunctory police raids on coca marketplaces have taken place, but not a single coca bush has been destroyed. Growing and selling the coca leaf remains not only a legal business in Bolivia, but a thriving one.

The bill we are introducing today would force Bolivian authorities to join our efforts to combat cocaine growth and trafficking, or face the loss of all U.S. economic assistance. During fiscal year 1984, this amounted to more than $37 million. Under this legislation, beginning in fiscal year 1986 no U.S. assistance—except for food and medical supplies—will go to Bolivia unless the President certifies to Congress that the amount of coca produced in Bolivia during the preceding fiscal year is at least 10 percent less than the amount produced in Bolivia during the year before. This proposal follows upon the Diplomacy Against Drugs Act, which passed the Senate by a vote of 96 to 0 and became law in 1983. That measure directs the President to terminate all aid to major drug-producing nations which fail to cooperate with U.S. narcotics control efforts.

We must continue to employ education, law enforcement, and diplomatic negotiation to battle the cocaine problem. But Bolivia's lack of cooperation in this area compels a strong response by our Government.

This bill aims to cutoff cocaine trafficking at its source. It is imperative for us to act now in order to stem the flow of this dangerous drug into our country, and reduce the number of Americans who tragically become cocaine addicts every day. In addition, this action will aid those charged with the difficult task of fighting the drug traffickers who pour tons of this poison across our southern border each year.

I hope the Senate can consider this important measure in the near future, and I urge my colleagues to join in supporting this effort.●

By Mr. D'AMATO (for himself and Mr. MATTINGLY):

S. 791. A bill to provide for limitations on brokered deposits; to the Committee on Banking, Housing, and Urban Affairs.

BROKERED DEPOSITS ACT OF 1985

● Mr. D'AMATO. Mr. President, today, Senator MATTINGLY and I are introducing legislation to deal with the continuing controversy over deposit insurance for brokered funds which are placed in the Nation's thrifts and banks.

As my colleagues know by now, this issue came to a head nearly a year ago when the FDIC and the FHLBB attempted to cut off deposit insurance for these funds.

A lawsuit was filed by the Securities Industry Association challenging the validity of the rule. In June 1984, the Federal District Court in the District of Columbia held that the agencies lacked the requisite statutory authority to issue such a restrictive rule. The appeal by the FDIC and FHLBB was denied by the U.S. Court of Appeals for the District of Columbia in late January. Throughout this period, Senator MATTINGLY and I have been urging a prudent legislative solution to

the problems associated with brokered deposits.

Last year we came very close to realizing this goal. Our bill, S. 2679, was incorporated in its entirety into S. 2851, the omnibus banking legislation which the Senate approved in September. Unfortunately, the bill was never acted upon by the House.

But, we are back again this year and even more confident of the need for this legislation.

Brokered funds are not the underlying cause of a financial institution's collapse as some would suggest. Study after study refutes these claims. The House Government Operations Committee as well as the Federal Reserve Bank of New York have conducted independent reviews of brokered funds. Each have stated separately that there are significant consumer benefits associated with brokered funds.

It is also clear from the available evidence that any abuses of brokered funds do not permeate the entire brokered funds industry. The problems are confined to a handful of unscrupulous "hot-money" brokers that deal mainly in short-term accounts, which are defined as maturing in less than 1 year or on an unspecified date.

The legislation we are introducing today deals specifically with these short-term accounts and basically represents a balance between the regulators' and brokers' positions.

The bill does not alter the existing deposit insurance scheme. However, it establishes a test for banks and thrifts to pass in order to be authorized to accept any brokered funds. In addition, the legislation limits short-term deposits of an institution to 15 percent of its total insured deposits. These limitations may be waived by the appropriate regulatory agency on a case-by-case basis.

Mr. President, it's time to put all the rhetoric aside and deal with this issue in a reasonable and even-handed manner. Money brokerage activities are not inherently dangerous, nor do they threaten the solvency of the insurance system. Brokered funds serve a legitimate, useful purpose. Studies show that communities in which these funds have been invested benefit from brokered funds, as do individual consumers, businesses, home buyers, and other borrowers.

Clearly, Congress can and should do something to shut down any abusive practices. But at the same time, we should not penalize legitimate brokers who have invested their client's money in long-term accounts in healthy financial institutions. I believe we should do everything to preserve incentives for investment and savings in our Nation's financial institutions.

Accordingly, I urge my colleagues to join us in supporting this legislation.●

● Mr. MATTINGLY. Mr. President, I am introducing legislation today which is aimed at continuing deposit insurance coverage on brokered funds placed in the Nation's banking and thrift institutions.

As many of my colleagues are aware, identical legislation was contained in the omnibus financial services deregulation bill which overwhelmingly passed the Senate last year but which the House failed to act on prior to adjournment.

Mr. President, it has been over a year now since the two principal Federal supervisory agencies for bank and thrift institutions, the FDIC and the FHLBB promulgated regulations to restrict deposit insurance on brokered funds.

Shortly after the rule was published in the Federal Register, I wrote to Chairmen Gray and Isaac and urged them to modify their proposal. I felt then that the regulators had failed to recognize the real economic benefits of brokered funds to consumers and businesses. In addition, I expresed my concern that the available evidence did not support broad and sweeping changes in the deposit insurance system. Despite my pleas and those of other Members of Congress and the public for a compromise, the regulators last march adopted the rule with only minor changes.

The securities industry filed suit in the District Court for the District of Columbia challenging the agencies' authority to issue such restrictions on deposit insurance. On June 20, 1984, the District court overturned the regulators' action and ruled that the agencies lacked the statutory authority to impose restrictions on deposit insurance for brokered funds.

In late January of this year, the appeals court upheld the lower court's decision. Nonetheless, the brokered funds controversy will ultimately demand a legislative response.

To be sure, the amount of brokered funds a bank or thrift can accept needs to be capped, potential abuses curbed, and the solvency of the insurance fund preserved.

Frankly, the legislation which I and a majority of my Banking Committee colleagues sponsored last year would have accomplished these objectives. And I'm convinced that, had the regulators taken the long view of this matter, Congress would have enacted a brokered deposit bill last year that balanced the interests of brokers and regulators alike.

The legislation I am introducing today is exactly the same as last year's.

Briefly, the bill amends the Federal Deposit Insurance Act and the National Housing Act and would continue deposit insurance for brokered funds. The bill would establish a test for banks and thrifts to pass before accepting any brokered deposits. Financial institutions would be prohibited from accepting any short-term insured brokered accounts in excess of 200 percent of the institution's unimpaired capital and unimpaired surplus. Moreover, insured institutions that fail to meet the minimum net worth requirements established by the appropriate Federal regulators would be barred from accepting any funds placed by or through a deposit broker. Insured short-term deposits, which are defined as maturing within 1 year or less or within an unspecified period, could not exceed 15 percent of the total deposits of an institution. An insured institution may, however, apply to the appropriate Federal banking agency for a waiver of these limitations.

The legislation also precludes the appropriate Federal supervisory agency from promulgating any rule or regulation which would have the effect of limiting deposit insurance on funds placed by deposit brokers.

The legislation does not affect long-term insured deposits placed by brokers.

Mr. President, the legislation I am offering today represents a middle ground between those who wish to shut down deposit brokerage activities altogether and others who desire no change.

Clearly, there have been some abuses, but they have mostly involved short-term insured accounts. Under the proposed bill a formal mechanism is established to monitor and regulate this type of deposit brokerage activity so as to prevent unscrupulous brokers and deposit-starved institutions from taking advantage of the Federal deposit insurance system. In short, this bill will protect the insurance system but also maintain deposit insurance for brokered accounts.

Mr. President, the time for action is now. Hearings have been held and reports issued in the last Congress that support realistic and reasonable reforms in the brokered funds practice.

Hopefully, with the beginning of the New Year and new Congress, Federal regulators will take a fresh look at this issue and ultimately support my legislation.

I urge my colleagues to join me in sponsoring this legislation.

The text of the bill follows:

S. 791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Brokered Deposits Act of 1985".

AMENDMENTS TO THE NATIONAL HOUSING ACT

SEC. 2. (a) Section 401 of the National Housing Act (12 U.S.C. 1724) is amended by adding at the end thereof the following:

"(e) The term 'deposit broker' means any person, other than an insured institution or an affiliate thereof in respect of funds placed with that insured institution, which, for a fee, places funds or facilitates the

placement of funds of third parties in accounts issued by an insured institution. The term 'deposit broker' shall not include a person in an agency relationship with an insured institution where, as of September 12, 1984, that institution utilized such persons to serve exclusively that insured institution for the purpose of soliciting deposit funds and providing loan applications services for residents of the State in which the institution is located and where such persons are regulated and examined by the Corporation. The Corporation may issue rules and regulations as necessary to implement this subsection.

"(f) The term 'short-term account' means any savings account which is (1) payable on a certain date less than one year after the date of deposit, (2) payable at the expiration of a specified period less than one year after the date of deposit, (3) payable upon written notice to be given less than one year before the date of repayment, (4) payable one year or more after the date of deposit and which bears interest at a rate indexed to the rate or yield on obligations or loans having a maturity of one year or less, (5) payable upon demand, or (6) a savings account which has no fixed maturity and with respect to which the insured institution must reserve the right to require notice (or the account holder may be required at any time to give notice) of less than one year before any withdrawal is made.".

(b) The National Housing Act is amended by adding at the end thereof the following:

"INSURANCE OF BROKERED DEPOSITS

"SEC. 415. The Corporation may not promulgate any rule or regulation or issue any order or interpretation which would have the effect of causing the deposit insurance available to a person for deposits or accounts placed by or through a deposit broker to differ from the deposit insurance available to such person for deposits or accounts not placed by or through a deposit broker. The Corporation may issue rules and regulations in connection with the deposit insurance available pursuant to this section.

"LIMITATIONS ON BROKERED DEPOSITS

"SEC. 416. (a)(1) On and after the date of enactment of the Brokered Deposits Act of 1985, an insured institution may not accept or maintain short-term insured accounts placed by or through a deposit broker in excess of the lesser of—

"(A) two hundred percent of such insured institution's unimpaired capital and unimpaired surplus; or

"(B) fifteen percent of such insured institution's total deposits.

"(2) Except as provided in subsection (c), an insured institution which fails to satisfy the minimum net worth requirements established by the Board shall not accept any additional insured accounts placed by or through a deposit broker.

"(b) Any accounts held by an insured institution as of the date of enactment of the Brokered Deposits Act of 1985 in excess of the limitations set forth by this section may be held by such insured institution until their stated maturity. Or purposes of this section, an account without a fixed or stated maturity shall be deemed to have a maturity of one month from the date of enactment of the Brokered Deposits Act of 1985.

"(c) The Corporation may grant permission to any insured institution, upon notice and application, to have or obtain short-term insured accounts placed by or through a deposit broker in excess of the limitations established by this section. Such permission shall be granted by the Corporation in a flexible manner giving equal weight to both competitive factors and safety and soundness considerations.".

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 3. (a) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended by adding at the end thereof the following:

"(u) The term 'deposit broker' means any person, other than an insured bank or an affiliate thereof in respect of funds placed with that insured bank, which, for a fee, places funds or facilitates the placement of funds of third parties with insured banks.

"(v) The term 'short-term deposit' means a deposit which is (1) payable on a certain date less than one year after the date of deposit, (2) payable at the expiration of a specified period less than one year after the date of deposit, (3) payable upon written notice to be given less than one year before the date of repayment, (4) payable one year or more after the date of deposit and which bears interest at a rate indexed to the rate or yield on obligations or loans having a maturity of one year or less, (5) payable upon demand, or (6) a deposit which has no fixed maturity and with respect to which the insured bank must reserve the right to require notice (or the depositor may be required at any time to give notice) of less than one year before any withdrawal is made.".

(b) The Federal Deposit Insurance Act is amended by adding at the end thereof the following:

"INSURANCE OF BROKERED DEPOSITS

"SEC. 28. The Board of Directors may not promulgate any rule or regulation or issue any order or interpretation which would have the effect of causing the deposit insurance available to a person for deposits placed by or through a deposit broker to differ from the deposit insurance available to such person for deposit not placed by or through a deposit broker. The Board of Directors may issue rules and regulations in connection with the deposit insurance available pursuant to this section.

"LIMITATION ON BROKERED DEPOSITS

"SEC. 29. (a)(1) On and after the date of enactment of the Brokered Deposits Act of 1985, an insured bank may not accept or maintain short-term insured deposits placed by or through a deposit broker in excess of the lesser of—

"(A) two hundred percent of such insured bank's unimpaired capital and unimpaired surplus;

"(B) fifteen percent of such insured bank's total deposits.

"(2) Except as provided in subsection (c), an insured bank which fails to satisfy the minimum net worth requirments established by the appropriate Federal banking agency shall not accept any additional insured accounts placed by or through a deposit broker.

"(b) Any deposit held by any insured bank as of the date of enactment of the Brokered Deposits Act of 1985 in excess of the limitations set forth by this section may be held by such insured bank until their stated maturity. For purposes of this section, a deposit without a fixed or stated maturity shall be deemed to have a maturity of one month from the date of enactment of the Brokered Deposits Act of 1985.

"(c) The appropriate Federal banking agency may grant permission to any insured bank, upon notice and application, to have or obtain short-term insured deposits placed by or through a deposit broker in excess of the limitations established by this section. Such permission shall be granted by such agency in a flexible manner giving equal weight to both competitive factors and safety and soundness considerations.".●

By Mr. CHILES:

S. 792. A bill to deauthorize the Cross-Florida Barge Canal, and for other purposes; to the Committee on Environment and Public Works.

DEAUTHORIZING THE CROSS-FLORIDA BARGE CANAL

● Mr. CHILES. Mr. President, today, I am introducing legislation to deauthorize the Cross-Florida Barge Canal. This is not a new issue for the Senate. My colleagues have joined me on two separate occasions to vote to terminate the corps' authority to build this environmentally unwise and economically unsound project. Unfortunately, there has been and still remains strong resistance on the part of some Members of the House of Representatives to remove the barge canal from the statute books. Last year, an attempt to deauthorize the barge canal was made in the House by Congressman BUDDY MACKAY, who represents the district through which the incomplete part of the canal would be built. The amendment, cosponsored by six members of the Florida delegation, was narrowly defeated by a vote of 204 to 201. Today, Congressman MCKAY is sponsoring in the House a companion measure to the bill I am introducing in the Senate. We are hopeful this proposal can pave the way for a final resolution of the questions surrounding the Cross-Florida Barge Canal.

While the Senate is familiar with the arguments and issues relating to the barge canal, let me briefly review the history of the project and the rationale for recommending deauthorization.

The Cross-Florida Barge Canal project, first authorized by Congress in 1942, has not been worked on since President Nixon halted work on the project by Executive order in 1973 to prevent potential environmental damage. In 1977, the Governor and Florida cabinet withdrew the State's official support for the canal project and recommended against its completion. President Carter, in his environmental message of May 23, 1977, called for the termination of the barge canal project, and the U.S. Army Corps of Engineers, after a thorough examination of the project, concluded in 1977 that completion of the canal was not warranted. Additionally, the U.S. Department of Agriculture, the U.S. Department of the Interior, the Environmental Protection Agency, and the Council on Environmental Quality recommended that action be initiated to obtain deauthorization of the canal project as presently authorized.

The State of Florida took a further step in 1979 to demonstrate its opposition to the project. In that year the Florida Legislature enacted legislation to abolish the Florida Canal Authority to transfer its operations to the Department of Natural Resources. This State legislation also provided the mechanism for disposing of the State-held canal properties and the return of tax money to the six counties along the canal route if and when Congress enacts deauthorization legislation.

Today, however, the statutory authority for the future construction of the canal still exists and, because of this, the State is left in the position of not being able to sell the lands it acquired for canal purposes. These lands could, if the project were deauthorized, be sold to the Federal Government for the purpose of expanding Ocala National Forest, offered to surrounding counties for continued public use, maintained by the State for purposes of recreation and conservation, or offered for sale at fair market value. Instead, these lands are now in limbo, and the potential for resuming construction of the ill-advised, environmentally unsound barge canal still hangs over the head of the State of Florida.

The bill I am introducing today terminates authority for further construction on the barge canal. In addition, it extends the boundary of the Ocala National Forest to include lands and interest in lands now owned by the State of Florida as well as Federal lands administered by the U.S. Army Corps of Engineers. The bill provides for the transfer of lands currently administered by the corps to the Secretary of Agriculture and authorizes the acquisition of environmentally sensitive lands within the new boundary by the Secretary of Agriculture from the State of Florida.

This legislation also calls for the establishment of the Lake Ocklawaha Federal recreation district within the Ocala National Forest and provides for the acquisition of lands and/or easement rights sufficient to insure the corps ability to manage the lake. This provision specifically responds to concerns about the fate of Lake Ocklawaha—the reservoir created when the Rodman Dam portion of the canal project was completed. Many have voiced concern about what would happen to Lake Ocklawaha once the canal is deauthorized, and whether sufficient acreage is included in the proposed boundary of the forest to ensure that the lake can be managed. The legislation clarifies that Lake Ocklawaha will remain and will be managed as a lake once deauthorization is accomplished and until such time as future Federal legislation might direct otherwise. I might add that this provision is consistent with my long-held position that the question of deauthorizing the canal and the possibility of drawing down the reservoir in order to achieve restoration of the Ocklawaha River are two distinct issues. This bill, if enacted, will accomplish the deauthorization of the Cross-Florida Barge Canal. If the draining of Lake Ocklawaha is to be contemplated, it must under the provisions of this bill be through future Federal legislation.

And finally, the bill I am introducing today provides that the State-held lands which are not environmentally sensitive and, therefore, are not going to be offered to the Federal Government for inclusion in the national forest, will be offered for sale to local governments prior to any public sale. In this regard we ensure that all possible public uses of these areas are exhausted before lands are offered for private sale.

Congress first began investigating the need to deauthorize the Cross-Florida Barge Canal in 1977. Since that time, the legislative proposals to accomplish deauthorization have been revised and modified to respond to various issues relating to canal lands and properties, relevant litigation, and important input from State and local governments. I have indicated before and continue to emphasize that I am not bound to any one specific proposal. I am committed to making sure the Cross-Florida Barge Canal is never built. I am, however, flexible in terms of considering whatever changes may become necessary in fine tuning this proposal. This bill, once again, becomes a starting point. I hope my colleagues will join with me to move forward in a successful effort to put to rest the future of the Cross-Florida Barge Canal and set in motion the State's plan for land disposition.●

By Mr. CHAFEE (by request):

S. 793. A bill to review and extend certain provisions of the Federal Water Pollution Control Act, for 5 years, and for other purposes; to the Committee on Environment and Public Works.

FEDERAL WATER POLLUTION CONTROL ACT

● Mr. CHAFEE. Mr. President, on Tuesday, March 26, the Environmental Pollution Subcommittee held a hearing on the reauthorization of the Clean Water Act. Mr. Jack Ravan, Assistant Administrator for Water at the Environmental Protection Agency presented the administration's proposal. Today I am introducing the administration's bill by request and ask unanimous consent that the bill and the accompanying section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1251 et seq.) is amended as follows:

AUTHORIZATION

SECTION 1. (a) Section 104(u)(1) is amended by deleting the word "and" following "1981," and by inserting "not to exceed $22,246,500 for the fiscal year ending September 30, 1986, and such sums as may be necessary for the fiscal years ending tember 30, 1987, September 30, 1988, tember 30, 1989, and September 30, 1990" immediately following "1982,".

(b) Section 106(a) is amended by deleting the word "and" following "1973", by inserting "; and" immediately following "1982", and by adding a new paragraph (3) as follows:

"(3) $64,900,000 for the fiscal year 1986, and such sums as may be necessary for the fiscal years 1987, 1988, 1989 and 1990.".

(c) Section 517 is amended by striking "and" immediately following "1981," and by inserting ", $104,352,400 for the fiscal year September 30, 1986, and such sums as may be necessary for the fiscal years September 30, 1987, 1988, 1989 and 1990" immediately before the period at the end thereof.

(d) Section 517 is further amended by inserting " 304(k)" in place of "304".

CHESAPEAKE BAY

SEC. 2. Title I is amended by adding at the end thereof the following new section:

"CHESAPEAKE BAY

"SEC. 117. (a)(1) The Administrator may, at the request of the Governor of a State affected by the comprehensive plan for protection and restoration of the Chesapeake Bay developed pursuant to the Chesapeake Bay program (hereinafter "the plan"), make a grant for the purpose of implementing the management mechanisms contained in the plan. Payments for such purpose shall be made to the States as hereinafter provided, subject to such terms and conditions as the Administrator considers appropriate.

"(2) A State or combination of States may elect to avail itself of the benefits of this subsection by submitting to the Administrator a comprehensive proposal to implement management mechanisms contained in the plan which is consistent with and fully supportive of the plan, and which includes (A) a description of proposed abatement actions which the State commits to take within a specified time period to prevent or abate pollution in the Bay and to meet applicable water quality standards, and (B) the estimated cost of the prevention or abatement actions proposed to be taken during the next fiscal year. The Administrator shall not approve a grant unless the applicant demonstrates to the Administrator's satisfaction that the proposed actions are cost effective.

"(3) Federal grants under this subsection shall not exceed 50 per centum of the costs of implementing the plan in any fiscal year and shall be made on condition that non-Federal sources provide the remainder of the costs of implementing the plan during such fiscal year.

"(b) Any State or combination of States that receives a grant under subsection (a) shall, within 12 months after the date of receipt of a Federal grant under subsection (a) and annually thereafter, report in conjunction with EPA to the Congress on progress made in implementing the plan.

"(c) There are hereby authorized to be appropriated $10,075,200 for the fiscal year

ending September 30, 1986, and $10,000,000 per fiscal year for the fiscal years ending September 1987, and September 30, 1988, to remain available until expended, to carry out the purposes of this section.

"(d) Of those sums appropriated for the implementation of this section, such funds shall be available for federal administrative costs and expenses as are reasonably necessary for implementation of the program.".

CONSTRUCTION GRANT AUTHORIZATION

SEC. 3. Section 207 is amended by striking out the period at the end thereof and adding the following:

"; and to carry out this title, other than sections 206(e), 208 and 209, subject to such amounts as are provided in appropriation acts, for the fiscal year ending September 30, 1986, not to exceed $2,400,000,000, for the fiscal year ending September 30, 1987, not to exceed $1,800,000,000, for the fiscal year ending September 30, 1988, not to exceed $1,200,000,000, and for the fiscal year ending September 30, 1989, not to exceed $600,000,000.".

GRANT ELIGIBILITIES

SEC. 4. (a) Section 201(g)(1) is amended by striking the last sentence and adding in lieu thereof:

"Notwithstanding the preceding sentences of this subsection, on and after October 1, 1985, grants under this title shall be made only for sequential phases and segments of a primary, secondary, or advanced treatment facility or its related interceptors, or a project for infiltration-inflow correction, where such facility, interceptors, or project received a grant for erection, building, acquisition, alteration, remodeling, improvement, extension or correction before February 4, 1985.".

(b) Section 201(n)(1) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1984.".

(c) Section 201(n)(2) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1984.".

ALLOTMENT AND RESERVES

SEC. 5. (a) Section 205(c) is amended by adding the following new subsection:

"(3) Sums authorized to be appropriated pursuant to section 207 for the fiscal years 1986 through 1989 shall be allotted for each such year by the Administrator within thirty days of being appropriated in accordance with the following table:".

(b) Section 205(e) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1985.".

(c) Section 205(c) is amended by adding the following:

"(g)(3) On and after October 1, 1985, the Administrator is authorized to reserve to a State each fiscal year from the amount authorized under section 207 of this title an amount that the Administrator determines to be the State's reasonable cost of administering any aspect of sections 201, 203, 204, and 212 of the Act the responsibility for administration of which the Administrator has delegated to such State. Sums so reserved for a State shall not exceed the amount that State received in Fiscal Year 1985. Sums so reserved shall be available for making grants for the same period as sums are available from allotments under subsection (d) of this section, and any such grant shall be available for obligation only during this period.".

(d) Section 205(h) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1985.".

(e) Section 205(i) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1985.".

(f) Section 205(j)(1) is amended by adding the following at the end thereof: "The provisions of this subsection shall not be effective after September 30, 1985.".

BAT/BCT COMPLIANCE DEADLINE EXTENSION

SEC. 6. (a) Section 301(b)(2)(C) is amended to read as follows:

"With respect to all toxic pollutants referred to in table 1 of Committee Print Numbered 95-30 of the Committee on Public Works and Transportation of the House of Representatives, compliance, in accordance with subparagraph (A) of this paragraph, (1) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated on or before July 1, 1985, under sections 301(b)(2) and 304(b)(2) of this Act, as soon as possible, but in no case later than July 1, 1988;

"(2) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated after July 1, 1985, under sections 301(b)(2) and 304(b)(2) of this Act, as soon as possible, but in no case later than three years after the date of promulgation; and

"(3) with those effluent limitations based solely on the Administrator's determination under section 402(a)(1) of the Act in the absence of effluent limitations guidelines promulgated under sections 301(b)(2) and 304(b)(2) of this Act, as soon as possible, but in no case later than three years after the date of such limitations are established;".

(b) section 301(b)(2)(D) is amended to read as follows:

"With respect to all toxic pollutants listed under paragraph (1) of subsection (a) of section 307 of this Act which are not referred to in subparagraph (C) of this paragraph, compliance, in accordance with subparagraph (A) of this paragraph, (1) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated on or before July 1, 1985, under sections 301(b)(2) and 304(b)(2) of this Act, as soon as possible, but in no case later than July 1, 1988;

"(2) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated after July 1, 1985, under sections 310(b)(2) and 304(b)(2) of this Act, as soon as possible, but in no case later than three years after the date of promulgation, and;

"(3) for those effluent limitations based solely on the Administrator's determination under section 402(a)(1) of the Act in the absence of effluent limitations guidelines promulgated under sections 301(b)(2) and 304(b)(2) of this Act, as soon as possible, but no later than three years after the date such limitations are established."

(c) Section 301(b)(2)(E) is amended to read as follows: With respect to pollutants identified pursuant to section 304(a)(4) of this Act for categories and classes of point sources, other than publicly owned treatment works, which require application of the best conventional pollutant control technology as determined in accordance with regulations issued by the Administrator pursuant to section 304(b)(4) of this Act, compliance (1) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated on or before July 1, 1985, under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than July 1, 1988;

"(2) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated after July 1, 1985, under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than three years after the date of promulgation; and

"(3) with those effluent limitations based solely on the Administrator's determination under section 402(a)(1) of the Act in the absence of effluent limitations guidelines promulgated under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than three years after the date such limitations are established;".

(d) Section 301(b)(2)(F) is amended to read as follows: "For all pollutants (other than those subject to subparagraphs (C), (D), or (E) of this paragraph) compliance, in accordance with subparagraph (A) of this paragraph, (1) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated on or before July 1, 1985, under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than July 1, 1988;

"(2) with those effluent limitations based in whole or in part on effluent limitations guidelines promulgated after July 1, 1985, under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than three years after the date of promulgation; and

"(3) with those effluent limitations based solely on the Administrator's determination under section 402(a)(1) of the Act in the absence of effluent limitations guidelines promulgated under sections 301(b)(2) and 304(b)(4) of this Act, as soon as possible, but in no case later than three years after the date such limitations are established.".

"(e)(1) Section 301(k) is amended by striking out "July 1, 1987," and inserting in lieu thereof "three years after the date for compliance with such effluent limitations which is otherwise applicable under such subsection,".

(2) Section 301(k) is further amended by deleting the letter "A" from "(b)(2)(A)" wherever it appears, and deleting the period at the end of section 301(k) and adding: ", i.e., application of the innovative system, production process, or control technique is technically feasible at a significant portion of the number of facilities in an industrial category, subcategory, or other group of similar plants the Administrator determines appropriate, and will be made commercially available by the applicant.".

MODIFICATION FOR NONCONVENTIONAL POLLUTANTS

SEC. 7. Section 301(g) is amended to read as follows: "(g)(1) The Administrator, with the concurrence of the State, may modify the requirements of subsection (b)(2)(A) of this section with respect to the discharge from any point source of ammonia, chlorine, color, iron and total phenols (4AAP) (when determined by the Administrator to be a nonconventional pollutant under this Act). The Administrator may add to or remove from the list of pollutants for which modification under this section is authorized (except for pollutants identified pursuant to Section 304(a)(4) of this Act, toxic pollutants subject to section 407(a) of this Act, and the thermal component of discharges), if he determines that there are, or are no longer, satisfactory test methods and data available to make the determination required below. A determination of the Administrator with regard to adding or removing a pollutant from this list shall be final,

except that if, on judicial review in any Circuit Court of Appeals of the United States such determination was based on arbitrary and capricious action of the Administrator, the Administrator shall make a redetermination.

"(2) A modification under this subsection shall be granted only upon a showing by the owner or operator of such point source satisfactory to the Administrator that—

"(A) Such modified requirements will result at a minimum in compliance with the requirements of subsection (b)(1) (A) or (C) of this section, whichever is applicable;

"(B) such modified requirements will not result in any additional requirements on any other point or nonpoint source; and

"(C) such modification will not interfere with the attainment or maintenance of that water quality which shall assure protection of public water supplies, and the protection and propagation of a balanced population of shellfish, fish, and wildlife, and allow recreational activities, in and on the water and such modification will not result in the discharge of pollutants in quantities which may reasonably be anticipated to pose an unacceptable risk to human health or the environment because of bioaccumulation, persistency in the environment, acute toxicity, chronic toxicity (including carcinogenicity, mutagenicity or teratogenicity), or synergistic propensities.

"(3) If an owner or operator of a point source applies for a modification under this subsection with respect to the discharge of any pollutant, such owner or operator shall be eligible to apply for modification under subsection (c) of this section with respect to such pollutant only during the same time-period as he is eligible to apply for a modification under this subsection.

"(4) The amendment made to subsection 301(g) by the Clean Water Act amendments of 1985 shall apply to all 301(g) modification requests pending on the date of enactment of the Clean Water Act amendments of 1985. This section shall not have the effect of extending or re-opening the deadline established in subsection 301(j)(1)(B).".

POTW OCEAN MODIFICATIONS

SEC. 8. (a) Section 301(h)(5) is amended to read as follows:

"(5) sources introducing waste into such treatment works will be in compliance with all applicable pretreatment requirements by the time a final modified permit is approved and the applicant assures continued compliance with such requirements;"

(b) Section 301(h) of the Clean Water Act is amended by—

(1) in paragraph (7), striking the period immediately after "the permit" and inserting in lieu thereof a semi-colon;

(2) adding immediately after paragraph (7) the following new paragraph:

"(8) Such modified requirements will result in the discharge of effluent which has received at least primary of equivalent treatment. For the purposes of this paragraph, "primary treatment" means treatment by screening, sedimentation, and skimming, except that in the case of small and remote dischargers the Administrator may determine that one or more of the above technologies is sufficient provided that all other requirements of section 301(h) are satisfied.";

(3) in that portion of subsection (h) following new paragraph (8) as added by this Act, adding at the end thereof the following: "No permit issued under this subsection shall authorize the discharge of any pollutant into saline estuarine waters which at the time of application (1) receive pollutant loadings from multiple sources, (2) do not support a balanced indigenous population of shellfish, fish and wildlife, (3) do not allow recreational activities in and on the waters, or (4) exhibit ambient water quality below applicable water quality standards adopted for the protection of public water supplies, shellfish, fish and wildlife or recreational activities under section 303(c) and any criteria issued under section 304(a)(1) related to the protection of such uses. The prohibition contained in the preceding sentence shall apply whether or not there is a causal relationship between such characteristics and the applicant's current or proposed discharge. The amendments made to this subsection by the Clean Water Act Amendments of 1985 shall not apply to section 301(h) permit modification decisions which are made final on or before October 1, 1986, nor to the renewal of such permit modifications following their expiration.".

PERMIT VARIANCE STAYS

SEC. 9. (a) Section 301(j)(1) is amended by:

(1) in paragraph (1)(B) striking the period immediately after "whichever is later" and inserting in lieu thereof a semicolon;

(2) adding immediately after (1)(B) the following new subparagraph:

"(C) subsection (b) under subsections (k) of this section shall be filed not later than the close of the public comment period on the draft permit.".

(b) Section 301(j)(2) is amended to read as follows:

"(j)(2) Any application for a modification or variance filed under subsections (c), (g), (h), (k), or (o) of this section or under sections 304(d)(4) or 316(a) of this Act, or for a fundamentally different factors variance as codified in the Environmental Protection Agency's regulations, shall not operate to stay any requirement under this Act. However, the Administrator (or, if the State is authorized to grant the variance, the State) may grant up to a six month stay of the conditions covered by the modification or variance request if time is needed to evaluate such request. The Administrator (or the State, if appropriate) may grant up to an additional six month stay if he determines that additional time is necessary to consider the modification request and there is substantial likelihood that the applicant will succeed on the merits of such application. In no case may a stay be granted if the Administrator (or the State, if appropriate) determines on the basis of available information that the discharge of pollutants during the period of the stay will pose an unacceptable risk to human health or the environment. Nothing in this section shall preclude the Administrator (or the State as appropriate) from issuing a permit containing effluent limitations for all pollutants not subject to a stay under this subsection pending a final decision on the request for a modification. In the case of an application filed under subsection (g) of this section, the Administrator may condition any stay granted under this paragraph on requiring the filing of a bond or other appropriate security to assure timely compliance with the requirements from which a modification is sought.".

PERMIT VARIANCE FEES

SEC. 10. Section 301 is amended by adding a new subsection (n) as follows:

"The Administrator may prescribe fees reflecting the reasonable administrative costs incurred in reviewing and processing applications for modifications submitted to the Administrator pursuant to sections 301(c), (g), (h), (i), (m), (o), and 304(d)(4) and 316(a) of this Act, or for a fundamentally different factors variance as set forth in the Environmental Protection Agency's regulations. All amounts collected by the Administrator under this subsection shall be deposited into miscellaneous receipts of the Treasury.".

COAL REMINING

SEC. 11. Section 301 is amended by adding at the end thereof the following:

"(o)(1) the Administrator (or, if appropriate, the State) may modify the effluent limitations otherwise applicable for iron, manganese and pH for pre-existing discharges related to coal remining operations on a case-by-case basis if the owner/operator demonstrates to the satisfaction of the Administrator (or, if appropriate, the State) that (1) the remaining operation, including reclamation activities required by law, is unlikely to alleviate the pre-existing discharge or improve water quality in the watershed or watersheds to be affected by the remaining operation, (2) the remaining operation is likely to result in a substantial improvement to the total environment, (3) any limitations established under this paragraph will not exceed the levels in the pre-existing discharge, and (4) that the coal remining operation will comply with requirements under subsection (b)(1)(C).

"(2) For purposes of this subsection—

(A) The term "coal remining operation" means a coal operation which begins after the date of enactment of this subsection at a site at which coal mining operations have occurred in the past and:

(i) the applicable reclamation bond or financial assurance mechanism has been released or forfeited; or

(ii) if no reclamation bond or other financial assurance mechanism was posted, no mining operations have occurred within 5 years of the enactment of these amendments;

(B) The term "pre-existing discharge" means a discharge from a point source, if such discharge existed prior to the commencement of the coal remining operation;

"(3) Nothing in this subsection shall affect the application of the Surface Mining Control and Reclamation Act of 1977 to any coal remining operation, including the application of such Act to suspended solids.".

CONFLICT OF INTEREST

SEC. 12. Section 304(i)(2)(D) is amended to read as follows:

"(D) funding, personnel qualifications, and manpower requirements (including a requirement that any board or body which approves permit applications, portions thereof, or enforcement orders shall have at least a majority of members who represent the public interest, interpreted broadly, and do not derive a significant portion of their income directly or indirectly from permit holders, applicants for a permit, or persons subject to enforcement order. Any potential conflicts of interest by members of such a board or body must be adequately disclosed. Any member of the board or body who is an employee of, or who has an ownership interest in, a permittee, applicant, or person subject to an enforcement order, shall recuse himself from any proceeding involving or affecting such permittee, applicant or person.)".

NEW SOURCE PERFORMANCE STANDARDS

SEC. 13. Section 306(a)(2) is amended by adding a sentence at the end thereof to read as follows:

"For the purposes of any regulation promulgated after the date of enactment of the Clean Water Act Amendments of 1985, the term "new source" shall mean any source, the construction of which is commenced after the publication of final regulations prescribing a standard of performance under this section or section 307(c) which is applicable to such source.".

INSPECTION/ENTRY

SEC. 14. (a) Section 308(a)(A) is amended by deleting "point".

"(b) Section 308(a)(B) is amended by inserting "(including an authorized contractor)" immediately after "or his authorized representative" in the first sentence.

(c) Section 308(b) is amended by inserting a period "." immediately after "United States Code", deleting the remainder of the sentence thereof and adding the following:

"Any authorized representative of the Administrator not subject to the provisions of section 1905 of Title 18 who knowingly or willfully divulges or discloses any information entitled to protection under this subsection shall, upon conviction, be subject to a fine of not more than $1,000 or to imprisonment not to exceed one year, or both. Nothing in this subsection shall prohibit the Administrator or his authorized representative (including any authorized contractors acting as representatives of the Administrator) from disclosing records, reports or information to other officers, employees or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.".

ADMINISTRATIVE ORDER

SEC. 15. (a) Section 309(a)(1) is amended by:

(1) inserting "including interim compliance deadlines and such other relief as may be necessary to ensure compliance or remedy an unlawful discharge" immediately following "requiring such person to comply with such condition or limitation"; and

(2) inserting "or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act" immediately following "under section 402 or 404 of this Act."

(b) Section 309(a)(3) is amended by:

(1) inserting "including interim compliance deadlines and such other relief as may be necessary to ensure compliance or remedy an unlawful discharge" immediately following "requiring such person to comply with such section or requirement"; and

(2) inserting "or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act" immediately following "under section 404 of this Act by a State."

(c) Section 309(a)(5)(A) is amended by:

(1) deleting "not to exceed thirty days in the case of a violation of an interim compliance schedule or operation and maintenance requirement and not to exceed a time" and substituting "that"; and

(2) deleting "reasonable in the case of a violation of a final deadline" and inserting in lieu thereof "as expeditiously as practicable".

(d) Section 309(b) is amended by deleting "a compliance" and substituting "an".

(e) Section 404(s)(1) is amended by:

(1) inserting "section 301 for failure to obtain a permit as required by the Secretary under this section, or of" immediately following "is in violation of"; and

(2) inserting "requirement," immediately following "to comply with such".

ADMINISTRATION CIVIL PENALTIES

Sec. 16. Section 309 is amended in inserting the following new subsection after subsection (f):

"(g)(1) Administrative Penalties.—In addition to any other relief provided, whenever on the basis of any information available the Administrator finds that any person has violated sections 301, 302, 306, 307, 308, 318, or 405 of this Act, or has violated any permit condition or limitation implementing any of such sections in a permit issued under sections 402 of this Act by him or by a State, or in a permit issued under section 404 by a State, or in a permit issued under section 404 by a State, or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act, the Administrator may, after notice to the State in which the violation occurs, issue an order assessing a civil penalty of not more than $10,000 per day for each violation, up to a maximum administrative penalty of $125,000.

"(2) Procedure.—A civil penalty for a violation of this subsection shall be assessed by the Administrator by an order made on the administrative record after opportunity (provided in accordance with this subparagraph) for a hearing. Before issuing the order, the Administrator shall give to the person to be assessed a civil penalty written notice of the Administrator's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the proposed order. Such hearing shall not be subject to sections 554 or 556 of Title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence. The Administrator may permit such public participation as he deems appropriate.

"(3) Content of order.—In determining the amount of a civil penalty, the Administrator shall take into account the seriousness of the violation or violations, the economic benefit (if any) resulting from the violations, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.

"(4) Effect of order.—(A) Action taken by the Administrator pursuant to this subsection shall not affect or limit the Administrator's authority to enforce any provision of this Act; provided however, that any violation with respect to which the Administrator has commenced and is pursuing an action under this subsection, or for which the Administrator has issued a final order not subject to further judicial review and the violator paid a penalty accessed under this subsection, shall not be subject to a civil action under section 309(b) and (d), section 311(b), or section 505(a) of this Act.

"(B) Nothing in this subsection shall change the procedures now existing under other subsections of Section 309 of this Act for issuance and enforcement of orders by the Administrator.

"(5) Judicial Review.—Any person against whom a civil penalty order is issued under paragraph (2) and who requested a hearing may file an appeal of such order in the United States district court for the District of Columbia or in the district in which the violation is alleged to have occurred. This appeal may only be filed wihtin the 30-day period beginning on the date the civil penalty order is issued. Appellant shall simultaneously send a copy of the appeal by certified mail to the Administrator and to the Attorney General. The Administrator shall promptly file in such court a certified copy of the record on which the order was issued. The district court shall not set aside or remain such order unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's assessment of a penalty constitutes an abuse of discretion.

"(6) Collection.—If any person fails to pay an assessment of civil penalty—

"(A) after an order is issued under paragraph (2) and if such person does not file a petition for judicial review of the order in accordance with paragraph (5), or

"(B) after a court in an action brought under paragraph (5) has entered a final judgment in favor of the Administrator,

the Administrator may request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus costs, attorneys' fees, and interest at currently prevailing rates from the date of the expiration of the 30-day period referred to in paragraph (5) or the date of such final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

"(7) Subpoena.—The Administrator may, in connection with administrative proceedings under this subsection, issue subpoenas compelling the attendance and testimony of witnesses and subpoenas duces tecum, and may request the Attorney General to bring an action to enforce any subpoena under this section. The district courts shall have jurisdiction to enforce such subpoenas and impose sanctions.".

CIVIL PENALTIES

Sec. 17. (a) Section 309(d) is amended by:

(1) inserting ", or any requirement imposed in a pretreatment program approved under section 402(b)(8) of this Act," immediately after "section 404 of this Act by a State";

(2) deleting $10,000 per day of such violation" and substituting "$25,000 per day for each violation";

(3) adding the following at the end thereof: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

(b) Section 404(s)(5) is amended by:

(1) deleting "$10,000 per day of such violation" and substituting "$25,000 per day for each; violation"

(2) adding the following at the end thereof: "In determining the amount of a civil penalty the court shall consider the seriousness of the violation or violations, the economic benefit (if any) resulting from the violation, any history of such violations, any good-faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice may require.".

EMERGENCY ORDERS AND INJUNCTIVE ACTIONS

SEC. 18. Section 504 is amended by (a) deleting "is presenting an imminent and substantial endangerment to the health of persons or to the welfare of persons where such

endangerment is to the livelihood of such persons, such as an inability to market shellfish," and by inserting in lieu thereof "may present an imminent and substantial endangerment to public health or the environment"; and

(b) by adding the following at the end of the section: "The Administrator may also take other action including issuing such orders as may be necessary to protect public health and the environment. Any person who violates, or fails or refuses to comply with, any order of the Administrator under this section may, in an action brought in an appropriate United States district court, be subject to a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure or refusal to comply continues. Any penalty for a violation of an order under this section shall not accrue for more than ten days after the issuance of the order unless the person to whom an order is issued has had an opportunity to confer with the Administrator concerning the order."

CRIMINAL PENALTIES

SEC. 19. (a) Section 309(c) is amended to read as follows:

"(1) Any person who negligently violates sections 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit conditions or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, shall be punished by a fine of not less than $2,500 nor more than $25,000 per day for each violation, or by imprisonment for not more than one year, or by both.

"(2) Any person who knowingly violates sections 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State shall be punished by a fine of not less than $5,000 nor more than $50,000 per day for each violation, or by imprisonment for not more than three years, or by both.

"(3)(A) Any person who knowingly violates sections 301, 302, 306, 307, 308, 318, or 405 of this Act, or any permit condition or limitation implementing any of such sections in a permit issued under section 402 of this Act by the Administrator or by a State, or in a permit issued under section 404 of this Act by the Secretary of the Army or by a State, and who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall, upon conviction, be subject to a fine of not more than $250,000 or imprisonment of not more than 15 years, or both. A defendant that is an organization shall, upon conviction of violating this subparagraph, be subject to a fine of not more than $1,000,000.

(B) For the purpose of subparagraph (3)(A) of this paragraph—

(i) In determining whether a defendant who is a natural person knew that his conduct placed another person in imminent danger of death or serious bodily injury—

(aa) the person is responsible only for actual awareness or actual belief that he possessed; and

(bb) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant;

Provided, That in proving the defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information.

(ii) It is an affirmative defense to prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

(aa) an occupation, a business, or a profession; or

(bb) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent. The defendant may establish an affirmative defense under this subparagraph by a preponderance of the evidence.

(iii) The term "organization" means a legal entity, other than a government, established or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons.

(iv) The term "serious bodily injury" means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

"(4) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who knowingly falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall upon conviction by punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or by both.

"(5) If a conviction is for violation of paragraph (1), (2), or (4) of this subsection committed after a first conviction of such person under the same paragraph, the maximum punishment under the respective paragraph shall be doubled with respect to both fine and imprisonment.

"(6) For the purpose of paragraphs (1), (2), (3), and (4) of this subsection, the term "person" shall mean, in addition to the definition contained in subsection 502(5) of this Act, any responsible corporate officer.".

(b) Section 404(s)(4) is deleted in its entirety and section 404(s)(5) is redesignated as section 404(s)(4).

MARINE SANITATION DEVICES

SEC. 20. Section 312(a)(6) is amended by inserting a semicolon ";" immediately after "bodily wastes" and by deleting the remainder of the sentence.

(b) Section 312(a)(11) is amended to read as follows:

" 'a vessel engaged in interstate travel' means a vessel that is located in the waters of a State different than the vessel's State of principal use, for a reasonable period of time determined by the State in which the vessel is located".

(c) Section 312(b)(1) is amended by—

(1) striking the phrase "and standards established under subsection (c)(1)(B) of this section" in the second sentence thereof; and

(2) inserting immediately before the period at the end of the last sentence ", except as provided in paragraph (3) of this subsection and subsection (f)(1) of this section".

(d) Section 312(b) is amended by adding at the end thereof the following new paragraph:

"(3) Except as required under subsection (f)(1) of this section, no vessel of sixty-five feet or less in length shall be required under this section to have in operation a marine sanitation device. Nothing in this paragraph shall affect the Federal standards of performance promulgated under paragraph (1) of this subsection or the applicability of subsection (g) of this section to manufacturers of marine sanitation devices.".

(e) Section 312(f)(1) is amended by inserting "(A)" immediately after "(f)(1)" and by deleting the period at the end thereof and inserting in lieu thereof the following: "except as provided in subparagraphs (B), (C), and (D) of this paragraph.

"(B) A State may require that any vessel of sixty-five feet or less in length and equipped with an installed toilet be equipped with a flow-through type marine sanitation device, or for a no discharge zone determined under paragraph (3) or (4) of this subsection, a no-discharge type marine sanitation device which is designed, manufactured, installed, and operated in accordance with Federal standards of performance and regulations promulgated under this section, except that this requirement shall not apply to such a vessel engaged in interstate travel.

"(C) A State may prohibit a vessel of sixty-five feet or less in length and equipped with an installed toilet, including a vessel engaged in interstate travel, from discharging sewage which has not been treated with a marine sanitation device which is designed, manufactured, installed, and operated in accordance with Federal standards of performance and regulations promulgated under this section. A State may apply this prohibition in some or all of its waters. For a water determined to be a no-discharge zone under paragraph (3) or (4) of this subsection, a State may require any such vessel to have its flow-through type marine sanitation device or installed toilet secured so as to prevent any discharge.

"(D) If on [the effective date of the amendments to this Act] a vessel of sixty-five feet or less in length is equipped with a marine sanitation device which is in conformance with the standard and regulations under this section, no State may require a different type device on that vessel until the device is replaced or no longer conforms with the standards or regulations. Except that, a State may require the device to be secured so as to prevent any discharge, in a water determined to be a no discharge zone under paragraph (3) or (4) of this subsection.

"(E) Enforcement of subparagraphs (B), (C), and (D) of this paragraph is exclusively a State responsibility.".

(f) Section 312(f)(3) is amended by striking everything after the phrase "except that so such prohibition shall apply" and inserting in lieu thereof the following:

"until the State determines that adequate facilities for the safe and sanitary removal and treatment of sewage from all vessels are reasonably available and accessible for such water to which prohibition would apply."

(g) Section 312(f)(4)(A) is amended by—

(1) striking the word "Administrator" and inserting in lieu thereof "State"; and

(2) striking the phrase "by the State".

(h) Section 312(f)(4)(B) is amended by striking the phrase "Upon application by a

State, the Administrator shall," and inserting in lieu thereof "A State may,".

(i) The amendment made by subsection (f) of this section shall take effect one year after the date of enactment of this Act."

GENERAL PERMITS

SEC. 21. (a) Section 402 is amended by redesignating section 402(a)(1) as 402(a)(1)(A) and adding a new section 402(a)(1)(B) as follows:

"(B) In carrying out his functions relating to the issuance of permits for the discharge of pollutants under this section, the Administrator may issue either individual or general permits. Individual and general permits may be continued under section 558(c) of Title 5, United States Code. Any State request for approval or revision of a State program under paragraph (b) of this section also may include a request for authority to issue general permits to point sources within its jurisdiction.".

(b) Section 402(1) is amended by inserting "or the introduction of logs into water in connection with silvicultural activities, including logs transfer facilities, which are subject to a plan approved pursuant to section 208(b) of this Act," immediately after "flows from irrigated agriculture,".

NPDES PERMIT TERM AND REOPENER

SEC. 22. (a) Section 402(b)(1)(B) is amended to read as follows:

"are for fixed terms not exceeding 10 years, except for permits which reflect modifications under sections 301(c), (g), (h), (m), (o), or for fundamentally different factors variance as set forth in the Environmental Protection Agency's regulations which shall be for fixed terms not exceeding 5 years;".

(b) Section 402(b)(1)(D) is redesignated as section 402(b)(1)(E), and a new section 402(b)(1)(D) is inserted after section 402(b)(1)(C) to read as follows:

"(D) may be modified, whenever any new or revised requirements under sections 301, 302, 303, 304, 307, 318, 403, or 405 are established which are more stringent than any requirement in the permit or which control pollutants not limited in the permit, to implement these new or revised requirements;".

SEWAGE SLUDGE

Sec. 23. (a) Section 405(e) is amended to read as follows: "(e) The determination of the manner of disposal or use of sludge is a local determination except that it shall be unlawful for any person to dispose of sludge from a publicly owned treatment works or any other treatment works treating primarily domestic sewage (but not including privately owned treatment works operated in conjunction with industrial manufacturing and processing facilities) for any use for which guidelines have been established pursuant to subsection (d) of this section, except in accordance with such guidelines or with a permit issued under subsection (f) below.".

(b) Section 405 is further amended by adding at the end thereof the following:

"(f)(1) Any permit issued under section 402 of this Act to a publicly owned treatment works or any other treatment works treating primarily domestic sewage (but not including privately owned treatment works operated in conjunction with industrial manufacturing and processing facilities) may include requirements for the use and disposal of sludge that implement the guidelines established pursuant to subsection (d) of this section, unless such requirements have been included in a permit issued under the appropriate provisions of Subtitle C of the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*), Part C of the Safe Drinking Water Act (42 U.S.C. 300f *et seq.*), the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1401 *et seq.*), or the Clean Air Act (42 U.S.C. 7401 *et seq.*), or under State permit programs approved by the Administrator. The Administrator shall promulgate procedures for approval of State programs pursuant to this paragraph.

"(2) In the case of a treatment works described in paragraph (1) that does not have a discharge permitted under Section 402 of this Act and to which none of the other above listed permit programs nor approved State permit authority apply, the Administrator may issue a permit to such treatment works solely to impose requirements for the use and disposal of sludge that implement the guidelines established pursuant to subsection (d) of this section. The Administrator shall include in the permit appropriate requirements to assure compliance with the guidelines established pursuant to subsection (d) of this section. The Administrator shall establish procedures for issuing permits pursuant to this paragraph.".

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

SEC. 24. (a) Section 502(3) is amended to read as follows:

"(3) The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.".

(b) Section 311(a)(5) is amended to read as follows: "(5) 'United States' means the States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.".

MUNITIONS

SEC. 25. Section 502(6) is amended by deleting the word "or" where it appears before the letter "(B)", inserting a comma in place of the period, and adding the following to the end thereof:

"or (C) munitons expanded in the course of conventional weapons testing or training exercises by the Armed Forces of the United States, or by its allies in joint training exercises.".

INDIAN TRIBES

SEC. 26. (a) Title V is amended by redesignating section 518 as section 519 and inserting a new section 518 to read as follows:

"SEC. 518. (a) Subject to the provisions of subsection (b), the Administrator is authorized to treat Indian Tribes as States under this Act, including delegation of authorities vested in the Administrator by this Act and provision of grant and contract assistance to carry out functions provided by this Act.

(b)(1) The Administrator shall, within 18 months, promulgate regulations specifying criteria for the appropriate treatment of Indian Tribes as States under the Act. Such criteria shall provide that:

(i) The Indian Tribe is recognized by the Secretary of the Interior and has a governing body exercising authority over a federal Indian reservation.

(ii) The functions to be exercised by the Indian Tribe are within the area of the Tribal Government's jurisdiction.

(iii) The Indian Tribe must be expected to be capable of reasonably carrying out the functions to be exercised in a manner consistent with the purposes of this Act.

(2) For any provision of the Act where treatment of Indian Tribes as identical to States is inappropriate, administratively infeasible or otherwise inconsistent with the objectives of this Act, the Administrator may include, in the regulations promulgated under this section, alternative means for administering such provision in a manner that will achieve the purposes of the provision.".

(b) Section 502 of the Act is amended by inserting two new paragraphs to read as follows:

"(20) the term 'federal Indian reservation' means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation.

"(21) the term 'Indian Tribe' means any Indian tribe, band, group or community recognized by the Secretary of the Interior and exercising governmental authority over a federal Indian reservation.".

CITIZEN SUITS

SEC. 27. Section 505(c) is amended by adding the following new paragraph:

"(3) Whenever any action is brought under this section in a court of the United States, the plaintiff shall serve a copy of the complaint on the Attorney General of the United States and with the Administrator. No consent judgment shall be entered in an action in which the United States is not a party prior to forty-five days following the receipt of a copy of the proposed consent judgment by the Attorney General and the Administrator. No judgment in any action to which the United States of America is not a party shall have any binding effect upon the United States.".

REPORT TO CONGRESS

SEC. 28. Section of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 nt.) is hereby repealed.

SECTION-BY-SECTION ANALYSIS

AUTHORIZATION

Section 1 of the bill amends section 104(u), 106(a) and 517 to extend funding authority for 5 years, through fiscal year 1990. Funding for fiscal year 1986 is based on the President's budget, and for subsequent years such sums as may be necessary are authorized. A technical amendment has also been made to section 517 to authorize funds for section 304 information and guidelines.

These funds will support the development of information on pollution prevention, reduction and elimination through a program of research, investigation and demonstration (section 104(u)); grants for State and interstate agency pollution control programs (section 106(a)); and the general implementation of the Act (section 517).

CHESAPEAKE BAY

Section 2 of the bill would authorize $10 million in fiscal years 1986, 1987, and 1988 for 50% grants to the Chesapeake Bay States for implementation of the management mechanisms and federal administrative costs or expenses reasonably necessary for and incidental to the implementation of the program. The management mechanisms were proposed in the comprehensive environmental plan which was jointly developed and approved by the Agency and the Bay States in recognition of Chesapeake Bay as a natural resource of national environmental and economic importance.

The proposed implementation grants are the backbone of the effort to effectively implement the Bay clean-up plan. It is the intent of the legislation to coordinate all Federal and State activities. It provides for the targeting of grants to those management mechanisms, particularly for nonpoint source control, which are elements of the approved plan for the Bay and which are achievable within a set schedule. This is essential to meeting the objectives of the approved plan. This must be done in a cost-effective manner which is to be demonstrated by the applicants. The grants are limited to 50% to ensure that there is a strong State-Federal working relationship and a continuing commitment by the States to implementation of the plan. The requirement for annual reporting to Congress is needed to provide for tracking of the management effectiveness and the environmental results of the grant program.

The amendment is not intended to create a precedent for Federal funding of implementation of estuarine plans, but rather is intended to demonstrate a balanced, comprehensive approach for use by other estuarine initiatives in protecting and restoring an estuary.

CONSTRUCTION GRANT AUTHORIZATION

Section 3 of the bill amends section 207 of the Act to provide that title II (other than sections 206(e), 208 and 209) be authorized for the fiscal years ending September 30, 1986 through September 30, 1989, at an appropriated amount of $2.4 billion in fiscal year 1986, $1.8 billion in fiscal year 1987, $1.2 billion in fiscal year 1988, and $600 million in fiscal year 1989.

GRANT ELIGIBILITIES

Section 4 of the bill amends Section 201(g)(1) to restrict Federal funding as of October 1, 1985 to sequential phases or segments of treatment facility or its releated interceptors, or correction of infiltration-inflow, that received Federal Funding before February 4, 1985.

Additionally, the amendment eliminates as of October 1, 1985 a Governor's discretion to request that the Administrator allow up to twenty percent of a State's allotment to fund treatment works as defined under Section 212 which are otherwise ineligible for title II funding, i.e., major sewer system rehabilitation, new collection sewers and appurtenances, and correction of combined sewer overflows except as provided in 201(n). The intent of these two provisions is to provide direct Federal support to ongoing, eligible treatment works construction projects initiated with Federal support before February 4, 1984. The restriction will be effective October 1, 1985 regardless of the year in which available Federal funds were appropriated.

This section also amends section 201(n)(1) to eliminate grants for correction of combined stormwater and sanitary sewer overflows as of October 1, 1985. It further amends section 201(n)(2) to eliminate grants correction of combined stormwater and sanitary sewer overflows into marine bays and estuaries as of October 1, 1985.

ALLOTMENT AND RESERVES

Section 5 of the bill amends the Act as follows:

ALLOTMENT OF FUNDS

Section 5(a) of the bill amends section 205(c) of the Act and provides for an allotment formula based on the applicable Federal share of the cost of phases and segments eligible under these amendments. The table attached to the end of the section-by-section analysis will be revised on or about April 10, 1985, to reflect the allotment formula under these amendments, i.e., eligible needs projects, based on phased or segmented grants received before February 5, 1985. The table attached is based on projects that received phased or segmented grants before October 1, 1984.

Minimal allotments

Section 5(b) of the bill repeals section 205(e) of the Act as of October 1, 1985. Section 205(e) currently provides minimal allotments for States and territories.

State management assistant grants

Section 5(c) of the bill amends section 205(g) to reflect extended authorizations through fiscal year 1989 for grants for State administration of the delegated Federal construction grants program.

The Act currently allows a State to receive the greater of 4 percent of its authorized State allotment or $400,000 to cover the cost of managing a construction grants program. This provision is based upon an annual $2.4 billion program authorization. The cost which these grants cover include reasonable costs associated with administering any delegated aspect of the construction grants program; permitting of dredge and fill programs; administering statewide waste treatment management planning programs, and waste treatment grants for small communities.

The program authorization and revised allotment procedures in these amendments will result in a signficantly decreasing annual State management assistance grant. Although the intent of these amendments is to reduce and gradually eliminate Federal involvement in wastewater treatment and return responsibility to the States, the abrupt decrease in the management grant would present serious management problems for several States. This amendment allows the Administrator to determine the reasonable cost of each State's management of projects for which grants are awarded under these amendments. A State may only use all of the grant funds awarded under this amendment to section 205(g) for managing the Federal construction grants program. In determining the amount of each State's management grant under this section, the Administrator may consider certain criteria such as: a State's unexpended funds from prior year obligations under section 205(g); the degree of current and projected delegation; and the size and cost of the State management program; however, the grant may not exceed the amount the State received in fiscal year 1985.

Rural set-aside

Section 5(d) of the bill amends section 205(h) of the Act to eliminate the mandatory rural set-aside. This provision will be effective October 1, 1985 regardless of the year in which available Federal funds were appropriated.

Innovative and alternative technology set-aside

Section 5(e) of the bill amends section 205(i) of the Act to eliminate the mandatory innovative and alternative (I/A) set-aside which allows for an increased Federal share in projects utilizing innovative or alternative technologies. Instead of this set-aside, a State's allotment under section 205(c)(3) will be adjusted as described in section 3(a) to reflect the appropriate Federal funding for I/A projects which are eligible for Federal funding under these amendments and which would have been otherwise funded under the I/A set-aside. This provision will go into effect as of October 1, 1985 regardless of the year in which Federal funds were appropriated.

Water quality management planning

Section 5(f) of the bill amends section 205(j) of the Act to eliminate the water quality management planning set-aside. The 1981 Amendments established this set-aside effective fiscal year 1982 of up to one percent of a State's allotment to support various water quality management planning activities. This set-aside is eliminated effective fiscal year 1986 due to the decreasing Federal appropriation and the intent to focus available funds on wastewater treatment priorites.

BAT/BCT COMPLIANCE DEADLINE EXTENSION

Section 6 of the bill amends section 301 of the Act to extend the current deadline for industrial compliance with BAT and BCT effluent limitations. This section would require each discharger to come into compliance with applicable effluent limitations as soon as possible, but in no case later than certain established outside dates for compliance. The revised deadline for compliance with effluent limitations based in whole or in part on effluent limitations guidelines established prior to July 1, 1985 has been changed from July 1, 1984 to July 1, 1988. The outside deadline for compliance with effluent limitations based in whole or in part on effluent guidelines promulgated subsequent to July 1, 1985, is no later than three years after promulgation of the effluent limitations guidelines. If an effluent limitation is based in part on two effluent limitations guidelines, one promulgated before July 1, 1985, and one after, the later deadline would apply. However, where the same technology is used to achieve both pre- and post-1985 guidelines limitations, a permittee should be able to meet the permit limitations by the earlier date and will be required to, since under these amendments compliance is to be achieved as soon as possible. Compliance is required within three years of issuance of permits containing effluent limitations established solely on a case-by-case basis using the permit authority's best professional judgment (BPJ) in the absence of effluent limitations guidelines. In the case of a limitation based in part on an effluent limitations guideline and in part on the Administrator's case-by-case best professional judgment under section 402(a)(1), the deadline based on the guideline would apply. In such cases, the treatment technology used to achieve the guideline-based limitations will generally also be that used to meet BPJ limitations. In light of these various deadlines, any given permit may contain different compliance deadlines for different effluent limitations addressed in the permit.

The Agency has experienced delays in promulgating BAT/BCT effluent guidelines and in issuing permits with limitations based upon best professional judgment. As a result, industry has had little or no lead time to meet the current July 1, 1984, compliance deadline. This revision will provide industrial dischargers with sufficient time to plan, design, construct and bring into operation any new treatment facilities necessary to comply with BAT and BCT effluent limitations. However, this section is intended to provide compliance time that is appropriate for the facility. In many cases the BAT and BCT effluent limitations guidelines will require no new or additional treat-

ment. In some cases the limitations may be more stringent, but will be attainable by the treatment equipment already in place. In those circumstances little or no additional compliance time is required and permits should require immediate compliance or very short compliance deadlines.

This section changes the compliance deadline for innovative technology under section 301(k) to three years after the date for compliance with otherwise applicable effluent limitations. It also makes extensions under 301(k) available for the first time for conventional pollutants. The section further provides that "potential for industry-wide application" means that the innovative technology can be applied in a significant portion of the number of facilities in the applicant's industrial category, subcategory, or other group of similar plants the Administrator determines appropriate.

The time for compliance was changed for facilities eligible for a section 301(k) extension because if BAT/BCT deadlines are extended, then 301(k) deadlines must be extended as well if the section is to act as a spur to the development of innovative technology.

The language on industry-wide application was amended because some legislative history on section 301(k) interpreted the requirement to establish "industry-wide application" as satisfied merely by a showing that "more than one plant and the plants might be a part of the same corporation" would utilize the technology. The same legislative history indicated no need to make the technology commercially available. In order to ensure the widest spread of innovative production processes, control techniques and systems based upon greater effluent reductions or cost savings, this amendment requires the applicant to demonstrate that application of the innovative technology is technically feasible in a significant portion of the number of facilities in an industrial category, subcategory or other appropriate group of similar plants and that it will be made commercially available. Thus, in exchange for the compliance extension, this amendment ensures the potential for a significant benefit to the public from a widespread effluent reduction or cost savings.

Ordinarily, the pertinent group of plants for determining whether the innovative technology can be used on an industry-wide basis is the category or subcategory in which the applicant is placed for purposes of developing NPDES permit limitations. However, the Administrator may allow this demonstration to be made with respect to a different group of similar plants where he deems it appropriate. The requirement that the applicant offer the innovative technology commercially is not intended to inhibit the applicant's right to charge appropriate fees for obtaining the right to use such technology. The requirement that an applicant offer the technology commercially is intended to require availability as soon as possible after the first full scale commercial demonstration of the technology has been made.

This subsection was broadened to allow extensions to the compliance deadline for conventional pollutants for dischargers which use the same treatment train for removal of toxic, nonconventional and conventional pollutants. EPA's existing policy is to issue administrative orders in this circumstance. This amendment is intended to avoid the need for this procedure. In addition, it is intended that such extensions also be available for conventional pollutants with a separate treatment train.

These amendments are not intended to affect any extensions granted under section 301(k) prior to enactment.

MODIFICATION FOR NONCONVENTIONAL POLLUTANTS

Section 7 of the bill amends section 301(g) to limit the modification for nonconventional pollutants to specific listed pollutants. Ammonia, chlorine, color and iron have been chosen for this list because EPA has accumulated adequate scientific information with respect to their impacts on aquatic life and human health to determine whether the statutory factors are satisfied.

Total phenols, as measured by the 4AAP test method when determined to be a nonconventional pollutant by the Administrator, has been chosen for this list because EPA believes that, on a case-by-case basis, it is possible to determine whether the statutory modification factors are satisfied. This is particularly true for the iron and steel industry where none of the 11 section 307(a) toxic phenols have been found to be present above BAT guideline levels and the nonconventional phenolic compounds have been identified.

The Administrator may from time to time add to or delete from the list based on the availability of satisfactory test methods and data to make the findings required by this section. The test for adding other pollutants to the list will consist of a showing that there is adequate scientific information to reasonably address each of the section 301(g) statutory factors. The burden to make such a showing will rest solely with the party requesting an addition to the list. According to the legislative history for the Clean Water Act of 1977 (vol. 4, p. 675), Congress felt that "[w]here that judgment could be made . . . it was appropriate that relief should be provided." The committee was particularly concerned, however, that such a modification not be extended beyond those pollutants for which adequate knowledge has been accumulated.

Review of section 301(g) modifications, to date, has been extemely time consuming and resource intensive. The showings required for modification are very difficult to make even for the more common nonconventional pollutants listed above and, at this time, are substantially more difficult for the other nonconventional pollutants. A significant impact of this lengthy 301(g) modification review process has been a delay in permit issuance. The amendment to section 301(j)(2) (see section 6 of this bill) is designed to address this by simplifying the standard for granting a stay of BAT requirements for pollutants for which a variance has been requested.

POTW OCEAN MODIFICATIONS

Section 8 of the bill amends section 301(h) which deals with modifications for marine discharging publicly owned treatment works (POTWs). The amendments address 1) pretreatment requirements; 2) minimum treatment requirements; 3) saline estuaries; and 4) provide that the changes made do not apply to 301(h) modification approvals made final on or before October 1, 1986, or to renewals of such modifications following their expiration.

The amendments regarding pretreatment clarify that sources discharging into the POTW must be in compliance with applicable pretreatment requirements and specify that compliance must be achieved by the time the modification is finally approved. For purposes of this amendment, applicable pretreatment requirements mean those for which the compliance deadline has fallen on or before the date the modification is finally approved. This provision also stresses the importance of continued compliance; for example, the POTW would need to demonstrate an effective program for enforcing pretreatment requirements. However, it is not our intent that this provision be used to deny modifications merely because an insignificant number of sources contributing a trivial amount of flow to the POTW are out of compliance.

The amendment regarding minimum treatment requirements would require a minimum of primary or equivalent treatment, except for small and remote dischargers. That exception is intended to be limited in scope and has been included to address situations such as those in Alaska and the Trust Territories where the discharges are primarily domestic sewage into isolated and remote water bodies well removed from other sources or population centers and where the contributing population is several thousand or less.

The amendment regarding saline estuaries would prohibit modifications for saline estuaries receiving pollutant loadings from multiple sources and showing signs of environmental stress as described in the amendment. The prohibition would apply whether or not there is a causal relationship between such stress and the applicant's discharge. Experience to date indicates that such saline estuaries are ill-suited for modifications and that applicants in such cases have been unable to demonstrate compliance with the 301(h) criteria. The amendment would protect these waters and avoid unnecessary delays associated with the "hair splitting" technical analyses arising in such situations.

The statutory amendments would not apply to final modification approvals made on or before October 1, 1986, in order to avoid disruptions in the 301(h) decisionmaking process. The amendments also would not apply to renewals of such modifications in order to afford a reasonable degree of certainty in planning to meet treatment requirements. Those applicants who are affected by the amendments may wish to change their treatment systems or submit additional information to comply with the statutory amendments, and the Agency, as appropriate, would allow such changes. In determining if affected applicants should be allowed to make such changes, the Agency would consider whether the applicant has already utilized the one time revision opportunity afforded by the existing regulations, the results of the Agency's technical review of the application, the likelihood that any changes would result in compliance with the 301(h) criteria, and the effects of delays on the decisionmaking process.

PERMIT VARIANCE STAYS

Section 9 amends section 301(j)(1) of the Act to provide a deadline for the submission of modification requests under section 301(k), for innovative technology. Under the amendment, a discharger requesting this modification would have to file a complete request no later than the close of the public comment period on the draft permit.

Section 301(j)(2) of the Act is amended to provide that under several sections where EPA may grant modifications or variances from otherwise applicable requirements, EPA or a State may issue a permit with conditions required by the Act, but may stay

the requirements from which a modification or variance is requested. The stay of permit conditions is authorized for up to six months, if the authority determines that time is necessary to act on the request. A further six month stay may be granted if the modification or variance issuing authority determines that additional time is necessary to consider such request and there is substantial likelihood that the permittee will prevail on the request. At the end of the six month (or one year) stay, the permittee must comply with all limitations in the permit even if the Agency has not completed action on the modification or variance request. No stay may be granted if EPA or the State decides that discharge of pollutants during the period of the stay will pose an unacceptable risk to human health or the environment. The amendment retains the Administrator's authority to require the filing of a bond as a condition of staying conditions pending a decision on a section 301(g) modification request.

This provision is intended to address the problem of delays in permit issuance caused by pending variance and modification requests. Under most of such provisions of the Act, EPA and the States have no authority to stay requirements covered by a modification or variance request pending a final decision on such request. If a permit is issued prior to a final determination, it must contain conditions consistent with the Act and all requirements of that permit, including those from which a modification or variance has been requested. These requirements become enforceable by EPA (or the State, if applicable) and through the Act's citizen suit provision. However, this requires compliance with and allows enforcement of permit conditions that later may be relaxed in response to a modification or variance request. Rather than requiring compliance by permittees with conditions that may be relaxed, the permitting agency often has not issued the permit with a pending modification or variance request. The amendment seeks to remedy this situation by extending the availability of a stay to modifications or variances under section 301(c), 301(h), 301(k), 304(d), 316(a), and fundamentally different factors variances and providing for a relatively easier showing to obtain a stay. This provision allows for stays of conditions which could not currently be authorized by EPA regulations. It has the advantage of assuring that uncontested new requirements would become effective and enforceable as soon as possible, in some cases leading to significant pollutant reductions prior to final modification or variance decisions.

PERMIT VARIANCE FEES

Section 10 adds a new subsection to section 301 of the Act. This subsection provides the Administrator with the authority to charge fees for processing and reviewing applications to modify or exempt certain effluent limitations, standards, and requirements under sections 301 (c), (g), (h), (i), (m), (o), 304(d)(4), and 316(a) of the Act, and for fundamentally different factors variances. Under this revision, fees collected would be deposited into miscellaneous receipts of the Treasury.

This amendment reflects the fact that variance determinations impose extensive costs and resource demands beyond those associated with normal permit development and issuance. This provision does not require States to establish fee systems for permit variances, not would it affect existing State fee systems.

COAL REMINING

Section 11 adds another new subsection to section 301 of the Act. This subsection allows for case-by-case modification of otherwise applicable effluent limitations for iron, manganese, and pH in preexisting discharges at coal remining operations. The case-by-case limitations are available if the applicant demonstrates that (1) the remining operations and accompanying reclamation activities are likely to alleviate the preexisting discharge or improve water quality, (2) the remining operation is likely to result in substantial environmental improvement, (3) limitations established under levels in the pre-existing discharge, and (4) discharges from the remining operation will comply with State water quality standards.

The case-by-case limitations will be determined by the Administrator or by a State with an approved NPDES program. New discharges from the remining operation are not eligible for the modifications provided by this amendment and must meet all technology and water quality based effluent limitations required by the Act.

The amendment is intended to authorize EPA or an approved NPDES State to modify the existing requirements for those discharges from coal remining operations which existed prior to the commencement of such operations. The Agency has found that in the case of such discharges, the present technology-based requirements may serve as a disincentive to the reclamation of abandoned mine lands. The modified requirements will remove this disincentive and serve as an inducement to reclaim previously mined lands which could result in substantial improvement to the total environment in the area to be reclaimed. Case-by-case determinations will ensure that appropriate limitations are established and the criteria for evaluating requests for the remining modification will protect receiving water quality.

This amendment applies only to remining operations which begin after the date of enactment of this amendment. Of course, the Administrator may use the authority under section 501 of the Act to promulgate any necessary regulations to implement this section.

CONFLICT OF INTEREST

Section 12 amends section 304(i) of the Act to modify the conflict of interest requirements applicable to state permitting boards. It is modeled after a similar provision in the Clean Air Act. The amendment would eliminate the current absolute prohibition on state permitting boards employing any person who receives, or has received during the previous two years, a significant portion of his income directly or indirectly from permit holders or applicants for a permit. It would instead require state permitting boards to have at least a majority of members who represent the public interest, interpreted broadly, and who do not receive a significant portion of their income from permittees, applicants or persons subject to enforcement orders. In addition, it requires that any potential conflicts of interest be adequately disclosed. This disclosure requirement obviously also applies to actual conflicts of interest. Finally, the amendment requires that any member of the permitting board or body who is an employee of, or who has an ownership interest in, any permittee, applicant, or person subject to an enforcement order, must recuse himself from any proceedings involving or directly affecting that permittee, applicant, or person.

The purpose of this amendment is to allow States to provide for balanced representation on their permitting boards and also to bring the CWA into conformity with the conflicts of interest provision of the Clean Air Act. Thus, the amendment clarifies that the conflict of interest applies to persons subject to enforcement orders, as well as to permittees and permit applicants. The inclusion of enforcement orders, as in the Clean Air Act, should have little, if any, practical effect on State NPDES boards, since most State boards handle both permit issuance and enforcement activities.

NEW SOURCE PEFORMANCE STANDARDS

Section 13 amends section 306 to redefine "new source" to clarify that new source performance standards (NSPS) and pretreatment standards for new sources (PSNS) are applicable to any facility that began construction after issuance of final rather than proposed regulations.

The Act currently defines "new source" as one which commences construction after proposal of an NSPS, provided that the final NSPS are "thereafter promulgated in accordance with this section." EPA has construed this provision to mean that if NSPS are not promulgated within 120 days after proposal, it could define a "new source" as one that commences construction after promulgation. In practice, promulgation frequently takes up to, or more than, a year from proposal; so, under EPA's interpretation, new source performance standards have routinely only been applied to "new sources" after promulgation. The purpose of this amendment is to simplify section 306 of the Act and clarify the authority under existing law. The new amendment clarifies that NSPS and PSNS will not be applicable until they have been promulgated.

INSPECTION ENTRY

Section 14 of the bill amends section 308 to confirm the authority of authorized contractors to enter, take samples, and have access to records as provided in the Act. The amendment also provides penalties against authorized representatives who willfully divulge trade secret information. The substitution of "source" for "point source" confirms the provision's applicability to indirect dischargers, as well as to direct dischagers. This change is not intended to cover nonpoint sources.

ADMINISTRATIVE ORDER

Section 15 amends section 309(a)(1) & (3) to clarify the Administrator's authority to order a violator to undertake remedial measures or other action which the Administrator determines to be necessary to achieve and maintain compliance. It also would allow compliance deadlines for an interim compliance schedule or operation and maintenance requirements to require compliance as expeditiously as practicable, as opposed to a thirty day requirement which is not always possible to meet.

This provision would also amend section 404 to provide that the Secretary of the Army, acting through the Corps of Engineers, could exercise enforcement authority over persons discharging dredged or fill material into waters of the United States without the required Corps permit under section 404. This amendment corrects an anomaly in the existing statute and in fact reflects current practice. It does not in any way limit EPA's authorities under the Act, including EPA's enforcement authority over persons discharging without a required section 404 permit. However, EPA and the

Corps of Engineers are expected to coordinate to avoid bringing redundant enforcement actions for the same violation.

ADMINISTRATIVE CIVIL PENALTIES

Section 16 of the bill amends section 309 to provide the Administrator of EPA with the authority to assess administrative penalties of up to $10,000/day for each violation of a Clean Water Act requirement. Thus, a discharger who violated three daily maximum permit limits on a day could be subject to a maximum penalty of $30,000 for that day's violations. The total maximum administrative penalty that may be assessed under this provision is $125,000 for an individual enforcement action.

The purpose of this provision is not to replace judicial enforcement but to add a complementary enforcement mechanism for more effectively and efficiently ensuring compliance with respect to violations that do not warrant the expenditure of judicial resources. In the past, issuance of administrative orders without penalties, as currently authorized under the Clean Water Act, has not always proven effective in obtaining compliance with the Act's requirements. Yet for many Clean Water Act cases, such as those involving easily proven and straightforward self-reported violations, the alternative of taking judicial action may not be the most efficient method of resolving the matter. By providing authority for administrative penalty assessment and resolution of factual issues at the agency level, this revision will allow institution of an enforcement mechanism which would minimize protracted litigation while ensuring due process and resolving issues in a more efficient and expeditious manner for all parties concerned. Furthermore, it is expected that permittees would be more likely to follow compliance schedules or other requirements set forth in conjunction with administrative penalty assessments.

In assessing an administrative penalty the Administrator is to take into account the seriousness of the violation(s), any economic benefit resulting from the violation, any history of such violations, any good faith efforts to comply with the applicable requirements, the economic impact of the penalty on the violator, and such other matters as justice requires.

An administrative penalty shall be assessed by the Administrator by an order made after the opportunity for a hearing. Because this authority is to be used in cases that are not expected to be factually complex or hotly contested, and in fact will often be based on discharge monitoring reports routinely submitted by the permittees, the administrative proceedings used for imposition of penalties need not be subject to all of the procedural requirements of full-blown adjudicatory hearings under the Administrative Procedures Act. However, administrative hearings must provide the violator with a reasonable opportunity to be heard and to present evidence according to appropriate procedural regulations promulgated by the Administrator. This provision provides EPA flexibility to use procedural rules appropriate to the violations at issue. Judicial review is not to be *de novo* review, but rather will be based upon whether the agency's finding of violation is supported by substantial evidence contained in the administrative record, and whether the assessment of penalty is an abuse of discretion.

Penalty orders issued under section 16, if paid, preclude subsequent enforcement action by either EPA or citizens with respect to the specific violations covered by an administrative order. Under the CWA, each day of violation is a separate violation. Accordingly, should violations continue after institution of an administrative proceeding, this section would not preclude injunctive actions by either EPA or citizens groups. However, this provision will avoid simultaneous and duplicative court and agency proceedings regarding the same violation.

This amendment explicitly confirms that the Administrator may impose civil administrative penalties for violations of any requirement imposed in a pretreatment program approved by the Administrator or a State under section 402(b)(8). A like provision has been added to the other civil enforcement provisions in section 309.

CIVIL PENALTIES

Section 17 of the bill amends sections 309 and 404 to increase the maximum daily penalty per violation from $10,000 to $25,000 and clarify that each distinct violation is subject to a separate daily penalty assessment up to $25,000. This increase in the maximum daily penalty would make the Clean Water Act consistent with maximum assessments authorized under other environmental statutes such as the CAA, TSCA and RCRA. The proposal would also amend sections 309 and 404 to expressly require the courts to consider a number of factors, including any economic benefit resulting from the violation, when assessing a penalty.

EMERGENCY ORDERS

Section 18 amends section 504 to authorize the Administrator to issue administrative orders to protect the public health and the environment from imminent and substantial endangerment. The proposal also provides sanctions for non-compliance with such an order. This authority presently is available under other statutes to address imminent and substantial endangerment problems and parallels judicial emergency order provisions.

CRIMINAL PENALTIES

Section 19 amends section 309(c) to provide that persons who knowingly violate certain Clean Water Act requirements are subject to criminal penalties of not less than $5,000 nor more than $50,000/day per violation and/or imprisonment for up to three years. These felony level penalties are more closely comparable with the levels of penalties provided for in the 1984 amendments to RCRA and reflect the commensurately serious misconduct currently found in violations being criminally prosecuted under the Clean Water Act. The three year maximum term of imprisonment contained in Section 309(c) for knowing violations is equal to the term of imprisonment authorized for Class E felonies under 18 U.S.C. § 3581 as adopted in the Comprehensive Crime Control Act of 1984. Existing misdemeanor penalties are retained to address those negligent violations which merit lesser punishment.

This section also adds to Section 309(c) enhanced felony penalties for certain life-threatening conduct. The concept of a knowing endangerment crime is found, as well, in Section 3008(e) RCRA, 42 U.S.C. § 6928(e). This new offense under the Clean Water Act is based upon violation of certain predicates in the Act. In the event of such knowing violation, the amendment subjects to greater punishment one who meets a certain standard of culpability: "who knows at that time that he thereby placed another person in imminent danger of death or serious bodily injury". The criminal penalties that apply upon conviction (up to 15 years imprisonment plus a fine of up to $250,000 for individuals, a fine of up to $1,000,000 for organizations) are equivalent to the RCRA knowing endangerment provision, as amended.

The reason for this addition is that the mishandling of dangerous materials in ways within the preview of this Act can pose substantial danger to public health and safety, just as in situations regulated by RCRA. Therefore, knowing endangerments through water regulated violations of federal law should be discouraged as strongly as possible and should be subject to extraordinary sanctions when they occur.

The differences between the knowing endangerment concept here and its earlier formulation in RCRA reflect intervening prosecutorial experience. For example, this provision does not have the unique state of mind definition found in the "Special Rule" in Section 3008(f)(1) of RCRA, because the unusual nature of that subsection has discouraged prosecutions under Section 3008(e). It is more appropriate that the "knowing" element of a violation be measured against the standard established by prevailing case law, as it is for any other federal crime sharing the same state of mind element. Also, there is no subsection corresponding to the "Special Rule" in RCFA Section 3008(f)(4) regarding defenses. That provision is an unnecessary restatement of existing criminal law and only raises a potential for misunderstanding and invites unnecessary litigation.

The maximum term of imprisonment contained in the provision of the current law penalizing the knowing making of false statements, representations and certifications, or tampering with monitoring equipment required under the Act, is increased from six months (a petty offense) to two years (a felony). The provision of doubling the maximum punishment with respect to both fine and imprisonment for second convictions under the same paragraph of the Act is extended to this provision.

Section 309(c) is extended to apply criminal sanctions to violations of the provisions of Section 405 governing disposal of sewage sludge. The amendment also integrates into section 309(c) the criminal enforcement of permits issued by the Secretary of the Army under section 404, thereby eliminating the need for current section 404(s)(4), which is repealed.

MARINE SANITATION DEVICES

Section 20 amends section 312 to remove federal marine sanitation devices [MSD] requirements for 65 feet or less in length, and to designate MSD requirements and enforcement for these vessels as exclusively a state responsibility.

Section 312 of the Act currently requires the installation of an MSD on all U.S. and foreign vessels which have installed toilet systems. The Act requires the EPA to issue standards of performance for MSDs and the Coast Guard to issue regulations for MSDs based upon EPA standards. Since the Coast Guard regulations became effective (1/30/75), with mandatory compliance 1/30/80, they have been the subject of much controversy. The Department of Transportation identified these regulations as being costly and controversial, and the regulations were targeted for review by the Vice-President's Task Force on Regulatory Review.

There is insufficient evidence to show that vessel sewage discharges particularly, from small vessels, constitutes a national environmental problem. Environmental impacts from vessel sewage discharges appear

to have only localized effects and should be dealt with on a state or local level. Further, current technology has not sufficiently progressed to provide inexpensive, reliable, and compact systems. The Coast Guard lacks the ability to adequately enforce the program, from both a resource and a practical point of view for recreational and small commercial vessels.

The amendment will allow states to regulate the discharge of sewage from vessels of sixty-five feet in length or less and permits interstate travel of such vessels without requiring additional equipment. The amendment will provide some relief to small vessel owners, allow state discretion and control of sewage discharge requirements from such vessels, and differentiate enforcement responsibility between the states and the Coast Guard.

GENERAL PERMITS

Section 21 of the bill amends section 402 to affirm the Administrator's authority to issue general as well as individual NPDES permits to dischargers. It will also affirm the State's ability to request authority under section 402(b) to issue general permits. This authority allows the Administrator or an approved State to regulate groups of dischargers with similar wastewater characteristics and effluent limitations. The Administrator or an approved State has the discretion to issue either individual or general permits depending on the circumstances.

Based on the specific characteristics of a group of facilities, e.g., toxicity of discharge, volume or rate of discharge, or water quality of the receiving waters, general permits can be used in a variety of ways to control their discharges. These could include a general permit with several different classes of dischargers or a general permit for the majority of dischargers and individual permits for a limited number of separate discharges in a category. Additionally, several different general permits could be issued, each with different effluent limits to authorize discharges from specific facilities within a group or category. To date, the general permit has proved to be an effective tool for controlling categories of similar discharges.

EPA has issued general permits authorizing discharges from several thousand facilities engaged in oil and gas production on the outer continental shelf, animal feedlots in several states, deep seabed mining activities, and seafood processing vessels. General permits may also be an appropriate mechanism for regulating stormwater discharges and sewage sludge (see section 23).

Affirming the Agency's authority under section 402 to issue general permits in lieu of individual permits will also make clear that general NPDES permits, like individual NPDES permits, are subject to the provisions of section 558(c) of the Administrative Procedures Act and thus can be administratively continued beyond their terms where the Agency has failed to reissue. This ability was questioned in a recent federal district court decision.

Section 402(1) is amended to eliminate the requirement to obtain a permit under this section for the introduction of logs into waters in connection with silvicultural activities, including log transfer facilities, which are subject to a plan approved pursuant to section 208 of this Act. Such water quality management plans need not separately identify log transfer operations, as long as such plans identify measures designed to control discharges generally from silvicultural activities which would encompass log transfer operations.

NPDES PERMIT TERM AND REOPENER

Section 22 amends section 402 of the Act to extend the present NPDES permit term under the Act from 5 years to no more than 10 years for permits with no modifications.

For the State and Federal agencies assigned the responsibility for issuing discharge permits, the extension of the permit term will reduce the annual permitting workload and serve as a management tool to ensure that large backlogs do not accumulate in the future. For the permittee, the longer term should generally provide more certainty over the longer period of time, thereby making investments in pollution control more economical.

The ten-year permit term is not intended to shield dischargers from requirements to comply with new technology or water quality-based standards that are promulgated during the term. Therefore, the amendment allows permit modification if new or revised requirements are established that are more stringent than the limitations in the permit. These modification provisions will ensure that changes in water quality standards or effluent guidelines can be incorporated into permits.

SEWAGE SLUDGE

Section 23 amends section 405 to make several significant changes in the regulation and disposal of sewage sludge. Subsection (e) expands the applicability of the 405(d) sludge use and disposal guidelines to "any person" and broadens the scope of the section beyond POTWs to also include any treatment works treating primarily domestic sewage. The purpose of the first change is to impose the guidelines on those that actually dispose of the sludge, which may not be the treatment works' owner or operator. The second change is intended to better reflect Congress' intent that section 405(d) requirements apply to septage treatment and disposal systems and privately and federally owned treatment works treating primary domestic wastes. It is not intended to extend 405 requirements to treatment works owned by industries which receive a portion of their flow from industrial manufacturing and processing.

The current language of the section does not specifically define compliance mechanisms. New subsection (f) is designed to provide for this by allowing the 405(d) guidelines to be imposed through the NPDES or a comparable Federal permit program, or through approved State permit authority. Either individual or general permits may be used. (See section 19 of this bill). To be "approved" a State's permit program must have substantive standards at least as stringent as those contained in the 405(d) guidelines. New subsection (f)(2) authorizes EPA to issue a separate permit solely to impose section 405(d) requirements if the treatment works, such as a land treatment system, does not require a discharge permit under one of the authorities listed in subsection (f)(1).

Subsection (f) is written to provide discretion in deciding whether to incorporate sludge standards into an existing permit, issue a permit solely to impose sludge standards, or not to issue a permit governing sludge use and disposal requirements for those facilities which are relatively insignificant sludge producers. This discretion does not affect current section 405 requirements for those facilities which are covered by this section but not issued sludge standards in a permit. The amendment thus allows EPA and States to focus case-by-case permitting attention on facilities that are significant sludge producers, while assuring that all other sludge producing and handling facilities remain subject to the 405(d) guidelines. All sludge users and disposers, including permittees, remain subject to the requirements of subsection (e) and the enforcement provisions of section 309.

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Section 24 amends the definition of "State" in section 502 and "United States" in section 311 to include the Commonwealth of the Northern Mariana Islands. Since the Act was last reauthorized in 1977, a portion of the Trust Territory of the Pacific Islands has been redesignated as the Commonwealth of the Northern Mariana Islands. Amending the definitions of the terms "State" and "United States" to include the Northern Marianas conform the Act to reflect the new status of the Commonwealth.

MUNITIONS

Section 25 amends Section 502 to exclude munitions used in the course of conventional military weapons training and testing from the definition of pollutions controlled under the Act. The purpose of this revision is to permit the military to conduct training activities without the necessity of obtaining an NPDES permit for the intentional or accidental discharge of projectiles into waters near or surrounding targets. Application for such a permit is time consuming and could lead to possible breaches in national security if application information is released.

INDIAN TRIBES

Section 26 amends the Act to authorize the Administrator to treat Indian Tribes as States for all purposes of the Act. The Administrator will promulgate regulations establishing criteria for participation of individual Tribes to limit the application of the statute to those federally recognized Indian Tribes having both a government and a reservation. The Administrator may also establish, in regulations, alternative treatment for Tribes under any provisions of the Act where the treatment as States would be inappropriate, administratively infeasible, or otherwise inconsistent with the objectives of the Act if applied identically to Tribes.

CITIZEN SUITS

Section 27 amends section 505 regarding citizen suits to provide better notice to the United States of citizen enforcement actions. The amendments require that copies of complaints be provided to both the Administrator and the Attorney General. This provision is needed because at present there is no systematic way for the government to keep track of suits that actually have been filed. The United States needs this notice so that it can determine whether intervention is necessary and so that it can follow a case to point out to a court where some ruling or decree would be inconsistent with the government's enforcement program or interpretation of the law. A similar provision was included in recent amendments to the Resource Conservation and Recovery Act.

The amendments also require that copies of proposed consent decrees be provided to the Attorney General and to the Administrator. Because of limited governmental enforcement resources, and the need to prevent any inference that the government could be bound by the agreement or actions of private parties, the provision specifically disclaims any ability of private parties to

bind the government through private enforcement actions.

The notice of proposed consent decrees will help to encourage more consistent enforcement settlements. More importantly because the Clean Water Act provides for assessments of civil penalties in private suits, certain abuses have occurred, including the attempt to settle penalty claims through payments to private parties rather than to the United States Treasury, and attempts to bind the government from future enforcement action. This notice provision will better allow the United States the opportunity to identify, to challenge and to deter, as much as possible, problems such as these.

REPORT TO CONGRESS

Section 28 repeals Section 6 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 nt.) which requires the Secretary of Commerce to report annually to Congress on the international trade impacts of water pollution control expenditures. This report requirement duplicates information in the Economic Report of the President and in the Annual Report of the Council of Economic Advisors.

COMPARISON OF POTENTIAL ALLOTMENT FORMULA TO CURRENT CLEAN WATER ACT FORMULA

[New formula specifications: 1984 needs survey; needs: phased/segmented facilities; categories: I, II, IIIA, IVB, (final tape); reliability level: all]

State	Potential allotment formula	Current CWA allotment formula	Difference	Potential allotment	Current allotment	Difference
Alabama	0.005102	0.011398	−0.006296	12,243,984	27,355,000	(15,111,016)
Alaska	.008692	.006101	.002591	20,861,530	14,642,000	6,219,530
Arizona	.015068	.006885	.008183	36,162,131	16,524,000	19,638,131
Arkansas	.004061	.006668	−.002607	9,745,881	16,003,000	(6,257,119)
California	.046822	.072901	−.026079	112,372,259	174,964,000	(62,591,741)
Colorado	.002348	.008154	−.005806	5,635,303	19,569,00	(13,933,697)
Connecticut	.002472	.012487	−.010015	5,932,476	29,969,000	(24,036,524)
Delaware	.000000	.004965	−.004965	0	11,916,000	(11,916,000)
District of Columbia	.017829	.004965	.012864	42,788,648	11,916,000	30,872,648
Florida	.026468	.034407	−.007939	63,522,773	82,577,000	(19,054,227)
Georgia	.009949	.017234	−.007285	23,878,333	41,362,000	(17,483,667)
Hawaii	.006837	.007895	−.001058	16,408,232	18,948,000	(2,539,768)
Idaho	.004391	.004965	−.000574	10,537,547	11,916,000	(1,378,453)
Illinois	.033930	.046101	−.012171	81,431,682	110,643,000	(29,211,318)
Indiana	.011294	.024566	−.013272	27,104,717	58,959,000	(31,854,283)
Iowa	.021037	.013796	.007241	50,489,831	33,110,000	17,379,831
Kansas	.000000	.009201	−.009201	0	22,082,000	(22,082,000)
Kentucky	.024604	.012973	.011631	59,049,567	31,135,000	27,914,567
Louisiana	.011450	.011205	.000245	27,479,607	26,892,000	587,607
Maine	.004093	.007788	−.003695	9,823,758	18,691,000	(8,867,242)
Maryland	.030483	.024653	.005830	73,158,449	59,168,000	13,990,449
Massachusetts	.006273	.034608	−.028335	15,054,071	83,060,000	(68,005,929)
Michigan	.089084	.043829	.045255	213,801,184	105,191,000	108,610,184
Minnesota	.018179	.018735	−.000556	43,630,321	44,964,000	(1,333,679)
Mississippi	.001196	.009184	−.007988	2,870,604	22,041,000	(19,170,396)
Missouri	.028974	.028257	.000717	69,536,789	67,817,000	1,719,789
Montana	.000775	.004965	−.004190	1,860,120	11,916,000	(10,055,880)
Nebraska	.009438	.005214	.004224	22,651,896	12,513,000	10,138,896
Nevada	.005716	.004965	.000751	13,717,269	11,916,000	1,801,269
New Hampshire	.014765	.010186	.045579	35,435,760	24,446,000	10,989,760
New Jersey	.093122	.041654	.051468	223,493,714	99,970,000	123,523,714
New Mexico	.006723	.004965	.001758	16,136,380	11,916,000	4,220,380
New York	.128439	.113097	.015342	308,254,182	271,436,000	36,818,182
North Carolina	.002964	.018396	−.015432	7,113,206	44,151,000	(37,037,794)
North Dakota	.000620	.004965	−.004345	1,488,096	11,916,000	(10,427,904)
Ohio	.074103	.057383	.016720	177,848,158	137,721,000	40,127,158
Oklahoma	.008253	.008235	.000018	19,807,728	19,764,000	43,728
Oregon	.007335	.011515	−.004180	17,603,295	27,636,000	(10,032,705)
Pennsylvania	.010399	.040377	−.029978	24,957,616	96,906,000	(71,948,384)
Rhode Island	.004080	.006750	−.002670	9,792,703	16,200,000	(6,407,297)
South Carolina	.000734	.010442	−.009708	1,760,584	25,061,000	(23,300,416)
South Dakota	.001564	.004965	−.003401	3,754,480	11,916,000	(8,161,520)
Tennessee	.004122	.014807	−.010685	9,893,353	35,537,000	(25,643,647)
Texas	.048583	.038726	.009857	116,599,572	92,943,000	23,656,572
Utah	.007830	.005371	.002459	18,792,625	12,890,000	5,902,625
Vermont	.001728	.004965	−.003237	4,148,163	11,916,000	(7,767,837)
Virginia	.013976	.020861	−.006885	33,542,356	50,067,000	(16,524,644)
Washington	.012037	.017726	−.005689	28,889,827	42,542,000	(13,652,173)
West Virginia	.001117	.015890	−.014773	2,680,930	38,136,000	(35,455,070)
Wisconsin	.070213	.027557	.042656	168,510,611	66,137,000	(102,373,611)
Wyoming	.000957	.004965	−.004008	2,295,687	11,916,000	(9,620,313)
American Samoa	.000000	.000915	−.000915	0	2,196,000	(2,196,000)
Guam	.000000	.000662	−.000662	0	1,588,000	(1,588,000)
Northern Marianas	.000000	000425	−.000425	0	1,020,000	(1,020,000)
Puerto Rico	.039179	.013295	.025884	94,028,420	31,908,000	62,120,420
Trust Territories	.000000	001305	−.001305	0	3,132,000	(3,132,000)
Virgin Islands	.000593	000531	.000062	1,423,597	1,274,000	149,597
Total	1.000000	.999996	.000004	2,400,000,000	2,400,000,000	0

By Mr. GRASSLEY:

S. 794. A bill to establish a Presidential Advisory Panel for coordination of Government debt collection and delinquency prevention activities; to the Committee on Governmental Affairs.

PRESIDENTIAL ADVISORY PANEL FOR COORDINATION OF GOVERNMENT DEBT COLLECTION AND DELINQUENCY PREVENTION ACTIVITIES ACT

● Mr. GRASSLEY. Mr. President, I rise today to intoduce a bill to establish a Presidential Advisory Panel for coordination of Government debt collection and delinquency activities.

It is obvious that the U.S. Government must improve its debt collection procedures. Time and time again, studies by numerous Federal agencies have pointed out the shortcomings and poor record of current Government debt collection procedures. The Government Accounting Office reports that some 24 Government agencies have failed to rigorously collect the billions of dollars owed them.

At the beginning of fiscal year 1984, the total debt owed to the Federal Government was over $313 billion. Of that $313 billion, some $40 billion was delinquent, $25 billion being delinquent and defaulted loans. this masive $40 billion figure does not even include delinquent taxes owed to the IRS, which increased from approximately $8 billion to $28 billion in a 5-year period. In fiscal year 1983, Federal agencies wrote off as uncollectable the atrocious sum of $3.1 billion.

Today, with a deficit approaching $225 billion in fiscal year 1985, it is totally unacceptable for the Government to continue to ignore or write off these debts when the American people expect, deserve, and demand fiscal responsibility and sound business practices from their Government.

My proposal would create a panel of experts from the private sector to evaluate Federal policies on debt collection and delinquency prevention. It would develop and recommend new

policies and procedures on debt collection and delinquency prevention and would establish training manuals to increase the efficiency of employees involved in collection activities.

The panel would be temporary, submitting a final report to the President and the Congress within 18 months after its first meeting, and terminating 30 days after submission of its report.

With the deficit growing larger day by day, with the national debt getting larger day by day, it is absolutely vital that we do a better job of collecting what is owed to the American people. There is a large pool of talent available in the private sector for advising the Government on better ways to collect these debts and prevent future delinquency, and we should take advantage of this expertise at the Federal level. This bill merits the support of my colleagues because of the potential for making a very positive contribution for Federal debt collection activities.●

By Mr. EXON:

S. 795. A bill to amend section 13(i) of the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

AMENDING THE FEDERAL DEPOSIT INSURANCE ACT

Mr. EXON. Mr. President, the purpose of my amendment is to provide some equity and fairness in the way that Federal bank regulators deal with agricultural banks and their customers.

We are all very aware of the unprecedented and comprehensive protection that the FDIC extended to the depositors of Continental Illinois, as well as the consideration that has been given to foreign creditors through the money center banks. My amendment will give the FDIC an additional tool to work with troubled agricultural lenders. It will also send the FDIC the message that we want them to work with these lenders and to go the extra mile to avoid a forced merger or liquidation.

My amendment will make it possible for agricultural lenders to participate in the Net Worth Assistance Program. That program was established in 1982 as part of the Garn-St Germain Depository Institutions Act. It was intended to provide capital assistance to troubled lenders with a strong commitment to home lending. Many of these lenders were in serious trouble 3 years ago because they had a number of low-interest mortgages during a period of high interest rates. To qualify for assistance, the lender must have incurred losses for at least two quarters which were not caused by speculation or mismanagement, must have at least 20 percent of its loans in home mortgages, and must meet the statutory test for distress.

Under current law, the Net Worth Assistance Program is limited to the home mortgage area. My amendment will extend the program to agricultural lenders.

The amount of aid a lender receives is based on its net worth and its actual losses, as determined by the Federal regulators. If a lender qualifies for the program, the aid is in the form of a paper for paper exchange. The lender issues a net worth certificate which is purchased by the FDIC with a promissory note. The lender receives no cash so there is no cost to the Treasury. The promissory note is retired as the lender's capital position improves. The only circumstance where Federal dollars are involved is in the event of the liquidation of the lender, when the normal guarantee provisions of the FDIC and the FSLIC are triggered. Basically, this program is an accounting tool whereby a troubled lender can keep its doors open, raise outside capital and restructure in order to improve its financial condition.

Under my amendment, if a lender had at least 20 percent of its loans in agriculture and it met the test included in the statute for being a distressed bank, it could qualify for the Net Worth Assistance Program.

Mr. President, under current law, an institution can qualify for the Net Worth Assistance Program if it has net worth equal to or less than 3 percent of its assets. As a practical matter, due to this test, thrifts have been the only institutions that have been able to participate in the program. This is because commercial banks are required to have a minimum capitalization roughly double that required for thrifts. My amendment will insert a separate test for troubled agricultural lenders. These lenders would qualify for the program if they had a net worth less than 6 percent or a higher percentage if required to maintain such a higher percentage by a State or Federal regulator.

Mr. President, a significant number of agricultural lenders face serious problems because of high interest rates, the high value of the dollar and the depressed market for farmland. In the last 18 months, 9 banks in my State have been closed. As a result of these closing, hundreds of farmers now must deal with the FDIC on their outstanding loans, rather than their local banker.

Across the Nation, agricultural bankers face the difficult choice of foreclosing on farmers or risking their own liquidation or forced merger by bank regulators. Mr. President, if the FDIC can guarantee all of the deposits of Continental Illinois, it should be willing to go the extra mile with small rural banks to give them a chance to work through these difficult economic times.

Over the last several months, I have met with Federal Reserve Chairman Volcker and FDIC Chairman Isaac, to discuss the problems that rural lenders and their customers are having. I have received assurances that these agencies would be sensitive to the problems we face in rural America. My amendment will give them an additional tool to work with these lenders.

Mr. President, my amendment doesn't create any new programs or impose any new duties on the FDIC. It doesn't cost the Treasury anything because it involves simply a paper for paper exchange between the lender and the FDIC. My amendment simply extends the existing net worth assistance program to troubled agricultural lenders.

It is not my intent to bail out banks that have been poorly managed. This amendment will not do that. However, it will give some distressed agricultural lenders an opportunity to keep their doors open and to work to get their financial condition in order.

I ask unanimous consent that a copy of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(i) of the Federal Deposit Insurance Act (12 U.S.C. 1823(i)) is amended by adding at the end thereof the following new paragraph:

"(14)(A) The Corporation is authorized to use the authority contained in this subsection to purchase net worth certificates of any qualified institution which—

"(i) has investments in agricultural loans aggregating at least 20 per centum of its loans; and

"(ii) otherwise satisfies the requirements of this paragraph.

"(B) In any case in which a qualified institution described in subparagraph (A) is required to maintain a net worth greater than 6 per centum by any State or Federal banking agency, the Corporation shall be required to consider purchasing net worth certificates as an alternative to a merger, purchase and assumption, liquidation, or any other similar action.

"(C) For purposes of this paragraph, the term 'qualified institution' means a qualified institution within the meaning of paragraph (2), except that for the purpose of this paragraph, an institution—

"(i) satisfies the requirements of paragraph (2)(A) if such qualified institution has a net worth less than—

"(I) 6 per centum; or

"(II) such higher percentage as it may be required to maintain by any State or Federal banking agency;

"(ii) is not required to satisfy the requirements of paragraph (2)(F);

"(iii) satisfies the net worth requirements of paragraph (5)(A) if such qualified institution has a net worth greater than 6 per centum;

"(iv) satisfies the net worth requirements of paragraph (5)(B) if such qualified institu-

tion has a net worth greater than 4 per centum and less than or equal to 6 per centum; and

"(v) satisfies the net worth requirements of paragraph (5)(C) if such qualified institution has a net worth greater than zero and less than or equal to 4 per centum.

"(D) For the purpose of this paragraph, the term 'net worth' means the ratio of capital to adjusted total assets.

"(E) For purposes of this paragraph, the term 'agricultural loan' includes all secured and unsecured loans, credit sales, forbearances, advances, renewals, or other extensions of credit made to any person or organization engaged in the production of agricultural products or made to farm cooperatives and for an agricultural purpose, as defined by the Corporation.".

By Mr. HATCH (for himself, Mr. THURMOND, Mr. WALLOP, Mr. GRASSLEY, Mr. ABDNOR, Mr. DENTON, Mr. EAST, Mr. HECHT, Mr. LAXALT, Mr. MATTINGLY, Mr. MCCLURE, and Mr. WILSON):

S. 797. A bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standards Act of 1938 which shall terminate on September 30, 1987, and for other purposes; to the Committee on Labor and Human Resources.

YOUTH EMPLOYMENT OPPORTUNITY WAGE ACT

● Mr. HATCH. Mr. President, we have a problem—a big problem. Twenty percent of our Nation's youth are unemployed, a percentage which is more than double that of overall unemployment in our country. The severity of the problem has remained remarkably constant since the 1970's.

We have a number of programs aimed at solving the problem of youth unemployment: JTPA, TJTC, and reduced "student learner" wages for specified employers, to name a few. As helpful as these programs are, the problem still exists. It is time to try a new approach.

The problem will not disappear. Like a cancer, it can get worse. Unemployment among youths may result in more discouraged, unskilled workers in the future—these teenaged unemployed workers may become 20- and 30-year-old employment seekers who will have little to fill a résumé. Moreover, these unemployed teenagers will miss out on the essential part of their education which employment would provide. A job is of inestimable value in teaching acceptance of responsibility and self-discipline, as well as in helping a young person earn self-esteem. Many youth today do not have the benefit of this preparation.

Sadly, too, this problem has other dimensions. First of all, among minority youths, the unemployment rate is more than double that of youth in general. The rate hovers around an unthinkable 45 percent and even approaches an appalling 75 percent in some areas of the Nation. Second, this problem is not diminished with the passage of the baby-boom generation through the teenage labor market, as has been suggested. If we accept this proposition and wait for time to heal this wound, we should not be surprised when the children of baby-boomers become unemployed.

The bill that I am sponsoring, proposed by President Reagan, is an attempt to alleviate the tragic problem of youth unemployment. It provides a 3-year trial of the youth wage concept, allowing youth to accept summer employment at a wage of $2.50 per hour. The bill would create opportunities for youth to gain valuable experience and increased self-esteem, as well as to earn money.

Now, some have said that a youth opportunity wage will result in unemployment for adult workers. This is not true. The jobs which these young people will be offered are jobs which, for the most part, would not even exist without the summer youth differential wage; these are jobs which the minimum wage priced out of the market. Furthermore, the wage applies only for the summer months, from May through September, making it totally unfeasible for employers to replace already trained and loyal adult and youth employees with inexperienced workers. Should a business be blind to the economic downside of such substitution, the law contains severe penalties for any business which violates the intent of the proposal.

Another criticism of the Youth Employment Opportunity Wage Act is that it is in opposition to principles of equal pay for equal work. In other words, a youth wage supposedly discriminates against youth by paying them lower wages than adult workers performing the same tasks. The question to be asked here is whether the work is really equal. The jobs which will be performed by teenagers are jobs which were priced out of the market by the $3.35 per hour minimum wage—they are not the same jobs that are currently being performed for the minimum wage. Moreover, any consideration of this argument against the subminimum wage must take into account the fact that young people taking advantage of the subminimum wage will be gaining on-the-job training, experience, and references of immeasurable worth. This training renders the actual value of the subminimum wage much higher than the visible $2.50 per hour. Masanori Hashimoto, professor of economics and public affairs at the University of Washington, suggests that this on-the-job training is more valuable than the extra 85 cents per hour that a teenager without a job would not have earned anyway. On-the-job training is an investment in human capital which gives the worker greater productivity and, therefore, earning power, in later years.

Critics of this bill have also suggested that the minimum wage is already a poverty level wage and that we should increase the minimum wage rather than consider a "subminimum" wage. Unfortunately, to do so would decrease the number of jobs available overall, but particularly entry-level jobs or jobs requiring only minimal skills. Basic laws of supply and demand illuminate this fact. With a higher minimum wage, youth unemployment would be even more horrendous than it is already. It follows that with a lower minimum wage, such as the proposed youth opportunity wage, the demand for labor to perform certain currently overpriced tasks would increase. This increased demand would provide summer jobs for youths who would otherwise be earning no wage at all. For those youths who are worth more in the labor force than $2.50 per hour, there will still be the opportunity for them to command higher wages, just as the opportunity currently exists for more highly skilled workers to acquire jobs which pay more than the minimum wage. Youth will not be "locked in" to a $2.50 job any more than most adults are "locked in" to a $3.35 job.

From the above discussion, it is apparent that the benefits of this new approach far outweigh any imaginary disadvantages, that is unless we are so insensitive that we ignore a potentially successful solution to the tragedy of youth unemployment. I hope this is not the case, and I am not alone. Various groups from across the Nation have given their support to this measure and have worked for its adoption. These groups include the National Conference of Black Mayors, the American Farm Bureau, the American G.I. Forum, the National Association of Cuban-American Women and Men, and the National Federation of Independent Business, to name only a few. The support of the National Conference of Black Mayors is especially indicative of the support for this bill; these mayors are representative of community leaders across the Nation who face the problem of youth unemployment on a personal, local level. They see the manifestation of statistics which may be only numbers to other people—they see the 20 percent overall youth unemployment and the 45 percent minority unemployment every day. They are ready to address this issue seriously. They are anxious to give the youth wage concept a chance. Are we in Congress unwilling to try?

It's time for a change, for something new—and it's past time for a reduction in the alarming rate of unemployment among our Nation's youth.

Mr. President, the Youth Employment Opportunity Wage Act is a feasible solution, a way out of hopelessness for hundreds of thousands of youth. I urge all Senators to support it and invite them to join us as cosponsors.

I ask unanimous consent that the text of the Youth Employment Opportunity Wage Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Youth Employment Opportunity Wage Act of 1985".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) one of the Nation's most serious and longstanding problems is providing adequate employment opportunities for our young people;

(2) many youth are unemployed because they lack the job skills to earn the minimum wage which has the effect of pricing unskilled youth out of the job market;

(3) a youth employment opportunity wage could make it possible for employers to expand job opportunities for young people during a period of special need—when young people are looking for summer jobs; and

(4) such a program has never been adequately tested and that there should be a demonstration period for a youth employment opportunity wage in order to allay any doubts as to the ameliorative impact of the youth wage.

(b) It is therefore the purpose of this Act to provide a period during which a youth employment opportunity wage can be paid by employers, and evaluated for its effectiveness in creating employment opportunities and helping young people develop job skills.

AMENDMENT TO THE FAIR LABOR STANDARDS ACT OF 1938

SEC. 3. Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end thereof the following new subsection:

"(g)(1) Notwithstanding any provision of this Act (except for the first sentence of section 18(a)), during the period from May 1 through September 30 of each year, an employer may employ any person who is under 20 years of age at a wage not less than $2.50 per hour or 75 per centum of the otherwise applicable wage rates established pursuant to this section, section 8 or subsection (e) of section 5, whichever is less. No special certificate shall be required under section 14 for an employee who is employed in accordance with this subsection. All references in any other law to the Federal minimum wage under section 6(a)(1) of this Act shall be interpreted as referring to the wage established by this subsection with respect to the employment covered by this subsection.

"(2) This subsection shall not affect requirements for compliance with applicable child labor laws or recordkeeping requirements. This subsection shall only be applicable to hours worked by eligible employees in compliance with applicable child labor laws.

"(3) This subsection shall not, with respect to any year, be applicable to any youth who has been employed by the employer at any time during the 90-day period prior to May 1 of such year.

"(4) No employer shall discharge, transfer or demote any employee of such employer who is ineligible for the wage established by this subsection, on account of such ineligibility, for the purpose of employing a person eligible for such wage, and any such discharge, transfer or demotion shall be deemed a violation of section 15(a)(3).".

AMENDMENT TO THE JOB TRAINING PARTNERSHIP ACT

SEC. 4. Section 142(a) of the Job Training Partnership Act (29 U.S.C. 1552) is amended by adding after paragraph (3) the following new paragraph:

"(4) Notwithstanding paragraphs (2) and (3) of this subsection, individuals who would be paid wages during the period from May 1 through September 30 of any calendar year who have not attained 20 years of age before May 1 of the year shall be paid at not less than the higher of (A) the minimum wage provided under section 6(g) of the Fair Labor Standards Act of 1938, or (B) the minimum wage under the applicable State or local minimum wage law.".

MONITORING PROVISION

SEC. 5. The Secretary of Labor shall monitor the implementation of this act and shall prepare and submit to the Congress a report concerning the employment effects of the youth employment opportunity wage, and such other information and recommendations as the Secretary of Labor determines to be appropriate.

TERMINATION

SEC. 6. The amendments made by this Act shall not apply with respect to hours worked after September 30, 1987.●

Mr. THURMOND. Mr. President, I am pleased to reiterate my support for efforts to reduce unemployment among the youth of this Nation through meaningful, job-creating incentives. The Youth Employment Opportunity Wage Act of 1985, which I have joined with Senator HATCH and others in introducing today, is identical to S. 2687 from the 98th Congress, and provides such incentives.

Mr. President, the high rate of unemployment among the youth of this Nation—particularly among our black youth—is a problem that has existed and worsened over a period of many years. While this country is enjoying one of the strongest economic recoveries of the postwar period, with the number of unemployed reduced by 3.7 million, many past programmatic efforts by the Federal Government to address the problem of unemployment among our low-income and minority youth, while well intended, have had minimal effects.

Regrettably, Congress has rejected previous proposals to allow a reduced minimum wage to be paid to young people. Yet, the opponents of this legislation continue to complain about high unemployment among the disadvantaged youth this legislation and past proposals were designed to help. Low-income youth, particularly minorities, would benefit the most from an increase in summer jobs, which this legislation is specifically designed to encourage. Studies have shown that it is these groups who have been most limited in their efforts to secure entry level employment due to the minimum wage. For these reasons, I believe that enactment of this legislation is long overdue.

While no one can predict with certainty the number of new jobs that will be available to teenagers if this legislation is enacted, some projections from experts estimate that over 400,000 new summer jobs for youth would result. It is this type of job-creating potential that is responsible for the broad-based support this legislation is receiving from a wide range of organizations and individuals. For example, last Thursday, at the eighth annual dinner of the Joint Center for Political Studies, the keynote speaker, Mr. Andrew F. Brimmer, endorsed the idea of a two-tier minimum wage system, describing it as a way for our youth to "get their foot in the door."

Many of the arguments which, in the past, have been offered in opposition to the youth subminimum wage have been addressed in this legislation. For example, some have expressed concern that enactment of this legislation will result in employers replacing adults with subminimum wage youth. However, this legislation includes stiff penalties for those who would conduct such practices. It is also important to note that this program is only for teenagers and only for the summer months. The results of the temporary program are to be thoroughly evaluated and reported to Congress.

Additionally, this legislation is not designed to lower the minimum wage for young people who are supporting a family or who are working their way through college. In the marketplace, these higher skilled individuals generally will continue to command an earnings premium equal to or exceeding the minimum wage. Rather, it is designed to find summer work for those lesser skilled teenagers who need initial work experience and who otherwise would have no way of starting up the job ladder.

Mr. President, I firmly believe the youth of this Nation are its greatest resource and are deserving of a chance to share in the American dream. The Youth Employment Opportunity Act of 1985 presents an opportunity for many young Americans to get desperately needed employment starts toward realization of their dreams. I encourage my colleagues to join with us in supporting this important legislation.

● Mr. DENTON. Mr. President, I rise in strong support of the measure introduced by the distinguished junior Senator from Utah [Mr. HATCH]. The Youth Employment Opportunity

Wage Act of 1985 contains a jobs program that makes sense.

We know that employers are often reluctant to hire unskilled young people at the current minimum wage. By passing this legislation, we will give employers a real incentive to hire and train young people who might not otherwise have the opportunity to gain work experience and a paycheck.

It is not surprising, therefore, that the proposal has gained the support of political and community leaders from across the political spectrum. Those leaders realize that the best hope for America's future lies in promoting job opportunities for teenagers.

It is not simply a question of economics. Serious social problems are created by youth unemployment. There is a definite correlation between juvenile crime and unemployment among young people. On the other hand, youthful employment teaches responsibility, budgeting skills, and the importance of economic independence. Most of us can remember well the great value of our own early employment and realize that we want our young people today to enjoy those same benefits.

Some people are worried that by creating a youth minimum wage differential we will harm adult workers. I emphasize, therefore, that this measure contains several important safeguards. First, it would create a temporary program, and would require a report by the Secretary of Labor on the efficacy of a youth wage differential.

Second, the bill contains prohibitions against, and penalties for, displacing adult workers by substituting lower cost youth employees. Moreover, the program would not apply to any young person who has been employed by the employer at any time during the 90-day period prior to May 1 of the years during which the program would be in effect.

Those protections should ensure the integrity of the existing minimum wage, provide employers with incentives to hire teenagers, and give us an opportunity to experiment boldly with a new type of jobs program, one that does not add to the Federal deficit.

In short, Mr. President, I urge my colleagues to support the measure as a way of helping the 18.4 percent of our teenagers who are unemployed. If we act soon, I know that, in my own home State of Alabama, thousands of teenagers could benefit from the program this summer.

We should not let pass another summer during which millions of teenagers face the discouragement and frustration of unemployment. Let us instead use the power of the marketplace to tap the tremendous resource represented by our Nation's young people.●

● Mr. ABDNOR. Mr. President, I am pleased to again join with the distinguished chairman of the Senate Labor and Human Resources Committee in introducing legislation which would create a youth opportunity wage in our Nation. I believe that this legislation would create greater economic opportunities for the youth of our Nation.

Given that unemployment rates for youth currently exceed 18 percent, I believe that prompt action must be taken by the Congress to assure that these youngsters have an opportunity to obtain employment during the coming summer months.

It is estimated that the legislation which we are introducing today would create an additional 640,000 jobs for the youth of our Nation. The great thing about this bill is that no one suffers. Our youth gain a paying job and work experience; our businesses gain an extra "hand"; and the community gains in a lowered youth unemployment rate.

Moreover, the summer program would be an experimental one, expiring in September 1987 when Congress would review the program to judge its accomplishments. The wage would be set at 75 percent of the minimum wage or $2.50 an hour for youths 20 years of age or under. It would, also, restrict employers from any misuse of the program or from reducing other employees salaries if they were not part of the summer employment program.

Mr. President, I believe that this legislation can provide remarkable opportunities for the youth of South Dakota and the Nation. I commend my colleague from Utah, Mr. HATCH, for his untiring efforts to assist the youth of our Nation in obtaining employment opportunities during the summer months.●

By Mr. McCLURE:

S. 800. A bill to increase the maximum dollar amount limitation on deductions allowed under the Internal Revenue Code of 1954 for contributions to an individual retirement account of a spouse and to provide that the limitation relating to the amount of compensation received shall be computed on the basis of the combined compensation of a husband and wife; to the Committee on Finance.

INCREASE IN MAXIMUM CONTRIBUTION TO AN IRA

Mr. McCLURE. Mr. President, today I am introducing legislation to increase the maximum annual dollar amount limitation on deductions for contributions to an individual retirement account [IRA]. This bill will expand the spousal IRA to $2,000 and allow nonworking spouses the same opportunity to prepare for retirement as the working spouse. It seems to me that nonworking spouses need a retirement plan more than anyone else, since they do not have the earnings to build up a pension or other supplement to Social Security.

During 1983, contributions to individual retirement accounts [IRA's] added $10 billion to new U.S. savings. Toward the end of 1984, only 3 years after IRA requirements were liberalized, 23 million households had opened retirement accounts. The IRA Program is aiding a great number of Americans in establishing retirement programs. In addition, these new savings ensure an undistorted flow of stable, long-term capital to finance industry, commerce and agriculture.

Mr. President, these glowing figures do not fully address the potential long-term economic benefits. If spousal IRA's were allowed to increase to match the existing IRA's, millions of dollars more would go into savings and be available for use in financing economic growth.

The Investment Company Institute recently released a study estimating that as many as 5 million households might open or expand a spousal IRA if the ceiling were raised to $2,000. When asked how they would react to expanding the spousal IRA, over one half of those interviewed indicated they would add to their existing accounts. One fourth of the respondents said they would open an account because it would be of a size that seemed worthwhile.

Many question if the IRA has generated any new savings or if the IRA is merely a substitute for past savings programs. The Investment Company Institute study shows that 10 percent of those who indicated they would open an IRA would have spent all of this money. Another 40 percent said they would have spent some and saved some. These findings show that the United States has realized a net increase in savings which will make additional capital available for growth.

Mr. President, this body passed a spousal increase last year and other proposals have been introduced this session. I think it is time we expand the spousal IRA to $2,000 and equitably treat both working and nonworking spouses.

I ask unanimous consent that the text of my bill and statement appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN MAXIMUM ANNUAL DOLLAR AMOUNT LIMITATION ON DEDUCTION FOR CONTRIBUTION TO A SPOUSE'S INDIVIDUAL RETIREMENT ACCOUNT; COMBINED COMPENSATION OF HUSBAND AND WIFE TO BE TAKEN INTO ACCOUNT.

(a) IN GENERAL.—Subsection (c) of section 219 of the Internal Revenue Code of 1954

(relating to special rules for certain married individuals) is amended to read as follows:

"(c) SPECIAL RULES FOR CERTAIN MARRIED INDIVIDUALS.—

"(1) IN GENERAL.—In the case of an individual to whom this paragraph applies with respect to the taxable year, the amount allowable as a deduction under subsection (a) for such taxable year shall not exceed the lesser of—

"(A) $2,000, or

"(B) the sum of—

"(i) the compensation includible in such individual's gross income for the taxable year (if any), and

"(ii) the compensation includible in the gross income of such individual's spouse for the taxable year reduced by the amount allowable as a deduction under subsection (a) to such spouse for such taxable year (determined without regard to so much of the employer contributions to a simplified employee pension as is allowable by reason of paragraph (2) of subsection (b)).

"(2) INDIVIDUAL TO WHOM PARAGRAPH (2) APPLIES.—Paragraph (1) applies to an individual if—

"(A) such individual files a joint return for the taxable year, and

"(B) the amount of compensation includible in such individual's gross income for the taxable year (if any) is less than the compensation includible in the gross income of such individual's spouse for the taxable year.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1984.

By Mr. HATCH:

S. 801. A bill to authorize appropriations for the National Science Foundation for fiscal year 1986; to the Committee on Labor and Human Resources.

NSF AUTHORIZATION

● Mr. HATCH. Mr. President, I am pleased to introduce the National Science Foundation Authorization Act for fiscal year 1986. As all Senators know, the NSF is our Nation's lead agency for basic research in both the natural and social sciences. NSF also plays a significant role in science and engineering education at both the precollege and collegiate levels. The importance of NSF's mission is underscored by the necessity of American science and technology to keep pace with our international competition, and such developments cannot occur without the underpinning of solid basic research.

The bill I am introducing, submitted by the administration, calls for nominal growth in NSF's budget, an increase of 4.4 percent over last year's program level. This increase is spread over all but one of NSF's research directorates. Because this is a very tough budget year, we can afford no more even though the cause is worthy.

The bill also includes various amendments to the NSF Organic Act of 1950 which were recommended by the National Science Board to improve the efficiency of NSF operations and to remove several provisions which have become redundant. The administration has also proposed making changes which officially incorporate the field of engineering as part of NSF's mission statement. These changes were earlier suggested in the Senate by Senator QUAYLE, and were adopted by the Labor and Human Resources Committee last year as an amendment to S. 2521.

Mr. President, I will not take time to detail all the provisions. Instead, I ask unanimous consent that a copy of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science Foundation Authorization Act of Fiscal Year 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) There is authorized to be appropriated to the National Science Foundation $1,568,400,000 for the fiscal year 1986.

(b) Funds authorized for the fiscal year 1986 will be available for the following categories:

(1) Mathematical and Physical Sciences, $428,970,000.

(2) Engineering, $170,070,000.

(3) Biological, Behavioral, and Social Sciences, $272,050,000.

(4) Astronomical, Atmospheric, Earth and Ocean Sciences, $372,170,000.

(5) Scientific, Technological, and International Affairs, $38,360,000.

(6) Advanced Scientific Computing, $46,230,000.

(7) Program Development and Management, $69,900,000.

(8) United States Antarctic Program, $120,100,000.

(9) Science and Engineering Education, $50,550,000.

AVAILABILITY

SEC. 3. Appropriations made under authority provided in sections 2 and 5 shall remain available for obligation for periods specified in the Acts making the appropriations.

OFFICIAL EXPENSES

SEC. 4. From appropriations made under authorizations provided in this Act, not more than $3,500 for fiscal year 1986 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the National Science Foundation. The determination of the Director shall be final and conclusive upon the accounting officers of the Government.

FOREIGN CURRENCY AUTHORIZATION

SEC. 5. In addition to the sums authorized by section 2, not more than $1,000,000 for fiscal year 1986 are authorized to be appropriated for expenses of the National Science Foundation incurred outside the United States, to be drawn from foreign currencies that the Treasury Department determines to be excess to the normal requirements of the United States.

TRANSFERS AUTHORIZED

SEC. 6. Funds may be transferred among the categories listed in section 2(b), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 2. The Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amounts authorized for that category in section 2. An explanation of any such proposed transfer must be transmitted to the Speaker of the House, the President of the Senate, the Senate Committee on Labor and Human Resources, and the House Committee on Science and Technology. The proposed transfer may be made when thirty calendar days have passed after submission of the written proposal.

NATIONAL SCIENCE FOUNDATION ADMINISTRATIVE AMENDMENTS

SEC. 7. (a) The last sentence of section 4(e) of the National Science Foundation Act of 1950 is amended by striking out "by registered mail or certified mail to his last known address of record.

(b) Section 5(e) of the National Science Foundation Act of 1950 is amended to read as follows:

"(e)(1) The Director may make grants, contracts, and other arrangements pursuant to section 11(c) only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

"(2) The authority delegated by the board under paragraph (1) of this subsection and the conditions specified by the Board shall be reported to the Chairman of the Committee of the Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives.".

(c) Section 9 of the National Science Foundation Act of 1950 is amended to read as follows:

"SPECIAL COMMISSIONS

"SEC. 9. (a) Each special commission established under section 4(h) shall be appointed by the Board and shall consist of such members as the Board considers appropriate.

"(b) Special commissions may be established to study and make recommendations to the Foundation on issues relating to research and education in science and engineering.".

(d) Section 10 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(e)(1) Subsection (b) of section 12 of the National Science Foundation Act of 1950 is repealed.

(2) Section 12 of such Act is amended by striking out "(a)".

(f)(1)(A) Subsection (b) of section 14 of the National Science Foundation Act of 1950 is repealed.

(B) Section 14 of such Act is amended by redesignating subsections (c), (d), (e), (f), (g), (h), and (i), and all references thereto, as subsections (b), (c), (d), (e), (f), (g), and (h), respectively.

(2) Section 14 of such Act (as amended by paragraph (1)) is further amended by adding at the end thereof the following new subsection:

"(i) Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionaires, or similar instruments for the purposes of subsection (a)(5) or (a)(6) of section 3 of this Act may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats which do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public.".

(g) Section 6 of the National Science Foundation Authorization Act, Fiscal Year 1978 (Public Law 95-99) is repealed.

(h) Section 6(a) of the National Science Foundation Authorization Act, 1976 (Public Law 94-86) is amended—

(1) by striking out "a grant not to exceed $50,000 per year for a period not to exceed 3 years" in the second sentence of such section, and

(2) by adding at the end thereof the following new sentence: "The National Science Board shall establish the amount and period of each such grant.".

AMENDMENT TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950 RELATING TO ENGINEERING

SEC. 8. (a) Section 3(a)(1) of the National Science Foundation Act of 1950, hereafter in this section referred to as "the Act", is amended—

(1) by striking out "engineering,"; and

(2) by inserting after "other sciences," the following: "and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering,"; and

(3) by striking "scientific and educational activities" and inserting in lieu thereof "scientific, engineering, and educational activities".

(b)(1)(A) Section 3(a)(3) of the Act is amended—

(i) by inserting "and engineering" after "scientific"; and

(ii) by inserting "and engineers" after "scientists".

(B) Section 3(a)(4) of the Act is amended—

(i) by inserting "and engineering" after "sciences"; and

(ii) by inserting "and engineering" after "sciences".

(C) Section 3(a)(5) of the Act is amended by inserting "and fields of engineering" after "sciences".

(D) Section 3(a)(6) of the Act is amended by striking out "technical" each place it appears and inserting in lieu thereof "engineering".

(E) Section 3(a)(7) of the Act is amended by inserting "and engineering" after "scientific".

(2) Section 3(b) of the Act is amended by inserting "and engineering" after "scientific" each place it appears.

(3) Section 3(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in the first sentence; and

(B) by inserting "and engineering research" after "applied scientific research" in the second sentence.

(4) Section 3(d) of the Act is amended by striking out "basic research and education in the sentence" and inserting in lieu thereof "research and education in science and engineering".

(5) Section 3(e) of the Act is amended by inserting "and engineering" after "sciences".

(6) Section 4(c) of the Act is amended—

(A) by inserting "and engineering" after "scientific" in clause (3) of the first sentence;

(B) by inserting "and engineers" after "scientists" in the second sentence; and

(C) by inserting "the National Academy of Engineering," after "National Academy of Sciences,", and ", engineering," after "scientific", in the third sentence.

(7) The first sentence of section 10 of the Act is amended by striking out "scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences" and inserting in lieu thereof "study and research in the sciences or in engineering".

(8) Section 11 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsections (c), (d), and (i);

(B) by inserting in subsection (g) ", engineering," after "scientific" where it first appears; and

(C) by inserting in subsection (g) "or engineering" before "value".

(9) Section 12(a) of the Act is amended by inserting "or engineering" after "scientific".

(A) by inserting in subsection (a) "or engineering" after "scientific" each place it appears;

(B) by inserting "or engineers" after "scientists";

(C) by striking out "scientific study or scientific work" and inserting in lieu thereof "study and research in the sciences or in engineering"; and

(D) by inserting in subsection (b)(1) "or engineering" after "scientific".

(11) Section 14 of the Act is amended—

(A) by inserting "or engineering" after "scientific" each place it appears in subsection (f); and

(B) by striking out "technical" in subsection (g) and inserting in lieu thereof "engineering".

(12) Section 15(b) of the Act is amended—

(A) by striking out "technical" in paragraph (1) and inserting in lieu thereof "engineering"; and

(B) by inserting "or engineering" after "scientific" in paragraph (2).

(c) Section 2(b) of the National Science Foundation Authorization Act, 1976 is amended by inserting "or engineering" after "science" each place it appears.

AMENDMENT TO SCIENCE AND TECHNOLOGY EQUAL OPPORTUNITY ACT RELATING TO ENGINEERING

SEC. 9. Section 31 of the Science and Technology Equal Opportunities Act, hereafter in this section referred to as the "Act", is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(b)(1) Section 32(a) of the Act is amended—

(A) by striking out "technology" and inserting in lieu thereof "engineering"; and

(B) by inserting after "scientific" the following: "and engineering".

(2) The first sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" a comma and the following: "engineering,";

(B) by striking out "technical" and inserting in lieu thereof "engineering";

(C) by inserting after "scientific" the second time it appears the following: "and engineering"; and

(D) by striking out "technology" and inserting in lieu thereof "engineering".

(3) The second sentence of section 32(b) of the Act is amended—

(A) by inserting after "science" the following: "and engineering"; and

(B) by striking out "technology" and inserting in lieu thereof "engineering".

(4) The third sentence of section 32(b) of the Act is amended by striking out "technology" both times it appears and inserting in lieu thereof "engineering" each such time.

(c) Section 33 of the Act is amended—

(1)(A) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technology" in clause (1)(B) and inserting in lieu thereof "engineering";

(C) by striking out "technology" in clause (1)(C) and inserting in lieu thereof "engineering";

(2)(A) by inserting after "science" in clause (2) a comma and the following: "engineering,";

(B) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (3)(B) and inserting in lieu thereof "engineering";

(4)(A) by striking out "technology" in clause (4)(A) and inserting in lieu thereof "engineering";

(B) by striking out "technical" in clause (4)(B) an inserting in lieu thereof "engineering";

(5) by inserting after "scientists" in clause (5) the following: "and engineers";

(6) by striking out "technology" in clause (6) and inserting in lieu thereof "engineering";

(7) by striking out "technology" in clause (7) and inserting in lieu thereof "engineering";

(8) by inserting after "scientists" in clause (8) the following: "and engineers";

(9) by inserting after "science" in clause (10) the following: "and engineering"; and

(10) by striking out "science, engineering, and technology" in clause (11) and inserting in lieu thereof "science and engineering".

(d) Section 34 of the Act is amended—

(1) by inserting after "science" the following: "and engineering"; and

(2) by striking out "technology" and inserting in lieu thereof "engineering".

(e)(1)(A) The first sentence of section 36(a) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(a) of the Act is amended by striking out "engineering, professional, and technical" and inserting in lieu thereof a comma and the following: "engineering and professional".

(2)(A) The first sentence of section 36(c) is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of section 36(c) is amended—

(i) by striking out "technology" and inserting in lieu thereof "engineering",

(ii) by striking out "technology" in clause (1) of such section and inserting in lieu thereof "engineering", and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(3)(A) the first sentence of section 36(d) of the Act is amended by striking out "Technology" and inserting in lieu thereof "Engineering".

(B) The second sentence of such section is amended—

(i) by striking out "Technology" and inserting in lieu thereof "Engineering";

(ii) by striking out "technology" in clause (1) and inserting in lieu thereof "engineering"; and

(iii) by striking out "technology" in clause (2) and inserting in lieu thereof "engineering".

(4) The heading of section 36 of the Act is amended to read as follows:

"COMMITTEE ON EQUAL OPPORTUNITIES IN SCIENCE AND ENGINEERING".

(f) Section 37(b) of the Act is amended—

(1) by striking out "technical" in clause (1) and inserting in lieu thereof "engineering" in the matter preceding subclause (A) of clause (1);

(2) by striking out "technical" in clause (1)(A) and inserting in lieu thereof "engineering";

(3) by striking out "technical" in clause (1)(B) and inserting in lieu thereof "engineering";

(4) by striking out "technical" in clause (1)(C) and inserting in lieu thereof "engineering";

(5) by striking out "technical" in clause (1)(E) and inserting in lieu thereof "engineering";

(6) by striking out "technical" in clause (2) and inserting in lieu thereof "engineering";

(7) by striking out "Technology" in clause (3) and inserting in lieu thereof "Engineering".

(g) The heading of part B of the National Science Foundation Authorization and Science and Technology Equal Opportunities Act is amended to read as follows:

"PART B—WOMEN, MINORITIES, SCIENCE, AND ENGINEERING".●

By Mr. DIXON (for himself, Mr. FORD, Mr. SIMON, and Mr. MCCONNELL):

S. 802. A bill to grant the consent of the Congress to the Central Midwest Interstate Low-Level Radioactive Waste Compact; to the Committee on the Judiciary.

CONSENT OF CONGRESS FOR THE CENTRAL MIDWEST INTERESTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT

Mr. DIXON. Mr. President, at the request of Gov. James Thompson of my home State of Illinois, I rise today to offer legislation which would give congressional consent to an agreement by the States of Illinois and Kentucky to enter into a regional compact to manage their low-level nuclear waste. By introducing this legislation, we are attempting to forego the possibility of low-level waste sitting idly by in unregulated, unsanctioned locations.

Congress passed the Low-Level Radioactive Waste Policy Act of 1980 to allow individual States to treat and dispose of low-level waste that they generate. Congress determined, in the 1980 act, that low-level waste could best be dealt with on a State or regional level.

In response to the Low-Level Radioactive Waste Policy Act, the States of Illinois and Kentucky entered into a regional compact called the Central Midwest Interstate Compact. This measure was passed by the Illinois General Assembly. Further, an executive agreement was reached between the two States and signed by Illinois Gov. James Thompson and Kentucky Gov. Martha Layne Collins in the fall. The Low-Level Radioactive Policy Act of 1980 requires that Congress give its consent to such arrangements negotiated by the States.

Low-level nuclear waste is defined as any radioactive substance, but is generally confined to contaminated materials from commercial reactors, hospitals, research institutions, and industrial sites. Low-level waste decays faster than high-level waste and is measured by volume rather than radioactivity. Low-level waste is not spent reactor fuel or radioactive liquids produced by reprocessing, rock and sand from which uranium has been extracted, or transuranic waste.

Currently, all low-level waste that is privately owned in the United States is deposited at one of three sites: Barnwell, SC; Beatty, NV; or Hanford, WA. The need for additional sites is to respond to an increase in low-level waste generated from private operators, particularly from the growing field of nuclear medicine from which all Americans benefit. Further, there is a management problem and corresponding safety concerns.

Citizens of the 47 nondepository sites and the District of Columbia recognize the need to form regional compacts. In fact, the people of Illinois and Kentucky understand the concerns of the people from the depository States, because we have had two low-level waste sites in the past. Currently, both sites are closed.

One of the questions Congress should seriously reconsider is the target date of January 1, 1986 as established under the 1980 act. This is the date on which States can refuse to accept disposal waste generated from outside their region. The Central Midwest Interstate Compact does not have an existing, operating site. The lead time needed to build a site is 8 years from today. The State governments of Illinois and Kentucky are currently developing a detailed plan to be used for their site selection process. We recognize the desire of the depository States to restrict the use of their facilities.

Our State officials have been in contact with both the private operators and Federal officials to inform them of progress on the Central Midwest regional compact. It is our hope that either a reciprocal agreement or a plan for a percentage reduction of the amount of waste currently being received is acceptable. We recognize that Congress must approve these sites before the post-1986 access deadline is legally established. We hope to work with our colleagues to reach an acceptable solution to this problem. Likewise, we hope that the Judiciary Committee will support our legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of the Congress hereby is given to the States of Illinois and Kentucky to enter into the Central Midwest Interstate Low-Level Radioactive Waste Compact. Such compact is substantially as follows:

"ARTICLE I. POLICY AND PURPOSE

"There is created the Central Midwest Interstate Low-Level Radioactive Waste Compact.

"The states party to this compact recognize that the Congress of the United States, by enacting the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021), has provided for and encouraged the development of low-level radioactive waste compacts as a tool for managing such waste. The party states acknowledge that Congress declared that each state is responsible for providing for the availability of capacity either within or outside the state for the disposal of low-level radioactive waste generated within its borders, except for waste generated as a result of certain defense activities of the federal government or federal research and development activities. The party states also recognize that the management of low-level radioactive waste is handled most efficiently on a regional basis; and, that the safe and efficient management of low-level radioactive waste generated within the region requires that sufficient capacity to manage such waste be properly provided.

"a) It is the policy of the party states to enter into a regional low-level radioactive waste management compact for the purpose of:

"1) providing the instrument and framework for a cooperative effort;

"2) providing sufficient facilities for the proper management of low-level radioactive waste generated in the region;

"3) protecting the health and safety of the citizens of the region;

"4) limiting the number of facilities required to manage low-level radioactive waste generated in the region effectively and efficiently;

"5) promoting the volume and source reduction of low-level radioactive waste generated in the region;

"6) distributing the costs, benefits and obligations of successful low-level radioactive waste management equitably among the party states and among generators and other persons who use regional facilities to manage their waste;

"7) ensuring the ecological and economical management of low-level radioactive waste, including the prohibition of shallow-land burial of waste; and

"8) promoting the use of above-ground facilities and other disposal technologies providing greater and safer confinement of low-level radioactive waste than shallow-land burial facilities.

"b) Implicit in the Congressional consent to this compact is the expectation by the Congress and the party states that the appropriate federal agencies will actively assist the Compact Commission and the individual party states to this compact by:

"1) expeditious enforcement of federal rules, regulations and laws;

"2) imposition of sanctions against those found to be in violation of federal rules, regulations and laws; and

"3) timely inspection of their licensees to determine their compliance with these rules, regulations and laws.

"ARTICLE II. DEFINITIONS

"As used in this compact, unless the context clearly requires a different construction:

"a) 'Commission' means the Central Midwest Interstate Low-Level Radioactive Waste Commission.

"b) 'Decommissioning' means the measures taken at the end of a facility's operating life to assure the continued protection of the public from any residual radioactivity or other potential hazards present at a facility.

"c) 'Disposal' means the isolation of waste from the biosphere in a permanent facility designed for that purpose.

"d) 'Eligible' states means either the State of Illinois or the Commonwealth of Kentucky.

"e) 'Extended care' means the continued observation of a facility after closure for the purpose of detecting a need for maintenance, ensuring environmental safety, and determining compliance with applicable licensure and regulatory requirements and includes undertaking any action or clean-up necessary to protect public health and the environment from radioactive releases from a regional facility.

"f) 'Facility' means a parcel of land or site, together with the structures, equipment and improvements on or appurtenant to the land or site, which is used or is being developed for the treatment, storage or disposal of low-level radioactive waste.

"g) 'Generator' means a person who produces or possesses low-level radioactive waste in the course of or incident to manufacturing, power generation, processing, medical diagnosis and treatment, research, or other industrial or commercial activity and who, to the extent required by law, is licensed by the U.S. Nuclear Regulatory Commission or a party state, to produce or possess such waste.

"h) 'Host state' means any party state that is designated by the Commission to host a regional facility, provided that a party state with a total volume of waste recorded on low-level radioactive waste manifests for any year that is less than 10 percent of the total volume recorded on such manifests for the region during the same year shall not be designated a host state.

"i) 'Institutional control' means those activities carried out by the host state to physically control access to the disposal site following transfer of control of the disposal site from the disposal site operator to the state or federal government. These activities must include, but need not be limited to, environmental monitoring, periodic surveillance, minor custodial care, and other necessary activities at the site as determined by the host state, and administration of funds to cover the costs for these activities. The period of institutional control will be determined by the host state, but institutional control may not be relied upon for more than 100 years following transfer of control of the disposal site to the state or federal government.

"j) 'Long-term liability' means the financial obligation to compensate any person for medical and other expenses incurred from damages to human health, personal injuries suffered from damages to human health and damages or losses to real or personal property, and to provide for the costs for accomplishing any necessary corrective action or clean-up or real or personal property caused by radioactive releases from a regional facility.

"k) 'Low-level radioactive waste' or 'waste' means radioactive waste not classified as (1) high-level radioactive waste, (2) transuranic waste, (3) spent nuclear fuel, or (4) by-product material as defined in Section 11 e. (2) of the Atomic Energy Act of 1954.

"l) 'Management plan' means the plan adopted by the Commission for the storage, transportation, treatment and disposal of waste within the region.

"m) 'Manifest' means a shipping document identifying the generator of waste, the volume of waste, the quantity of radionuclides in the shipment, and such other information as may be required by the appropriate regulatory agency.

"n) 'Party state' means any eligible state which enacts the compact into law and pays the membership fee.

"o) 'Person' means any individual, corporation, business enterprise or other legal entity, either public or private, and any legal successor, representative, agent or agency of that individual, corporation, business enterprise, or legal entity.

"p) 'Region' means the geographical area of the party states.

"q) Regional facility means a facility which is located within the region and which is established by a party state pursuant to designation of that state as a host state by the Commission.

"r) 'Shallow-land burial' means a land disposal facility in which radioactive waste is disposed of in or within the upper 30 meters of the earth's surface; however, this definition shall not include an enclosed, engineered, strongly structurally enforced and solidified bunker that extends below the earth's surface.

"s) 'Site' means the geographic location of a facility.

"t) 'Source reduction' means those administrative practices that reduce the radionuclide levels in low-level radioactive waste or that prevent the generation of additional low-level radioactive waste.

"u) 'State' means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands or any other territorial possession of the United States.

"v) 'Storage' means the temporary holding of waste for treatment or disposal.

"w) 'Treatment' means any method, technique or process, including storage for radioactive decay, designed to change the physical, chemical or biological characteristics or composition of any waste in order to render the waste safer for transport or management, amendable to recovery, convertible to another usable material or reduced in volume.

"x) 'Volume reduction' means those methods including, but not limited to, biological, chemical, mechanical and thermal methods used to reduce the amount of space that waste materials occupy and to put them into a form suitable for storage or disposal.

"y) 'Waste management' means the source and volume reduction, storage, transportation, treatment or disposal of waste.

"ARTICLE III. THE COMMISSION

"a) There is created the Central Midwest Interstate Low-Level Radioactive Waste Commission. Upon the eligible states becoming party states, the Commission shall consist of two voting members from each state eligible to be a host state, one voting member from any other party state, and an ex officio non-voting member who is a member of the County Board of or who is a County Commissioner of each host county. The Governor of each party state shall notify the Commission in writing of its members and any alternates.

"b) Each Commission member is entitled to one vote. No action of the Commission is binding unless a majority of the total membership casts its vote in the affirmative.

"c) The Commission shall elect annually from among its members a chairperson. The Commission shall adopt and publish, in convenient form, by-laws and policies that are not inconsistent with this compact, including procedures that conform with the provisions of the Federal Administrative Procedure Act (5 U.S.C. ss. 500 to 559) to the greatest extent practicable in regard to notice, conduct and recording of meetings; access by the public to records; provision of information to the public; conduct of adjudicatory hearings; and issuance of decisions.

"d) The Commission shall meet at least once annually and shall also meet upon the call of the chairperson or a Commission member.

"e) All meetings of the Commission and its designated committees shall be open to the public with reasonable advance notice. The Commission may, by majority vote, close a meeting to the public for the purpose of considering sensitive personnel or legal strategy matters. However, all Commissions actions and decisions shall be made in open meetings and appropriately recorded. A roll call may be required upon request of any member or the presiding officer.

"f) The Commission may establish advisory committees for the purpose of advising the Commission on any matters pertaining to waste managment, waste generation and source and volume reductions.

"g) The Office of the Commission shall be in the first state eligible to be a host state. The Commission may appoint or contract for and compensate such staff necessary to carry out its duties and functions. The Staff shall serve at the Commission's pleasure with the exception that staff hired as the result of securing federal funds shall be hired and governed under applicable federal statutes and regulations. In selecting any staff, the Commission shall assure that the staff has adequate experience and formal training to carry out the functions assigned to it by the Commission.

"h) All files, records and data of the Commission shall be open to reasonable public inspection and may be copied upon payment of reasonable fees to be established where appropriate by the Commission, except for information privileged against introduction in judicial proceedings. Such fees may be waived or shall be reduced substantially for not-for-profit organizations.

"i) The Commission may:

"1) Enter into an agreement or contract with any person, state or group of states for the right to use regional facilities for waste generated outside of the region and for the right to use facilities outside the region for waste generated within the region. No person may use a regional facility for waste generated outside the region unless both a majority of the members of the Commission and all members from the host state in which any affected regional facility is located vote in favor or permitting such use. No person in the region may use a storage, treatment or disposal facility outside the region without prior Commission approval. No such agreement or contract shall be valid unless specifically approved by a law enacted by the legislature of the host state.

"2) Approve the disposal of waste generated within the region at a facility other than a regional facility.

"3) Appear as an intervenor or party in interest before any court of law or any federal, state or local agency, board or Commission in any matter related to waste management. In order to represent its views, the Commission may arrange for any expert tes-

timony, reports, evidence or other participation.

"4) Review the emergency closure of a regional facility, determine the appropriateness of that closure, and take whatever actions are necessary to ensure that the interests of the region are protected, provided that a party state with a total volume of waste recorded on low-level radioactive waste manifests for any year that is less than 10 percent of the total volume recorded on such manifests for the region during the same year shall not be designated a host state or be required to store the region's waste. In determining the 10 percent exclusion, there shall not be included waste recorded on low-level radioactive waste manifests by a person whose principal business is providing a service by arranging for the collection, transportation, treatment, storage or disposal of such waste.

"5) Take any action which is appropriate and necessary to perform its duties and functions as provided in this compact.

"6) Suspend the privileges or revoke the membership of a party state.

"j) The Commission shall:

"1) Submit an annual report to, and otherwise communicate with, the governors and the appropriate offices of the legislative bodies of the party states regarding the activities of the Commission.

"2) Hear, negotiate, and, as necessary, resolve by final decision disputes which may arise between the party states regarding this compact.

"3) Adopt and amend, as appropriate, a regional management plan that plans for the establishment of needed regional facilities.

"4) Adopt an annual budget.

"k) Funding of the budget of the Commission shall be provided as follows:

"1) Each state, upon becoming a party state, shall pay $50,000 to the Commission which shall be used for the administrative costs of the Commission.

"2) Each state hosting a regional facility shall levy surcharges on each user of the regional facility based upon its portion of the total volume and characteristics of wastes managed at that facility. The surcharges collected at all regional facilities shall:

"A) be sufficient to cover the annual budget of the Commission; and

"B) be paid to the Commission, provided, however, that each host state collecting surcharges may retain a portion of the collection sufficient to cover its administrative costs of collection.

"l) The Commission shall keep accurate accounts of all receipts and disbursements. The Commission shall contract with an independent certified public accountant to annually audit all receipts and disbursements of Commission funds and to submit an audit report to the Commission. The audit report shall be made a part of the annual report of the Commission required by this Article.

"m) The Commission may accept for any of its purposes and functions and may utilize and dispose of any donations, grants of money, equipment, supplies, materials and services from any state or the United States (or any subdivision or agency thereof), or interstate agency, or from any institution, person, firm or corporation. The nature, amount and condition, if any attendant upon any donation or grant accepted or received by the Commission together with the identity of the donor, grantor or lender, shall be detailed in the annual report of the Commission. The Commission shall establish guidelines for the acceptance of donations, grants, equipment, supplies, materials and services and shall review such guidelines annually.

"n) The Commission is not liable for any costs associated with any of the following:

"1) the licensing and construction of any facility;

"2) the operation of any facility;

"3) the stabilization and closure of any facility;

"4) the extended care of any facility;

"5) the institutional control, after extended care of any facility; or

"6) the transportation of waste to any facility.

"o) The Commission is a legal entity separate and distinct from the party states and is liable for its actions as a separate and distinct legal entity. Members of the Commission are not personally liable for actions taken by them in their official capacity.

"p) Except as provided under Sections (n) and (o) of this Article, nothing in this compact alters liability for any action, omission, course of conduct or liability resulting from any causal or other relationships.

"q) Any person aggrieved by a final decision of the Commission, which adversely affects the legal rights, duties or privileges of such person, may petition a court of competent jurisdiction, within 60 days after the Commission's final decision, to obtain judicial review of said final decision.

"ARTICLE IV. REGIONAL MANAGEMENT PLAN

"The Commission shall adopt a regional management plan designed to ensure the safe and efficient management of waste generated within the region. In adopting a regional waste management plan the Commission shall:

"a) Adopt procedures for determining, consistent with considerations of public health and safety, the type and number of regional facilities which are presently necessary and which are projected to be necessary to manage waste generated within the region.

"b) Develop and adopt policies promoting source and volume reduction of waste generated within the region.

"c) Develop alternative means for the treatment, storage and disposal of waste, other than shallow-land burial or underground injection well.

"d) Prepare a draft regional management plan that shall be made available in a convenient form to the public for comment. The Commission shall conduct one or more public hearings in each party state prior to the adoption of the regional management plan. The regional management plan shall include the Commission's response to public and party state comment.

"ARTICLE V. RIGHTS AND OBLIGATIONS OF PARTY STATES

"a) Each party state shall act in good faith in the performance of acts and courses of conduct which are intended to ensure the provision of facilities for regional availability and usage in a manner consistent with this compact.

"b) Other than the provisions of Article V(f), each party state has the right to have all wastes generated within its borders managed at regional facilities subject to the provisions contained in Article IX(b) and IX(c). All party states have an equal right of access to any facility made available to the region by any agreement entered into by the Commission pursuant to Article III(i)(1).

"c) Party states or generators may negotiate for the right of access to a facility outside the region and may export waste outside the region subject to Commission approval under Article III(i)(1).

"d) To the extent permitted by federal law, each party state may enforce any applicable federal and state laws, regulations and rules pertaining to the packaging and transportation of waste generated within or passing through its borders. Nothing in this Section shall be construed to require a party state to enter into any agreement with the U.S. Nuclear Regulatory Commission.

"e) Each party state shall provide to the Commission any data and information the Commission requires to implement its responsibilities. Each party state shall establish the capability to obtain any data and information required by the Commission.

"f) Waste originating from the Maxey Flats nuclear waste disposal site in Fleming County, Kentucky shall not be shipped to the regional facility for storage, treatment or disposal. Disposition of these wastes shall be the sole responsibility of the Commonwealth of Kentucky and shall not be subject to the provisions of this compact.

"ARTICLE VI. DEVELOPMENT AND OPERATION OF FACILITIES

"a) Any party state may volunteer to become a host state, and the Commission may designate that state as a host state.

"b) If all regional facilities required by the regional management plan are not developed pursuant to Section (a), or upon notification that an existing regional facility will be closed, the Commission may designate a host state.

"c) A party state shall not be selected as a host state for any regional facility unless that state's total volume of waste recorded on low-level radioactive waste manifests for any year is more than 10 percent of the total volume recorded on such manifests for the region during the same year. In determining the 10 percent exclusion, there shall not be included waste recorded on low-level radioactive waste manifests by a person whose principal business is providing a service by arranging for the collection, transportation, treatment, storage or disposal of such waste.

"d) Each party state designated as a host state is responsible for determining possible facility locations within its borders. The selection of a facility site shall not conflict with applicable federal and host state laws, regulations and rules not inconsistent with this compact and shall be based on factors including, but not limited to, geological, environmental, engineering and economic viability of possible facility locations.

"e) Any party state designated as a host state may request the Commission to relieve that state of the responsibility to serve as a host state. The Commission may relieve a party state of this responsiblity only upon a showing by the requesting party state that no feasible potential regional facility site of the type it is designated to host exists within its borders.

"f) After a state is designated a host state by the Commission, it is responsible for the timely development and operation of a regional facility.

"g) To the extent permitted by federal and state law, a host state shall regulate and license any facility within its borders and ensure the extended care of that facility.

"h) The Commission may designate a party state as a host state while a regional facility is in operation if the Commission determines that an additional regional facility

is or may be required to meet the needs of the region.

"i) Designation of a host state is for a period of 20 years or the life of the regional facility which is established under that designation, whichever is shorter. Upon request of a host state, the Commission may modify the period of its designation.

"j) A host state may establish a fee system for any regional facility within its borders. The fee system shall be reasonable and equitable. This fee system shall provide the host state with sufficient revenue to cover any costs including, but not limited to, the planning, siting, licensure, operation, preclosure corrective action or clean-up, monitoring, inspection, decommissioning, extended care and long-term liability associated with such facilities. This fee system may provide for payment to units of local government affected by a regional facility for costs incurred in connection with such facility. This fee system may also include reasonable revenue beyond the costs incurred for the host state, subject to approval by the Commission. The fee system shall include incentives for source or volume reduction and may be based on the hazard of the waste. A host state shall submit an annual financial audit of the operation of the regional facility to the Commission.

"k) A host state shall ensure that a regional facility located within its borders which is permanently closed is properly decommissioned. A host state shall also provide for the extended care of a closed or decommissioned regional facility within its borders so that the public health and safety of the state and region are ensured, unless, pursuant to the federal Nuclear Waste Policy Act of 1982, the federal government has assumed title and custody of the regional facility and the federal government thereby has assumed responsibility to provide for the extended care of such facility.

"l) A host state intending to close a regional facility located within its borders shall notify the Commssion in writing of its intention and the reasons. Notification shall be given to the Commission at least five years prior to the intended date of closure. This Section shall not prevent an emergency closing of a regional facility by a host state to protect its air, land and water resources and the health and safety of its citizens. However, a host state which has an emergency closing of a regional facility shall notify the Commission in writing within three working days of its action and shall, within 30 working days of its action, demonstrate justification for the closing.

"m) If a regional facility closes before an additional or new facility becomes operational, waste generated within the region may be shipped temporarily to any location agreed on by the Commission until a regional facility is operational, provided that the region's waste shall not be stored in a party state with a total volume of waste recorded on low-level radioactive waste manifests for any year which is less than 10 percent of the total volume recorded on such manifests for the region during the same year. In determining the 10 percent exclusion, there shall not be included waste recorded on low-level radioactive waste manifests by a person whose principal business is providing a service by arranging for the collection, transportation, treatment, storage or disposal of such waste.

"n) A party state which is designated as a host state by the Commission and fails to fulfill its obligations as a host state may have its privileges under the compact suspended or membership in the compact revoked by the Commission.

"o) The host state shall create an 'Extended Care and Long-Term Liability Fund' and shall allocate sufficient fee revenues, received pursuant to Article VI(j), to provide for the costs of:

"1) decommissioning and other procedures required for the proper closure of a regional facility;

"2) monitoring, inspection and other procedures required for the proper extended care of a regional facility;

"3) undertaking any corrective action or clean-up necessary to protect human health and the environment from radioactive releases from a regional facility; and

"4) compensating any person for medical and other expenses incurred from damages to human health, personal injuries suffered from damages to human health and damages or losses to real or personal property, and accomplishing any necessary corrective action or clean-up on real or personal property caused by radioactive releases from a regional facility; the host state may allocate monies in this Fund in amounts as it deems appropriate to purchase insurance or to make other similar financial protection arrangements consistent with the purposes of this Fund; this Section shall in no manner limit the financial responsibilities of the site operator pursuant to Article VI(p) and the party states, or any other states which contract to dispose of wastes at the regional facility, pursuant to Article VI(q).

"p) The operator of a regional facility shall purchase an amount of property and third-party liability insurance deemed appropriate by the host state, pay the necessary periodic premiums at all times and make periodic payments to the Extended Care and Long-Term Liability Fund as set forth in Article VI(o) for such amounts as the host state reasonably determines is necessary to provide for future premiums to continue such insurance coverage, in order to pay the costs of compensating any person for medical and other expenses incurred from damages to human health, personal injuries suffered from damages to human health and damages or losses to real or personal property, and accomplishing any necessary corrective action or clean-up on real or personal property caused by radioactive releases from a regional facility. In the event of such costs resulting from radioactive releases from a regional facility, the host state should, to the maximum extent possible, seek to obtain monies from such insurance prior to using monies from the Extended Care and Long-Term Liability Fund.

"q) All party states, or any other states which contract to dispose of wastes at the regional facility, shall be liable for the cost of extended care and long-term liability in excess of monies available from the Extended Care and Long-Term Liability Fund, as set forth in Article VI(o) and from the property and third-party liability insurance as set forth in Article VI(p). A party state may meet such liability for costs by levying surcharges upon generators located in the party state. The extent of such liability for such party state shall be based on the proportionate share of the total volume of waste placed in the regional facility by generators located in each such party state. Such liability shall be joint and several among the party states with a right of contribution between the party states. However, this Section shall not apply to a party state with a total volume of waste recorded on low-level radioactive waste manifests for any year that is less than 10 percent of the total volume recorded on such manifests for the region during the same year.

"ARTICLE VII. OTHER LAWS AND REGULATIONS

"a) Nothing in this compact:

"1) abrogates or limits the applicability of any act of Congress or diminishes or otherwise impairs the jurisdiction of any federal agency expressly conferred thereon by the Congress;

"2) prevents the enforcement of any other law of a party state which is not inconsistent with this compact;

"3) prohibits any storage or treatment of waste by the generator on its own premises;

"4) affects any administrative or judicial proceeding pending on the effective date of this compact;

"5) alters the relations between the respective internal responsibility of the government of a party state and its subdivisions;

"6) affects the generation, treatment, storage or disposal of waste generated by the atomic energy defense activities of the Secretary of the U.S. Department of Energy or successor agencies or federal research and development activities as defined in 42 U.S.C. 2021;

"7) affects the rights and powers of any party state or its political subdivisions, to the extent not inconsistent with this compact, to regulate and license any facility or the transportation of waste within its borders or affects the rights and powers of any state or its political subdivisions to tax or impose fees on the waste managed at any facility within its borders;

"8) requires a party state to enter into any agreement with the U.S. Nuclear Regulatory Commission; or

"9) Alters or limits liability of transporters of waste and owners and operators of sites for their acts, omissions, conduct or relationships in accordance with applicable laws.

"b) For purposes of this compact, all state laws or parts of laws in conflict with this compact are hereby superseded to the extent of the conflict.

"c) No law, rule, regulation, fee or surcharge of a party state, or of any of its subdivisions or instrumentalities, may be applied in a manner which discriminates against the generators of another party state.

"d) No person who provides a service by arranging for collection, transportation, treatment, storage or disposal for waste generated outside the region shall be allowed to dispose of such waste at a regional facility unless specifically approved by the Commission pursuant to the provisions of Article III(i)(1).

"ARTICLE VIII. ELIGIBLE PARTIES, WITHDRAWAL, REVOCATION, ENTRY INTO FORCE, TERMINATION

"a) Eligible parties to this compact are the State of Illinois and Commonwealth of Kentucky. Eligibility terminates on April 15, 1985.

"b) An eligible state becomes a party state when the state enacts the compact into law and pays the membership fee required in Article III(k)(1).

"c) The Commission is formed upon the appointment of Commission members and the tender of the membership fee payable to the Commission by the eligible states. The Governor of Illinois shall convene the initial meeting of the Commission. The Commission shall cause legislation to be introduced in the Congress which grants the

consent of the Congress to this compact, and shall take action necessary to organize the Commission and implement the provisions of this compact.

"d) other than the special circumstances for withdrawal in Section (f) of this Article, either party state may withdraw from this compact at any time by repealing the authorizing legislation, but no withdrawal may take effect until 5 years after the governor of the withdrawing state gives notice in writing of the withdrawal to the Commission and to the governor of the other state. Withdrawal does not affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal. Any host state which grants a disposal permit for waste generated in a withdrawing state shall void the permit when the withdrawal of that state is effective.

"e) This compact becomes effective July 1, 1984, or at any date subsequent to July 1, 1984, upon enactment by the eligible states. However, Article IX(b) shall not take effect until the Congress has by law consented to this compact. The Congress shall have an opportunity to withdraw such consent every 5 years. Failure of the Congress affirmatively to withdraw its consent has the effect of renewing consent for an additional 5 year period. The consent given to this compact by the Congress shall extend to the power of the region to ban the shipment of waste into the region pursuant to Article III(i)(1) and to prohibit exportation of waste generated within the region pursuant to Article III(i)(1).

"f) A state which has been designated a host state may withdraw from the compact. The option to withdraw must be exercised within 90 days of the date the governor of the designated state receives written notice of the designation. Withdrawal becomes effective immediately after notice is given in the following manner. The governor of the withdrawing state shall give notice in writing to the Commission and to the governor of each party state. A state which withdraws from the compact under this Section forfeits any funds already paid pursuant to this compact. A designated host state which withdraws from the compact after 90 days and prior to fulfilling its obligations shall be assessed a sum the Commission determines to be necessary to cover the costs borne by the Commission and remaining party states as a result of that withdrawal.

"ARTICLE IX. PENALTIES

"a) Each party state shall prescribe and enforce penalties against any person who is not an official of another state for violation of any provision of this compact.

"b) Unless otherwise authorized by the Commission pursuant to Article III(i), after January 1, 1986 it is a violation of this compact:

"1) for any person to deposit at a regional facility waste not generated within the region;

"2) for any regional facility to accept waste not generated within the region;

"3) for any person to export from the region waste which is generated within the region; or

"4) for any person to dispose of waste at a facility other than a regional facility.

"c) Each party state acknowledges that the receipt by a host state of waste packaged or transported in violation of applicable laws, rules or regulations may result in the imposition of sanctions by the host state which may include suspension or revocation of the violator's right of access to the facility in the host state.

"d) Each party state has the right to seek legal recourse against any party state which acts in violation of this compact.

"ARTICLE X. SEVERABILITY AND CONSTRUCTION

"The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared by a court of competent jurisdiction to be contrary to the Constitution of any participating state or the United States, or if the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If any provision of this compact shall be held contrary to the Constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.".

SEC. 2. The Congress hereby finds that the compact to which consent is granted by this Act is in furtherance of the policy set forth in section 4(a)(1) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(1)).

Mr. McCONNELL. Mr. President, today I am pleased to cosponsor the implementing legislation for the Central Midwest Interstate Low-Level Radioactive Waste Compact negotiated between the States of Kentucky and Illinois.

My State of Kentucky is a low-volume generator of nuclear waste. The primary generators are the medical centers at the University of Kentucky and the University of Louisville. Yet, to dispose of this low volume, it is transported clear across the country to Washington State.

In 1980, the Congress recognized the impracticality of disposing of low-level waste outside a State's region as well as the fact that the States of Washington, Nevada, and South Carolina had carried the responsibility for waste disposal long enough. The Low-Level Radioactive Waste Policy Act, enacted in 1980, requires every State to assume the responsibility for providing for the disposal of their waste. This is only fair.

Since 1981, Kentucky State representatives have pursued a number of options to ensure access to disposal sites for Kentucky's generators. This extensive effort met with results. In June 1984, State officials successfully negotiated the Central Midwest Interstate Low-Level Radioactive Waste Compact with the State of Illinois.

Mr. President, it is a good agreement and one which deserves our timely consideration. As a member of the Senate Judiciary Committee, I will seek the assistance of our distinguished chairman to see that the necessary consent legislation is reported as soon as possible.

Mr. FORD. Mr. President, I am pleased to introduce today, along with my colleagues from Kentucky and Illinois, legislation providing for congressional consent of the Central Midwest Interstate Low-Level Radioactive Waste Compact. This compact, already ratified by the Kentucky and Illinois legislatures, was formulated in response to the Low-level Radioactive Waste Policy Act of 1980. Identifical legislation will soon be introduced in the House of Representatives, and it is hoped that both bills will be passed during this session of the 99th Congress.

The 1980 act allowed States to form regional compacts for disposal of low-level radioactive nuclear waste at a common site. States whose compacts have been ratified by January 1, 1986, will be permitted to exclude waste from States outside their region after that date. Unfortunately, no compact has yet been approved by Congress, and no new disposal sites have opened since 1980.

Low-level waste produced by the 50 States is currently deposited at three permanent disposal sites in South Carolina and Washington, each of which receives about 45 percent of the waste, and in Nevada, which receives about 10 percent. However, a crisis is looming on the horizon as the Governors of the three States have insisted that an alternate approach to low-level waste disposal be developed and are threatening to close down their overburdened sites by the first of next year. If these States shut their sites, many reactors and hospitals will have difficulty storing waste for more than 2 weeks.

It is clear that an extension of the January date will be necessary, but that it will have to be accompanied by an agreement to reduce the volume stored at the three active sites and a mechanism to prompt States to open new ones. I urge my colleagues on the Senate Judiciary Committee to move quickly to solve this problem so that compacts already submitted can be approved and work begun on new sites.

Although Kentucky is a low-volume generator of nuclear waste, State representatives have worked hard pursuing a number of options to ensure access to low-level nuclear waste disposal sites for Kentucky's generators since 1981. I commend them for their diligent efforts.

In 1984, State officials successfully negotiated the Central Midwest Interstate Low-Level Radioactive Waste Compact. Under the provisions of this compact, Kentucky will not be required to host a disposal facility unless the volume of radioactive waste generated in the State exceeds 10 percent of the volume generated in the region.

I ask unanimous consent that a letter to me from the Governor of the Commonwealth of Kentucky, Martha Layne Collins, discussing the Central Midwest Compact be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
Frankfort, KY, February 27, 1985.

Hon. WENDELL H. FORD,
U.S. Senate,
Washington, DC.

DEAR SENATOR FORD: In 1980, the United States Congress passed the Low-Level Radioactive Waste Policy Act requiring every state to provide for the disposal of low-level radioactive waste (LLRW) generated within their borders. This Act was passed in response to initiatives taken by the governors of Washington, Nevada and South Carolina to reduce the volume of waste coming into their states and to distribute the responsibility of LLRW disposal to other states. In the Act, Congress stated that the most safe and efficient method of disposal would be on a regional basis with member states sharing in responsibilities related to LLRW disposal. Included in the LLRW Policy Act, as an incentive to the development of compacts, is a provision that allows compact regions to restrict use of a regional disposal facility to member states. This provision is referred to as the exclusivity privilege and may be invoked on January 1, 1986.

The primary generators of nuclear waste in our state are the medical centers at the University of Kentucky and the University of Louisville. Nuclear wastes are generated in the course of academic, research and patient treatment programs at these facilities. During 1982 approximately 2,640 cubic feet of radioactive waste were shipped from Kentucky to the State of Washington for burial.

Although Kentucky is a low-volume generator of nuclear waste, state representatives have actively pursued a number of options to ensure access to low-level nuclear waste disposal sites for Kentucky's generators since 1981. State officials have participated in negotiations with five compacts and have also evaluated the option of handling all waste in the state.

In June, 1984, state officials successfully negotiated the Central Midwest Interstate Low-Level Radioactive Waste Compact. Under the provisions of this compact, Kentucky will not be required to host a disposal facility unless the volume of radioactive waste generated in the state exceeds ten percent of the volume generated in the region. Participation in this compact provides the following advantages:

The Commonwealth of Kentucky will have provided for the disposal of its radioactive waste without siting a disposal facility within the state or reopening the Maxey Flats Nuclear Waste Disposal Site for the small volume of radioactive waste that is generated in the state.

Illinois is willing to exempt Kentucky from hosting a disposal facility because Illinois will have qualified for the exclusivity provision in the 1980 Low-Level Radioactive Waste Policy Act while having to accept a relatively small quantity of radioactive waste from Kentucky as opposed to the entire Midwest Region's low-level radioactive waste.

The volume of radioactive waste generated in Illinois and Kentucky would provide a better economic base for long-term financial support than the go-it-alone option.

The State of Illinois currently has a low-level radioactive waste disposal site which is in the process of being decommissioned. Although Illinois did not regulate the site while in operation, their staff is familiar with radioactive waste management and disposal. The State of Illinois currently ranks sixth in the volume of LLRW shipped for disposal and is expected to rank number one by 1993. For these reasons Illinois will be increasing its expertise and capability to adequately plan for the operation of an LLRW disposal facility.

By joining the Central Midwest Compact, Kentucky will be eligible to participate in meetings on post 1986 interregional agreements for continued access to existing facilities. Access to these facilities is crucial until an Illinois site is brought on-line.

I am requesting your assistance and support in passing Congressional Consent Legislation during the current session of Congress. Preparation of Congressional Consent Legislation for LLRW compacts is being handled by the Senate Judicial Committee, the House Interior Committee and the House Energy and Commerce Committee. Congressional consent during this session is crucial in order to maintain the momentum of the states in assuming responsibility of low-level nuclear waste management. . . .

Sincerely,

MARTHA LAYNE COLLINS.

By Mr. DECONCINI:

S. 803. A bill to amend the title XX of the Social Security Act to provide additional funds for the social services block grants on order to promote economic self-support and self-sufficiency among individuals and families, to ensure families greater access to affordable quality child care, and to prevent child abuse and neglect through the provision of additional protective services; to the Committee on Finance.

SOCIAL SERVICES AND CHILD CARE ASSISTANCE ACT

Mr. DECONCINI. Mr. President, the legislation I am introducing today is in response to a crisis that is well recognized throughout the United States. It is a crisis that has grown out of the convergence of a number of factors, and without the immediate attention proposed in my legislation and in legislation proposed by several other of my distinguished colleagues today, this crisis will have severe ramifications for the future of our Nation.

The crisis that I refer to is the condition of child care for the children of working parents in our Nation. The formal child care system in this country is a patchwork of child care centers and family day care homes terribly uneven in reach, quality and coverage. While there is no doubt that upper class Americans who can afford quality child care can find it if they look hard enough, the rest of America is all too often faced with care for their babies and toddlers that ranges from unsanitary and overcrowded to down right negligent and abusive. And, for the so-called latchkey children, they may be faced with no type of after-school care at all.

Allow me to cite a few statistics which to me highlight both the extent of the child care problem as well as the cause of the problem:

First, almost two-thirds of all mothers of school-age children are in the labor force.

Second, half of all mothers with preschool children now work outside the home. The number of children under age 6 is expected to increase sharply during the 1980's, climbing to more than 23 million by 1990.

Third, the Bureau of Labor Statistics projects that by 1994 almost 80 percent of American women age 25 to 54 will be working.

Fourth, in 1983 there were almost 15 million households in which both parents were working—61.4 percent.

Fifth, as many as 6.5 million latchkey kids lack adult supervision before or after school. In many cities and towns untold numbers of latchkey kids are taking care of one or more younger siblings while their parents are at work.

Sixth, the number of single fathers who are raising children has doubled since 1970. Almost 3.5 million children now live in homes run by 1.5 million solo fathers, double the situation in 1970.

Nationally, there are approximately 1 million licensed positions for group child care, yet census figures regarding numbers of children younger than 6 with working mothers point to a need for 10 times that many child care slots.

Mr. President, the implications of these figures are frightening not only for those directly involved, but for all in society who recognize the fear, uncertainty, guilt, and other emotions which pervade and torment the lives of these parents and children. One working mother described her child care problems as a perpetual migraine headache which never left her, day or night.

But, what has government at the Federal and State levels done to help ease this growing crisis? In 1981, the Federal Government made substantial cuts in every program providing direct support for child care for low-income working families. In 1981 title XX was amended to create the social services block grant, the major source of direct Federal funding for child care. Federal funding for the entire range of title XX services was cut over 21 percent, from $3.1 billion to $2.4 billion and a $200 million minimum in Federal title XX money that had been established for States to spend specifically on child care was eliminated. The new legislation also eliminated a separate title XX program that provided training for social services professionals, including child care workers. A previous requirement that States spend $1 of their own funds for every $3 in Federal title XX money that they receive was dropped.

Also during 1981 three other programs that provide substantial financial support for child care were cut:

The Child Care Food Program which helps defray the costs of meals provided to children in child care centers or family day care homes, was cut by 30 percent—nearly $130 million a year. Further cuts in this program are currently being considered.

The public service employment component of the Comprehensive Employment and Training Act, which helped fund staff in child care centers, was eliminated.

The amount of child care costs for which families can be compensated under aid to families with dependent children was capped at $160 a month per child.

In response to the Federal Government's retreat from involvement in helping to ensure sufficient quality child care for Americans, the States also reduced their involvement. Thirty-two States provided title XX child care to fewer children in 1983 than they did in 1981. Sixteen States have cut their title XX child care expenditures more than 21 percent—the total Federal cutback for all title XX services. Ten States have made fewer low-income working families eligible for title XX child care. Twenty-four States have reduced funds for training child care workers. Thirty-three States have lowered their child care standards for title XX programs. Thirty-two States have cut back on the number of child care staff.

The legislation that I am introducing today is an attempt to begin to redress the problems that the lack of attention to the system of child care in America has caused for millions of parents and children. My bill adds $300 million to title XX, half of which would be targeted for child care training and child abuse prevention training. The other half of the funds would be used for the provision of child day care services for abused, neglected, or poor children. The funds would be made available to the States according to the formula provided by law for the distribution of title XX funds.

To offset the additional $300 million allocation for child care, my legislation also contains a provision for the deduction of $300 million from U.S. foreign assistance other than funds which are available for Israel or Egypt. I believe that this offset is a necessary fiscal balance and that savings can best be made in the foreign assistance area. Other than ensuring the provision of funding for Israel and Egypt, it would be up to the administration to determine which programs would receive reductions.

I urge each of my colleagues to look at the child care situation in his or her own State when considering the legislation that I am proposing today. Even though I considered myself to be fairly familiar with child care problems in the Nation as a whole, an analysis of the child care situation in Arizona done by a Phoenix newspaper, the Arizona Republic highlighted for me the depth and breadth of the child care problem in Arizona and the desperate need for Government help for both parents and children involved as well as for those who are employed in the child care industry. I believe it is time for us to heed the concerns of parents and the advice of child care specialists and begin once again to make sure that the children of America are well-cared for.

I ask unanimous consent that a copy of a January 30, 1985, special report by the Arizona Republic entitled, "The Day-Care Dilemma," and a copy of the legislation that I am now introducing, be reprinted in the RECORD in full at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Social Services and Child Care Assistance Act of 1985".

ADDITIONAL TITLE XX FUNDS

SEC. 2. Section 2003(c) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (2); and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) $2,700,000,000 for fiscal year 1984;

"(4) $2,725,000,000 for fiscal year 1985; and

"(5) $3,000,000,000 for fiscal year 1986 and each fiscal year thereafter.".

USE OF ADDITIONAL FUNDS

SEC. 3. Title XX of the Social Security Act is amended by adding at the end thereof the following new section:

"USE OF FUNDS FOR SPECIFIC PURPOSES

"SEC. 2008. (a) For fiscal year 1986 and each fiscal year thereafter, each State must use its proportional allotment of the amounts specified in subsection (b) only for the purposes specified in such subsection.

"(b)(1) $150,000,000 shall be used only for purposes of providing child care training and retraining (including training in the prevention of child abuse in child care settings) to providers of licensed or registered child care services, operators and staffs (including those receiving in-service training) of facilities where licensed or registered child care services are provided, State licensing and enforcement officials, and parents.

"(2) $150,000,000 shall be used only for the provision of child day care services—

"(A) to children who are abused or neglected, or are at risk of being abused or neglected, and who are in families receiving child protective services;

"(B) to children of eligible families who are recipients of aid to families with dependent children; and

"(C) to children of low-income (i) adolescent parents, (ii) working parents, (iii) parents enrolled in education or training programs, or (iv) parents seeking employment.

"(c) The funds made available under subsection (b)—

"(1) shall be expended only to supplement—

"(A) the level of any funds that would be available for the purposes described in subsection (b) from sources other than the block grant under this title, and

"(B) funds available under the block grant under this title, other than under this section, equal in amount to the funds used under such block grant by the State in fiscal year 1985 for the purposes described in subsection (b);

"(2) shall be separately accounted for in the reports and audits provided for in section 2006; and

"(3) shall not be subject to the provisions of section 2002(d) (permitting a State to transfer up to 10 percent of its block grant for purposes authorized under other Federal block grant programs).".

REDUCTION IN OUTLAYS

SEC. 4. Notwithstanding any other provision of law, the President shall withhold from obligation or expenditure $300,000,000 of the funds appropriated for the fiscal year 1986 pursuant to the Foreign Assistance Act of 1961 and the Arms Export Control Act, other than funds which are available only for Israel or Egypt.

[From the Arizona Republic]

THE DAY-CARE DILEMMA

ARIZONA IS WAY BEHIND IN CHILD CARE—CHILDREN'S ISSUES TAKE BACK SEAT IN STATE, WITH WEAK REGULATIONS AND TOO LITTLE MONEY

There are no reports on file at the State Department of Health Services that show that any children have died in Arizona's 744 licensed day-care centers.

That doesn't mean it couldn't happen.

"It literally is possible for something to be going on for one or two months and we wouldn't know about it," said John Stafford, a DHS director who oversees day-care centers.

And it has happened elsewhere. In Houston, for example:

Eight children ranging in age from 2 to 5 have died in Houston day-care facilities during the past 3½ years. Nearly all of them died in day-care centers with histories of chronic understaffing.

The latest tragedy occurred last March when 3-year-old Timothy Escobar accidently hanged himself after his jacket caught in a day-care center's playground slide. No adult was watching him. In 1982, 23-month-old Sashia Joleen Augustine's esophagus burst and her lungs collapsed after a Houston day-care center operator left her sleeping in a van when the temperature reached the mid-90's.

But it's been the sexual molestations of children in day-care centers that have made nationwide headlines.

Chilling incidences of children being sexually abused in day-care centers in New York and California have sharpened the awareness of frightened parents who want assurances that it can't happen in Arizona.

Death. Sexual abuse. It just can't happen here, right? Wrong.

A six-week investigation by The Arizona Republic into day-care centers has shown that no one—including Gov. Bruce Babbitt, the Legislature or DHS—can assure parents their children will be safe in day-care centers in Arizona.

Babbitt, who admits that "Arizona is way behind in child care," claims that the state has a "moral obligation to use government and social agencies" to solve day-care problems.

However, his legislative day-care package stops short of the far-reaching promises he made last fall about rewarding good day-care centers with state bonuses. Other measures on fingerprinting day-care workers will be difficult to implement, and their effectiveness is arguable.

One divorced mother of two boys who took her children out of an Arizona day-care center said she didn't think they had enough to do and she worried about them spending so much time there.

"I let their dad have them. They won't have to be in day-care because his new wife doesn't work," she said.

While state officials can't guarantee children's safety, neither can the day-care operators' professional organization, Arizona Association for Child Development and Education.

The group's director, Scott Moffat, admits his 4-year-old organization, which represents more than 120 day-care centers, doesn't know how much abuse is going on in Arizona centers and has no method of censuring operators who could be endangering children's safety.

"We're such a young group we don't have one (censure method) for the moment," Moffat said.

The number of complaints about child abuse, neglect, and unqualified staffing in Arizona day-care centers doubled in the first four months of 1984, compared to the same period in 1983. Compliants for those four months alone went from 73 to 146.

Beatrice Moore, DHS day-care licensing chief, said she does not have adequate staff to investigate all complaints. Those listed in the first four months of 1984 do not include another eight months of violations found by six inspectors charged with protecting the health and safety of the 50,000 children in day-care centers in the state.

It is an impossible task.

The state has more investigators inspecting about the same number of charity bingo operations than are monitoring day-care centers.

"Here, children's issues in general have taken a back seat. It's still potentially dangerious and abusive," said Arlene Dulsky, president of Upgrading Preschool Programs.

Day-care inspectors say they are worried about childrens' safety in some centers, but one inspector said "the frustrating thing is we can't do anything about it."

Speeders on Arizona highways and anglers who pull too many fish from a stream can face stiff penalties. But day-care operators who expose children to dangerous situations are not likely to be punished.

Nearly every day, DHS inspectors find children playing on decrepit swings, drinking from dirt-crusted water fountains and being left alone.

In some cases, children don't get enough nutritious food.

A cook at one west Phoenix center used only one 6-ounce can of pizza sauce to pour over macaroni for 64 children. Cooks in other centers have used a pound of hamburger or a single package of hot dogs for as many children.

If a fire broke out in some day-care centers, the children would not know what to do. A 1984 DHS study of 169 centers showed that failure of some of those centers to show children how to get out of a burning building "place children at risk."

As for abuse, what happened in New York and California could happen here.

"Complaints of child abuse and neglect in child-care centers are becoming more frequent and serious," according to a December 1984 state report.

But the same report said that DHS staff "has neither the time nor the expertise to conduct the type of in-depth investigation necessary . . ."

The DHS study of 169 centers reported complaints of children being hit, jerked, and having their mouths washed out with soap. In other instances, there were complaints of children having their genitals bruised and other forms of sexual molestation.

Some of the cases were verified. Others were not.

Gene Howard, who oversees Child Protective Service workers for the State Department of Economic Security, said he has a "gut feeling" that more children are being abused in day-care centers, but he said no one knows for sure.

"We don't have any numbers," he said. "We have seen more reports of sexual abuse."

The inability of officials to answer such questions complicates an already serious problem.

Not only is enforcement of state regulations impossible under current conditions for the state's 744 licensed day-care centers, but there are untold hundreds of day-care homes in which no standards need to be met.

Babbitt has no plans to require those day-care homes, which care for four or fewer children, to be monitored in any way.

Only 1,200 a fraction of the number of day-care homes that exist, must meet health and safety standards because they receive state payments for caring for poor children.

Despite state officials' failure to deal with the day-care issue, there is no question that reforms are needed.

A member of Babbitt's administration, Carol Kamin, a respected child-care expert, said government officials have admitted that how children develop in their early years can shape their future.

"Now it is time for the state to pick up the ball," she said.

"Shouldn't we care as much about our kids as who is cutting our hair?"

[From the Arizona Republic, Jan. 30, 1985]

BENDING THE RULES

CENTERS WITH VIOLATIONS STAY IN OPERATION THROUGHOUT LENGTHY HEARINGS PROCESS

Ted MacNeille propped a plump elbow on his littered desk and seemed mildly puzzled by two hours of questions from reporters about his four day-care centers in the Phoenix area.

"I think I am running good day care," he said.

Day-care center inspectors with the state Department of Health Services disagree. They have recommended that licenses be revoked at three of his four centers, and the fourth has been identified by them as substandard.

MacNeille also faces other problems. Incorporation papers he filed with the state for a company that owns two of the centers—a company in which MacNeille is chief executive officer—have been revoked by the state Corporation Commission.

Lengthy license revocation proceedings already have begun against one of MacNeille's centers, Magic Moments, 7821 N. 51st Ave.

His difficulties, however, are not unique.

Two Mesa day-care centers owners are have similar problems. The state has begun license revocation proceedings against ABC Angels and Imps, 200 E. First St., and Orangewood, 925 N. Orange St. Both are accused of operating substandard facilities.

Those three centers are among 13 identified by DHS in a Nov. 20 memorandum as having a "pattern of serious deficiencies of such a nature as to warrant license revocation."

The deficiencies include understaffing, unsafe toys and equipment, unsanitary conditions, outbreaks of contagious diseases and poor nutrition programs.

An investigation into day-care centers statewide by The Arizona Republic showed, however, that license revocation hearings can take weeks and often occur only after a center has repeatedly violated health and safety standards, sometimes for years, or has continually failed to provide safe and adequate toys and equipment for children.

In addition to the 13 centers targeted for license revocation hearings, DHS has named 65 other day-care centers throughout the state that are operating at what officials call a "substandard" level. Most of these are in Maricopa County. Fourteen are in Tucson and 11 are located in rural counties.

Three of MacNeille's centers, including Magic Moments on 51st Avenue, another Magic Moments at 5643 S. Seventh Ave.; and a Mary Moppets at 315 S. Stapley, have been issued provisional licenses by DHS.

Only MacNeille's Li'l Rascals, at 2821 W. Northern Ave., has a three-year license. All four centers, however, have been found by state inspectors to be understaffed and to have unsafe and dangerous equipment, dirty walls, bad plumbing and broken cribs. He also has been reported by inspectors for failing to provide adequate food and proper toys.

Last January, at MacNeille's Mary Moppets in Mesa, inspectors said they found roaches inside the facility. They also said the building smelled of vomit and urine.

Although MacNeille told The Republic during a recent interview that he has had "no problem" with DHS inspectors, he changed his mind after a litany of violations at his centers was read to him from a DHS file.

"They (the inspectors) have a tendency to pick you apart," he said. "They're under a lot of pressure. They have to find something."

As part of the license revocation proceedings for Magic Moments on 51st Avenue, DHS inspectors have compiled four typewritten pages of deficiencies between November 1982 and November 1984.

The inspectors charged that children at the center were left unattended; that the facility was "seriously" understaffed; that drinking fountains did not work; that floors and walls were dirty; that the food was not nutritious; that baby bottles were not labeled for each toddler; and that the children and virtually nothing to do.

At least one parent was concerned about the safety of her child at the Magic Moments center on 51st Avenue. Tracey Yokley told the The Republic that her 3-year-old son, Joshua, suffered a cut over his right eye and complained of pains in the back of his head after he fell through a loose board on a playground bridge last August.

"It was three days before I found out what happened to him," Yokley said. "They said he fell off the jungle gym. To me falling through a wooden bridge is a lot different than falling off a jungle gym." Yokley

took her son to another center after the incident.

MacNeille acknowledged that he had to repair the bridge after the child was injured, but he said he did not recall details of the incident.

State inspectors have repeatedly noted that children at the center had too little to do, including organized games or programs to occupy their time.

In March, a DHS inspector said that 29 children, including 4-year-olds, were on the playground with only one attendant.

The age of the youngest child in the group determines how many staff members must supervise. In this case, because 4-year-olds were present, DHS regulations required one staff member for each 20 children.

The inspector said the children were "wandering in and out of the building and those in the play area had nothing specific to do. At least two scuffles broke out between young boys."

When asked about the incident, MacNeille said such problems occur when attendants don't show up for work.

Yokley's son was one of the children who had little to do.

"Weeks would pass and he would bring home only one paper he had colored on," she said.

MacNeille denies that he does not have sufficient programs for the children in his care. He acknowledged, however, that he does not "have a lot of structured activity for school-age kids. They've had that all day. They aren't here to get taught."

Susan Lefebvre, director of the Arizona Association for Supportive Child Care, said her group recommends that children be provided with activities after school.

"They need something to balance out their day," she said.

MacNeille blames problems at the 51st Avenue center on a series of inept directors. One, he said, allowed the staff "to run all over her".

Staff members refused to clean rooms and do other tasks under the former director, he said.

There have been four directors at the center since April, including one he recently hired. He said he plans to move the center in May into a new leased facility.

Asked if the center's physical plant was substandard, he said: "That center is."

MacNeille's other Magic Moments and the Mary Moppets center on Stapley in Mesa also have been cited repeatedly by DHS for inadequate staffing, poor programs and dirty conditions.

MacNeille said he is most proud of L'il Rascals, where a bulletin board in the lobby shows a note from parents praising the center.

"I just love it here," he said. "It is a cut above the other centers."

DHS inspectors agree that MacNeille is doing a better job at Li'l Rascals than his other centers.

But Linda Nelson, whose sons, Joshua, 5, and Adam, 3, attended the center for 18 months, said she "would do anything to close Ted down."

She said the children "were out of control" and the center was understaffed.

In April, she said she saw a 2-year-old girl run into the middle of Northern Avenue, while MacNeille was sitting at the front desk near the door. A telephone repairman took the child back inside, according to a document on file at DHS.

The document reports that MacNeille said he saw the girl leave the center with another mother and said he "assumed" the mother was taking that child and her own.

However, when asked about the incident by reporters, he said the child darted out of the center after her own mother and got only as far as the parking lot.

"We were on her tail," he said, adding, "It happens all the time."

He also admitted to DHS inspectors that he asked Nelson to take her boys to another center after she complained about him.

MacNeille's difficulties extend beyond problems with DHS inspections.

On Aug. 10, his articles of incorporation for Mission Management Systems Inc., were revoked by the Arizona Corporation Commission. The company owns L'il Rascals and the Magic Moments on Seventh Avenue.

Joan Drake, the commission's incorporating division director, said the articles were revoked because MacNeille failed to file his annual financial statement.

MacNeille said he did not know the articles had been revoked until he was told by reporters, saying, "I'll ask my accountant about it."

However, Drake said Mission Management was notified 60 days before its charter was revoked—and that the warning was sent to MacNeille's center on Stapley.

MacNeille has until Feb. 10 to reinstate the corporation.

Edith Ruggle's Orangewood day-care center is cradled in the crook of a cul-de-sac amid a cluster of apartments near Mesa Lutheran Hospital.

Ruggles, who has owned the center for three years, said she is angry and confused over a DHS effort to revoke her license.

"I'm going to fight it," she said during an interview conducted in a childrens' bathroom, the only private place in the center.

An Oct. 15 letter from Beatrice Moore, DHS chief of day-care licensing, to John Stafford, head of health-care licensure, said the center has "had a pattern of non-compliance particularly in the area of staffing, nutrition, lack of equipment, unsafe equipment, and exits blocked."

Moore sent a letter to Ruggles in May, informing her of the center's deficiencies.

Reports of 10 visits made to the center after the warning letter continue to show "serious staff and nutritional deficiencies."

A list of deficiencies at the center between April 1982 and last October include broken high chairs, a leaking urinal, unattended toddlers in broken high chairs, carpet filthy, broken toys and inadequate serving portions.

Ruggles said during a January interview that she has changed her menu repeatedly to satisfy surveyors and has replaced high chairs and toys.

Her daughter, Sheila Scharitz, who works at the center, said she is also confused by the state's action.

"As soon as we feel everything is fine, it's not fine," she said.

She also criticized DHS inspectors for not including reasons for deficiencies on report forms that appear in the public file. The form includes a space for a "plan of correction and comments by center operators."

Scharitz called surveyors "picky" and said that "one never agrees with the other."

Lucinda Reed, a DHS surveyor, said she has shown Ruggles copies of reports by previous surveyors.

"They all show the same things," Reed said.

Ruggles is not convinced that her center should be closed.

"I can't believe I am doing anything wrong," she said. "No child has ever been hurt at my center."

Her file shows no reports of injured children.

One corner of the front yard of ABC Angels and Imps is littered with broken chunks of concrete block.

The center's owners, the Apostolic Bible Church next door and Leveta Abbott, have been cited frequently over the past four years for providing an unsafe environment for children.

Pictures taken by a DHS inspector during a construction project in 1983 show stacks of blocks, scaffolding, a ladder and other construction materials on the playground. The pictures showed a hose being used to fill a kitchen sink and cracker crumbs under a table used to change diapers.

Even after an August 1980 fire in a furnace room attached to the center, pictures showed that exit doors were blocked by a baby's basinette.

Although Abbott refuses to sign inspection reports, she acknowledges that she has had problems with her center.

In a Sept. 27 letter, she promised DHS inspectors that she had made changes that "I believe will be a benefit to our center. I think you will be pleased with the changes we are making."

Two months later, DHS inspectors found pages of regulation violations, including no heat in the infant room, a drafty floor, inadequate toys and activities, an insecure fence, and a water fountain that didn't work.

In February 1984, an inspector described the center as "chaotic—all the kids could do was run around."

Abbott has also been cited by DHS insepctors for failing to have a director on the premises at all times.

When two reporters and a photographer visited the center in early January, a woman said Abbott, who is listed on the license as owner/director, was not at the center and no assistant director was there. DHS regulations require a director or someone designated as a director to be at the center at all times.

One attendant cared for a few children in a large room at the front of the center and another woman, who said she had started work at the center only a few hours earlier, was alone with five infants in the nursery.

DHS regulations require that new workers be supervised.

When a reporter called the next day to arrange an interview with Abbott, a child answered the office phone. When an adult came to the phone, she said neither Abbott, nor a designated director were at the center.

Abbott's license expired Nov. 30. It has not been renewed. DHS regulations allow centers with expired licenses to continue operating while license-revocation proceedings are pending.

When initially contacted for comment on the center's violations, Abbott refused.

"I'm having enough problems without having problems with the press."

WANTED: DAY-CARE DIRECTOR

MUST BE OVER 21, HAVE HIGH SCHOOL DIPLOMA, SOME "QUALIFYING EXPERIENCE"—AND THAT'S ALL

There's nothing difficult about becoming a day-care center director in Arizona. Anyone 21 years of age or older with a high school diploma and a couple of years of "qualifying experience" can oversee the

care of children, all of whom are in their formative years.

Day-care center employees—who often are called "teachers" at the center—need only be 16 and working toward a high-school diploma.

"Most of the complaints I get are from parents complaining about untrained workers and their questionable practices—shaking and yelling at kids, for example," said Scott Moffat, director of the Arizona Association for Child Development and Education, a day-care owners' lobbying group.

State regulations have no lofty rules requiring day-care operators to have degrees in early childhood development or even business management.

"Qualifying experience" on a state Department of Health Services' application for a day-care directorship is considered "working directly with a group of children as a paid staff person or volunteer during a specified time period."

The experience must be obtained either in a day-care center or a "situation reasonably comparable thereto." What that situation might be is unclear. Teaching experience qualifies. Home babysitting does not.

There is no required training for workers. Training provided by the state is "minimal," Boyd Dover, deputy DHS director, has admitted.

Child-care experts say parents must stop believing that anyone can take care of their children.

Adequate training of workers who are for children in day-care centers 10 hours a day is just as important as changing Arizona's woefully inadequate staffing requirements, said Carol Kamin, executive director of the Governor's Council on Children, Youth and Families.

"We tend to think anyone can take care of kids," Kamin said. "After all, anyone can be a mother or a father."

Jolly Kush, director of the non-profit Glendale Child Development Center, expressed the same sentiments to Gov. Bruce Babbitt during a December tour of her center.

"You don't get born knowing what to do with babies," she said.

Babbitt asked whether nine hours of training that was required for workers in state Department of Economic Security-qualified centers was sufficient.

"If you've got an 18-year-old kid and all she has to do to work is not have a contagious disease, no," Kush replied.

Until last year, DES contracted with the Association of Supportive Child Care and Tucson Association of Child Care to monitor centers that receive a state subsidy for low-income children.

But state officials said the contract was withdrawn because the money was needed to continue paying the subsidies. In addition, they acknowledged that day-care center operators resisted being inspected by both the state Department of Health Services and DES.

While DHS requires no training of day-care center workers or operators, DES officials stipulate that people have training in child development and discipline in order to run day-care homes.

Day-care centers provide care for five or more children, and can be located in a building or a private home. Day-care home operators, however, are permitted to tend no more than four unrelated children in their homes.

About 1,200 such homes are certified by DES to receive state day-care payments for low-income families.

Those 1,200 homes, which care for four or fewer children each, must meet stiffer regulations in some cases than the 744 day-care centers caring for 50,000 children.

For day-care-center workers, Arizona's requirements compare poorly to those in other states.

In several other states, center directors must have college educations including a specified number of hours or degrees. Day-care workers must meet other standards.

For example, according to a 1983 report on minimum standards for day-care centers published by the National Association for Child Care Management, New York's minimum requirement for a center director is a bachelor's degree. Staff members must meet several combinations of education and experience requirements to qualify.

Requirements range from having a New York teaching certificate and two years of experience to an associates degree plus four years of experience.

Few states are worse than Arizona, the study shows, but Kentucky requires only that day-care workers be older than 16. There are no requirements for center directors.

Kamin said the public has resisted changes in DHS regulations that would require stiffer requirements for day-care operators and workers. But they do not resist the idea of forcing elaborate qualifications on people who cut and curl their hair.

"If you're a cosmetologist, you have to have a license," she said. "Somebody's decided that it is in the best interest of the public to require these. Should we care as much about our kids as who is cutting our hair?"

Even basic reading and writing skills among the staff of some centers seems to be lacking.

One Phoenix day-care center's required statement of policies and procedures, on file with DHS, is replete with grammatical errors and misspellings.

Days of the week were not capitalized. "Sence" was written instead of since; "responce" instead of response; "appone" instead of upon; "becouse" instead of because; and "writting," with the second "t" appeared at least twice in the document.

Efforts by Arizona officials to enforce even the state's low day-care worker standards are questionably effective.

Center directors must only complete a two-page form asking whether they are addicted to drugs or alcohol, have engaged in child abuse or sexual misconduct, or have been convicted of a felony or crime involving moral turpitude. The form is not checked for accuracy.

They also must list three personal and three professional references, but there are no restrictions on who can be listed.

In examining dozens of DHS files on day-care centers, The Arizona Republic found center directors who had listed close relatives such as father or daughter, neighbors and friends as character references.

In one case, the person applying for the directorship of a center listed his psychotherapist as a reference.

The psychotherapist said on the recommendation form that he had only known the applicant a "limited time. One or two counseling sessions." Yet the psychotherapist also answered "yes" to a question asking whether the applicant was qualified to be a center manager.

The debate over qualifications for day-care workers comes down simply to money.

Some government officials argue that day-care center owners should spend more money to train workers and pay higher wages to attract better qualified people.

But day-care operators say the parents will have to bear the cost for training a transient work force.

Increasing salaries from $3.35 an hour to $5 or $6 an hour would boost the cost of day-care from the average of $9.50 a day to $12 or $13 a day, Moffat said.

"We've got tons of early child-care professionals available, but they are too expensive," he said.

The high turnover rate among day-care workers—estimated to be one-third every six months—precludes extensive, often expensive training, Moffat said.

"Face it: The highest they are going to make is $5 per hour in this job," Moffat said. "It's usually stopgap until they find something else."

Day-care experts report that it is more difficult to find help when the economy is booming because workers can find better minimum-wage jobs with less stress than in day-care centers.

Kamin said part of the solution to the training dilemma could lie in the Child Development Associate certificate, offered through Central Arizona College. The certificate requires 35 credit hours of either classroom or on-the-job training. Tuition at CAC is $15 per credit hour.

Some centers pay for the training, Kamin said, but the cost—at least $525—is not realistic for small operators.

Even if workers attain the certificate, they are still caught in an industry which generally pays only the minimum wage.

Some centers not only require additional training for their workers, but pay for it.

Daybridge, a nationwide chain with seven centers in Arizona, pays for continuing training, including CDAs, said Dorothy Saunkeah, Daybridge district manager for Arizona.

She said each center is also staffed with five state-certified teachers. But she admits that costs of the training are passed on to parents. Charges at the Daybridge centers run between $55 and $61 a week, or about $15-$18 more than average.

Tami Pelfrey, a mother of two children who had been in day care, said she took them to a center with which she was dissatisfied because she could not afford to pay higher rates.

"I thought I had to take them there because I couldn't afford anymore," she said. Her day-care center charged $40 a week.

The state's role in assuring good, affordable day-care is unclear. Babbitt scorns the idea of subsidizing the care for all children in day care.

For example, he said, "I shouldn't get a subsidy."

Babbitt's two sons are cared for after school by a babysitter.

CHOOSING THE RIGHT DAY CARE

No matter how government regulates day-care centers, the best watchdogs are parents, child-care experts say. But many parents don't know what to look for when they shop around for a day-care center.

The following is a checklist of things to look for in a day-care center. It is taken from a booklet published by Upgrading Preschool Programs, a group of about 55 day-care centers.

The day-care center you chose should have the following:

Equipment inside and out that is whole, sturdy and easy for children to use.

Enough space to avoid over-crowding.

Attractive, comfortable, neat and uncluttered surroundings.

Clean bathrooms, with easy-to-reach faucets, soap and paper towels.

Nutritious meals and posted menus.

Covered lights and sockets, protected stairs and windows

A separate place for ill children.

Nap arrangements that are quiet and comfortable.

Varied activities that are planned with materials ready and available to children.

Individual help for children who need it.

Activities that meet individual learning needs of the children.

Programs that give children an opportunity to make decisions and solve problems.

Respect for the language and culture of each child.

Clean playground areas that have equipment in good repair.

Accessible drinking water.

Emergency procedures that are planned and posted with numbers by a telephone, and an emergency card for each child.

UPP also stresses the importance of parents examining the files kept by the state Department of Health Services on each licensed day-care center.

The files are available at the Office of Child Day-Care Licensing, 411 N. 24th St.

A JOLLY PLACE TO BE

EXPERTS TOUT GLENDALE CENTER FOR HIGH QUALITY OF DAY CARE

Jolly Kush waved a plastic bunny in front of an infant's face in a baby swing, then quickly hid it behind the child.

The infant ignored the bunny but trained his eyes on Kush, who was crouching in front of him.

"That's normal," she said. "But if in two months he didn't start wondering where it was, then we'd be looking for something wrong."

Kush was demonstrating for Gov. Bruce Babbitt one of the things she believes sets her non-profit day-care center apart from some others.

She said the staff at the Glendale Child Development Center works to stimulate infants. In addition, she said the center's nutrition program includes introducing new foods to the children each week.

Babbitt called it "a wonderful example of what day care should be."

The governor visited the center last fall as part of an effort to drum up support for day-care center reform.

Kush's center was the only one he visited.

During the governor's visit, Kush talked a mile a minute about day care in general and her center specifically as she lead the governor and his aides through the facility, housed in a church.

Kush's center is touted by day-care experts as one of many good centers in the state.

A review of its file at the state Department of Health Services shows few violations of state and health standards. A visit by DHS inspectors in October 1983 revealed unlocked cleaning materials, several pieces of playground equipment that needed sanding and painting, and records that could not be located.

Two months later, an inspection showed that the violations had been corrected or repairs were under way.

During Babbitt's visit, Kush said she was not pleased that her last DHS inspection had been a year earlier.

"It's good for my staff to know someone's coming in looking at them," she told Babbitt. "Even when things are not going well, it's good for them.

"I can say that they (DHS inspectors) probably think we're good and put us on the bottom of the list (of centers to be inspected). But that's no excuse."

DHS has six people to inspect 744 licensed day-care facilities statewide.

Kush's center, located in the First United Methodist Church at 7102 N. 58th Drive in Glendale, was established 16 years ago by five churches of the Glendale Ecumenical Parish to provide good day-care for children.

Kush, director for 15 years, is an outspoken proponent of stricter state day-care regulations more frequent inspections, limits on the number of children who can be grouped together and training for workers.

All that, she said, can be done without spending a lot of money.

But Kush acknowledged that her center receives contributions—both money and in-kind services—from the churches that founded it. For example, the center does not pay rent in the church.

In addition, she actively recruits the help of civic organizations, and her daily charge of $11 is $1.50 above the statewide average.

Kush's license allows her to care for up to 85 children. She said she aims to have one staff member for every five children. State regulations allow as many as 25 school-age children to be in one group with one staffer.

Kush's old but cheery center has no television set, no high chairs, and no walkers.

She described such typical day-care center props as "passive things."

Kush's facility lacked the smell of urine and disinfectant found in some other centers. Toys appeared to be plentiful.

Kush proudly trooped Babbitt and his aides through a spotless child-size bathroom.

Later during the tour, when one infant cried, he was immediately soothed by the attendant.

Kish acknowledged that she has a running battle with state DHS inspectors because she said she believes infants and toddlers should mingle with other children—particularly if siblings are involved. However, DHS regulations do not allow infants and older children to be cared for in the same group.

She said she has compromised by dividing her preschool age room from the infant and toddler room with a gate.

During Babbitt's visit, thirteen 2-year-olds sat quietly at two child-sized round tables as three staff members served them their afternoon snack—chips, salsa and juice.

The children's behavior, Kush said, dispels the myth that children in the "terrible twos" won't behave.

CHILDREN DON'T VOTE

BABBITT BLAMES LEGISLATURE FOR FAILURE TO PROVIDE FUNDS FOR DAY-CARE PROGRAMMING AND REGULATION

"There were no toys. The situation was chaotic. Children were running, pushing, crying.

"The baby was awake in a crib. No toys. Strong smell of dirty diapers. The baby received no attention.

"Still no program. All the kids could do was run around."

Scenes similar to this one described last February by a state inspector at ABC Angels and Imps, a Mesa day-care center, are common in Arizona.

The Arizona Republic investigation showed that this sorry scene has been repeated hundreds of times in day-care centers throughout the state. Youngsters are being warehoused in some centers for more than 10 hours a day, often with nothing to do but eat, sleep and watch television.

Leveta Abbott, director of ABC Angels and Imps, refuses to comment on conditions at her center, which has been earmarked for closure by the state Department of Health Services.

Gov. Bruce Babbitt admits that state officials have failed to do an adequate job in overseeing day-care centers. As a result, he said, parents cannot be assured that the center to which they take their child will provide safe or adequate care.

He has called some of the state's 744 day-care centers little more than "kid corrals," and he blames the situation on state lawmakers, who he says have not hired enough inspectors or provided enough money to assure quality programming.

"Children don't vote," Babbitt said, adding that they have neither a lobby nor the clout to force necessary legislation.

On the other hand, Babbitt's sudden attention to children's issues surfaced only late last year. Despite broad promises of day-care reform last fall, Babbitt already had gutted his legislative package of those features even before the Legislature convened in January.

And even that remodeled package is expected to spark lusty battles over the state's role in day care.

There is little disagreement among state officials over the need to improve day care.

A survey conducted late last year by DHS of 169 centers shows that 55 of them provide only a "custodial environment" of free play and television watching. Another 74 centers were considered average, providing appropriate activities for children but with only minimal training of their workers.

Only 40 of the surveyed centers provided "innovative" programming for children and hinged their hiring practices on the willingness of workers to undergo constant training.

Babbitt launched a well-orchestrated effort to drum up legislative support for improved centers. For the first time, he began to speak about the needs of children in day-care centers. He hinted at a $2 million to $3 million plan that would allow the state to rate day-care centers and pay bonuses to centers that did a good job of stimulating children in their care.

But the governor has retreated substantially from that position. His day-care programming package to be debated this session includes a proposal to use only $250,000 to hire six to 12 more DHS staffers to train day-care workers.

Part of the plan includes linking day-care center programs with immunization and early childhood development efforts in public schools.

The Babbitt package does not address what would happen if a day-care center operator refused offers of help.

Babbit's day-care recommendations also include adding more inspectors to the state day-care staff; implementing fingerprinting and background checks of day-care workers; guaranteeing parents access to day-care centers; and establishing fines for centers that do not meet state regulations.

Bob Wise, a Babbitt aide overseeing the child-care legislation, said the plan to pay bonuses to better day-care centers was scrapped after officials admitted they wouldn't know how to rate day-care programming.

"You probably would end up spending money just to subsidize already weak programs," Wise said.

He called the staff-training plan a "first step" toward improving day-care programs.

But even that plan is expected to trigger opposition from lawmakers who oppose further regulation of day-care centers, Wise said.

Babbitt apparently failed to make his point to state lawmakers.

Recommendations issued this month by the Joint Legislative Budget Committee, one of the first steps in forming the state's next budget, ignored much of Babbitt's day-care program.

The JLBC recommended no increase in the number of day-care inspectors, and threw out Babbitt's recommendation for $250,000 for hiring additional DHS staffers to train day-care workers.

Boyd Dover, DHS deputy director, acknowledges that his agency has been unable to insure children's health and safety in day-care centers. And he admits that training provided to day-care center workers by his staff is "only minimal."

Currently, six DHS inspectors, who survey and license the state's 744 centers, also are responsible for holding workshops to train workers. The inspectors say their workloads make it nearly impossible to train anyone.

Part of Babbitt's package includes $135,000 to add five more inspectors, a supervisor and a typist to the DHS day-care licensing division. The additional staff would bring the number of centers each must inspect from 124 to 67, still 27 more than suggested in guidelines written by the U.S. Department of Health and Human Services.

The inspection staff has not changed since 1976, when there were six inspectors to monitor 443 day-care centers.

Despite the requested doubling of his inspection staff, Dover admitted that DHS will still be unable to do an adequate job of inspecting centers.

Carol Kamin, executive director of the Governor's Council on Children, Youth and Family, said DHS needs 18 additional inspectors to insure children's health safety.

DHS officials sought only five additional inspectors because, Dover said, they believed they would have a slim chance of getting more than that from the Legislature.

"Even we know what's realistic," he said.

Senate Majority Leader Bob Usdane, R-Phoenix, DHS critic, said he is angered by such logic.

"That is wrong," Usdane said. "I have been yelling about that for eight years. When they need more people, they should ask for them."

He said he was surprised to hear accounts from reporters of problems in day-care centers, and blamed Babbitt for failing to inform lawmakers.

DHS, which has been plagued by a chronic shortage of day-care workers for years, has asked in the past for additional help. In their 1983-1984 budget request, the agency asked for three full-time people. A DHS memo suggested that the need for more inspectors was critical.

The license capacity at the time was 45,900. However, the memo said that DHS inspectors were seeing as many as 85,000 children in overflowing centers—"putting all of these children at risk."

Sen. Anne Lindeman, R-Phoenix, former chairman of a DHS budget subcommittee, said that despite the memo the DHS was told by legislators not to ask for more inspectors during tight budget years in 1983-1984.

"None of those (social) programs got anywhere," she said, explaining that money was tight that year and agencies were told not to seek additional staff.

"What, they needed was not necessarily what they got."

Lindeman, Senate assistant majority leader, predicted that lawmakers this year will approve Babbitt's budget request for more workers.

"That has nothing to do with his (Babbitt's) conversion to child-care issues," she said. "It's because we have the money this year."

She made that statement before the budget recommendations of the JLBC—a committee of legislators—had been released.

However, Lindeman said she would not predict such smooth sailing if Babbitt had stayed with his plan to pay bonuses to centers that improved their programs.

"Such programs would put day-care centers in league with mandatory education and many people think they (children in day care) are just too young," she said.

A similar state plan intended to improve day-care center programming was defeated in 1980 by lawmakers and outraged parents who claimed it would boost the cost of day care.

Babbitt's plan also inlcudes a measure that would require centers to allow parents inside the facility. Dozens of parents have complained to DHS that some centers will not let them inside to pick up their children.

Jolly Kush, director of the nonprofit Glendale Child Development Center, however, told Babbitt when he toured her facility in December that "if they (day-care-center workers) hand you your child over a counter, turn around and walk out."

NUMBERS GAME

STAFFING RULES FOR STATE CENTERS ARE WORST OF 12 WESTERN STATES

Parents of twins can tell you how hard it is to care for two infants at the same time.

"It's virtually impossible," said Nancy Turco, mother of twin boys.

But four times that many infants can be cared for by one person under Arizona day-care regulations, which are supposed to insure the health and safety of the 50,000 children in 744 centers throughout the state.

Older children, from 12 months to 12 years, fare little better under Arizona's staffing regulations.

The state's day-care staffing regulations for those age groups are the worst of 12 western states, according to a 1983 study compiled by Arizona, and Nevada health officials and an Arizona State University home economics student.

"Arizona stood out as having excessively high adult-child ratios," the study said.

Arizona's so-called "infant ratios" are among the four worst in the country, according to a 1983 study done by the National Association for Child Care Management.

Only Ohio, North Carolina and South Carolina allow eight infants to be cared for by one person. Most states require one worker for four or six infants.

What harm can result from too many infants under the care of too few people? Plenty.

Dr. Steve Hadler of the Center for Disease Control in Atlanta, Ga., said lowering the number of infants cared for by each worker could help prevent the spread of disease.

Judy Swanson, nursing supervisor for the Maricopa County Bureau of Disease Control, agreed. Day-care workers, she said, don't always follow a state rule requiring that the same person who changes diapers can't prepare children's food.

"When they get short on staff and kids are crying, even though that may be the rule, they go and pitch in," she said.

In August, 11 day-care center operators reported that they had cases of giardia, an intestinal infection that can be triggered by poor diaper-changing procedures. Five centers that month reported cases of hepatitis. In September, giardia was reported in 16 centers.

In addition to disease, child-care experts say they worry that children will be ignored if there are not enough supervisors.

Carol Kamin, director of the Governor's Council on Children, Youth and Families, calls the situation "almost unconscionable."

"One person cannot nurture eight infants," she said. "Some babies are there eight to 10 hours, five to six days a week."

The Republic investigation showed that scores of centers violate even Arizona's lenient infant ratios.

DHS day-care files show that inspectors have found repeated incidences of one worker in charge of as many as 12 infants. In other cases, inspectors have found infants left unattended in high chairs or cribs, with dirty diapers and no toys.

Inspectors have also discovered scores of instances when day-care workers changed babies' diapers and then failed to wash their hands.

State health officials decry the situation here, but only recently formed a task force to look into that and other day-care regulations.

Boyd Dover, state Department of Health Services deputy director, admitted he would not put an infant of his in a center under the conditions that exist in Arizona.

"I have been in child services 20 years," Dover said. "If I had an infant, would I put him in a one-to-eight ratio? The answer is no."

John Stafford, director of the DHS division which licenses day-care centers, called the situation "quite horrendous." He said the problem is not as critical for older children who need less supervision.

The Nevada-Arizona health study showed, however, that in Arizona one person is allowed to oversee the care of 15 children aged 3 and 4. In California, Colorado, and Washington for example, regulations allow only 10 children of that age to be cared for by one person.

Twenty-five school-age children may be cared for by one person in a day-care center under Arizona regulations. That is the highest ratio in that age group in 12 western states.

A task force has been formed by DHS to review such regulations. But if panel members recommend stiffer regulations, they are likely to be met with hard-line opposition from some day-care providers. Many argue that regulations requiring more staff will drive costs of day care out of the reach of some parents.

Bob Burns, owner of four Mary Moppet centers, said he would have to raise his $8.50-per-day charge if he had to hire more staff members. Labor amounts to 50 percent of the operating costs at his centers, which he said are "making a good profit."

A survey by The Republic of the 12 western states in the Arizona-Nevada study showed that improved staffing regulations may mean only slightly higher or even lower costs.

In California, praised in the Nevada-Arizona study for its good day-care and staffing regulations, the average cost of care is about $200 a month, compared to about $190 per month in Arizona.

Day-care charges in Colorado are between $140 and $200 a month and about $180 a month in Montana.

However, the quality of care in these states could not be determined, nor was it clear whether children were required to bring some of their own food.

Burns said he believes it is particularly unfair to require day-care centers to provide more staff for school-age children.

He calls current regulations "workable," adding: "It doesn't do any good to have five adults on the playground if they're standing around talking."

School teachers are frequently required to supervise more than 25 children, he said.

ROMPING ROOM

THIRTY-FIVE SQUARE FEET OF SPACE FOR BABIES HAS INFANTS LEADING A DOG'S LIFE—OR WORSE

Arizona requires less room for children in day-care centers than some private kennels provide for dogs. Some kennels allow as much as 60 square feet for dogs to romp in while day-care centers must provide babies with only 35 square feet. Half of that space could be taken up by cribs.

Older children fare even worse. State regulations require only 25 square feet indoors for children older than toddlers. The amounts to about half the size of a small office.

Having too many children crowded into too little space sets the stage for an explosive situation.

"When facilities are consistently full to capacity is the time when we've had a large number of complaints of abuse, inappropriate discipline and mistreatment by staff," said Hazel McInteer, a former state day-care center inspector who now directs nursing-home inspections.

The problem can be intensified by operators who accept too many children into their centers, McInteer said.

"If it's not understaffing, having too many kids per staff, it's having too many kids crammed into too small a space," she said.

In general, Arizona requires less space for children than 11 other western states, according to a 1983 study by Arizona and Nevada health officials of day-care regulations in 12 states.

Arizona regulations require enough playground space to provide 75-square feet for each child when half of the day-care center enrolles are on the playground. All but four states required 35 square feet for each child indoors and 75 square feet for each one outdoors.

Arizona is not alone in its skimpy space requirements. Nevada requires only 37.5 square feet per child outdoors; Idaho, 25 square feet indoors; and New Mexico, 60 square feet outdoors.

Child-care experts recommend 50 square feet per child indoors, and 75 outdoors.

Space regulations and other state requirements dealing with every thing from staffing to training in centers have been attacked by childcare experts as minimal at best.

"Arizona regulations are minimum and anything below that is harmful," said Sandra Burud, a Pasadena, Calif., child-care consultant.

"There's a greater supply of care (in the state) but not adequate care at all in terms of quality because of low standards," Burud said.

The last major revamping of state day-care center regulations came in 1980. A state day-care task force recently was formed to take another look at the regulations.

But Bob Burns, who owns four day-care centers, said tougher regulations could drive up the price of day care.

"If you really push for super regs, you're going to have a great day-care system nobody can afford," he said.

One area not addressed in Arizona regulations, but which shows up in those of half the states, is how many children can be cared for in one group.

So-called group size, however, has recently emerged as a factor considered to be as important as the number of staff required to oversee children.

Carol Kamin, executive director of the Governor's Council on Children, Youth and Families, said good day care can hinge on the number of children in a group.

"Better there be one adult in charge of 10 kids rather than two in charge of 20," Kamin said.

Twenty-six states, plus Washington, D.C., and the Virgin Islands, have at least some restrictions on group size in their day-care regulations, according to a 1983 survey of U.S. day-care regulations.

The survey shows that Kansas regulations, for example, allow only 10 toddlers to be together in a group. Kansas requires one staff person for every five toddlers, so a group of 10 would have two attendants.

Arizona regulations allow one person to care for 10 toddlers but they are silent on how many groups of 10 could be placed together.

An article in the July 1983 edition of Young Children, published by the National Association for the Education of Young Children, said that children in small groups show better cooperation, speaking skills, less hostility and are less frequently observed wandering aimlessly around.

Another flaw in Arizona regulations is the vague rules about how children must be stimulated or taught in day-care centers.

Regulations say only that a center's program is to include "activities to promote the age appropriate, physical, cognitive, language, social-emotional and creative development of children present," among others.

But there is no clue in the regulations about how that is to be done.

The issue of day-care center programming rekindles a debate over whether day-care centers should be preschool or babysitting services.

Gov. Bruce Babbitt last fall suggested an incentive program under which some centers would be paid bonuses if they provided pre-school-type programs. He repeatedly has said that day-care should be more than just "passive custody."

"Day care is a lot more than custody," Babbitt said. "It is a crucial element in early childhood development and formation."

He later softened his proposal, however, after an aide suggested that state officials would have no way of telling good programs from bad.

But for Kamin, instituting program standards is less important than changing some other Arizona regulations.

"Unless you deal in group size and training staff, what good is a curriculum?" she said.

Burns said he believes it's the parents' responsbility to assure themselves that a day-care center is providing safe and quality care for their children.

"To me the real regulator is the parent who goes in and looks around and sees how the kids act when they enter and leave," he said.

Several parents interviewed by The Republic, however, were not aware of any day-care-center regulations and they said they did not know that public files on licensed day-care centers are maintained by DHS.

Burns argued that a review of the files may not give parents a clear picture of a center's operation.

"They are a character-assassination file," he said, adding that they could be a collection of "unverified regulation violations."

WHO'S IN CHARGE?

REPORTER GETS INSTANT JOB USING FICTITIOUS NAME AND PHONY REFERENCES

If you left your child in a day-care center today, do you know who's responsible for its care, for its safety? The state doesn't. Neither do some day-care center operators.

A reporter for The Arizona Republic, using a fictitious name and phony references, was offered a job within 15 minutes of applying at a northeast Phoenix day-care center.

After completing a one-page application at Kinder Kare, near 36th Street and Thunderbird Road, a woman who appeared to be in charge of the center glanced quickly at the document, folded it in half and asked, "Can you start this afternoon?"

When the reporter told the woman that she had no experience working with children in day-care centers, the woman said, "That's all right, you'll learn on the job." Before leaving, the reporter asked if there was anything she should do to prepare for the job.

"Just don't dress up so much," the woman said.

That scene is common in day-care centers, officials at the state Department of Health Services say.

"They are hiring people right off the street," said Nina Robinson, a DHS day-care inspector.

An investigation by The Republic has shown that background checks are almost non-existent on the hundreds of people directing the care of more than 50,000 children in day-care centers in the state.

Gov. Bruce Babbit has called some day-care workers "little more than transients" and day-care center representatives acknowledge that 60 percent leave their jobs in less than a year.

Persons with histories of sex abuses or other criminal activities could easily slip through the state's ineffective system of background checks to become a day-care worker.

Two-page forms require applicants for day-care center directorships to list six references and note whether they have been convicted of sex crimes or a felony involving "moral turpitude," or are addicted to drugs or alcohol.

Day-care attendants, the minimum wage employees who have most contact with the children, are not asked any questions by the state about their backgrounds. In addition, no background information is required of day-care center owners.

Although DHS regulations require day-care center directors to fill out the two-page reference forms, there is little chance they will be checked.

Lucinda Reed, a DHS day-care center inspector and former day-care center director, said inspector's workloads make it nearly impossible to conduct background checks.

"It hardly ever happens that we turn anyone down," she said.

Recently, a prospective director withdrew her application after one of the people she listed as a professional reference told DHS inspectors that the applicant had been fired from a day-care job because of possible child abuse.

Robinson, who also is a former day-care center director, said without the tip the information about the applicant would never have surfaced.

"Otherwise, there would have been no way for us to know," Robinson said.

But an attempt to change that, the effectiveness of which is arguable, is under way in Arizona.

Rep. Chris Herstam, R-Phoenix, has introduced a bill—already endorsed by Babbitt—that would require day-care-worker applicants to be fingerprinted, subjected to background checks and then registered with the state.

The law would apply to all day-care workers—the owner who takes out the license, the director and the attendants.

The bill would require workers to sign a form stating that they are not awaiting trial for, nor have been convicted of, a dozen different crimes, ranging from sexual abuse of a minor to arson and robbery.

If they cannot sign the form because they have a record, they cannot register with the state. Failure to register prevents them from being employed by (or from owning) a day-care center.

Herstam said his bill was triggered by constituents' concerns after day-care workers in New York and California were charged last year with sexually abusing children in their care.

Herstam said while he learned that people who work with children in day-care centers are not subjected to background checks, he discovered that the state requires such checks of insurance salesmen, private investigators, racetrack operators and school-bus drivers.

Under his bill, day-care workers would be allowed to work for 20 days while the fingerprinting is done and background checks are completed.

However, there is little chance that the 20-day waiting period will allow law enforcement agencies to determine whether day-care applicants have a criminal history.

Both Herstam and Babbitt insist that the fingerprints be checked against the nationwide FBI crime network. They argue that the number of transients pouring into the state may have no criminal history here, but might have compiled a list of offenses in other states.

But the FBI's system is seriously backlogged and such so-called "non-priority" checks of day-care workers would be stalled for two to three months, officials of the state Department of Public Safety say.

Another serious gap in the bill is that the criminal history of workers under the age of 18 cannot be checked in such a manner because the federal criminal system does not maintain juvenile records. Day-care regulations allow the hiring of anyone over the age of 16.

But even when FBI checks are conducted, they are incomplete, said Gene Howard, program administrator for the state Department of Economic Security's Administration for Children, Youth and Family.

They reveal only whether a person has been arrested. The information does not indicate why the arrest was made or whether an applicant was convicted.

Such checks are conducted on foster-care parents and workers in foster-care group homes. Because of the limited information included in the check, applicants may be unfairly turned down for jobs, Howard said.

Phoenix FBI office spokesman Jack Smythe acknowledged that sometimes the information is incomplete, but said the reason is that local arresting agencies don't always submit information on the deposition of a crime.

The rap sheet is supposed to list arrests, offense, date, charge and disposition of arrest, he said.

New York City's background checks, which do not rely on the FBI, are very specific. They enable officials to tell day-care operators to take into account the nature of the crime, when the crime was committed and the person's age at the time of the arrest, said Rachel Gordon, assistant commissioner of the New York Department of Investigation.

New York started a fingerprinting program in the wake of a scandal in which several employees at city-funded day-care centers were charged with sexually abusing children in their care.

Nearly half of the first 82 day-care center workers screened in the program had been convicted of crimes that included arson, prostitution and possession of guns or drugs.

Of 857 background checks completed by mid-December, about 13 precent revealed criminal records, Gordon said.

Gordon's department, an independent arm of the city more than 100 years old that investigates municipal corruption, already conducted about 400 background checks monthly on all workers in management positions.

An estimated 100,000 day-care workers will be fingerprinted under the program, with the city picking up the $14 cost.

But Mayor Ed Koch in December authorized spending an additional $6 on each check to speed the process, Gordon said.

Herstam's bill would lay the cost of the background check on day-care operators, who could then pass it on to the worker. FBI criminal-record checks cost $11; DPS tacks on an additional $1 for handling.

Time is one reason New York City officials decided against the FBI check, Gordon said. Results of background checks must be submitted before day-care workers can begin work.

The expedited state check takes only a couple of days to complete.

"Obviously, it's not as good as the FBI check," she said.

But city officials say they also believe New York has a stable population, so a statewide criminal check is revealing enough, Gordon said.

In addition to the fingerprinting, the names of all day-care workers are checked against the state's register of child abusers, and the applicants' three most recent employers are verified.

If a worker is found to have a criminal record, a letter describing the criminal history is sent to the day-care center, Gordon said.

State laws prohibit discriminating against people with criminal records, but the record can be taken into account if there is a direct relationship between the offense and the job or if the person could pose a grave risk to others, Gordon said.

What the day-care centers do with the information will have a bearing on their future city funding, she said.

Bob Burns, a member of the board of directors of the Arizona Association for Child Development and Education, and owner of four day-care centers, said he has several reservations about Arizona's proposed fingerprinting program.

"One of our questions is, does it justify the means?" he asked. "If you catch one (worker) and drive three underground, have you accomplished what you set out to?"

He said he also believes that all day-care providers must be treated equally.

Herstam's bill requires fingerprinting of all workers in day-care centers, but does not include persons operating the untold number of uncertified day-care homes in the state.

Day-care homes are defined as those with four or fewer children unrelated to the operator. Such homes are certified by DES only if they receive a day-care subsidy for low-income families.

Herstam's bill requires only workers in certified day-care homes to be fingerprinted. He reasoned that if a person is inclined to be an abuser, he would "set up in a home."

Burns suggested requiring all people who care for children—from the babysitter down the street to the chain day-care owner—to register with the state for some kind of license number.

Fingerprinting is a bandaid solution at best, said Scott Moffat, director of the Arizona Association for Child, Development and Education, a day-care lobbying organization.

He said he would prefer that applicants undergo psychological screening that would weed out abusers, but acknowledged that it would be difficult to find the money to fund such a program.

Catching the child abuser is not the only point of fingerprinting, Sen. Dennis DeConcini, D-Ariz., said.

"It puts each and every employee on notice, and that might be a deterrent," he said. "But if they do do something, it would be easier to track them down."

DeConcini was part of an effort to approve a measure earmarking $25 million nationwide for the training of child-care providers.

Half of that money, approved for the current fiscal year, could be lost the following year unless state lawmakers pass legislation requiring checks of employment and national criminal backgrounds of day-care employees.

However, the threat appears to be a hollow one: There is no guarantee that Congress will appropriate such training funds in the future.

THE LEGAL TANGLE

WE SHOULD BE ABLE TO SHUT DOWN A DAY-CARE CENTER ON THE SPOT

Bathroom walls and baseboards were saturated with urine. Algae floated in a wading pool. Room temperatures exceeded 100 degrees. Dog feces littered the yard. Poisons were in unlocked cabinets.

These health and safety violations and dozens of others were discovered by Department of Health Services inspectors between 1979 and late 1983 at Bunnyland, a day-care center on Tucson's northside.

Despite those findings, state health officials did not revoke the center's license until last February. A document issued by DHS in January 1984 listed 26 pages of violations at the center.

Harold Merkow, a DHS hearing officer, recommended in February that the center be closed because he said evidence showed

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that its owner, Noreen Burke, had demonstrated a "pattern of disregard for the health, safety and welfare of the children entrusted to her care."

Investigation by The Republic has shown that a chronic shortage of DHS inspectors and a cumbersome license-revocation process has seriously hampered DHS officials' ability to take swift action against centers that could be endangering children.

"We should be able to shut down a day-care center on the spot like I do an ambulance company," said John Stafford, director of DHS emergency medical services and health-care licensure. Stafford said that before two new assistant state attorneys general were added to the DHS staff recently, he did not have the "legal help" to go after bad centers.

Bob Corbin, state attorney general, said the addition of two lawyers to the DHS staff is adequate "for now," but when additional inspectors are added by DHS, prosecutions may increase and more attorneys could be needed.

Even with the additional legal staff, Stafford said, inspectors can't hope to close a center just because it is filthy or does not have enough things for children to do.

"Filth alone is not enough to go in on," he said. "That has to be paired with many other things."

Only 15 of the 744 centers in the state have been closed by DHS since 1982. Another five closed voluntarily or were sold.

Beatrice Moore, chief of DHS day-care licensing, said in many cases a troubled owner sells the center to avoid legal battles.

An examination by *The Republic* of DHS day-care center files revealed that some centers remain open even though they have been warned repeatedly by DHS officials about their violations.

Many marginal centers correct deficiencies for a time. But conditions deteriorate between inspector's visits. Months can elapse between visits of inspectors who each must monitor 124 centers.

At Bunnyland, for example, DHS records show that violations found in August 1982—including nails protruding from a fence, splintered wood on playground equipment, and a filthy restroom—were corrected the next month. But a year later, an inspection revealed that the center's play equipment was unsafe, that the playground was littered with dog feces and a drinking fountain was filled with stagnant water.

Efforts to contact Burke for comment were unsuccessful. Telephone numbers she listed with DHS have been disconnected. The building that housed Bunnyland is for sale. Some of the violations inspectors found at the center are still apparent.

Stafford said hearings on such centers can stretch into months. Meanwhile, children remain in centers where their health could be endangered.

"Right now they (center operators) are spending a couple of hundred dollars to hire a lawyer and tie us into knots," Stafford said.

Another serious flaw in the state's enforcement powers is its inability to impose fines against substandard centers. Such penalties can be imposed upon nursing-home operators, but state lawmakers in 1983 killed a bill that would have allowed DHS officials to use fines against day-care operators, Stafford said.

A proposal by Gov. Bruce Babbitt to allow DHS officials to fine substandard centers was added to his day-care legislation package three days before the Legislature convened in January.

The proposal, which would impose $100 fines on centers with repeated violations, was added by Babbitt aides only after *Republic* reporters asked about the effectiveness of fines and whether Babbitt was considering including them. Such fines are imposed in California where health officials said they have been effective in urging day-care center operators to correct violations.

Scott Moffat, day-care lobbyist, said he is concerned that the fines will not be imposed consistently by DHS inspectors.

"It sounds very dangerous to give them (DHS officials) that kind of power unless the inspectors clean up their act," he said. He argued that some inspectors find violations that have never been noted by other inspectors.

Stafford admits there is little chance that operators will pay large amounts of fines, "but at least we will have a chance to get them to the bargaining table," he said, adding that fines could speed up enforcement action.

But a Pima County Superior Court judge said that state officials could be blamed in at least one case for delays in closing a Tucson center where charges of sexual molestation had been leveled at the owner's son. Child Protective Service workers of the state Department of Economic Security visited the center Sept. 20, but asked DHS day-care inspectors not to visit it until Sept. 25.

That delay prompted Pima County Superior Court Judge Lina S. Rodriguez on Nov. 2 to allow children back in the center, pending the outcome of license-revocation hearings in December. Rodriguez said DHS officials could not argue that the center posed an immediate danger to children because they waited six days to inspect it.

Andy Harclerode, one of two CPS workers who investigated the case, said he asked DHS inspectors to stay away "for a very good reason" but said state confidentiality laws prevented him from divulging it.

Because of the DES request, Lloyd Novick, DHS director, did not suspend Home Day Care's license until Sept. 25, six days after the owner's 16-year-old son was arrested for allegedly sexually molesting a 12-year-old girl on the premises. DHS regulations allow officials to suspend a center's license without a hearing if they believe an emergency exists.

Robert Christopher Muscarella, son of Mary Ann Muscarella, was arrested Sept. 19 in connection with the sexual molestation charge.

In an interview, Mary Ann Muscarella denied that her son molested the girl and her son "were going together and she said those things to get back at him." In addition, she said the girl was not enrolled at the center, but visited there frequently with other friends.

She had been enrolled at the center in June.

Christopher Muscarella was released to a third person Sept. 20 by Pima County Juvenile Court and ordered to stay away from the center.

In mid-January, following license-revocation proceedings, Merkow recommended to Novick that Home Day Care be closed because Mary Ann Muscarella had failed to supervise her son's activities.

At press time for this special report, Novick had not ruled on Merkow's recomendation. The center's attorney, Mike Bloom, said if Novick recommends closure, he will fight it "every possible way."

By Mr. DODD (for himself, Mr. CRANSTON, Mr. DECONCINI, Mr. KENNEDY, Mr. RIEGLE, Mr. HART, and Mr. BRADLEY):

S. 804. A bill entitled the "Child Development Associate Scholarship Assistance Act of 1985"; to the Committee on Labor and Human Resources.

CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT

● Mr. DODD. Mr. President, as fo[illegible]er and cochairman of the Senate dren's caucus, I can attest to the skyrocketing demand for quality, affordable child care in this country. At the first children's caucus policy forum in June 1983, we learned that as many as 15 million children between the ages of 5 and 12 lack any adult supervision after school because their parents must work. That estimate does not include the millions of preschool age children with parents in the labor force who need child care services.

One sure way to improve the quality of child care in this country is to improve the skills and performance of child care workers. The legislation I am introducing today would provide eligible child-care staff with training scholarships to perfect their skills through the child development associate [CDA] assessment and credentialing program. I am pleased to have Senators CRANSTON, DECONCINI, KENNEDY, RIEGLE, HART, and BRADLEY join me in sponsoring the child development associate scholarship assistance act of 1985.

Mr. President, the Child Development Associate National Credentialing Program provides performance-based training for child care providers. The training focuses on 13 core areas, essential building blocks of quality child care. Caregivers must provide the children under their supervision with safe, danger-free environments which promote healthy physical development. CDA candidates must know how to create good learning environments for children to encourage the development of cognitive and communications skills. Emphasis is placed on activities which will stimulate children to express themselves creatively and assist them to gain self-esteem. Candidates must be able to help children get along with each other and adults. Caregivers also must maintain open and informative relationships with each child's family, thereby encouraging full parental involvement. Last but not least, candidates are expected to become effective managers of child care programs who will continue to seek new ways to improve the care of children in their charge.

Before a CDA credential is awarded, all candidates are assessed on the basis of their performance in a child care setting. A local CDA assessment team both observes the candidate as she works with the children in her care and asks the parents of such children for their appraisals of her perform-

ance. Candidates themselves are also encouraged to play a role in the assessment process by providing dossiers of their accomplishments and participating in the local team's discussions.

The CDA credential is the only national credential formally certifying professional child care skills. The first CDA credential was awarded on July 24, 1975. To date, more than 15,000 child care workers have received the CDA credential. And, some 31 States and the District of Columbia have made the CDA credential a part of their child-care licensing requirements. We are very much indebted to Professor Ed Zigler of Yale University who established the CDA Credentialing Program over a decade ago during his tenure as Director of the Office of Child Development in the then Department of Health, Education, and Welfare.

The overwhelming majority of child-care workers are women who work exceedingly long hours for very little pay. Close to 90 percent of all family day care providers, for example, earn less than the minimum wage. Yet such work provides an income for many women who would otherwise be dependent on the Aid for Dependent Children [AFDC] Program. Just as importantly, child-care workers make it possible for other mothers to enter the work force and gain self sufficiency.

The CDA credential allows child-care workers to gain professional status and often to improve their salaries and benefits. Yet CDA candidates are now faced with over a 100-percent increase in the fee they must pay to be certified. The fee has soared from $35 to a current fee of $325. Given the extremely low salaries of most child-care workers, such high fees will force many of them to forgo training and subsequent CDA certification.

Mr. President, the legislation I am introducing today would provide low-income child-care workers with scholarships to enable them to obtain CDA training and credentialing. The cost of my proposal is modest, totaling only $1.5 million on a yearly basis. Yet the benefits will be enormous for the workers who receive training and formal recognition of their skills as well as for the children in their care.

At present, some 3,000 child-care workers a year receive CDA certificates. With the scholarship program I am proposing today, an additional 1,000 to 2,000 low-income providers could be trained and certified. Scholarships would be awarded to eligible caregivers on the basis of financial need. To cut down on administrative costs, the State agency responsible for the title XX Social Services Block Grant Program would administer the scholarship program. And to follow up on the effectiveness of this small grant program, the State agency would tell the Secretary of Health and Human Services each year how many workers received scholarships and what their positions and salaries were both before and after receiving the CDA credential.

In closing, I commend those of my colleagues introducing other legislative initiatives today focusing on different aspects of the growing demand for quality child care. Recent tragedies of child sexual victimization in child care centers have made undeniable the need to improve standards and licensing procedures for child care providers, as proposed by Senator CRANSTON. Given that more than 50 percent of all infants and toddlers are cared for in family day care settings, Senator HART's delineation of the need to improve services to family day care providers is clear indeed. Cutbacks in publically funded child care slots have made even more imperative renewed efforts to help low-income American families procure appropriate child care, as recognized by Senator DECONCINI in his proposal to restore title XX child care funds. Demographic factors help make the case for assisting families who want to locate preschool and afterschool care in the public schools, as addressed by Senators KENNEDY and RIEGLE respectively. And the need to provide child care services for low-income residents of public housing projects, as proposed by Senator RIEGLE, and should not be overlooked.

Many of the initiatives described above are contained in a comprehensive bill I introduced last session and plan to reintroduce shortly on behalf of the children's defense fund. Moreover, over the next several months I plan to introduce several additional, innovative measures designed to increase the participation of the private sector in child care efforts. I look forward to working with my colleagues on many of these child care initiatives so critical to working families and the children who live in them.

Mr. President, the time to encourage quality child care is now. I urge my colleagues to join me in sponsoring the Child Development Associate Scholarship Assistance Act of 1985. I ask unanimous consent that a copy of this legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Development Associate Scholarship Assistance Act of 1985".

SEC. 2. The Secretary is authorized to make a grant for any fiscal year to any State receiving a grant under title XX of the Social Security Act for such fiscal year to enable such State to award scholarships to eligible individuals within the State who are candidates for the Child Development Associate (CDA) credential.

SEC. 3. (a) A State desiring to participate in the grant program established by this Act shall submit an application to the Secretary in such form as the Secretary may require.

(b) A State's application shall contain appropriate assurances that—

(1) scholarship assistance made available with funds provided under this Act will be awarded—

(A) only to eligible individuals,

(B) on the basis of the financial need of such individuals, and

(C) in amounts sufficient to cover the cost of application, assessment, and credentialing for the Child Development Associate credential for such individuals; and

(2) not more than 10 percent of the funds received by the State under this Act will be used for the costs of administering the program established in such State to award such assistance.

(c) In making grants under this Act, the Secretary shall—

(1) distribute such grants equitably among States in the various regions of the nation, and

(2) ensure that the needs of rural and urban areas are appropriately addressed.

SEC. 4. As used in this Act—

(1) "eligible individual" means a candidate for the Child Development Associate credential whose income does not exceed the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), by more than 50 percent;

(2) "Secretary" means the Secretary of Health and Human Services;

(3) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

SEC. 5. States receiving grants under this Act shall annually submit to the Secretary information on the number of eligible individuals assisted under the grant program, and their positions and salaries before and after receiving the CDA credential.

SEC. 6. Payments pursuant to grants made under this Act may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

SEC. 7. There are authorized to be appropriated $1,500,000 for the fiscal year 1986 and for each succeeding fiscal year for carrying out the purposes of this Act.●

By Mr. RIEGLE (for himself and Mr. KENNEDY):

S. 805. A bill to provide for a program for the provision of child care services in public housing projects; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. RIEGLE (for himself, Mr. KENNEDY, Mr. CRANSTON, and Mr. HART):

S. 806. A bill to strengthen the program for grants to States for planning and development of dependent care programs, and for other purposes; to the Committee on Labor and Human Resources.

● Mr. RIEGLE. Mr. President, as America enters the final 15 years of the century, it finds itself in the midst of sweeping social and economic changes which are certain to have a lasting impact on even the most basic aspects of our daily life. I am particularly concerned about the lack of comprehensive child care services available when more women, single parents, and two-parent working families are entering the workforce. There is a deep and widespread need for safe and adequate child care in this country. Today women make up the majority of the labor force and close to half of all mothers with young children work. By the end of this decade over 50 percent of all preschool children and over 60 percent of all school-age children will have mothers who will be active participants in the workforce.

As a Nation, we are ill-equipped to meet the future child care needs of our children unless we take appropriate steps now. However, there has been resistance in addressing this problem. Before the 98th Congress, the last time Congress passed a child care bill was in 1971. That bill, unfortunately, was vetoed by then President Nixon. The 98th Congress finally saw a move away from this inaction, when, toward the close of that Congress, we were able to secure the passage of the Human Services Reauthorization Act, Public Law 98-558. This bill established the Dependent Care Grants Program to fund the startup of school-age child care programs, and dependent care information and referral centers. That grant program is the modified version of the School Facilities Child Care Act, which I originally introduced in June 1983 to promote care for the millions of children left unsupervised after school while their parents are at work. Hopefully, that piece of legislation will be the first building block in the development of a comprehensive network of child-care services. Clearly the present patchwork system of child care in our Nation is insufficient and ill-equipped to meet the mushrooming demand.

Mr. President, I believe it is essential that the Federal Government develop a comprehensive approach to addressing the child care needs of the Nation and to ensure that the system is able to meet the challenge of rapid growth. In that spirit, I am pleased to join with my colleagues, Senators CRANSTON, KENNEDY, HART, DECONCINI, and DODD, to develop in the 99th Congress a package of legislative proposals designed to address many concerns related to child care. As my initial contribution to this package I have introduced the Dependent Care Grants Act Amendments of 1985, and the Public Housing Child Care Act. The Dependent Care Grants Act Amendments of 1985 will serve to both reauthorize and improve the important Dependent Care Grants Program—Public Law 98-558—authorized by the 98th Congress. This important program provides grants to the States to fund the start-up of school-age child-care programs and dependent care information and referral centers.

Passage of the Dependent Care Grants Program was a significant step taken by the last Congress. While the reauthorization legislation I am introducing makes only modest changes in the current law, it will help to ensure that the individual programs funded through this grant have the opportunity to become the model programs we seek to establish. In brief, my bill would reauthorize the dependent care grants with a modest $10 million annual funding increase for fiscal years 1987-89; remove the burdensome State match requirements; permit funding for operational expenses; and modify the reporting requirements in the current law with a more comprehensive needs assessment and report requirement.

The Public Housing Child Care Act is designed to provide child care services to low-income parents residing in public housing projects. The purpose is not only to provide these parents with affordable, accessible child care, but in so doing to permit these working parents the flexibility they need to seek greater employment opportunities which ultimately may serve them in their efforts to achieve economic independence. The Public Housing Child Care Act will authorize $15 million annually for the Department of Housing and Urban Development to make competitive grants directly to local public housing agencies to establish on-site child care services for low-income residents. These grants will be awarded only to public housing projects which presently do not offer child care services, agree to provide suitable facilities for the provision of the services, develop programs which, to the extent possible, are capable of training and employing both parents of participating children and elderly project residents, and which design programs which utilize a sliding fee schedule. Preference for funding will be granted to those agencies which house high numbers of young children.

Mr. President, this act speaks to the most basic child care concerns of low-income parents—affordability, availability, and accessibility. The group it is meant to serve, low-income parents, are in my opinion the most needy in terms of child care. It is this group who, because of cost, are forced to view child care as a luxury when for them it is more than likely a necessity.

Mr. President, the national problem of the lack of child care availability is a complex concern which requires that we as legislators examine the full spectrum of approaches addressing this issue. I am encouraged that a group of my colleagues have joined with me in this effort and would hope that other members will join us as we continue to examine child care needs.

Mr. President, I ask unanimous consent that the full text of my bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Public Housing Child Care Act".

SEC. 2. (a) In addition to any demonstration program carried out pursuant to section 222 of Public Law 98-181, the Secretary of Housing and Urban Development shall also carry out a demonstration program by making grants to public housing agencies to contract with nonprofit organizations within their communities to provide child care services for lower income families who reside in public housing. The Secretary shall design such program to determine the extent to which the availability of child-care services in lower income housing projects facilitates the employability of the heads of such families and their spouses.

(b) The Secretary may make a grant to a public housing agency under this section only if—

(1) such public housing agency does not have a child care services program in operation prior to receipt of assistance under this section, or can demonstrate the need and ability to expand existing services;

(2) such public housing agency agrees to provide suitable facilities for the provision of child care services;

(3) such public housing agency provides appropriate assurances that the child care services contracted for with funds under this Act will—

(A) serve preschool children during the day or serve elementary school children before and after school, or both, in order to assist persons who head the families of such children to obtain, retain, or train for employment;

(B) be designed, to the extent practicable, to involve the participation of the parents of children benefiting from such program, with such participation including, but not limited to, training and employment with the child care program;

(C) be designed, to the extent practicable, to train and employ in part-time positions elderly individuals who reside in the lower income housing project involved;

(D) be provided only by nonprofit community-based organizations with experience in the delivery of child care services;

(E) be made available to residents of the lower income housing projects involved on a sliding fee basis; and

(F) meet state child care standards including, at a minimum, standards governing child care funding by title XX of the Social Security Act, and comply with all other applicable State and local laws, regulations, and ordinances

(c) In providing grants under this section, the Secretary shall—

(1) give priority to applications of public housing agencies which propose to fund child care services in lower income housing projects in which the largest number of preschool and elementary school children of lower income families reside;

(2) seek to ensure a reasonable distribution of such grants between urban and rural areas and among lower income housing projects of varying sizes; and

(3) seek to provide such grants to the largest number of lower income housing projects practicable considering the amount of funds available under this Act and the financial requirements of the particular child care services programs to be funded by the applicant public housing agencies.

(d)(1) Applications for grants under this section shall be made by public housing agencies in such form and according to such procedures as the Secretary may prescribe.

(2) Any public housing agency receiving a grant under this Act shall not use more than 10 percent of the grant for administrative costs, which costs may include expenses for minor renovations of facilities necessary for the provision of child care services under this Act.

(e)(1) The Secretary shall conduct periodic evaluations of each child care services program assisted under this section for purposes of—

(A) determining the effectiveness of such program in providing child care services and permitting persons who head lower income families and their spouses residing in public housing to obtain, retain, or train for employment; and

(B) ensuring compliance with the provisions of this section.

(2) Nothing in this section may be construed as authorizing the Secretary to establish any health, safety, educational, or other standards with respect to child care services or facilities assisted with grants received under this section.

(f) Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions of this section, the Secretary shall notify the applicant that further payments will not be made under this section until he is satisfied that there is no longer any failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this section.

(g) The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this section that are pertinent to the sums received and disbursed under this section.

(h) For the purposes of this section—

(1) the term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937;

(2) the terms "lower income housing project" and "public housing" have the meanings given such terms in section 3(b)(1) of the United States Housing Act of 1937;

(3) the term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937; and

(4) the term "Secretary" means the Secretary of Housing and Urban Development.

(i) Not later than the expiration of the three-year period following the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a detailed report setting forth the findings and conclusions of the Secretary as a result of carrying out the demonstration program established in this Act. Such report shall include any recommendations of the Secretary with respect to the establishment of a permanent program of assisting child care services in lower income housing projects.

(j) There is authorized to be appropriated to carry out the provisions of this Act $15,000,000 for each of the fiscal years 1986, 1987, and 1988. Any amount appropriated under this subsection shall remain available until expended.

S. 806

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dependent Care Grants Act Amendments of 1985".

SEC. 2. That section 670A of the Omnibus Budget Reconcilation Act of 1981 (hereafter in this Act referred to as the "Act") is amended—

(1) by striking out "years" and inserting in lieu thereof "year",

(2) by striking out "and 1986" and inserting in lieu thereof "and $30,000,000 for the fiscal year 1986 and for each of the succeeding fiscal years ending prior to October 1, 1989".

SEC. 3. Section 670B of the Act is amended by adding at the end thereof the following new subsection:

"(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Secretary determines will not be required, for the period such allotment is available, for carrying out the purposes of this subchapter shall be available for reallotment from time to time, on such dates during such period as the Secretary may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates will be needed in such State and will be used for such period for carrying out applications approved under this subchapter, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.".

SEC. 4. (a)(1) The first sentence of section 670D of the Act is amended by striking out "and fiscal year 1986" and inserting in lieu thereof "and for each succeeding fiscal year ending prior to October 1, 1989".

(2) The second sentence of section 670D(a) of the Act is amended—

(A) by striking out "and" at the end of clause (6);

(B) by redesignating clause (7) as clause (8) and by inserting after clause (6) the following new clause:

"(7) information designed to improve the ability of parents and guardians to make an informed selection of availabile dependent care services; and".

(3) The last sentence of 670D(a) of the Act is amended by striking out "clause (7)" and inserting in lieu thereof "clause (8)".

(b) Section 670D(d) of the Act is amended by—

(1) striking out "clause (1)";

(2) redesignating clause (2) of such section as clause (1);

(3) striking out "clause (3)";

(4) redesignating clause (4) as clause (2); and

(5) redesignating clause (5) as clause (3).

(c) Section 670D(e) of the Act is amended by striking out paragraph (1) and striking out paragraph designation "(2)".

SEC. 5. Section 670E(c) of the Act is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1989".

SEC. 6. Section 670F of the Act is amended to read as follows:

"NEEDS ASSESSMENT; REPORT

"SEC. 6. (a) The Secretary shall carry out a program of collecting data from recipients of assistance under this subchapter designed to provide a national needs assessment for child care services of school-age children in the United States. The data shall include the number of children served, the number of children awaiting care, the income distribution of families, and the percentage of families requiring reduced or waived fees.

"(b) Not later than 160 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a full and complete report of its activities under this subchapter during the preceding fiscal year, together with a needs assessment of the availability of, and need for Federal support for, child care services for school-age children in each State in the United States.".

SEC. 7. The Act is amended by adding after section 670G the following new section:

"SHORT TITLE

"SEC. 670H. This subchapter may be cited as the 'Dependent Care Grants Act'.".

EFFECTIVE DATE

SEC. 8. The amendments made by this Act shall take effect on October 1, 1985.●

By Mr. HART (for himself, Mr. CRANSTON, Mr. DECONCINI, Mr. DURENBERGER, Mr. KENNEDY, and Mr. RIEGLE):

S. 807. A bill to authorize payments to States to be used for grants to provide support for family day care providers; to the Committee on Labor and Human Resources.

FAMILY DAY CARE PROVIDER ASSISTANCE ACT

● Mr. HART. Mr. President, today, I am introducing the Family Day Care Provider Assistance Act that would give vitally needed help to family day care providers. This legislation would fund States to make grants to community based nonprofit organizations to support training programs; to operate resource centers where developmentally appropriate curriculum material can be obtained; to operate a system of substitute caregivers; to provide technical assistance and funds for small equipment; to help providers arrange for health insurance; and to provide other support for family day care.

Mr. President, over half the children whose parents work are looked after in family day care settings. Family day care is often the only source of child care in a community. Even where alternatives such as center based care are available, their high cost makes the generally much less expensive home based care the only viable option for lower- and middle-income families. A national survey found that the average annual income of families

who used home-based day care was between $12,000 and $15,000.

Yet, most family day care providers have limited access to training and other vital support. The majority of homes are not a part of their State's regulatory system. Family day care providers often work 12 to 14 hours a day 5 to 6 days a week caring for children. They typically have little contact with other day care providers. Home based caregivers usually work for less than minimum wage. In fact, a national survey revealed 87 percent receive less than minimum wage.

Training is intimately linked to the quality of child care. It is clear that family day care providers who look after such a large percentage of our children must have the opportunity for training to improve their skills. They need to have equipment and teaching material with which to provide creative instruction and play for children. Mr. President, our children in critical stages of their development deserve no less.

Until recently, the only programs that have provided assistance to family day care have been the title XX social services block grant and the Child Care Food Program which offers meals and snacks to children in day care. Both programs have suffered from budget cutbacks. The Child Care Food Program is again the target of cuts through proposals to impose a means test for participation. This proposal, if it passes, will severely affect family day care. Family day care providers are already overburdened and many will not be able to handle the paperwork created by a means test requirement. Further, most family day care providers are part of the same community as the parents they serve and families may balk at being required to disclose their incomes to neighbors. Thus, one of the few programs which currently provides assistance to family day care may be made less effective at a time when we need to give strong support to family day care.

The Family Day Care Provider Assistance Act would begin to provide such needed support. The act would encourage the development of family day care networks. Such networks are important because they reduce the isolation of caregivers. They offer a framework within which day care providers can improve their skills, purchase small equipment, obtain appropriate curriculum materials, learn how to handle emergencies, obtain information on nutritional assistance programs—such as the Child Care Food Program—obtain substitutes for when they are sick or take a holiday, meet State registration and/or licensing requirements, understand the tax implications of operating an inhome business, and learn how to communicate effectively with families. The provision of such services will increase impetus for those family day care providers, currently operating underground, to meet registration and licensing requirements so that they become eligible to receive help from family day care networks.

Mr. President, our children are our most vital national resource. In many ways care in a small home setting is ideal for children. Child development experts feel that most young children, especially infants and toddlers, do better in smaller groups which are typical of home based care. Developmentally delayed and physically and emotionally handicapped children can also be helped in the smaller family day care setting. Abused and neglected children are often placed in family day care by social service agencies. Family day caregivers are also more flexible than center based care providers. Parents working unusual hours or those who work shifts and change hours periodically often find family day care providers who are willing to accommodate their schedule. Parents who work intermittently or part time—often lower-income parents—find it more affordable to use family providers who do not charge a fixed rate or require the children to keep a fixed schedule.

Family day care providers are small businesswomen and men who deserve support and help. Despite the many advantages family day care offers to the majority of infants and toddlers, and the over one and a half million children between the ages of 6 to 13 who are cared for in home based settings, we have done little to help improve the quality of family day care. The Family Day Care Provider Assistance Act begins to remedy this situation. I urge its swift enactment.

Mr. President, quality, affordable day care is vital to families today and vital to our children's future. The Family Day Care Provider Assistance Act which I am introducing is one of several day care bills being introduced on this day. These bills together begin to establish a comprehensive approach to day care. Concern for the healthy and safe development of our children demands such a comprehensive approach.

Mr. President, I ask unanimous consent that the text of the Family Day Care Provider Assistance Act be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Family Day Care Provider Assistance Act of 1985".

GRANTS TO STATES

SEC. 2. (a) The Secretary of Health and Human Services (hereinafter referred to in this Act as the "Secretary") shall make payments to States to be used by the State for making grants to community-based nonprofit organizations in such State to—

(1) provide training to family day care providers;

(2) operate resource centers for making available to family day care providers developmentally appropriate curriculum materials;

(3) operate a system of substitute caregivers for providers;

(4) furnish technical assistance to providers in understanding local regulations and relevant tax and other policies pertaining to family day care;

(5) provide subgrants to family day care providers for the purchase of small equipment; and

(6) provide such other support to family day care providers in their communities as the State determines to be appropriate.

(b) Recipients of grants made by a State pursuant to subsection (a) must be—

(1) nonprofit organizations within the community to be served with experience in working with family day care (including child care food program umbrella sponsors, resource and referral programs, and family day care associations); and

(2) furnishing or proposing to furnish support primarily to providers serving low-income families.

(c) The Secretary shall establish such application procedures and reporting requirements for States as may be necessary to assure that payments made under this section are used only for the purposes specified in this section.

NATIONAL RESOURCE CENTER ON FAMILY DAY CARE

SEC. 3. (a) The Secretary shall establish a National Resource Center on Family Day Care. The center shall be operated on a regional basis, either directly or through grant or contract.

(b) The center shall—

(1) offer training to individuals involved in training family day care providers;

(2) serve as a clearinghouse for resource materials on family day care; and

(3) provide technical assistance to family day care sponsors, family day care providers, and individuals involved in training family day care providers, with respect to laws and regulations applicable to the provision of family day care services, including but not limited to zoning, tax, liability, and other issues of particular concern to family day care.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a)(1) For purposes of making payments to States under section 2, there are authorized to be appropriated $10,000,000 for each fiscal year.

(2) Each State's payment under section 2 for a fiscal year shall be an amount which bears the same ratio to the amount appropriated under paragraph (1), as such State's payment under title XX of the Social Security Act for the same fiscal year bears to the total amount of payments to all States under title XX of the Social Security Act for such fiscal year.

(b) For purposes of operating the National Resource Center on Family Day Car under section 3, there are authorized to be appropriated $250,000 for each fiscal year.

EFFECTIVE DATE

SEC. 5. This Act shall be effective for fiscal year 1986 and each fiscal year thereafter.●

By Mr. KENNEDY (for himself and Mr. HART):

S. 808. A bill to provide grants for school-based child care and early childhood education demonstration projects; to the Committee on Labor and Human Resources.

By Mr. KENNEDY:

S. 809. A bill to provide financial assistance to expand the availability of child care services for college students, particularly low-income college students, in order to increase the access of such students to institutions of higher education, and for other purposes; to the Committee on Labor and Human Resources.

LEGISLATIVE INITIATIVES ON CHILD CARE

● Mr. KENNEDY. Mr. President, today I join with several of my distinguished colleagues in introducing legislation to address a problem that has reached critical proportions in our country. Today I join with Senators CRANSTON, RIEGLE, DODD, HART, and DECONCINI in introducing legislative initiatives on child care. We have formed a loose-knit coalition in the Senate to assess and take action on the lack of affordable, quality child care for children in the United States. These bills represent only small attempts to begin to address the overwhelming need for affordable, quality child care in this country. And, these bills do not necessarily cover all the areas of need. It is my hope that many other colleagues in the Senate will join us by introducing legislation to address the other areas of unmet need.

Over the past two decades, the demographics of our society have been changing. The family structure as we once knew it has changed. No longer does one parent work and the other stay home to raise the children. Today, Mr. President, "two-parent family" often means "two-job family." Today, "family" often means a single parent and children. Most often, this means a mother and her children.

How do we know that the family is changing? As of March 1984, 52 percent of women with children under the age of 6 were working. Nearly half of the mothers of infants and youngsters under 3 were working, an increase of 30 percent since 1970. Since 1960, the number of working women with children under 6 years of age and whose spouse is present in the home has increased 59 percent. And, over this same period of time, the number of single working women with children under 6 years of age has increased by 77 percent.

Mothers are essential family income providers in a two-wage family. Since 1967, we have seen almost a 30-percent increase in the number of two-job families. In 1983, 25 percent of women who worked had husbands who earned less than $10,000 and more than 50 percent had husbands who earned less than $20,000. Mothers are also working to support themselves and their children. Right now, one in five children is growing up in a one-parent family. By 1990, this will grow to one in four. Mr. President, I want my colleagues in this Chamber to note that in 1982, the average single mother with children earned less than $9,000.

What does this change in the family structure mean? It means that our most precious national resource, our children, are in need of child care while their parents are working to make their children's lives better. Because of the lack of affordable, quality child care, it means that every day many children are left for some portion of the day to fend for themselves. A Maine child care task force recently revealed that 500 children age 5 and under spent time during a typical week caring for themselves. In California, a report on school-age child care estimates that 600,000 to 800,000 school-age children go home to an empty house after school. In Virginia and Minnesota, approximately one-fourth of the school-age children of working parents care for themselves on a regular basis. We know from recent statistics that children who are alone are more likely to be involved in accidents resulting in death. They are more likely to experience fear and loneliness and poor nutrition. And, we know that these children are likely to be exposed to alcohol and drugs at an early age.

The need for quality, affordable child care far exceeds the availability and this need will continue to increase. By 1990, the number of children under the age of 10 will increase to 38 million, an increase of 5 million. Because of the increase in the number of single-parent families and because single-parent households typically suffer from a greater incidence of poverty, more than one-half of the children under 6 included in this increase will be poor in 1990.

The time for Federal commitment to child care is long past due. The need for quality child care that is affordable for all parents is a necessity. It is not a luxury and it is no longer a privilege. It is a major key to the economic success of our country. It is the only way that families can continue to improve the quality of living for themselves and their families, and it is the key to the development and well-being of our children, our future.

Over the past 4 years, the Federal aid for child care has eroded. Those programs that do assist parents to obtain child care have been cut back. Title XX of the Social Security Act which provides the largest portion of aid to States for child care has been cut by 21 percent and the $200 million set aside specifically for child care has been eliminated. Cutbacks in other Federal programs have also affected accessibility to child care. Compensation for child care costs under AFDC has been reduced and staff were lost from child care programs when CETA was abolished.

States have attempted in vain to meet the ever-growing need for child care but Federal cutbacks have been devastating. The children's defense fund [CDF] recently surveyed States' response to child care. In this report, CDF found that 25 States are still spending less on child care than in 1981, and that 27 States are serving less children. Many States are developing child care initiatives. In my own State of Massachusetts, Governor Dukakis established the Governor's Day Care Partnership project which issued its report calling for important changes in child care at the State level. But, these initiatives alone, although highly commendable, cannot close the widening gap between need and availability.

President Reagan, as we all know, firmly believes in private sector involvement. I agree with the President regarding the need for the private sector to become involved in child care for their employees. However, the discouraging fact is that only about, 1,900 of the 6 million employers in this country provide child care benefits. Investment in child care is an investment in our economy. I am proud that in New Bedford, MA, in 1965, a company called Rochester Clothes was one of the first companies in the New England area to provide on-grounds child care for its employees. Even back in 1965, we had evidence that on-grounds employee child care works. Mr. Giordano reported a marked decrease in the rate of employee absenteeism, increased productivity, and an obvious change in the well-being of his employees.

The Federal cuts and the dramatic increase in parents' need for child care have severely strained family income; precluded many women from seeking a job to add to their husbands' salary and thus improve the family standard of living; and discouraged single parents from leaving welfare. Today, a two-parent family earning $24,000 has to spend 26 percent of its gross income to obtain day care for two children. A single mother who on the average earns less than $9,000 must spend one-third of her income on child care for her children. This is three times as much as the 10 percent considered reasonable for child care.

In order to begin to rectify the critical situation in child care across this country, we must develop a coalition of resources. However, in light of the minimal private-sector involvement and State child care resources that are

already overburdened, it is critical that the Federal Government recognize its clear responsibility for the quality of child care in our Nation and its moral obligation to ensure that all children regardless of income have access to this quality care.

The two bills that I am introducing today are small initiatives. However, I believe that these bills are critically important in the struggle to begin to provide all children with adequate child care.

SCHOOL-BASED CHILD CARE AND EARLY CHILDHOOD EDUCATION DEMONSTRATION PROJECTS

Recently a 10-year study of young children in preschool documented the success of early childhood experiences. Over 100 children who attended the Perry Preschool, a comprehensive preschool program, were tracted through school over the past 10 years. At age 19, these adults show a marked difference in school performance, employment rates, the number of adolescent pregnancies, and crime rates compared with their peers who did not participate in preschool experiences. We know for a fact that preschool experiences work, that they provide a wide variety of benefits to individuals as young children and on through their adult lives.

The school-based child care and early childhood education demonstration projects will develop a new partnership between the public schools and the child care community. It is my hope that these two important entities will come together to share their knowledge of children and form a coalition to develop quality child care and early childhood education programs in the public schools that will meet the needs of the working parents and at the same time contribute to the maximum development of each child.

Under this legislation, grants will be made available to local education agencies to help schools in establishing and supplementing child care services and early childhood education for children ages 4 and 5. Schools can provide these services in a variety of ways. They may extend existing half-day kindergarten so that the needs of working parents are met; provide services for 4-year-old children for the full working day throughout the calendar year; or arrange to provide part-day care for children to complement half-day elementary school kindergarten. The LEA's can provide these services themselves or they can contract out to licensed community programs to provide the services.

These programs will be required to meet State title XX child care standards. They will be required to employ staff with experience and training in working with young children; provide age appropriate programs; and encourage parent involvement. Each local education agency must also ensure the equitable participation of handicapped and severely handicapped children in these programs.

This demonstration program will run for 5 years and will receive funding at $50 million for 1986 and sums as necessary for the succeeding years. Federal funds will provide no more than 75 percent of the project's costs in the first year, 60 percent of the costs in the second year, and only 40 percent of the program cost in the third and subsequent years. Fees for participants in these school-based child care and early education programs will be based on each family's income and a sliding scale of fees will be established. Those children from families with income less than 150 percent of the poverty level will receive the services free of charge.

In order to facilitate the development of a coalition of all individuals concerned with this project, an advisory panel will be established. In order to ensure that input from all facets of child care and early childhood education are received in the development of these projects, the local advisory panel will be made up of school personnel, parents, and representatives of public and private organizations who provide licensed child care services and early childhood education in the community.

This advisory panel will also be responsible for an annual assessment of the impact that these projects are having on the child care and early education needs of the community and the effectiveness of the projects in meeting the needs of the children who may be participating in the programs.

Along with a required annual evaluation, an independent evaluation of the demonstration programs after 5 years of operation will be conducted. This will provide us with valuable information on the results of the projects and their effectiveness.

Mr. President, I do not believe that the public schools are the only answer to providing child care and early childhood education, but I do think that the schools offer a viable alternative and an appropriate resource for these services, given input from the child care and early childhood education community. I look forward to passage of this legislation and I call on my colleagues in the Senate to support this valuable demonstration project.

COLLEGE-BASED CHILD CARE FOR STUDENTS ACT

Today, in increasing numbers, nontraditional students are coming back to college campuses. These nontraditional students are typically adults who may be switching their careers, individuals polishing their skills, and people wishing to learn new technologies. This older adult group represents one of the fastest growing components of college enrollment, according to the Census Bureau, and their numbers have nearly doubled over the past 10 years.

Many of these students are women. The proportion of women in each age category enrolling in college has increased from 1970 to 1982. A larger proportion of women of child-bearing age are enrolling in college than in previous years. The attendance rate for women 22 to 34 years of age rose from 5.8 to 8.9 percent over 10 years, which means that an additional 1.2 million women in this age category went back to school. Of the 1.1 million additional 2-year college students over 1973 levels, nearly 800,000 were women. This particular increase indicates that individuals, mostly women, who previously might not have attended college at all, are using 2-year schools to work toward at least some type of college degree. All in all, the increase in college enrollment over the past 10 years includes a significant number of women over 22 years of age.

Many of these women are mothers. The majority of these students require child care for their children in one form or another. Many times these students end up dropping out or not even registering because of lack of affordable, quality child care programs.

Both mothers and fathers returning to or just beginning college education for the first time may have children in school and others yet too young for school. These parents have special child care needs. They need programs that provide flexible hours to accommodate class schedules and time at the library. Parents also attend night school, another special circumstance for these students and their children. An on-campus child care program allows parents and their children to be together during lunchtime or during breaks between classes. It fosters and facilitiates parent involvement in their children's care during the day. Not only do the parents benefit from on-campus child care programs, but their children have all the resources of the college campus at their fingertips such as school museums and recreation centers.

Mr. President, we all know that a college degree is becoming a minimum requirement for many jobs today. We also know that the single mothers today earn on the average $9,000 a year. By providing on-campus child care and other child care benefits and resources, these women and all parents can continue and/or further their education, thereby improving their standard of living as well as that of their children.

The College-Based Child Care Programs for Students Act which I am introducing today will encourage the development and expansion of on-campus child care, help students who cannot afford quality child care to pay for these services so that their children will be cared for while they complete their education, and provide re-

sources to on-campus child care or child care programs in the local community.

Under the first section of this legislation, $50 million will be available to these institutions for renovation, reconstruction, and construction of facilities to be used for licensed child care programs. I am sure that many of my colleagues in this Chamber will balk at this section of my bill. But I assure you that these funds for facilities are critical for encouraging higher education institutions to provide on-campus child care.

There are many colleges that have empty buildings on their grounds. Fine, you may say, let the institutions use them. I agree, Mr. President. But certainly it is only common sense that a facility built for college students cannot accommodate young children without renovation. In my discussions with individuals who are running some of the few on-campus child care centers, I was told that many times a university administration will say that they would love to provide these services if they only had a building that was accessible for children.

Second, $20 million in grants to higher education institutions will provide aid in the form of direct vouchers for child care services to low-income students who may not otherwise be able to afford child care for their children in order to pursue a college degree.

Finally, $5 million will be available to colleges and other institutions of higher education to operate programs which provide practical experience to students through part-time employment in licensed child care programs. This project will not only benefit students who will participate through part-time work but as well, child care programs, either on-campus or in the local community, will be provided with quality workers.

I look forward to working with my colleagues on the Labor and Human Resources Committee during reauthorization this year of the Higher Education Act.

SUMMARY

We are all working to meet the needs of the family, the most important and the most pressured institution in our society today. We have an urgent task to assure quality, affordable child care for every family that needs it. Child care in modern America is no longer a choice but a necessity for families of all types and conditions—intact families, single-parent families, families at every step on the income ladder. The proper role of government is not to mandate a single system, but to make available a variety of options. The public responsibility is not to dictate to parents, but to support their efforts.

Our goal is the maximum development of every child. Economic circumstances should never force children to be less than what their talents and their determination can make them.

It is not only morally right, but far less expensive, for government to assist children in growing up whole and strong and able than to pay the bill later for children and adults who grow up with health, social, and educational problems. As Aeschylus wrote, "In the rearing of our children, we are handing on life like a torch from one generation to another."

Mr. President, I ask unanimous consent that these bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "School-Based Child Care Act".

SEC. 2. The Education Consolidation and Improvement Act of 1981 is amended—

(1) by redesignating chapter 3 as chapter 4, and

(2) by inserting after chapter 2 the following new chapter:

"CHAPTER 3—SCHOOL-BASED CHILD CARE AND EARLY CHILDHOOD EDUCATION DEMONSTRATION PROJECTS

"STATEMENT OF PURPOSE

"SEC. 590A. The purpose of this chapter is to provide financial assistance to support projects in the public schools that increase the availability of child care and early childhood education services for children age 4 and 5, inclusive, particularly children from low-income families.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 590B. There are authorized to be appropriated $50,000,000 for the fiscal year 1986 and such sums as may be necessary for fiscal year 1987 and for each subsequent fiscal year ending prior to October 1, 1990, to carry out the provisions of this chapter.

"GRANTS AUTHORIZED

"SEC. 590C. (a)(1) The Secretary is authorized, in accordance with provisions of this chapter, to make grants to local educational agencies to pay the Federal share of the cost of establishing and supplementing child care services and early childhood education for children who are 4 and 5 years of age in the elementary and secondary schools of such agencies.

"(2) Child care services and early childhood education described in paragraph (1) may include—

"(A) the extension of half-day kindergarten to meet the needs of working parents;

"(B) services for 4-year-old children which shall be available for the full working day throughout the calendar year using public elementary or secondary school facilities; and

"(C) arrangements to furnish part-day care for children to complement half-day school-based kindergarten or early childhood education programs furnished in elementary schools.

"(b) Each local educational agency receiving assistance under this chapter may enter into contracts with public agencies and nonprofit private organizations which—

"(1) represent significant portions of the community to be served by the project, and

"(2) have experience furnishing child care services, to carry out the services described in subsection (a).

"APPLICATIONS; APPROVAL

"SEC. 590D. (a)(1) Each local educational agency desiring to receive a grant under this chapter shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(2) Each such application shall be reviewed by the appropriate State educational agency before being submitted to the Secretary.

"(b) Each such application shall—

"(1) describe the demonstration project being proposed including—

"(A) a description of the services to be made available; and

"(B) and estimate of the cost for the establishment and operation of the project;

"(2) provide assurances that project participants will receive the services free of charge for children from families with incomes less than 150 percent of the poverty level, and establish a sliding scale of fees dependent upon the family's income for other participants in the project;

"(3) describe the measures which the local educational agency will take to encourage the equitable participation of handicapped and severely handicapped children in the project assisted under this chapter;

"(4) provide assurances that the project will—

"(A) at a minimum, meet State child care standards which apply to child care projects assisted under title XX of the Social Security Act, relating to the social services block grant;

"(B) employ staff with experience and training in working with young children;

"(C) apply age appropriate criteria to services furnished;

"(D) encourage parent involvement in the design and operation of the project; and

"(E) use not more than 5 percent of the grant for administrative purposes including first year start-up and planning costs;

"(5) provide assurances that grants will be used only to supplement and increase the level of funds that would, in the absence of Federal funds made available under this chapter, be made available from non-Federal sources, and in no case may such funds be used to supplant funds from non-Federal sources;

"(6) provide assurances that, whenever the local educational agency is conducting programs of the type described in section 590C(a), the combined fiscal effort per student or the aggregate expenditure for the provision of services for children who are 4 and 5 years old for the preceding fiscal year was not less than the combined fiscal effort or the aggregate expenditure of the second preceding fiscal year;

"(7) provide assurances (A) that Federal funds will provide not more than 75 percent of the cost of the project in the first year, not more than 60 percent of such cost in the second year, and not more than 40 percent of such cost in the third and any subsequent year, and (B) that the agency will pay from non-Federal sources the remaining cost of carrying out the application for each such year; and

"(8) provide assurances that an advisory panel will be established, including individuals who are school personnel, who are par-

ents, and who are representative of public agencies and private organizations providing licensed child care services and early childhood education in the community—

"(A) to advise on the structure and operation of the demonstration project receiving assistance under this chapter,

"(B) to coordinate between the project assisted under this chapter and the agencies and organizations in the community, and

"(C) to ensure the most efficient use of the community resources.

"(c) In approving applications under this chapter, the Secretary shall—

"(1) establish objective criteria for approval;

"(2) ensure an adequate distribution of the grants among States and among urban and rural areas in each fiscal year;

"(3) give a preference to applications which propose projects which serve a significant portion of children from low-income families; and

"(4) give a preference to applications which propose projects which furnish services for the entire workday.

"DURATION OF ASSISTANCE; FEDERAL SHARE

"SEC. 590E. (a) Grants under this chapter may be made for a period of five fiscal years, but shall be reevaluated annually to ensure that the goals and objectives of the project described in the application approved under section 590D are being met. Whenever the Secretary finds that a local educational agency is not making progress toward meeting its goals and objectives with respect to a proposed project, the Secretary shall discontinue the grant to the local educational agency. Any such agency shall be entitled to notice and an opportunity for a hearing.

"(b) The Federal share shall be—

"(1) not more than 75 per centum of the cost of carrying out the application in the first year the local educational agency receives a grant under this chapter;

"(2) not more than 60 per centum of such costs for the second such year; and

"(3) not more than 40 per centum of such costs for each of the third, fourth, and fifth such years.

"REPORTING REQUIREMENTS

"SEC. 590F. (a) Each local educational agency receiving a grant under this chapter shall submit an annual report to the Secretary including—

"(1) the number of children served;

"(2) the cost per child served;

"(3) the income level of the families served;

"(4) the salary level and benefits provided to employees;

"(5) the relationship of the project to other community child care programs;

"(6) a description of parent involvement associated with the project;

"(7) a description of ongoing training programs provided for project employees; and

"(8) an assessment of the local advisory panel with respect to the impact of projects assisted under this chapter on the child care needs of the community and effectiveness of the projects in meeting the needs of participating children.

"(b)(1) No later than September 30, 1989, the Secretary shall submit a report to Congress and the President. The report shall be based upon—

"(A) the annual reports submitted by the local educational agencies receiving grants under this chapter, and

"(B) an independent evaluation of a representative sample of demonstration projects which compares the objectives and goals of the projects with the actual operation and results of the projects.

The independent evaluation required by clause (B) shall be conducted in fiscal year 1989 by persons not directly or indirectly involved in the administration of the projects.

"(2) The Secretary shall use no more than $250,000 of the funds appropriated under this chapter to carry out the independent evaluation required by this section.

"DEFINITION

"SEC. 590. For the purposes of this chapter, the term 'child' means a child who has attained age 4 but not age 6.".

S. 809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "College-Based Child Care Programs for Students Act".

SEC. 2. The Higher Education Act of 1965 is amended—

(1) by redesignating title XII as title XIII,

(2) by redesignating sections 1201, 1202, 1203, 1204, and 1205 as sections 1301, 1302, 1303, 1304, and 1305, respectively, and

(3) by adding after title XI the following new title:

"TITLE XII—COLLEGE-BASED CHILD CARE PROGRAM

"GENERAL PURPOSES

"SEC. 1201. It is the purpose of this title to expand the availability of child care services for college students, particularly low-income college students, to increase the opportunity for access to institutions of higher education by such students.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1202. (a) There are authorized to be appropriated $50,000,000 for the fiscal year 1986 to carry out the provisions of section 1203 of this title and such sums as may be necessary for fiscal year 1987 and for each of the succeeding fiscal years ending prior to October 1, 1990.

"(b) There are authorized to be appropriated $20,000,000 for the fiscal year 1986 to carry out the provisions of section 1204 of this title and such sums as may be necessary for fiscal year 1987 and for each of the succeeding fiscal years ending prior to October 1, 1990.

"(c) There are authorized to be appropriated $5,000,000 for the fiscal year 1986 to carry out the provisions of section 1205 of this title and such sums as may be necessary for the fiscal year 1987 and for each of the succeeding fiscal years ending prior to October 1, 1990.

"GRANTS FOR CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF FACILITIES

"SEC. 1203. (a) From funds appropriated pursuant to section 1202(a), the Secretary shall make grants to institutions of higher education for the construction, reconstruction, and renovation of facilities, located at the institution, to be used to provide child care services.

"(b)(1) Any institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

"(2) Each such application shall—

"(A) include information on the number of students attending the institution who receive student aid;

"(B) include information on the number of children of students to be served by the program for which assistance is sought;

"(C) describe the proposed use of the funds for which assistance is sought;

"(D) provide assurances that the institution of higher education operating the child care program will—

"(i) meet the State standards which apply to child care programs assisted under title XX of the Social Security Act, relating to the social services block grant;

"(ii) employ staff with experience and training in working with young children;

"(iii) provide age-appropriate programs;

"(iv) encourage parent involvement in the design and operation of the project;

"(v) serve primarily students attending the institution; and

"(vi) provide services free of charge to all students from families with incomes less than 150 percent of the poverty level, and establish a sliding scale of fees based on income of other students participating in the program; and

"(E) provide such additional assurances as the Secretary may reasonably require.

"(c) Each institution of higher education may use funds under this section on behalf of a child care program located at the institution for the benefit of its students but operated by a public agency or private nonprofit organization.

"(d) In making the grants under this section, the Secretary shall give preference to any institution of higher education which—

"(1) serves large numbers of students who receive student aid;

"(2) employs personnel pursuant to section 1205; or

"(3) participates in the child care services program pursuant to section 1204.

"CHILD CARE SERVICES FOR DISADVANTAGED COLLEGE STUDENTS

"SEC. 1204. (a) From funds appropriated pursuant to section 1202(b), the Secretary shall make grants to institutions of higher education to provide child care services to disadvantaged college students who wish such services.

"(b)(1) Any institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

"(2) Each such application shall—

"(A) include a description of the program to be assisted under this section;

"(B) provide assurances that—

"(i) not less than two-thirds of the participants in the program are low-income students who are first generation college students;

"(ii) the remaining participants in the program are either low-income students or first generation college students.

"(iii) the participants require the services to pursue a successful program of education beyond secondary school;

"(iv) the participants are enrolled at the institution which is the recipient of the grant;

"(v) all participants will receive sufficient financial assistance to meet the student's full financial need; and

"(vi) the institution will provide vouchers under which participants may purchase child care services from licensed child care providers; and

"(C) provide such additional assurances as the Secretary may reasonably require.

"CHILD CARE PERSONNEL WORK-EXPERIENCE PROGRAM

"SEC. 1205. (a) From funds appropriated pursuant to section 1202(c), the Secretary

shall make grants to institutions of higher education to operate programs which provide practical experience to students by arranging part-time employment in licensed child care programs.

"(b)(1) Each institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

"(2) Each such application shall—

"(A) include information on the number of students attending the institution who receive student aid;

"(B) describe the child care programs which have agreed to employ students under the program for which assistance is sought;

"(C) provide assurances that—

"(i) the program will not result in the displacement of employed workers but will expand the child care services available;

"(ii) the institution will not discriminate on the basis of race, religion, sex, or national origin in the selection of students to participate in the program;

"(iii) the institution will use the funds paid under this section to provide a stipend to students participating in the program; and

"(iv) the program will not pay a stipend that is less than the current Federal minimum wage under section 6(a) of the Fair Labor Standards Act of 1938; and

"(D) provide such additional assurances as the Secretary may reasonably require.

"(c) In making the grants under this section, the Secretary shall give a preference to any applicant which—

"(1) serves large numbers of students receiving student aid;

"(2) receives a child care services facilities grant under section 1203; and

"(3) participates in the child care services program under section 1204.

"DEFINITIONS

"Sec. 1206. For the purposes of this title—

"(1) the term 'construction' has the same meaning given that term under section 742(2)(A) of this Act;

"(2) the term 'reconstruction or renovation' has the same meaning given that term under section 742(2)(B) of this Act;

"(3) the term 'first generation college student' means an individual neither of whose parents completed a course of study for a baccalaureate degree; and

"(4) the term 'low-income student' means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.".●

By Mr. CRANSTON (for himself, Mr. DODD, Mr. KENNEDY, Mr. RIEGLE, Mr. HART, and Mr. DECONCINI):

S. 810. A bill to amend title XX of the Social Security Act to assist States in improving the quality of child-care services; to the Committee on Finance.

CHILD-CARE STANDARDS IMPROVEMENT ACT

● Mr. CRANSTON. Mr. President, I am today introducing S. 810, the proposed "Child Care Standards Improvement Act of 1985." This bill is intended to stimulate State efforts to review and upgrade State child-care licensing and regulation systems and procedures. Joining with me as cosponsors are the Senator from Connecticut [Mr. DODD], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Michigan [Mr. RIEGLE], the Senator from Colorado [Mr. HART], and the Senator from Arizona [Mr. DECONCINI]. As I will discuss in a few moments, each of these distinguished Senators is also introducing today legislation dealing with child care. Over the past several months, we have worked to develop a series of initiatives which, taken together, address many of the areas of need with respect to child care. I am delighted to be able to work with each of these Senators in this important area.

NEED FOR IMPROVEMENTS

Mr. President, over the past year, the attention of the public and the media has been directed toward child-care programs, in part because of the tragic cases of sexual abuse in certain centers. Last year, Congress enacted stopgap legislation as part of the fiscal year 1985 continuing resolution, section 401 of Public Law 98-473, to encourage States to require national criminal records checks for child-care workers and others who work with young children and to provide funding for training programs, including training in the prevention of child abuse in child-care settings for child-care workers and others. This provision, which was the result of efforts in the Senate by the Senator from Arizona [Mr. DECONCINI], added $25 million to the $2.7 billion appropriations for social services block grants to the States under title XX of the Social Security Act.

Although this legislation made a commendable first step toward helping to ensure the protection of young children in child-care settings, it is clear that there are many more complex issues that relate to the quality of care provided to children in these programs that must be addressed. Running the names of child-care workers through FBI computers can not, alone, ensure that children are adequately protected and served in child-care programs. The qualifications of child-care workers, their training and supervision, the ratio of adults to children, health and safety standards, and parental access and participation are some of critical factors which affect the quality of care that a child is likely to receive.

The purpose of the bill I am introducing today is to build upon the 1-year provision in the legislation passed last fall and expand those efforts to confront the many issues that affect the quality of child care. This bill derives from provisions of S. 4, proposed "Child-Care Assistance Act of 1985", which I first introduced in 1979 in the 96th Congress and which I introduced again as S. 4 in a revised form in this Congress. My support for this new bill and other child-care bills being introduced today does not represent any lessening of conviction on my part that the comprehensive approach represented by S. 4 is much needed. Regarding that approach, I refer interested Senators to my introductory remarks at S585 of the RECORD of January 24, 1985. Rather, I am proceeding with smaller initiatives in recognition of the reality of the budget problem confronting us and in order to help widen the base of support for legislation dealing with child-care issues.

WIDE VARIATIONS IN STATE STANDARDS FOR CHILD-CARE PROGRAMS

A document issued by the Department of Health and Human Services [HHS] in January in response to certain provisions of Public Law 98-473 demonstrates in a dramatic way the tremendous range in States' standards for child-care programs. Although all States require child-care centers to meet some licensing requirements and most regulate family-day-care homes in some fashion, these requirements vary tremendously.

ADULT-CHILD STAFF RATIOS

For example, limitations on the number of children cared for by each adult is a critical factor in assuring the quality of care provided. Although a number of States, including my own State of California, limit to three or four the number of children below age 1 that can be cared for by one adult, other States allow one adult to care for as many as eight infants. The National Fire Protection Association has recommended a staff-child ratio of one adult every three children under the age of 2. As Edward Zigler, former Head of the Children's Bureau in the Department of Health, Education and Welfare during the Nixon administration, has been quoted as saying, "How could one caregiver get eight babies out of a burning building?"

With regard to older children, the HHS document indicates that, as of October 1981, while States like Idaho, Illinois, Kansas, Massachusetts, Minnesota, Montana, Nebraska, North Dakota, Oregon Pennsylvania, Rhode Island, Vermont, and Virginia require 1 adult for every 10 four-year olds, States like Arizona, Delaware, Hawaii, North Carolina, South Carolina, and Texas allow 1 adult to care for twice that number—that is 20 children supervised by 1 adult.

STAFF QUALIFICATIONS AND TRAINING

Similarly, although it is generally recognized that the qualifications and training of child-care workers and those who operate child-care centers are critical to the quality of the care provided to the children, States vary widely in their requirements for these individuals. For example, although 18 States require directors of child-care centers to be 21 years or older, 15 States have no requirements regarding

the age of center directors. Although 23 States require that these center directors be at least high school graduates or hold GED certificates, 11 States have no educational requirements for center directors. Eighteen States require at least 2 years of relevant experience for center directors but 8 States have no requirements regarding the experience of center directors.

As to child-care workers, the disparities are just as great. Although 21 States require that child-care workers in child-care centers have a high school diploma or GED, five States require only that they be able to read and write, and 13 States have no requirements at all regarding the educational background of workers in centers.

According to the HHS document, 36 States do have some requirements regarding participation by child-care center staff in inservice training programs. These requirements, however, ranged from very general directives that staff be provided appropriate inservice training to very specific requirements, including designating the subject areas to be covered. For example, HHS cited Nevada as requiring that all new center employees must be given training with respect to the center's policies, procedures, and program and, requiring new staff, within 6 months of employment, to participate in an initial course in child care and thereafter participate in 3 hours of training each year through workshops, conferences, or formal training. North Dakota requires an initial 2-day orientation for new staff and 5 hours of training annually. New Mexico requires 12 hours of training per year.

Inservice training requirements for family-day-care providers appear to be much more sparse but equally as varied. HHS found 15 States mandating some type of inservice training and seven requiring orientation sessions for new providers. For example, Tennessee requires that family-day-care providers attend 2 hours of workshops or conferences on early-childhood development.

PARENTAL PARTICIPATION AND ACCESS

Mr. President, another area of concern has been parental access to child-care facilities and parental involvement. As HHS noted in its January document, the right of parents to have access to programs is particularly important since "State and local staff who enforce child-care requirements are limited in number and cannot frequently visit each facility." According to the HHS review, although 34 States have parental-involvement requirements in their State standards, there is considerable variations among the States as to the type and extent of that involvement. Only five States require that parents have unlimited access to child-care centers. Others provide for parental involvement in such ways as requiring distribution to parents of various types of informational materials or by requiring periodic progress reports to parents. The model standards of the National Association for the Education of Young Children explicitly recommend that parents should be free to visit a center unannounced at any time. In one of the very few recommendations made in the HHS document, it was stated that parents searching for child care should be sure that they have the right to drop in and visit the program, unannounced and at any time, once the child has been enrolled. I find it difficult to believe that there is any valid reason for such a standard not being universally applicable.

HEALTH AND SAFETY STANDARDS

The HHS documents released in January did not address any issues relating to health and safety standards utilized by the States. However, the 1981 Comparative Licensing Study prepared under contract for HHS—which was relied upon heavily for much of the data presented in the January document—provides some information regarding State regulation of child-care programs in these areas.

That report found that less than half of the States have regulations which specify that centers have at least two exist—a requirement which could be a life or death matter in the case of a fire or other emergency requiring the rapid removal of large numbers of small children. Although local fire and safety codes might also require such exists, the omission of this important safety standard in so many States' child-care regulations is troublesome and potentially lethal.

Similarly, the 1981 report noted that six States—Hawaii, Idaho, Kentucky, Louisiana, Missouri, and Wyoming—had no requirements that children in child-care programs be immunized.

RECENT DETERIORATION IN STATE STANDARDS

Mr. President, as I indicated earlier, much of the data presented in the document released by HHS in January was derived from the 1981 Comparative Licensing Study. That report was based to a significant extent upon data collected prior to the Federal Government's suspension of the Federal minimum day care standards. Indeed, the 1981 report was originally commissioned by the Administration on Children, Youth and Families within HHS in order to determine what influence the existence of Federal minimum standards had had on revisions and improvements in State child-care licensing laws.

Mr. President, there is evidence indicating that substantial deterioration has taken place in State laws and procedures relating to child-care programs since the Federal standards were suspended in 1980 and States were subjected to massive reductions in title XX funding as a result of the 1981 budget cuts.

In 1983, the Children's Defense Fund [CDF] did a State-by-State survey of the impact of those cutbacks in the title XX program. The results of their survey indicated 33 States had lowered their child-care standards for title XX funded programs and 24 had reduced funds for training of child-care workers.

LICENSING AND MONITORING ACTIVITIES

Mr. President, many States have also been forced to cut back staff carrying out child-care licensing and monitoring activities. For example, the CDF report provides the following very disturbing data: Arizona in 1980-81 provided for four monitoring visits per year to child-care centers. In 1981-82, it cut the number of visits to two per year. In 1982-83, monitoring visits were eliminated altogether, except for an annual visit conducted by the State health department. Idaho cut its regional child-care licensing staff from 12 positions down to 5. The State of Washington shifted from a 2- to 3-year licenses for child-care programs. It eliminated routine monitoring of facilities which had previously occurred every 6 months.

Mr. President, it is clear that State efforts at monitoring child-care programs have simply not kept up with the growth of these programs. For example, testimony presented to the House Select Committee on Children, Youth, and Families indicated that in Texas, while the number of regulated facilities increased by 53 percent between 1978 and 1983, the number of child-care licensing staff decreased by 43 percent.

Evidence of inadequate State monitoring of child-care programs are numerous. For example, the Ohio Children's Defense Fund recently issued an excellent report reviewing the status of child care in that State. This report, entitled "Day Care: Investing in Ohio's Children," noted that the Ohio Department of Agriculture employed 180 meat inspectors who made unannounced inspections of nearly 600 meat and poultry plants once a month but that the State employed only one inspector for every 100 child-care centers. Ohio also employed over 50 inspectors for roughly 2,000 health-care facilities, including nursing homes, and required, by law, that inspections of nursing homes be unannounced.

A report on child care in the State of Massachusetts, entitled "Final Report of the Governor's Day Care Partnership Project," issued by Governor Dukakis in January of this year also concluded that licensing staff had not kept up with the increases in the number of child-care centers and homes. That report noted that one-third of the State's child-care center licenses had expired, that family-day-

care homes must wait months before they are registered—the waiting list for registration was over 2,500—and that the State's regulations had not been reviewed for 8 years. The report concluded that "maintaining the level of day care quality or expanding the supply will be impossible without adequately expanding [the State's] licensing capacity" and specifically recommended that all existing child-care regulations be reviewed and revised, giving special attention to the need to improve staff-qualification requirements.

Mr. President, my own State of California, which has in many areas some of the better child-care standards in the country, last year had only 78 evaluators to handle licensing of child care programs. This represents a case load of 150 for center evaluators and 250 for family-day-care home evaluators. A 1978 report by the California Governor's Advisory Committee on Child Development Programs strongly recommended that the State institute a maximum case load of 75 facilities per licensing worker for centers and 125 facilities per worker for family-day-care homes. As a result of legislation passed last year, 19 more employees have been added to the State's center licensing program, reducing the case load for center evaluators from 150 to 114. The caseload for family-day-care homes has not been reduced below 250 per evaluator.

The impact of limited licensing staffs can be dramatically illustrated at the local level. A report by Coleman Children and Youth Services issued in January 1983 on children's services in San Francisco noted that San Francisco had at that time only one licensing worker for family-day-care homes, resulting in a backlog of over 300 applications awaiting approval.

Until this year, California required visits to centers and family-day-care homes only once every 3 years. These centers and homes are visited when they are first licensed, and upon request for renewal. As a result of the new law which went into effect in January, the licensing period for centers was reduced from 3 years to 1 year, thereby requiring at least an annual contact. Family-day-care homes continue to have a required visit only one every 3 years.

Mr. President, one of my constitutents, Marcy Whitebrook, director of the Berkeley Child Care Employee project, pointed out in testimony to the House Select Committee that the failure or inability of law enforcement and licensing agencies to respond quickly and decisively to reports of violations of State laws and regulations deters child-care workers from reporting unsafe or abusive situations when they feel that their reports will have no impact. Incidentally, California just enacted last year legislation to protect against employer retaliations those child-care workers who report licensing law violations. This whistleblowing protection can be of great value in encouraging child-care workers to report problems to appropriate authorities. Additionally, California has also launched a major child-care consumer awareness program as part of its overall child-care strategy.

Although my own State has helped lead the Nation in developing high quality child-care standards, monitoring and enforcement still remain a problem, along with a need for sufficient resources to provide adequate training programs for child-care staff.

SUMMARY OF LEGISLATION

Mr. President, the legislation I am introducing today has three principal components. First, it would require the Governor of each State to establish or designate a State advisory committee on child-care standards. These committees, patterned somewhat on the State child-support commissions included in the title IV-D child-support enforcement legislation enacted last year as part of Public Law 98-378, would be charged with the responsibility of reviewing the State's laws, regulations, and procedures for licensing, regulating, and monitoring child-care services and programs within the State and identifying any deficiencies or areas for improvements in the laws or regulating systems.

Under the legislation, these committees would include not less than 15 members, of whom not less than one-third would be parents of children currently enrolled in child-care programs, including both family-day-care homes and center-based programs, and not less than one-third would be either representatives of different types of child-care programs or individuals who are professionals in the field of child development. The Governor could designate an existing body to carry out these functions so long as it had the requisite representation of parents and child-development professionals or child-care providers.

These committees would be responsible for preparing a report, by not later than June 1, 1986, on the results of their review for the Governor. This report would be required to be transmitted along with any comments by the Governor to the Secretary of Health and Human Services not later than September 30, 1986. In carrying out their reviews, the State advisory committees would be directed to take into consideration various models of appropriate standards for child-care programs, including the 1980 HEW standards, the child-care standards developed by the National Association for the Education of Young Children, and those developed by the Child Welfare League, which appear in the appendixes to the material published by HHS in January 1985, pursuant to Public Law 98-473, as well as to consider the various options described in that material.

Mr. President, as a result of last year's legislation, many State legislatures have been considering legislation to require criminal background checks of child-care workers. It would be tragic if this new interest at the State level in the protection of children in child-care settings stopped there. The purpose of the bill being introduced today is to create an incentive for States to undertake reviews of their entire system of monitoring the quality of care of children in child-care programs. By involving parents and child-development professionals in this type of review, we hope to encourage a thorough and careful reexamination of these issues at the State level.

The second component of this legislation would provide for the establishment of a national advisory committee to help develop recommended standards for child-care programs, differentiating between those appropriate for child-care centers and those for family-day-care homes and differentiating as well on the basis of the age of the children involved.

Mr. President, it is clearly appropriate for the Federal Government to provide some guidance to State and local governmental entities on the basic standards which should be applied to child-care programs. In last year's amendment to the continuing resolution, provisions were included directing HHS to prepare and distribute to the States a Model Child Care Standards Act containing minimum licensing or registration standards for day-care centers, family-day-care homes, and group-day-care homes. The legislation specified that the HHS model standards cover six specific areas including, first, training, development, supervision, and evaluation of staff; second, staff qualification requirements, by job classification; third, staff-child ratios; fourth, probation periods for new staff; fifth, employment history checks for staff, and sixth, parent visitation. In January of this year, in response to this legislative mandate, HHS released a document entitled "Model Child Care Standards Act." Unfortunately, however, HHS declined to provide in this document any specific guidance to the States in the six areas delineated in the statutory provision or in other areas. Instead, the document produced by HHS simply reviews the types of requirements that various States have adopted in these areas. It does, however, include in the appendix two model child-care standards developed by two private organizations. One is the "Accreditation Criteria and Procedures" by the National Academy of Early Childhood Programs, a division of the National Association for the Education of

Young Children. The other is "Standards for Day Care Service" by the Child Welfare League of America.

Mr. President, I ask unanimous consent that a letter to Secretary Heckler from the Ad Hoc Day Care Coalition, representing 18 organizations concerned with issues relating to child care, expressing their disappointment with the failure of HHS to use its statutory mandate to promote tangible improvements in State licensing provisions regarding child care, be printed in the RECORD at the conclusion of my remarks following the text of the bill.

Mr. President, since HHS has failed to provide any guidance in this area, I have included provisions in the legislation that I am introducing to convene a panel of individuals representing parents, experts in the field of child development, and persons with experience in operating child-care programs for the purpose of developing a set of recommended standards for child-care programs, covering the areas of demonstrated impact on the quality of child care. The legislation directs that the standards deal separately with those appropriate for child-care centers and for family-day-care homes, taking into consideration in both cases the age and number of children involved. The legislation does not mandate that States adopted these recommended standards; it merely provides that the standards will be developed so that the States will have some guidance in reviewing their own standards and licensing procedures.

Mr. President, prior to 1981, the Federal Government did have a set of Federal minimum standards for federally-funded day care. Those standards, originally entitled Federal Interagency Day Care Regulations (FIDCR), had been in effect since 1968. In 1978, Congress was provided with the results of a comprehensive HEW report supporting the appropriateness of Federal minimum standards for federally-funded day-care programs. Between 1979 and 1980, much effort went into updating and revising the 1968 standards along the lines suggested in the 1978 report. The new standards, which were published in the Federal Register on June 15, 1979, were subjected to intense scrutiny and public hearings throughout the country. Ten regional hearings were held where over 1,000 witnesses testified and over 4,000 submitted written testimony. These standards enjoyed wide and strong support. They represented a realistic and sound approach to dealing with very basic issues in child care. The final regulations were published in the Federal Register in March of 1980.

Unfortunately, however, this body voted in June 1980 to suspend entirely any Federal standards for federally funded child-care programs. I led the fight on the Senate floor against this total abdication of responsibility for ensuring the safety and well-being of children enrolled in federally funded child-care programs. Although those efforts were not successful, time has clearly shown support for those standards was fully justified.

The tragic consequences of the withdrawal of Federal leadership in the area of child care are readily apparent from the lowering of State standards and diminishment of protections I described earlier. Five years later, many public officials have come to recognize the need for Federal guidance in this area. That was the impetus that led to the provisions included in last year's continuing resolution directing HHS to prepare and disseminate model standards. The legislation that I am introducing today is designed to facilitate the development of such model or recommended child-care standards. This National Advisory Committee which would be created under this legislation would be charged with the task of reviewing all of the various options for child-care standards and devising a set of recommended standards.

Finally, Mr. President, in order to continue the effort begun last year at providing States with fiscal incentives to make improvements in their child-care licensing and monitoring programs, this legislation would authorize the appropriation of $25 million for each of fiscal years 1986, 1987, and 1988 to be used by the Secretary for making grants to States to carry out plans for improving State licensing and monitoring procedures along the lines identified by each State's advisory committee. In effect, my proposal would continue the availability of the additional $25 million added to the fiscal year 1985 continuing resolution but would broaden the purposes for which such funds could be used to encompass other factors affecting the quality of child-care services.

Mr. President, I believe that this legislation provides a much needed, but realistic approach to dealing with the problems of quality and protection of children in child-care programs. It would establish a mechanism for encouraging State governments to review and upgrade their own systems for ensuring the quality of child-care programs within the State. It would provide fiscal incentives for States to undertake this effort. It would provide for Federal leadership and guidance through the development of recommended standards which the States can utilize in carrying out their own self-assessments and development of plans for improvements. In sum, the measure is designed to provide a balanced approach to dealing with the troubling problems relating to the care and protection of young children by respecting the particular needs of individual States while restoring the appropriate role of Federal leadership and guidance.

OTHER CHILD CARE INITIATIVES BEING INTRODUCED TODAY

Mr. President, as I indicated at the outset, the legislation that I have introduced today relating to improving State child-care standards is one of a series of child-care bills being introduced today. Each of these bills seeks to address a specific need in the child-care area. Over the past several months, my staff and the staffs of the other Senators involved have been working together and with a large number of outside groups concerned with child-care issues in an effort to develop these independent, yet coordinated measures. They address a spectrum of issues.

Senator DODD, who serves as the ranking minority member of the children, Family, Drugs, and Alcoholism Subcommittee, is introducing legislation to establish a modest scholarship fund to assist low-income individuals seeking to acquire a Child Development Associate (CDA) credential. A CDA is a performance-based credential awarded to individuals who demonstrate qualifications as child-care workers. The process for obtaining a credential includes observation of the applicant working with children, participation in formal training programs, and demonstration of competency in 13 functional areas relating to child care. The current cost of a CDA credential is over $300, a cost which is simply out of the range of many low-income child-care workers. This measure is a small, but important step toward improving the quality of child-care services and I am pleased to be a cosponsor of it.

Senator KENNEDY, who serves as the ranking minority member of the Labor and Human Resources Committee, is introducing innovative legislation to provide for child-care assistance for students, particularly low-income students, through the Higher Education Act and to establish a new grant program under the Elementary and Secondary Education Act to support child-care programs for 4- and 5-year-old children in public school settings.

Senator REIGLE is introducing two bills. The first would establish a child-care demonstration program for public housing projects. The second, in which I am also joining, would extend the authorization of appropriations for the dependent care block grant program and remove the prohibition against using funds from that program for operating expenses for school-age child-care programs and child-care information and resource programs. This latter provision is particularly important to programs in California which are already "started-up", but need ongoing funds to maintain their

programs and to expand into unserved areas.

Senator HART is introducing legislation to establish a resource program to provide training, technical assistance, and other support services to family day care providers. As one who has long been interested and supportive of family day care, I am pleased to be a cosponsor of the Senator from Colorado's legislation which has the potential to help expand and enhance this particular form of child care which is especially attractive for infants and very young children.

Finally, Mr. President, Senator DECONCINI is introducing legislation which would provide for an additional $300 million for child-care services and training programs through the Social Services Block Grant Program under title XX of the Social Security Act, offset by a corresponding reduction in foreign assistance funds other than funds for Israel or Egypt. This measure proposes a much needed restoration of funds which were taken out of the title XX program as a result of the 1981 budget reductions. According to a survey conducted by the Children's Defense Fund in 1983, total combined Federal and State spending for title XX child care dropped by 14 percent between 1981 and 1983 as a result of the 1981 cuts. These reductions have deprived many low-income families of child-care assistance from title XX-funded programs.

Mr. President, given the current budget situation, it is unlikely that all of these initiatives will be enacted during this session of Congress. However, it is vitally important that we continue to work at trying to find effective approaches to help deal with the enormous growing demand for adequate and safe child-care services for the millions of children whose parents must work for the economic survival and well-being of their families. I am pleased to join with my colleagues in these efforts and am hopeful at the introduction of these measures will help to stimulate a renewed debate and interest in addressing this area which is of so much concern and importance for millions of American families. I am pleased to say that similar efforts are ongoing in the House of Representatives and that my good friend and colleague from California, Representative GEORGE MILLER, will soon also be introducing a child-care initiative. I am certain that many more Members of both bodies from both sides of the aisle will be joining with us in the months ahead in efforts to address this important issue.

CONCLUSION

Mr. President, there is no question that Government entities at all levels need to be concerned about the care and well-being of young children in child-care settings. More than 52 percent of the mothers of children under the age of 6 are now in the work force, and the vast majority are working full time. Child care is a necessity for most of these families.

Parents need to know that the facilities and homes that are caring for their children while they are at work are safe and adequate places for young children. Government licensing and monitoring programs cannot, alone, guarantee the safety and security of these children, but they can contribute significantly to ensuring that these goals of safety and adequacy are met. I strongly believe that the legislation I am introducing today can contribute to achieving that goal.

Mr. President, at the time Congress suspended the Federal minimum standards in 1980, Edward Zigler, the first Director of the Office of Child Development and former chief of the Children's Bureau in the Department of Health, Education and Welfare, wrote in an article in the New York Times, July 30, 1980, that without these minimum Federal standards:

We run the risk of scandals like those in the nursing home field that have periodically shocked the country. Although some States have regulations, others do not, and if regulations are left entirely to States, the outlook for quality day care will be bleak.

His prophecy certain has come true. The Nation has been rocked by just such scandals. Every Member of this body is aware of the deep and growing concern among our constituents that adequate safeguards be provided for young children in child-care settings. Fortunately, we do have the opportunity to do something constructive to help resolve these problems. And we can do it without adding a new spending program beyond fiscal year 1985 spending programs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point followed by the letter from the Ad Hoc Day Care Coalition.

There being no objections, the material was ordered to be printed in the RECORD, as follows:

S. 810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Child-Care Standards Improvement Act of 1985".

SEC. 2. Title XX of the Social Security Act is amended by adding at the end thereof the following new sections:

"STATE REVIEW OF CHILD-CARE LICENSING AND REGULATORY SYSTEMS

"SEC. 2008. (a) As a condition of the State's eligibility for receiving Federal payments under this title for any fiscal year after fiscal year 1985, the Governor of each State shall establish or designate a State Advisory Committee on Child-Care Standards (hereinafter referred to as the 'State Advisory Committee') which shall be composed of not less than fifteen members, of which not less than one-third shall be parents of children who are currently enrolled in child-care programs (including both center-based and family-day-care home programs) and not less than one-third shall be either representatives of different types of child-care programs (including both center-based and family-day-care home programs) or individuals who are professionals in the field of child development.

"(b)(1) It shall be the function of each such State Advisory Committee to examine, investigate, and study the State's laws, regulations, and procedures for licensing, regulating, and monitoring child-care services and programs within the State, to prepare the report described in paragraph (2), and, if requested by the Governor, to monitor such licensing, regulating, and monitoring activities on a regular basis.

"(2) Each State Advisory Committee shall prepare a report outlining the Committee's finding and recommendations resulting from its examination, investigation, and study under this section, including a description of the current status of child-care licensing, regulating, or monitoring within the State, the deficiencies, if any, in the existing licensing, regulating, or monitoring programs (including an assessment of the adequacy of staff to carry out effectively the State program), and recommendations to correct such deficiencies, if any, or to improve such licensing, regulating, or monitoring programs. The report shall set forth separately such information and recommendations with respect to center-based programs and family-day-care programs. The Committee shall submit the report to the Governor not later than June 1, 1986, and the Governor of each State shall, not later than September 30, 1986, transmit it to the Secretary along with the Governor's comments and the State's plan, as provided for under section 2010, for correcting deficiencies in or improving its licensing, regulating, or monitoring programs.

"(c) In carrying out its activities under subsection (b), each State Advisory Committee shall review and take into consideration the final 1980 HEW Day Care Regulations, 45 Federal Register 17870 (March 19, 1980), and the options for child-care standards published by the Department of Health and Human Services in January, 1985, pursuant to Public Law 98-473, including the standards set forth in the appendices to that document.

"NATIONAL ADVISORY COMMITTEE ON CHILD-CARE STANDARDS

"SEC. 2009. (a)(1) In order to assist and provide guidance to the States in improving the quality of child-care services, there is established a National Advisory Committee on Child-Care Standards (hereinafter referred to as the 'National Advisory Committee').

"(2) The National Advisory Committee shall be composed of fifteen members who shall be individuals with expertise in the area of child-care services selected from among persons who are representatives of child-care providers, professionals in the field of child development, or parents who have been actively involved in community child-care programs. The members shall be appointed as follows:

"(A) Seven by the President of the United States;

"(B) Two by the Majority Leader of the Senate;

"(C) Two by the Minority Leader of the Senate;

"(D) Two by the Speaker of the House of Representatives; and

"(E) Two by the Minority Leader of the House of Representatives.

Not more than four of the members described in clause (A) shall be members of the same political party.

"(3) All appointments under this subsection shall be made not later than 60 days after the date of the enactment of this section.

"(4) A vacancy in the membership of the National Advisory Committee shall be filled in the same manner in which the original appointment was made. Any such vacancy shall not affect the powers of the National Advisory Committee except with respect to satisfaction of the quorum requirements specified in paragraph (7).

"(5) The President shall designate a Chairman of the National Advisory Committee.

"(6) The National Advisory Committee shall adopt such rules and regulations as it considers necessary to establish its procedures and to govern the manner of its operations, its organization, and its personnel.

"(7) Eight members of the National Advisory Committee shall constitute a quorum.

"(b)(1) The National Advisory Committee shall review the options for child-care standards published by the Department of Health and Human Services in January, 1985, pursuant to Public Law 98-473, including the standards set forth in the appendices to that document, the standards set forth in the final 1980 HEW Day Care Regulations, 45 Federal Register 17870 (March 19, 1980), and such other materials as the National Advisory Committee may deem appropriate and shall, not later than fourteen months after the date of the enactment of this section, submit to the Secretary proposed recommended standards for child-care programs (setting forth separate recommended standards for center-based programs and for family-day-care programs). Such recommended standards shall cover factors having a domonstrated impact on the quality of child care including, but not limited to—

"(A) group size and composition in terms of the number of teachers and the number and age of children;

"(B) qualifications, training, and background of child-care personnel, including provision for background checks;

"(C) health and safety requirements;

"(D) parental rights and opportunities for involvement; and

"(E) necessary support services (including, but not limited to, health, nutrition, and social services).

"(2) The National Advisory Committee may submit to the Secretary and to the Congress such additional comments on the final recommended standards published pursuant to subsection (c) as the National Advisory Committee considers appropriate and may provide to a State Advisory Committee (established or designated pursuant to section 2009), upon its request, such information and advice as the National Advisory Committee considers appropriate.

"(C) Not later than 30 days after the National Advisory Committee submits such proposed recommended standards, the Secretary shall publish them in the Federal Register, along with any comments or modifications proposed by the Secretary and, not later than 180 days after such publication, and, after completion of a process of not less than 60 days for notice and opportunity for public comment and after consulting further with the National Advisory Committee, shall issue final recommended standards and publish them in the Federal Register along with any additional comments that the National Advisory Committee considers appropriate.

"(d) The National Advisory Committee shall cease to exist ninety days after the date of publication by the Secretary of the final recommended standards.

"(e) Each member of the National Advisory Committee who is not an officer or employee of the United States Government shall be paid compensation at a rate equal to the daily equivalent of the rate of basic pay in effect for level IV of the Executive Schedule for each day the member is engaged in the performance of the duties of such Committee and, while so serving away from his or her home or regular place of business, be paid per diem, travel, and transportation expenses in the same manner as provided for under subchapter I of chapter 57 of title 5, United States Code.

"(f) The Secretary shall make available to the National Advisory Committee such personnel, technical assistance, and funds as are necessary for it to carry out effectively its functions under this section.

"GRANTS FOR IMPROVING STATE CHILD-CARE LICENSING AND REGULATORY SYSTEMS

"SEC. 2010. (a)(1) In addition to any other amounts authorized to be appropriated for carrying out this title and in order to further the activities begun with funds appropriated for fiscal year 1985 by section 401(a)(2) of Public Law 98-473, making continuing appropriations for the fiscal year 1985, there are authorized to be appropriated an additional $25,000,000 for each of fiscal years 1986, 1987, and 1988 for the purpose of making grants to the States as provided for in subsection (b).

"(2) Funds appropriated under this subsection shall remain available for expenditure until the end of the fiscal year following the fiscal year in which such funds become available.

"(b)(1) From the funds made available under subsection (a), the Secretary shall make grants, upon application and submission by a State of a plan which meets the requirements of subsection (b)(2), for the purpose of assisting the State in carrying out such plan.

"(2)(A) Except as provided in subparagraph (B), any State desiring to receive a grant under this section shall submit to the Secretary a plan to carry out the recommendations, for correcting the deficiencies in or improving the State's licensing, regulating, or monitoring of child-care programs, contained in the report submitted under section 2008.

"(B) A State's plan submitted under this paragraph may include carrying out less than all of such recommendations, but in the event that a plan omits carrying out any recommendation the plan shall include a detailed explanation of the reasons for the State not planning to carrying out any such omitted recommendation.

"(3) No grant may be made under this section unless the State submits an application to the Secretary therefor at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary.

"(c) In making grants under this section, the Secretary shall initially allocate funds among the States in the same proportions as their regular allotments as determined under section 2003(a) or (b); except that if any part of the amount made available under this section remains after all grants have been made in accordance with the preceding provisions of this sentence, the Secretary shall use the remaining part for making further grants to States which require additional assistance to carry out their plans submitted under subsection (b), but for years, after the fiscal year 1986 priority shall be given in distributing such additional funds to those States which have developed a plan which will lead to such States meeting or exceeding the recommended standards established by the National Advisory Committee pursuant to section 2009.

"(d) Each State which submits an application for a grant under this section must provide satisfactory assurances that the funds therefrom will be used solely for improving the State's licensing, regulating, or monitoring of child-care programs or otherwise improving the quality of child-care programs within the State.".

AD HOC DAY CARE COALITION,
Washington, DC, March 11, 1985.

Re Model Child Care Standards Act—A Guidance to States to Prevent Child Abuse in Day Care Facilities.

Hon. MARGARET M. HECKLER,
Secretary of the Department of Health and Human Services, Hubert H. Humphrey Building, Washington, DC.

DEAR MADAM SECRETARY: As representatives of diverse private organizations concerned with the delivery of child care services, the members of the Ad Hoc Day Care Coalition applaud your leadership in facilitating the Department of Health & Human Services' development and distribution of the Model Child Care Standards Act, in response to P.L. 98-473. The Coalition submitted to you, and to Assistant Secretary Hardy, specific recommendations for the development of the model standards. We were disappointed that we were not able to meet with you to discuss our concerns and that our recommendations were not reflected in the final document. Therefore, we wanted to share with you our thoughts on the document recently released by the Department.

Although the legislative mandate concerning the Model Child Care Standards Act recommended that you address six topical areas, (we are disappointed that) you failed to go beyond these six areas to address other issues that are fundamental to the provision of quality child care. Moreover, even within the areas which are addressed, the fact that they are cast within the narrow context of preventing child abuse and neglect, limits the effectiveness of this document. Providing quality child care entails much more than preventing child abuse. Parents want more from their child care arrangement than assurances against physical or emotional harm. They want their children to thrive.

We are also concerned about the lack of specific recommendations in this document. Some of the issues raised are still so new as to require some caution in making recommendations (i.e. criminal records checks for child care providers), and in fact require additional debate. There are, however, other points in the document on which consensus has been established.

Specifically, on issues such as training, staff/child ratios, staff qualifications and group size, there is extensive research funded by the Department of Health and Human Services and others, on which recommendations can be based. The arduous task of study and research resulted in the documentation of critical components of quality child care. National child advocacy organizations, voluntary service providers and national child care standards setting organizations have endorsed the conclusions

of this research. We believe that it is unfortunate that the Department did not use this opportunity to promote tangible improvements in State licensing provisions.

There are other issues raised in the model standards on which the States require direction and for which the Department provided little guidance and support. The issue of state sanctioned exemptions for church sponsored child care was not adequately addressed. Most states recognize the importance of including churches in licensing standards. However, the Model Child Care Standards Act suggests that states are moving toward the allowance of exemptions.

Currently, only eight states exempt church sponsored child care from existing licensing requirements. We fear the treatment of this issue in the document will appear to lend the Department's name and support to a growing political movement to exempt large numbers of child care providers from the responsibility to meet standards.

In the survey of church based child care, reported in When Churches Mind the Children, by Reverend Eileen Lindner, et. al., it was found that only 16 percent of the fifteen thousand programs identified were unlicensed. The statement of the National Council of Churches, developed in part by many of the survey respondents, supports the regulation of church based child care to ensure the health and safety of young children.

Another issue in which States are now looking to the federal government for specific assistance and direction is in implementing state-mandated background checks of employees working with children in child care and juvenile facilities. This concern is critical for all states interested in receiving the one year increase in training monies through the Title XX program as specified in P.L. 98-473; additionally some state legislatures have enacted permanent procedures requiring child care providers to participate in background or criminal record checks as a condition of employment. Currently states are floundering with little direction concerning ways to manage and monitor such procedures.

While the Model Child Care Standards Act raises the pertinent issues related to implementing state-wide background checks, it falls short of providing specific guidance and direction as to a "model" which can be replicated. Specifically the Standards do not provide: operational definitions of terms used in the statute, precise roles and responsibilities of the FBI and other law enforcement agencies, or a model for managing the financial costs associated with such an initiative. States are not given any instructions or direction regarding compliance issues and effective program monitoring.

In conclusion, we feel strongly that if the government is to assume a "guardianship role" concerning the fundamental protections essential to the healthy development of young children, the Department must provide the support, and direction to the states which can facilitate informed policy formulation at the state and local levels. As a follow-up to the release of the Model Child Care Standards, the Coalition would recommend the following next steps:

Followup to see if States have implemented procedures for conducting criminal background checks; identify barriers to implementation.

Followup to see if States have, in response to the Model Child Care Standards Act, made efforts to upgrade existing child care regulations or licensing standards.

Provide technical assistance to states to improve current practices.

Support legislation that provides incentive grants to states for the purpose of upgrading existing child care standards.

We appreciate your consideration of this letter and would welcome the opportunity to meet with you to discuss how we might work together to enhance the quality of child care available to families.

Sincerely,

EVELYN K. MOORE,
Executive Director, NBCDI.

For: Association of Junior Leagues;
Children's Defense Fund;
Children's Foundation;
Child Welfare League of America;
Department of Human Welfare, General Board of Church and Society of the United Methodist Church;
Friends Committee on National Legislation;
National Association for the Education of Young Children;
National Association of Counties;
National Association of Social Workers;
National Black Child Development Institute;
National Board of the YWCA of the U.S.A.;
National Center for Clinical Infant Programs;
National Organization for Women;
National Women's Political Caucus;
Project on Equal Education Rights;
The Parent Connection;
Wider Opportunities for Women; and
Women's Equity Action League.●

By Mr. GARN (for himself and Mr. HATCH):

S. 811. A bill to clarify the treatment of mineral materials on public lands; to the Committee on Energy and Natural Resources.

TREATMENT OF MINERALS ON PUBLIC LANDS

● Mr. GARN. Mr. President, today I am introducing the identical sand and gravel bill that passed the Senate by voice vote last August 9, 1984. The measure died because time ran out before action on it could be taken in the House of Representatives.

The purpose of the legislation is to clarify the treatment of sand and gravel deposits on the public lands. Under current interpretations of the mining laws, the Department of Interior has ruled that it is illegal to sell or otherwise dispose of sand and gravel on BLM lands. The Department of Agriculture on the other hand, interprets the exact same statutes so as to allow the sale or disposition of sand and gravel on Forest Service lands.

This legislation clarifies that sand and gravel can indeed be legally and lawfully sold or removed from Federal lands. The bill also protects the rights of mining claimants and resolves a longstanding problem in the counties of southeastern Utah.●

By Mr. GARN (for himself and Mr. PROXMIRE):

S. 812. A bill to amend the Export Administration Act of 1979 to authorize controls of the export of capital from the United States; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL EXPORT CONTROL ACT

● Mr. GARN. Mr. President, today I am introducing the Financial Export Control Act, a bill authorizing the President to control the transfer of money and other financial resources from the United States to countries against which we maintain national security export controls.

For the past 3 years the Congress has been reviewing the Export Administration Act in an effort to improve our ability to prevent the transfer of sensitive goods and technology to our adversaries. The Defense Department recently commissioned a private study of the impact of technology transfer on our defense spending. That study, which will soon be released, confirms what we have long feared, that technology transfer to the Soviet bloc costs us tens of billions of dollars annually in increased defense costs.

Mr. President, although a bargain in comparison with our development costs, the Soviets have to pay for the technology they obtain. It is unfortunate but true that the Soviets are successful in gathering Western technology with the help of people living in the Western democracies. But that help has to be bought. In fact, the Western high technology smuggler demands a premium price for everything he delivers, and he will not take payment in rubles. This means, Mr. President, that the Soviet ability to obtain the sensitive goods and technology from the West that are turned against us in Soviet weapon systems is directly related to their ability to obtain hard currency, Western currencies.

There are only a few ways that the Soviets can obtain hard currency. They can export to the West, but the quality of Soviet products is so low that export sales have been limited to exports of raw materials, such as gold and natural gas, and to arms exports.

The other way that the Soviets have in the past obtained what is for them very scarce Western currency is through loans from Western banks. This source largely dried up, however, over the inability of Poland and several other Soviet allies to pay their debts and the furor caused by the realization that Western banks were so deeply involved in lending to the Soviet bloc at the same time that these countries were brutally repressing their own citizens.

Lately, however, Western European banks have resumed their lending to the Soviet bloc. The level of lending reached $3 billion last year, a threefold increase over 1983. The only bright spot in this gloomy picture was the fact that U.S. banks were staying out. Now that, too, is ending. American banks are now falling over each other to get back into lending to the

Warsaw Pact, and at terms far more favorable than what the Western Europeans were offering. Last year, while West German banks were making largely short-term loans to East Germany at rates 3 or 4 percentage points over the London Interbank offered rate [LIBOR], First Chicago Bank gave the East Germans a $75 million loan at only 1 point above LIBOR. The Western Europeans have since begun matching those terms.

Not to be outdone, however, New York's Citibank is currently syndicating a loan to East Germany in the amount of $500 million, at seven-eighths of a point above LIBOR or one-half point above the U.S. prime rate. This loan started out at a mere $150 million, but there was such enthusiasm for it from U.S. banks that the East Germans were persuaded to increase the amount. Moreover, this loan is for 7 years, with a built-in 3-year grace period.

Mr. President, the prime rate is currently at 10.5 percent, so the Citibank loan to East Germany, in today's terms, would be for a rate of 11 percent. I wonder whether any of my colleagues have any constituents that would like to borrow money at 11 percent. Do they have anyone who would like to buy a home at 11 percent, or obtain credit for farm improvements at 11 percent? Perhaps they have some constituent that would like to start or expand a business with an 11-percent loan, or make an export sale. They very well may have such people, but they are unlikely to find those kinds of loans being offered. Apparently, a family trying to buy a home, a farmer, a businessman in the United States cannot easily get such a rate, but the East Germans can.

What are the East Germans going to do with such a loan? Are they going to expand human freedoms, increase individual opportunity? No. Instead, the East Germans are going to use the money to buy Western high technology. They are concerned by the fact that their Communist economy is falling farther and farther behind the economy of West Germany—and it is worth adding that the East Germans came to Citibank because the West German banks were requiring human rights concessions for the granting of their loans.

The East Germans are also eager for Western technology because their Soviet masters are demanding more high technology imports from the East Germans in exchange for Soviet energy supplies. That is to say, although the loan is going to the East Germans, its benefits are going to the Soviets.

Mr. President, I am not sure how we can best deal with this problem, but I do know that we are making our export control task all the more difficult by lending our adversaries the money with which to obtain our technology. This is a practice that must stop. Our banks may make some profits from the loans, although their troubled East European loan portfolio casts some doubt on that. But whatever profit they may obtain is far short of the expense that it causes us to make up for Soviet bloc military advances made possible by Western technology. What would interest rates be for our people if we could safely decrease defense spending by tens of billions of dollars annually? We cannot make such cuts, however, as long as we are contributing so directly to Soviet bloc military advances.

I am offering this bill today for consideration by my colleagues in hopes that it will lead to an end to the practice of lending to our adversaries. This bill authorizes, but does not direct, the President to control transfers of capital to countries against which we maintain national security export controls, the Soviet bloc countries. The President would be given full discretionary authority so as to apply such controls in the manner most in keeping with our national interests.

The bill in its current form is a discussion draft. My colleagues may have some other ideas, and some changes may need to be made. Perhaps the problem can be solved without legislation, but I believe that the time has arrived to address this situation directly.

Mr. President, I would also like to mention to my colleagues that I do not intend to add this bill to current proposals to amend the Export Administration Act that are being considered here and in the House of Representatives in connection with the reauthorization of the Export Administration Act. This is a separate item of legislation.

Mr. President, I ask that the text of an article from the March 19, 1985, edition of the Wall Street Journal that details the recent Citibank loan, along with the text of the bill and a section-by-section analysis of the bill, be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 19, 1985]

EAST GERMANS BENEFIT FROM U.S. BANK CREDITS THAT DON'T CALL FOR HUMAN-RIGHTS CONCESSIONS

(By Frederick Kempe)

EAST BERLIN.—American bankers' eager resumption of credits to East Germany is helping the country avoid human-rights concessions in its financial relationship with West Germany.

East Germany avoided a Polish-like financial crisis in 1982 and 1983 through two separate credits negotiated and guaranteed by Bonn and extended by West Germany banks. In return, East Germany ceased restrictions on West Germany visits to the East, and it also last year allowed 40,000 East Germans to emigrate to West Germany.

Western experts now believe that East Germany yielded the short-term human-rights concessions to pursue significant longer-term aims that would spare it from such a vulnerable political position again. It combined the West German credits with a strict austerity program and dramatic import reductions to considerably improve its economic performance and its image among international creditors, who now are competing to give the country money.

CHANGE OF COURSE

Bank of America, Manufacturers Hanover and Citicorp, who were refusing East Germany new credits a little more than a year ago, are managing with the bank of Tokyo a $150 million credit that has grown to $500 million largely due to U.S. banks' demand. The loan hasn't any political strings attached, and its terms are the best East Germany has seen since the Polish repayment crisis—⅞ percentage point over the London Interbank Offered Rate (Libor) or an option for ½ percentage point over the U.S. prime rate. It is to be repaid over seven years with a three year grace.

"It's all a political business," says Wolfgang Seiffert, economic adviser to the East German government until 1978, and now a professor in Kiel, West Germany. "The attempt of East Germany to get money from American and other banks is an effort to get western finances without liberalization measures. The money will give East Berlin a stronger hand for its political games with West Germany because it doesn't need Bonn's money as much anymore."

West German bankers also complain that the Americans have been driving prices down in their effort to get back into the East Germany lending market that they abandoned in 1981, when Poland cast a shadow over all of Eastern Europe.

Until last year, West German banks were extending the East Germans primarily commercial loans, usually to be repaid after one year at a rate three to four percentage points above Libor. However, East Germany extracted far better conditions from First National Bank of Chicago when it worked its way back into the market last year. First Chicago offered a $75 million club loan at only one percentage point above Libor, a rate that European banks thereafter were forced to match despite a feeling by many lending officers that the margin wasn't sufficient.

THE GROWING GAP

U.S. banks are injecting money into the East German economy at a critical time. East Germany considerably reduced imports over the past three years to achieve hard currency trade surpluses and to service debts, but it also dangerously reduced investments. The result was that the technology gap between it and its West European neighbors grew.

Western economists expect the next East German five-year plan, from 1986-1990, to include an ambitious investment program, particularly emphasizing purchases of Western technology.

This is partially a response to a Soviet ultimatum that Moscow is to get Western-quality goods in exchange for the raw materials it provides Eastern Europe, or Moscow will reduce the amounts provided. The Soviets warn that Soviet oil can simply be sold on Western markets and the proceeds used to buy more advanced Western products.

"The East Germans are the largest East European technology sluice and supplier for the Soviets," says Klaus Schroeder of the West German government-sponsored Institute for Science and Policy near Munich. "Soviet demands have put a large amount of pressure on the East Germans to modernize their industry."

GOOD PERFORMANCE

U.S. bankers argue that they have good reason to be wooing the East Germans. First, they say East Germany's economic performance is the best in Eastern Europe. Produced national income (basically, gross national product minus invoices) in 1964 rose by 5.5%, compared to 4.4% the year before. Net industrial production rose 8.5% against 4.6% in 1983. Industrial labor productivity increased 7.7% against 5.8% in 1983.

The bankers also cite a radical improvement in East Germany's external position. While East Germany's debt to Western banks of $10 billion once was worrying to the banks, they now place more emphasis on East Germany's buildup of deposits in Western banks to some $4.5 billion.

Some also argue that a double umbrella exists over East Germany. They say the Soviets wouldn't allow their most important economic ally to enter into repayment difficulties and hence would bail the East Germans out. The bankers are even more confident about a West German umbrella, following Bonn's financial intercession during East Germany's recent problems.

"The proof is in the pudding," one U.S. banker says. "East Germany is a solid bet. We have been aggressively adding to our exposure."

However, many Western experts believe the banks are making the sorts of errors they did when more than 400 lending institutions scrambled in the 1970s to do Polish business. They are competing to give East Germany even more cash than it is asking for, yet East German economic reporting remains imprecise. The bankers haven't any specific idea what East Germany intends to do with all the money, nor whether it can eventually earn the hard currency to repay the loans.

"Bankers learn very slowly and forget very quickly," says Mr. Schroeder, a former bank economist.

Says Mr. Seiffert, "The economic situation in East Germany has improved, and so no one should have great worries about giving the country credits, but the U.S. banks currently aren't being prudent enough and should only extend credits when linking them to specific projects or investment plans."

SECTION-BY-SECTION ANALYSIS OF THE FINANCIAL EXPORT CONTROL ACT

Section 1 gives the title of the legislation as the Financial Export Control Act.

Section 2 adds to the Export Administration Act of 1979 (EAA) a finding that loans and transfers of capital to the Soviet Bloc add to their ability to acquire sensitive goods and technology.

Section 3 adds to the EAA a statement of policy to restrict transfers of capital to controlled countries in order to further national security export control policies.

Section 4 adds to the EAA a new section 8A, authorizing the President, through the Secretary of the Treasury, to control transfers of capital to controlled countries, and directing the Secretary of the Treasury to conduct negotiations with other countries to obtain cooperation on any such controls imposed.

Section 5 is a conforming amendment, designating the Treasury Secretary as responsible for issuing licenses that may be required for capital transfers to controlled countries.

Section 6 authorizes the Secretary of the Treasury to enforce the controls on transfers of capital to controlled countries.

Section 7 is a conforming amendment to the reporting provisions of the EAA, requiring the Treasury Secretary to issue a report on capital controls, as part of the annual report on export controls submitted to the Congress by the Commerce Secretary.

Section 8 gives the Treasury Secretary the authority to issue regulations.

Section 9 contains definitions.

S. 812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Financial Export Control Act".

SEC. 2. Section 2 of the Export Administration Act of 1979 is amended by adding at the end thereof the following:

"(10) Loans and other transfers of capital to the Soviet Union and its allies from public and commercial sources significantly increase the ability of those countries to obtain sensitive goods and technology, thereby damaging the security interests of the United States and its allies.".

SEC. 3. Section 3 of the Export Administration Act of 1979 is amended—

(1) in paragraph (2)(B), by striking out "and" after the semicolon;

(2) in paragraph (2)(C), by striking out the period and inserting in lieu thereof "; and "; and

(3) by adding at the end of paragraph (2) the following:

"(D) to restrict the export of capital, the extension of credit, the making of loans, or the transfer of financial resources to destinations to which exports are restricted in order to carry out the policy described in subparagraph (A) of this paragraph.".

SEC. 4. The Export Administration Act of 1979 is amended by inserting after section 8 the following new section:

"CAPITAL CONTROLS

"SEC. 8A. (a) AUTHORITY.—In order to carry out the policy set forth in section 3(2)(D) of this Act, the President may prohibit, curtail, monitor, or otherwise regulate the export or transfer, or participation in the export or transfer, of money or other financial assets, including the making of a loan or the extension of credit, to the government of any controlled country, or to any political subdivision thereof or any organization or association owned by or acting for or on behalf of such government or political subdivision thereof. The authority contained in this subsection shall be exercised by the Secretary of the Treasury, in consultation with the Secretary of Defense, the Secretary of Commerce, and such other departments and agencies as the Secretary of the Treasury shall consider appropriate.

"(b) NEGOTIATIONS WITH OTHER COUNTRIES.—The Secretary of the Treasury, in consultation with the Secretaries of State, Defense, and Commerce, and the heads of other appropriate departments and agencies, shall be responsible for conducting negotiations with other countries regarding their cooperation with controls imposed pursuant to subsection (a).".

SEC. 5. Section 10 of the Export Administration Act of 1979 is amended—

(1) in subsection (a)(1), by striking out "All export license applications" and inserting in lieu thereof "Except as provided in subsection (k), all export license applications";

(2) in subsection (j)(1), by inserting before the period ", except in the case of any license that may be required pursuant to section 8A of this Act, in which case the Secretary of the Treasury shall establish such procedures"; and

(3) by adding at the end thereof the following new subsection:

"(k)(1) Any export license applications required pursuant to section 8A of this Act shall be submitted by the applicant to the Secretary of the Treasury. All determinations with respect to any such application shall be made by the Secretary of the Treasury.

"(2) To the extent necessary, the Secretary of the Treasury shall seek information and recommendations from the Government departments and agencies concerned with aspects of the United States domestic and foreign policies and operations having an important bearing on the policy set forth in section 3(2)(D) of this Act.".

SEC. 6. Section 12 of the Export Administration Act of 1979 is amended—

(1) in the second sentence of subsection (c)(1), by inserting before the period the following: ", or in the case of information obtained with respect to section 8A of this Act, unless the Secretary of the Treasury so determines"; and

(2) in subsection (e), by striking out "The Secretary" and inserting in lieu thereof "Except with regard to the authority provided under section 8A(a), the Secretary".

SEC. 7. Section 14(a) of the Export Administration Act of 1979 is amended—

(1) by striking out "and" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(21) actions taken by the President and the Secretary of the Treasury to carry out the policies set forth in section 3(2)(D) of this Act, as described by the Secretary of the Treasury in a report submitted for inclusion as a part of the Secretary's annual report required by this section.".

SEC. 8. Section 15 of the Export Administration Act of 1979 is amended by inserting "and the Secretary of the Treasury" after "Secretary".

SEC. 9. Section 16 of the Export Administration Act of 1979 is amended—

(1) in paragraph (4) by striking out "and" after the semicolon;

(2) in paragraph (5) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(6) the term 'extension of credit' includes loans, credit sales, the supplying of funds through the underwriting, distribution, or acquisition of securities, the making or assisting in the making of a direct placement, or otherwise participating in the offering, distribution, or acquisition of securities; and

"(7) the term 'loan' includes any type of credit, including credit extended in connection with a credit sale.".●

By Mr. PACKWOOD (for himself and Mr. FORD):

S. 813. A bill to amend the National Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1986 and 1987, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AUTHORIZATION OF APPROPRIATIONS UNDER THE NATURAL GAS PIPELINE SAFETY ACT AND HAZARDOUS LIQUID PIPELINE SAFETY ACT

● Mr. PACKWOOD. Mr. President, this morning the Senate Commerce Committee's Subcommittee on Surface Transportation, which I chair, held a hearing:

First, to examine the effectiveness of the pipeline safety efforts of the Department of Transportation [DOT] and the States that help enforce the Federal pipeline safety regulations; and

Second, to consider appropriate Federal funding levels for fiscal 1986 and 1987 to support these efforts.

Under the Natural Gas Pipeline Safety Act of 1968 [NGPSA] and the Hazardous Liquid Pipeline Safety Act of 1979 [HLPSA], DOT is responsible for:

First, developing and enforcing regulations for the safe transportation by interstate and instrastate pipelines of natural gas and other hazardous liquids, such as gasoline and fuel oil;

Second, managing the State programs pursuant to which participating States help enforce Federal regulations governing intrastate pipelines; and

Third, conducting pipeline safety research.

The DOT's pipeline safety program is administered by the Materials Transportation Bureau [MTB], which is part of the Research and Special Programs Administration [RSPA].

Forty-six States, the District of Columbia, and Puerto Rico, now participate in the program pursuant to which they help enforce Federal regulations governing intrastate natural gas pipelines. No States now participate in the hazardous liquid pipeline program. The reason they do not participate is that DOT has not yet issued regulations governing intrastate hazardous liquid pipelines. However, during the hearing today, DOT testified that they expect the regulations to be issued by May 1. Under both the NGPSA and the HLPSA, DOT is authorized to pay up to 50 percent of the States' costs associated with participating in the State pipeline programs.

The authorizations for funding for DOT and for the two State pipeline programs expire at the end of this fiscal year.

The witnesses at this morning's hearing all testified to the effect that the pipeline industry has an excellent safety record. Further, the combined Federal-State regulatory effort is working well. In view of this testimony, I am introducing a bill today on behalf of myself and Senator Ford that would reauthorize funding in fiscal 1986 and 1987 to support the safety efforts of both DOT and the states that help enforce the federal pipeline safety regulations. I expect the Commerce Committee to mark up this bill next week.

I ask unanimous consent that the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 17(a) of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1684(a)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new paragraphs:

"(4) $3,450,000 for the fiscal year ending September 30, 1986; and

"(5) $3,615,600 for the fiscal year ending September 30, 1987.".

(b) Section 17 of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1684) is amended by adding at the end therof the following:

"(c) For purposes of carrying out the Federal grants-in-aid provisions of section 5(d) of this Act (49 App. U.S.C. 1674(d)) and section 205(d) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(d)), there are authorized to be appropriated—

"(1) $4,500,000 for the fiscal year ending September 30, 1986; and

"(2) $4,716,000 for the fiscal year ending September 30, 1987.".

(c) Section 205(d)(2) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(d)(2)) is amended by inserting "or section 17(c) of the Natural Gas Pipeline Safety Act of 1979 (49 App. U.S.C. 1674(d)(2))" immediately after "title".

SEC. 2. (a) Section 214(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2013(a)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon; and

(3) adding at the end thereof the following new paragraphs:

"(4) $875,000 for the fiscal year ending September 30, 1986;

"(5) $917,000 for the fiscal year ending September 30, 1987.".

(b) Section 214(b) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2013(b)) is amended by—

(1) striking "and" at the end of paragraph (2);

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following new paragraph:

"(4) such amounts as are made available pursuant to section 17(c) of the Natural Gas Pipeline Safety Act of 1968.".

SEC. 3. (a) Section 5(a) of the Natural Gas Pipeline Safety Act of 1968 (49 App. U.S.C. 1674(a)) is amended by striking "$5,000" and inserting in lieu thereof "an amount that the Secretary establishes by regulation".

(b) Section 205(a) of the Hazardous Liquid Pipeline Safety Act of 1979 (49 App. U.S.C. 2004(a)) is amended by striking "$5,000" and inserting in lieu thereof "an amount that the Secretary establishes by regulation".●

By Mr. PACKWOOD (for himself and Mr. LONG):

S. 814. A bill to make technical corrections relating to the Tax Reform Act of 1984, and for other purposes; to the Committee on Finance.

TECHNICAL CORRECTIONS TO THE TAX REFORM ACT OF 1984

● Mr. PACKWOOD. Mr. President, today I am introducing S. 814, the Technical Corrections Act of 1985. This bill would make technical, clerical, conforming, and clarifying amendments to the Tax Reform Act of 1984 and other provisions of the Deficit Reduction Act of 1984 and to other tax legislation enacted in 1984. The bill contains two general titles. The first title covers amendments to the Tax Reform Act of 1984. Title II would make amendments to provisions of the Deficit Reduction Act relating to Social Security and trade.

This bill is intended to correct errors in the legislation described above in order to carry out properly the intent of Congress in enacting the legislation. The bill has been prepared by the staffs of the Finance Committee, House Committee on Ways and Means, and the Joint Committee on Taxation, with valuable assistance from the Treasury Department, the Social Security Administration, and the Health Care Financing Administration. Helpful comments have also been received from professional groups and other individuals.

Because of the length and complexity of the 1984 legislation, it was to be expected that numerous technical errors would have to be corrected in subsequent legislation. The staffs have spent many hours reviewing technical issues and putting together this bill. Undoubtedly, there are still some technical problems that have not been identified. I would invite members of the public who are aware of any additional problems to bring them to the committee's attention.

I should point out, however, that in preparing this legislation, the staffs were directed by me to include only amendments that are of a purely technical nature. There were many winners and losers in 1984, and this bill does not revisit those decisions.

In title I, the bill would make numerous technical changes to provisions of the Tax Reform Act of 1984 in the areas of tax-exempt entity leasing, debt instruments, corporate tax, foreign, life insurance, VEBA's, pensions, ESOP's, and tax-exempt bonds. Also, changes are made to provisions relat-

ing to such items as credit carryovers and the minimum tax, the diesel fuel tax on certain school buses, estimated tax penalties, as well as many other miscellaneous provisions.

Title II of the bill makes a number of technical corrections in other programs affected by the Deficit Reduction Act. Part A contains amendments related to Social Security Act programs. Part B provides amendments related to the Unemployment Compensation Program. Part C makes technical corrections to trade and tariff programs.

Because of the length and complexity of provisions in the bill, I have requested that a staff pamphlet describing the entire bill be published as soon as possible. I intend to insert a copy of that pamphlet into the RECORD so that the description contained in the pamphlet will be publicly available.

Mr. President, I request unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Technical Corrections Act of 1985".

TITLE I—TECHNICAL CORRECTIONS RELATED TO TAX REFORM ACT OF 1984

SEC. 100. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

PART A—AMENDMENTS RELATED TO TITLE I OF THE ACT

SEC. 101. AMENDMENTS RELATED TO DEFERRAL OF CERTAIN TAX REDUCTIONS.

(a) AMENDMENT RELATED TO SECTION 26 OF THE ACT.—Paragraph (2) of section 4251(b) (relating to rate of tax on communications services) is amended by inserting "1985," after "1984," in the table contained in such section.

(b) AMENDMENTS RELATED TO SECTION 27 OF THE ACT.—

(1) Subsection (e) of section 5061 (relating to payment by electronic fund transfer of alcohol taxes) is amended by adding at the end thereof the following new paragraph:

"(3) CONTROLLED GROUPS.—

"(A) IN GENERAL.—In the case of a controlled group of corporations, all corporations which are component members of such group shall be treated as 1 taxpayer. For purposes of the preceding sentence, the term 'controlled group of corporations' has the meaning given to such term by subsection (a) of section 1563, except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in such subsection.

"(B) CONTROLLED GROUPS WHICH INCLUDE NONINCORPORATED PERSONS.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control where 1 or more of such persons is not a corporation."

(2) Paragraph (3) of section 5703(b) (relating to payment by electronic fund transfer of tobacco taxes) is amended by adding at the end thereof the following: "Rules similar to the rules of section 5061(e)(3) shall apply to the $5,000,000 amount specified in the preceding sentence."

SEC. 102. AMENDMENTS RELATED TO TAX-EXEMPT ENTITY LEASING PROVISIONS.

(a) AMENDMENTS RELATING TO SECTION 31 OF THE ACT.—

(1) TREATMENT OF USE IN UNRELATED TRADE OR BUSINESS.—Subparagraph (D) of section 168(j)(3) (relating to exception where property used in unrelated trade or business) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B)(iii), any portion of a property so used shall not be treated as leased to a tax-exempt entity in a disqualified lease."

(2) TREATMENT OF CERTAIN PREVIOUSLY TAX-EXEMPT ORGANIZATIONS.—

(A) Clause (i) of section 168(j)(4)(E) (relating to treatment of certain previously tax-exempt organizations) is amended—

(i) by striking out "any property of which such organization is the lessee" and inserting in lieu thereof "any property (other than property held by such organization)", and

(ii) by striking out "first leased to" and inserting in lieu thereof "first used by".

(B) Subclause (I) of section 168(j)(4)(E)(ii) is amended by striking out "of which such organization is the lessee".

(C) Subclause (II) of section 168(j)(4)(E)(ii) is amended by striking out "is placed in service under the lease" and inserting in lieu thereof "is first used by the organization".

(D) Subparagraph (E) of section 168(j)(4) is amended by adding at the end thereof the following new clause:

"(iv) FIRST USED.—For purposes of this subparagraph, property shall be treated as first used by the organization—

"(I) when the property is first placed in service under a lease to such organization, or

"(II) in the case of property leased to (or held by) a partnership (or other pass-thru entity) in which the organization is a member, the later of when such property is first used by such partnership or pass-thru entity or when such organization is first a member of such partnership or pass-thru entity."

(E) Clause (i)(I) of section 31(g)(16)(C) of the Tax Reform Act of 1984 (defining exempt arbitrage profits) is amended by striking out "section 168(j)(4)(E)(i)(I)" and inserting in lieu thereof "section 168(j)(4)(E)(i)".

(3) REPEAL OF OVERLAPPING SECRETARIAL AUTHORITY.—Clause (iv) of section 168(j)(5)(C) (relating to property not subject to rapid obsolescence may be excluded) is hereby repealed.

(4) PARTNERSHIP RULES.—

(A) Paragraph (8) of section 168(j) (relating to tax-exempt use of property leased to partnerships, etc., determined at partner level) is amended by striking out "and paragraphs (4) and (5) of section 48(a)" in the matter preceding subparagraph (A).

(B) Paragraph (9) of section 168(j) (relating to treatment of property owned by partnerships, etc.) is amended—

(i) by striking out "and paragraphs (4) and (5) of section 48(a)" in subparagraph (A), and

(ii) by striking out "loss deduction" in subparagraph (B)(i) and inserting in lieu thereof "loss, deduction".

(C) Paragraph (5) of section 48(a) (relating to property used by governmental units or foreign persons or entities) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) SPECIAL RULES FOR PARTNERSHIPS, ETC.—For purposes of this paragraph and paragraph (4), rules similar to the rules of paragraphs (8) and (9) of section 168(j) shall apply."

(5) TREATMENT OF CERTAIN AIRCRAFT LEASED TO FOREIGN PERSONS.—

(A) Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(9) AIRCRAFT LEASED TO FOREIGN PERSONS OR ENTITIES.—

"(A) IN GENERAL.—Any aircraft which was new section 38 property for the taxable year in which it was placed in service and which is used by any foreign person or entity (as defined in section 168(j)(4)(C)) under a qualified lease (as defined in paragraph (7)(C)) entered into before January 1, 1990, shall not be treated as ceasing to be section 38 property by reason of such use until such aircraft has been so used for a period or periods exceeding 3 years in total.

"(B) RECAPTURE PERIOD EXTENDED.—For purposes of paragraphs (1) and (5)(B) of this subsection, any period during which there was use described in subparagraph (A) of an aircraft shall be disregarded."

(B) Clause (iii) of section 48(a)(5)(B) is hereby repealed.

(6) TREATMENT OF CERTAIN PARTNERSHIPS HAVING SECTION 593 ORGANIZATION AS MEMBER.—Paragraph (4) of section 46(e) is amended by adding at the end thereof the following new subparagraph:

"(D) SPECIAL RULES FOR PARTNERSHIPS, ETC.—For purposes of paragraph (1)(A), rules similar to the rules of paragraphs (8) and (9) of section 168(j) shall apply."

(7) TREATMENT OF CERTAIN PROPERTY HELD BY PARTNERSHIPS.—

(A) Paragraph (9) of section 168(j) (relating to treatment of property owned by partnerships, etc.) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) DETERMINATION OF WHETHER PROPERTY USED IN UNRELATED TRADE OR BUSINESS.—For purposes of this subsection, in the case of any property which is owned by a partnership which has both a tax-exempt entity and a person who is not a tax-exempt entity as partners, the determination of whether such property is used in an unrelated trade or business of such an entity shall be made without regard to section 514."

(B) Subparagraph (E) of section 168(j)(9) (as redesignated by subparagraph (A)) is amended by striking out "and (C)" and inserting in lieu thereof "(C), and (D)".

(8) CLERICAL AMENDMENTS.—

(A) Paragraph (4) of section 48(a) is amended—

(i) by striking out "514(c)" and inserting in lieu thereof "514(b)", and

(ii) by striking out "514(b)" and inserting in lieu thereof "514(a)".

(B) Subclause (I) of section 48(g)(2)(B)(vi) is amended by striking out "section 168(j)(3)" and inserting in lieu thereof "section 168(j)".

(C) Subparagraph (A) of section 7701(e)(4) is amended by adding at the end thereof the following new sentence:

"For purposes of this paragraph, the term 'related entity' has the same meaning as when used in section 168(j)."

(9) EFFECTIVE DATE PROVISIONS.—

(A) Subparagraph (B) of section 31(g)(3) of the Tax Reform Act of 1984 is amended by striking out "The amendments made by this section" and inserting in lieu thereof "Paragraph (9) of section 168(j) of the Internal Revenue Code of 1954 (as added by this section)".

(B) Clause (ii) of section 31(g)(15)(D) of the Tax Reform Act of 1984 (relating to certain aircraft) is amended to read as follows:

"(ii) such aircraft is originally placed in service by such foreign person or entity (or its successor in interest under the contract) after May 23, 1983, and before January 1, 1986."

(C) Paragraph (4) of section 31(g) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(C) SPECIAL RULE FOR CREDIT UNIONS.—In the case of any property leased to a credit union pursuant to a written binding contract with an expiration date of December 31, 1984, which was entered into by such organization on August 23, 1984—

"(i) such credit union shall not be treated as an agency or instrumentality of the United States; and

"(ii) clause (ii) of subparagraph (A) shall be applied by substituting 'January 1, 1987' for 'January 1, 1985'."

(D)(i) Clause (ii) of section 31(g)(20)(B) of the Tax Reform Act of 1984 (defining substantial improvement) is amended by striking out subclauses (I) and (II) and inserting in lieu thereof the following:

"(I) by substituting 'property' for 'building' each place it appears therein,

"(II) by substituting '20 percent' for '25 percent' in clause (ii) thereof, and

"(III) without regard to clause (iii) thereof."

(ii) The amendment made by clause (i) shall not apply to any property if—

(I) on or before March 28, 1985, the taxpayer (or a predecessor in interest under the contract) or the tax-exempt entity entered into a written binding contract to acquire, construct, or rehabilitate the property, or

(II) the taxpayer or the tax-exempt entity began the construction, reconstruction, or rehabilitation of the property on or before March 28, 1985.

(b) AMENDMENTS RELATED TO SECTION 32 OF THE ACT.—

(1) Subsection (f) of section 168 (relating to special rules) is amended—

(A) by redesignating the paragraph (13) relating to motor vehicle operating leases as paragraph (14), and

(B) by redesignating paragraph (14) as paragraph (15).

(2) Subsection (c) of section 32 of the Tax Reform Act of 1984 is amended by striking out "section 168(f)(13)" and inserting in lieu thereof "section 168(f)(14)".

SEC. 103. AMENDMENTS RELATED TO TREATMENT OF BONDS AND OTHER DEBT INSTRUMENTS.

(a) AMENDMENTS RELATED TO SECTION 41 OF THE ACT.—

(1) TREATMENT OF SHORT-TERM NONGOVERNMENT OBLIGATIONS.—

(A) Subsection (a) of section 1271 (relating to treatment of amounts received on retirement or sale or exchange of debt instruments) is amended by adding at the end thereof the following new paragraph:

"(4) CERTAIN SHORT-TERM NONGOVERNMENT OBLIGATIONS.—

"(A) IN GENERAL.—On the sale or exchange of any short-term nongovernment obligation, any gain realized which does not exceed an amount equal to the ratable share of the original issue discount shall be treated as ordinary income.

"(B) SHORT-TERM NONGOVERNMENT OBLIGATION.—For purposes of this paragraph, the term 'short-term nongovernment obligation' means any obligation which—

"(i) has a fixed maturity date not more than 1 year from the date of the issue, and

"(ii) is not a short-term Government obligation (as defined in paragraph (3)(B) without regard to the last sentence thereof).

"(C) RATABLE SHARE.—For purposes of this paragraph, except as provided in subparagraph (D), the ratable share of the original issue discount is an amount which bears the same ratio to such discount as—

"(i) the number of days which the taxpayer held the obligation, bears to

"(ii) the number of days after the date of original issue and up to (and including) the date of its maturity.

"(D) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE.—At the election of the taxpayer with respect to any obligation, the ratable share of the original issue discount is the portion of the original issue discount accruing while the taxpayer held the obligation determined (under regulations prescribed by the Secretary) on the basis of—

"(i) the yield to maturity based on the issue price of the obligation, and

"(ii) compounding daily.

Any election under this subparagraph, once made with respect to any obligation, shall be irrevocable."

(B) Paragraph (3) of section 1283(d) is amended by striking out "section 1271(a)(3)" and inserting in lieu thereof "paragraphs (3) and (4) of section 1271(a)".

(2) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE FOR SHORT-TERM GOVERNMENT OBLIGATIONS.—

(A) IN GENERAL.—Paragraph (3) of section 1271(a) (relating to certain short-term Government obligations) is amended by adding at the end thereof the following new subparagraph:

"(E) ELECTION OF ACCRUAL ON BASIS OF CONSTANT INTEREST RATE.—At the election of the taxpayer with respect to any obligation, the ratable share of the acquisition discount is the portion of the acquisition discount accruing while the taxpayer held the obligation determined (under regulations prescribed by the Secretary) on the basis of—

"(i) the taxpayer's yield to maturity based on the taxpayer's cost of acquiring the obligation, and

"(ii) compounding daily.

An election under this subparagraph, once made with respect to any obligation, shall be irrevocable."

(B) TECHNICAL AMENDMENT.—Subparagraph (D) of section 1271(a)(3) is amended by striking out "this paragraph" and inserting in lieu thereof "this paragraph, except as provided in subparagraph (E),".

(3) DEFINITION OF SHORT-TERM GOVERNMENT OBLIGATION.—Subparagraph (B) of section 1271(a)(3) (defining short-term Government obligation) is amended to read as follows:

"(B) SHORT-TERM GOVERNMENT OBLIGATION.—For purposes of this paragraph, the term 'short-term Government obligation' means any obligation of the United States or any of its possessions, or of a State or any political subdivision thereof, or of the District of Columbia, which has a fixed maturity date not more than 1 year from the date of issue. Such term does not include any tax-exempt obligation."

(4) DEDUCTION OF ORIGINAL ISSUE DISCOUNT ON SHORT-TERM OBLIGATIONS.—Paragraph (2) of section 163(e) (relating to original issue discount) is amended by adding at the end thereof the following new subparagraph:

"(C) SHORT-TERM OBLIGATIONS.—In the case of an obligor of a short-term obligation (as defined in section 1283(a)(1)(A)) who uses the cash receipts and disbursements method of accounting, the original issue discount (and any other interest payable) on such obligation shall be deductible only when paid."

(5) TREATMENT OF CERTAIN TRANSFERS OF MARKET DISCOUNT BONDS.—Paragraph (1) of section 1276(d) (relating to special rules) is amended by striking out "and" at the end of subparagraph (A) and by inserting after subparagraph (B) the following new subparagraph:

"(C) paragraph (3) of section 1245(b) shall be applied as if it did not contain a reference to section 351, and".

(6) TREATMENT OF BONDS ACQUIRED AT ORIGINAL ISSUE FOR PURPOSES OF MARKET DISCOUNT RULES.—

(A) Paragraph (1) of section 1278(a) (defining market discount bond) is amended by adding at the end thereof the following new subparagraph:

"(C) TREATMENT OF BONDS ACQUIRED ON ORIGINAL ISSUE.—

"(i) IN GENERAL.—Except as otherwise provided in this subparagraph or in regulations, the term 'market discount bond' shall not include any bond acquired by the taxpayer at its original issue.

"(ii) TREATMENT OF BONDS ACQUIRED FOR LESS THAN ISSUE PRICE.—Clause (i) shall not apply to any bond if—

"(I) the basis of the taxpayer in such bond is determined under section 1012, and

"(II) such basis is less than the issue price of such bond determined under subpart A of this part.

"(iii) BONDS ACQUIRED IN CERTAIN REORGANIZATIONS.—Clause (i) shall not apply to any bond issued pursuant to a plan of reorganization (within the meaning of section 368(a)(1)) in exchange for another bond having market discount. Solely for purposes of section 1276, the preceding sentence shall not apply if such other bond was issued on or before July 18, 1984 (the date of the enactment of section 1276) and if the bond issued pursuant to such plan of reorganization has the same term and the same interest rate as such other bond had.

"(iv) TREATMENT OF CERTAIN TRANSFERRED BASIS PROPERTY.—For purposes of clause (i), if the adjusted basis of any bond in the hands of the taxpayer is determined by reference to the adjusted basis of such bond in the hands of a person who acquired such bond at its original issue, such bond shall be treated as acquired by the taxpayer at its original issue."

(7) TREATMENT OF CERTAIN STRIPPED BONDS OR STRIPPED COUPONS.—Paragraph (1) of section 1281(b) (relating to short-term obligations to which section applies) is amended by striking out "or" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", or", and by adding at the end thereof the following new subparagraph:

"(F) is a stripped bond or stripped coupon held by the person who stripped the bond or coupon (or by any other person whose basis is determined by reference to the basis in the hands of such person)."

(8) ACCRUAL OF INTEREST PAYMENTS ON CERTAIN SHORT-TERM OBLIGATIONS.—

(A) Subsection (a) of section 1281 (relating to current inclusion in income of discount on certain short-term obligations) is amended to read as follows:

"(a) GENERAL RULE.—In the case of any short-term obligation to which this section applies, for purposes of this title—

"(1) there shall be included in the gross income of the holder an amount equal to the sum of the daily portions of the acquisition discount for each day during the taxable year on which such holder held such obligation, and

"(2) any interest payable on the obligation (other than interest taken into account in determining the amount of the acquisition discount) shall be included in gross income as it accrues."

(B) Subsection (a) of section 1282 (relating to deferral of interest deduction allocable to accrued discount) is amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, the net direct interest expense with respect to any short-term obligation shall be allowed as a deduction for the taxable year only to the extent such expense exceeds the sum of—

"(1) the daily portions of the acquisition discount for each day during the taxable year on which the taxpayer held such obligation, and

"(2) the amount of any interest payable on the obligation (other than interest taken into account in determining the amount of the acquisition discount) which accrues during the taxable year while the taxpayer held such obligation (and is not included in the gross income of the taxpayer for such taxable year by reason of the taxpayer's method of accounting)."

(9) TREATMENT OF TRANSFERS OF LAND BETWEEN RELATED PARTIES.—Paragraph (1) of section 483(f) (relating to maximum rate of interest on certain transfers of land between related parties) is amended to read as follows:

"(1) IN GENERAL.—In the case of any qualified sale, the discount rate used—

"(A) for purposes of subsection (b), shall not exceed 7 percent, compounded semiannually, and

"(B) for purposes of subsection (c)(1), shall not exceed 6 percent, compounded semiannually."

(10) CLARIFICATION OF TREATMENT OF DEBT INSTRUMENTS ISSUED FOR PUBLICLY TRADED PROPERTY.—

(A) Subparagraph (B) of section 1273(b)(3) (relating to debt instruments issued for property where there is public trading) is amended to read as follows:

"(B)(i) is issued for stock or securities which are traded on an established securities market, or

"(ii) to the extent provided in regulations, is issued for property (other than stock or securities) of a kind regularly traded on an established market,".

(B) Paragraph (3) of section 1273(b) is amended by striking out "the fair market value of such property" and inserting in lieu thereof "the fair market value of such property (as of the first day on which a substantial portion of the debt instruments was issued)".

(11) CLERICAL AMENDMENTS.—

(A) Subparagraph (A) of section 1274(c)(4) is amended by striking out "FOR LESS THAN $1,000,000" in the subparagraph heading and inserting in lieu thereof "FOR $1,000,000 OR LESS".

(B) Subparagraph (F) of section 1274(c)(4) is amended by striking out "section 483(e)" each place it appears and inserting in lieu thereof "section 483(f)".

(C) Paragraph (1) of section 483(d) is amended by striking out "any debt instrument to which section 1272 applies" and inserting in lieu thereof "any debt instrument for which an issue price is determined under section 1273(b) (other than paragraph (4) thereof) or section 1274".

(D) Clause (iii) of section 6049(b)(5)(B) is amended by striking out "section 1232(b)(1)" and inserting in lieu thereof "section 1273(a)".

(b) AMENDMENTS RELATED TO SECTION 44 OF THE ACT.—

(1) CLARIFICATION OF TRANSITIONAL RULE FOR PURPOSES OF IMPUTED INTEREST RULES.—Paragraph (4) of section 44(b) of the Tax Reform Act of 1984 (relating to special rules for sales before July 1, 1985), as added by section 2 of Public Law 98-612, is amended—

(A) by striking out "before July 1, 1985" in subparagraph (A) and inserting in lieu thereof "after December 31, 1984, and before July 1, 1985",

(B) by striking out "BEFORE JULY 1, 1985" in the paragraph heading and inserting in lieu thereof "AFTER DECEMBER 31, 1984, AND BEFORE JULY 1, 1985", and

(C) by adding at the end thereof the following new subparagraph:

"(G) CLARIFICATION OF APPLICATION OF THIS PARAGRAPH, ETC.—This paragraph and paragraphs (5), (6), and (7) shall apply only in the case of sales or exchanges to which section 1274 or 483 of the Internal Revenue Code of 1954 (as amended by section 41) applies."

(2) CLARIFICATION OF INTEREST ACCRUAL, ETC.—Subparagraph (A) of section 44(b)(3) of the Tax Reform Act of 1984 is amended by striking out "and before January 1, 1985," each place it appears.

(3) EXCEPTION FOR BINDING CONTRACTS.—Subparagraph (B) of section 44(b)(3) of the Tax Reform Act of 1984 is amended to read as follows:

"(B) EXCEPTION FOR BINDING CONTRACTS.—

"(i) Subparagraph (A)(i)(I) shall not apply to any sale or exchange pursuant to a written contract which was binding on March 1, 1984, and at all times thereafter before the sale or exchange.

"(ii) Subparagraph (A)(i)(II) shall not apply to any sale or exchange pursuant to a written contract which was binding on June 8, 1984, and at all times thereafter before the sale or exchange."

(4) CLERICAL AMENDMENT.—Clause (ii) of section 44(b)(6)(B) of the Tax Reform Act of 1984 (as added by section 2 of Public Law 98-612) is amended by striking out "greater than" and inserting in lieu thereof "not greater than".

SEC. 104. AMENDMENTS RELATED TO CORPORATE PROVISIONS.

(a) AMENDMENT RELATED TO SECTION 51 OF THE ACT.—Subsection (a) of section 246A (relating to dividends received deduction reduced where portfolio stock is debt financed) is amended—

(1) by striking out "or 245" and inserting in lieu thereof "or 245(a)", and

(2) by adding at the end thereof the following new sentence:

"The preceding sentence shall be applied before any determination of a ratio under paragraph (1) or (2) of section 245(a)."

(b) AMENDMENTS RELATED TO SECTION 53 OF THE ACT.—

(1) AMENDMENTS OF SECTION 246.—

(A) Subparagraph (A) of section 246(c)(1) (relating to exclusion of certain dividends) is amended to read as follows:

"(A) which is held by the taxpayer for 45 days or less, or".

(B) Paragraph (4) of section 246(c) (relating to holding period reduced for periods where risk of loss diminished) is amended by striking out "determined under paragraph (3)" and inserting in lieu thereof "determined for purposes of this subsection".

(2) EFFECTIVE DATE FOR RELATED PERSON PROVISIONS.—Paragraph (3) of section 53(e) of the Tax Reform Act of 1984 (relating to effective date for related person provisions) is amended to read as follows:

"(3) RELATED PERSON PROVISIONS.—

"(A) IN GENERAL.—Except as otherwise provided in subparagraph (B), the amendment made by subsection (c) shall take effect on July 18, 1984.

"(B) SPECIAL RULE FOR PURPOSES OF SECTION 265(2).—The amendment made by subsection (c) insofar as it relates to section 265(2) of the Internal Revenue Code of 1954 shall apply to—

"(i) term loans made after July 18, 1984, and

"(ii) demand loans outstanding after July 18, 1984 (other than any loan outstanding on July 18, 1984, and repaid before September 18, 1984).

"(C) TREATMENT OF RENEGOTIATIONS, ETC.—For purposes of this paragraph, any loan renegotiated, extended, or revised after July 18, 1984, shall be treated as a loan made after such date.

"(D) DEFINITION OF TERM AND DEMAND LOANS.—For purposes of this paragraph, the terms 'demand loan' and 'term loan' have the respective meanings given such terms by paragraphs (5) and (6) of section 7872(f) of the Internal Revenue Code of 1954, except that the second sentence of such paragraph (5) shall not apply."

(c) AMENDMENTS RELATED TO SECTION 55 OF THE ACT.—

(1) Clause (ii) of section 852(b)(4)(B) (relating to losses attributable to exempt-interest dividend) is amended by striking out "for less than 31 days" and inserting in lieu thereof "for 6 months or less".

(2) Subparagraph (C) of section 852(b)(4) (relating to determination of holding periods) is amended to read as follows:

"(C) DETERMINATION OF HOLDING PERIODS.—For purposes of this paragraph, the rules of paragraphs (3) and (4) of section 246(c) shall apply in determining the period for which the taxpayer has held any share of stock; except that '6 months' shall be substituted for each number of days specified in subparagraph (B) of section 246(c)(3)."

(3) Subparagraph (D) of section 852(b)(4) (relating to losses incurred under a periodic liquidation plan) is amended by striking out "subparagraph (A)" and inserting in lieu thereof "subparagraphs (A) and (B)".

(4) The paragraph heading for paragraph (4) of section 852(b) is amended by striking out "LESS THAN 31 DAYS" and inserting in lieu thereof "6 MONTHS OR LESS".

(5) The amendments made by this subsection shall apply to stock with respect to which the taxpayer's holding period begins after March 28, 1985.

(d) AMENDMENTS RELATED TO SECTION 60 OF THE ACT.—

(1) TREATMENT OF CERTAIN REDEMPTION AND LIQUIDATION RIGHTS.—Subparagraph (C) of section 1504(a)(4) (relating to certain preferred stock not treated as stock) is amended to read as follows:

"(C) has redemption and liquidation rights which do not exceed the issue price of such stock (except for a reasonable redemption or liquidation premium), and".

(2) TREATMENT OF CERTAIN CORPORATIONS AFFILIATED ON JUNE 22, 1984.—Paragraph (2) of section 60(b) of the Tax Reform Act of 1984 (relating to special rule for corporations affiliated on June 22, 1984) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall cease to apply as of the first day after June 22, 1984, on which such corporation does not qualify as a member of such group under section 1504(a) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act)."

(3) TREATMENT OF CERTAIN SELL-DOWNS AFTER JUNE 22, 1984.—Paragraph (3) of section 60(b) of the Tax Reform Act of 1984 (relating to special rule not to apply to certain sell-downs after June 22, 1984) is amended to read as follows:

"(3) SPECIAL RULE NOT TO APPLY TO CERTAIN SELL-DOWNS AFTER JUNE 22, 1984.—If—

"(A) the requirements of paragraph (2) are satisfied with respect to a corporation,

"(B) more than a de minimis amount of the stock of such corporation—

"(i) is sold or exchanged (including in a redemption), or

"(ii) is issued,

after June 22, 1984 (other than in the ordinary course of business), and

"(C) the requirements of the amendment made by subsection (a) are not satisfied after such sale, exchange, or issuance,

then the amendment made by subsection (a) shall apply for purposes of determining whether such corporation continues to be a member of the group. The preceding sentence shall not apply to any transaction if such transaction does not reduce the percentage of the fair market value of the stock of the corporation referred to in the preceding sentence held by members of the group determined without regard to this paragraph."

(4) AMENDMENT OF SECTION 332.—

(A) IN GENERAL.—Paragraph (1) of section 332(b) (relating to liquidations to which section applies) is amended to read as follows:

"(1) the corporation receiving such property was, on the date of the adoption of the plan of liquidation, and has continued to be at all times until the receipt of the property, the owner of stock (in such other corporation) meeting the requirements of section 1504(a)(2); and either".

(B) EFFECTIVE DATE.—

(i) IN GENERAL.—Except as provided in clause (iii), the amendment made by subparagraph (A) shall apply with respect to plans of complete liquidation adopted after March 28, 1985.

(ii) CERTAIN DISTRIBUTIONS MADE AFTER DECEMBER 31, 1984.—Except as provided in clause (iii), the amendment made by subparagraph (A) shall also apply with respect to plans of complete liquidations adopted on or before March 28, 1985, pursuant to which any distribution is made in a taxable year beginning after December 31, 1984, but only if the liquidating corporation and any corporation which receives a distribution in complete liquidation of such corporation are members of an affiliated group of corporations filing a consolidated return for the taxable year which includes the date of the distribution.

(iii) TRANSITIONAL RULE FOR AFFILIATED GROUPS.—The amendment made by subparagraph (A) shall not apply with respect to plans of complete liquidation if the liquidating corporation is a member of an affiliated group of corporations under section 60(b)(2) or (5) of the Tax Reform Act of 1984, for all taxable years which include the date of any distribution pursuant to such plan.

(5) AMENDMENT OF SECTION 337.—

(A) IN GENERAL.—Subparagraph (B) of section 337(c)(3) (defining distributee corporation) is amended to read as follows:

"(B) DISTRIBUTEE CORPORATION.—For purposes of subparagraph (A), the term 'distributee corporation' means any corporation which receives a distribution to which section 332 applies in a complete liquidation of the selling corporation. Such term also includes any other corporation which receives a distribution to which section 332 applies in a complete liquidation of a corporation which is a distributee corporation under the preceding sentence or prior application of this sentence."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply in the case of plans of complete liquidation pursuant to which any distribution is made in a taxable year beginning after December 31, 1984.

(6) TREATMENT OF FORMER DISC'S.—Paragraph (7) of section 1504(b) (defining includible corporation) is amended to read as follows:

"(7) A DISC (as defined in section 992(a)(1)) or, to the extent provided in regulations, any other corporation which has accumulated DISC income."

(e) AMENDMENTS RELATED TO SECTION 61 OF THE ACT.—

(1) TREATMENT OF DISTRIBUTIONS OF APPRECIATED PROPERTY.—

(A) Subsection (b) of section 312 (relating to effect on earnings and profits) is amended to read as follows:

"(b) DISTRIBUTIONS OF APPRECIATED PROPERTY.—On the distribution by a corporation, with respect to its stock, of any property the fair market value of which exceeds the adjusted basis thereof, the earnings and profits of the corporation—

"(1) shall be increased by the amount of such excess, and

"(2) shall be decreased by whichever of the following is the lesser:

"(A) the fair market value of the property distributed, or

"(B) the earnings and profits (as increased under paragraph (1))."

(B) Subsection (c) of section 312 is amended by inserting "and" at the end of paragraph (1), by striking out ", and" at the end of paragraph (2) and inserting in lieu thereof a period, and by striking out paragraph (3).

(C) The subsection heading for subsection (c) of section 312 is amended by striking out ", ETC.".

(D) Subsection (n) of section 312 is amended by striking out paragraph (4) and by redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(E) Paragraph (8) of section 312(n) (as redesignated by subparagraph (C)) is amended by striking out "paragraphs (5), (6), and (7)" and inserting in lieu thereof "paragraphs (4), (5), and (6)".

(F) Any reference in subsection (e) of section 61 of the Tax Reform Act of 1984 to a paragraph of section 312(n) of the Internal Revenue Code of 1954 shall be treated as a reference to such paragraph as in effect before its redesignation by subparagraph (D).

(2) CLERICAL AMENDMENTS.—

(A) Subsection (a) of section 1275 is amended—

(i) by redesignating the paragraph added by section 61 of the Tax Reform Act of 1984 as paragraph (5), and

(ii) by striking out "TO CORPORATIONS" in the heading of such paragraph and inserting in lieu thereof "BY CORPORATIONS".

(B) Paragraph (3) of section 301(f) is amended by striking out "this section" and inserting in lieu thereof "this subsection".

(3) EFFECTIVE DATE FOR TREATMENT OF REDEMPTIONS.—Paragraph (7) of section 312(n) of the Internal Revenue Code of 1954 (as redesignated by paragraph (1)(D) of this subsection), and the amendments made by section 61(a)(2) of the Tax Reform Act of 1984, shall apply to distributions after July 18, 1984, in taxable years ending after such date.

(f) AMENDMENTS RELATING TO SECTION 68 OF THE ACT.—

(1) NO DISC PREFERENCE REDUCTION FOR S CORPORATIONS.—Effective with respect to taxable years beginning after December 31, 1982, paragraph (4) of section 291(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1984) is amended by striking out "a corporation" and inserting in lieu thereof "a C corporation".

(2) CLARIFICATION OF EFFECTIVE DATES.—

(A) Paragraph (2) of section 68(e) of the Tax Reform Act of 1984 (relating to section 1250 gain) is amended by striking out "of the Internal Revenue Code of 1954" and inserting in lieu thereof "of the Internal Revenue Code of 1954, and the amendment made by subsection (c)(2) of this section,".

(B) Paragraph (3) of section 68(e) of the Tax Reform Act of 1984 (relating to pollution control facilities) is amended by striking out "of such Code" and inserting in lieu thereof "of such Code, and so much of the amendment made by subsection (c)(1) of this section as relates to pollution control facilities,".

(3) CLERICAL AMENDMENTS.—

(A) The subsection heading of section 291(a) is amended by striking out "20-PERCENT".

(B) Paragraph (2) of section 68(c) of the Tax Reform Act of 1984 is amended by striking out "section 57(h)" and inserting in lieu thereof "section 57(b)".

(C) Subparagraph (B) of section 57(b)(1) is amended to read as follows:

"(B) IRON ORE AND COAL.—In the case of any item of tax preference of a corporation described in paragraph (8) of subsection (a) (but only to the extent such item is allocable to a deduction for depletion for iron ore and coal, including lignite), only 71.6 percent of the amount of such item of tax preference (determined without regard to this subsection) shall be taken into account as an item of tax preference."

(D) Paragraph (2) of section 57(b) is amended by striking out "85 percent" and inserting in lieu thereof "80 percent".

SEC. 105. AMENDMENTS RELATED TO PARTNERSHIP PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 72 OF THE ACT.—

(1) CLARIFICATION THAT CHANGE NEED NOT OCCUR DURING TAXABLE YEAR OF PAYMENT.—

(A) Clause (i) of section 706(d)(2)(A) is amended by striking out "each such item" and inserting in lieu thereof "such item".

(B) Subparagraph (B) of section 706(d)(2) is amended by striking out "which are described in paragraph (1) and".

(2) CLERICAL AMENDMENT.—Clause (i) of section 706(d)(2)(C) (relating to items attributable to periods not within taxable year) is amended by striking out "the first day of such taxable year" and inserting in lieu thereof "the first day of the taxable year".

(b) AMENDMENT RELATED TO SECTION 73 OF THE ACT.—Clause (iii) of section 707(a)(2)(B) (relating to treatment of certain property transfers) is amended by striking out "sale of property" and inserting in lieu thereof "sale or exchange of property".

(c) AMENDMENT RELATED TO SECTION 75 OF THE ACT.—Subsection (e) of section 761 (relating to distributions treated as exchanges) is amended—

(1) by striking out "any distribution (not otherwise treated as an exchange)" and inserting in lieu thereof "any distribution of an interest in a partnership (not otherwise treated as an exchange)", and

(2) by striking out "DISTRIBUTIONS" in the subsection heading and inserting in lieu thereof "DISTRIBUTIONS OF PARTNERSHIP INTERESTS".

(d) AMENDMENT RELATED TO SECTION 77 OF THE ACT.—Subparagraph (A) of section 1031(a)(3) (relating to requirement that property be identified) is amended by striking out "before the day" and inserting in lieu thereof "on or before the day".

SEC. 106. AMENDMENTS RELATED TO TRUST PROVISIONS.

(a) TREATMENT OF MULTIPLE TRUSTS.—Subsection (b) of section 82 of the Tax Reform Act of 1984 (relating to treatment of multiple trusts) is amended by inserting before the period at the end thereof the following: "; except that, in the case of a trust which was irrevocable on March 1, 1984, such amendment shall so apply only to that portion of the trust which is attributable to contributions to corpus after March 1, 1984".

(b) CLERICAL AMENDMENTS.—Section 643 (relating to definitions applicable to subparts A, B, C, and D) is amended—

(1) by redesignating the subsection added by section 81 of the Tax Reform Act of 1984 as subsection (e), and

(2) by redesignating the subsection added by section 82 of such Act as subsection (f).

SEC. 107. AMENDMENTS RELATED TO ACCOUNTING CHANGES.

(a) AMENDMENTS RELATED TO SECTION 91 OF THE ACT.—

(1) CLARIFICATION OF CASH BASIS EXCEPTION TO TAX SHELTER RULE.—

(A) Subparagraph (A) of section 461(i)(2) is amended by striking out "within 90 days after the close of the taxable year" and inserting in lieu thereof "before the close of the 90th day after the close of the taxable year".

(B) The heading for paragraph (2) of section 461(i) is amended by striking out "WITHIN 90 DAYS" and inserting in lieu thereof "ON OR BEFORE THE 90TH DAY".

(2) CLARIFICATION OF COORDINATION WITH SECTION 464.—Subparagraph (A) of section 461(i)(4) (relating to special rules for farming) is amended to read as follows:

"(A) any tax shelter described in paragraph (3)(C) shall be treated as a farming syndicate for purposes of section 464; except that this subparagraph shall not apply for purposes of determining the income of an individual meeting the requirements of section 464(c)(2),".

(3) TREATMENT OF MINING AND SOLID WASTE RECLAMATION AND CLOSING COSTS.—

(A) RESERVE INCREASED BY AMOUNT DEDUCTED.—Paragraph (2) of section 468(a) (relating to establishment of reserves for reclamation and closing costs) is amended by adding at the end thereof the following new subparagraph:

"(D) RESERVE INCREASED BY AMOUNT DEDUCTED.—A reserve shall be increased each taxable year by the amount allowable as a deduction under paragraph (1) for such taxable year which is allocable to such reserve."

(B) EFFECTIVE DATE.—Subsection (g) of section 91 of the Tax Reform Act of 1984 (relating to effective dates) is amended by adding at the end thereof the following new paragraph:

"(4) EFFECTIVE DATE FOR TREATMENT OF MINING AND SOLID WASTE RECLAMATION AND CLOSING COSTS.—Except as otherwise provided in subsection (h), the amendments made by subsection (b) shall take effect on the date of the enactment of this Act with respect to taxable years ending after such date."

(C) CLERICAL AMENDMENT.—Paragraph (1) of section 468(a) is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(4) TREATMENT OF DECOMMISSIONING OF NUCLEAR POWERPLANT.—

(A) TIME WHEN PAYMENTS DEEMED MADE.—

(i) IN GENERAL.—Section 468A is amended by adding at the end thereof the following new subsection:

"(g) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to the Fund on the last day of a taxable year if such payment is made on account of such taxable year and is made within 2½ months after the close of such taxable year."

(ii) TRANSITIONAL RULE.—To the extent provided in regulations prescribed by the Secretary of the Treasury or his delegate, subsection (g) of section 468A of the Internal Revenue Code of 1954 (as added by clause (i)) shall be applied with respect to any payment on account of a taxable year beginning before January 1, 1985, as if it did not contain the requirement that the payment be made within 2½ months after the close of the taxable year. Such regulations may provide that, to the extent such payment to the Fund is made more than 2½ months after the close of the taxable year, any adjustment to the tax attributable to such payment shall not affect the amount of interest payable with respect to periods before the payment is made.

(B) TREATMENT OF AMOUNTS DISTRIBUTED.—Subparagraph (A) of section 468A(c)(1) (relating to inclusion of amount distributed) is amended by striking out "subsection (e)(2)(B)" and inserting in lieu thereof "subsection (e)(4)(B)".

(C) CLARIFICATION OF TAXATION OF FUND.—Paragraph (2) of section 468A(e) (relating to taxation of Fund) is amended to read as follows:

"(2) TAXATION OF FUND.—

"(A) IN GENERAL.—There is hereby imposed on the gross income of the Fund for any taxable year a tax at a rate equal to the maximum rate in effect under section 11(b), except that—

"(i) there shall not be included in the gross income of the Fund any payment to the Fund with respect to which a deduction is allowable under subsection (a), and

"(ii) there shall be allowed as a deduction to the Fund any amount paid by the Fund which is described in paragraph (4)(B) (other than an amount paid to the taxpayer) and which would be deductible under this chapter for purposes of determining the taxable income of a corporation.

"(B) TAX IN LIEU OF OTHER TAXATION.—The tax imposed by subparagraph (A) shall be in lieu of any other taxation under this subtitle of the income from assets in the Fund.

"(C) FUND TREATED AS CORPORATION.—For purposes of subtitle F—

"(i) the Fund shall be treated as if it were a corporation, and

"(ii) any tax imposed by this paragraph shall be treated as a tax imposed by section 11."

(D) LIMITATION ON INVESTMENTS.—Paragraph (4) of section 468A(e) is amended by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(C) to the extent that a portion of the Fund is not currently needed for purposes described in subparagraph (A) or (B), making investments described in section 501(c)(21)(B)(ii)."

(E) CLERICAL AMENDMENTS.—

(i) Subsection (a) of section 468A is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(ii) Subsection (d) of section 468A is amended by striking out "this subsection" in the material preceding paragraph (1) and inserting in lieu thereof "this section".

(iii) The subsection heading for subsection (e) of section 468A is amended by striking out "TRUST FUND" and inserting in lieu thereof "RESERVE FUND".

(iv) Paragraph (1) of section 468A(e) is amended—

(I) by striking out "this subsection" and inserting in lieu thereof "this section", and

(II) by striking out "Trust Fund" and inserting in lieu thereof "Reserve Fund".

(v) Paragraph (6) of section 468A(e) is amended—

(I) by striking out "this subsection" each place it appears and inserting in lieu thereof "this section", and

(II) by striking out "this subparagraph" and inserting in lieu thereof "this paragraph".

(vi) Subsection (f) of section 468A is amended by striking out "The term" and inserting in lieu thereof "For purposes of this section, the term".

(vii) Section 88 is amended by striking out "of ratemaking purposes" and inserting in lieu thereof "for ratemaking purposes".

(F) EFFECTIVE DATE.—Subsection (g) of section 91 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(5) RULES FOR NUCLEAR DECOMMISSIONING COSTS.—The amendments made by subsections (c) and (f) shall take effect on the date of the enactment of this Act with respect to taxable years ending after such date."

(5) EFFECTIVE DATE FOR NET OPERATING LOSS PROVISIONS.—Subsection (g) of section 91 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(6) MODIFICATION OF NET OPERATING LOSS CARRYBACK PERIOD.—The amendments made by subsection (d) shall apply to losses for taxable years beginning after December 31, 1983."

(6) CLARIFICATION OF ELECTION FOR EARLIER EFFECTIVE DATE.—Subparagraph (A) of section 91(g)(2) of the Tax Reform Act of 1984 (relating to taxpayer may elect earlier application) is amended—

(A) by striking out "incurred before" and inserting in lieu thereof "incurred on or before",

(B) by striking out "incurred on or after" and inserting in lieu thereof "incurred after", and

(C) by adding at the end thereof the following new sentence:

"The Secretary of the Treasury or his delegate may by regulations provide that (in lieu of an election under the preceding sentence) a taxpayer may (subject to such conditions as such regulations may provide) elect to have subsection (h) of section 461 of such Code apply to the taxpayer's entire taxable year in which occurs July 19, 1984."

(b) AMENDMENTS RELATED TO SECTION 92 OF THE ACT.—

(1) TREATMENT OF SERVICES.—Subsection (g) of section 467 (relating to comparable rules for services) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any amount to which section 404 or 404A (or any other provision specified in regulations) applies."

(2) CLERICAL AMENDMENTS.—

(A) Subparagraph (A) of section 467(b)(4) is amended by striking out "statutory recover period" and inserting in lieu thereof "statutory recovery period".

(B) Paragraph (4) of section 467(c) is amended by striking out "subsection (b)(3)(A)" and inserting in lieu thereof "subsection (b)(4)(A)".

(C) The last sentence of section 467(d)(2) is amended by striking out "section 1274(c)(2)(C)" and inserting in lieu thereof "section 1274(c)(4)(C)".

(D) Paragraph (5) of section 467(e) is amended by striking out "section 168(d)(4)(D)" and inserting in lieu thereof "section 168(e)(4)(D)".

SEC. 108. AMENDMENTS RELATED TO TAX STRADDLE PROVISIONS.

(a) TREATMENT OF SUBCHAPTER S CORPORATIONS.—

(1) Section 102 of the Tax Reform Act of 1984 (relating to section 1256 extended to certain options) is amended by adding at the end thereof the following new subsection:

"(j) COORDINATION OF ELECTION UNDER SUBSECTION (d)(3) WITH ELECTIONS UNDER SUBSECTIONS (g) AND (h).—The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to coordinate the election provided by subsection (d)(3) with the elections provided by subsections (g) and (h)."

(2) Paragraph (3) of section 102(d) of the Tax Reform Act of 1984 (relating to subchapter S election) is amended by striking out "(as so defined)" and inserting in lieu thereof "(as so defined) or such other day as may be permitted under regulations".

(b) TREATMENT OF AMOUNTS RECEIVED FOR LOANING SECURITIES.—Subparagraph (B) of section 263(g)(2) (defining interest and carrying charges) is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by inserting after clause (iii) the following new clause:

"(iv) any amount which is a payment with respect to a security loan (within the meaning of section 512(a)(5)) includible in gross income with respect to such property for the taxable year."

SEC. 109. AMENDMENTS RELATED TO DEPRECIATION PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 111 OF THE ACT.—

(1) CORRECTION OF TABLES.—

(A) The table contained in subparagraph (A) of section 168(b)(3) (relating to election of different recovery period) is amended by striking out "or 45" in the last item and inserting in lieu thereof "or 45 years".

(B) The table contained in subparagraph (B) of section 47(a)(5) (relating to special rules for recovery property) is amended by striking out "For 15-year, 10-year, and 5-year property" and inserting in lieu thereof "For property other than 3-year property".

(2) USE OF CONVENTIONS.—

(A) MID-MONTH CONVENTION FOR 18-YEAR REAL PROPERTY.—

(i) Paragraph (2) of section 168(b) (relating to 18-year real property) is amended—

(I) by striking out the last sentence of subparagraph (A), and

(II) by amending subparagraph (B) to read as follows:

"(B) MID-MONTH CONVENTION FOR 18-YEAR REAL PROPERTY.—In the case of 18-year real property, the amount of the deduction determined under any provision of this section (or for purposes of section 57(a)(12)(B) or 312(k)) for any taxable year shall be determined on the basis of the number of months (using a mid-month convention) in which the property is in service."

(ii) Subparagraph (B) of section 168(f)(2) (relating to recovery property used predominantly outside the United States) is amended to read as follows:

"(B) REAL PROPERTY.—Except as provided in subparagraph (C), in the case of 18-year real property or low-income housing which, during the taxable year, is predominantly used outside the United States, the recovery deduction for the taxable year shall be, in lieu of the amount determined under subsection (b), the amount determined by applying to the unadjusted basis of such property the applicable percentage determined under tables prescribed by the Secretary. For purposes of the preceding sentence, in prescribing such tables, the Secretary shall—

"(i) assign to the property described in this subparagraph a 35-year recovery period, and

"(ii) assign percentages determined in accordance with the use of the method of depreciation described in section 167(j)(1)(B), switching to the method described in section 167(b)(1) at a time to maximize the deduction allowable under subsection (a)."

(B) MONTHLY CONVENTION FOR LOW-INCOME HOUSING.—Subparagraph (B) of section 168(b)(4) (relating to low-income housing) is amended to read as follows:

"(B) MONTHLY CONVENTION.—In the case of low-income housing, the amount of the deduction determined under any provision of this section (or for purposes of section 57(a)(12)(B) or 312(k)) for any taxable year shall be determined on the basis of the number of months (treating all property placed in service or disposed of during any month as placed in service or disposed of on the first day of such month) in which the property is in service."

(C) CONFORMING AMENDMENTS.—

(i) Clause (ii) of section 168(j)(2)(B) (relating to conventions) is amended to read as follows:

"(ii) CROSS REFERENCE.—

"For other applicable conventions, see paragraphs (2)(B) and (4)(B) of subsection (b)."

(ii) Subparagraph (A) of section 312(k)(3) is amended by striking out ", and rules similar to the rules under the next to the last sentence of section 168(b)(2)(A) and section 168(b)(2)(B) shall apply".

(3) MINIMUM TAX TREATMENT.—Subparagraph (B) of section 57(a)(12) (relating to 18-year real property and low-income housing) is amended by striking out so much of such subparagaph as precedes clause (i) thereof and inserting in lieu thereof the following:

"(B) 18-YEAR REAL PROPERTY AND LOW-INCOME HOUSING.—With respect to each recovery property which is 18-year real property or low-income housing, the amount (if any) by which the deduction allowed under section 168(a) (or, in the case of property described in section 167(k), under section 167) for the taxable year exceeds the deduction which would have been allowable for the taxable year had the property been depreciated using a straight-line method (without regard to salvage value) over a recovery period of—".

(4) TREATMENT OF PROPERTY FINANCED WITH TAX-EXEMPT BONDS.—

(A) Clause (ii) of section 168(f)(12)(B) (relating to recovery method) is amended to read as follows:

"(ii) 18-YEAR REAL PROPERTY.—In the case of 18-year real property, the amount of the deduction allowed shall be determined by using the straight-line method (without regard to salvage value) and a recovery period of 18 years."

(B) Subparagraph (C) of section 168(f)(12) (relating to exception for projects for residential rental property) is amended to read as follows:

"(C) EXCEPTION FOR LOW- AND MODERATE-INCOME HOUSING.—Subparagraph (A) shall not apply to—

"(i) any low-income housing, and

"(ii) any other recovery property which is placed in service in connection with projects for residential rental property financed by the proceeds of obligations described in section 103(b)(4)(A)."

(b) TREATMENT OF TRANSFEREE IN CERTAIN TRANSACTIONS.—

(1) IN GENERAL.—Subparagraph (A) of section 168(f)(10) (relating to transferee bound by transferor's period and method in certain cases) is amended to read as follows:

"(A) IN GENERAL.—In the case of recovery property transferred in a transaction described in subparagraph (B), for purposes of computing the deduction allowable under subsection (a) with respect to so much of the basis in the hands of the transferee as does not exceed the adjusted basis in the hands of the transferor—

"(i) if the transaction is described in subparagraph (B)(i), the transferee shall be treated in the same manner as the transferor, or

"(ii) if the transaction is described in clause (ii) or (iii) of subparagraph (B) and the transferor made an election with respect to such property under subsection (b)(3) or (f)(2)(C), the transferee shall be treated as having made the same election (or its equivalent)."

(2) TREATMENT OF TERMINATIONS OF PARTNERSHIPS.—Subparagraph (B) of section 168(f)(10) is amended by adding at the end thereof the following new sentence:

"Clause (i) shall not apply in the case of the termination of a partnership under section 708(b)(1)(B)."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service by the transferee after March 28, 1985, in taxable years ending after such date.

(c) AMENDMENTS RELATED TO SECTION 113 OF THE ACT.—

(1) TREATMENT OF FILMS, VIDEO TAPES, AND SOUND RECORDINGS.—Except with respect to

property placed in service by the taxpayer on or before March 28, 1985, subsection (c) of section 167 (relating to limitations on use of certain methods and rates) is amended by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, any motion picture film, video tape, or sound recording shall be treated as intangible property."

(2) CLERICAL AMENDMENT.—Subsection (q) of section 48 is amended by redesignating the paragraph relating to special rule for qualified films as paragraph (7).

(d) AMENDMENTS RELATED TO SECTION 114 OF THE ACT.—

(1) Paragraph (1) of section 48(b) (defining new section 38 property) is amended by adding at the end thereof the following new sentence: "Such term includes any section 38 property the reconstruction of which is completed by the taxpayer."

(2) Paragraph (2) of section 48(b) (relating to special rule for sale-leasebacks) is amended—

(A) by striking out "paragraph (1)" and inserting thereof "the first sentence of paragraph (1)", and

(B) by striking out "used under the lease" and inserting in lieu thereof "used under the leaseback (or lease) referred to in subparagraph (B)".

SEC. 110. AMENDMENTS RELATED TO FOREIGN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 121 OF THE ACT.—

(1) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—

(A) IN GENERAL.—Subsection (g) of section 904 (relating to source rules in the case of United States-owned foreign corporations) is amended by redesignating paragraph (9) as paragraph (10), and by inserting after paragraph (8) the following new paragraph:

"(9) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—For purposes of this subsection—

"(A) in the case of interest treated as not from sources within the United States under section 861(a)(1)(B), the corporation paying such interest shall be treated as a United States-owned foreign corporation, and

"(B) in the case of any dividend treated as not from sources within the United States under section 861(a)(2)(A), the corporation paying such dividend shall be treated as a United States-owned foreign corporation."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on March 28, 1985. In the case of any taxable year ending after such date of any corporation treated as a United States-owned foreign corporation by reason of the amendment made by subparagraph (A)—

(i) only income received or accrued by such corporation after such date shall be taken into account under section 904(g) of the Internal Revenue Code of 1954; except that

(ii) paragraph (5) of such section 904(g) shall be applied by taking into account all income received or accrued by such corporation during such taxable year.

(2) TREATMENT OF CERTAIN FOREIGN CORPORATIONS ENGAGED IN TRADE OR BUSINESSES WITHIN UNITED STATES.—Subparagraph (E) of section 121(b)(2) of the Tax Reform Act of 1984 (relating to special rules for applicable CFC) is amended by adding at the end thereof the following new clause:

"(iii) TREATMENT OF CERTAIN FOREIGN CORPORATIONS ENGAGED IN BUSINESS IN UNITED STATES.—For purposes of clause (ii), a foreign corporation shall be treated as a United States person with respect to any interest payment made by such corporation if—

"(I) at least 50 percent of the gross income from all sources of such corporation for the 3-year period ending with the close of its last taxable year ending on or before March 31, 1984, was effectively connected with the conduct of a trade or business within the United States, and

"(II) at least 50 percent of the gross income from all sources of such corporation for the 3-year period ending with the close of its taxable year preceding the payment of such interest was effectively connected with the conduct of a trade or business within the United States."

(3) TREATMENT OF CERTAIN SHORT-TERM BORROWING.—Clause (ii) of section 121(b)(2)(D) of the Tax Reform Act of 1984 (defining applicable CFC) is amended by striking out "or the holding of short-term obligations" and all that follows and inserting in lieu thereof "(or short-term borrowing from nonaffiliated persons) and lending the proceeds of such obligations (or such borrowing) to affiliates."

(b) AMENDMENTS RELATED TO SECTION 122 OF THE ACT.—

(1) TREATMENT OF SUBPART F AND FOREIGN PERSONAL HOLDING COMPANY INCLUSIONS.—Subparagraph (C) of section 904(d)(3) (relating to exception where designated corporation has small amount of separate limitation interest) is amended by adding at the end thereof the following new sentence:

"The preceding sentence shall not apply to any amount includible in gross income under section 551 or 951."

(2) TREATMENT OF INTEREST AND DIVIDENDS FROM MEMBERS OF SAME AFFILIATED GROUP.—Paragraph (3) of section 904(d) (relating to certain amounts attributable to United States-owned foreign corporations, etc., treated as interest) is amended by striking out subparagraph (J), by redesignating subparagrah (I) as subparagraph (J), and by inserting after subparagraph (H) the following new subparagraph:

"(I) INTEREST AND DIVIDENDS FROM MEMBERS OF SAME AFFILIATED GROUP.—For purposes of this paragraph, dividends and interest received or accrued by the designated payor corporation from another member of the same affiliated group (determined under section 1504 without regard to subsection (b)(3) thereof) shall be treated as separate limitation interest if (and only if) such amounts are attributable (directly or indirectly) to separate limitation interest of any other member of such group."

(3) DEFINITION OF DESIGNATED PAYOR CORPORATION.—

(A) IN GENERAL.—Subparagraph (E) of section 904(d)(3) (defining designated payor corporation) is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by adding at the end thereof the following:

"(iv) any other corporation formed or availed of for purposes of avoiding the provisions of this paragraph.

For purposes of this paragraph, the rules of paragraph (9) of subsection (g) shall apply."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on March 28, 1985. In the case of any taxable year ending after such date of any corporation treated as a designated payor corporation by reason of the amendment made by subparagraph (A)—

(i) only income received or accrued by such corporation after such date shall be taken into account under section 904(d)(3) of the Internal Revenue Code of 1954; except that

(ii) subparagraph (C) of such section 904(d)(3) shall be applied by taking into account all income received or accrued by such corporation during such taxable year.

(c) AMENDMENTS RELATED TO SECTION 123 OF THE ACT.—

(1) Subparagraph (A) of section 956(b)(3) (relating to certain trade or service receivables acquired from related United States persons) is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (2) (other than subparagraph (H) thereof)".

(2) Subsection (d) of section 864 (relating to treatment of related person factoring income) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

"(7) EXCEPTION FOR CERTAIN RELATED PERSONS DOING BUSINESS IN SAME FOREIGN COUNTRY.—Paragraph (1) shall not apply to any trade or service receivable acquired by any person from a related person if—

"(A) the person acquiring such receivable and such related person are created or organized under the laws of the same foreign country and such related person has a substantial part of its assets used in its trade or business located in such same foreign country, and

"(B) such related person would not have derived any foreign base company income (as defined in section 954(a), determined without regard to section 954(b)(3)(A)), or any income effectively connected with the conduct of a trade or business within the United States, from such receivable if it had been collected by such related person."

(d) AMENDMENTS RELATED TO SECTION 127 OF THE ACT.—

(1) DEFINITION OF PORTFOLIO INTEREST.—

(A) Paragraph (2) of section 871(h) (defining portfolio interest) is amended by striking out "which is described in" in the matter preceding subparagraph (A) and inserting in lieu thereof "which would be subject to tax under subsection (a) but for this subsection and which is described in".

(B) Paragraph (2) of section 881(c) (defining portfolio interest) is amended by striking out "which is described in" in the matter preceding subparagraph (A) and inserting in lieu thereof "which would be subject to tax under subsection (a) but for this subsection and which is described in".

(2) TREATMENT OF CERTAIN FOREIGN-OWNED FINANCING AFFILIATES.—Paragraph (3) of section 127(g) of the Tax Reform Act of 1984 (relating to special rule for certain United States affiliate obligations) is amended by adding at the end thereof the following new subparagraph:

"(D) TREATMENT OF CERTAIN FOREIGN-OWNED FINANCING AFFILIATES.—

"(i) EXTENSION OF PARAGRAPH.—To the extent provided in regulations, rules similar to the rules of subparagraphs (A) and (B) shall apply with respect to a corporation which would be an applicable CFC but for inadequate ownership by United States persons.

"(ii) REDUCTION OF INTEREST DEDUCTION.—In any case to which clause (i) applies, the deduction for interest paid by an affiliate to the corporation described in clause (i) shall be appropriately reduced to reflect the spread between the interest rates involved or to prevent the shifting of income from the affiliate to other affiliates.

"(iii) AFFILIATE.—For purposes of clause (ii), the term 'affiliate' means any person who is a related person (within the meaning of section 482 of the Internal Revenue Code of 1954) to the corporation described in clause (i)."

(3) CLERICAL AMENDMENTS.—

(A) Paragraph (1) of section 871(a) is amended by striking out "provided in subsection (i)" in the matter preceding subparagraph (A), and inserting in lieu thereof "provided in subsection (h)".

(B) Clause (ii) of section 871(h)(2)(B) is amended by striking out "has received" and inserting in lieu thereof "receives".

(C) Clause (ii) of section 881(c)(2)(B) is amended by striking out "has received" and inserting in lieu thereof "receives".

(D) Paragraph (9) of section 1441(c) is amended by striking out "871(h)(2)" and inserting in lieu thereof "section 871(h)".

(E) Subsection (a) of section 1442 is amended—

(i) by striking out "sections 871(h)(2)" and inserting in lieu thereof "sections 871(h)", and

(ii) by striking out "sections 881(c)(2)" and inserting in lieu thereof "sections 881(c)".

(e) AMENDMENTS RELATED TO SECTION 128 OF THE ACT.—

(1) DEDUCTION FOR ORIGINAL ISSUE DISCOUNT.—

(A) Subparagraph (A) of section 163(e)(3) (relating to special rule for original issue discount on obligation held by related foreign person) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to the extent that the original issue discount is effectively connected with the conduct by such foreign related person of a trade or business within the United States unless such original issue discount is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States."

(B) Subsection (e) of section 163 is amended by redesignating the paragraph relating to cross references as paragraph (5).

(2) TAXATION OF ORIGINAL ISSUE DISCOUNT.—

(A) Subparagraph (C) of section 871(a)(1) (relating to income not connected with United States business) is amended to read as follows:

"(C) in the case of—

"(i) a sale or exchange of an original issue discount obligation, the amount of the original issue discount accruing while such obligation was held by the nonresident alien individual (to the extent such discount was not theretofore taken into account under clause (ii)), and

"(ii) a payment on an original issue discount obligation, an amount equal to the original issue discount accruing while such obligation was held by the nonresident alien individual (except that such original issue discount shall be taken into account under this clause only to the extent such discount was not theretofore taken into account under this clause and only to the extent that the tax thereon does not exceed the payment less the tax imposed by subparagraph (A) thereon), and".

(B) Paragraph (3) of section 881 (relating to tax on income of foreign corporations not connected with United States business) is amended to read as follows:

"(3) in the case of—

"(A) a sale or exchange of an original issue discount obligation, the amount of the original issue discount accruing while such obligation was held by the foreign corporation (to the extent such discount was not theretofore taken into account under subparagraph (B)), and

"(B) a payment on an original issue discount obligation, an amount equal to the original issue discount accruing while such obligation was held by the foreign corporation (except that such original issue discount shall be taken into account under this subparagraph only to the extent such discount was not theretofore taken into account under this subparagraph and only to the extent that the tax thereon does not exceed the payment less the tax imposed by paragraph (1) thereon), and".

(f) AMENDMENTS RELATED TO SECTION 129 OF THE ACT.—

(1) TREATMENT OF ELECTIONS UNDER SECTION 897(i).—

(A) Paragraph (1) of section 897(i) (relating to election by foreign corporation to be treated as domestic corporation) is amended by striking out "and section 6039C" and inserting in lieu thereof "section 1445, and section 6039C".

(B) Paragraph (4) of section 897(i) is amended by striking out "this section and section 6039C" and inserting in lieu thereof "this section, section 1445, and section 6039C".

(2) EXEMPTION FOR INTERESTS IN CERTAIN CORPORATIONS.—Paragraph (3) of section 1445(b) (relating to nonpublicly traded domestic corporation funishing affidavit that it is not a United States real property holding corporation) is amended to read as follows:

"(3) NONPUBLICLY TRADED DOMESTIC CORPORATION FURNISHES AFFIDAVIT THAT INTERESTS IN CORPORATION NOT UNITED STATES REAL PROPERTY INTERESTS.—Except as provided in paragraph (7), this paragraph applies in the case of a disposition of any interest in any domestic corporation if the domestic corporation furnishes to the transferee an affidavit by the domestic corporation stating, under penalty of perjury, that—

"(A) the domestic corporation is not and has not been a United States real property holding corporation (as defined in section 897(c)(2)) during the applicable period specified in section 897(c)(1)(A)(ii), or

"(B) as of the date of the disposition, interests in such corporation are not United States real property interests by reason of section 897(c)(1)(B)."

(3) NOTICE OF FALSE AFFIDAVIT.—

(A) Clause (i) of section 1445(d)(1)(B) (relating to notice of false affidavit; foreign corporations) is amended to read as follows:

"(i) any transferor's agent—

"(I) such agent has actual knowledge that such affidavit is false, or

"(II) in the case of an affidavit described in subsection (b)(2) furnished by a corporation, such corporation is a foreign corporation, or".

(B) Paragraph (1) of section 1445(d) is amended by striking out "described in paragraph (2)(A)" and inserting in lieu thereof "described in paragraph (2)".

(4) TREATMENT OF CERTAIN DOMESTIC PARTNERSHIPS, TRUSTS, AND ESTATES.—

(A) IN GENERAL.—Paragraph (1) of section 1445(e) (relating to certain domestic partnerships, trusts, and estates) is amended to read as follows:

"(1) CERTAIN DOMESTIC PARTNERSHIPS, TRUSTS, AND ESTATES.—In the case of any disposition of a United States real property interest as defined in section 897(c) (other than a disposition described in paragraph (4) or (5)) by a domestic partnership, domestic trust, or domestic estate, such partnership, the trustee of such trust, or the executor of such estate (as the case may be) shall be required to deduct and withhold under subsection (a) a tax equal to 28 percent of the gain realized to the extent such gain—

"(A) is currently taken into account with respect to a foreign person who is a partner or beneficiary of such partnership, trust, or estate, or

"(B) is allocable to a portion of the trust treated as owned by a foreign person under subpart E of part I of subchapter J."

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to dispositions after the day 30 days after the date of the enactment of this Act.

(5) DISTRIBUTIONS BY DOMESTIC CORPORATIONS TO FOREIGN SHAREHOLDERS.—Paragraph (3) of section 1445(e) (relating to distributions by certain domestic corporations to foreign shareholders) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply if, as of the date of the distribution, interests in such corporation are not United States real property interests by reason of section 897(c)(1)(B)."

(6) CERTAIN TAXABLE DISTRIBUTIONS.—Paragraph (4) of section 1445(e) (relating to taxable distributions by domestic or foreign partnerships, trusts, or estates) is amended by striking out "section 897(g)" and inserting in lieu thereof "section 897".

(7) PAYMENT OF TAX.—Subsection (d) of section 6039C (relating to special rule for United States interests and Virgin Islands interests) is amended by striking out "subject to tax under section 897(a)" and inserting in lieu thereof "subject to tax under section 897(a) (and any person required to withhold tax under section 1445)".

(8) CONFORMING AMENDMENTS TO SECTION 6652(g).—

(A) Paragraph (1) of section 6652(g) (relating to returns, etc., required under section 6039C) is amended to read as follows:

"(1) IN GENERAL.—In the case of each failure to make a return required by section 6039C which contains the information required by such section on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to willful neglect, the amount determined under paragraph (2) shall be paid (upon notice and demand by the Secretary and in the same manner as tax) by the person failing to make such return."

(B) Paragraph (3) of section 6652(g) is amended to read as follows:

"(3) LIMITATION.—The amount determined under paragraph (2) with respect to any person for failing to meet the requirements of section 6039C for any calendar year shall not exceed the lesser of—

"(A) $25,000, or

"(B) 5 percent of the aggregate of the fair market value of the United States real property interests owned by such person at any time during such year.

For purposes of the preceding sentence, fair market value shall be determined as of the end of the calendar year (or, in the case of any property disposed of during the calendar year, as of the date of such disposition)."

(C) The subsection heading for subsection (g) of section 6652 is amended by striking out ", ETC.,".

(g) AMENDMENTS RELATED TO SECTION 131 OF THE ACT.—

(1) Subsection (f) of section 367 (relating to transitional rule) is hereby repealed.

(2) Paragraph (1) of section 7482(b) (relating to venue) is amended by striking out "section 7428, 7476, or 7477" and inserting in lieu thereof "section 7428 or 7476".

(3) Paragraph (8) of section 6501(c) (relating to failure to notify the Secretary under section 6038B) is amended—

(A) by striking out "subsection (a) or (d)" and inserting in lieu thereof "subsection (a), (d), or (e)", and

(B) by striking out "exchange" each place it appears and inserting in lieu thereof "exchange or distribution".

(h) AMENDMENTS RELATED TO SECTION 132 OF THE ACT.—

(1) Subsection (c) of section 552 (relating to certain dividends and interest not taken into account) is amended by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, the term 'related person' has the meaning given such term by section 954(d)(3) (determined by substituting 'foreign personal holding company' for 'controlled foreign corporation' each place it appears)."

(2) Paragraph (1) of section 551(f) (relating to stock held through foreign entity) is amended by striking out "United States shareholder" and inserting in lieu thereof "United States shareholder or an estate or trust which is a foreign estate or trust".

(i) AMENDMENT RELATED TO SECTION 133 OF THE ACT.—Subparagraph (B) of section 1248(i)(1) (relating to treatment of certain indirect transfers) is amended by striking out "in redemption of his stock" and inserting in lieu thereof "in redemption or liquidation (whichever is appropriate)".

(j) AMENDMENTS RELATED TO SECTION 136 OF THE ACT.—

(1) COLLECTION OF TAX.—Subsection (b) of section 269B (relating to stapled entities) is amended by inserting before the period at the end thereof the following: "and regulations providing that any tax imposed on the foreign corporation referred to in subsection (a)(1) may, if not paid by such corporation, be collected from the domestic corporation referred to in such subsection or the shareholders of such foreign corporation".

(2) EXCEPTION WHERE CORPORATIONS OWNED BY FOREIGN PERSONS.—Section 269B is amended by adding at the end thereof the following new subsection:

"(e) SUBSECTION (a)(1) NOT TO APPLY IN CERTAIN CASES.—

"(1) IN GENERAL.—Subsection (a)(1) shall not apply if it is established to the satisfaction of the Secretary that the domestic corporation and the foreign corporation referred to in such subsection are foreign owned.

"(2) FOREIGN OWNED.—For purposes of paragraph (1), a corporation is foreign owned if less than 50 percent of—

"(A) the total combined voting power of all classes of stock of such corporation entitled to vote, and

"(B) the total value of the stock of the corporation,

is held directly (or indirectly through applying paragraphs (2) and (3) of section 958(a) and paragraph (4) of section 318(a)) by United States persons (as defined in section 7701(a)(30))."

(k) AMENDMENT RELATED TO SECTION 137 OF THE ACT.—Subsection (e) of section 954 (defining foreign base company services income) is amended to read as follows:

"(e) FOREIGN BASE COMPANY SERVICES INCOME.—

"(1) IN GENERAL.—For purposes of subsection (a)(3), the term 'foreign base company services income' means income (whether in the form of compensation, commissions, fees, or otherwise) derived in connection with the performance of technical, managerial, engineering, architectural, scientific, skilled, industrial, commercial, or like services which—

"(A) are performed for or on behalf of any related person (within the meaning of subsection (d)(3)), and

"(B) are performed outside the country under the laws of which the controlled foreign corporation is created or organized.

"(2) EXCEPTION.—Paragraph (1) shall not apply to income derived in connection with the performance of services which are directly related to—

"(A) the sale or exchange by the controlled foreign corporation of property manufactured, produced, grown, or extracted by it and which are performed before the time of the sale or exchange, or

"(B) an offer or effort to sell or exchange such property.

"(3) TREATMENT OF CERTAIN INSURANCE CONTRACTS.—For purposes of paragraph (1), in the case of any services performed with respect to any policy of insurance or reinsurance with respect to which the primary insured is a related person (within the meaning of section 864(d)(4))—

"(A) such primary insured shall be treated as a related person for purposes of paragraph (1)(A) (whether or not the requirements of subsection (d)(3) are met),

"(B) such services shall be treated as performed in the country within which the insured hazards, risks, losses, or liabilities occur, and

"(C) except as otherwise provided in regulations by the Secretary, rules similar to the rules of section 953(b) shall be applied in determining the income from such services."

(l) AMENDMENT RELATED TO SECTION 138 OF THE ACT.—Clause (i) of section 7701(b)(4)(E) (relating to limitation of teachers and trainees) is amended by adding at the end thereof the following new sentence: "In the case of an individual all of whose compensation is described in section 872(b)(3), the preceding sentence shall be applied by substituting '4 calendar years' for '2 calendar years'."

SEC. 111. AMENDMENTS RELATED TO REPORTING, PENALTY, AND OTHER PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 145 OF THE ACT.—

(1) Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end thereof the following new subsection:

"(g) SPECIAL RULES FOR COOPERATIVE HOUSING CORPORATIONS.—For purposes of subsection (a), an amount received by a cooperative housing corporation from a tenant-stockholder shall be deemed to be interest received on a mortgage in the course of a trade or business engaged in by such corporation, to the extent of the tenant-stockholder's proportionate share of interest described in section 216(a)(2). Terms used in the preceding sentence shall have the same meanings as when used in section 216."

(2) Paragraph (2) of section 145(d) of the Tax Reform Act of 1984 is amended by striking out "section 6652" and inserting in lieu thereof "section 6676".

(b) AMENDMENT RELATED TO SECTION 149 OF THE ACT.—Paragraph (2) of section 6050K(c) (relating to requirement that transferor notify partnership) is amended by striking out "this subsection" and inserting in lieu thereof "this section".

(c) AMENDMENT RELATED TO SECTION 157 OF THE ACT.—Paragraph (3) of section 7502(e) is amended by striking out "the tax" and inserting in lieu thereof "any tax".

SEC. 112. AMENDMENTS RELATED TO MISCELLANEOUS PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 171 OF THE ACT.—

(1) Subsection (a) of section 111 (relating to recovery of tax benefit items) is amended by striking out "did not reduce income subject to tax" and inserting in lieu thereof "did not reduce the amount of tax imposed by this chapter".

(2) Subsection (c) of section 111 (relating to treatment of carryovers) is amended by striking out "reducing income subject to tax or reducing tax imposed by this chapter, as the case may be" and inserting in lieu thereof "reducing tax imposed by this chapter".

(3) Paragraph (12) of section 381(c) (relating to recovery of bad debts, prior taxes, or delinquency amounts) is amended to read as follows:

"(12) RECOVERY OF TAX BENEFIT ITEMS.—If the acquiring corporation is entitled to the recovery of any amounts previously deducted by (or allowable as credits to) the distributor or transferor corporation, the acquiring corporation shall succeed to the treatment under section 111 which would apply to such amounts in the hands of the distributor or transferor corporation."

(4) Paragraph (2) of section 1351(d) is amended by striking out "relating to recovery of bad debts, etc.," and inserting in lieu thereof "relating to recovery of tax benefit items".

(5) Paragraph (3) of section 1398(g) is amended to read as follows:

"(3) RECOVERY OF TAX BENEFIT ITEMS.—Any amount to which section 111 (relating to recovery of tax benefit items) applies."

(b) AMENDMENTS RELATED TO SECTION 172 OF THE ACT.—

(1) COORDINATION OF SECTION 7872 WITH TAXES ON PRIVATE FOUNDATIONS.—Subparagraph (B) of section 4941(d)(2) (defining self-dealing) is amended by striking out "without interest or other charge" and inserting in lieu thereof "without interest or other charge (determined without regard to section 7872)".

(2) COORDINATION WITH WITHHOLDING.—Paragraph (9) of section 7872(f) (relating to no withholding) is amended to read as follows:

"(9) NO WITHHOLDING.—No amount shall be withheld under chapter 24 with respect to—

"(A) any amount treated as transferred or retransferred under subsection (a), and

"(B) any amount treated as received under subsection (b)."

(3) DEFINITION OF DEMAND LOAN.—Paragraph (5) of section 7872(f) (defining demand loan) is amended by adding at the end thereof the following new sentence: "To the extent provided in regulations, such term includes any loan with an indefinite maturity."

(4) CLARIFICATION OF APPLICABLE FEDERAL RATE.—Subparagraph (B) of section 7872(f)(2) (defining applicable Federal rate) is amended by inserting ", compounded semiannually" immediately before the period at the end thereof.

(c) AMENDMENTS RELATED TO SECTION 174 OF THE ACT.—

(1) TREATMENT OF FOREIGN PERSONS.—Subsection (a) of section 267 is amended by adding at the end thereof the following new paragraph:

"(3) PAYMENTS TO FOREIGN PERSONS.—The Secretary shall by regulations apply the

matching principle of paragraph (2) in cases in which the person to whom the payment is to be made is not a United States person."

(2) CLERICAL AMENDMENT.—Paragraph (12) of section 267(b) (defining related persons) is amended by striking out "same persons owns" and inserting in lieu thereof "same persons own".

(d) AMENDMENTS RELATED TO SECTION 177 OF THE ACT.—

(1) CLARIFICATION OF TREATMENT OF DIVIDENDS PAID BY FEDERAL HOME LOAN BANKS.—

(A) Subparagraph (B) of section 246(a)(2) (relating to certain dividends of Federal home loan banks) is amended—

(i) by striking out "For purposes of subparagraph (A), in" and inserting in lieu thereof "In", and

(ii) by striking out subclause (II) of clause (i) and inserting in lieu thereof the following:

"(II) which were not previously treated as distributed under subparagraph (A) or this subparagraph, bears to."

(B) Paragraph (2) of section 246(a) (relating to subsection not to apply to certain dividends of Federal Home Loan Banks) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) COORDINATION WITH SECTION 243.—To the extent that paragraph (1) does not apply to any dividend by reason of subparagraph (A) or (B) of this paragraph, the requirement contained in section 243(a) that the corporation paying the dividend be subject to taxation under this chapter shall not apply."

(2) CLARIFICATION OF EFFECTIVE DATE.—Paragraph (4) of section 177(d) of the Tax Reform Act of 1984 (relating to effective dates) is amended to read as follows:

"(4) CLARIFICATION OF EARNINGS AND PROFITS OF FEDERAL HOME LOAN MORTGAGE CORPORATION.—

"(A) TREATMENT OF DISTRIBUTION OF PREFERRED STOCK, ETC.—For purposes of the Internal Revenue Code of 1954, the distribution of preferred stock by the Federal Home Loan Mortgage Corporation during December of 1984, and the other distributions of such stock by Federal Home Loan Banks during January of 1985, shall be treated as if they were distributions of money equal to the fair market value of the stock on the date of the distribution by the Federal Home Loan Banks (and such stock shall be treated as if it were purchased with the money treated as so distributed). No deduction shall be allowed under section 243 of the Internal Revenue Code of 1954 with respect to any dividend paid by the Federal Home Loan Mortgage Corporation out of earnings and profits accumulated before January 1, 1985.

"(B) SECTION 246(a) NOT TO APPLY TO DISTRIBUTIONS OUT OF EARNINGS AND PROFITS ACCUMULATED DURING 1985.—Subsection (a) of section 246 of the Internal Revenue Code of 1954 shall not apply to any dividend paid by the Federal Home Loan Mortgage Corporation during 1985 out of earnings and profits accumulated after December 31, 1984."

(e) AMENDMENTS RELATED TO SECTION 179 OF THE ACT.—

(1) CLARIFICATION OF DEFINITION OF PASSENGER AUTOMOBILE.—

(A) SECTION 280F.—Clause (ii) of section 280F(d)(5)(A) (defining passenger automobile) is amended by striking out "gross vehicle weight" and inserting in lieu thereof "unloaded gross vehicle weight".

(B) GAS GUZZLER TAX.—

(i) Clause (ii) of section 4064(b)(1)(A) (defining passenger automobile) is amended by striking out "gross vehicle weight" and inserting in lieu thereof "unloaded gross vehicle weight".

(ii) The amendment made by clause (i) shall take effect as if included in the amendments made by section 201(a) of Public Law 95-618.

(2) DEDUCTIONS OF EMPLOYEE FOR USE OF LISTED PROPERTY.—Subparagraph (A) of section 280F(d)(3) (relating to deductions of employee) is amended by striking out "recovery deduction allowable to the employee" and inserting in lieu thereof "recovery deduction allowable to the employee (or the amount of any deduction allowable to the employee for rentals or other payments under a lease of listed property)".

(3) TREATMENT OF CERTAIN COMPUTERS.—Subparagraph (B) of section 280F(d)(4) (relating to exception for certain computers) is amended by striking out "at a regular business establishment" and inserting in lieu thereof "at a regular business establishment and owned or leased by the person operating such establishment".

(4) CLERICAL AMENDMENT.—Paragraph (2) of section 280F(d) (relating to subsequent depreciation deductions reduced for deductions allocable to personal use) is amended by striking out "is not use described in" and inserting in lieu thereof "is use described in".

PART B—AMENDMENTS RELATED TO TITLE II OF THE ACT

SEC. 121. AMENDMENTS RELATED TO SECTION 211 OF THE ACT.

(a) CERTAIN AMOUNTS NOT LESS THAN SURRENDER VALUE OF CONTRACT.—Subsection (c) of section 807 (relating to rules for certain reserves) is amended by adding at the end thereof the following new sentence: "In no case shall the amount determined under paragraph (3) for any contract be less than the net surrender value of such contract."

(b) CLARIFICATION OF DEFINITION OF EXCESS INTEREST.—Subparagraph (B) of section 808(d)(1) (defining excess interest) is amended to read as follows:

"(B) in excess of interest determined at the prevailing State assumed rate for such contract."

(c) COORDINATION OF 1984 FRESH-START ADJUSTMENT WITH CERTAIN ACCELERATIONS OF POLICYHOLDER DIVIDENDS DEDUCTIONS.—Section 808 (relating to policyholder dividends deduction) is amended by adding at the end thereof the following new subsection:

"(f) COORDINATION OF 1984 FRESH-START ADJUSTMENT WITH ACCELERATION OF POLICYHOLDER DIVIDENDS DEDUCTION THROUGH CHANGE IN BUSINESS PRACTICE.—

"(1) IN GENERAL.—The amount determined under paragraph (1) of subsection (c) for the year of change shall (before any reduction under paragraph (2) of subsection (c)) be reduced by so much of the accelerated policyholder dividends deduction for such year as does not exceed the 1984 fresh-start adjustment for policyholder dividends (to the extent such adjustment was not previously taken into account under this subsection).

"(2) YEAR OF CHANGE.—For purposes of this subsection, the term 'year of change' means the taxable year in which the change in business practices which results in the accelerated policyholder dividends deduction takes effect.

"(3) ACCELERATED POLICYHOLDER DIVIDENDS DEDUCTION DEFINED.—For purposes of this subsection, the term 'accelerated policyholder dividends deduction' means the amount which (but for this subsection) would be determined for the taxable year under paragraph (1) of subsection (c) but which would have been determined (under such paragraph) for a later taxable year under the business practices of the taxpayer as in effect at the close of the preceding taxable year.

"(4) 1984 FRESH-START ADJUSTMENT FOR POLICYHOLDER DIVIDENDS.—For purposes of this subsection, the term '1984 fresh-start adjustment for policyholder dividends' means the amounts held as of December 31, 1983, by the taxpayer as reserves for dividends to policyholders under section 811(b) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1984) other than for dividends which accrued before January 1, 1984. Such amounts shall be properly reduced to reflect the amount of previously nondeductible policyholder dividends (as determined under section 809(f) as in effect on the day before the date of the enactment of the Tax Reform Act of 1984).

"(5) SEPARATE APPLICATION WITH RESPECT TO LINES OF BUSINESS.—This subsection shall be applied separately with respect to each line of business of the taxpayer.

"(6) SUBSECTION NOT TO APPLY TO MERE CHANGE IN DIVIDEND AMOUNT.—This subsection shall not apply to a mere change in the amount of policyholder dividends."

(d) CLARIFICATION OF EQUITY BASE.—Paragraph (2) of section 809(b) (defining equity base) is amended by adding at the end thereof the following new sentence:

"No item shall be taken into account more than once in determining equity base."

(e) DEFINITION OF 50 LARGEST STOCK COMPANIES.—Subparagraph (C) of section 809(d)(4) (defining 50 largest stock companies) is amended—

(1) by striking out "the equity of such company" and inserting in lieu thereof "the surplus and capital of such company", and

(2) by striking out "on the basis of equity" and inserting in lieu thereof "on the basis of surplus and capital".

(f) CLARIFICATION OF STATEMENT GAIN OR LOSS FROM OPERATIONS.—Paragraph (1) of section 809(g) (defining statement gain or loss from operations) is amended by striking out so much of such paragraph as precedes subparagraph (B) and inserting in lieu thereof the following:

"(1) STATEMENT GAIN OR LOSS FROM OPERATIONS.—The term 'statement gain or loss from operations' means the net gain or loss from operations required to be set forth in the annual statement, determined without regard to Federal income taxes and—

"(A) determined by substituting for the amount shown for policyholder dividends the amount of deduction for policyholder dividends determined under section 808 (without regard to section 808(c)(2)),".

(g) MOST RECENT DIFFERENTIAL EARNINGS RATE MAY BE USED FOR PURPOSES OF ESTIMATED TAX PAYMENTS.—Subsection (c) of section 809 (defining differential earnings rate) is amended by adding at the end thereof the following new paragraph:

"(3) COORDINATION WITH ESTIMATED TAX PAYMENTS.—

"(A) IN GENERAL.—If, with respect to any installment of estimated tax—

"(i) the most recent published differential earnings rate, is less than

"(ii) the differential earnings rate applicable under paragraph (1) to the taxable year for which the installment is paid,

for purposes of applying section 6655 with respect to such installment, the amount of tax shall be determined by using the most recent published differential earnings rate.

"(B) MOST RECENT PUBLISHED DIFFERENTIAL EARNINGS RATE.—For purposes of subparagraph (A), the term 'most recent published differential earnings rate' means the most recent differential earnings rate published by the Secretary (determined as of the day 30 days before the date prescribed for payment of the installment of estimated tax)."

(h) AMENDMENTS RELATED TO PRORATION FORMULAS.—

(1) Paragraph (2) of section 812(b) is amended—

(A) by striking out "the prevailing State assumed rate" in subparagraph (A) and inserting in lieu thereof "the prevailing State assumed rate or, where such rate is not used, another appropriate rate",

(B) by striking out "and" at the end of subparagraph (B),

(C) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and

(D) by adding at the end thereof the following new subparagraph:

"(D) interest on amounts left on deposit with the company."

(2) Subparagraph (B) of section 812(b)(3) (relating to gross investment income's proportionate share of policyholder dividends) is amended—

(A) by striking out "(including tax-exempt interest)" in clause (ii), and

(B) by adding at the end thereof the following new sentence:

"For purposes of subparagraph (B)(ii), life insurance gross income shall be determined by including tax-exempt interest and by applying section 807(a)(2)(B) as if it did not contain clause (i) thereof."

(3) Subsection (c) of section 812 (defining net investment income) is amended to read as follows:

"(c) NET INVESTMENT INCOME.—For purposes of this section, the term 'net investment income' means—

"(1) except as provided in paragraph (2), 90 percent of gross investment income; or

"(2) in the case of gross investment income attributable to assets held in segregated asset accounts under variable contracts, 95 percent of gross investment income."

(4) Section 812 is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF INTEREST PARTIALLY TAX-EXEMPT UNDER SECTION 133.—For purposes of this section and subsections (a) and (b) of section 807, the terms 'gross investment income' and 'tax-exempt interest' shall not include any interest received with respect to a securities acquisition loan (as defined in section 133(b)). Such interest shall not be included in life insurance gross income for purposes of subsection (b)(3)."

(i) TREATMENT OF FOREIGN LIFE INSURANCE COMPANIES.—Paragraph (1) of section 813(a) (relating to adjustment where surplus held in United States is less than specified minimum) is amended by adding at the end thereof the following new sentence: "The preceding sentence shall be applied before computing the amount of the special life insurance company deduction and the small life insurance company deduction, and any increase under the preceding sentence shall be treated as gross investment income."

(j) TREATMENT OF CERTAIN DISTRIBUTIONS TO SHAREHOLDERS FROM PRE-1984 POLICYHOLDERS SURPLUS ACCOUNT.—

(1) Subsection (f) of section 815 (relating to other rules applicable to policyholders surplus account continued) is amended by striking out "sections 6501(c)(6)" and inserting in lieu thereof "sections 819(b), 6501(c)(6)".

(2) Subsection (a) of section 815 is amended by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, the term 'indirect distribution' shall not include any bona fide loan with arms-length terms and conditions."

(k) TREATMENT OF DEFICIENCY RESERVES.—Section 816 (defining life insurance company) is amended by adding at the end thereof the following new subsection:

"(h) TREATMENT OF DEFICIENCY RESERVES.—For purposes of this section and section 813(a)(4)(B), the terms 'life insurance reserves' and 'total reserves' shall not include deficiency reserves."

(l) TREATMENT OF CERTAIN NONDIVERSIFIED CONTRACTS.—

(1) Subsection (h) of section 817 (relating to treatment of certain nondiversified contracts) is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) SPECIAL RULE FOR INVESTMENTS IN UNITED STATES OBLIGATIONS.—To the extent that any segregated asset account with respect to a variable life insurance contract is invested in securities issued by the United States Treasury, the investments made by such account shall be treated as adequately diversified for purposes of paragraph (1).

"(4) LOOK-THROUGH IN CERTAIN CASES.—For purposes of this subsection, if all of the beneficial interests in a regulated investment company or in a trust are held by 1 or more—

"(A) insurance companies (or affiliated companies) in their general account or in segregated asset accounts, or

"(B) fund managers (or affiliated companies) in connection with the creation or management of the regulated investment company or trust,

the diversification requirements of paragraph (1) shall be applied by taking into account the assets held by such regulated investment company or trust.

"(5) INDEPENDENT INVESTMENT ADVISORS PERMITTED.—Nothing in this subsection shall be construed as prohibiting the use of independent investment advisors."

(2) Paragraph (1) of section 817(h) is amended by striking out the last sentence.

(m) TREATMENT OF CERTAIN DEFERRED COMPENSATION PLANS.—Subparagraph (A) of section 818(a)(6) (defining pension plan contract) is amended to read as follows:

"(A) a governmental plan (within the meaning of section 414(d)) or an eligible State deferred compensation plan (within the meaning of section 457(b)), or".

(n) DIVIDENDS WITHIN AFFILIATED GROUP.—Subsection (e) of section 818 (relating to special rule for consolidated returns) is amended to read as follows:

"(e) SPECIAL RULES FOR CONSOLIDATED RETURNS.—

"(1) ITEMS OF COMPANIES OTHER THAN LIFE INSURANCE COMPANIES.—If an election under section 1504(c)(2) is in effect with respect to an affiliated group for the taxable year, all items of the members of such group which are not life insurance companies shall not be taken into account in determining the amount of the tentative LICTI of members of such group which are life insurance companies.

"(2) DIVIDENDS WITHIN GROUP.—In the case of a life insurance company filing or required to file a consolidated return under section 1501 with respect to any affiliated group for any taxable year, any determination under this part with respect to any dividend paid by one member of such group to another member of such group shall be made as if such group was not filing a consolidated return."

(o) CLERICAL AMENDMENT.—Paragraph (3) of section 809(f) is amended by striking out "subsection (c)(2)" and inserting in lieu thereof "subsection (c)(1)(B)".

SEC. 122. AMENDMENTS RELATED TO SECTION 216 OF THE ACT.

(a) CLARIFICATION OF APPLICATION OF 10-YEAR SPREAD.—Subparagraph (C) of section 216(b)(3) of the Tax Reform Act of 1984 (relating to 10-year spread inapplicable where no 10-year spread under prior law) is amended by striking out "was required to have been taken into account" and inserting in lieu thereof "would have been required to be taken into account".

(b) TREATMENT OF CERTAIN ELECTIONS UNDER SECTION 818(c).—Subparagraph (B) of section 216(b)(4) of the Tax Reform Act of 1984 (relating to the elections under section 818(c) after September 27, 1983, not taken into account) is amended by striking out "Subparagraph (A)" and inserting in lieu thereof "Paragraph (3) and subparagraph (A) of this paragraph".

(c) ELECTION NOT TO HAVE RESERVES RECOMPUTED.—

(1) Clause (ii) of section 216(c)(2)(A) of the Tax Reform Act of 1984 (relating to election with respect to contracts issued after 1983 and before 1989) is amended by striking out "$3,000,000" and inserting in lieu thereof "$3,000,000 (determined with regard to this paragraph)".

(2) Subparagraph (B) of section 216(c)(2) of the Tax Reform Act of 1984 is amended—

(A) by striking out "statutory reserves" and inserting in lieu thereof "opening and closing statutory reserves", and

(B) by striking out "under section 805(c)(1) of such Code" and inserting in lieu thereof "under the principles of section 805(c)(1) of such Code".

(d) SPECIAL RULE WHERE REINSURER NOT USING CALENDAR YEAR AS TAXABLE YEAR.—Subparagraph (A) of section 216(b)(3) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following: "For purposes of this subparagraph, if the reinsurer's taxable year is not a calendar year, the first day of the reinsurer's first taxable year beginning after December 31, 1983, shall be substituted for 'January 1, 1984' each place it appears."

SEC. 123. AMENDMENT RELATED TO SECTION 217 OF THE ACT.

Subsection (n) of section 217 of the Tax Reform Act of 1984 (relating to special rule for companies using net level reserve method for noncancellable accident and health insurance contracts) is amended to read as follows:

"(n) SPECIAL RULE FOR COMPANIES USING NET LEVEL RESERVE METHOD FOR NONCANCELLABLE ACCIDENT AND HEALTH INSURANCE CONTRACTS.—A company shall be treated as meeting the requirements of section 807(d)(3)(A)(iii) of the Internal Revenue Code of 1954, as amended by this Act, with respect to any directly-written noncancellable accident and health insurance contract (whether under existing or new plans of insurance) for any taxable year if—

"(1) such company—

"(A) was using the net level reserve method to compute at least 99 percent of its

statutory reserves on such contracts as of December 31, 1982, and

"(B) received more than half its total direct premiums in 1982 from directly-written noncancellable accident and health insurance,

"(2) after December 31, 1983, and through such taxable year, such company has continuously used the net level reserve method for computing at least 99 percent of its tax and statutory reserves on such contracts, and

"(3) for any such contract for which the company does not use the net level reserve method, such company uses the same method for computing tax reserves as such company uses for computing its statutory reserves."

SEC. 124. AMENDMENT RELATED TO SECTION 218 OF THE ACT.

Section 218 of the Tax Reform Act of 1984 is hereby repealed.

SEC. 125. AMENDMENTS RELATED TO SECTION 221 OF THE ACT.

(a) COMPUTATIONAL RULES.—Paragraph (1) of section 7702(e) (relating to computational rules) is amended—

(1) by striking out "shall be no earlier than" in subparagraph (B) and inserting in lieu thereof "shall be deemed to be no earlier than",

(2) by striking out "and" at the end of subparagraph (B),

(3) by redesignating subparagraph (C) as subparagraph (D) and inserting after subparagraph (B) the following new subparagraph:

"(C) the death benefits shall be deemed to be provided until the maturity date determined by taking into account subparagraph (B), and", and

(4) by striking out "the maturity date described in subparagraph (B)" in subparagraph (D) (as so redesignated) and inserting in lieu thereof "the maturity date determined by taking into account subparagraph (B)".

(b) TREATMENT OF FLEXIBLE PREMIUM CONTRACTS ISSUED DURING 1984 WHICH MEET NEW REQUIREMENTS.—Subsection (b) of section 221 of the Tax Reform Act of 1984 (relating to 1-year extension of flexible premium contract provisions) is amended by adding at the end thereof the following new paragraph:

"(3) TRANSITIONAL RULE.—Any flexible premium contract issued during 1984 which meets the requirements of section 7702 of the Internal Revenue Code of 1954 (as added by this section) shall be treated as meeting the requirements of section 101(f) of such Code."

(c) TREATMENT OF CERTAIN CONTRACTS ISSUED BEFORE OCTOBER 1, 1984.—Clause (i) of section 221(d)(2)(C) of the Tax Reform Act of 1984 (relating to certain contracts issued before October 1, 1984) is amended—

(1) by striking out "in clause (i) thereof" in the material preceding subclause (I), and

(2) by striking out "any mortality charges" in subclause (I) and inserting in lieu thereof "any mortality charges and any initial excess interest guarantees".

SEC. 126. AMENDMENTS RELATED TO SECTION 222 OF THE ACT.

(a) EXCEPTION FOR ANNUITY CONTRACTS WHICH ARE PART OF QUALIFIED PLANS.—Subsection (s) of section 72 (relating to required distributions where holder dies before entire interest is distributed) is amended by adding at the end thereof the following new paragraph:

"(5) EXCEPTION FOR ANNUITY CONTRACTS WHICH ARE PART OF QUALIFIED PLANS.—This subsection shall not apply to any annuity contract—

"(A) which is purchased—

"(i) by a trust described in section 401(a) which is exempt from tax under section 501, or

"(ii) as part of a plan described in section 403(a),

"(B) which is described in section 403(b), or

"(C) which is an individual retirement annuity or purchased under an individual retirement account or annuity."

(b) SPECIAL RULES WHERE HOLDER IS NOT INDIVIDUAL, ETC.—

(1) Subsection (s) of section 72 (relating to required distributions where holder dies before entire interest is distributed) is amended by adding at the end thereof the following new paragraphs:

"(6) SPECIAL RULE WHERE HOLDER IS CORPORATION OR OTHER NON-INDIVIDUAL.—

"(A) IN GENERAL.—For purposes of this subsection, if the holder of the contract is not an individual, the primary annuitant shall be treated as the holder of the contract.

"(B) PRIMARY ANNUITANT.—For purposes of subparagraph (A), the term 'primary annuitant' means the individual, the events in the life of whom are of primary importance in affecting the timing or amount of the payout under the contract.

"(7) TREATMENT OF CERTAIN TRANSFERS.—

"(A) IN GENERAL.—For purposes of this subsection, if—

"(i) an individual who holds an annuity contract transfers it by gift, or

"(ii) in the case of a holder which is not an individual, there is any change in a primary annuitant (as defined in paragraph (6)(B)),

then such transfer or change shall be treated as the death of the holder.

"(B) EXCEPTION FOR CERTAIN TRANSFERS BETWEEN SPOUSES OR FORMER SPOUSES.—Subparagraph (A) shall not apply to any transfer to which section 1041(a) (relating to transfers of property between spouses or incident to divorce) applies."

(2) Paragraph (1) of section 72(s) is amended by striking out "the holder of such contract" each place it appears and inserting in lieu thereof "any holder of such contract".

(3) The amendments made by this subsection shall apply to contracts issued after the date which is 6 months after the date of the enactment of this Act in taxable years ending after such date.

(c) CLARIFICATION OF EXCEPTION FOR DISTRIBUTION AFTER DEATH.—Subparagraph (B) of section 72(q)(2) (relating to 5-percent penalty for premature distributions from annuity contracts) is amended to read as follows:

"(B) made on or after the death of the holder (or, where the holder is not an individual, the death of the primary annuitant (as defined in subsection (s)(6)(B))),".

SEC. 127. AMENDMENTS RELATED TO SECTION 223 OF THE ACT.

(a) DETERMINATION OF COSTS IN THE CASE OF DISCRIMINATORY PLANS.—

(1) IN GENERAL.—Subparagraph (B) of section 79(d)(1) (relating to nondiscrimination requirements) is amended to read as follows:

"(B) the cost of group-term life insurance on the life of any key employee shall be the greater of—

"(i) such cost determined without regard to subsection (c), or

"(ii) such cost determined with regard to subsection (c)."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years ending after the date of the enactment of this Act.

(b) CLARIFICATION OF EFFECTIVE DATE.—Subparagraph (A) of section 223(d)(2) of the Tax Reform Act of 1984 (relating to treatment of former employees in case of existing group-term insurance plans) is amended by striking out the material following clause (ii) and inserting in lieu thereof the following:

"but only with respect to an individual who attained age 55 on or before January 1, 1984, and was employed by such employer (or a predecessor employer) at any time during 1983. Such amendments also shall not apply to any employee who retired from employment on or before January 1, 1984, and who, when he retired, was covered by the plan (or a predecessor plan)."

(c) DEFINITION OF KEY EMPLOYEE.—Paragraph (6) of section 79(d) (defining key employee) is amended by adding at the end thereof the following new sentence: "Such term also includes any retired employee if such employee when he retired was a key employee."

(d) SEPARATE TREATMENT OF FORMER EMPLOYEES.—Subsection (d) of section 79 (relating to nondiscrimination requirements) is amended by adding at the end thereof the following new paragraph:

"(8) TREATMENT OF FORMER EMPLOYEES.—To the extent provided in regulations, this subsection shall be applied separately with respect to former employees."

(e) COORDINATION WITH SECTION 83.—Paragraph (5) of section 83(e) is amended by striking out "the cost of".

SEC. 128. AMENDMENT RELATED TO SECTION 224 OF THE ACT.

Paragraph (1) of section 1035(b) (defining endowment contract) is amended by striking out "subject to tax under subchapter L".

SEC. 129. WAIVER OF INTEREST ON CERTAIN UNDERPAYMENTS OF TAX.

No interest shall be payable for any period before July 19, 1984, on any underpayment of a tax imposed by the Internal Revenue Code of 1954, to the extent such underpayment was created or increased by any provision of subtitle A of title II of the Tax Reform Act of 1984 (relating to taxation of life insurance companies).

PART C—AMENDMENTS RELATED TO TITLE III OF THE ACT

SEC. 131. AMENDMENT RELATED TO SECTION 301 OF THE ACT.

Clause (iv) of section 170(b)(1)(C) (defining capital gain property) is amended by striking out "this subparagraph" and inserting in lieu thereof "this paragraph".

SEC. 132. AMENDMENT RELATED TO SECTION 303 OF THE ACT.

Paragraph (2) of section 4940(e) (relating to requirements) is amended by striking out subparagraph (B) and the material following such subparagraph and inserting in lieu thereof the following:

"(B) such private foundation was not liable for tax under section 4942 with respect to any year in the base period."

SEC. 133. AMENDMENT RELATED TO SECTION 311 OF THE ACT.

Subparagraph (A) of section 311(a)(3) of the Tax Reform Act of 1984 is amended by striking out "a State law" and inserting in lieu thereof "a State law (originally enacted on April 22, 1977)".

PART D—AMENDMENTS RELATED TO TITLE IV OF THE ACT

SEC. 141. AMENDMENT RELATED TO SECTION 411 OF THE ACT.

Section 6654 (relating to failure by individual to pay estimated income tax) is amended by redesignating subsections (j), (k), and (l) as subsections (k), (l), and (m), respectively, and by inserting after subsection (i) the following new subsection:

"(j) SPECIAL RULES FOR NONRESIDENT ALIENS.—In the case of a nonresident alien described in section 6072(c):

"(1) PAYABLE IN 3 INSTALLMENTS.—There shall be 3 required installments for the taxable year.

"(2) TIME FOR PAYMENT OF INSTALLMENTS.—The due dates for required installments under this subsection shall be determined under the following table:

"In the case of the following required installments:	The due date is:
1st	June 15.
2nd	September 15.
3rd	January 15 of the following taxable year.

"(3) AMOUNT OF REQUIRED INSTALLMENTS.—

"(A) FIRST REQUIRED INSTALLMENT.—In the case of the first required installment, subsection (d) shall be applied by substituting '50 percent' for '25 percent' in subsection (d)(1)(A).

"(B) DETERMINATION OF APPLICABLE PERCENTAGE.—The applicable percentage for purposes of subsection (d)(2) shall be determined under the following table:

"In the case of the following required installments:	The applicable percentage is:
1st	40
2nd	60
3rd	80."

SEC. 142. AMENDMENT RELATED TO SECTION 421 OF THE ACT.

Section 267 (relating to losses, expenses, and interest with respect to transactions between related taxpayers) is amended by adding at the end thereof the following new subsection:

"(g) COORDINATION WITH SECTION 1041.—Subsection (a)(1) shall not apply to any transfer described in section 1041(a) (relating to transfers of property between spouses or incident to divorce)."

SEC. 143. AMENDMENTS RELATED TO SECTION 422 OF THE ACT.

(a) CROSS REFERENCE.—Section 71 (relating to alimony and separate maintenance payments) is amended by adding at the end thereof the following new subsection:

"(g) CROSS REFERENCES.—

"(1) For deduction of alimony or separate maintenance payments, see section 215.

"(2) For taxable status of income of an estate or trust in the case of divorce, etc., see section 682."

(b) CLERICAL AMENDMENT.—Subparagraph (B) of section 71(c)(2) (relating to treatment of certain reductions related to contingency involving child) is amended by striking out "specified in paragraph (1)" and inserting in lieu thereof "specified in subparagraph (A)".

SEC. 144. AMENDMENTS RELATED TO SECTION 431 OF THE ACT.

(a) DEFINITION OF RELATED PERSON.—Clause (v) of section 46(c)(8)(D) is amended by striking out "clause (i)" and inserting in lieu thereof "this subparagraph".

(b) CLARIFICATION OF RECAPTURE.—

(1) Paragraph (1) of section 47(d) (relating to increases in nonqualified nonrecourse financing) is amended by striking out "reducing the qualified investment" and inserting in lieu thereof "reducing the credit base (as defined in section 48(c)(8)(C))".

(2) Subparagraph (F) of section 47(d)(3) (relating to application with subsection (a)) is amended by striking out "the qualified investment" and inserting in lieu thereof "the credit base determined".

SEC. 145. AMENDMENT RELATED TO SECTION 452 OF THE ACT.

Section 456 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subsection:

"(d) SECTION 452.—The amendment made by section 452 shall apply to products manufactured or produced after October 31, 1984."

SEC. 146. AMENDMENTS RELATED TO SECTION 473 OF THE ACT.

Subsection (d) of section 39 (relating to transitional rules) is amended—

(1) by striking out "or 44G" in paragraph (1)(A) and inserting in lieu thereof "or 44G (as in effect before the enactment of the Tax Reform Act of 1984)", and

(2) by striking out "as so defined in section 25(b)" in paragraph (2)(B) and inserting in lieu thereof "as defined in section 26(b)".

SEC. 147. AMENDMENTS RELATED TO SECTION 474 OF THE ACT.

(a) MINIMUM TAX AMENDMENTS.—

(1) Subparagraph (A) of section 55(c)(3) (relating to carryover and carryback of certain credits) is amended by striking out "of such limitation" and inserting in lieu thereof "of such credit allowable".

(2) Effective with respect to taxable years beginning after December 31, 1982, clause (i) of section 55(c)(2)(E) (relating to special rule for applying section 904(c)) is amended to read as follows:

"(i) the limitation of section 904(a) shall be deemed to be the amount of foreign tax credit allowable under section 27(a) in computing the regular tax for the taxable year increased by the amount of the limitation determined under subparagraph (C), and".

(b) CLERICAL AMENDMENTS.—

(1) The clause heading for clause (iii) of section 30(b)(2)(D) is amended by striking out "NEW JOBS OR WIN CREDIT" and inserting in lieu thereof "TARGETED JOBS CREDIT".

(2) Paragraph (1) of section 86(f) is amended by striking out "section 37(c)(3)(A)" and inserting in lieu thereof "section 22(c)(3)(A)".

(3) Subparagraph (C) of section 151(e)(5) is amended by striking out "section 37(e)" and inserting in lieu thereof "section 22(e)".

(4) Clause (i) of section 415(c)(3)(C) is amended by striking out "section 37(e)(3)" and inserting in lieu thereof "section 22(e)(3)".

(5) Paragraph (9) of section 422A(c) is amended by striking out "section 37(e)(3)" and inserting in lieu thereof "section 22(e)(3)".

(6) Paragraph (5) of section 48(l) is amended—

(A) by striking out "section 44C(c)" and inserting in lieu thereof "section 23(c)", and

(B) by striking out "section 44C(c)(4)(A)(viii)" and inserting in lieu thereof "section 23(c)(4)(A)(viii)".

(7) Subparagraph (E) of section 108(b)(2) is amended by striking out "section 33" and inserting in lieu thereof "section 27".

(8) Subsection (b) of section 280C is amended—

(A) by striking out "section 29" each place it appears and inserting in lieu thereof "section 28", and

(B) by striking out "section 29(b)" and inserting in lieu thereof "section 28(b)".

(9) Section 6699 is amended—

(A) by striking out "section 44G" each place it appears in subsections (a) and (c)(2)(B) and inserting in lieu thereof "section 41", and

(B) by striking out "section 44G(c)(1)(B)" in subsection (a)(4) and inserting in lieu thereof "section 41(c)(1)(B)".

(10) Subsection (a) of section 6411 is amended by striking out "or unused business credit" in the second sentence thereof and inserting in lieu thereof "unused research credit, or unused business credit".

(11) Subparagraph (A) of section 46(b)(2) is amended by striking out "48(l)(3)(A)(vii)" in the table contained in such subparagraph and inserting in lieu thereof "48(l)(3)(A)(viii)".

(12) Paragraph (1) of section 163(b) of the Tax Reform Act of 1984 is amended by inserting "(as amended by sections 211, 314, and 474 of this Act)" after "Section 6501".

(13) Section 6501 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) DEFICIENCIES ATTRIBUTABLE TO ELECTION OF CERTAIN CREDITS.—The period for assessing a deficiency attributable to any election under section 40(f) or 51(j) (or any revocation thereof) shall not expire before the date 1 year after the date on which the Secretary is notified of such election (or revocation)."

(14) Subsection (k) of section 6501 is amended by striking out "an investment credit carryback, or a work incentive program carryback, or a new employee credit carryback" and inserting in lieu thereof "or a credit carryback (as defined in section 6511(d)(4)(C))".

(15) Subsection (h) of section 6511 (relating to limitations on credit or refund) is amended—

(A) by striking out "section 6501(q)(1)(B)" in paragraph (1) and inserting in lieu thereof "section 6501(m)(1)(B)", and

(B) by striking out "section 6501(q)(2)(B)" in paragraph (2) and inserting in lieu thereof "section 6501(m)(2)(B)".

(16) Paragraph (1) of section 665(d) is amended by striking out "subpart A of part IV" and inserting in lieu thereof "part IV".

SEC. 148. AMENDMENTS RELATED TO SECTION 491 OF THE ACT.

(a) Paragraph (9) of section 46(f) (relating to special rule for additional credit) is hereby repealed.

(b) Subparagraph (A) of section 401(c)(2) (defining earned income) is amended by striking out "sections 404 and 405(c)" and inserting in lieu thereof "section 404".

(c) Subparagraph (d) of section 404(a)(8) is amended by striking out "the deductions allowed by this section and section 405(c)" and inserting in lieu thereof "the deduction allowed by this section".

(d) The second sentence of section 2039(e) is amended by striking out "or a bond described in paragraph (3)".

PART E—AMENDMENTS RELATED TO TITLE V OF THE ACT

SEC. 151. AMENDMENTS RELATED TO WELFARE BENEFIT PLAN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—

(1) TREATMENT OF PLANS FOR INDEPENDENT CONTRACTORS.—Paragraph (1) of section 419(g) (relating to extension to plans for independent contractors) is amended by striking out "such a plan" and inserting in lieu thereof "such a relationship".

(2) AMENDMENTS TO SECTION 419A(d).—

(A) COORDINATION WITH SECTION 415.—Paragraph (2) of section 419A(d) (relating to coordination with section 415) is amended by adding at the end thereof the following new sentence: "Subparagraph (B) of section 415(c)(1) shall not apply to any amount treated as an annual addition under the preceding sentence."

(B) SEPARATE ACCOUNT REQUIREMENTS APPLY ONLY WHERE THERE IS PRE-FUNDING.—Paragraph (1) of section 419A(d) is amended by adding at the end thereof the following new sentence:

"The requirements of this paragraph shall apply to the first taxable year for which a reserve is taken into account under subsection (c)(2) and to all subsequent taxable years."

(3) CLARIFICATION OF SECTION 419A(e).—

(A) Subsection (e) of section 419A is amended to read as follows:

"(e) SPECIAL LIMITATIONS ON RESERVES FOR MEDICAL BENEFITS OR LIFE INSURANCE BENEFITS PROVIDED TO RETIRED EMPLOYEES.—

"(1) RESERVE MUST BE NONDISCRIMINATORY.—No reserve may be taken into account under subsection (c)(2) for post-retirement medical benefits or life insurance benefits to be provided to covered employees unless the plan meets the requirements of section 505(b) with respect to such benefits (whether or not such requirements apply to such plan). The preceding sentence shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that post-retirement medical benefits or life insurance benefits were the subject of good faith bargaining between such employee representatives and such employer or employers.

"(2) LIMITATION ON AMOUNT OF LIFE INSURANCE BENEFITS.—Life insurance benefits shall not be taken into account under subsection (c)(2) to the extent the aggregate amount of such benefits to be provided with respect to the employee exceeds $50,000."

(B) Paragraph (2) of section 419A(e) of the Internal Revenue Code of 1954 (as amended by subparagraph (A)) shall not apply to any group-term life insurance to the extent that the amendments made by section 223(a) of the Tax Reform Act of 1984 do not apply to such insurance by reason of paragraph (2) of section 223(d) of such Act.

(4) TREATMENT OF COLLECTIVELY BARGAINED PLANS.—Paragraph (5) of section 419A(f) (relating to higher limit in case of collectively bargained plans) is amended by striking out "welfare benefit fund established under" and inserting in lieu thereof "welfare benefit fund maintained pursuant to".

(5) CLARIFICATION OF ACTUARIAL CERTIFICATION REQUIREMENT.—Subparagraph (A) of section 419A(c)(5) (relating to special limitation where no actuarial certification) is amended by striking out "under paragraph (1)" and inserting in lieu thereof "under this subsection".

(6) AGGREGATION RULES.—Paragraph (1) of section 419A(h) (relating to aggregation rules) is amended to read as follows:

"(1) AGGREGATION OF FUNDS.—

"(A) MANDATORY AGGREGATION.—For purposes of subsections (c)(4), (d)(2), and (e)(2), all welfare benefit funds of an employer shall be treated as 1 fund.

"(B) PERMISSIVE AGGREGATION FOR PURPOSES NOT SPECIFIED IN SUBPARAGRAPH (A).—For purposes of this section (other than the provisions specified in subparagraph (A)), at the election of the employer, 2 or more welfare benefit funds of such employer may be treated as 1 fund."

(7) CLARIFICATION OF ADJUSTMENTS FOR EXISTING RESERVES.—Paragraph (7) of section 419A(f) (relating to adjustments for existing excess reserves) is amended by striking out subparagraph (C) and inserting in lieu thereof the following new subparagraphs:

"(C) EXISTING EXCESS RESERVE.—For purposes of computing the increase under subparagraph (A) for any taxable year, the term 'existing excess reserve' means the excess (if any) of—

"(i) the amount of assets set aside at the close of the first taxable year ending after July 18, 1984, for purposes described in subsection (a), over

"(ii) the account limit determined under this section (without regard to this paragraph) for the taxable year for which such increase is being computed.

"(D) FUNDS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply only to a welfare benefit fund which, as of July 18, 1984, had assets set aside for purposes described in subsection (a)."

(8) CLARIFICATION OF FUND.—Subsection (e) of section 419 (defining welfare benefit funds) is amended by adding at the end thereof the following new paragraph:

"(4) TREATMENT OF AMOUNTS HELD PURSUANT TO CERTAIN INSURANCE CONTRACTS.—

"(A) IN GENERAL.—Notwithstanding paragraph (3)(C), the term 'fund' shall not include amounts held by an insurance company pursuant to an insurance contract if—

"(i) there is no guarantee of a renewal of such contract, and

"(ii) other than insurance protection, the only payments to which the employer or employees are entitled are experience rated refunds or policy dividends which are not guaranteed and which are determined by factors other than the amount of welfare benefits paid to (or on behalf of) the employees of the employer or their beneficiaries.

"(B) LIMITATION.—In the case of any insurance contract described in subparagraph (A), subparagraph (A) shall not apply unless the amount of any experience rated refund or policy dividend payable to an employer with respect to a policy year is treated by the employer as received or accrued in the taxable year in which the policy year ends."

(9) CLARIFICATION OF TAXES PAID BY EMPLOYER ON INCOME OF CERTAIN WELFARE BENEFIT FUNDS.—Subsection (g) of section 419A (relating to employer taxed on income of welfare benefit funds in certain cases) is amended by adding at the end thereof the following new paragraph:

"(3) COORDINATION WITH SECTION 419.—If any amount is included in the gross income of an employer for any taxable year under paragraph (1) with respect to any welfare benefit fund—

"(A) the amount of the tax imposed by this chapter which is attributable to the amount so included shall be treated as a contribution paid to such welfare benefit fund on the last day of such taxable year, and

"(B) the tax so attributable shall be treated as imposed on the fund for purposes of section 419(c)(4)(A)."

(10) AMENDMENTS TO TAX ON UNRELATED BUSINESS INCOME.—

(A) Clause (i) of section 512(a)(3)(E) is amended by striking out "determined under section 419A(c)" and inserting in lieu thereof "determined under section 419A (without regard to subsection (f)(6) thereof)".

(B) Subparagraph (E) of section 512 is amended by striking out clause (ii) and by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(C) Clause (ii) of section 512(a)(3)(E) (as redesignated by subparagraph (B)) is amended—

(i) by striking out "a existing reserve" in subclause (I) and inserting in lieu thereof "an existing reserve",

(ii) by striking out "reserve or post-retirement medical or life insurance benefit" in subclause (II) and inserting in lieu thereof "reserve for post-retirement medical or life insurance benefits", and

(iii) by striking out "as of the close of the last plan year ending before the date of the enactment of the Tax Reform Act of 1984" in subclause (II) and insert in lieu thereof "on July 18, 1984".

(D) Clause (iii) of section 512(a)(3)(E) (as redesignated by subparagraph (B)) is amended by striking out "paragraph shall not" and inserting in lieu thereof "subparagraph shall not".

(11) AMENDMENTS RELATED TO TAX ON CERTAIN FUNDED WELFARE BENEFIT PLANS.—Subsection (b) of section 4976 (defining disqualified benefit) is amended to read as follows:

"(b) DISQUALIFIED BENEFIT.—For purposes of subsection (a)—

"(1) IN GENERAL.—The term 'disqualified benefit' means—

"(A) any post-retirement medical benefit or life insurance benefit provided with respect to a key employee if a separate account is required to be established for such employee under section 419A(d) and such payment is not from such account,

"(B) any post-retirement medical benefit or life insurance benefit provided with respect to an individual in whose favor discrimination is prohibited unless the plan meets the requirements of section 505(b) with respect to such benefit (whether or not such requirements apply to such plan), and

"(C) any portion of a welfare benefit fund reverting to the benefit of the employer.

"(2) EXCEPTION FOR COLLECTIVE BARGAINING PLANS.—Paragraph (1)(B) shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that the benefits referred to in paragraph (1)(B) were the subject of good faith bargaining between such employee representatives and such employer or employers.

"(3) EXCEPTION FOR NONDEDUCTIBLE CONTRIBUTIONS.—Paragraph (1)(C) shall not apply to any amount attributable to a contribution to the fund which is not allowable as a deduction under section 419 for the taxable year or any prior taxable year (and such contribution shall not be included in any carryover under section 419(d)).

"(4) EXCEPTION FOR CERTAIN AMOUNTS CHARGED AGAINST EXISTING RESERVE.—Subparagraphs (A) and (B) of paragraph (1) shall not apply to post-retirement benefits charged against an existing reserve for post-

retirement medical or life insurance benefits (as defined in section 512(a)(3)(E))."

(12) CLARIFICATION OF EFFECTIVE DATE.—Subsection (e) of section 511 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraphs:

"(6) AMENDMENTS RELATED TO TAX ON UNRELATED BUSINESS INCOME.—The amendments made by subsection (b) shall apply with respect to taxable years ending after December 31, 1985. For purposes of section 15 of the Internal Revenue Code of 1954, such amendments shall be treated as a change in the rate of a tax imposed by chapter 1 of such Code.

"(7) AMENDMENTS RELATED TO EXCISE TAXES ON CERTAIN WELFARE BENEFIT PLANS.—The amendments made by subsection (c) shall apply to benefits provided after December 31, 1985.

(13) CLERICAL AMENDMENT.—Paragraph (2) of section 511(e) of the Tax Reform Act of 1984 is amended by striking out "and section 514".

(b) AMENDMENTS RELATED TO SECTION 512 OF THE ACT.—

(1) Clause (ii) of section 404(b)(2)(B) (relating to exceptions for certain benefits) is amended by striking out "to any benefit" and inserting in lieu thereof "any benefit".

(2) Subsection (b) of section 404 is amended—

(A) by striking out "UNFUNDED" in the subsection heading and inserting in lieu thereof "CERTAIN", and

(B) by striking out "unfunded" in the heading of paragraph (2) and inserting in lieu thereof "certain".

(c) AMENDMENTS RELATED TO SECTION 513 OF THE ACT.—

(1) Paragraph (1) of section 505(a) (relating to certain requirements must be met in case of organizations described in paragraph (9) or (20) of section 501(c)) is amended by striking out "of an employer".

(2) Paragraph (1) of section 505(b) (relating to nondiscrimination requirements) is amended by striking out "as provided in paragraph (2)" and inserting in lieu thereof "as otherwise provided in this subsection".

(3) Subparagraph (B) of section 505(b)(1) is amended by striking out "highly compensated employees" and inserting in lieu thereof "highly compensated individuals".

(4) Paragraph (2) of section 505(a) (relating to exception for collective bargaining agreements) is amended to read as follows:

"(2) EXCEPTION FOR COLLECTIVE BARGAINING AGREEMENTS.—Paragraph (1) shall not apply to any organization which is part of a plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that such plan was the subject of good faith bargaining between such employee representatives and such employer or employers."

SEC. 152. AMENDMENTS RELATED TO PENSION PLAN PROVISIONS.

(a) AMENDMENTS RELATED TO SECTION 521 OF THE ACT.—

(1) CLARIFICATION THAT DISTRIBUTION FROM INDIVIDUAL RETIREMENT ACCOUNTS OR ANNUITIES MUST BEGIN AT 70½.—

(A) Paragraph (6) of section 408(a) (defining individual retirement account) is amended by striking out "(relating to required distributions)" and inserting in lieu thereof "(without regard to subparagraph (C)(ii) thereof) and the incidental death benefit requirements of section 401(a)".

(B) Paragraph (3) of section 408(b) (defining individual retirement annuity) is amended by striking out "(relating to required distributions)" and inserting in lieu thereof "(without regard to subparagraph (C)(ii) thereof) and the incidental death benefit requirements of section 401(a)".

(2) EXEMPTION OF PRE-1985 ACCUMULATIONS FROM PENALTY ON PREMATURE DISTRIBUTIONS.—

(A) Subparagraph (A) of section 72(m)(5) (relating to penalties applicable to certain amounts received by 5-percent owners) is amended to read as follows:

"(A) This subparagraph shall apply—

"(i) to amounts which—

"(I) are received from a qualified trust described in section 401(a) or under a plan described in section 403(a), and

"(II) are received by a 5-percent owner before such owner attains the age of 59½ years, for any reason other than such owner becoming disabled (within the meaning of paragraph (7) of this section), and

"(ii) to amounts which are received from a qualified trust described in section 401(a) or under a plan described in section 403(a) at any time by a 5-percent owner, or by the successor of such owner, but only to the extent that such amounts are determined (under regulations prescribed by the Secretary) to exceed the benefits provided for such individual under the plan formula.

Clause (i) shall not apply to any amount received by an individual in his capacity as a policyholder of an annuity, endowment, or life insurance contract which is in the nature of a dividend or similar distribution and clause (i) shall not apply to amounts attributable to contributions paid before January 1, 1985."

(B) Subparagraph (C) of section 72(m)(5) is amended to read as follows:

"(C) For purposes of this paragraph, the term '5-percent owner' means any individual who, at any time during the 5 plan years preceding the plan year in which the amount is received, is a 5-percent owner (as defined in section 416(i)(1)(B)."

(C) Paragraph (5) of section 72(m) is amended by striking out "OWNER-EMPLOYEES" in the paragraph heading and inserting in lieu thereof "5-percent owners".

(3) EXTENSION OF DISTRIBUTION REQUIREMENTS TO SECTION 403(b) ANNUITIES.—

(A) Subsection (b) of section 403 (relating to taxability of beneficiary under annuity purchased by section 501(c)(3) organization or public school) is amended by adding at the end thereof the following new paragraph:

"(10) DISTRIBUTION REQUIREMENTS.—Under regulations prescribed by the Secretary, this subsection shall not apply to any annuity contract (or to any custodial account described in paragraph (7) or retirement income account described in paragraph (9)) unless requirements similar to the requirements of section 401(a)(9) are met (and requirements similar to the incidental death benefit requirements of section 401(a) are met) with respect to such annuity contract (or custodial account or retirement income account)."

(B) Paragraph (7) of section 403(b) is amended by striking out subparagraph (D).

(C) The amendments made by this paragraph shall apply to contributions made after the date of the enactment of this Act in taxable years ending after such date.

(4) CLARIFICATION OF REQUIRED BEGINNING DATE.—

(A) Subparagraph (C) of section 401(a)(9) (defining required beginning date) is amended by striking out the last sentence and inserting in lieu thereof the following:

"Clause (ii) shall not apply in the case of an employee who is a 5-percent owner (as defined in section 416(i)(1)(B)) at any time during the 5 plan years preceding the plan year ending in the calendar year in which the employee attains age 70½."

(B) Subsection (d) of section 409 (relating to employer securities must stay in the plan) is amended by adding at the end thereof the following new sentence:

"This subsection shall not apply to any distribution required under section 401(a)(9)."

(5) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—

(A) Paragraph (5) of section 402(a) (relating to rollover amounts) is amended by adding at the end thereof the following new subparagraph:

"(G) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—Subparagraph (A) shall not apply to any distribution to the extent such distribution is required under section 401(a)(9)."

(B)(i) Subparagraph (B) of section 403(a)(4) is amended by striking out "and (F)" and inserting in lieu thereof "and (G)".

(ii) Paragraph (8) of section 403(b) is amended by adding at the end thereof the following new subparagraph:

"(D) REQUIRED DISTRIBUTIONS NOT ELIGIBLE FOR ROLLOVER TREATMENT.—Subparagraph (A) shall not apply to any distribution to the extent such distribution is required under paragraph (10)."

(C) Paragraph (3) of section 408(d) (relating to rollover contributions) is amended by adding at the end thereof the following new subparagraph:

"(E) DENIAL OF ROLLOVER TREATMENT FOR REQUIRED DISTRIBUTIONS.—This subparagraph shall not apply to any amount to the extent such amount is required to be distributed under subsection (a)(6) or (b)(3)."

(6) TREATMENT OF DISTRIBUTIONS REQUIRED UNDER INCIDENTAL DEATH BENEFIT RULES.—Paragraph (9) of section 401(a) (relating to required distributions) is amended by adding at the end thereof the following new subparagraph:

"(G) TREATMENT OF INCIDENTAL DEATH BENEFIT DISTRIBUTIONS.—For purposes of this title, any distribution required under the incidental death benefit requirements of this subsection shall be treated as a distribution required under this paragraph."

(7) CONFORMING AMENDMENTS TO SECTION 4974.—

(A) Subsection (a) of section 4974 (relating to excise tax on certain accumulations in individual retirement accounts or annuities) is amended by striking out "section 408(a) (6) or (7), or 408(b) (3) or (4)" and inserting in lieu thereof "section 408(a)(6) or 408(b)(3)".

(B) Subsection (b) of section 4974 is amended by striking out "section 408(a) (6) or (7) or 408(b) (3) or (4)" and inserting in lieu thereof "section 408(a)(6) or 408(b)(3)".

(b) AMENDMENTS RELATED TO SECTION 522 OF THE ACT.—

(1) Clause (v) of section 402(a)(5)(E) (defining partial distribution) is amended by striking out "of any portion of" and inserting in lieu thereof "of all or any portion of".

(2) Clause (i) of section 402(a)(5)(D) (relating to special rules for partial distributions) is amended by adding at the end thereof the following new sentence:

"For purposes of subclause (I), the balance to the credit of the employee shall not include any accumulated deductible employee contributions (within the meaning of section 72(o)(5))."

(3)(A) Section 402 is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF SELF-EMPLOYED INDIVIDUALS.—For purposes of this section, except as otherwise provided in subparagraph (A) of subsection (e)(4), the term 'employee' includes a self-employed individual (as defined in section 401(c)(1)(B)) and the employer of such individual shall be the person treated as his employer under section 401(c)(4)."

(B) Paragraph (4) of section 402(e) is amended by striking out subparagraph (F).

(4) Paragraph (7) of section 402(a) (relating to rollover where spouse received distributions after death of employee) is amended by striking out "the spouse were the employee" and inserting in lieu thereof "the spouse were the employee; except that a trust or plan described in subclause (III) or (IV) of paragraph (5)(E)(iv) shall not be treated as an eligible retirement plan with respect to such distribution."

(5) Clause (ii) of section 402(a)(5)(D) is amended by striking out "a plan described in subclause (IV) or (V)" and inserting in lieu thereof "a trust or plan described in subclause (III) or (IV)".

(6) Clause (i) of section 402(a)(5)(F) is amended by striking out "a transfer described in subparagraph (A)" and inserting in lieu thereof "a transfer resulting in any portion of a distribution being excluded from gross income under subparagraph (A)".

(7) Paragraph (20) of section 401(a) is amended by striking out "qualifying rollover distribution (determined as if section 402(a)(5)(D)(i) did not contain subclause (II) thereof) described in section 402(a)(5)(A)(i) or 403(a)(4)(A)(i)" and inserting in lieu thereof "qualified total distribution described in section 402(a)(5)(E)(i)(I)".

(8) Subsection (e) of section 522 of the Tax Reform Act of 1984 is amended by striking out "the date of the amendment" and inserting in lieu thereof "the date of the enactment".

(9) Subparagraph (C) of section 403(b)(8) is amended by striking out "(F)(i)" and inserting in lieu thereof "and (F)(i)".

(c) AMENDMENTS RELATED TO SECTION 523 OF THE ACT.—

(1) Subparagraph (B) of section 72(e)(7) (relating to plans substantially all the contributions of which are employee contributions) is amended—

(A) by striking out "any trust or contract" and inserting in lieu thereof "any plan or contract",

(B) by striking out "85 percent of" and inserting in lieu thereof "85 percent or more of", and

(C) by adding at the end thereof the following new sentence:

"For purposes of clause (ii), deductible employee contributions (as defined in subsection (o)(5)(A)) shall not be taken into account."

(2) Subparagraph (E) of section 72(q)(2) (relating to 5-percent penalty for premature distributions from annuity contracts) is amended by striking out "subsection (e)(5)(D)" and inserting in lieu thereof "subsection (e)(5)(D) (determined without regard to subsection (e)(7))".

(3) Subsection (f) of section 72 is amended—

(A) by striking out "subsection (d)(1)" and inserting in lieu thereof "subsections (d)(1) and (e)(7)", and

(B) by striking out "subsection (e)(1)(B)" and inserting in lieu thereof "subsection (e)(6)".

(4) Subparagraph (C) of section 72(m)(2) is amended—

(A) by striking out "3 years)" in subparagraph (B) and inserting in lieu thereof "3 years) and subsection (e)(7) (relating to plans where substantially all contributions are employee contributions)", and

(B) by striking out "subsection (e)(1)(B)" in subparagraph (C) and inserting in lieu thereof "subsection (e)(6)".

(5) Subsection (b) of section 402 is amended by striking out "section 72(e)(1)" and inserting in lieu thereof "section 72(e)(5)".

(d) AMENDMENTS RELATED TO SECTION 524 OF THE ACT.—

(1) Subparagraph (A) of section 416(i)(1) (defining key employee) is amended by adding at the end thereof the following new sentence: "Such term shall not include any officer or employee of an entity referred to in section 414(d) (relating to governmental plans).".

(2) Subparagraph (E) of section 416(g)(4) (relating to benefits not taken into account if employee not employed for last 5 years) is amended to read as follows:

"(E) BENEFITS NOT TAKEN INTO ACCOUNT IF EMPLOYEE NOT EMPLOYED FOR LAST 5 YEARS.—If any individual has not performed services for the employer maintaining the plan at any time during the 5-year period ending on the determination date, any accrued benefit for such individual (and the account of such individual) shall not be taken into account."

(e) AMENDMENTS RELATED TO SECTION 525 OF THE ACT.—

(1)(A) Subsection (c) of section 2039 (relating to exception of certain annuity interests created by community property laws) is hereby repealed.

(B) The amendment made by subparagraph (A) shall apply to estates of decedents dying after the date of the enactment of this Act.

(2)(A) Section 2517 (relating to certain annuities under qualified plans) is hereby repealed.

(B) The table of sections for subchapter B of chapter 12 is amended by striking out the item relating to section 2517.

(C) The amendments made by this paragraph shall apply to transfers after the date of the enactment of this Act.

(f) AMENDMENT RELATED TO SECTION 526 OF THE ACT.—Paragraph (2) of section 526(d) of the Tax Reform Act of 1984 is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (7)".

(g) AMENDMENTS RELATED TO SECTION 527 OF THE ACT.—

(1) Paragraph (3) of section 401(k) (relating to application of participation and discrimination standards) is amended by adding at the end thereof the following new subparagraph:

"(C) A cash or deferred arrangement shall be treated as meeting the requirements of subsection (a)(4) with respect to contributions if the requirements of subparagraph (A)(ii) are met."

(2) Subparagraph (A) of section 401(k)(3) is amended by striking out the last sentence and inserting in lieu thereof the following: "If an employee is a participant under 2 or more cash or deferred arrangements of the employer, for purposes of determining the deferral percentage with respect to such employee, all such cash or deferred arrangements shall be treated as 1 cash or deferred arrangement."

(3) Subparagraph (C) of section 401(k)(2) is amended by striking out "are nonforfeitable" and inserting in lieu thereof "is nonforfeitable".

(h) AMENDMENTS RELATED TO SECTION 528 OF THE ACT.—

(1) Subsection (h) of section 401 (relating to medical, etc., benefits for retired employees and their spouses and dependents) is amended—

(A) by striking out "5-percent owner" each place it appears in paragraph (6) and inserting in lieu thereof "key employee", and

(B) by striking out the last sentence and inserting in lieu thereof the following:

"For purposes of paragraph (6), the term 'key employee' means any employee, who at any time during the plan year or any preceding plan year during which contributions were made on behalf of such employee, is or was a key employee as defined in section 416(i)."

(2) Paragraph (1) of section 415(1) (relating to treatment of certain medical benefits) is amended by adding at the end thereof the following new sentence: "Subparagraph (B) of subsection (c)(1) shall not apply to any amount treated as an annual addition under the preceding sentence."

(3) Subsection (l) of section 415 is amended by striking out "a defined benefit plan" each place it appears and inserting in lieu thereof "a pension or annuity plan".

SEC. 153. AMENDMENTS RELATED TO FRINGE BENEFIT PROVISIONS.

(a) AMENDMENTS TO SECTION 132.—

(1) Clause (ii) of section 132(f)(2)(B) (defining dependent children) is amended by striking out "are deceased" and inserting in lieu thereof "are deceased and who has not attained age 25".

(2) Subparagraph (A) of section 132(c)(3) (defining employee discount) is amended by striking out "are provided to the employee by the employer" and inserting in lieu thereof "are provided by the employer to an employee for use by such employee".

(3) Subsection (i) of section 132 (relating to customers not to include employees) is amended by striking out "subsection (c)(2)(B)" and inserting in lieu thereof "subsection (c)(2)".

(b) AMENDMENTS TO SECTION 125.—

(1) CLARIFICATION OF BENEFITS WHICH MAY BE PROVIDED UNDER CAFETERIA PLANS.—

(A) Subsections (c) and (d)(1)(B) of section 125 are each amended by striking out "statutory nontaxable benefits" each place it appears and inserting in lieu thereof "qualified benefits".

(B) Subsection (f) of section 125 is amended to read as follows:

"(f) QUALIFIED BENEFITS DEFINED.—For purposes of this section, the term 'qualified benefit' means any benefit which, with the application of subsection (a), is not includible in the gross income of the employee by reason of an express provision of this chapter (other than section 117, 124, 127, or 132). Such term includes any group term life insurance which is includible in gross income only because it exceeds the dollar limitation of section 79 and such term includes any other benefit permitted under regulations."

(2) TRANSITIONAL RULE.—Paragraph (5) of section 531(b) of the Tax Reform Act of 1984 (relating to exception for certain cafeteria plans and benefits) is amended by adding at the end thereof the following new subparagraph:

"(D) COLLECTIVE BARGAINING AGREEMENTS.—In the case of any cafeteria plan in existence on February 10, 1984, and maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers, the date on which the last of such collective bargaining

agreements terminates (determined without regard to any extension thereof agreed to after July 18, 1984) shall be substituted for 'January 1, 1985' in subparagraph (A) and for 'July 1, 1985' in subparagraph (B). For purposes of the preceding sentence, any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section (or any requirement in the regulations under section 125 of the Internal Revenue Code of 1954 proposed on May 6, 1984) shall not be treated as a termination of such collective bargaining agreement."

(3) SPECIAL RULE WHERE CONTRIBUTIONS OR REIMBURSEMENTS SUSPENDED.—Paragraph (5) of section 531(b) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE WHERE CONTRIBUTIONS OR REIMBURSEMENTS SUSPENDED.—For purposes of subparagraphs (A) and (B), a plan shall not be treated as not continuing to fail to satisfy the rules referred to in such subparagraphs with respect to any benefit provided in the form of a flexible spending arrangement merely because contributions or reimbursements (or both) with respect to such plan were suspended before January 1, 1985."

(c) AMENDMENTS TO SECTION 4977.—

(1) Paragraph (2) of section 4977(c) is amended to read as follows:

"(2) at all times on or after January 1, 1984, and before the close of the calendar year involved, substantially all of the employees of the employer were entitled to employee discounts on goods or services provided by the employer in 1 line of business,".

(2) Section 4977 (relating to tax on certain fringe benefits provided by an employer) is amended by adding at the end thereof the following new subsection:

"(f) SECTION TO APPLY ONLY TO EMPLOYMENT WITHIN THE UNITED STATES.—Except as otherwise provided in regulations, this section shall apply only with respect to employment within the United States."

(d) TREATMENT OF TELEPHONE CONCESSION SERVICE FOR CERTAIN RETIREES.—Section 559 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following subsection:

"(e) TELEPHONE SERVICE FOR PRE-DIVESTITURE RETIREES.—In the case of an employee who, by reason of retirement or disability, separated before January 1, 1984, from the service of an entity subject to the modified final judgment—

"(1) all entities subject to the modified final judgment shall be treated as a single employer in the same line of business for purposes of determining whether telephone service provided to the employee is a no-additional-cost service as defined in section 132 of the Internal Revenue Code of 1954; and

"(2) payment by an entity subject to the modified final judgment of all or part of the cost of local telephone service provided to the employee by a person other than an entity subject to the modified final judgment (including rebate of the amount paid by the employee for the service and payment to the person providing the service) shall be treated as telephone service provided to the employee by such single employer for purposes of determining whether the telephone service is a no-additional-cost service as defined in section 132 of the Internal Revenue Code of 1954.

For purposes of this subsection, the term 'employee' has the meaning given to such term by section 132(f) of the Internal Revenue Code of 1954."

SEC. 154. AMENDMENTS RELATED TO EMPLOYEE STOCK OWNERSHIP PLANS.

(a) AMENDMENTS RELATED TO SECTION 541.—

(1) Section 1042(a) (relating to nonrecognition of gain) is amended by striking out "gain (if any) on such sale" and inserting in lieu thereof "gain (if any) on such sale which would be recognized as long-term capital gain".

(2) Section 1042(b)(2) (relating to requirement that employees must own 30 percent of stock after sale) is amended by striking out "the employer securities (within the meaning of section 409(1))" and inserting in lieu thereof "all stock (other than preferred stock described in section 1504(a)(4)) of the corporation which issued the qualified securities".

(3) Paragraph (3) of section 1042(b) (relating to requirement that plan be maintained for benefit of employees) is amended to read as follows:

"(3) PLAN MAINTAINED FOR BENEFIT OF EMPLOYEES.—No portion of the assets of the plan or cooperative attributable to qualified securities with respect to which an election under subsection (a)(1) was made may accrue directly or indirectly under such plan, or may be allocated directly or indirectly by such cooperative, for the benefit of—

"(A) the taxpayer,

"(B) any person who bears a relationship to the taxpayer described in section 267(b), or

"(C) any other person who owns (after application of section 318(a)) more than 25 percent (by value) of—

"(i) any class of stock of the corporation which issued such qualified securities, or

"(ii) the total value of the stock of any other corporation which is a member of the same controlled group of corporations (within the meaning of section 409(1)(4)) as such corporation.

All plans which are treated as 1 plan under section 401(a)(4) or 410 shall be treated as 1 plan for purposes of this paragraph."

(4) Section 1042(c)(1) (defining qualified securities) is amended—

(A) by striking out "securities" in subparagraph (A) and inserting in lieu thereof "stock",

(B) by inserting "and" at the end of subparagraph (A), and

(C) by striking out subparagraph (B) and redesignating subparagraph (C) as subparagraph (B).

(5) Paragraph (4) of section 1042(c) (defining qualified replacement property) is amended to read as follows:

"(4) QUALIFIED REPLACEMENT PROPERTY.—

"(A) IN GENERAL.—The term 'qualified replacement property' means any security issued by a domestic operating corporation which—

"(i) did not, for the taxable year preceding the taxable year in which such security was purchased, have passive investment income (as defined in section 1362(d)(3)(D)) in excess of 25 percent of the gross receipts of such corporation for such preceding taxable year, and

"(ii) is not the corporation which issued the qualified securities which such security is replacing.

"(B) OPERATING CORPORATION.—For purposes of this paragraph, the term 'operating corporation' means a corporation substantially all the assets of which were, at the time the security was purchased, used in the active conduct of a trade or business.

"(C) CONTROLLING AND CONTROLLED CORPORATIONS TREATED AS 1 CORPORATION.—

"(i) IN GENERAL.—For purposes of applying this paragraph, if—

"(I) the corporation issuing the security owns stock representing control of 1 or more other corporations,

"(II) 1 or more other corporations own stock representing control of the corporation issuing the security, or

"(III) both,

then all such corporations shall be treated as 1 corporation.

"(ii) CONTROL.—For purposes of clause (i), the term 'control' has the meaning given such term by section 304(c).

"(D) SECURITY DEFINED.—For purposes of this paragraph, the term 'security' has the meaning given such term by section 165(g)(2), except that such term shall not include any security issued by a government or political subdivision thereof."

(6)(A) Section 1042(c) (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(7) SECTION NOT TO APPLY TO GAIN OF C CORPORATION.—Subsection (a) shall not apply to any gain on the sale of any qualified securities which is includible in the gross income of any C corporation."

(B) The amendment made by subparagraph (A) shall apply to sales after March 28, 1985, except that such amendment shall not apply to sales made before July 1, 1985, if made pursuant to a binding contract in effect on March 28, 1985, and at all times thereafter.

(7) Section 1042(d) (relating to basis of qualified replacement property) is amended by adding at the end thereof the following new flush sentence:

"Any reduction in basis under this subsection shall not be taken into account for purposes of section 1278(a)(2)(A)(ii) (relating to definition of market discount)."

(8)(A) Section 1042 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) RECAPTURE OF GAIN ON DISPOSITION OF QUALIFIED REPLACEMENT PROPERTY.—

"(1) IN GENERAL.—If a taxpayer disposes of any qualified replacement property, then, notwithstanding any other provision of this title, gain (if any) shall be recognized to the extent of the gain which was not recognized under subsection (a) by reason of the acquisition by such taxpayer of such qualified replacement property.

"(2) SPECIAL RULE FOR CORPORATIONS CONTROLLED BY THE TAXPAYER.—If—

"(A) a corporation issuing qualified replacement property disposes of a substantial portion of its assets other than in the ordinary course of its trade or business, and

"(B) any taxpayer owning stock representing control (within the meaning of section 304(c)) of such corporation at the time of such disposition holds any qualified replacement property of such corporation at such time,

then the taxpayer shall be treated as having disposed of such qualified replacement property at such time."

(B) The amendment made by subparagraph (A) shall apply to dispositions after the date of the enactment of this Act, in taxable years ending after such date.

(9) Paragraph (5) of section 1042(c) (relating to securities acquired by underwriter) is amended—

(A) by striking out "acquisition" and inserting in lieu thereof "sale",

(B) by inserting "to an employee stock ownership plan or eligible worker-owned cooperative" before "in", and

(C) by striking out "ACQUIRED" in the heading thereof and inserting in lieu thereof "SOLD".

(10) The heading for section 1042 is amended by inserting "EMPLOYEE" before "STOCK".

(11) The table of sections for part III of subchapter O of chapter 1 is amended by striking out the item relating to section 1042 and inserting in lieu thereof the following new item:

"Sec. 1042. Sales of stock to employee stock ownership plans or certain cooperatives."

(b) AMENDMENTS RELATED TO SECTION 542.—

(1) Paragraph (5) of section 72(e) is amended by adding at the end of subparagraph (D) the following new flush sentence:

"Clause (i) shall not apply to any dividend described in section 404(k) which is received by a participant."

(2) Paragraph (1) of section 404(k) (relating to dividends paid deduction) is amended by inserting ", and allocated to a participant's account," before "on the record date".

(3) Section 404(k) is amended—

(A) by adding at the end thereof the following new flush sentence:

"Any deduction under this subsection shall be allowed in the taxable year of the corporation in which the dividend is paid or distributed to the participant under paragraph (2).", and

(B) by striking out "during the taxable year" in the matter preceding paragraph (1).

(4) Section 404(k), as amended by paragraph (3), is amended by adding at the end thereof the following new sentence: "A plan to which this subsection applies shall not be treated as violating the requirements of section 401, 409, or 4975(e)(7) merely by reason of any distribution described in paragraph (2)."

(5) The amendments made by paragraphs (1) and (3) shall apply to dividends paid after the date of the enactment of this Act, in taxable years ending after such date.

(c) AMENDMENTS RELATED TO SECTION 543.—

(1) Subparagraph (B) of section 291(e)(1) (defining financial institution preference item) is amended by adding at the end thereof the following new clause:

"(iv) SPECIAL RULES FOR OBLIGATIONS TO WHICH SECTION 133 APPLIES.—In the case of an obligation to which section 133 applies—

"(I) interest on such obligations shall not be treated as exempt from taxes for purposes of this subparagraph, and

"(II) such obligation shall not be taken into account under clause (ii)(II)."

(2) Section 133 (relating to exemption for interest on certain loans used to acquire employer securities) is amended by adding at the end thereof the following new subsection:

"(d) APPLICATION WITH SECTION 483 AND ORIGINAL ISSUE DISCOUNT RULES.—In applying section 483 and subpart A of part V of subchapter P to any obligation to which this section applies, appropriate adjustments shall be made to the applicable Federal rate to take into account the exclusion under subsection (a)."

(d) AMENDMENTS RELATED TO SECTION 544.—

(1) Section 2210(a) (relating to liability for payment of estate tax in case of transfer of employer securities to an ESOP or worker cooperative) is amended by striking out "and" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

"(2) the executor of the estate of the decedent may (without regard to this section) make an election under section 6166 with respect to that portion of the tax imposed by section 2001 which is attributable to employer securities, and".

(2) Section 2210(c) (relating to installment payments) is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULES FOR APPLICATION OF SECTION 6166(g).—In the case of any transfer of employer securities to an employee stock ownership plan or eligible worker-owner cooperative to which this section applies—

"(A) TRANSFER DOES NOT TRIGGER ACCELERATION.—Such transfer shall not be treated as a disposition or withdrawal to which section 6166(g) applies.

"(B) SEPARATE APPLICATION TO ESTATE AND PLAN INTERESTS.—Section 6166(g) shall be applied separately to the interests held after such transfer by the estate and such plan or cooperative.

"(C) REQUIRED DISTRIBUTION NOT TAKEN INTO ACCOUNT.—In the case of any distribution of such securities by such plan which is described in section 4978(d)(1)—

"(i) such distribution shall not be treated as a disposition or withdrawal for purposes of section 6166(g), and

"(ii) such securities shall not be taken into account in applying section 6166(g) to any subsequent disposition or withdrawal."

(3) Section 2210(g) (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(5) TAX IMPOSED BY SECTION 2001.—The term 'tax imposed by section 2001' includes any interest, penalty, addition to tax, or additional amount relating to any tax imposed by section 2001."

(4) Section 2210(c)(1) is amended by inserting "or any authorized officer of" before "the cooperative" in the matter following subparagraph (B).

(5) Section 2210(d) (relating to guarantee of payments) is amended—

(A) by inserting "and any eligible worker-owned cooperative" before "shall guarantee" in the matter following paragraph (2),

(B) by striking out "such plan" and inserting in lieu thereof "such plan or cooperative, respectively,", and

(C) by striking out ", including any interest payable under section 6601 which is attributable to such amount".

(6) Section 2210(g)(3) is amended by striking out "section 1041(b)(2)" and inserting in lieu thereof "section 1042(b)(2)".

(e) AMENDMENTS RELATED TO SECTION 545.—

(1) Section 4978(a)(1) (relating to tax on disposition of securities to which section 1042 applies before close of minimum holding period) is amended by striking out "then" and inserting in lieu thereof "than".

(2) Section 4978(b)(1) is amended by striking out "paragraph (1)" and inserting in lieu thereof "subsection (a)".

(3) Section 4978(c) is amended by striking out "section 1042(a)(2)(B)" and inserting in lieu thereof "section 1042(b)(4)".

(4) Section 4978(d)(1)(C) is amended by striking out "section 72(m)(5)" and inserting in lieu thereof "section 72(m)(7)".

(5) Section 4978(e)(2) is amended by striking out "section 1042(b)(1)" and inserting in lieu thereof "section 1042(c)(1)".

(6) Section 4978(e)(3) is amended by striking out "section 1042(b)(1)" and inserting in lieu thereof "section 1042(c)(2)".

(7) Section 4978(d) (relating to dispositions to which section does not apply) is amended by adding at the end thereof the following new paragraph:

"(3) LIQUIDATION OF CORPORATION INTO COOPERATIVE.—In the case of any exchange of qualified securities pursuant to the liquidation of the corporation issuing qualified securities into the eligible worker-owned cooperative in a transaction which meets the requirements of section 332 (determined by substituting '100 percent' for '80 percent' each place it appears in section 332(b)(1)), such exchange shall not be treated as a disposition for purposes of this section."

SEC. 155. AMENDMENT RELATED TO MISCELLANEOUS EMPLOYEE BENEFIT PROVISIONS.

Subsection (c) of section 555 of the Tax Reform Act of 1984 (relating to technical amendments to the incentive stock option provisions) is amended—

(1) by striking out "subsection (a)" in paragraph (1) and inserting in lieu thereof "subsection (a)(1)",

(2) by striking out "subsection (b)" in paragraph (2) and inserting in lieu thereof "subsection (a)(2)",

(3) by striking out "after March 20, 1984," in paragraph (2), and

(4) by striking out "subsection (c)" in paragraph (3) and inserting in lieu thereof "subsection (b)".

PART F—AMENDMENTS RELATED TO TITLE VI OF THE ACT

SEC. 161. AMENDMENTS RELATED TO SECTION 611 OF THE ACT.

(a) EXTENSION OF TIME FOR SUBMITTING POLICY STATEMENT.—Paragraph (5) of section 103A(j) is amended by adding at the end thereof the following new subparagraph:

"(C) EXTENSION OF TIME.—The Secretary may grant an extension of time for the publishing of a report described in subparagraph (B) or the submittal of such report to the Secretary if there is reasonable cause for the failure to publish or submit such report in a timely fashion."

(b) DEFINITION OF QUALIFIED VETERAN.—Subparagraph (B) of section 103A(o)(4) (defining qualified veteran) is amended by striking out "January 1, 1985" and inserting in lieu thereof "January 31, 1985".

SEC. 162. AMENDMENT RELATED TO SECTION 612 OF THE ACT.

(a) REQUIREMENTS FOR QUALIFIED MORTGAGE CREDIT CERTIFICATE PROGRAM.—Subclause (V) of section 25(c)(2)(A)(iii) (defining qualified mortgage credit certificate program) is amended by striking out "paragraph (1) of subsection (j)" and inserting in lieu thereof "subsection (j), other than paragraph (2) thereof".

(b) GOOD FAITH EFFORT RULES MADE APPLICABLE.—Subparagraph (A) of section 25(c)(2) (defining qualified mortgage credit certificate program) is amended by adding at the end thereof the following new sentence:

"Under regulations, rules similar to the rules of subparagraphs (B) and (C) of section 103A(c)(2) shall apply to the requirements of this subparagraph."

(c) CARRYFORWARD OF EXCESS CREDIT.—Subparagraph (B) of section 25(e)(1) (relat-

ing to carryforward of unused credit) is amended to read as follows:

"(B) LIMITATION.—The amount of the unused credit which may be taken into account under subparagraph (A) for any taxable year shall not exceed the amount (if any) by which the applicable tax limit for such taxable year exceeds the sum of—

"(i) the credit allowable under subsection (a) for such taxable year determined without regard to this paragraph, and

"(ii) the amounts which, by reason of this paragraph, are carried to such taxable year and are attributable to taxable years before the unused credit year."

(d) CLERICAL AMENDMENTS.—

(1) Subparagraph (B) of section 25(a)(1) is amended by striking out "paid or incurred" and inserting in lieu thereof "paid or accrued".

(2) Subchapter B of chapter 68 is amended by redesignating the section 6708 which relates to penalties with respect to mortgage credit certificates as section 6709.

(3) The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to the section 6708 which relates to penalties with respect to mortgage credit certificates and inserting in lieu thereof the following:

"Sec. 6709. Penalties with respect to mortgage credit certificates."

SEC. 163. AMENDMENT RELATED TO SECTION 613 OF THE ACT.

Section 613 of the Tax Reform Act of 1984 (relating to authority to borrow from Federal Financing Bank) is amended to read as follows:

"SEC. 613. ADVANCE REFUNDING OF CERTAIN VETERANS' MORTGAGE BONDS PERMITTED.

"(a) IN GENERAL.—Notwithstanding section 103A(n) of the Internal Revenue Code of 1954, an issuer of applicable mortgage bonds may issue advance refunding bonds with respect to such applicable mortgage bonds.

"(b) LIMITATION ON AMOUNT OF ADVANCED REFUNDING.—

"(1) IN GENERAL.—The amount of advanced refunding bonds which may be issued under subsection (a) shall not exceed the lesser of—

"(A) $300,000,000, or

"(B) the excess of—

"(i) the projected aggregate payments of principal on the applicable mortgage bonds during the 15-fiscal year period beginning with fiscal year 1984, over

"(ii) the projected aggregate payments during such period of principal on mortgages financed by the applicable mortgage bonds.

"(2) ASSUMPTIONS USED IN MAKING PROJECTION.—The computation under paragraph (1)(B) shall be made by using the following percentages of the prepayment experience of the Federal Housing Administration in the State or region in which the issuer of the advance refunding bonds is located:

"Fiscal Year:	Percentage:
1984	15
1985	20
1986	25
1987 and thereafter	30.

"(c) DEFINITIONS.—For purposes of this section.—

"(1) APPLICABLE MORTGAGE BONDS.—The term 'applicable mortgage bonds' means any qualified veterans' mortgage bonds issued as part of an issue—

"(A) which was outstanding on December 5, 1980,

"(B) with respect to which the excess determined under subsection (b)(1)(B) exceeds 12 percent of the aggregate principal amount of such bonds outstanding on July 1, 1983,

"(C) with respect to which the amount of the average annual prepayments during fiscal years 1981, 1982, and 1983 was less than 2 percent of the average of the loan balances as of the beginning of each of such fiscal years, and

"(D) which, for fiscal year 1983, had a prepayment experience rate that did not exceed 20 percent of the prepayment experience rate of the Federal Housing Administration in the State or region in which the issuer is located.

"(2) QUALIFIED VETERANS' MORTGAGE BONDS.—The term 'qualified veterans' mortgage bonds' has the meaning given to such term by section 103A(c)(3) of the Internal Revenue Code of 1954.

"(3) FISCAL YEAR.—The term 'fiscal year' means the fiscal year of the State."

SEC. 164. AMENDMENTS RELATED TO SECTION 621 OF THE ACT.

(a) SPECIAL RULE FOR FACILITIES LOCATED OUTSIDE THE STATE.—

(1) IN GENERAL.—Subsection (n) of section 103 (relating to limitation on aggregate amount of private activity bonds issued during any calendar year) is amended by adding at the end thereof the following new paragraph:

"(13) FACILITY MUST BE LOCATED WITHIN STATE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no portion of the State ceiling applicable to any State for any calendar year may be used with respect to financing for a facility located outside such State.

"(B) EXCEPTION FOR CERTAIN FACILITIES WHERE STATE WILL GET PROPORTIONATE SHARE OF BENEFITS.—Subparagraph (A) shall not apply to any issue described in subparagraph (E), (G), or (H) of subsection (b)(4) if the issuer establishes that the State's share of the use of the facility (or its output) will equal or exceed the State's share of the private activity bonds issued to finance the facility."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to obligations issued after the date of the enactment of this Act in taxable years ending after such date.

(b) CLARIFICATION OF AUTHORITY FOR DIFFERENT ALLOCATION.—Subparagraphs (A) and (B)(i) of section 103(n)(6) (relating to State may provide for different allocation) are each amended by striking out "governmental units" and inserting in lieu thereof "governmental units or other authorities."

(c) CLARIFICATION OF EXCEPTION FOR CERTAIN FACILITIES.—Clause (i) of section 103(n)(7)(C) (relating to exception for certain facilities described in section 103(b)(4)(C) or (D)) is amended by striking out "the property described in such subparagraph" and inserting in lieu thereof "all of the property to be financed by the obligation".

(d) INFORMATION REPORTING ON ALLOCATION OF PRIVATE ACTIVITY BOND LIMIT.—Paragraph (2) of section 103(1) (relating to information reporting requirements for certain bonds) is amended by striking out "and" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(F) if such obligation is a private activity bond (as defined in subsection (n)(7)), such information as the Secretary may require for purposes of determining whether the requirements of subsection (n) are met with respect to such obligation."

SEC. 165. AMENDMENT RELATED TO SECTION 622 OF THE ACT.

Subparagraph (A) of section 103(h)(5) (relating to certain obligations subsidized under energy program) is amended by striking out "the United States,".

SEC. 166. AMENDMENTS RELATED TO SECTION 626 OF THE ACT.

(a) Subsection (o) of section 103 (relating to denial of tax exemption for consumer loan bonds) is amended—

(1) by striking out "consumer loan bond" each place it appears and inserting in lieu thereof "private loan bond",

(2) by striking out "CONSUMER LOAN BONDS" in the subsection heading and inserting in lieu thereof "PRIVATE LOAN BONDS", and

(3) by striking out "CONSUMER LOAN BONDS" in the heading for paragraph (2) and inserting in lieu thereof "PRIVATE LOAN BONDS".

(b) Section 103 is amended by redesignating the subsection (o) relating to cross references as subsection (p).

SEC. 167. AMENDMENT RELATED TO SECTION 627 OF THE ACT.

Subparagraph (A) of section 103(b)(16) (relating to limitation on use for land acquisition) is amended by striking out "clause (i)" in the last sentence and inserting in lieu thereof "clause (ii)".

SEC. 168. AMENDMENTS RELATED TO SECTION 628 OF THE ACT.

(a) CERTAIN RESTRICTIONS APPLY TO EXEMPTIONS NOT CONTAINED IN INTERNAL REVENUE CODE OF 1954.—

(1) IN GENERAL.—Paragraph (1) of section 103(m) (relating to obligations exempt other than under this title) is amended by striking out "(k), (l), and (n)" and inserting in lieu thereof "(j), (k), (l), (n), and (o)".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to obligations issued after March 28, 1985, in taxable years ending after such date.

(b) CONFORMING AMENDMENTS TO REPEAL OF ADVANCED REFUNDING OF QUALIFIED PUBLIC FACILITIES.—Paragraphs (13), (14)(A), and (17)(A) of section 103(b) are each amended by striking out "(6), and (7)" and inserting in lieu thereof "and (6)".

SEC. 169. AMENDMENTS RELATED TO SECTION 631 OF THE ACT.

(a) CLARIFICATION OF GENERAL EFFECTIVE DATE.—

(1) Paragraph (1) of section 631(c) of the Tax Reform Act of 1984 (relating to effective date for other provisions relating to tax-exempt bonds) is amended by striking out "made by this subtitle" and inserting in lieu thereof "made by sections 622, 623, 627, and 628 (c), (d), and (e) (and the provisions of sections 625(c), 628(f), and 629(b))".

(2)(A) Subparagraph (A) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out "amendments made by this subtitle (other than section 621)" and inserting in lieu thereof "amendments (and provisions) referred to in paragraph (1)".

(B) Effective with respect to obligations issued after March 28, 1985, subparagraph (A) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out clauses (i) and (ii) and inserting in lieu thereof the following:

"(i) the original use of which commences with the taxpayer and the construction, re-

construction, or rehabilitation of which began before October 19, 1983, and was completed on or after such date, or

"(ii) with respect to which a binding contract to incur significant expenditures for construction, reconstruction, or rehabilitation was entered into before October 19, 1983, and some of such expenditures are incurred on or after such date."

(3) Paragraph (3) of section 631(c) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new subparagraph:

"(C) EXCEPTION.—Subparagraph (A) shall not apply with respect to the amendment made by section 628(e) and the provisions of sections 628(f) and 629(b)."

(4) Subparagraph (B) of section 631(c)(3) of the Tax Reform Act of 1984 is amended by striking out "subsection (b)(2)(A)" and inserting in lieu thereof "subsection (b)(2)".

(b) SPECIAL RULE FOR HEALTH CLUB FACILITIES.—Subsection (c) of section 631 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(5) SPECIAL RULE FOR HEALTH CLUB FACILITIES.—In the case of any health club facility, with respect to the amendment made by section 627(c)—

"(A) paragraph (1) shall be applied by substituting 'April 12, 1984' for 'December 31, 1983', and

"(B) paragraph (3) shall be applied by substituting 'April 13, 1984' for 'October 19, 1983' each place it appears."

(c) TREATMENT OF CERTAIN SOLID WASTE DISPOSAL FACILITIES.—

(1) IN GENERAL.—Subsection (d) of section 631 of the Tax Reform Act of 1984 (relating to provisions of subtitle not to apply to certain property) is amended by adding at the end thereof the following:

"(5) Any solid waste disposal facility described in section 103(b)(4)(E) of the Internal Revenue Code of 1954 if—

"(A) a city government, by resolutions adopted on April 10, 1980, and December 27, 1982, took formal action to authorize the submission of a proposal for a feasibility study for such facility and to authorize the presentation to the Department of the Army (U.S. Army Missile Command) of a proposed agreement to jointly pursue construction and operation of such facility,

"(B) such city government (or a public authority on its behalf) issues obligations for such facility before January 1, 1987, and

"(C) expenditures have been made for the development of such facility before October 19, 1983. Notwithstanding the foregoing provisions of this subsection, the amendments made by section 623 (relating to arbitrage) shall apply to obligations issued to finance property described in paragraph (5)."

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 632(a) of the Tax Reform Act of 1984 is hereby repealed.

SEC. 170. AMENDMENT RELATED TO SECTION 632 OF THE ACT.

Subsection (a) of section 632 of the Tax Reform Act of 1984 is amended by striking out "section 623" in the matter preceding paragraph (1) thereof and inserting in lieu thereof "section 624".

PART G—MISCELLANEOUS PROVISIONS

SEC. 171. AMENDMENTS RELATED TO TITLE VII OF THE ACT.

(a) AMENDMENTS RELATED TO SECTION 713.—

(1)(A) Section 402(a)(5)(F)(ii) (relating to special rules for key employees) is amended to read as follows:

"(ii) 5-PERCENT OWNERS.—An eligible retirement plan described in subclause (III) or (IV) of subparagraph (E)(iv) shall not be treated as an eligible retirement plan for the transfer of a distribution if the employee is a 5-percent owner at the time such distribution is made. For purposes of the preceding sentence, the term '5-percent owner' means any individual who is a 5-percent owner (as defined in section 416(i)(1)(B)) at any time during the 5 plan years preceding the plan year in which the distribution is made."

(B) The amendments made by subparagraph (A) shall apply to distributions after the date of the enactment of this Act.

(2) Section 713(c) of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

"(4) EFFECTIVE DATE FOR PARAGRAPH (3).—The amendment made by paragraph (3) shall apply to distributions after July 18, 1984."

(3) Section 62(7) (relating to pension, profit-sharing, and annuity plans of self-employed individuals) is amended by striking out "to the extent attributable to contributions made on behalf of such individual".

(4) Section 219(f)(1) (defining compensation) is amended by striking out "reduced by any amount allowable as a deduction to the individual in computing adjusted gross income under paragraph (7) of section 62".

(5) Section 713(d)(1) of the Tax Reform Act of 1984 is amended by striking out "Paragraph" and inserting in lieu thereof "Effective with respect to contributions made in taxable years beginning after December 31, 1983, paragraph".

(6)(A) Section 408(d)(5) (relating to certain distributions of excess contributions after due date) is amended by striking out "$15,000" and inserting in lieu thereof "the dollar limitation in effect under section 415(c)(1)(A) for such taxable year".

(B) Subparagraph (C) of section 219(b)(2) is amended by striking out "the $15,000 amount specified in subparagraph (A)(ii)" and inserting in lieu thereof "the dollar limitation in effect under section 415(c)(1)(A)".

(7) Paragraph (6) of section 713(d) of the Tax Reform Act of 1984 is amended by striking out "Subparagraph (D)" and inserting in lieu thereof "Subparagraph (C)".

(8) Subparagraph (A) of section 408(d)(3) is amended—

(A) by striking out "(other than a trust forming part of a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan)" in clause (ii),

(B) by striking out "(other than a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan)" in clause (ii), and

(C) by adding at the end thereof the following new sentence:

"Clause (ii) shall not apply during the 5-year period beginning on the date of the qualified total distribution referred to in such clause if the individual was treated as a 5-percent owner with respect to such distribution under section 402(a)(5)(F)(ii)."

(9) Clause (iii) of section 415(b)(2)(E) is amended by striking out "adjusting any benefit or limitation under subparagraph (B), (C), or (D)" and inserting in lieu thereof "this subsection".

(10) Subparagraph (B) of section 3405(d)(1) is amended by striking out "or" at the end of clause (ii), and by striking out the material following clause (ii) and inserting in lieu thereof the following:

"(iii) any amount which is subject to withholding under subchapter A of chapter 3 (relating to withholding of tax on nonresident aliens and foreign corporations) by the person paying such amount or which would be so subject but for a tax treaty, or

"(iv) any distribution described in section 404(k)(2)."

(11) Subsection (a) section 6041 is amended by striking out "6047(e)" and inserting in lieu thereof "6047(d)".

(12) The amendments made by paragraphs (3), (4), and (6) shall take effect as if included in the amendments made by section 238 of the Tax Equity and Fiscal Responsibility Act of 1982.

(b) EFFECTIVE DATE FOR SECTION 714(n)(2) OF THE ACT.—Notwithstanding section 715 of the Tax Reform Act of 1984, the amendments made by section 714(n)(2) of such Act shall apply only to applications filed after July 18, 1984.

(c) AMENDMENT RELATED TO SECTION 734 OF THE ACT.—Subsection (a) of section 201 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-11) is amended by striking out "section 209(f)(5) of the Highway Revenue Act of 1956" and inserting in lieu thereof "section 9503(c)(4)(B) of the Internal Revenue Code of 1954".

(d) AMENDMENT RELATED TO SECTION 735 OF THE ACT.—The table of sections for part I of subchapter A of chapter 32 is amended by striking out "guzzlers" and inserting in lieu thereof "guzzler".

SEC. 172. AMENDMENTS RELATED TO TITLE VIII OF THE ACT.

(a) TREATMENT OF SECTION 923(a)(2) NON-EXEMPT INCOME.—

(1) Paragraph (6) of section 927(d) (defining section 923(a)(2) non-exempt income) is amended by adding at the end thereof the following new sentence: "Such term shall not include any income which is effectively connected with the conduct of a trade or business within the United States (determined without regard to this subpart)."

(2) Paragraph (6) of section 1248(d) (relating to foreign trade income) is amended to read as follows:

"(6) FOREIGN TRADE INCOME.—Earnings and profits of the foreign corporation attributable to foreign trade income of a FSC other than foreign trade income which—

"(A) is section 923(a)(2) non-exempt income (within the meaning of section 927(d)(6)), or

"(B) would not (but for section 923(a)(4)) be treated as exempt foreign trade income. For purposes of the preceding sentence, the terms 'foreign trade income' and 'exempt foreign trade income' have the respective meanings given such terms by section 923."

(b) CLARIFICATION OF PREFERENCE CUTBACKS.—

(1) Paragraph (4) of section 291(a) (relating to 20-percent reduction in certain preference items, etc.) is amended to read as follows:

"(4) CERTAIN FSC INCOME.—In the case of taxable years beginning after December 31, 1984, section 923(a) shall be applied with respect to any FSC by substituting—

"(A) '30 percent' for '32 percent' in paragraph (2), and

"(B) '15/23' for '16/23' in paragraph (3).

If all of the stock in the FSC is not held by 1 or more C corporations throughout the taxable year, under regulations, proper adjustments shall be made in the application of the preceding sentence to take into account stock held by persons other than C corporations."

(2) Subparagraph (F) of section 995(b)(1) (relating to deemed distributions from a DISC) is amended—

(A) by inserting "in the case of a shareholder which is a C corporation," before "one-seventeenth" in clause (i), and

(B) by striking out "the amount determined under clause (i)" in clause (ii) and inserting in lieu thereof "15/17 of the excess referred to in clause (i),".

(3) Subsection (a) of section 923 (defining exempt foreign trade income) is amended by adding at the end thereof the following new paragraph:

"(6) CROSS REFERENCE.—

"For reduction in amount of exempt foreign trade income, see section 291(a)(4)."

(c) TREATMENT OF FOREIGN TRADE INCOME UNDER SUBPART F.—

(1) Subsection (b) of section 952 (relating to exclusion of United States income) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, income described in paragraph (2) or (3) of section 921(d) shall be treated as derived from sources within the United States."

(2) Paragraph (1) of section 951(e) is amended by striking out the last sentence.

(d) DIVIDENDS RECEIVED DEDUCTION FOR CERTAIN DISTRIBUTIONS FROM A FSC.—

(1) DEDUCTION FOR CERTAIN DIVIDENDS.—

(A) Paragraph (1) of section 245(c) (relating to certain dividends received from FSC) is amended to read as follows:

"(1) IN GENERAL.—In the case of a domestic corporation, there shall be allowed as a deduction an amount equal to—

"(A) 100 percent of any dividend received by such corporation from another corporation which is distributed out of earnings and profits attributable to foreign trade income for a period during which such other corporation was a FSC, and

"(B) 85 percent of any dividend received by such corporation from another corporation which is distributed out of earnings and profits attributable to qualified interest and carrying charges received or accrued by such other corporation while such other corporation was a FSC.

The deduction allowable under the preceding sentence with respect to any dividend shall be in lieu of any deduction allowable under subsection (a) or (b) with respect to such dividend."

(B) Paragraph (3) of section 245(c) (relating to definitions) is amended by adding at the end thereof the following new sentence: "For purposes of this subsection, the term 'qualified interest and carrying charges' means any interest or carrying charges (as defined in section 927(d)(1)) derived from a transaction which results in foreign trade income."

(2) SEPARATE APPLICATION OF SECTION 904.—Subparagraph (D) of section 904(d)(1) is amended to read as follows:

"(D) distributions from a FSC (or a former FSC) out of earnings and profits attributable to foreign trade income (within the meaning of section 923(b)) or qualified interest and carrying charges (as defined in section 245(c)), and".

(3) COORDINATION OF SECTIONS 906 AND 902.—Subsection (b) of section 906 (relating to nonresident alien individuals and foreign corporations) is amended by adding at the end thereof the following new paragraph:

"(6) For purposes of section 902, any income, war profits, and excess profits taxes paid or accrued (or deemed paid or accrued) to any foreign country or possession of the United States with respect to income effectively connected with the conduct of a trade or business within the United States shall not be taken into account, and any accumulated profits attributable to such income shall not be taken into account."

(e) EXCHANGE OF INFORMATION REQUIREMENTS.—

(1) Paragraph (3) of section 927(e) (relating to exchange of information requirements) is amended—

(A) by striking out "unless, at the same time such corporation was created or organized, there was" an inserting in lieu thereof "unless there is",

(B) by striking out "section 274(h)(6)(C)" in subparagraph (A) and inserting in lieu thereof "section 274(h)(6)(C) (determined by treating any reference to a beneficiary country as being a reference to any foreign country)", and

"(C) by amending subparagraph (B) to read as follows:

"(B) an income tax treaty which contains an exchange of information program—

"(i) which the Secretary certifies (and has not revoked such certification) is satisfactory in practice for purposes of this title, and

"(ii) to which the FSC is subject."

(2) Paragraph (2) of section 924(c) (relating to requirement that FSC be managed outside the United States) is amended to read as follows:

"(2) the principal bank account of the corporation is maintained in a foreign country which meets the requirements of section 927(e)(3) or in a possession of the United States, and".

(f) COORDINATION WITH POSSESSIONS TAXATION.—

(1) Paragraph (5) of section 927(e) (relating to exemption from certain other taxes) is amended to read as follows:

"(5) COORDINATION WITH POSSESSIONS TAXATION.—

"(A) EXEMPTION.—No tax shall be imposed by any possession of the United States on any foreign trade income derived before January 1, 1987. The preceding sentence shall not apply to any income attributable to the sale of property or the performance of services for ultimate use, consumption, or disposition within the possession.

"(B) CLARIFICATION THAT POSSESSION MAY EXEMPT CERTAIN INCOME FROM TAX.—Nothing in any provision of law shall be construed as prohibiting any possession of the United States from exempting from tax any foreign trade income of a FSC or any other income of a FSC described in paragraph (2) or (3) of section 921(d).

"(C) NO COVER OVER OF TAXES IMPOSED ON FSC.—Nothing in any provision of law shall be construed as requiring any tax imposed by this title on a FSC to be covered over (or otherwise transferred) to any possession of the United States."

(2) CLERICAL AMENDMENT.—Section 934 is amended by striking out the subsection (f) added by section 801(d)(7) of the Tax Reform Act of 1984.

(g) CLARIFICATION OF INTEREST ON DISC-RELATED DEFERRED TAX LIABILITY.—Subsection (f) of section 995 (relating to interest on DISC-related deferred tax liability) is amended by adding at the end thereof the following new paragraph:

"(7) DISC INCLUDES FORMER DISC.—For purposes of this subsection, the term 'DISC' includes a former DISC."

(h) CLARIFICATION OF EXEMPTION OF ACCUMULATED DISC INCOME.—Subparagraph (A) of section 805(b)(2) of the Tax Reform Act of 1984 (relating to exemption of accumulated DISC income from tax) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the term 'actual distribution' includes a distribution in liquidation, and the earnings and profits of any corporation receiving a distribution not included in gross income by reason of the preceding sentence shall be increased by the amount of such distribution."

(i) CLARIFICATION OF EFFECTIVE DATE FOR REQUIREMENT THAT TAXABLE YEAR OF DISC AND FSC CONFORM TO TAXABLE YEAR OF MAJORITY SHAREHOLDER.—Paragraph (4) of section 805(a) of the Tax Reform Act of 1984 is amended to read as follows:

"(4) SECTION 803.—The amendments made by section 803 shall apply to taxable years beginning after December 31, 1984.

(j) CLERICAL AMENDMENTS.—

(1) Subsection (f) of section 995 is amended by redesignating the paragraphs following the paragraph (3) relating to deferred DISC income as paragraphs (4), (5), and (6).

(2) Subsection (h) of section 901 is amended by striking out "section 927(d)(6)" and inserting in lieu thereof "section 927(d)(6))".

(3) Paragraph (3) of section 802(c) of the Tax Reform Act of 1984 is hereby repealed.

(4) Subparagraph (A) of section 805(a)(2) of the Tax Reform Act of 1984 is amended by striking out "the taxpayer" and inserting in lieu thereof "the DISC or a related party".

(5) Paragraph (2) of section 927(e) is amended by striking out "clauses (i) and (ii)" and inserting in lieu thereof "clauses (ii) and (iii)".

SEC. 173. AMENDMENTS RELATED TO TITLE IX OF THE ACT.

(a) AMENDMENT RELATED TO SECTION 911 OF THE ACT.—Paragraph (3) of section 34(a) (relating to credit for certain uses of gasoline and special fuels) is amended to read as follows:

"(3) under section 6427—

"(A) with respect to fuels used for nontaxable purposes or resold, or

"(B) with respect to any qualified diesel-powered highway vehicle purchased (or deemed purchased under section 6427(g)(6)), during the taxable year (determined without regard to section 6427(j))."

(b) AMENDMENTS RELATED TO SECTION 915 OF THE ACT.—

(1) Paragraph (2) of section 6427(b) (relating to intercity, local, or school buses) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) EXCEPTION FOR SCHOOL BUS TRANSPORTATION.—Subparagraph (A) shall not apply to fuel used in an automobile bus while engaged in the transportation described in paragraph (1)(B)."

(2) Subparagraph (A) of section 6427(b)(2) is amended by striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B) and (C)".

(3) The heading for subparagraph (C) of section 6427(b)(2), as redesignated by paragraph (1), is amended by striking out "EXCEPTION" and inserting in lieu thereof "EXCEPTION FOR CERTAIN INTRACITY TRANSPORTATION".

SEC. 174. AMENDMENTS RELATED TO TITLE X OF THE ACT.

(a) AMENDMENT RELATED TO SECTION 1001 OF THE ACT.—Subsection (b) of section 1001 of the Tax Reform Act of 1984 is amended

by adding at the end thereof the following new paragraph:

"(24) Clause (i) of section 1278(a)(1)(B) (relating to short-term obligations)."

(b) AMENDMENT RELATED TO SECTION 1015 OF THE ACT.—Subparagraph (I) of section 4162(a)(6) (defining sport fishing equipment) is amended to read as follows:

"(I) fishing hook disgorgers, and".

(c) AMENDMENTS RELATED TO SECTION 1018 OF THE ACT.—

(1) Paragraph (1) of section 4041(l) (relating to exemption for certain helicopter uses) is amended to read as follows:

"(1) transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, oil, or gas, or".

(2) Paragraph (1) of section 4261(e) (relating to exemption for certain helicopter uses) is amended to read as follows:

"(1) transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, oil, or gas, or".

(d) AMENDMENTS RELATED TO SECTION 1034 OF THE ACT.—

(1) The last sentence of section 514(c)(9)(B) (relating to exceptions) is amended by striking out "would be unrelated business taxable income (determined without regard to this paragraph)" and inserting in lieu thereof "is unrelated business taxable income".

(2) Clause (i) of section 514(c)(9)(C) is amended by striking out "section 509(a)" and inserting in lieu thereof "section 509(a)(3)".

(e) AMENDMENTS RELATED TO SECTION 1041 OF THE ACT.—

(1) The subsection (j) of section 51 (relating to targeted jobs credit) added by section 1041 of the Tax Reform Act of 1984 is hereby redesignated as subsection (k).

(2) Subparagraph (B) of section 1041(c)(5) of the Tax Reform Act of 1984 is amended by striking out "section 51(j)" and inserting in lieu thereof "section 51(k)".

(f) AMENDMENT RELATED TO SECTION 1053 OF THE ACT.—Paragraph (2) of section 1034(h) (relating to members of armed forces) is amended by striking out "before the last day described" and inserting in lieu thereof "before the day which is 1 year after the last day described".

(g) AMENDMENT RELATED TO SECTION 1063 OF THE ACT.—Subsection (c) of section 1063 of the Tax Reform Act of 1984 (relating to permanent disallowance of deduction for expenses of demolition of certain structures) is amended to read as follows:

"(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1983, but shall not apply to any demolition (other than of a certified historic structure) commencing before July 19, 1984."

(h) AMENDMENT RELATED TO SECTION 1065 OF THE ACT.—Subsection (b) of section 1065 of the Tax Reform Act of 1984 (relating to rules treating Indian tribal governments as States) is amended by striking out "section 7871" and inserting in lieu thereof "section 7871(a)".

SEC. 175. MISCELLANEOUS PROVISIONS.

(a) WAIVER OF ESTIMATED TAX PENALTIES.—No additional tax shall be made under section 6654 or 6655 of the Internal Revenue Code of 1954 (relating to failure to pay estimated income tax) for any period before April 16, 1985 (March 16, 1985 in the case of a taxpayer subject to section 6655 of such Code), with respect to any underpayment, to the extent that such underpayment was created or increased by any provision of the Tax Reform Act of 1984.

(b) AMENDMENTS RELATED TO ORPHAN DRUG CREDIT.—

(1) Clause (ii) of section 28(b)(2)(A) (defining clinical testing) is amended—

(A) by striking out "the date of such drug" in subclause (I) and inserting in lieu thereof "the date such drug", and

(B) by striking out "of such Act" in subclause (II) and inserting in lieu thereof "of such Act or, if the drug is a biological product, before the date on which a license for such drug is issued under section 351 of the Public Health Services Act".

(2) Paragraph (1) of section 28(d) (defining rare disease or condition) is amended to read as follows:

"(1) RARE DISEASE OR CONDITION.—For purposes of this section, the term 'rare disease or condition' means any disease or condition which—

"(A) affects less than 200,000 persons in the United States, or

"(B) affects more than 200,000 persons in the United States but for which there is no reasonable expectation that the cost of developing and making available in the United States a drug for such disease or condition will be recovered from sales in the United States of such drug.

Determinations under the preceding sentence with respect to any drug shall be made on the basis of the facts and circumstances as of the date such drug is designated under section 526 of the Federal Food, Drug, and Cosmetic Act."

(3) The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 1982, in taxable years ending after such date.

(c) TREATMENT OF SALES WITHIN AFFILIATED GROUP FOR PURPOSES OF SECTION 29.—

(1) Paragraph (8) of section 29(d) (relating to related persons) is amended by adding at the end thereof the following new sentence: "In the case of a corporation which is a member of an affiliated group of corporations filing a consolidated return, such corporation shall be treated as selling qualified fuels to an unrelated person if such fuels are sold to such a person by another member of such group."

(2) The amendment made by paragraph (1) shall take effect as if included in the amendments made by section 231 of Public Law 96-223.

(d) RETURNS AND RECORDS WITH RESPECT TO CERTAIN FRINGE BENEFITS.—

(1) Subsection (d) of section 6039D (added by section 1 of Public Law 98-611) is amended to read as follows:

"(d) DEFINITIONS.—For purposes of this section—

"(1) SPECIFIED FRINGE BENEFIT PLAN.—The term 'specified fringe benefit plan' means—

"(A) any qualified group legal services plan (as defined in section 120),

"(B) any cafeteria plan (as defined in section 125), and

"(C) any educational assistance plan (as defined in section 127).

"(2) APPLICABLE EXCLUSION.—The term 'applicable exclusion' means—

"(A) section 120 in the case of a qualified group legal services plan,

"(B) section 125 in the case of a cafeteria plan, and

"(C) section 127 in the case of an educational assistance plan."

(2) The section 6039D added by section 1 of Public Law 98-612 is hereby repealed.

(e) REPEAL OF JOINT COMMITTEE REPORT REQUIREMENT.—Section 6405 (relating to reports of refunds and credits) is amended by striking out subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively.

PART H—EFFECTIVE DATE

SEC. 181. EFFECTIVE DATE.

Except as otherwise provided in this title, any amendment made by this title shall take effect as if included in the provision of the Tax Reform Act of 1984 to which such amendment relates.

TITLE II—TECHNICAL CORRECTIONS IN OTHER PROGRAMS AFFECTED BY DEFICIT REDUCTION ACT OF 1984

PART A—AMENDMENTS RELATED TO SOCIAL SECURITY ACT PROGRAMS

SEC. 201. AMENDMENTS RELATED TO COVERAGE OF CHURCH EMPLOYEES (SECTION 2603 OF THE DEFICIT REDUCTION ACT).

(a) CLARIFICATION OF EXCEPTION FOR MEMBERS OF CERTAIN RELIGIOUS FAITHS.—Subsection (g) of section 1402 of the Internal Revenue Code of 1954 (relating to members of certain religious faiths) is amended by adding at the end thereof the following new paragraph:

"(5) SUBSECTION NOT TO APPLY TO CERTAIN CHURCH EMPLOYEES.—This subsection shall not apply with respect to services which are described in subparagraph (B) of section 3121(b)(8) (and are not described in subparagraph (A) of such section)."

(b) TREATMENT OF INCOME OF CERTAIN CHURCH, ETC., EMPLOYEES.—

(1) AMENDMENTS OF INTERNAL REVENUE CODE OF 1954.—

(A) IN GENERAL.—Section 1402 of such Code (relating to definitions for purposes of the tax on self-employment income) is amended by adding at the end thereof the following new subsection:

"(j) SPECIAL RULES FOR CERTAIN CHURCH EMPLOYEE INCOME.—

"(1) COMPUTATION OF NET EARNINGS.—In applying subsection (a)—

"(A) church employee income shall not be reduced by any deduction;

"(B) church employee income and deductions attributable to such income shall not be taken into account in determining the amount of other net earnings from self-employment.

"(2) COMPUTATION OF SELF-EMPLOYMENT INCOME.—

"(A) SEPARATE APPLICATION OF SUBSECTION (b)(2).—Paragraph (2) of subsection (b) shall be applied separately—

"(i) to church employee income, and

"(ii) to other net earnings from self-employment.

"(B) $100 FLOOR.—In applying paragraph (2) of subsection (b) to church employee income, '$100' shall be substituted for '$400'.

"(3) COORDINATION WITH SUBSECTION (a)(12).—Paragraph (1) shall not apply to any amount allowable as a deduction under subsection (a)(12), and paragraph (1) shall be applied before determining the amount so allowable.

"(4) CHURCH EMPLOYEE INCOME DEFINED.—For purposes of this section, the term 'church employee income' means gross income for services which are described in section 3121(b)(8)(B) (and are not described in section 3121(b)(8)(A))."

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) NET EARNINGS.—Paragraph (14) of section 1402(a) of such Code (defining net earnings from self-employment) is amended to read as follows:

"(14) in the case of church employee income, the special rules of subsection (j)(1) shall apply."

(ii) SELF-EMPLOYMENT INCOME.—Subsection (b) of section 1402 of such Code is amended by adding at the end thereof the following new sentence: "In the case of church employee income, the special rules of subsection (j)(2) shall apply for purposes of paragraph (2)."

(iii) CONFORMING AMENDMENT.—The second sentence of section 1402(b) of such Code is amended by striking out "clause (1)" and inserting in lieu thereof "paragraph (1)".

(2) AMENDMENTS OF SOCIAL SECURITY ACT.—

(A) IN GENERAL.—Section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i)(1) In applying subsection (a)—

"(A) church employee income shall not be reduced by any deduction;

"(B) church employee income and deductions attributable to such income shall not be taken into account in determining the amount of other net earnings from self-employment.

"(2)(A) Subsection (b)(2) shall be applied separately—

"(i) to church employee income, and

"(ii) to other net earnings from self-employment.

"(B) In applying subsection (b)(2) to church employee income, '$100' shall be substituted for '$400'.

"(3) Paragraph (1) shall not apply to any amount allowable as a deduction under subsection (a)(11), and paragraph (1) shall be applied before determining the amount so allowable.

"(4) For purposes of this section, the term 'church employee income' means gross income for services which are described in section 210(a)(8)(B) (and are not described in section 210(a)(8)(A))."

(B) TECHNICAL AND CONFORMING AMENDMENTS.—

(i) NET EARNINGS.—Section 211(a)(13) of such Act is amended to read as follows:

"(14) In the case of church employee income, the special rules of subsection (i)(1) shall apply."

(ii) SELF-EMPLOYMENT INCOME.—Section 211(b) of such Act is amended by adding at the end thereof the following new sentence: "In the case of church employee income, the special rules of subsection (i)(2) shall apply for purposes of paragraph (2)."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to remuneration paid or derived in taxable years beginning after December 31, 1984.

(c) REVOCATION OF ELECTION UNDER SECTION 3121(w).—Paragraph (2) of section 3121(w) of the Internal Revenue Code of 1954 (relating to timing and duration of election) is amended by striking out the last 2 sentences and inserting in lieu thereof the following: "The election may be revoked by the church or organization under regulations prescribed by the Secretary. The election shall be revoked by the Secretary if such church or organization fails to furnish the information required under section 6051 to the Secretary for a period of 2 years or more with respect to remuneration paid for such services by such church or organization, and, upon request by the Secretary, fails to furnish all such previously unfurnished information for the period covered by the election. Any revocation under the preceding sentence shall apply retroactively to the beginning of the 2-year period for which the information was not furnished."

SEC. 202. CORRECTIONS RELATING TO ENROLLMENT AND PREMIUM PENALTY UNDER THE MEDICARE WORKING AGED PROVISION.

(a) PREMIUM PENALTY.—The second sentence of section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)), as amended by section 2338(a) of the Deficit Reduction Act of 1984, is amended by striking out "months in which" and all that follows through "clause (iv) of such section" and inserting in lieu thereof "months during which the individual has attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1862(b)(3)(A)(iv)".

(b) SPECIAL ENROLLMENT PERIODS.—Section 1837(i) of the Social Security Act (42 U.S.C. 1395p), as added by section 2338(b) of the Deficit Reduction Act of 1984, is amended—

(1) in paragraph (1) by amending subparagraph (A) to read as follows:

"(A) has attained the age of 65,"; and

(2) in paragraph (2), by redesignating subparagraph (C) as subparagraph (D) and by amending subparagraphs (A) and (B) to read as follows:

"(A) has attained the age of 65;

"(B)(i) has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual's initial enrollment period, or (ii) is an individual described in paragraph (1)(B);

"(C) has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a group health plan described in section 1862(b)(3)(A)(iv) by reason of the individual's (or individual's spouse's) current employment; and".

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to months beginning with January 1983 for premiums for months beginning with the first month that begins more than 30 days after the date of the enactment of this Act.

(2)(A) The amendments made by subsection (b) shall apply to enrollments in months beginning with the first effective month (as defined in subparagraph (B)), except that in the case of any individual who would have a special enrollment period under section 1837(i) of the Social Security Act that would have begun after November 1984 and before the first effective month, the period shall be deemed to begin with the first day of the first effective month.

(B) For purposes of subparagraph (A), the term "first effective month" means the first month that begins more than 90 days after the date of the enactment of this Act.

SEC. 203. TECHNICAL CORRECTIONS IN OTHER PROVISIONS RELATED TO SOCIAL SECURITY ACT PROGRAMS.

(a) AMENDMENTS RELATING TO OASDI PROGRAM.—

(1) Section 202(c)(5)(B) of the Social Security Act is amended by striking out "or (I)" and inserting in lieu thereof "or (J)".

(2) Section 202(q)(5)(A)(i) of such Act is amended by striking out "prescribed by him" and inserting in lieu thereof "prescribed by the Secretary".

(3) Section 202(q)(5)(C) of such Act is amended by striking out "she shall be deemed" and inserting in lieu thereof "he or she shall be deemed".

(4) Section 203(a)(6) of such Act is amended by striking out the comma after "shall be".

(5) Section 210(a)(5)(G) of such Act is amended by striking out "Any other service" and inserting in lieu thereof "any other service".

(6) Effective on the date of the enactment of the Deficit Reduction Act of 1984—

(A) section 2601(d)(1)(B)(ii) of that Act is amended by striking out "210(a)(5)(g)(iii)" and inserting in lieu thereof "210(a)(5)(G)(iii)"; and

(B) section 2663(c)(1) of that Act is amended by striking out subparagraph (B).

(7) Section 211(c)(2) of the Social Security Act is amended by indenting subparagraph (G) two additional ems (for a total indentation of four ems) so as to align its left margin with the margins of the other subparagraphs in such section.

(8) Section 215(i)(5)(B) of such Act is amended—

(A) by striking out "subdivision (I)" in clause (ii) and inserting in lieu thereof "clause (i)(I)";

(B) by striking out "subdivisions (I) and (II)" in the matter between clauses (iii) and (iv) and inserting in lieu thereof "clause (i)".

(9) The heading of section 218(m) of such Act is amended to read as follows:

"Wisconsin Retirement Fund".

(10) Section 221(e) of such Act is amended by striking out "under this section" in the first sentence.

(11) Section 223(g)(1) of such Act is amended by striking out the second comma after the term "benefits" where such term first appears in the matter following subparagraph (C).

(12)(A) Section 1402(c)(2) of the Internal Revenue Code of 1954 is amended by indenting subparagraph (G) two additional ems (for a total indentation of four ems) so as to align its left margin with the margins of the other subparagraphs in such section.

(B) Section 3121(a)(8) of such Code is amended by moving subparagraph (B) two ems to the left, so that its left margin is in flush alignment with the margin of subparagraph (A) of such section.

(b) AMENDMENTS RELATING TO AFDC AND CHILD SUPPORT PROGRAMS.—

(1)(A) Section 402(a) of the Social Security Act is amended by striking out "and" after the semicolon at the end of paragraph (37), and by making any additional changes which may be necessary to assure that paragraphs (34) through (37) each end with a semicolon, paragraph (38) ends with "; and", and paragraph (39) ends with a period.

(B) Effective on the date of the enactment of the Deficit Reduction Act of 1984, section 2639(a) of that Act is amended by striking out the period immediately following "utility providing home energy" (in the quoted matter) and inserting in lieu thereof a semicolon.

(2) The placement of the last sentence of section 402(a) of the Social Security Act is modified to the extent necessary to assure that it begins flush to the full left margin without any indentation, immediately after and below the last of the numbered paragraphs.

(3) Section 457(c) of such Act is amended by striking out "subsection (b)(3) (A) and (B)" in the matter following paragraph (2) and inserting in lieu thereof "subsection (b)(4) (A) and (B)".

(4) Section 458(d) of such Act is amended by striking out "on behalf of individuals residing in another State" and inserting in lieu thereof "at the request of another State".

(5) Section 464(b)(2)(A) of such Act is amended by striking out "threshhold" and inserting in lieu thereof "threshold".

(c) AMENDMENTS TO GENERAL PROVISIONS.—
(1) Section 1101(a) of such Act is amended by shifting paragraphs (3), (4), and (5) to the right to the extent necessary to assure that their left margins are aligned with the left margins of the other numbered paragraphs.

(2) Section 1136(b)(7) of such Act is amended by striking out "nongovermental" and inserting in lieu thereof "nongovernmental".

(d) AMENDMENTS RELATING TO SSI PROGRAM.—
(1) The heading of section 1631(g) of such Act is amended to read as follows:

"Reimbursement to States for Interim Assistance Payments".

(2) Section 1612(a)(1)(C) of such Act is amended by striking out "section 43" and inserting in lieu thereof "section 32".

(3) Section 1612(b) of such Act is amended by making any changes which may be necessary to assure that paragraph (11) ends with a semicolon, paragraph (12) ends with "; and", and paragraph (13) ends with a period.

(e) AMENDMENTS RELATING TO MEDICARE PROGRAM.—
(1)(A) Subclause (III) of section 1842(b)(7)(B)(ii) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)(ii)), as added by section 2307(a)(2)(G) of the Deficit Reduction Act of 1984, is amended by indenting it two additional ems to the right so as to align its left margin with the left margins of subclauses (I) and (II) of that section.

(B) Section 1861(n) of the Social Security Act (42 U.S.C. 1395x(n)), as inserted by section 2321(e)(3) of the Deficit Reduction Act of 1984, is amended by striking out "at his home" and inserting in lieu thereof "as his home".

(C) Section 1888(b) of the Social Security Act (42 U.S.C. 1395yy(b)), as added by section 2319(b) of the Deficit Reduction Act of 1984, is amended by striking out "nothwithstanding" and inserting in lieu thereof "notwithstanding".

(D) The amendments made by this paragraph shall be effective as if they had been originally included in the Deficit Reduction Act of 1984.

(2)(A) Clause (iii) of section 1842(b)(7)(B) of the Social Security Act (42 U.S.C. 1395u(b)(7)(B)), as added by section 3(b)(6) of Public Law 98-617, is amended by moving its alignment two additional ems to the left so as to align its left margin with the left margins of clauses (i) and (ii) of that section.

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in Public Law 98-617.

(3)(A) Section 1861(v)(1)(G)(i) of the Social Security Act (42 U.S.C. 1395x(b)(1)(G)(i)), as amended by section 602(d)(1) of the Social Security Amendments of 1983, is amended by inserting, in the matter after subclause (III), "on the basis of" after "(during such period)".

(B) The amendment made by subparagraph (A) shall be effective as if it had been originally included in the Social Security Amendments of 1983.

(f) AMENDMENTS RELATING TO SOCIAL SERVICES PROGRAM.—
(1)(A) Section 2003(d) of such Act is repealed.

(B) Section 2003(b) of such Act is amended by striking out "(subject to subsection (d))".

(2) Section 2007 of such Act is repealed.

(g) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall take effect on the date of the enactment of this Act.

PART B—AMENDMENTS RELATED TO UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 211. TECHNICAL CORRECTIONS IN FEDERAL UNEMPLOYMENT TAX ACT

The Federal Unemployment Tax Act is amended as follows:

(1) Subparagraph (B) of section 3302(c)(2) (relating to a limit on the credit against the unemployment tax) is amended—

(A) by striking out "determination" the second place it appears in the material preceding clause (i) and inserting in lieu thereof "denominator", and

(B) in clause (i)—

(i) by striking out "percent" immediately preceding the comma at the end thereof, and

(ii) by inserting "percent" after "2.7".

(2) Subparagraph (A) of section 3302(f)(8) (relating to a partial limitation on the reduction of the credit against the unemployment tax) is amended by striking out "1987" and inserting in lieu thereof "1986".

(3) Clause (i) of section 3306(o)(1)(A) (relating to crew leaders who are registered or provide specialized agricultural labor) is amended by striking out "Farm Labor Contractor Registration Act of 1963" and inserting in lieu thereof "Migrant and Seasonal Agricultural Workers Protection Act".

PART C—AMENDMENTS RELATED TO TRADE AND TARIFF PROGRAMS

SEC. 221. AMENDMENTS TO THE TARIFF SCHEDULES.

The Tariff Schedules of the United States (19 U.S.C. 1202) are amended as follows:

(1) TELECOMMUNICATIONS PRODUCT CLASSIFICATION CORRECTIONS.—(A) Schedule 6 is amended as follows:

(i) Headnote 1 to subpart C of part 4 is amended by striking out "688.43" and inserting in lieu thereof "688.42".

(ii) Headnote 3 of part 5 of schedule 6 is amended by striking out "items 685.11 through 685.19, inclusive," and inserting in lieu thereof "items 684.92, 684.98, 685.00, and 685.08".

(iii) Item 685.34 is amended by inserting "35% ad val." in Column No. 2.

(iv) Item 685.55 is amended by striking out "685.11 to 685.50" and inserting in lieu thereof "684.92 to 685.49".

(B) Headnote 2(ii) to part 7 of schedule 8 is amended by striking out "688.43" and inserting in lieu thereof "688.42".

(2) CORRECTIONS TO THE APPENDIX.—Subpart B of part 1 to the Appendix is amended as follows:

(A) The article description for item 906.38 is amended to read as follows: "N-Acetylsulfanilyl chloride (provided for in item 405.31, part 1B, schedule 4)".

(B) Item 907.38 is amended by striking out "411.87" and inserting in lieu thereof "411.82".

(C) Item 912.13 is amended by striking out "670.20" and inserting in lieu thereof "670.21".

(3) MISCELLANEOUS CORRECTIONS.—The Schedules are further amended as follows:

(A) Headnote 1 of subpart D of part 4 of schedule 1 is amended by striking out "(casein plus albumin)" and inserting in lieu thereof "(casein plus lactalbumin)".

(B) Headnote 1 of subpart C of part 4 of schedule 3 is amended—

(i) by inserting "or" after the semicolon at the end of clause (v); and

(ii) by striking out "; or" at the end of clause (vi) and inserting in lieu thereof a period.

SEC. 222. TECHNICAL CORRECTIONS TO COUNTERVAILING AND ANTIDUMPING DUTY PROVISIONS.

(a) Title VII of the Tariff Act of 1930 is amended as follows:

(1)(A) Subsection (c) of section 701 (19 U.S.C. 1671(c)) is redesignated as subsection (d).

(B) Subsection (g) of such section 701 (as added by section 613(b) of the Trade and Tariff Act of 1984) is—

(i) amended by striking out "(g) Whenever" and inserting in lieu thereof "(c) UPSTREAM SUBSIDY.—Whenever"; and

(ii) inserted immediately after subsection (b) of that section.

(2) Sections 702(b)(1) and 732(b)(1) (19 U.S.C. 1671a(b)(1) and 1673a(b)(1)) are each amended by striking out "(C), (D), or (E)" and inserting in lieu thereof "(C), (D), (E), or (F)".

(3) Subsection (h) of section 703 (19 U.S.C. 1617b(h)) is redesignated as subsection (g), and—

(A) paragraph (2)(A) of that subsection (as so redesignated) is amended by striking out "days under section 705(a)(1) or 225 days under section 705(a)(2), as appropriate" and inserting in lieu thereof "or 225 days, as appropriate, under section 705(a)(1)"; and

(B) paragraph (2)(B)(ii) of that subsection (as so redesignated) is amended by striking out "days under section 705(a)(2)" and inserting in lieu thereof "or 225 days, as appropriate, under section 705(a)(1)".

(4) Section 704 is amended—

(A) by amending subsection (d)—

(i) by redesignating paragraph (2) as paragraph (3); and

(ii) by inserting after paragraph (1) the following new paragraph:

"(2) EXPORTS OF MERCHANDISE TO UNITED STATES NOT TO INCREASE DURING INTERIM PERIOD.—The administering authority may not accept any agreement under subsection (b) unless that agreement provides a means of ensuring that the quantity of the merchandise covered by that agreement exported to the United States during the period provided for elimination or offset of the subsidy or cessation of exports does not exceed the quantity of such merchandise exported to the United States during the most recent representative period determined by the administering authority."; and

(B) by amending subsection (i)(1)(D) by striking out "international" and inserting in lieu thereof "intentional".

(5) Paragraph (2) of section 706(a) is amended by aligning the margin of the matter appearing after subparagraph (B) with the margin of the matter appearing before subparagraph (A).

(6)(A) Section 708 is amended by striking out "SEC. 708." and inserting in lieu thereof the following flush section heading:

"SEC. 708. EFFECT OF DEROGATION OF EXPORT-IMPORT BANK FINANCING.".

(B) The table of contents for such title VII is amended by inserting in numerical sequence the following:

"Sec. 708. Effect of derogation of Export-Import Bank financing.".

(7) Section 736(c)(1) (19 U.S.C. 1673(c)(1)) is amended by inserting ", and was sold to any person that is not related to such manufacturer, producer, or exporter," immediately before "on or after the date of publication of—".

(8) The last sentence of section 751(b)(1) (19 U.S.C. 1675(b)(1)) is amended by insert-

ing "or countervailing duty" after "antidumping" each place it appears.

(9) Section 771(7)(F)(i) (19 U.S.C. 1677(7)(F)(i)) is amended—

(A) by striking "any merchandise" in that part which precedes subclause (I) and inserting in lieu thereof "the merchandise"; and

(B) by striking out "find orders" in subclause (VIII) and inserting in lieu thereof "final orders".

(10) Section 771A(a) is amended by striking out "(ii), or (iii)" and inserting in lieu thereof "(ii), (iii), or (iv)".

(11) Subsection (g) of section 773 (19 U.S.C. 1677b(g)) is redesignated as subsection (f).

(12) Section 775 (19 U.S.C. 1677d) is amended by striking out "an proceeding" each place it appears therein and inserting in lieu thereof "a proceeding".

(13) Section 777 (19 U.S.C. 1677f) is amended—

(A) by striking out "confidential", "nonconfidential", and "confidentiality" each place they appear therein and inserting in lieu thereof "proprietary", "non-proprietary", and "proprietary status", respectively; and

(B) by inserting "or the Commission" after "administering authority" in subsection (b)(1)(B)(i).

(b) Section 626(b) of the Trade and Tariff Act of 1984 (relating to the effective dates of the amendments made therein to title VII of the Tariff Act of 1930) is amended—

(1) by amending paragraph (1) by inserting ", and to reviews begun under section 751 of that Act," after "1930"; and

(2) by adding at the end thereof the following new paragraphs:

"(3) The administering authority may delay implementation of any of the amendments referred to in subsections (a) and (b)(1) with respect to any investigation in progress on the date of the enactment of this Act if the administering authority determines that immediate implementation would prevent compliance with a statutory deadline in title VII of the Tariff Act of 1930 that is applicable to that investigation.

"(4) The amendment made by section 621 shall apply with respect to merchandise that is unliquidated on or after November 4, 1984.".

SEC. 223. AMENDMENTS TO THE TRADE ACT OF 1974.

The Trade Act of 1974 is amended as follows:

(1) Section 128(b) (19 U.S.C. 2138) is amended by striking out "587.70" in paragraph (1) and inserting in lieu thereof "687.70".

(2) Subsection (n) of section 135 (as added by section 306(c)(2)(B)(v) of the Trade and Tariff Act of 1984) is redesignated as subsection (m).

(3) Section 141(d)(6) is amended by striking out "3679(b) of the Revised Statutes (31 U.S.C. 665(b))" and inserting in lieu thereof "1342 of title 31, United States Code".

(4) Subparagraphs (A), (B), and (C) of section 502(b)(4) are amended to read as follows:

"(A) has nationalized, expropriated, or otherwise seized ownership or control of property, including patents, trademarks, or copyrights, owned by a United States citizen or by a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens,

"(B) has taken steps to repudiate or nullify an existing contract or agreement with a United States citizen or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property, including patents, trademarks, or copyrights, so owned, or

"(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property, including patents, trademarks, or copyrights, so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property,".

(5) That part of section 504(c)(3)(D)(ii) (19 U.S.C. 2464(c)(3)(D)(ii)) that precedes subclause (I) is amended—

(A) by striking out "from any beneficiary developing country";

(B) by inserting "an aggregate value equal to" immediately before "15"; and

(C) by striking out "if for the preceding calendar year such beneficiary country—" and inserting in lieu thereof "for those beneficiary developing countries which for the preceding calendar year—".

SEC. 224. AMENDMENTS TO THE TARIFF ACT OF 1930.

The Tariff Act of 1930 is amended as follows:

(1) Section 304(c) (19 U.S.C. 1304(c)) is amended—

(A) by striking out "No" and inserting in lieu thereof the following: "(1) Except as provided in paragraph (2), no"; and

(B) by adding at the end thereof the following new paragraph:

"(2) If, because of the nature of an article, it is technically or commercially infeasible to mark it by one of the four methods specified in paragraph (1), the article may be marked by an equally permanent method of marking such as paint stenciling or, in the case of small diameter pipe and tube, by tagging the containers or bundles.".

(2) Section 313 (19 U.S.C. 1313), as amended by section 202(1) of the Trade and Tariff Act of 1984, is amended—

(A) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(B) by amending paragraph (3) (as so redesignated) to read as follows:

"(3) The performing of incidental operations (including, but not limited to, testing, cleaning, repacking, and inspecting) on—

"(A) the imported merchandise itself in cases to which paragraph (1) applies; or

"(B) the merchandise of the same kind and quality in cases to which paragraph (2) applies:

that does not amount to manufacture or production for drawback purposes under the preceding provisions of this section shall not be treated as a use of that merchandise for purposes of applying paragraph (1)(B) or (2)(C).".

(3) Section 339(c)(2)(A) (19 U.S.C. 1339) is amended by striking out "relief" and inserting in lieu thereof "injury".

(4) Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) is amended by striking out "as defined in section 771(9) (C), (D), (E), and (F) of this Act".

(5) Section 516(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1615(a)(2)) is amended by adding at the end thereof the following new sentence:

"Such term also means a person that is an association, a majority of whose members is composed of persons described in subparagraph (A), (B), or (C).".

(6) Section 516A(a)(3) of the Tariff Act of 1930 (19 U.S.C. 516a(a)(3)) is amended by striking out "(2)(A)(ii)" and inserting in lieu thereof "(2)(A)(i)(II)".

SEC. 225. AMENDMENTS TO THE TRADE AND TARIFF ACT OF 1984.

The Trade and Tariff Act of 1984 (Public Law 98-573) is amended as follows:

(1) Section 126 is amended—

(A) by striking out the following:

"(3) Paragraphs (1) and (2) of section 126 of the bill are amended to read as follows:"; and

(B) by striking out "8.3% ad val." in paragraph (1) and inserting in lieu thereof "7.5% ad val.".

(2) Section 174(b) is amended by adding at the end of the table appearing therein the following:

"January 1, 1987 ..... 4.9% ad val.".

(3) Paragraph (7) of subsection (b) of section 212 is redesignated as subsection (c) of that section.

(4) The table in section 234(a) is amended by striking out "711.49" and inserting in lieu thereof "712.49".

(5) Section 304(d)(2)(A) is amended—

(A) by striking out "paragraph (6)" in clause (i) and inserting in lieu thereof "paragraph (9)";

(B) by striking out "paragraph (7)" in clause (ii) and inserting in lieu thereof "paragraph (10)"; and

(C) by redesignating the paragraph proposed to be added by clause (iii) as paragraph (11) of section 141(d) of the Trade Act of 1974.

(6) Section 307(b)(3) is amended by striking out "or paragraph (3)".

(7) Section 504 is amended by striking out "Tariff Act of 1930" and inserting in lieu thereof "Trade Act of 1974".

(8) Paragraph (3) of section 619 is amended by striking out "subsection (b)" and inserting in lieu thereof "subsection (b)(1)".

SEC. 226. AMENDMENTS TO THE CARIBBEAN BASIN ECONOMIC RECOVERY ACT.

Section 213 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703) is amended—

(1) by striking out "such" the first place it appears in subsection (a)(3) and inserting in lieu thereof "any beneficiary"; and

(2) by striking out "138.42" in subsection (f)(5)(B) and inserting in lieu thereof "138.46".

SEC. 227. CONFORMING AMENDMENTS REGARDING CUSTOMS BROKERS.

Title 28 of the United States Code is amended—

(1) by striking out "(3) or (c)" in section 1581(g)(1) and inserting in lieu thereof "(3)"; and

(2) by striking out "641(a)(1)(C)" in section 1582(1) and inserting in lieu thereof "641(b)(6)".

SEC. 228. SPECIAL EFFECTIVE DATE PROVISIONS FOR CERTAIN ARTICLES GIVEN DUTY-FREE TREATMENT UNDER THE TRADE AND TARIFF ACT OF 1984.

(a) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the customs officer concerned on or before the 90th day after the date of the enactment of this Act, the entry of any article described in subsection (b) shall be treated as provided for in that subsection.

(b) In the case of the application of any amendment made by sections 112, 115, 118, 167, and 179 of the Trade and Tariff Act of 1984 (Public Law 98-573) to any entry—

(1) which was made after the applicable date and before the 15th day after the date of the enactment of this Act; and

(2) with respect to which there would have been no duty or a lesser duty if the amendment made by any such section applied to such entry;

such entry shall be liquidated or reliquidated as though such entry had been made on the 15th day after the date of the enactment of this Act.

(c) For purposes of subsection (b), the term "applicable date" means—

(1) in the case of section 118, June 1, 1982;

(2) in the case of sections 112, 115, and 179, June 30, 1983; and

(3) in the case of section 167, October 30, 1983.

(d) For purposes of this section—

(1) The term "entered" means entered, or withdrawn from warehouse for consumption in the customs territory of the United States.

(2) The term "entry" includes any withdrawal from warehouse.●

By Mr. EXON:

S. 816. A bill to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest in the State of Nebraska, and for other purposes; to the Committee on Energy and Natural Resources.

NEBRASKA WILDERNESS ACT OF 1985

Mr. EXON. Mr. President, I am pleased to introduce today the Nebraska Wilderness Act of 1985 which establishes the very first wilderness areas under the 1964 Wilderness Act in the State of Nebraska. The bill sets aside two areas in the Nebraska National Forest as wilderness: 6,600 acres for the Pine Ridge Wilderness; and 8,100 acres for the Soldier Creek Wilderness.

The Pine Ridge Wilderness area is located in Dawes County along the Pine Ridge escarpment in northwestern Nebraska. It lies within the High Plains landform and is characterized by flat ridges dissected by steep, rough canyons. Cunningham Creek and Indian Creek meander down relatively flat bottoms about 100 yards in width.

The Soldier Creek Wilderness area is located in Sioux County along the Pine Ridge escarpment in northwestern Nebraska about 9 miles west of the town of Crawford. The area is characterized by flat ridges dissected by steep, rough canyons. This area was originally part of the Fort Robinson Military Reservation and adjoins the Fort Robinson State Park.

Both of these unique areas are currently being managed, for all practical purposes, as wilderness. This legislation which I am introducing today would ensure that this management will continue uninterrupted for future generations of Nebraskans to enjoy. These areas will be administered to retain and preserve the character of their natural conditions.

Grazing activities will remain unhampered. Those activities or grazing facilities established prior to the date of the designation of these areas as wilderness will be allowed to remain in place and to continue. Current grazing will not be curtailed simply because the areas have been designated as wilderness.

Mr. President, the legislation is important for both today's Nebraskans and future Nebraskans. In setting aside a few of the last remaining wild lands in our State we are protecting the natural values of these areas from encroachment, indiscriminate development, and sale. Hopefully, future generations will say that we have acted with wisdom and foresight.

These areas will continue to provide wildlife habitat, ecological diversity, and opportunities for recreation and scientific inquiry far into the future. Nebraskans deserve to have these Federal lands set aside as "untrammeled by man" where man "is a visitor" and where the permanent imprint of man is unnoticeable.

Mr. President, I urge the Senate's consideration and approval of the Nebraska Wilderness Act of 1985, and ask unanimous consent that a copy of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nebraska Wilderness Act of 1985".

WILDERNESS DESIGNATION

SEC. 2. In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Nebraska are hereby designated as wilderness:

(1) certain lands in the Nebraska National Forest, which comprise approximately six thousand six hundred acres, as generally depicted on a map entitled "Pine Ridge Wilderness-Proposed", dated February 1985, and which shall be known as the Pine Ridge Wilderness; and

(2) certain lands in the Nebraska National Forest, which comprise approximately eight thousand one hundred acres, as generally depicted on a map entitled "Soldier Creek Wilderness-Proposed", dated February 1985, and which shall be known as the Soldier Creek Wilderness.

ADMINISTRATION OF WILDERNESS

SEC. 3. (a) Subject to valid existing rights and the provisions of subsection (b), the wilderness areas designated under section 2 shall be administered by the Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be reference to the effective date of this Act.

(b) In the administration of the wilderness in the State of Nebraska—

(1) grazing of livestock in wilderness areas established by this Act, if established prior to the date of the enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560; and

(2) the Secretary is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest wilderness areas in Nebraska in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

MAPS AND DESCRIPTIONS

SEC. 4. As soon as practicable after the date of the enactment of this Act, the Secretary shall submit a map and legal description of the wilderness areas designated by section 2 to the Committee on Energy and Natural Resources of the Senate and the Committee on Agriculture and the Committee on Interior and Insular Affairs of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical error in such map or legal description may be corrected. The Secretary shall place such map and legal description on file, and make them available for public inspection, in the office of the Chief of the Forest Service, Department of Agriculture.

WILDERNESS REVIEW CONCERNS

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Nebraska and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other then Nebraska, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Nebraska;

(2) with respect to the national forest system lands in the State of Nebraska, which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Nebraska reviewed in such final environmental statement and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided,* That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior

to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Nebraska are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Nebraska for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

By Mr. MATHIAS (for himself and Mr. SARBANES):

S.J. Res. 97. Joint resolution designating the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems at the University of Maryland as the National Study Center for Trauma and Emergency Medical Systems; to the Committee on Labor and Human Resources.

DESIGNATING A NATIONAL STUDY CENTER FOR TRAUMA AND EMERGENCY MEDICAL SYSTEMS

Mr. MATHIAS. Mr. President, today, Mr. SARBANES and I introduce legislation to designate the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems in Baltimore as the "National Study Center for Trauma and Emergency Medical Systems." This designation would focus attention on the need to improve the Nation's trauma and emergency medical systems, at no additional cost to the Federal Government.

The social costs of traumatic injury and death are known to all of us. Trauma is the third leading cause of death in the country among all Americans and is the No. 1 killer of Americans between the ages of 1 and 40. The costs of trauma in human terms are incalculable. The costs in dollars, including medical expenses, lost wages, and indirect work losses come to $50 billion a year.

The Maryland Institute has achieved a position of national and international prominence for its work in providing medical care to seriously injured trauma patients. Records show that the Maryland Institute saves four out of five patients treated within the statewide system. It serves as a model for demonstrating the most up-to-date and cost-effective methods for delivering lifesaving emergency medical care.

Consequently, the study center at the Maryland Institute has been asked by a number of cities, regions, and nations (Memphis, southern California and The Netherlands, for example) for advice on how to establish trauma networks, and has provided advice gladly. In addition, the study center administers innovative programs, such as the spinal cord injury hotline, to meet the growing national need for a consolidated trauma network. In the first three weeks of operation, the spinal cord injury hotline received over 2,500 calls nationwide.

For years, the Maryland Institute has unselfishly helped other hospitals in their pursuit of effective trauma systems. Because of its experience, the institute is uniquely qualified to serve as a national study center to provide firsthand knowledge, direction and coordination for nationwide trauma treatment.

We urge Senators to join us in supporting this proposal to designate the study center as a national study center which will provide a national data base and clearinghouse for emergency medical services. The center also will train professionals in traumatology and provide technical assistance nationwide.

Within a trauma network, every minute and second are precious to the doctor and patient. A minute saved quite literally may mean a life saved. Through this joint resolution, we can make a contribution to speeding up the acquisition of information that can be used to save lives. Once a patient is saved, the national study center would serve as a hotline to help the victim return to mainstream society. Such a national center would dramatically improve the Nation's ability to provide all Americans with the quality of trauma care that Marylanders now enjoy.

I ask the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 97

Whereas Federal funding for emergency medical services systems has decreased, and some States have provided less support for such lifesaving systems;

Whereas private efforts are the primary means of improving the delivery of emergency medical services, and improvements are needed to meet the needs of increasing numbers of the critically ill and injured;

Whereas the designation of a national study center for trauma and emergency medical systems would focus attention on those areas needing improvement in the delivery of systematic emergency care;

Whereas a national study center for trauma and emergency medical systems is needed to serve as a resource center for information and data and to provide technical assistance concerning emergency medical systems; and

Whereas the Maryland Institute for Emergency Medical Services Systems at the University of Maryland has been a national leader in the development of systems of care for the critically ill and injured: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems at the University of Maryland shall be known and designated as the "National Study Center for Trauma and Emergency Medical Systems". Any reference in a law, map, regulation, document, record, or other paper of the United States to such Study Center for Trauma and Emergency Medical Systems shall be held to be a reference to the National Study Center for Trauma and Emergency Medical Systems.

By Mr. D'AMATO (for himself, Mr. INOUYE, Mr. DIXON, and Mr. SPECTER):

S.J. Res. 98. Joint resolution condemning the passage of Resolution 3379, in the U.N. General Assembly on November 10, 1975, and urging the U.S. Ambassador and U.S. delegation to take all appropriate actions necessary to erase this shameful resolution from the records of the United Nations; to the Committee on Foreign Relations.

UNITED NATIONS ANTI-ZIONISM

● Mr. D'AMATO. Mr. President, I rise today to introduce a joint resolution to help rectify an unfortunate event that occurred 10 years ago. The event to which I refer is the passage of Resolution 3379 by the U.N. General Assembly. That resolution equated Zionism, the doctrine that Jews have a right to political self-determination in a territorial homeland of their own, with racism and discrimination. My resolution condemns the passage of Resolution 3379 and urges the U.S. Ambassador and U.S. delegation to the United Nations to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.

The U.N. action, taken on November 10, 1975, was not the beginning, nor the end, of a campaign by several U.N. members to undermine the people of Israel. Even while my resolution was being written, the U.N. Security Council was voting to condemn Israel yet again. Only a U.S. veto was able to defeat this measure.

Deliberate actions such as these, which have served to consistently undermine a member nation of the United Nations, are not only detrimental to the United Nations as a whole, but are a threat to its very existence. In 1945, the United States and several other freedom and peace-loving nations sought to create a forum where

all the world's inhabitants would have an equal and important voice. In order to ensure the durability of such an institution, the founders of the United Nations formulated a charter that expounded upon the principles that would guide such an institution through its many years of existence. Utilizing such principles, the United Nations would serve to facilitate swift and peaceful solutions to pending international tensions and crises. With the passage of Resolution 3379, however, the United Nations created an arena where international tensions and crises are created.

Not only is the claim of Resolution 3379 a false and vicious attack on the Jewish people and the nation of Israel, but it supports the very racism which the resolution purports to preclude. Anti-Semitism is one of the oldest and widely practiced forms of racism in the world today. This racism took the lives of over 6 million people in Nazi-Europe just four decades ago. We must continue to try to ensure that such racism does not exist in the United Nations.

The passage of Resolution 3379 on November 10, 1975, resurrected some excruciating memories for Jews around the world. For this date in 1938, Hitler's Nazi stormtroopers launched a coordinated attack on the Jewish community in Germany in the Night of the Crystals, or Kristallnacht. On this date, Jewish synagogues were burned, holy books and the Scrolls of the Holy Bible were set ablaze, windows of Jewish businesses and stores were smashed, and Jewish homes were attacked and heads of families taken away, most never to return.

The Jewish people and the nation of Israel have consistently displayed their affection for all races and creeds. Recently, in a remarkable show of self-sacrifice and generosity, the nation of Israel opened its arms to thousands of black Ethiopian Jews who had fled to Sudan to escape both the drought and the anti-Semitism of the Mengistu regime. Israel supplied planes to rescue these Jews and to bring them to safety in Israel. This example invalidates the charge that Zionism is a form of racism.

My joint resolution cannot erase the tragedy of 10 years ago. It can, however, rally the opinion of the United States, a nation who prides itself on racial and ethnic equality and opportunity. We hope that in turn this will rally world opinion in support of Israel. My joint resolution can open eyes to what has occurred in the past; only at this point can remedies to the international problem of anti-Semitism be fully addressed.

Mr. President, I ask unanimous consent that my joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 98

Whereas the United States, as a founder of the United Nations Organization, has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in Article 1 of the Charter of the United Nations the purposes of the United Nations are stated to be: "To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace"; "to achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion"; and "to be a center for harmonizing the actions of nations in the attainment of these common ends"; and

Whereas November 10, 1985 will mark the tenth anniversary of the United Nations General Assembly passage of Resolution 3379, which wrongfully associates and equates Zionism with racism and racial discrimination, as was pointed out so well by the United States representative to the Third Committee, when he said, "Under the guise of a program to eliminate racism, the United Nations is at the point of officially endorsing anti-Semitism, one of the oldest and most virulent forms of racism known to human history"; and

Whereas the date of the passage of this resolution is remarkably symbolic, for this date, in 1938, was the Kristallnacht, or Night of the Crystals, when Hitler's Nazi stormtroopers launched a systematic attack on the Jewish community in Germany, by burning the synagogues in all the cities, making bonfires in the streets of the holy books and the Scrolls of the Holy Bible, and leading the heads of Jewish families off to the death camps of Auschwitz, Birkenau, Dachau, Buchenwald, Theresienstadt, never to be seen again, and

Whereas the purposes of the United Nations outlined in the aforementioned Article 1 of its Charter are directly threatened wth being nullified and voided if the implications of the passage of Resolution 3379 remain undisputed; and

Whereas the Government of Israel recently, through the rescue of thousands of black Ethiopian Jews in "Project Moses," displayed its commitment to and respect for human rights without distinction as to race, thus rebutting the accusations of Resolution 3379: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled, That the Congress (1) strongly condemns the passage of Resolution 3379 by the United Nations General Assembly on November 10, 1975, wherein that said resolution wrongfully associates and equates Zionism with racism and racial discrimination, and (2) urges the United States Ambassador and United States Delegation to the United Nations to take all appropriate actions necessary to erase this shameful resolution from the record of the United Nations.●

By Mr. PELL (for himself and Mr. MATHIAS):

S.J. Res. 99. A joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of office of the President, Vice President, and Members of Congress; to the Committee on the Judiciary.

COMMENCEMENT OF TERMS OF OFFICE

● Mr. PELL. Mr. President, I am today introducing, with the distinguished senator frm Maryland, Senator MATHIAS, an amendment to the Constitution to advance the date of the inauguration of the President and Vice President of the United States, and the beginning of terms of office for Members of Congress.

The amendment to the Constitution would produce three important improvements in our Government:

It would provide for installation in office of a President, Vice President and Members of Congress promptly after their election by the people, reducing the unproductive and potentially dangerous interlude of 2½ months that now exists between November elections and January inaugurals.

It would eliminate lameduck, post-election sessions of Congress in which Members of Congress who have either retired or been defeated continue to vote on national policy.

It would, by moving the Presidential inauguration forward to November, provide a far better chance of favorable weather for what has become a national celebration of our democratic processes of Government, and reduce greatly the chances that the Inaugural Parade and other events would be canceled because of the bitter cold and storms so common to our Nation's Capital in January.

The amendment provides that the terms of Members of Congress would begin on November 15, instead of January 3 and that the President and Vice President would take office on November 20. The earlier installation of the new Congress is necessary because of the constitutional requirement that the House of Representatives certify the votes of the electoral college for President and Vice President.

In my view, there is no longer any justification for a 10-week delay between our national elections and the installation of elected officials. This leisurely schedule was established before the development of voting machines, instant tabulation of election results, high-speed communications and jet-age transportation.

Indeed, a major problem today is that the Nation may be told who has won election to the Presidency before all of the polling places have even closed. In these circumstances, it makes little sense to allow weeks and weeks to pass before our new leaders take the offices to which they have been elected.

Not only do such delays deprive voters of a prompt carrying out of

their wishes, they are also potentially dangerous and give lameduck officials, both elected and appointed, an unwarranted and unnecessary opportunity for misconduct.

It is dangerous because in those years in which there is a change in the Presidency, particularly involving a shift between the major political parties, the direction of our foreign affairs is essentially paralyzed. The incumbent President no longer has real political authority and the incoming President lacks constitutional authority—and the whole world knows it. It is a period of vulnerability which can and should be eliminated.

In addition, the lameduck period is a time when appointive executive branch officials, knowing they will soon leave office, are tempted to expend funds, make contracts and grants, and promulgate regulations that may be either politically motivated or inspired by sheer self-interest.

Ridding ourselves of the possibility of lameduck sessions of Congress also is in the national interest. Our recent experience with postelection sessions of Congress has been so unsatisfactory that in 1984 the congressional leadership wisely determined, early in the year that there would be no such session. But times and congressional leadership both change and the circumstances can again arise when a lameduck session could be called in an effort to enact legislation that might face sure defeat by newly elected legislators.

The proposal I have introduced today is identical to the constitutional amendment I introduced in the 98th Congress. An excellent hearing on that proposal—Senate Joint Resolution 71 of the 98th Congress—was held on April 24, 1984, by the Subcommittee on the Constitution of the Senate Judiciary Committee chaired by the distinguished senior Senator from Utah, Senator HATCH.

The hearing included testimony by academic experts who have studied Presidential transitions, and persons who have played a major role in managing Presidential transitions.

The preponderance of the testimony was in favor of advancing the inaugural date and of a similar change in the beginning of terms for newly elected Members of Congress. There were suggestions that the time allowed by this amendment between elections and inaugurations might be lengthened somewhat, and these are suggestions that I believe deserve consideration.

We have just experienced, for the first time in 12 years the reelection of a President and have thus been spared a transition in administrations. Because of this, the very real problems involved in our extended transition periods do not appear pressing and, I am aware, there is no sense of immediate urgency in shortening the transition period. But this is precisely the right time to act. If we wait until a transition crisis occurs, or until the very real problems of extended transition periods and lameduck sessions of Congress occupy the front pages of daily newspapers, it will be too late.

For this reason, I hope the Congress will give serious and prompt attention to this proposed constitutional amendment.

I ask that a copy of the joint resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD.

S.J. RES. 99

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

"The terms of the office of the President and Vice President shall end at noon on the twentieth day of November, and the terms of Senators and Representatives at noon on the fifteenth day of November of the years preceding the years in which such terms would have ended if this article had not been ratified; and the terms of their successors shall then begin.".●

By Mr. LEVIN (for himself and Mr. D'AMATO):

S.J. Res. 101. Joint resolution to designate April 24, 1985, as "National Day of Remembrance of Man's Inhumanity to Man"; to the Committee on the Judiciary.

NATIONAL DAY OF REMEMBRANCE OF MAN'S INHUMANITY TO MAN

● Mr. LEVIN. Mr. President, today I, along with Senator D'AMATO, am introducing a joint resolution that will designate April 24, 1985, as "National day of Remembrance of Man's Inhumanity to Man." It is identical to House Joint Resolution 192, introduced on March 19 by Representatives COELHO, PASHAYAN, CONTE, DORNAN, and ASPIN.

This would be a day of remembrance for all of the victims of genocide, especially the 1.5 million people of Armenian ancestry who were victims of the genocide perpetrated in Turkey between 1915 and 1923. This year is particularly significant because it marks the 70th anniversary of the beginning of this tragic event, as many of the survivors of the genocide will travel to Washington to pay tribute to the memory of those who perished.

The world did not learn a lesson from the Armenian genocide, unfortunately. We soon discovered that history does have a way of repeating itself. We have witnessed too many acts of man's inhumanity to man throughout this century. By commemorating the memory of these victims, we can try once again to prevent history from repeating itself.

I ask unanimous consent that the joint resolution be inserted in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 101

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 24, 1985, is hereby designated as "National Day of Remembrance of Man's Inhumanity to Man", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day as a day of remembrance for all victims of genocide, especially the one and one-half million people of Armenian ancestry who were victims of the genocide perpetrated in Turkey between 1915 and 1923, and in whose memory this date is commemorated by all Armenians and their friends throughout the world.●

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. MOYNIHAN, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 12, a bill to protect communications among Americans from interception by foreign governments, and for other purposes.

S. 70

At the request of Mr. INOUYE, the name of the Senator from Ohio [Mr. GLENN] was added as cosponsor of S. 70, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 194

At the request of Mr. MOYNIHAN, the names of the Senator from Maryland [Mr. MATHIAS], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 194, a bill to identify, commemorate, and preserve the legacy of historic landscapes of Frederick Law Olmsted, and for other purposes.

S. 205

At the request of Mr. BUMPERS, the name of the Senator from Illinois [Mr. SIMON] was added as cosponsor of S. 205, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for payment to the National Organ Transplant Trust Fund.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor

of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of social security benefits.

S. 317

At the request of Mr. DURENBERGER, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 317, a bill entitled the "State and Local River Conservation Act of 1985."

S. 318

At the request of Mr. GORE, his name was added as a cosponsor of S. 318, a bill to extend the revenue sharing program for local governments through fiscal year 1991.

S. 355

At the request of Mr. ZORINSKY, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Oklahoma [Mr. BOREN], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 355, a bill to strengthen the operation of the agricultural stabilization and conservation committee system, and for other purposes.

S. 374

At the request of Mr. PRESSLER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 374, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration.

S. 402

At the request of Mr. PRESSLER, the names of the Senator from Tennessee [Mr. GORE], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. DIXON], the Senator from Illinois [Mr. SIMON], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 425

At the request of Mr. GOLDWATER, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 426

At the request of Mr. WALLOP, the names of the Senator from Rhode Island [Mr. PELL], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 431

At the request of Mr. KENNEDY, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 431, a bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.

S. 434

At the request of Mr. D'AMATO, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 452

At the request of Mr. BRADLEY, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 452, a bill to enact the Gifted and Talented Children's Education Act.

S. 467

At the request of Mr. ROTH, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 467, a bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases.

S. 505

At the request of Mr. DURENBERGER, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from South Dakota [Mr. PRESSLER], the Senator from Maine [Mr. COHEN], the Senator from North Dakota [Mr. ANDREWS], the Senator from Maryland [Mr. SARBANES], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 505, a bill entitled the "Maternal and Child Health Preventive Care Amendments of 1985."

S. 558

At the request of Mr. MOYNIHAN, the names of the Senator from Montana [Mr. MELCHER], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 627

At the request of Mr. DOMENICI, the names of the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. DECONCINI], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 627, a bill to promote and expand the vitality of the United States copper industry.

S. 636

At the request of Mr. CRANSTON, the name of the Senator from Michigan [Mr. RIEGLE], was added as a cosponsor of S. 636, a bill to provide for the minting of gold coins.

S. 637

At the request of Mr. ZORINSKY, the name of the Senator from Maryland [Mr. SARBANES], was added as a cosponsor of S. 637, a bill to amend the Railroad Retirement Act of 1974 to allow a worker to be employed in any nonrailroad employment and still qualify for an annuity, subject to current deductions in the tier 1 benefit on account of work and new deductions in the tier 2 benefit if the employment is for his last nonrailroad employer.

S. 657

At the request of Mr. THURMOND, the name of the Senator from North Dakota [Mr. BURDICK], was added as a cosponsor of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 680

At the request of Mr. THURMOND, the name of the Senator from Hawaii [Mr. INOUYE], the Senator from Illinois [Mr. SIMON], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 680, a bill to achieve the objectives of the Multi-Fiber Arrangement and to promote the economic recovery of the U.S. textile and apparel industry and its workers.

S. 681

At the request of Mr. MATHIAS, the name of the Senator from Maryland [Mr. SARBANES], was added as a cosponsor of S. 681, a bill to amend chapter 89 of title 5, United States Code, to authorize the Office of Personnel Management to waive certain eligibility requirements relating to enrollment of annuitants in a Federal employees health benefits plan.

S. 694

At the request of Mr. EAGLETON, the names of the Senator from Connecticut [Mr. DODD], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of S. 694, a bill to preclude changes in the Federal regional office structure except by statute.

S. 713

At the request of Mr. WILSON, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 713, a bill to prohibit the interstate sale and transportation of drug paraphernalia.

S. 721

At the request of Mr. BOREN, the name of the Senator from North Carolina [Mr. EAST], the Senator from North Dakota [Mr. BURDICK], and the Senator from Delaware [Mr. ROTH], were added as cosponsors of S. 721, a bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities.

S. 729

At the request of Mr. DURENBERGER, the name of the Senator from Florida [Mrs. HAWKINS], and the Senator from Oklahoma [Mr. BOREN], were added as cosponsors of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 746

At the request of Mr. CHILES, the name of the Senator from South Carolina [Mr. HOLLINGS], was added as a cosponsor of S. 746, a bill to require the National Drug Enforcement Policy Board to provide a comprehensive assessment of the designer drug problem and make recommendations to Congress for necessary legislation.

S. 749

At the request of Mr. SPECTER, the name of the Senator from West Virginia [Mr. ROCKEFELLER], was added as a cosponsor of S. 749, a bill to extend the Federal Supplemental Compensation Act of 1982 until the end of fiscal year 1985.

S. 758

At the request of Mr. WALLOP, the names of the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. SYMMS], were added as cosponsors of S. 758, a bill to amend the Internal Revenue Code of 1954 to repeal the capital gains tax on disposition of investments in United States real property by foreign citizens, to repeal the provisions providing for withholding of, and reporting on, such tax, and for other purposes.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the name of the Senator from Minnesota [Mr. DURENBERGER], was added as a cosponsor of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 16

At the request of Mr. PRESSLER, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Joint Resolution 16, a joint resolution expressing support for the Rural Electrification Administration.

SENATE JOINT RESOLUTION 24

At the request of Mr. BRADLEY, the names of the Senator from Illinois [Mr. SIMON], the Senator from Hawaii [Mr. INOUYE], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 24, a joint resolution to designate the month of October 1985 as "National Make-A-Wish Month."

SENATE JOINT RESOLUTION 32

At the request of Mr. PRESSLER, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 32, a joint resolution to authorize and request the President to designate September 15, 1985, as "Ethnic American Day."

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 65

At the request of Mr. EAGLETON, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from Ohio [Mr. GLENN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 65, a joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 66

At the request of Mr. D'AMATO, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of Senate Joint Resolution 66, a joint resolution designating June 14, 1985, as "Baltic Freedom Day."

SENATE JOINT RESOLUTION 68

At the request of Mr. DODD, the names of the Senator from Vermont [Mr. STAFFORD], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 69

At the request of Mr. GRASSLEY, the names of the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 69, a joint resolution to designate that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants.

SENATE JOINT RESOLUTION 79

At the request of Mr. MATHIAS, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Kansas [Mr. DOLE], and the Senator from Nevada [Mr. LAXALT], and the Senator from Alaska [Mr. STEVENS], and the Senator from Illinois [Mr. DIXON], and the Senator from Arkansas [Mr. PRYOR], and the Senator from Alabama [Mr. HEFLIN], and and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 79, a joint resolution to designate April, 1985, as "Fair Housing Month."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Tennessee [Mr. GORE], and the Senator from Indiana [Mr. LUGAR], and the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Arizona [Mr. GOLDWATER], and and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. WILSON, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Rhode Island [Mr. CHAFEE], and and the Senator from Illinois [Mr. SIMON] were added as consponsors of Senate Joint Resolution 86, a joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. GLENN, the names of the Senator from New Jersey [Mr. BRADLEY], and the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Colorado [MR. HART], and the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Maryland [Mr. MATHIAS], and the Senator from Maryland [Mr. SARBANES], were added as cosponsors of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the policy of separate development and the forced relocation of South African Blacks to designated "homelands" is inconsistent with fundamental American values and internationally recognized principles of human rights and should be discontinued.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. GRASSLEY, his name was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution relating to United States-Japan trade.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. DODD, the names of the Senator from California [Mr. CRANSTON], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 26, a concurrent resolution calling on the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. DODD, the names of the Senator from California [Mr. CRANSTON], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 27, a concurrent resolution calling on the Government of the United Kingdom to outlaw the Ulster Defense Association, its membership, activities, and any like terrorist organization.

SENATE RESOLUTION 35

At the request of Mr. GOLDWATER, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Tennessee [Mr. GORE], and the Senator from Nevada [Mr. LAXALT] were added as cosponsors of Senate Resolution 35, a resolution to express the sense of the Senate relative to discriminatory and unduly restrictive

State and local regulation of home satellite antennas.

SENATE RESOLUTION 62

At the request of Mr. BRADLEY, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Resolution 62, a resolution to oppose cuts in Education Programs.

SENATE RESOLUTION 92

At the request of Mr. KASTEN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of Senate Resolution 92, a resolution calling for imposition of countervailing duties on pork.

SENATE CONCURRENT RESOLUTION 33—AUTHORIZING THE USE OF THE U.S. CAPITOL ROTUNDA

Mr. BYRD (for Mr. PELL, for himself, Mr. DOLE, Mr. BOSCHWITZ, Mr. DANFORTH, and Mr. LAUTENBERG) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 33

Whereas, pursuant to the Act entitled "An Act to establish the United States Holocaust Memorial Council" and approved October 7, 1980 (94 Stat. 1547), the United States Holocaust Memorial Council is directed to provide for appropriate ways for the Nation to commemorate the days of remembrance of victims of the Holocaust, as an annual, national, civic commemoration of the Holocaust, and to encourage and sponsor appropriate observances of such days of remembrance throughout the United States;

Whereas, pursuant to such Act, the United States Holocaust Memorial Council has designated April 14, through April 21, 1985, as "Days of Remembrance of Victims of the Holocaust"; and

Whereas, the United States Holocaust Memorial Council has recommended that a one-hour ceremony be held at noon on April 18, 1985, consisting of speeches, readings and musical presentations as part of the days of remembrance activities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on April 18, 1985, from 10 o'clock ante meridian until 3 o'clock post meridian for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the conduct of the ceremony shall be carried out in accordance with such conditions as may be prescribed by the Architect of the Capitol.

SENATE CONCURRENT RESOLUTION 34—AFFIRMING THE NATIONAL POLICY OF METRIC CONVERSION

Mr. PELL submitted the following concurrent resolution; which was referred to the Committee on Commerce, Science, and Transportation.

S. CON. RES. 34

Whereas a decade ago the Congress passed the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.);

Whereas it is the policy of the United States Government to coordinate and plan the increasing use of the metric system;

Whereas significant achievements have been made in industry toward the use of the metric system and Federal agencies have removed barriers which support and accommodate metrication to trade, travel, and communication;

Whereas the principal benefit of accelerating the metric changeover is an improvement in the ability of the Nation to export and compete more favorably in growing world markets;

Whereas United States trade deficits could be substantially reduced by the introduction of metric available products to our trading partners;

Whereas corporate policies toward manufacturing and international trade in the use of metrics can expand productivity and increase small business opportunity;

Whereas the metric changeover should continue to take place in the United States when it is in the best interests of the consumer and the producer; and

Whereas the Federal Government, by law or regulation should not discourage or prohibit the voluntary process of metric transition: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress finds that—

(1) the increasing use of the metric system has benefited the Nation over the last decade;

(2) conversion to the metric system shall assist in reduction of the trade deficits by making United States products more marketable in international trade, thereby preserving jobs, and bringing growth opportunities to the United States economy; and

(3) the Federal Government should encourage the transition toward metrication and supports the national policy set forth in the Metric Conversion Act of 1975 (15 U.S.C. 205a).

Mr. PELL. Mr. President, I am very pleased indeed to have another opportunity to support the concept of conversion to the metric system. The concurrent resolution that I am introducing today affirms the national policy of metric conversion which has benefited our Nation. The resolution resolves that the Federal Government should further encourage the transition toward metrication and supports the national policy set forth in the Metric Conversion Act of 1975.

Mr. President, the ability of the United States to compete in world trade is becoming more important and more difficult each day as our competitors get stronger. Since about 95 percent of the world uses the metric system of measure, the absence of metric in U.S. goods and services can directly reduce our ability to be successful in world markets.

Certainly, metric is only one part of the answer to our balance of trade problems. I believe, however, that it is an important part of those problems. We may not increase our sales because our products are metric, but we could surely lose sales if they are not.

All markets are rapidly becoming world markets, and all of the important trading partners of the United States have made the transition to metric. The following nations have decided to change since World War II: Australia, Canada, China, Greece, India, Israel, Japan, Nigeria, Saudi Arabia, and the United Kingdom.

Moreover, the European Economic Community has set 1989 as the date after which imported products must be labeled in metric units.

This point becomes clearer if we take a historical perspective. An article appearing in an educational journal noted that metric advocacy has been with us almost since the birth of our Nation. In 1790, then Secretary of State Thomas Jefferson proposed a decimal-based measurement system as one way of achieving national uniformity of weights and measures. In 1821, a study by John Quincy Adams acknowledged the distinct advantages of the metric system, but because our major trading partner, Great Britain, did not use it, the study concluded that it was not practical then for the United States to adopt the metric system.

In 1866, the Congress authorized use of the metric system and supplied each State with a set of metric weights and measures. In 1875, the United States reinforced its continuing interest by becoming one of the original signatory nations to the "Treaty of the Meter." In 1893, we began to define the foot, pound, and inch in terms of the metric system.

When Congress passed the Metric Conversion Act of 1975, it declared "a national policy of coordinating the increasing use of the metric system in the U.S. and * * * the voluntary conversion to the metric system." Today, the reasons that formerly justified rejection of metric are exactly reversed. Our trading partners are now predominately metric, including Great Britain.

Mr. President, my resolution encourages voluntary cooperation between public and private international organizations concerned with the development of engineering standards. I believe that such cooperation can only result in furthering our increasingly vital worldwide trade interests.

SENATE CONCURRENT RESOLUTION 35—RELATING TO CERTAIN EXCHANGE PROGRAMS

Mr. DODD (for himself, Mr. PELL, Mr. SIMON, Mr. MOYNIHAN, Mr. KENNEDY, and Mr. CRANSTON) submitted the following concurrent resolution; which was referred to the Committee on Appropriations:

S. CON. RES. 35

Whereas a number of national education task forces and commissions, including the National Commission on Excellence in Education, have outlined a serious decline in the study of foreign languages in the United States and have recommended increased

second language training at all educational levels;

Whereas leading members of the defense and intelligence communities have expressed concern about America's lack of expertise in international studies and in foreign language proficiency;

Whereas the United States has produced insufficient numbers of qualified area studies and foreign language specialists during the last decade to meet our future defense, diplomatic, and intelligence needs;

Whereas the study of less commonly taught but strategically important languages and cultures such as Japanese, Chinese, Arabic and Russian is extremely limited in the United States;

Whereas new programs in the combined study of business, foreign languages, and international relations would make a significant contribution to the reversal of America's declining economic competitiveness in international trade;

Whereas in comparison with the investments of America's allies and potential adversaries, the United States Government's investment in foreign language and international education historically has been quite small;

Whereas approximately 80 percent of the Nation's foreign language training in the less commonly taught languages takes place at federally funded National Resource Centers for Foreign Languages and International Studies;

Whereas for fiscal years 1984, 1985, and 1986 the present Administration has recommended zero budget funding for the Office of International Education and Foreign Language Studies, which funds the National Resource Centers and the Fulbright-Hays Scholarship program; and

Whereas Congress had consistently rejected the Administration's proposals and fully funded the Office of International Education and Foreign Language Studies for fiscal years 1984 and 1985; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the fiscal year 1986 funding levels for Federal foreign language and international education and exchange programs should be maintained at fiscal year 1985 levels.

● Mr. DODD. Mr. President, today I am submitting, along with the Senator from Rhode Island [Mr. PELL], the Senator from Illinois [Mr. SIMON], the Senator from New York [Mr. MOYNIHAN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from California [Mr. CRANSTON], a concurrent resolution.

This resolution expresses the sense of the Congress that funding levels for foreign language and international education and exchange programs should be maintained at fiscal year 1985 levels. Representative LEON PANETTA of California is introducing identical legislation in the House.

We are offering this concurrent resolution in response to the administration's zero funding request for title VI and Fulbright-Hays 102(B)(6) of the Higher Education Act in the Department of Education. Total fiscal year 1985 appropriations for these programs totaled only $32.05 million.

The effect of this elimination of Federal support would be the extinction of many international education and foreign language programs on U.S. campuses.

This exclusion of Federal funding is especially baffling in light of the findings of the President's own Commission on Excellence in Education. The Commission stated in "A Nation At Risk":

We live among the determined, well educated, and strongly motivated competitors. We compete with them for international standing and markets, not only with products but also with the ideas from our own laboratories * * * America's position in the world may once have been reasonably secure with only a few well-trained men and women. It is no longer.

This task force, as well as many others, have identified the need to support and enhance what might be termed, "international education"—foreign language and cultural studies, and student exchange programs—in an effort to help secure the national defense and promote economic security.

One area critically dependent upon adequate instruction in foreign languages and culture is international trade.

The United States has been a traditional leader in international trade. Our merchandise trade deficit, however, in 1984 was $123.3 billion.

No one will dispute that there are a number of contributing economic factors for the decline in American foreign trade supremacy. The lack of understanding and knowledge of our customer nations and their languages, nonetheless, has played an important role in this decline.

Japanese business executives, on the other hand, attribute much of their country's success in international trade to their in-depth knowledge of American culture, consumer habits, and languages.

For example, in 1979, according to the President's Commission on Foreign Languages and International Studies, there were approximately 10,000 English-speaking Japanese business representatives assigned to the United States who were involved in some way with providing goods for the American consumer.

At the same time, there were fewer than 900 American business representatives in Japan. The majority of these American businessmen possessed little or no knowledge of the Japanese language. In fact, they were often forced to rely on their foreign buyers for the translation of messages and contracts.

International trade is just one area where the need for familiarity with other countries and their people and language is evident. Several Federal agencies are in need of individuals proficient in foreign languages.

For example, Adm. Bobby Inman, former Deputy Director of the CIA, recently voiced his concerns regarding the lack of qualified linguists needed in various important positions within the CIA and NSA.

Federal agencies are not exclusive in their need for professionals with foreign language skills. Other fields where the need for foreign language expertise is becoming more acute are public service, law enforcement, teaching, and science and research.

It is highly ironic that as the need increases dramatically for a well-trained cadre of American professionals who can deal effectively with trade deficits, the economy, research and development, national defense, and world political events, the administration's proposed budget has zero funded support for international education programs and foreign language studies, title VI and Fulbright-Hays 102(B)(6).

The administration's title VI budget proposal would terminate support for national resource centers, undergraduate international studies programs, foreign language and area studies fellowships, research projects for language and area teaching materials, and terminate support for new matching grants in areas relating to international business and economic competitiveness made possible under part B of title VI.

Under Fulbright-Hays 102(B)(6), the administration's proposal would eliminate support for group projects abroad, foreign curriculum consultants, faculty research projects abroad, awards for Ph.D dissertation research abroad, and projects implementing special binational agreements.

In addition, it is unlikely that the Nation will have adequate numbers of professionals who possess the required knowledge and understanding of foreign countries and their languages if Federal support for these programs is withdrawn.

Dr. Fritz Stern, professor of history at Columbia University, said it well: "There is no substitute for trained familiarity with the culture and history and languages of our principal allies, our principal economic partners, and, increasingly, our principal rivals."

Mr. President, I urge the Senate to act quickly and affirmatively on this concurrent resolution.●

SENATE RESOLUTION 111—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH, from the Committee on Governmental Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 111

Resolved, That, in carrying out its powers, duties and functions under the Standing Rules of the Senate, in accordance with its

jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1985 through February 28, 1986 in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $5,120,552 of which amount (1) not to exceed $189,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,750 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(1) the efficiency and economy of operations all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public.

(2) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(3) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities.

(4) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety including but not limited to investment fraud schemes, commodity and security fraud, computer fraud and the use of off-shore banking and corporate facilities to carry out criminal objectives;

(5) The efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(A) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(B) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(C) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a member; and

(D) legislative and other proposals to improve these methods, processes, and relationships;

(6) The efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(A) the collection and dissemination of accurate statistics on fuel demand and supply;

(B) the implementation of effective energy conservation measures;

(C) the pricing of energy in all forms;

(D) coordination of energy programs with State and local government;

(E) control of exports of scarce fuels;

(F) the management of tax, import, pricing, and other policies affecting energy supplies;

(G) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(H) the allocation of fuels in short supply by public and private entities;

(I) the management of energy supplies owned or controlled by the Government;

(J) relations with other oil producing and consuming countries;

(K) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(L) research into discovery and development of alternative energy supplies; and

(7) the efficiency and economy of all branches and functions of government with particular reference to the operations and management of Federal regulatory policies and programs: *Provided*, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(b) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(c) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1985, through February 28, 1986, is authorized, in its, his, or their discretion (1) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (2) to hold hearings, (3) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (4) to administer oaths, and (5) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the Chairman, by deposition.

(d) All subpoenas and related legal processes of the committee and its subcommittees authorized under S. Res. 354 of the Ninety-eighth Congress, Second session, are authorized to continue.

SEC. 4. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 5. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of long-distance telephone calls.

SENATE RESOLUTION 112—RELATING TO A BAN ON CHEMICAL WEAPONS

Mr. COHEN (for himself, Mr. BIDEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BURDICK, Mr. CHILES, Mr. DANFORTH, Mr. DURENBERGER, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GORTON, Mr. HEINZ, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. MATHIAS, Mr. PRESSLER, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SIMON, Mr. HATFIELD, and Mr. HART) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 112

Whereas chemical weapons are among the most terrible weapons in today's military arsenals;

Whereas it is the objective of the United States to eliminate the threat of chemical warfare through a comprehensive and verifiable ban on chemical weapons;

Whereas the United States is vigorously pursuing a multilateral agreement to ban chemical weapons;

Whereas the negotiation of a verifiable, bilateral agreement between the United States and the Soviet Union would be a significant step toward achieving a worldwide ban on chemical weapons;

Whereas bilateral discussions relating to a ban on chemical weapons took place in July and August of 1984 between the United States and Soviet delegations to the Conference on Disarmament; and

Whereas such endeavors could serve the security interests of humankind: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President should be commended for his efforts to negotiate a multilateral agreement banning chemical weapons;

(2) the President should continue to pursue vigorously such an agreement; and

(3) the President should seek the continuation and development of bilateral discussions between the United States and the Soviet Union to achieve a comprehensive and verifiable ban on chemical weapons.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President.

Mr. COHEN. Mr. President, in the often rancorous debate on whether to modernize our country's present stockpile of chemcial weapons, there has consistently been one major point of apparent agreement: The United States should vigorously seek a comprehensive international agreement banning chemical weapons from the face of the Earth.

The United States has pursued a ban on chemcial weapons in multilateral negotiations and, for a time, in bilateral negotiations with the Soviet Union.

The United States has played an active role in the efforts of the 40-nation Conference on Disarmament in Geneva to achieve a comprehensive ban on chemical weapons. In November 1983, for example, at the invitation of the United States, delegates of the Conference on Disarmament visited the Tooele facility in Utah to witness a demonstration on the effective verification of the destruction of chemical weapons. It is unfortunate that the Soviet Union opted not to send a delegate to witness this demonstration. Last year, the United States tabled a draft banning chemical weapons. I was disappointed in the very negative Soviet reaction to the draft treaty. In my view, it would be more productive for the Soviet side to focus on specific points of difference and address them directly in the negotiations.

In short, I believe that efforts to achieve agreement in the multilateral forum should continue in earnest. At the same time, I feel that more can be done to further progress.

In 1976, the United States and the Soviet Union began meeting on a bilateral basis to discuss a comprehensive ban on chemical weapons. The negotiations ceased in 1980. In hearings conducted by the Senate Armed Services Committee in 1983, a former Arms Control and Disarmament Agency official responsible for chemical weapons negotiations noted that a bilateral agreement with the Soviet Union is a prerequisite to a multilateral treaty. A similar view was expressed by the Defense Department official responsible for chemical weapons matters during the first Reagan administration. I agree with this view.

One of the main obstacles to an agreement on chemical weapons has been the issue of verification. In the bilateral negotiations with the Soviet Union, the sides were unable to agree on mutually satisfactory verification measures to assure compliance with provisions of a chemcial weapons agreement. The U.S.S.R. has stated its willingness to consider limited on-site inspection measures to help verify compliance with the provisions of an agreement. While, in my view, these require extension and additional clarification, I believe they offer an opening for working toward agreement in this difficult area. I feel that the subject should be pursued vigorously in a bilateral as well as multilateral forum to ensure that all possibilities for agreement have been thoroughly explored.

In November 1983, my distinguished colleague from Delaware [Senator BIDEN] and I introduced a resolution aimed at fostering the elimination of chemical weapons from today's military arsenals. The measure urged the resumption of bilateral negotiations with the U.S.S.R. toward a comprehensive and verifiable ban on chemical weapons. Forty of our colleagues on both sides of the aisle joined in support of the measure.

Last summer, at U.S. initiative, bilateral discussions took place between the United States and Soviet delegations to the Conference on Disarmament. I believe that such discussions can significantly advance the prospects for achieving progress toward a chemical weapons arms control agreement.

Mr. President, it is my belief that the United States can increase the prospects for a verifiable ban on chemical weapons by continuing to pursue intensive bilateral discussions with the Soviet Union while we continue our efforts in the multilateral forum. It is with this in mind that I rise today with Senator BIDEN and colleagues on both sides of the aisle to introduce a resolution commending the President for his efforts to achieve a multilateral arms control agreement on chemical weapons and urging that he seek to continue and develop bilateral discussions with the Government of the U.S.S.R. An expression of broad, bipartisan support for such an effort would, in my view, underscore U.S. resolve and strengthen efforts to achieve a comprehensive, verifiable ban on chemical weapons.

Mr. President, regardless of where one stands on the question of how best to deter the use of chemical arms, I believe that we all share an abhorrence of these terrible weapons and a desire to achieve their worldwide elimination. The resolution we are introducing today proposes a means of moving toward that objective. I urge my colleagues on both sides of the aisle to join us in this initiative.

Mr. BIDEN. Mr. President, I am pleased to join with my distinguished colleague from Maine in reintroducing this resolution urging broader United States-Soviet discussions to achieve a comprehensive, verifiable ban on chemical weapons.

I am pleased to note that, subsequent to our original proposal in November 1983 for bilateral United States-Soviet negotiations, the United States did indeed initiate such discussions with the Soviet Union in the context of the 40-nation Conference on Disarmament in Geneva. Consequently, our resolution—slightly revised—now calls for the continuation and development of those talks.

It is a premise of this resolution that a bilateral agreement on chemical weapons issues is a prerequisite to a multilateral treaty on the same subject. We believe, moreover, that an effective superpower pact would eliminate the most significant chemical weapons threat, while providing the basis for other nations to join in a global ban.

Conclusion of such an agreement will not be easy, particularly in the area of verification. I am nonetheless cautiously optimistic that an effective verification plan may be possible. In contrast to its resistance to on-site inspection with regard to every other category of weaponry, the Soviet Union has itself proposed on-site inspection to confirm the destruction of chemical weapons stockpiles. Although such a proposal obviously cannot be taken at face value, direct bilateral negotiations will enable us to probe Soviet intentions and establish the measure of Soviet sincerity in this increasingly dangerous realm of military-scientific ingenuity.

Heretofore Congress has been preoccupied with debate—often contentious—over just which kinds of chemical weapons to procure or maintain in the U.S. arsenal. This proposal today looks beyond that issue to the possibility of banning such terrible weapons entirely from the military stockpiles of every nation.

The use of lethal chemical agents in recent military conflicts has demonstrated the horror of such weaponry and should spur all nations to find effective means to prevent their further use. For the sake of humankind, we can spare no effort to reach a verifiable—and that means cheatproof—mutual agreement to ban these awful weapons. Through this resolution, the Senate would give some small impetus to the search for such a treaty.

SENATE RESOLUTION 113—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON SMALL BUSINESS

Mr. WEICKER, from the Committee on Small Business, reported the following original resolution; which was referred to the Committee on Small Business:

S. RES. 113

Resolved, That in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1985 through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $1,037,139.

SEC. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 114—RELATING TO ABOLITION OF THE COMPENSATORY FINANCING FACILITY

Mr. GARN (for himself, Mr. DOMENICI, Mr. LAXALT, Mr. DECONCINI, Mr. HECHT, Mr. GOLDWATER, Mr. HATCH, Mr. HEINZ, and Mr. MCCLURE) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 114

Whereas the Compensatory Financing Facility of the International Monetary Fund distorts the free market by providing low interest, subsidized loans to countries experiencing balance of payments shortfalls;

Whereas the Compensatory Financing Facility loans are made without conditionality and are inconsistent with IMF adjustment goals;

Whereas such low interest, subsidized loans tend to encourage the mining and production of commodities in oversupply by shielding producers from the immediate consequences of their production decisions;

Whereas commodities such as copper and nickel are at all time post-war lows as a result of world overproduction;

Whereas tens of thousands of American workers have lost their jobs as a result of world overproduction of commodities such as copper and nickel: Be it

Resolved, That the Secretary of the Treasury should instruct the Executive Director to the International Monetary Fund to work vigorously for the abolition of the Compensatory Financing Facility at the next meeting of the Fund.

● Mr. GARN. Mr. President, on Monday of this week word came that 120 years of copper mining in Utah will soon end and the last of 7,300 employees will lose their jobs. The reasons for the demise of the copper industry in Utah are varied, and, unfortunately, shared by the remaining U.S. copper producers.

Clearly stated, low world copper prices caused by overproduction in Third World developing nations have devastated the domestic U.S. copper industry.

Last fall, I joined many of my colleagues in pushing a resolution through the Congress which directed the administration to negotiate voluntary copper production cutbacks by foreign copper producers. Sadly, the Reagan administration refused. It has never pushed Chile, Peru, Zaire, or Zambia to make any concessions and to my knowledge has never even spoken to those nations. This administration must shoulder the burden for the demise of the U.S. copper industry.

I find it ironic that an administration who has chided the Congress for failing to recognize the importance of strategic minerals to our national defense, would now stand idly by and watch our domestic copper industry slowly twist in the wind and die. Meanwhile the United States continues to subsidize the compensatory financing facility of the International Monetary Fund so it can loan money to help other copper producing nations destroy our domestic industry in the marketplace. This is madness. It is time we in the Congress stepped in to help our Government get its priorities straight.

So, today, with hopes that our action is not too late, my colleagues and I, from copper producing States, are submitting a resolution calling upon the Secretary of the Treasury to instruct the U.S. Executive Director of the International Monetary Fund [IMF] to work vigorously for the abolition of the Fund's compensatory financing facility [CFF].

Last year I carried the water for the administration over IMF quota increases. But, I wish it to be known now that unless our copper producers get some strong support from their own Government, I will not support this administration on IMF again.

Mr. President, I do want to explain in more detail what this resolution is all about. When it was created in 1963, the original concept of the compensatory financing facility seemed like a good idea. CFF was created to assist Fund members through temporary balance-of-payment shortfalls resulting from circumstances beyond their control. The idea is to allow them to borrow from the Fund when export earnings suddenly drop, with the expectation that such funds can be repaid when commodities return to their normal price levels.

But, the ongoing world financial crises has taught us that countries heavily dependent on hard commodities like copper, are frequently willing to continue maximum production of those commodities well past the time when it is uneconomic to do so.

For example, major copper producing nations like Zambia, Zaire, Peru have gone all out to expand production even while copper prices have been dropping. The effect of this has been to bring world copper prices well below their costs of production. The only reason they continue on this reckless course is because copper is almost their only source of foreign exchange earnings.

Mr. President, the irony of all this is the more these countries overproduce, the more they are eligible for financial help under the compensatory financing facility of IMF. Since the CFF is available to them as members as a matter of right up to 83 percent of their quota subscription, it has the effect of shielding them from the consequences of their poor economic planning. This is why CFF has outlived its usefulness.

In reality, the CFF works against the normal workings of the free market by encouraging Fund members to continue with policies of internal subsidy and overproduction at a time when such countries should be induced to diversify their economies and bring their financial houses in order.

Mr. President, why the United States should allow this to continue is something I cannot comprehend. The situation will not end with copper. It will undoubtedly come back to haunt us in other industries as well.

Over the past 9 years the major copper producers of the world have freely used IMF. Of the $4.4 billion borrowed by these countries, nearly 50 percent came through the compensatory financing facility. During the last 3 years, a time when the Fund should have had its greatest impact on the shortsighted economic planning of its members, it had just the opposite effect. Member's addiction to the fund became worse.

In summary, the compensatory financing facility was created to assist Fund members weather temporary falls in global commodity prices that were beyond their control. Today, the CFF is being used to promote a fundamentally unsound policy of over production of hard commodities at our domestic industries expense. The greatest insult is that our own Government is contributing substantially to this insane policy. I urge my colleagues to join me in support of this resolution. The compensatory financing facility should be abolished now.●

● Mr. DOMENICI. Mr. President, the resolution that we are introducing today when enacted, will be the first step toward abolishing what I call the "crutch that cripples"—the IMF's compensatory financing facility.

The IMF's compensatory financing facility is fundamentally a slush fund which funnels aid to a country whose income from export sales falls below expected earnings—giving that country no incentive to comply with the law of supply and demand. Ironically, at a time when U.S. mines were closing, a time when U.S. companies were enduring massive losses and U.S. workers were unemployed, the United States provided more than 20 percent of the $1 billion in aid that six copper producing countries received in 1 year.

A statement released by Phelps Dodge summarizes the situation:

> While IMF loans cushion the socialized mines from the full consequences of their actions, domestic copper companies and miners are left not only to absorb that full impact, but also to stem the flow of red ink as best they can on their own.

To some, the compensatory financing facility may sound worthwhile on paper. It was established to provide additional assistance to member countries that are experiencing balance of payments difficulties arising from export income shortfalls. For example, if a country that only exports wheat suffers a drought and has no wheat to export, that country will have a balance-of-payments problem. Addressing this type of disaster is a resonable objective.

However, in 1975 the compensatory financing facility was expanded to cover such hard commodities as copper, uranium, potash, steel, lead, nickel, and iron. This is when the problem began.

The original concern was monoproduct economies and the effect of unstable prices on these countries' balance of payments. It was envisioned as emergency help. However, it is being used as an escape route for countries that pursue excessive production policies. It encourages market disequilibrium and depressed prices.

I am going to focus my remarks on copper because its example makes an excellent case for abolishing the compensatory financing facility. First, keep in mind that 40 percent of the free world's copper production is government-owned. I am attaching a list of 34 so-called companies which are really nothing more than extensions of their respective governments. I ask unanimous consent that this table appear at the conclusion of my remarks.

Our U.S. companies are not going broke because they can't compete with other companies. They are going broke because competition is not companies, but governments. These government-owned producers have the very unfair advantage of being backed by the IMF's compensatory financing facility.

These governments that are IMF members have an entitlement at the compensatory financing facility so that they can borrow the difference between what they estimated they would earn from exports and what they actually earned. They must show that the situation was not their fault, and that the shortfalls are temporary.

The IMF does not consider deliberate overproduction to be disqualifying behavior.

The major copper producing countries are heavily dependent upon copper for export income. For example, over the period 1970–82 copper exports comprised 91 percent of Zambia's export income; 59 percent of Chile's export income; 20 percent of Peru's, and 50 percent of Zaire's.

Therefore, as a practical matter, even though IMF funds address balance-of-payments needs rather than sectoral concerns, for example, minerals, mining, agriculture, et cetera—because of the dependence of the major foreign copper producers on copper exports as an essential component of their balance of payments, the IMF's compensatory financing facility assists in the financing of copper export shortfalls. Copper is just one example.

I am concerned about this situation and want to do away with the compensatory financing facility because of the actual impact it has on the world copper market. The ownership structure of the copper industry in the CIPEC nations, is government ownership and control of production. Therefore, loans to these governments absorb losses that would be otherwise difficult to finance in the free market.

Despite an oversupply of copper, the government-owned producers persist in excessive production to maintain employment and political stability. Many government producers mine at full capacity even when the market price falls below their costs. The profit incentive vital to free enterprise has been replaced in these government arenas by the need for maximum revenue to service their international debt.

I met with Nigu Donge, the Secretary General of CIPEC. CIPEC is the Intergovernmental Council of Copper Exporting Countries. Some writers have compared CIPEC to OPEC, and referred to the eight members, Chile, Zambia, Zaire, Peru, Austrialia, New Guinea, Yugoslavia, and Indonesia as the copper cartel. Unlike OPEC that wanted a higher price, CIPEC's persistent policy is full capacity production.

Mr. Donge likes to point to the strong dollar as the cause of U.S. copper's problems. He doesn't mention that the foreign countries often devalue their currency. Nor does he point out that devaluation throughout the countries he represents lowers foreign production costs that are denominated in local currency. This can turn a mine incurring large losses into a profitable enterprise overnight. The real loss is then made up in the form of export income shortfall assistance at the IMF.

Put simply, the government-owned producers go to the IMF when the price of copper falls below their target prices. Such prices are also often set by the IMF. Our U.S. companies go broke.

I think you can see why I refer to the compensatory financing facility as a crutch for these developing countries. Let me talk about why it cripples and why it should be abolished.

As you know, copper prices have remained incredibly low. The historical price of copper in constant dollars is $1.15. Today's price is 61 cents. The reason the price is so low is because of the excessive production policies of the foreign producers. They simply ignore the law of supply and demand, and refuse to adjust production when demand lessens. The result is a copper glut and very low prices.

When I met with the Secretary General of CIPEC, he reaffirmed CIPEC's policy to produce at 100 percent of capacity. This is in spite of the selling price being less than all but one producer's cost.

Estimating costs are very difficult, and it changes constantly because of the price of byproducts such as gold, silver, and molybdenum. One set of figures that I have seen estimates the average costs to be: Chile, 55 cents; Peru, 62 cents; United States, 65 cents; Zaire, 82 cents; and Zambia, 92 cents.

Another estimate, prepared by the Bureau of Mines is as follows: Australia, 69 cents; Canada, $1; Chile, 54 cents; Philippines, 94 cents; and Zambia, 75 cents.

The same Bureau of Mines data estimate U.S. average cost to be 65 cents.

Just looking at the numbers, don't you wonder why the United States and Canada are the only two producers that have significantly reduced production? I think the answer is that the other countries are unconcerned about the price, and are more concerned about expanding their market share. They don't have to concern themselves about making a profit because they are government owned. They don't have to be concerned about cost/price ratio because the IMF bails them out by making up the difference.

Mr. Donge told me that the members of CIPEC made a conscious decision to keep the price low. If these countries persist in this type of market behavior, my response is that they should have to fully bear the brunt of the consequences for their uneconomic behavior.

I believe we should eliminate their crutch, the IMF's compensatory financing facility. The United States contributes 22 percent of the funding for the IMF and what we get in return is closed plants, ghost towns and unemployment.

I believe we should put a stop to it now.

Thank you, Mr. President.

GOVERNMENT-OWNED COPPER AND COPPER-RELATED COMPANIES IN THE WORLD, 1984

[In percent]

Country and company	Government's ownership share	Domestic output share
Chile: [1]		
Corporacion Nacional del Cobre de Chile (CODELCO)	100	86
Empresa Nacional de Mineria (ENAMI)	100	9
Cia Minera Disputada de las Condes S.A.	([2])	3
Bolivia: [3] Corporacion Minera de Bolivia	100	NA
Brazil: [4]		
Cia Vale do Rio Doce (CVRD) [5]	100	NA
Rio Doce Geologia e Mineracao S.A. (DOCEGEO) [6]	100	NA
Mexico:		
Mexicana de Cobre S.A.	44	[1] 50
Cia Minera de Cananea S.A.	95	[7] NA
Nacional Financiera	69	[7] NA
Comision de Fomento Minera	14	[7] NA
Banco Nacional de Mexico S.A.	7	[7] NA
Cobre de Mexico S.A.	5	[7] NA
Consejo de Recursos Minerales [8]	100	[9] NA
Peru: [7]		
Empresa Minera del Centro del Peru	100	([10])
Empresa Minera del Peru	100	([10])
India: [11] Hindustan Copper Ltd.	100	100
Iran: [12] National Iranian Copper Industries	100	100
Oman: [12] Oman Mining Co.	75	NA
Turkey: [13]		
Etibank [14]	100	NA
Karadeniz Bakir Ishetmeleri [15]	100	NA
MKEK [16]	100	NA
Austria: [17]		
Kupferbergbau Mitterberg GmbH [14]	100	NA
Montanwerke Brixlegg GmbH [18]	100	NA
Finland: [17] Outukumpu Oy [19]	100	NA
Yugoslavia: [17] RTB Bor [20]	100	100
Portugal:		
Sociedade Mineria de Neves-Corvo S.A.R.L. (Somincor)	51	[21] NA
Empresa Minera e Metalurgica do Alentejo [22]	100	[7] NA
Philippines: [23] Philippine Associated Smelting & Refining Co.	100	NA
Malaysia: [24] Overseas Mineral Resources Development Sabah Bhd. [25]	49	NA
Botswana: [23] Bamang Wato Concessions Ltd.	15	100
Morocco: [23] Bureau de Recherches Geologiques et Minieres	100	100
Zaire: [23] La Generale des Carrieres et des Mines du Zaire (Gecamines)	100	100
Zambia: [23] Consolidated Copper Mines, Inc.	100	100

[1] U.S. Bureau of Mines. Mineral Industries of Latin America, by Martino, Orlando, Doris Hyde and Pablo Velasco. Washington, U.S. Government Printing Office, 1981. December 1981.
[2] 13 percent owned by ENAMI.
[3] U.S. Bureau of Mines. The Mineral Industry of Bolivia. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[4] U.S. Bureau of Mines. The Mineral Industry of Brazil. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[5] In 1982 the Government had "a wide-ranging plan to sell many of its state-owned companies," according to the Bureau of Mines source noted.
[6] "CVRD's research arm."
[7] Roskill Information Services Ltd. The Economics of Copper. London, Roskill Information Services Ltd., 1984.
[8] Exploration.
[9] U.S. Bureau of Mines. The Mineral Industry of Mexico. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[10] 15 percent combined.
[11] U.S. Bureau of Mines. The Mineral Industry of India. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[12] U.S. Bureau of Mines. Mineral Industries of the Middle East, by Shekarchi, E., Janice Jolly, Candice Stevens, David Morse, and John Rowland, Jr. Washington, U.S. Government Office, 1979. February 1979.
[13] U.S. Bureau of Mines. The Mineral Industry of Turkey. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[14] Mining.
[15] Mining, milling, and smelting.
[16] Refining.
[17] U.S. Bureau of Mines. Mineral Industry of Western Europe, by Keyes, William, Roman Sondermayer, and Joseph Huvos. Washington, U.S. Government Printing Office, 1977. October 1977.
[18] Smelting and refining.
[19] According to the Bureau of Mines source noted, the mineral industry of Finland "* * * is largely government-owned enterprises, operating as private companies."
[20] Mining and smelting.
[21] U.S. Bureau of Mines. The Mineral Industry of Portugal. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[22] Shares in various projects.
[23] George Cokely, U.S. Bureau of Mines. Telephone conversation. Mar. 29, 1984.
[24] U.S. Bureau of Mines. The Mineral Industry of Malaysia. Preprint from the 1982 Bureau of Mines Minerals Yearbook.
[25] Owned by the Sabah State government.
Note: NA—Not available or not applicable.●

AMENDMENTS SUBMITTED

FEDERAL DEPOSIT INSURANCE ACT AMENDMENTS

EXON AMENDMENT NO. 21

(Ordered to be referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. EXON submitted an amendment intended to be proposed by him to the bill (S. 760) to strengthen and refine the provisions of the Federal Deposit Insurance Act to provide for more flexible assessment procedures, to improve methods for insuring deposits, and for paying insured depositors, to establish priorities among claimants to the estates of failed banks, and for other purposes; as follows:

At the appropriate place insert the following:

SEC. . Section 13(i) of the Federal Deposit Insurance Act (12 U.S.C. 1823(i)) is amended by adding at the end thereof the following new paragraph:

"(14)(A) The Corporation is authorized to use the authority contained in this subsection to purchase net worth certificates of any qualified institution which—

"(i) has investments in agricultural loans aggregating at least 20 per centum of its loans; and

"(ii) otherwise satisfies the requirements of this paragraph.

"(B) In any case in which a qualified institution described in subparagraph (A) is required to maintain a net worth greater than 6 per centum by any State or Federal banking agency, the Corporation shall be required to consider purchasing net worth certificates as an alternative to a merger, purchase and assumption, liquidation, or any other similar action.

"(C) For purposes of this paragraph, the term 'qualified institution' means a qualified institution within the meaning of paragraph (2), except that for the purpose of this paragraph, an institution—

"(i) satisfies the requirements of paragraph (2)(A) is such qualified institution has a net worth less than—

"(I) 6 per centum; or

"(II) such higher percentage as it may be required to maintain by any State or Federal banking agency;

"(ii) is not required to satisfy the requirements of paragraph (2)(F);

"(iii) satisfies the net worth requirements of paragraph (5)(A) if such qualified institution has a net worth greater than 6 per centum;

"(iv) satisfies the net worth requirements of paragraph (5)(B) if such qualifed institution has a net worth greater than 4 per centum and less than or equal to 6 per centum; and

"(v) satisfies the net worth requirements of paragraph (5)(C) if such qualified institution has a net worth greater than zero and less than or equal to 4 per centum.

"(D) For the purpose of this paragraph, the term 'net worth' means the ratio of capital to adjusted total assets.

"(E) For purposes of this paragraph, the term 'agricultural loan' includes all secured and unsecured loans, credit sales, forbearances, advances, renewals, or other extensions of credit made to any person or organization engaged in the production of agricultural products or made to farm cooperatives and for an agricultural purpose, as defined by the Corporation.".

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs has scheduled the following hearings:

First, on Monday, April 1 at 10 a.m., in SD-342, the committee will hold a hearing on the nomination of Donald J. Devine to be the Director of the Office of Personnel Management. For further information, please contact Wayne Schley at 224-2254.

Second, on Wednesday, April 3 at 10 a.m., in SD-342, the committee will hold a hearing on the nomination of Henrietta Guiton to be a Commissioner of the Postal Rate Commission and John Griesemer to be a Governor of the U.S. Postal Service. For further information, please contact Carol Fox at 224-4751.

Third, on Thursday, April 4 at 10 a.m., in SD-342, the committee will hold a hearing on the nomination of Herbert B. Dixon to be an associate judge of the Superior Court of the District of Columbia. For further information, please contact Eileen Mayer at 224-4161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 28, at 10 a.m., to hold a hearing on the Department of State authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness of the Committee on Armed Services be authorized to meet in executive session, during the session of the Senate on Thursday, March 28, to mark up S. 674, the fiscal year 1986 DOD authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Subcommittee on Strategic and Theater Nuclear Forces of the Committee on Armed Services be authorized to meet on Thursday, March 28, 1985, in executive session, to mark up S. 674, fiscal year 1986 Department of Defense authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 28, in executive session, to mark up S. 674, the DOD authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SATELLITE ANTENNAS

● Mr. GOLDWATER. Mr. President, I am pleased to announce that the Federal Communications Commission acted this morning to propose a rule upholding the right of home satellite antenna viewers to install dish antennas without discriminatory and unduly restrictive local zoning regulations. The Commission is allowing a 30-day comment period and then is expected to issue a final rule without delay.

As I read it, the proposed rule is fair and sensible. I commend the Commission for its action. The rule would only preempt State and local rules that, first, unreasonably discriminate against satellite receive-only antennas in favor of other communications facilities, and second, lack of direct, tangible relationship to valid, demonstrable and clearly articulated health, safety or aesthetic objectives and are not the least restrictive method available to accomplish objectives and are not the least restrictive method available to accomplish these purposes.

The rule would allow great leeway for the exercise of local authority but clearly would make local governments take account of the constitutional and statutory rights of home dwellers to enjoy reception of satellite signals for private viewing.

The problem arises out of the recent action by some jurisdictions to completely suppress dish antennas. For example, one jurisdiction gives a veto to the local cable franchise over the installation of any dish antennas. Another locality imposes the same costly licensing burden on anyone wishing to install a dish antenna that developers of an airport, hospital or other huge project must comply with. In another city, dish antennas have to be set back more than 10 feet from the center of property lines for each foot of the dish. A citizen who wants to install a 10-foot dish must own a lot at least 210 feet deep, if the dish can be placed at the center, which is unlikely.

Mr. President, it is important to notice that over 1 million home Earth stations are already in use around the country and more than 70,000 dish antennas are being sold each month. The right of persons to buy and use this equipment was expressly protected by the new section 705 of the Communications Act which I coauthored with the Senator from Tennessee [Mr. GORE]. In a landmark decision, the U.S. District Court of Kansas recently upheld section 705. In ruling in favor of a distributor of dish antennas, Judge Patrick Kelly specifically found that the issue "involves access of the public to the large number of programs and information available via satellite signals by virtue of technological advances."

But, we might ask, what good does it do an individual to possess this first amendment and statutory right, if he or she cannot install a reception antenna? The legal right to use dishes is meaningless if they cannot be set up.

This is why the step taken by the Commission today is so important and positive. All it would propose is that a balance be struck between the legitimate interests of localities and the judicially recognized right of home viewers.

Mr. President, I ask that the FCC press release issued today relative to this subject be printed at this point in the RECORD.

The material follows:

FCC PROPOSES LIMITED PREEMPTION OF STATE AND LOCAL ZONING REGULATION OF SATELLITE RECEIVE-ONLY EARTH STATION ANTENNAS

The Commission has proposed a limited preemption of state and local zoning regulation of satellite receive-only earth station antennas.

United Satellite Communications, Inc. had asked the Commission to preempt local zoning regulation of satellite receive-only earth station antennas, citing as an example a Chicago ordinance which, it stated, was enacted to protect the city's cable industry. The ordinance requires that an application to build a satellite receiving station by processed as a "planned development," subjected to review by three local government agencies and a public hearing upon payment of a $100 application fee.

Although there is no comprehensive federal law regulating satellite receivers, the Commission noted that the Communications Act's broad mandate reflects Congress' desire to make communications services available to all the people. In addition, recent amendments to the Act provide that people may erect a satellite antenna on their property to bring in unscrambled and unmarketed satellite cable TV programing without being liable for unauthorized reception.

The Commission pointed out that it has, in the past, preempted several state regulations that would have interfered with or impeded interstate communications. For example, it had preempted a state's attempt to apply cable regulations to Satellite Master Antenna Television Systems (SMATV), concluding such regulation would delay or terminate service to the public. Here, the door was left open to some local regulation of SMATV, such as zoning or safety requirements, provided it did not interfere with or inhibit interstate transmissions.

Turning to the Chicago ordinance, the Commission said while it exempts amateur radio towers and does not appear to apply to conventional home TV antennas, it seems to single out satellite antennas because of their status and not health or safety concerns. In sum, there does not appear to be any reasonable health and safety or aesthetic basis for the ordinance. Moreover, the required application process, with accompanying $100 fee, is the same procedure applied to an application to construct an airport, hospital or large residential subdivision. Such restrictions appear to go beyond those necessary to assure the health, safety or aesthetic values of the community.

Therefore, the Commission proposed preempting state and local zoning regulations to the extent that they:

Unreasonably discriminate against satellite receive-only antennas in favor of other communications facilities; and,

Lack a direct, tangible relationship to valid, demonstrable and clearly articulated health, safety or aesthetic objectives and are not the least restrictive method available to accomplish such objectives.●

NATIONAL HOMELESS AWARENESS DAY

● Mr. GLENN. Mr. President, today I rise to address the needs and concerns of America's homeless on National Homeless Awareness Day.

Sadly enough, there are far more homeless Americans now than at any time since the Great Depression. Despite an upturn in the Nation's economy and a reduction in unemployment, the number of homeless people in America is on the rise.

The House Task Force on the Homeless, along with several national organizations, estimates that approximately 3 million men, women, and children in our country are homeless. In my home State of Ohio alone, there are 93,000 homeless people. Across the country, the story is the same.

According to a HUD report and GAO study, the demographics of homelessness are changing. In previous years, the homeless were primarily alcoholics, drug addicts, uneducated, and older, white men. Today, the homeless are younger, include more minorities, and more families with children. The Federal Interagency Task Force on the Homeless reports that more than half the homeless have completed high school, and 30 percent have attended college.

Until recently, homelessness was attributed primarily to unemployment. Although there is a link between these two factors, the recent decline in unemployment has not reduced homelessness in America's cities. In fact, in 2 years of economic recovery and increasing employment, there have been substantial increases in homelessness in nearly every section of the United States. The homeless have remained virtually untouched by the reduction in unemployment and the rebound in our economy.

We can no longer pretend that American homelessness is a temporary phenomenon that will disappear when economic times improve. Despite widespread efforts of private and nonprofit organizations, there is simply not enough funding to house and feed those in need. Unfortunately, the homeless will suffer from the administration's budget proposals to eliminate the HHS emergency food and shelter block grant, to eliminate the FEMA food and shelter program, and to impose a 2-year moratorium on spending for federally assisted housing. Emergency aid is needed now, and we should work with State and local governments to provide emergency aid to the homeless and open additional buildings for use as emergency shelters.

Today, Senator DIXON is introducing the National Endowment for the Homeless. This bill utilizes the FEMA program that has demonstrated its effectiveness and efficiency in providing aid to those people forced to live on the streets. Last month, Senator GORTON introduced The Homeless Housing Assistance Act of 1985 which would provide grants to States, local governments, and private nonprofit organizations for the purpose of renovating or converting existing facilities to be used as emergency housing for the homeless.

Mr. President, the Federal Government cannot be entirely responsible for meeting the needs of our Nation's homeless. Rather, it should be a partner with State and local governments, and nonprofit agencies. Both of these bills incorporate this "partnership" policy. I am a cosponsor of these bills and urge my colleagues to join me in support of these measures.

To highlight the need for Senate action on these proposals, I ask that an article from the March 10, 1985, Cleveland Plain Dealer be printed in the RECORD.

The article follows:

JOURNEY TO NOWHERE

(By Dale Maharidge)

Forget the Me Generation of the '70's. The next decade or more seems to be the time of the Out Generation—the disenfranchised worker, left out of jobs, left out of the system, forgotten. They are not just victims of the latest recession. Fundamental changes are disrupting the labor market.

Some of the people on the downside of this change hit the road in search of work, or because they have nowhere else to turn. They are the new class of hobo and street person. For the most part, they are a strong breed, survivors.

We were simply chroniclers who tried to remain invisible as we journeyed with these men and women across the nation. In March 1983, we bought a $600 car, rat-bitten with rust, and were soon careening through the snow toward Youngstown, wondering what was Out There. Wondering if we would see.

A thousand shadowy figures perform an impromptu dance in the dark forest, an exercise to ward off the sting of wind shrieking across frozen fields of corn stubble. Three in the morning is not a pleasant hour to be outdoors in the late Ohio winter.

They have come because at 8 a.m., men inside that building will give them a chance they hardly ever get anymore: to fill out a job application. There are 200 jobs open at a factory in Clyde. This is the second of three days the firm would accept applications. Yesterday, 4,000 showed up, some from Kentucky, Michigan and West Virginia.

By first light, almost 2,000 applicants are in a line to the street, blocking traffic. Sheriff's deputies decide to move it. A big mistake.

The move starts orderly enough. The crowd, however, takes on a mind of its own. Looks on nervous faces say, Will I lose my place? That son of a bitch will get ahead of me! No way!

At once, a swarming rush of cold, tired, angry job-seeking breaks loose in a full-tilt run, out of control and mad to be the first near that door, dragging children, lawn chairs, blankets.

Deputies flee for cover. The race stops of its own accord. No one is seriously hurt. Doors open and small groups are allowed inside to warm hands and fill out applications. Most are polite, and answer interviewers with loud "Yes, sirs!" Company officials say four people will process the thousands of applications in the next few days.

Says Stan, a metalworker: "Look, it's a depression here. I feel like I'm useless. You get nervous and crazy. I don't know where to turn. I've got four kids. House payments. I've got 110,000 miles on the car, and it's broke-down. When I get it going, I'm going."

Says Liddy, a steel salesman: "Lots of my friends have blown town. I've got 140 resumes out, and nothing is happening. I won't stand in a welfare line. And my savings are gone. So I'm going to give it a shot and get out of here."

You ask the fleeing people where they're going. Place names roll off their tongues in a tone of voice usually reserved for speaking to a lover.

Texas . . . Colorado . . . California.

That's where the jobs are, they say. "California is it," says one Youngstowner. "I'm going to kiss the ground when I get there."

It is night when we leave Youngstown down the blacktop pathway, the yellow brick road, looking for the ruby in the eye of the wizard.

A chain dance of traffic snarls I-70 and I-44, the modern equivalents of Route 66. A cheerless city, gray like the sky, appears through rain-spattered windows. St. Louis is the first real stop for anyone using this route to escape the industrial heartland.

Don tucks his racquetball racquet under his arm and rubs his ears to keep warm. Men in suits and women in dresses could think he's a college student waiting for a bus. He doesn't look much different from any young up-and-coming guy; trade his casual clothes for a suit, and he'd be copy of one of them.

Yes, he's just like them. But he is trembling from fear and cold, and they are not.

He has no idea what to do. Last night, his first on the street, he slept on the floor of the bus station until police evicted him with a warning not to return. Thoughts of suicide fill his mind. He's tried that twice since he hit bottom, and failed. Next time, he wants to succeed.

Not long ago, Don was the envy of his peers. At 28 he had a small cleaning business with a crew of workers, a house, three children.

When the recession dragged on, he lost his biggest account. Then the business went bankrupt. He lost the house. His wife was angry that Don was too proud to get welfare. I'll find work, he kept telling her. But no one would hire him. His wife and children moved in with her mother.

Don went to his parent's farm in Illinois. For nine months he looked for work, standing in lines each day with hundreds of other men until the humiliation became too much. Last week, he bought a one-way Amtrak ticket here, got a cheap hotel room, and began looking or work. Two days ago, his money ran out.

The next night, over at Sally (Salvation Army) Don straggles in with his racquetball racquet and Adidas bag. Clean shaven and with some life in his eyes, he stands in stark contrast to the junkyard of humanity in the basement's shadows. Someone on the street told him about the mission, so he came yesterday.

All of us are ushered into the sweltering chapel for the evening's earbanging.

A haggard, humorless woman claws at an out-of-tune piano. The self-appointed preacher, a bargain-basement Billy Graham, launches into a tirade, while a backup preacher wearing Coke-bottle glasses claps and chants.

You are evil sinners, nothing but worthless, inferior alcoholics, is his line. He doesn't account for those who may be here only because they're unemployed. He seems to delight in putting the men down. He sings "What a friend you have in Jesus" in a cracking voice. "God! God! God! Love! Love! Love!" he whines over and over, shaking.

Homeguards (bums or winos who do not wish to work—they are looked down upon by hoboes and hitchhikers) who are regulars here have heard the spiel a hundred times. They sprawl in chairs, snoring. Don buries his head in his thin hands.

After an hour, it ends. Homeguards, who know how to play the game, wake up in time to come forward and "take" Jesus in their hearts. They're rewarded by being allowed to eat first.

Don passes on dinner and slumps on one of the sagging bunks lined up in rows. It's been a long time since he has found someone to talk with.

"I feel like I'm suffocating more each day. There I was, Joe College. Friends I went to high school with made fun of me because I went to college and graduated. But when things were good, I was looked up to. All I ever wanted was to have a business. I was proud as a peacock. By the time I went down, my neighbors were out of work, too. One guy got down and left his family. And this was suburbia! I had $8,000 in the bank. That's bubble gum when it starts going.

"You get a feeling from relatives . . . like when are you going to get a job? They don't say that, but you feel it. You feel like an idiot. Every meal you get for free from them, that feeling builds. I'd stand in line for five hours to apply for a minimum-wage job. When I'd get home, everyone asked how I did. They said I was a great guy and had lots of experience and should get the job. They didn't understand. I was one of dozens. I spent maybe two minutes with the interviewer.

"It's scary to look at that guy (he points to a shriveled wino two beds away) and feel you're going that way. It's a panic thing. If I can get one little job, it will bring me back.

"I carry my racquetball racquet because it makes me invisible. People think I'm a college student, I belong, I'm part of society.

It's the only thing that keeps me from going over the edge.

"A guy tried to talk me into hopping a train to Tampa, but I'm thinking of Denver. I keep hearing there's jobs there. Hitchiking is bad. They know you're desperate, hungry. They're afraid of that. I hit the road. It was probably immature, but I had to. I'd rather be like a whale who goes off to beach himself. I'd rather go down alone. I don't want people to see me like that."

Gasping for breath, Don reaches the first of the cars rumbling past at a spanking pace. He jogs along, afraid to touch the ladder. Images of legs being sliced off by the wheels—churning like rotary razors only a foot away—flash through his mind. His hands snag a rung. Still running, his legs leave the gravel and in one quick motion he is aboard, gasping on the floor of an empty three-level car designed to carry automobiles.

A switchman shouts, "Watch the main yard in KC! It's hot! The bull (a gun-toting railroad policeman) has been throwing everyone in jail!"

The sympathetic worker's warning trails off as the train picks up speed. Gripping an outside ladder, Don climbs to the roof, trying not to look at the blurred ground in the space between the cars.

Behind, the 63-story Gateway Arch—erected to commemorate St. Louis' role in history as the entrance to the West for the pioneers—dominates the evening skyline. Below it lies Busch Stadium, packed with spectators for an early season game between the Cardinals and Pittsburgh Pirates.

"Goodbye, St. Louis!" Don hollers. He jumps up and down, shaking his fist. "Good riddance! No regrets! I can starve here or in Denver!"

Riding freight trains is not a gentle experience. Trains are inherently smutty. Don quickly finds himself thoroughly soiled with an oil scum that soaked into his pores. The suspension is designed for cargo, not humanity. The bucking floor spits him about like a droplet of water in a pan of smoking grease. Reverberating clangs drown out voices as the walls rattle and vibrate, like finding yourself in a garbage can being hammered with a baseball bat by a rampaging gorilla. Don tries to urinate. The raging wind douses him.

Don starts cackling. He laughs until his side hurts, and then some more. It's the first time he's laughed in weeks. We laugh with him. He rubs his eyes with filthy hands, turning them into two white spots surrounded by blackened rings.

"Believe it or not, this is a lot better than the mission," he yells as he crawls into a secondhand sleeping bag, oblivious to the maelstrom. The bag is needed to repel the gale. Bulls tell of finding unprepared new hoboes dead from exposure in boxcars when trains enter yards after long trips.

The train screws it on, highballing at 60 mph through the Ozark Mountain night, down the aisle of steel, carrying its secret passenger toward an uncertain future.

3 a.m., Kansas City Mopac (Missouri Pacific) railyard: The train creaks to a halt with a loud bang followed by a whoosh when it drops the air from its brakes. Don's legs crumple beneath him as he hits the hoarfrost-covered ground.

Don staggers to a switchman for advice. Most yard workers hate the bulls as much as hoboes do and are usually downright helpful.

The worker tells Don our train will not go on to Colorado, but will be broken to travel in all directions. He warns Don that the bull threw two men in jail yesterday after he found them on a train. We'd better watch ourselves.

We hurry from the yard. Don clutches the racquetball racquet in one hand and his bedroll in the other. He curls up and shivers in a frozen ditch, waiting for sunrise.

Daylight finds us walking through a swamp south of the yard, toward an abandoned grain elevator surrounded by a thicket. Don wants a place to hide from the bull while he plots his next move. The yard worker told him it will be at least a day before a train leaves for Pueblo.

It's tough to freight out of a hot yard. The challenge appeals to Don's competitive edge. This is the racquetball game of life—and he wants to win. The first step toward victory will be to beat that bull and ride out of his yard.

It begins with early morning reconnaissance of the forbidden yard. We find a wooded area out of sight of towers where the trainmaster sits, sometimes accompanied by the bull. We draw straws. Don and Mike lose, and are elected for the foray. I tell them to enjoy themselves in jail if they get caught. I recline on the packs and watch them cross an open area. They place a bridge pillar between themselves and one of the towers. Then they jog into the heart of the yard, slinking down narrow corridors between boxcars that seem to stretch for miles, until they find a yard worker. Track 3, this afternoon, is the official word.

They steal back and we wait. And wait. At least six years later, it seems, a switch engine begins building a train on the proper track. There are no empty boxcars. An unprotected grainer is out of the question, as snow threatens. The only ride visible is on a car carrier loaded with small pickup trucks. We take it.

The diesels' horns pierce the silence of the Great Plains as the train barrels across Kansas through a raging blizzard. Don cocoons himself in the truck bed—the cab is locked—but wet snow finds a way to swirl inside the car carrier and on him.

For something to do, the jobless refugee peeks like a spy through a crack in the wall. Timeless prairie scenery sweeps past. Don tires of sightseeing and slumps in the bed of the Ford pickup destined for a San Francisco showroom.

"Just get in?" an unemployed machinist from Lima, O., asks Don. "So did we. If we don't find anything here, we're heading for California."

The group of men call out a litany of home towns from Florida to Michigan. All have just hitchhiked to Denver on a job hunt.

Don stammers, but doesn't finish a sentence. He hasn't been downtown more than five minutes, and everywhere he sees job-hungry men with backpacks. There are more looking for work here than in St. Louis! Everyone in the Midwest said this was the place to go. His hopes for Denver as a job-hunting mecca are evaporating.

The final leg was too much. The train sided often, taking 19 hours to arrive in Pueblo from Kansas City—a worse ride than the first, a veritable freezer and food blender on wheels. Then, hitchhiking north to Denver, we were picked up by a drunken man who wanted sex. He drove down a dirt road, frightening us, but took us to Denver after his advances were declined.

Don is dizzy. He grasps his head, quick-stepping away from the group of fellow job seekers.

More snow threatens from nasty clouds racing like gangs of thugs over the Front Range of the Rockies. We board a bus, waving farewell to Don. He stands alone on a corner, empty-handed. He's thrown away the racquetball racquet.

The Denver skyline, shiny and young and alive, shrinks behind us, and we are back on the plains, gliding along in the dubious comfort of the bus. We must hurry back to St. Louis, where our car awaits our return in a parking lot.

We peer out the window, wondering what will happen to Don. We've got maybe a buck and four bits left between us, having bought our $72 tickets with plastic money. We spent two hundred greenbacks to get Don a room in a cheap hotel, which drained our wallets. We couldn't leave him on the streets, worried he wouldn't make it. With a room for a month, maybe he'll find work. But what of the hundreds of other Dons walking around Denver? We were powerless to help them. So we helped one. Big deal.

In St. Louis we fix a flat and continue on, racing nonstop into the South, into the void. The highway leads to the Tennessee hills, past thick hardwood forests, tumbledown barns, tired fields of red earth waiting to be plowed. We leave the open road for the streets of Chattanooga, a Tennessee River town near the Georgia border.

We drive to the I-24 ramps, to see who's hitch-hiking through. At the first ramp, a gray-haired man and woman thrust their thumbs skyward as if holding imaginary torches in imitation of the Statute of Liberty. Their clothes are wrinkled and fatigued, like their faces.

Her eyes are simply cadaverous. Never before have we seen eyes like those, so full of hunger, worry, desperation. She is not more than 50, but they age her another three decades. His eyes beg the passing cars, following each like a dog watching a steak being passed at a dinner table.

Erik is his name, hers Alvena. Two hours here, and no ride, says Erik, an unemployed metalworker. They sold their car to make the rent on their Louisville apartment, to forestall eviction that came anyway. That's why they're thumbing, he says, searching for work.

Alvena sits on one of their suitcases, wrapped in her heavy coat, hands crossed on her lap. She does not offer much conversation and looks down at the ground. It is hard not to stare at her eyes. Erik notices. He takes us aside, whispering. He has to get her off the streets soon, but doesn't know how. "What do I do, goddammit! What do I do?"

We have no advice. What does he do?

He tells us about a man named Ed, whom they met at the Salvation Army last night. A sheet metal worker from Kentucky, out of work many months. He began traveling with his three children in search of work, but his car died when he got to Chattanooga three days ago. "You gotta talk to him. He's got no money. He's in a hell of a mess. We're all in a hell of a mess."

As we approach the Salvation Army, Ed's son, maybe 12, tries to dribble a flat basketball in the parking lot next to his dad's broken-down sedan. The ball goes thunk, sticking to the ground like a big gob of peanut butter with each futile bounce.

Ed comes out. A giant man, with short-cropped red hair—and those hands! They seem big enough to hold a football like an egg. His face is vacant, the color of yellow squash, wearing the kind of expression you find among disaster victims.

We ask what he's going to do.

"Look, buddy, I don't know what I'm going to do," he says hoarsely, never looking at us. "Buddy, I don't know where I'm going. Buddy . . . I . . . don't want to talk anymore . . ."

He slumps on the lawn and hides his face, crying softly. We retreat. The son watches with an owlish look, continuing to bounce the ball.

Thunk. Thunk. Thunk.

Birmingham, Ala.: Mark, flanked by his two teen-age sons in football jerseys, seems at peace being on the road, but an uneasiness in his voice tells us he's scared.

We spend maybe a half-hour with them. Their car blew up west of Birmingham, he tells us. In a gas station, where it was towed, they met three other job-seeking men. Mark says they hitched a ride with them and continued their journey westward toward Los Angeles. This is the second forced move for the divorced father and his sons. Almost two years ago, they left Grand Rapids, Mich., for a better life in Atlanta—until he was again laid off from his job as a printer.

"Things go slowly," says Mark. "You lose the TV. And you accept that. You lose the car. And you accept that. Then you cut down on the groceries. And you accept that. Then you lose the house. That's too much. It's like a cancer. It eats you up. You gotta fight back. The hardest part is leaving. After you leave, though, it's okay."

For six blocks, police tail our car through the downtown area. Finally, the cop flashes his rooftop lights, pulling us over. One of Houston's finest sashays forward, hand on gun.

He eyes the Ohio plates, the hard hat in the rear window, the Youngstown State University decal. He doesn't know, but he speaks into a tape recorder hidden on the front seat.

"How long you been here?" he demands.

Two days.

"We know. We saw this car when you came in. Watcha doing here?"

We waffle, never really answering the question.

"Well, how long you staying?"

About another week.

"OK. If we see this car here past one more week, I'm going to throw you in jail!"

We ask, What for?

The cop puts his hand on his chin and squints, examining the car for an excuse. After a minute, he points to the worn wheels. "Tires!"

Our crime? Having Ohio plates and being suspected of coming here to look for work.

On the interstate a few days later, a pickup sporting a "Native Texan" bumper sticker throttles around us. Its driver spits. A huge, hideous hocker twirls with unbelievable accuracy and splats against the windshield. The driver and his two passengers laugh heartily.

When we park on a street, a man pulls up, looks at the Ohio plates, and screams an obscenity.

Welcome to Texas, pardner.

Texans once advertised for people to come live in their state. That's when unemployment was in single-digit figures. When 10 percent unemployment found its way here, however, they began despising anyone who would come and "take" their jobs.

"We're tired of people from the North," says one woman. "They're taking our jobs. We feel like they're invading our country."

Texans, however, are not alone in their hatred for the new poor. Los Angeles made it illegal to sleep in cars. In Fort Lauderdale, a city commissioner suggested spraying garbage with kerosene or insecticide to discourage foraging. To get rid of vermin, he said, you cut the food supply. Phoenix systematically forced missions to close.

No place seems to want the new homeless. Houston is a mirage.

To a casual visitor with a fat wallet driving into downtown off I-45, it is impressive. Skyscrapers, acres of glass and steel, dot the horizon; the lush expanse of Sam Houston Park beckons; streets are spacious, clean; men and women in smart clothes bustle between buildings. Clearly a city on the move, a major force in the New South.

But beneath the veneer lies another world.

Cross under the Smith Street Bridge. You'll find two of these residents, both named Jim, camped in clear violation of the law. They're cooking dinner. Come into their home.

A fire crackles deep in the recesses of Hole-in-the-Wall, the name they've given the underside of the bridge—a fitting title for the forbidding grotto facing the bayou's still waters. This is their kitchen. Their bedroom is upriver, also under a bridge, a place they call "the apartment."

Old Jim has been on the road for 10 years. He is new Jim's mentor, teaching him the streets.

New Jim came to Houston a month ago on a bus from Akron, where he was living with a relative, on welfare, and hating it. Before hard times forced him on the dole, he was a bouncer in a Cleveland bar; before that, a roadie for a band; before that, a worker at a ski resort. Sure, he screwed off in the past, he says, jumping from job to job, not really caring. But there was always some other job. All of a sudden, there isn't.

New Jim is a laborer. A big man, he likes using his back. He enjoys work, enjoys drinking beer after work is done. And he enjoys women. He is quiet behind his bearded face.

Right away, he found work in a day-labor pool, and later at the Astrodome. His job there is only four hours a day, two or three days a week. Not enough to pay rent on a real apartment.

"I hope to be able to get a place soon. I never did this before. The worst I ever had it was when I had to sleep in my car a couple of days when I was going to school. I've gotten used to the bats," he says eyeing hordes of swooping winged creatures that have sailed forth to greet evening's first darkness, their squeals an eerie whine. He shivers. "But I can't stand the rats!"

Up the hill, old Jim feeds the fire. His shadow is 12 feet tall on the cavern's walls. A voice comes from the obscure shadow that is new Jim's face.

"Maybe they gotta start a war. Maybe that'll get people working again."

We climb the dusty slope back to the fire, and fix sandwiches from canned stew. Old Jim picks up his sandwich, but drops it, drawing his footlong knife. He peels into the darkness, screaming, "C'mon, you—! C'mon!"

Two machete-wielding men had sneaked through the shadows to within 20 feet of the camp. New Jim grabs a club from the woodpile and readies for battle. The invaders, not far ahead of old Jim, crash away through the brush.

"I don't want to keep living like this," he sighs, awaiting old Jim's return. "I can't bring girls down here."

Across the field of grass burnt brown by the flamethrower sun, the wall of three canvas cottages flap in the breeze. Tents are clustered around a platform of scrap lumber, built in haste to raise the "living room" (the area between the tents under a sun awning) above winter floodwaters from the marsh. The water, full of vociferous frogs, has receded, but still laps just behind 11-year-old Matthew's "bedroom," the smallest of the tents. A Houston Post, folded to the help-wanted ads, rests next to the TV. Zinias around the perimeter look almost suburban.

Bonnie has just finished tidying 12-year-old Jennifer's bedroom. She zips the door closed and reaches into the near-empty coller to make a supper of sandwiches. Jim sits on a rusting glider couch—rocking back and forth, scanning the swamp. His mouth beneath his mustache is downturned. Things haven't gone well lately for the Alexander family, for sure, but Jennifer and Matthew's latest grade-school report cards were salted with A's. Above all, the kids are what count.

We spend a week with the family, sleeping in our car nearby in a campground north of Houston.

They began living here a month ago after Jim was laid off from a welding job in the oil fields. They could no longer afford their $500 apartment. It is only the latest thing to happen to them since they came to Texas. Their odyssey began four years ago, when their home was foreclosed in Port Huron, Mich., after Jim lost his job in the salt mine and couldn't find another.

Bonnie shows us around. She and Jim live in the big tent, bought with money from selling the washer and dryer when they left their apartment. It holds a double bed and nightstand.

Bonnie introduces us to Cindi and John, neighbors in the adjoining tent site of this commercial campground. Cindi and John, from Cincinnati, say they, too, moved here because they couldn't afford to keep their apartment.

Jim was a Marine during the Tet offensive, and damn proud of it, he says. He came home, married Bonnie, bought a house and started to settle down. One day, he tells us, he walked into what he thought was a National Rifle Association meeting but was a gathering of the American Independent Party. He turned to leave, but they invited him to stay. An hour later, he walked out a candidate for the Michigan State Assembly. He lost, but says he was proud he could run.

He didn't want to bring his family to live in a tent, he tells us. That was failure. But he had no choice when they lost their apartment. The job he started a few weeks ago paid the minimum, $3.35 an hour. His pay was enought for food and gas, but not rent.

Our last night with the family, we offer to make dinner for them and their neighbors before we move on to Mexico. We buy shopping bags full of food, fixings for slumgullion stew—a hearty mix of ground meat, noodles, and whatever else you can fit into the pot. The children excitedly run to the stove to inspect the progress of the meal. Jennifer, who will be a beautiful woman someday, peers in the pot. "We don't have to eat bologna sandwiches tonight!" she announces with glee.

The stew simmered in the biggest kettle, is soon reduced to a few bottom scrapings. Matthew and Jennifer return three times for extra helping.

Jim wrestles with Matthew a while, and the kids run off and play. Jim leans forward and begins talking. "Material possessions are meaning less and less to me. The way

the whole economy is going, it's a good time to be highly mobile. There's an undercurrent in this country that people in power are not aware of. They don't realize the bitterness and anger they are stirring up. A seething bitterness that will erupt. There's going to be rioting in the streets.

"I'm not a philosopher. But when the middle class erupts, they're going to be sorry. Uncle Sugar hasn't learned that better-educated people will be out to change something that is their right to change. I never thought this would happen to me, that this could happen in America. I've gone from the land of plenty to nothing. And we're living in luxury compared to a lot of people.

Jim crawls in the master tent and gets a .357 Magnum revolver he wants to show us. A proud possession, it shines in the firelight. His long arm makes a sweeping arc, motioning to the swamps and fields around him—all of it privately owned land.

"They won't let you use that land to survive. I could go out there and grow a lot of food. If you try that, they'll put you in jail. This is America! There was a time when all we had to eat was one potato between all four of us."

"Boy, I sliced it real thin, says Bonnie.

"The kids went to bed hungry that night," Jim adds. The work "hungry" rolls out of his throat like a grunt made as if someone is jabbing a fist in his gut. He clutches the gun in his shaking hand.

"I'm never going to let that happen again. I'm trying my damnedest as an upright citizen. First, I'll go hunting for food. If that doesn't work, I hit a 7-eleven. I'll held up a store. I won't take money. But I'll take food. My kids won't starve."

Buddy, please, my kids . . . look at them. Starvin'. Ain't eat in two days. I've got enough gas money to get where I'm going'. When I get to my mother-in-law's in Sacramento, they'll eat. There's work there. But I can't buy food now. You gotta help. See these tools? Cheap. Wanna buy some clothes? Here, look in the suitcase, Tell you what, I'll sell the suitcase. Anything."

In the back seat, three small children sob uncontrollably. That's hungry crying. John, the gas station attendant, can't take it anymore. The wailing haunts his soul. He buys the rusting tools. Pays more than they're probably worth. Even gives the family the hamburger he'd just bought for dinner.

John sees a lot at his place, just off I-40 on the outskirts of Needles—the first service station when you cross the Colorado River from Arizona into California. Needles, a dusty rail stop of tacky storefronts, was the first California city most Dust Bowl refugees saw whan they came over Route 66 in the 1930s.

"We see a lot from Pennsylvania, New York, and West Virginia . . . coal miners, mostly, from there," says John. "They go into Barstow. From there, into the Central Valley, or L.A. Most come hoping to stay for a time with a relative before making do on their own.

"People pull in from the East and Texas. At the same time, people from California pull in. They get talking. Ones heading west say there's a lot of work in California. Ones going east way there's work in Texas. Chasing dreams, rumors."

He points to an Ohio car towing a trailer and pulling off the interstate. Moments later, two open-bed trucks motor past, piled eight feet deep in bicycles, trunks, tools, and furniture.

"All day long you see them go by. After a while, you harden yourself to it. You say no when they want to sell stuff. There were a lot of people on the road in the late '60s. Everyone was brothers then. Now, people are scared to death. It's not the same anymore. These people are desperate."●

THE OLMSTED HERITAGE LANDSCAPES ACT OF 1985

● Mr. CHAFEE. Mr. President, I am pleased to join my distinguished colleague, Senator MOYNIHAN, in sponsoring S. 194, the Olmsted Heritage Landscape Act of 1985.

This legislation requires the Secretary of the Interior to provide for the identification, commemoration, and preservation of the historic landscapes of Frederick Law Olmsted, Sr., his partners, and professional descendants.

Frederick Law Olmsted is often referred to as the "father of landscape architecture" in the United States. Few individuals have had such a significant impact on the landscape of urban America. Landscape designs created or influenced by Olmsted can be found in hundreds of communities throughout the country. Of the public places alone, over 2,000 Olmsted sites have been identified in 37 States and the District of Columbia. His impact continues to be felt by millions of Americans.

In my home State of Rhode Island, the contribution of Frederick Olmsted and his successors to the character and quality of the landscape is extraordinary. More than 149 public parks, private estates, and other properties have been identified in Rhode Island. State and local agencies as well as private interest groups are working toward the preservation of these historic landscapes.

The Roger Williams Park in Providence is an excellent example of these efforts in Rhode Island. The city of Providence and the Rhode Island Historic Preservation Commission are working together to develop a master plan for the public's use and enjoyment of the 430-acre park. These efforts will not only result in the preservation of an historic landscape but will also contribute to the revitalization of Providence.

Ocean Drive in Newport, RI, however, illustrates the fragility and irreplaceability of historic landscapes. In 1866, Olmsted began the drive along the scenic rocky shoreline. Olmsted's plan provided for a series of building sites for private estates, many of which were landscaped by the Olmsted firm. The U.S. Congress declared Ocean Drive a National Historic Landmark in 1976. However, due to tourism and development, the drive's character and quality eroded. In 1984, the Secretary of the Interior revoked the historic designation of a portion of Ocean Drive.

The example of Newport's Ocean Drive shows the potential for destruction of an irreplaceable legacy from overuse, adverse development, and inadequate maintenance. The Olmsted Heritage Landscape Act of 1985 can assure survival of these historic landscapes. This legislation authorizes funding for a national inventory and evaluation of Olmsted parks and would establish an Advisory Council on Olmsted Parks. In addition, the act provides for a commemorative program, landscape preservation standards, a theme study of historic landscapes, and new research programs.

Fundamental to the bill is the encouragement of public and private participation. This legislation builds on existing State, local, and private efforts to aid in the identification, commemoration, and protection of the Olmsted landscapes. In my home State, the Rhode Island Association for Olmsted Landscapes is an excellent example of existing local efforts to promote and preserve the State's historic landscapes.

The lives of millions of Americans are enriched by the beautiful landscapes of Frederick Law Olmsted. The Federal Government should join in the efforts to preserve his cultural and artistic legacy. Through this legislation, we can protect the tradition of livable cities started by Frederick Law Olmsted.

I hope the Senate can consider this important measure in the near future. I urge my colleagues to join in supporting this effort.●

DEFENSE DEPARTMENT REPORT ON NUCLEAR WINTER

● Mr. DODD. Mr. President, as required by Congress, the Defense Department has examined the nuclear winter issue and made its report, entitled "The Potential Effects of Nuclear War on the Climate." While this report is not conclusive as to the threshold at which nuclear explosions would produce a nuclear winter, its findings are more than just disturbing. There can no longer be any doubt that the use of nuclear weapons on any scale poses a danger far beyond even the immense destructive power of the explosions themselves. Indeed, this report, like numerous others, provides a grim reminder of the urgent need to reduce nuclear weapons stockpiles. As United States and Soviet negotiators meet in Geneva, one can only hope that this will be their common goal.

I ask that a copy of this report, "The Potential Effects of Nuclear War on the Climate" be printed in the RECORD.

The material follows:

THE POTENTIAL EFFECTS OF NUCLEAR WAR ON THE CLIMATE

PREFACE

This report to the Congress on the potential climatic effects of nuclear war has been prepared to satisfy provisions contained in

Section 1107 of the Department of Defense Authorization Act, 1985, Committee of Conference, as follows:

"SEC. 1107 (a) The Secretary of Defense shall participate in any comprehensive study of the atmospheric, climatic, environmental, and biological consequences of nuclear war and the implications that such consequences have for the nuclear weapons strategy and policy, the arms control policy, and the civil defense policy of the United States.

(b) Not later than March 1, 1985, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Represenatatives an unclassified report suitable for release to the public, together with classified addenda (if required), concerning the subject described in subsection (a). The Secretary shall include in such report the following:

(1) A detailed review and asseement of the current scientific studies and findings on the atmospheric, climatic, environmental, and biological consequences of nuclear explosions and nuclear exchanges.

(2) A thorough evaluation of the implications that such studies and findings have on (A) the nuclear weapons policy of the United States, especially with regard to strategy, targeting, planning, command, control, procurement, and deployment, (B) the nuclear arms control policy of the United States, and (C) the civil defense policy of the United States.

(3) A discussion of the manner in which the results of such evaluation of policy implications will be incorporated into the nuclear weapons, arms control, and civil defense policies of the United States.

(4) An analysis of the extent to which current scientific findings on the consequences of nuclear explosions are being studied, disseminated, and used in the Soviet Union."

This focus of this report deals with the atmospheric and climatic effects of nuclear war, and does not deal with other effects which could have environmental or biological consequences. Other effects, both the horrible immediate devastation, and long-term effects such as widespread fallout or ionospheric chemistry perturbations, have been dealt with previously. Moreover, the newly postulated climatic effects, at the possible upper extremes indicated by some analyses, would probably surpass these better understood effects.

On past occasions when other more immediate kinds of global effects have been under active assessment—and there have been several such episodes over the years—it took some time for their magnitude and implications to be assessed. This will also be true for the current issue of climatic effects. And in each previous case, the conclusion was drawn that, even were the effect to have been very widespread and very severe, the most basic elements of our policy remain sound: nuclear war must and can be prevented, and to accomplish this imperative, the United States must maintain a strong deterrent capability. This requirement remains true today. Moreover, there are two further considerations which bear on the issue of global effects of nuclear war and our deterrent policy. First, we believe the prospects are promising for significant reductions in offensive weapons. Second, strategic defense offers a path to reduce, and perhaps someday eliminate, the threat of nuclear devastation.

The report commences with a review of the current understanding of the technical issues, and then describes the implications of that understanding, concluding with a description of Soviet activities concerning the analysis of the phenomena.

A REPORT TO THE U.S. CONGRESS

1. Technical issues

The Climatic Response Phenomena: The basic phenomena that could lead to climatic response may be described very simply. In a nuclear attack, fires would be started in and around many of the target areas either as a direct result of the thermal radiation from the fireball or indirectly from blast and shock damage. Examples of the latter would be fires started by sparks from electrical short circuits, broken gas lines and ruptured fuel storage tanks. Such fires could be numerous and could spread throughout the area of destruction and in some cases beyond, depending on the amount and type of fuel available and local meteorological conditions. These fires might generate large quantities of smoke which would be carried into the atmosphere to varying heights, depending on the meterological conditions and the intensity of the fire.

In addition to smoke, nuclear explosions on or very near the earth's surface can produce dust that would be carried up with the rising fireball. As in the case of volcanic eruptions such as Mt. Saint Helens, a part of the dust would probably be in the form of very small particles that do not readily settle out under gravity and thus can remain suspended in the atmosphere for long periods of time. If the yield of the nuclear explosion were large enough to carry some of the dust into the stratosphere where moisture and precipitation are not present to wash it out, it could remain for months.

Thus, smoke and dust could reach the upper atmosphere as a result of a nuclear attack. Initially, they could be injected into the atmosphere from many separate points and to varying heights. At this point, several processes would begin to occur simultaneously. Over time, circulation within the atmosphere would begin to spead the smoke and dust over wider and wider areas. The circulation of the atmosphere would itself be perturbed by absorption of solar energy by the dust and smoke clouds, so it could be rather different from normal atmospheric circulation. There may also be processes that could transport the smoke and dust from the troposphere into the stratosphere. At the same time, the normal processes that cleanse pollution from the lower- and middle-levels of the atmosphere would be at work. The most obvious of these is precipitation or washout, but there are several other mechanisms also at work. While this would be going on, the physical and chemical characteristics of the smoke and dust could change so that, even though they are still suspended in the atmosphere, their ability to absorb or scatter sunlight would be altered.

Depending upon how the atmospheric smoke and dust generated by nuclear war are ultimately characterized, the suspended particulate matter could act much like a cloud, absorbing and scattering sunlight at high altitude and reducing the amount of solar energy reaching the surface of the earth. How much and how fast the surface of the earth might cool as a result would depend on many of the yet undetermined details of the process, but if there is sufficient absorption of sunlight over a large enough area, the temperature change could be significant. If the smoke and dust clouds remained concentrated over a relatively small part of the earth's surface, they might produce sharp drops in the local temperature under them; but the effect on the hemispheric (or global) temperature would be slight since most areas would be substantially unaffected.

However, the natural tendency of the atmosphere, disturbed or not, would be to disperse the smoke and dust over wider and wider areas with time. One to several weeks would probably be required for widespread dispersal over a region thousands of kilometers wide. Naturally, a thinning process would occur as the particulate matter spread. At the end of this disperal period, some amount of smoke and dust would remain, whose ability to attenuate and/or absorb sunlight would depend on its physical and chemical state at the time. By this time, hemispheric wide effects might occur. Temperatures generally would drop and the normal atmospheric circulation patterns (and normal weather patterns) could change. How long temperatures would continue to drop, how low they would fall, and how rapidly they would recover, all depend on many variables and the competition between a host of exacerbating and mitigating processes.

Uncertainties also pervade the question of the possible spread of such effects to the southern hemisphere. Normally the atmospheres of the northern and southern hemispheres do not exchange very much air across the equator. Thus, the two hemispheres are normally thought of as being relatively isolated from one another. However, for high enough loading of the atmosphere of the northern hemisphere with smoke and dust, the normal atmospheric circulation patterns might be altered and mechanisms have been suggested that would cause smoke and dust from the northern hemisphere to be transported into the southern hemisphere.

There is fairly general agreement, at the present time, that for major nuclear attacks the phenomena could proceed about as we have described, although there is also realization that important processes might occur that we have not yet recognized, and these could work to make climatic alteration either more or less serious. However, the most important thing that must be realized is that even though we may have a roughly correct qualitative picture, what we do not have, as will be discussed later, is the ability to predict the corresponding climatic effect quantitatively; significant uncertainties exist about the magnitude, and persistence of these effects. At this time, for a postulated nuclear attack and for a specific point on the earth, we cannot predict quantitatively the materials which may be injected into the atmosphere, or how they will react there. Consequently, for any major nuclear war, some decrease in temperature may occur over at least the northern mid-latitudes. But what this change will be, how long it will last, what its spatial distribution will be, and, of much more importance, whether it will lead to effects of equal or more significance than the horrific destruction associated with the short-term effects of a nuclear war, and the other long-term effects such as radioactivity, currently is beyond our ability to predict, even in gross terms.

Historical Perspective: New interest in the long-term effects on the atmosphere of nuclear explosions was raised in 1980 when scientists proposed that a massive cloud of dust caused by a meteor impact could have led to the extinction of more than half of all the species on earth. The concept of

meteor-impact dust affecting the global climate led to discussions at the National Academy of Sciences (NAS) in 1981. In April 1982, an ad hoc panel met at the Academy to assess the technical aspects of nuclear dust effects. At the meeting, the newly-discovered problem of smoke was brought up. The potential importance of both smoke and dust in the post-nuclear environment was recognized by the panel, who wrote a summary letter recommending that the academy proceed with an in-depth investigation. In 1983, the Defense Nuclear Agency agreed to sponsor this investigation, on behalf of the Department of Defense. The results were published in the National Research Council report "The Effects on the Atmosphere of a Major Nuclear Exchange," released in December 1984.

Appreciation of smoke as a major factor resulted from the work of Crutzen and Birks. In 1981, Ambio, the Journal of Swedish Academy of Sciences, arranged a special issue on the physical and biological consequences of nuclear war. Crutzen was commissioned to write an article on possible stratospheric ozone depletions. He and Birks extended their analysis to include nitrogen oxides (NO_x) and hydrocarbon air pollutants generated by fires. Arguing from historical forest fire data, they speculated that one million square kilometers of forests might burn in a nuclear war. They estimated very large quantities of smoke would be produced as a result. Subsequent evaluations based upon hypothetical exchanges have yielded much smaller burned areas and smoke production. Nevertheless, their work provided insight and impetus for subsequent studies.

The first rough quantitative estimates of the potential magnitude of the effects of nuclear war on the atmosphere were contained in a paper published in Science in December 1983 [1] generally referred to as TTAPS, an acronym derived from the first letter of the names of the five authors. This study estimated conditions of near-darkness and sub-freezing land temperatures, especially in continental interiors, for up to several months after a nuclear attack—almost independent of the level or type of nuclear exchange scenario used. TTAPS suggested that the combination of all of the long-term physical, chemical, and radiobiological effects of nuclear explosions could, on a global scale, prove to be as serious or more serious than the immediate consequences of the nuclear blasts, although no specific damage or casualty assessments were carried out for either the immediate effects or the effects of the postulated climatic changes.

While the Crutzen and Birks studies stirred some interest in scientific circles, the TTAPS study, and its widespread dissemination in various popular media, brought the problem to wide attention. Because of its widespread dissemination, it is important to review this work in detail, and, because the salient feature of our current understanding is the large uncertainties, we will begin by discussing the nature of the uncertainties, using the TTAPS study as a vehicle for the discussion.

Uncertainties: The model used in the TTAPS study was actually a series of calculations that started with assumed nuclear exchange scenarios and ended with quantitative estimate of an average hemispheric temperature decrease. Since these phenomena are exceedingly complex and outside the bounds of our normal experience, one is forced to employ many estimates, approximations, and educated guesses to arrive at quantitative results. To appreciate the significance of the predictions derived from the TTAPS model, it is necessary to understand some of its features and limitations.

Looked at most broadly, there are three phases to the modeling problem: the initial production of smoke and dust; its injection, transport, and removal within the atmosphere; and the consequent climatic effects.

In the TTAPS model, the amount of smoke initially produced for any given scenario was probably the most uncertain parameter. This is because a large number of poorly-known variables were combined to determine the amount of smoke that could be produced from any single nuclear explosion. In actuality, the same yield weapon could produce vastly different amounts of smoke over different target areas and under different meteorological conditions. Some of the factors that must be considered—although not taken into account in the TTAPS study—include: the thermal energy required for ignition of the various fuels associated with a particular target area, the sustainability of such a fire, the atmospheric transmission and the terrain features which will determine the area receiving sufficient thermal energy from the fireball to cause ignition, the type and quantity of combustible material potentially available for burning, the fraction that actually burns, and finally, the amount of smoke produced per unit mass of fuel burned. Every target is unique with respect to this set of characteristics, and a given target may change greatly depending on local weather, season, or even time of day.

The TTAPS study did not attempt to analyze the individual targets or areas used for their various scenarios; rather, it made estimates of average or plausible values for all the parameters needed to satisfy the model. This procedure is not unreasonable and is consistent with the level of detail in the analysis, but the potential for error in estimating these averages is clearly quite large. In one case, a more detailed assessment of smoke production has recently been completed as a result of the ongoing DoD research in this area. Small and Bush [2] have made an analysis of smoke produced as a result of hypothetical non-urban wildfires which one can directly compare with the corresponding modeling assumption used in this TTAPS scenario. Bush and Small studied 3,500 uniquely located, but hypothetical targets, characterizing each according to monthly average weather, ignition area, fuel loading, fire spread, and smoke production. The results showed a significantly smaller smoke production—by a factor of over 30 in July to almost 300 in January—than comparable TTAPS results. An effort is underway to resolve this great difference. It is cited here to illustrate the very large current uncertainties in only one of several critically important parameters.

In the TTAPS analysis, smoke was more important than dust in many cases, and as a result popular interest has tended to focus on fires rather than dust. This may or may not be the correct view. If smoke is systematically overestimated, especially in scenarios that should emphasize dust production over smoke (such as attacks on silos using surface bursts), analytic results will be skewed. Additionally, uncertainties associated with the lofting of dust are large because of limited data from atmospheric nuclear tests carried out prior to 1963. This is because most tests were not relevant to the question of surface or near-surface bursts over continental geology, or the relevant measurements were not made. The range of uncertainty for total injected mass of submicron size dust, that which is of greatest importance, is roughly a factor of ten, based on our current knowledge.

After generation of smoke and dust is estimated, a model must then portray its injection into the atmosphere, the removal processes, and the transport both horizontally and vertically. The TTAPS model did not directly address these processes since it is a one-dimensional model of the atmosphere. By one-dimensional, one means that the variation of atmospheric properties and processes are treated in only the vertical direction. There is no latitudinal or longitudinal variation as in the real world. A one-dimensional model can only deal with horizontally averaged properties of the entire hemisphere. Of great significance, the land, the oceans, and the coastal interface regions cannot be treated. This is a critical deficiency because the ocean, which covers almost three-fourths of the earth's surface, has an enormous heat capacity compared to the land and will act to moderate temperature changes, especially near coastlines and large lakes. The TTAPS authors did acknowledge this limitation and pointed out that these effects would lessen their predicted temperature drops.

Because there is no horizontal (latitude and longitude) dependence in a one-dimensional model, the extent to which smoke and dust would be injected into the atmosphere over time were not estimated in a realistic way. Instead, the total smoke and dust estimated for a given scenario was placed uniformly over the hemisphere at the start of their calculation. The most certain effect of all this is that the hemisphere average temperature drops very rapidly—much faster than it would in a more realistic three-dimensional model using the same input variables.

The one-dimensional model has other shortfalls. Recovery from the minimm temperatures would largely be accomplished through the gradual removal of smoke and dust, and it was assumed that this removal rate would be the same in the perturbed atmosphere at it is in the normal atmosphere. Even in the normal atmosphere, removal of pollutants is a poorly understood process. Most pollution removal depends on atmospheric circulation and precipitation, but in an atmosphere with a very heavy burden of smoke and dust, the circulation and weather processes may be greatly altered. Some potential alterations could lead to much slower removal than normal, others to more rapid removal. Currently we have little insight into this uncertainty.

This discussion of the deficiencies of the one-dimensional TTAPS model is not meant as a criticism. A one-dimensional model is a valuable research tool and can provide some preliminary insights into the physical processes at work. The three-dimensional models needed to treat the problem more realistically are exceedingly complex and will require very large computational resources. The DoD and Department of Energy, in conjunction with the National Center for Atmospheric Research (NCAR) and other

[1] Turco, R. P. et al.; *Nuclear Winter: Global Consequences of Multiple Nuclear Explosions;* Science, 23 December 1983, VOL 222, Number 4630.

[2] Small, R.D., Bush, B. W.; *Smoke Production from Multiple Nuclear Explosions in Wildlands;* Pacific Sierra Research Corporation, in publication.

agencies, are pursuing the development of three-dimensional models to treat the atmospheric effects problem. Our work is progressing, and the first results of this effort are now beginning to appear. Though very preliminary and not a complete modeling of any specific scenario, they suggest that:

Substantial scavenging of smoke injected into the lower atmosphere from the continents of the Northern Hemisphere may occur as the smoke is being more widely dispersed over the hemisphere.

Lofting of smoke through solar heating could act to increase the lifetime of the remaining smoke and may reduce the sensitivity to height of injection.

For very large smoke injections, global-scale spreading and cooling are more likely in summer than in winter.

Despite good initial progress, many basic problems remain to be solved in the areas of smoke and dust injection, transport, and removal. In order to make the results produced by these models more accurate, we must improve our understanding of the basic phenomena occurring at the micro, meso, and global scale.

One final problem should be mentioned. Dust and smoke have differing potentials to effect the climate only because of their ability to absorb and scatter sunlight. The absorption and scattering coefficients of the various forms of smoke, dust, and other potential nuclear-produced pollutants must be known before any realistic predictions can be expected. Here again there is a large uncertainty, and what we do know about pollutants in the normal atmosphere may not be correct for the conditions in a significantly altered atmosphere.

National Academy of Sciences Report, 1984: Following their preliminary review of the possible effects of nuclear-induced smoke and dust in April 1982, the NAS came to an agreement with DNA, acting on behalf of the DoD, to support a full-fledged study. The first committee meeting occurred at the NAS in March 1983. The NAS committee adopted the one-dimensional TTAPS analysis as a starting point for their investigation. During the course of the study, virtually all of the work going on pertinent to this phenomenon was reviewed.

The result of this effort was the NAS report, "The Effects on the Atmosphere of a Major Nuclear Exchange," released on December 11, 1984.

The conclusion of the report states that:

". . . a major nuclear exchange would insert significant amounts of smoke, fine dust, and undesirable species into the atmosphere. These depositions could result in dramatic perturbations of the atmosphere lasting over a period of at least a few weeks. Estimation of the amounts, the vertical distributions, and the subsequent fates of these materials involves large uncertainties. Furthermore, accurate detailed accounts of the response of the atmosphere, the redistribution and removal of the depositions, and the duration of a greatly degraded environment lie beyond the present state of knowledge.

"Nevertheless, the committee finds that, unless one or more of the effects lie near the less severe end of their uncertainty ranges, or unless some mitigating effect has been overlooked, there is a clear possibility that great portions of the land areas of the northern temperate zone (and, perhaps, a large segment of the planet) could be severely affected. Possible impacts include major temperature reductions (particularly for an exchange that occurs in the summer) lasting for weeks, with subnormal temperatures persisting for months. The impact of these temperature reductions and associated meteorological changes on the surviving population, and on the biosphere that supports the survivors, could be severe, and deserves careful independent study.

". . . all calculations of the atmospheric effects of a major nuclear war require quantitative assumptions about uncertain physical parameters. In many areas, wide ranges of values are scientifically credible, and the overall results depend materially on the values chosen. Some of these uncertainties may be reduced by further empirical or theoretical research, but others will be difficult to reduce. The large uncertainties include the following: (a) the quantity and absorption properties of the smoke produced in very large fires; (b) the initial distribution in altitude of smoke produced in large fires; (c) the mechanism and rate of early scavenging of smoke from fire plumes, and aging of the smoke in the first few days; (d) the induced rate of vertical and horizontal transport of smoke and dust in the upper troposphere and atmosphere; (e) the resulting perturbations in atmospheric processes such as cloud formation, precipitation, storminess, and wind patterns, and (f) the adequacy of current and projected atmospheric response models to reliably predict changes that are caused by a massive, high altitude, and irregularly distributed injection of particulate matter. The atmospheric effects of a nuclear exchange depend on all of the foregoing physical processes, (a) through (e), and their ultimate calculation is further subject to the uncertainties inherent in (f)."

The Interagency Research Program (IRP): The genesis of this program stems from ongoing DoD and DoE research efforts. In 1983, both the DoD and the DoE started research on the atmospheric response phenomena. In addition to sponsoring the NAS study just discussed, the DoD portion of the program addressed a broad range of issues associated with the long-term global climatic effects of nuclear exchange. This program ($400K in FY83, $1100K in FY84, $1500K in FY85, $2500K in FY86 and continuing at appropriate levels into the future) supports research on several fronts—at numerous government laboratories, universities, and contractors.

The DoD portion of the IRP emphasizes research in (1) the smoke and dust source terms, including the definition of total ignition area, fuel loading and fire spreading, and particulate production, (2) large-scale fire characteristics, particulate lofting, scavenging, coagulation, rain-out, and atmospheric injection, (3) chemistry, including the chemical kinetics of fires and fireballs, the chemical consequences of mesoscale and global processes, and radiative properties (optical and infrared absorption, emission, and scattering), and (4) climatic effects, including the improvement of measoscale and global climate models to incorporate better particulate source functions; horizontal advection processes; vertical mixing; solar radiation; particulate scavenging; inhomogeneities; particulate, radiative, and circulation feedbacks; seasonal differences; and particulate spreading.

The effort supported by the DoE is fully coordinated with that of the DoD and is currently funded at roughly $2M per year. The LLNL program is broadbased and includes modeling of urban fire ignition, plume dynamics, climate effects, radioactive fallout, and biological impacts. The LANL program focuses on developing comprehensive models for global-scale climate simulations. It is coordinated with complementary efforts at NCAR and NASA Ames. The IRP came into being with approval of the draft Research Plan for Assessing the Climatic Effects of Nuclear War prepared by a committee of university and government scientists. The plan was initiated by Presidential Science Advisor, Dr. George Keyworth, with the National Climate Program Office of NOAA heading the preparation effort. This program augments and coordinates the research activities currently underway in DoD and the DoE with other government agencies. The program focuses particularly on the problems of fire dynamics, smoke production and properties, and mesoscale processes. The proposed additional research includes increases in theoretical studies, laboratory experiments, field experiments, modeling studies, and research on historical and contemporary analogues of relevant atmospheric phenomena.

The IRP recognizes the need for expertise from a number of experts inside and outside of the Federal Government—many are already at work on the problem. Participating government agencies would include the Department of Defense (DNA), Department of Energy, National Oceanic and Atmospheric Administration (NOAA), National Science Foundation (NSF), National Bureau of Standards, National Aeronautics and Space Administration (NASA), Federal Emergency Management Agency (FEMA), and the U.S. Forest Service. The IRP Steering Group is chaired by the President's Science Advisor and is composed of representatives from the Department of Defense, Department of Energy, Department of Commerce, and the National Science Foundation.

The major goals of the IRP are to accelerate the research to reduce the numerous uncertainties in smoke sources and to improve modeling of atmospheric effects. Although it is recognized that not all of the uncertainties could be reduced to uniform or perhaps even to acceptable levels, it is clearly possible to improve our knowledge of the climatic consequences of nuclear exchanges.

2. Summary observations on the current appreciation of the technical issues

The Department of Defense recognizes the importance of improving our understanding of the technical underpinnings of the hypothesis which asserts, in its most rudimentary form, that if sufficient material, smoke, and dust are created by nuclear explosions, lofted to sufficient altitude, and were to remain at altitude for protracted periods, deleterious effects would occur with regard to the earth's climate.

We have very little confidence in the near-term ability to predict this phenomenon quantitatively, either in terms of the amount of sunlight obscured and the related temperature changes, the period of time such consequences may persist, or of the levels of nuclear attacks which might initiate such consequences. We do not know whether the long-term consequences of a nuclear war—of whatever magnitude—would be the often postulated months of subfreezing temperatures, or a considerably less severely perturbed atmosphere. Even with widely ranging and unpredictable weather, the destructiveness for human survival of the less severe climatic effects might be of a scale similar to the other horrors associated with nuclear war. As the Defense Science Board Task Force on Atmospheric Obscuration found in their interim report:

"The uncertainties here range, in our view, all the way between the two extremes, with the possibility that there are no long-term climatic effects no more excluded by what we know now than are the scenarios that predict months of sub-freezing temperatures."

These observations are consistent with the findings in the NAS report, summarized earlier in this report. We believe the NAS report has been especially useful in highlighting the assumptions and the considerable uncertainty that dominate the calculations of atmospheric response to nuclear war. While other authors have mentioned these uncertainties, the NAS report has gone to considerable length to place them in a context which improves understanding of their impact.

We agree that considerable additional research needs to be done to understand better the effects of nuclear war on the atmosphere, and we support the IRP as a means of advancing that objective. However, we do not expect that reliable results will be rapidly forthcoming. As a consequence, we are faced with a high degree of uncertainty, which will persist for some time.

Finally, in view of the present and prospective uncertainties in these climatic predictions, we do not believe that it is possible at this time to draw competent conclusions on their biological consequences, beyond a general observation similar to that in the NAS report: if the climatic effect is severe, the impact on the surviving population and on the biosphere could be correspondingly severe.

3. Policy implications

The issues raised by the possibility of effects of nuclear war on the atmosphere and climate only strengthen the basic imperative of U.S. national security policy—that nuclear war must be prevented. For over three decades, we have achieved this objective through deterrence and in the past 20 years we have sought to support it through arms control. Now, through the Strategic Defense Initiative, we are seeking a third path to reduce the threat of nuclear devastation.

In the remainder of this report, we will first discuss these three principal elements of our posture—deterrence, arms control, and the Strategic Defense Initiative—briefly describing each one and discussing how it relates to the issue of possible severe climatic effects. We conclude, in this regard, that these three elements, and the initiatives we are taking for each of them, remain fundamentally sound. We then explore the possibility of additional initiatives explicitly designed to mitigate climatic effects, concluding that, while some may be possible, the state of our technical understanding of these phenomena is not yet mature enough to have allowed development of specific initiatives. Finally, we review Soviet perceptions of climatic effects and their implications. We observe that Soviet perceptions are very important—indeed, that differences between their perceptions and ours would be particularly important. We conclude, however, that they have done little original work on the subject and show no evidence of regarding the whole matter as anything more than an opportunity for propaganda.

Deterrence: The evolution of U.S. strategic doctrine from the late 1940s to date is well documented. Throughout the past four decades, our policy has had to convince the Soviet leadership of the futility of aggression by ensuring that we possessed a deterrent which was sufficiently credible and capable to respond to any potential attack. Two years ago next month, the President's Commission on Strategic Forces (Scowcroft report) confirmed anew that effective deterrence requires:

Holding at risk those military, political and economic assets which the Soviet leadership have given every indications by their actions they value most and which constitute their tools of power and control;

Creating a stable strategic balance by eliminating unilateral Soviet advantages and evolving to increasingly survivable deterrent forces; and

Maintaining a modern, effective strategic Triad by strengthening each of its legs and emphasizing secure and survivable command, control and communications.

These three principles are reflected in our strategic modernization program discussed below. Consistent with meeting our essential targeting requirements which derive from these three overarching deterrence principles, we also observe other policy considerations, three of which warrant special mention because they may serve to reduce concerns about climatic effects. They are a reduction of the number of weapons and total yield, rejection of targeting urban population as a way of achieving deterrence, and escalation control. Reducing unwanted damage must be an important feature of our policy, not only because of a categorical desire to limit damage that is not necessary, but also because it adds to the credibility of our response if attacked and thus strengthens deterrence. Over the past 20 years or so, this policy and other considerations have resulted in development of systems which are more discriminating. This, in turn, has led to reductions of some 30% of the total number of weapons and nearly a factor of four reduction in the total yield of our stockpile. This direction continues today, and the prospects for extremely accurate and highly effective non-nuclear systems are encouraging.

Some analyses of climatic effects of nuclear war have assumed targeting of cities. If this were regarded as an inevitable result of nuclear attack, or as U.S. policy, it would completely distort analysis of climatic effects, but more importantly, it would perpetuate a basic misperception of the nature of deterrence. Attacks designed to strike population would, by virtue of deliberately targeting heavily built up urban centers, necessarily have a high probability of starting major fires, and consequently, of creating large amounts of smoke. We believe that threatening civilian populations is neither a prudent nor a moral means of achieving deterrence, nor in light of Soviet views, is it effective. But our strategy consciously does not target population and, in fact, has provisions for reducing civilian casualties. As part of our modernization program, we are retiring older deterrent systems (e.g., the Titan missile) which might create a greater risk of climatic effect than their replacement.

A third element of our implementation of deterrence policy which bears on a mitigation of possible climatic effects is escalation control. It is our position that, however an adversary chooses to initiate nuclear conflict, we must have forces and a targeting capability so that our response would deny either motive or advantage to the aggressor in further escalating the conflict. (Of course, the prospect of our having such a capability would help deter the attack in the first place.) This objective has already in past years resulted in development of a wide range of combinations of targeting and systems selection options. While designed to strengthen deterrence and control escalation if deterrence were to fail, these options may allow us to adjust our planning so as to reduce the danger of climatic effects as our understanding of them develops.

There are those who argue, in effect, that we no longer need to maintain deterrence as assiduously as we have, because the posited prospect of catastrophic climatic effects would themselves deter Soviet leadership from attack. We strongly disagree, and believe that we cannot lower our standards for deterrence because of any such hope. As summarized above, there is large uncertainty as to the extent of those effects; certainly today we cannot be confident that the Soviets would expect such effects to occur as a result of all possible Soviet attacks that we may need to deter. This entire area of consideration—the impact of possible climatic effects on the deterrence—is made more complex by the fact that it relates to what the Soviets understand about such climatic effects and how that understanding would influence their behavior in a crisis situation. We will probably never have certainty of either; indeed, we cannot know the latter before the event, and knowing the former is made difficult by their behavior so far, which has been to mirror back to us our own technical analysis and to exploit the matter for propaganda. (Soviet handling of the "nuclear winter" issue is discussed more fully later in this report.)

The United States has, or is now taking, specific actions which relate directly to maintaining and strengthening deterrence and reducing the dangers of nuclear war: the President's Strategic Modernization Program, arms reductions initiatives, and the Strategic Defense Initiative all bear directly on effective deterrence, and are all therefore relevant to the potential destructiveness of nuclear war including possible climatic effects. We will now discuss these in turn.

Strategic Modernization Program: The President's Strategic Modernization Program is designed to maintain effective deterrence, and by doing so, is also an important measure in minimizing the risks of atmospheric or climatic effects. It is providing significantly enhanced command, control, communications and intelligence (C^3I) capabilities which, through their increased survivability and effectiveness contribute immeasurably to our ability to control escalation. Survivable C^3I contributes to escalation control and thus, as explained above, to mitigation of damage levels (of whatever kind, including possible climatic effects) by reducing pressures for immediate or expanded use of nuclear weapons out of fear that capability for future release would be lost. The improvements to our sea-based, bomber and (with the Scowcroft modifications) land-based legs of our Triad—all intended also to improve survivability and effectiveness—are also essential to maintaining deterrence.

For nonstrategic weapons, our modernization programs have also resulted in increased discrimination through improved accuracy and reduced yield. Beyond that, we have a good beginning on a program to replace some types of nuclear weapons by highly effective, advanced conventional munitions. All of this would contribute to reduction in possible climatic and other global effects of nuclear war. The possibility of such effects, of course, adds urgency to the implementation of these programs.

Arms Reductions: It is the position of this Administration that the level of nuclear weapons which exists today is unacceptably high. As a result, to the extent it is possible to reduce nuclear weapons unilaterally—particularly where both conventional and nuclear modernization programs allow replacement of existing systems on a less than one-for-one basis—we have undertaken to do so. But it would be misleading to suggest that dramatic reductions in nuclear weapons can be achieved by unilateral U.S. initiatives without increasing the risk of nuclear attack, in the absence of any indication that the Soviet Union is undertaking similar steps, or short of a changed strategic situation resulting from highly effective strategic defenses.

Major reductions in nuclear weapons can only be achieved by negotiating mutual and verifiable reduction agreements. Agreements which only legitimate the growth, or slow the rate of increase, of existing stockpiles are not in our national interest. It is for this reason that the Administration has determined that SALT II is fatally flawed. Since 1981, the Reagan Administration has demonstrated its strong desire to break with the past pattern of calling build-ups "arms control". The arms reduction proposals we have put forward have been the most extensive ones advanced by either side for over 20 years. In the area of Intermediate Range Nuclear Forces (INF), we initially proposed the elimination of all longer-range INF (LRINF) missiles—SS-20s, SS-4s, Pershing IIs, and ground-launched cruise missiles. While this remains our goal, we are prepared, as an intermediate step, to reach agreement on the reduction of U.S. and Soviet LRINF missiles. With regard to strategic weapons, we proposed reducing the number of each side's land-based and sea-based ballistic missile warheads to 5,000—a cut of approximately 33%. We have also called for equal limitations on bomber forces and restrictions on missile throw weight. As we prepare to resume negotiations with the Soviet Union in Geneva, we reaffirm our intention to seek agreements in both areas providing for significant, mutual and verifiable reductions.

As to how nuclear arms reductions bear on nuclear-induced climatic changes, the relationship is two-fold: they can strengthen deterrence—the most direct way available to us today of dealing with the possibility of severe climatic effects—and they can mitigate the effects to some extent if deterrence were to fail. However, nuclear arms reductions which may be achievable in the near term are not likely to be able to reduce significantly the consequences of a nuclear war in which a large proportion of the then existing nuclear forces would be used and in which active defenses would be non-existent or ineffective.

It is worth noting in this context, that proposals which would "freeze" development of modernized systems would also stop what has been a continuing trend in our capability—development of systems which are more discriminating and thus more restrictive in both local and global effects. We must avoid constraints that would force us to use weapons of high yield or unconfined effects.

The Strategic Defense Initiative and Arms Control: It is essential to keep potential benefits of arms reductions clearly in view when assessing what one seeks to accomplish through that process. Our objectives in arms reductions are to preserve deterrence in the near-term and begin a transition to a more stable world, with greatly reduced levels of nuclear arms and an enhanced ability to deter war based upon the increasing contribution of non-nuclear defenses against offensive nuclear arms. This period of transition could lead to the eventual elimination of all nuclear arms, both offensive and defensive. A world free of nuclear arms is an ultimate objective to which we, the Soviet Union, and all other nations can agree. The Strategic Defense Initiative research program enhances our efforts to seek verifiable reductions in offensive weapons through arms control negotiations. Such defenses would destroy nuclear weapons before they could reach their targets, thereby multiplying the gains made through negotiated reductions. Indeed, even a single-layer defense may provide a greater mitigating effect on atmospheric consequences than could result from any level of reductions likely to be accepted by the USSR in the near term.

In addition to its design objective to destroy nuclear weapons in flight, the Strategic Defense Initiative would further serve to remove any potential for environmental disaster by moving away from the concept of deterring nuclear war by threat of retaliation and, instead, moving towards deterrence by denial of an attackers political and military objective. Defenses can provide such a deterrent in two ways. First, by destroying a large percentage of Soviet ballistic missile warheads, an effective defense for the U.S. and our Allies can undermine the confidence of Soviet military planners in their ability to predict the outcome of an attack on our military forces. No rational aggressor is likely to contemplate initiating a nuclear war, even in crisis circumstances, while lacking confidence in his ability to predict success.

Second, by reducing or eliminating the utility of Soviet shorter-range ballistic missiles which threaten all of NATO Europe, defenses can have a significant impact on deterring Soviet aggression against our Allies. Soviet SS-20s and shorter-range ballistic missiles provide overlapping capabilities to target all of Europe. This capability is combined with a Soviet doctrine which stresses the use of conventionally-armed ballistic missiles to initiate rapid and wide-ranging attacks on crucial NATO military assets. By reducing or eliminating the military effectiveness of such ballistic missiles, defense systems have the potential for enhancing deterrence not only against intercontinental nuclear attack, but against nuclear and conventional attacks in Europe as well.

Some critics claim that the SDI program would cause the Soviet Union to increase numbers of weapons in an attempt to overcome the defense. This is related to the argument advanced over a decade ago that, by rendering ourselves totally vulnerable to Soviet weapons we would be able to negotiate limits on those weapons. This logic has, of course, been disproven by events; despite the fact that the U.S. made itself fully vulnerable, the U.S.S.R. increased the number of its weapons fourfold since the signing of the ABM Treaty in 1972. The guarantee that all Soviet weapons would reach their U.S. targets apparently did not give the Soviets an incentive to negotiate an equitable SALT II agreement, it encouraged them to build more weapons. Defenses would have the opposite effect; they would reduce the military and political value of ballistic missiles thereby increasing the likelihood of negotiated reductions. The prospect that powerful emerging technologies will reverse the cost leverage which offensive forces have heretofore had over defenses will further improve the likelihood of negotiated reductions.

Thus, by preventing the detonation of thousands of nuclear warheads, and, by paving the way for the elimination of those warheads by making them obsolete, the Strategic Defense Initiative may provide an answer to both the short-term and potential longer-term consequences of nuclear war.

Civil Defense: The basic goal of civil defense in the United States is to develop and maintain a humanitarian program to save lives in the event of major emergency, including a nuclear war. As to changes in our Civil Defense posture, the Federal Emergency Management Agency believe that until scientific knowledge regarding climatic impacts of nuclear conflicts is more fully developed it would be impractical to develop cost-effective policies regarding civil defense, or to change existing policies.

The particular staff elements within the Federal Emergency Management Agency responsible for civil defense planning are being kept abreast of the issues relative to possible climate effects as they develop and will be prepared to take appropriate action as soon as the relevant research now underway is complete.

As we have shown, much of our long standing policy and our current initiatives move in a direction such as to reduce the probability of severe climatic effects even though they were instituted before such effects were under investigation. Specifically, we are maintaining a strong deterrence augmented by necessary force modernization and verifiable, mutual arms reductions. We are continuing the development of accurate, discriminating systems designed to achieve their military objectives with the least nuclear yield possible. We have implemented and are constantly refining options for escalation control. We have, long ago, rejected the targeting of population as a means of securing deterrence. Finally, we have begun the Strategic Defense Initiative which has as its ultimate goal the obsolescence of nuclear weapons. All these things work first to deter nuclear war—the best way of avoiding the effects at issue—and second, to reduce these effects were deterrence to fail.

Possible Further Initiatives: As we have already pointed out, reducing unwanted damage must be an important feature of our policy. It would be entirely consistent with our policy and recent practices to continue to make weapons more discriminating, to reduce their yields by improved accuracy where possible, and in other ways to minimize effects not directly related to target damage, so as to both enhance the credibility of our deterrent and to reduce unwanted destruction, including the potential for ameliorating possible climatic and other environmental effects. In fact, we are pursuing such objectives in general, though programs are in various stages of development.

Beyond these continuing trends, with regard to targeting and the detailed characteristics of the nuclear forces, which pertain both to deterrence and to limiting damage, as our understanding of climate effects improves it is prudent to develop other measures intended to reduce those effects if deterrence were to fail. Besides possibly adding targeting options to those which already exist to limit damage, some technical developments might also contribute. For example, highly accurate, maneuverable reentry vehicles and earth penetrating weap-

ons, both of which might be useful in strengthening deterrence, could reduce yields and in other ways limit the starting of fires. In the farther future, for selected missions, nonnuclear systems, if feasible, might replace some strategic nuclear systems, as we have begun to do for non-strategic systems.

Today, however, we have inadequate knowledge to evaluate possible measures. As the analytical methods for assessing climatic effects become more accurate and we gain confidence, they can be used to predict what kind of changes will in fact reduce the dangers of nuclear war. For example, some have suggested that reducing the height of burst of the nuclear explosions could reduce the area of thermal effect and, therefore, the amount of material burnt. However, at lower heights of burst, increased fallout might be worse than any mitigation of long-term change in the climate. Where such trade-offs are involved, we need better information before deciding.

4. Soviet activities on climatic effects

Soviet science spokesmen and media have claimed that Soviet scientists had independently confirmed the probability of severe long-term atmospheric effects as a consequence of nuclear exchange. Initially, their claim was accepted in the West; however, an examination of open Soviet publications specifically discussing this production shows their claim to be unfounded.

In their writings on the "nuclear winter" hypothesis, Soviet scientists have neither used independent scenarios nor provided independent values of the essential parameters characterizing the key ingredients (soot, ash, and dust) on which the hypothesis principally depends. Instead, Soviet researchers—and on this subject, it is hard to tell the difference between scientific workers and propagandists—have uncritically used only the worst-case scenarios and estimates from other work. They have taken these estimates and merely adapted them to borrowed mathematical simulations of state-of-the-art multi-dimensional models of global atmospheric circulation modified to instantaneously simulate long-term global effects after an exchange. For example, the primary atmospheric circulation model used by the Soviets in the case of the widely publicized study by Soviet researchers V. Aleksandrov and G. Stenchikov, is based on a borrowed, obsolete, U.S. model. Thus, given the sources of inputs and methods for their "studies," their findings do not represent independent verifications of the hypothesis.

Further, Soviet reports tend to stretch the conclusions well beyond what even their uncritical, worst-case assessments support, embellishing statements of technical analyses with conclusions that any use of nuclear weapons at all will lead to the disappearance of the human race or similar propagandistic statements the Soviet Union has made on and off for years, even before these atmospheric phenomena surfaced.

The Soviet scientists have contributed very little to the international study or understanding of this phenomenon. This shortfall has not gone unnoticed by other non-Soviet scientists, some of whom have characterized their analyses as "crude" and "flawed." Time after time their presentations contain exaggerated claims, which are criticized by their foreign colleagues following the formal briefing, but subsequent presentations do not reflect any change, even though in private the Soviets acknowledge the exaggeration.

This is not to say that, over the years, the Soviets have not published studies that have examined various effects and phenomena (dust, fires, soot, etc.) of nuclear detonations; they have. However, the Soviets have made little use of such findings in their public discussions and models of the phenomenology associated with the current climate effects hypothesis. They have not been forthcoming in providing information that might have been of use with regard to reducing the uncertainties associated with the assumptions made in their work. Repeatedly, they ignored an American request for information derived from Soviet pre-1963 nuclear test and large-scale fires. The flow of useful technical work has been almost all one-way. It is worth noting that Soviet interest in this topic provides them with some degree of additional access to U.S. scientists (and their technology) who are involved with super-computers, software model development, and global and meso-scale climate phenomenology.

If the Soviets see this issue as a matter that might substantially affect their policies, strategy, or force structure, those views have so far been hidden from us. It is important that, whatever the outcome of the scientific work regarding climatic effects of nuclear war, the understanding should be commonly held by all of the nuclear powers and help to reduce the risk of nuclear destruction. Unfortunately, recent Soviet performance and statements on the subject do not appear supportive of establishing a truly common understanding, either on the phenomena themselves or on their implications for the strategic relationship between the two powers. If the Soviet leadership does believe that the possibility of severe climatic effects is important, then this issue will add its weight, along with the many other imperatives which the United States and the people of the world feel so strongly, to produce a truly constructive approach toward a world in which the fears aroused by such horrors as nuclear war or the so-called "nuclear winter" will be a thing of the past.●

PERU BATTLES MAOIST SHINING PATH GROUP

● Mr. RUDMAN. Mr. President, in recent months, a group of savage terrorists operating in the South American country of Peru has gained increasing publicity here in the United States and around the world.

Called Shining Path, this fanatical group of Maoists has been trying to attain its goals by destroying Peruvian society as we know it. Their tactics have included assassination, sabotage, ambushes, and massacres. It was Shining Path which claimed responsibility for the blackout that occurred in the capital of Lima during Pope John Paul II's recent visit there.

Two articles, written by the distinguished former Governor of New Hampshire, Meldrim Thomson, Jr., provide an interesting perspective to this situation. I ask that these two articles, "Peru Battles Maoist Shining Path Group" and "Peru Building for a Future," which were published in the New Hampshire Sunday News and the Union Leader newspapers on March 17 and 18, 1985, respectively, be reprinted in full at the close of my remarks.

The articles follow:

[From the New Hampshire Sunday News, Mar. 17, 1985]

PERU BATTLES MAOIST SHINING PATH GROUP

(By Meldrim Thomson)

It has become fashionable in recent months for some writers to disparage Peru in general and to overexaggerate the prevailing conditions there in particular.

More than 50 years ago, while a student at the University of Miami, I wrote an article for the Miami Daily News, entitled "Peru at the Crossroads," that was published on the editorial page. In that article I described the dictatorships of the time and the loss of personal freedom of the people of this wonderful country.

My insight into the problems of Peru of the early '30s came from my two Peruvian professors, Dr. Raphael Belaunde and his brother Dr. Victor Belaunde, the father and uncle, respectively of Peruvian President Fernando Belaunde Terry. The president was a student with me at the university.

Peru continued under dictatorships and military rule for many years. It remained for my former fellow student and friend, Fernando Belaunde, to bring true democracy to Peru. That he did under the banner of a coalition of parties in 1963. He served with marked success for most of his five-year term, until the military staged a coup, sent Belaunde packing and installed as head of the state a Gen. Valesco.

There followed 12 years of military rule that suppressed free elections, freedom of speech, nationalized industries, expropriated private property, and flirted with the Soviet Union. Those were years of exile in America for Belaunde, who then taught at Harvard and Texas.

He returned to Peru in the late '70s and led his Accion Popular Party to victory and a second five-year term as president. One of his first actions was to restore freedom of the press, which he had promised to do. Free municipal elections followed, as did encouragement of the free enterprise system and the re-establishment of friendship with the United States.

From the brink of bankruptcy produced by his predecessor, Belaunde gradually and firmly pointed his nation in the direction of stability. Peru is no longer at a crossroads of history. It is on the high road of change to a better, brighter future.

I am just back from a three-day visit to Lima, Peru. I was honored to have an extended visit and dinner with the president, during which he talked with me about his country and its problems, a few of which I would like to pass on to you.

Since last July, Peru has been at war with a bloody, ruthless group of terrorists known as the Sendero Luminoso or Shining Path. The movement was born in the '60s and went underground in 1980. This fanatical group of Maoists has ambushed, assassinated and massacred an estimated 6,000 Peruvians. The day I arrived in Lima, three police officers were murdered by the Shining Path. One was a 26-year-old woman attached to the intelligence service. The next day, another police officer was killed, although not necessarily by the Shining Path.

The Shining Path's avowed goal is the destruction of the Peruvian society through violence. They strike with knives, guns, machine guns and bombs. Once they attacked the headquarters of Belaunde's Accion Pop-

ular Party, killing three and wounding more than 40 other persons.

It should be noted that Peru has no capital punishment law. Once a terrorist is captured and convicted he can count on being out on the streets again in a few years from which he can again try his violent ways.

Amnesty International recently criticized Peruvian military and police forces for their quick and effective response to terrorist violence. Some of the media thereupon pointed accusing fingers at Peruvian officials. Nothing could have been more unfair.

The president, a man of deep compassion for his fellow man, was stung by the criticism. He had taken an oath to protect the lives and property of his people. The law of his country did not permit capital punishment. What could he do? He took the only effective action open to him, namely carrying the war to the terrorists, just as the Israelis have done to protect their people.

The Shining Path may have a few followers, but on the whole most people go about their daily lives, perhaps a bit more cautiously, but without marked concern.

For example, while I was in the American Embassy in Lima on Wednesday the alarm for a bomb alert was sounded. At the time it was not known whether there was a bomb inside. All doors were locked and no one could enter or leave.

Officials and Marines made checks on the various offices while members of the public remained where they were. In about a half hour, the all-clear signal was given. At the embassy, as in other parts of Lima, work went on as usual. Peru has problems with violent members of its society: but so too do we in America.

Until Amnesty International criticizes the Soviet Union for its murderous decimation of Afghanistan, I for one will not concern myself with its unjust criticism of Peru, where the government is deeply concerned for all of its law-abiding citizens.

In Monday's edition: "Peru's Compassionate President and his success."

[From the Union Leader, Mar. 18, 1985]

PERU BUILDING FOR FUTURE

(By Meldrim Thomson)

Under President Fernando Belaunde Terry, Peru is building for a stable future.

Peru is the fourth largest of the 21 Latin American nations. Its 486,000 square miles make it twice the size of Texas. It is positioned midway on the western or Pacific side of the continent of South America. If a plumb line were dropped from New Hampshire southward, its point would touch Peru. The two areas are in the same time zone.

Peru is the oldest civilization in the Western Hemisphere. It was wrested from the Incans in 1563 by Francisco Pizarro, who two years later founded Lima, the headquarters of Spanish power in South America. On July 28, 1821, Simon Bolivar completed the liberation of Peru that was begun by Jose de San Martin.

President Belaunde, who has served two non-consecutive five year terms, has done more to bring freedom and democracy to Peru than any other leader in its long history of more than 450 years.

He will leave office on July 28 of this year, which is independence day in Peru and the day on which the presidency changes hands under the Peruvian constitution.

When I was in Lima last week, I found this beautiful capital city of five million people plastered with campaign signs as urgent and appealing as any to be found in the United States just before a Presidential election. Elections are scheduled for April 14. The anticipated runoff will occur on May 14.

Upon his return to office in July, 1980, after 12 years of disastrous military rule, President Belaunde restored freedom of speech, freedom of the press and free elections. He also replaced the nationalization of industry with the free enterprise system, thus bringing his country back from the shadow of bankruptcy to a greatly improved economic condition.

President Belaunde traces his ancestry back to one of the conquistadors under Pizarro. His great-grandfather was a president of Peru. His uncle Victor Andre Belaunde was a president of the General Assembly of the United Nations. His father Rafael Belaunde was a distinguished statesman who served at one time as prime minister of Peru.

While in Peru last week, I had the rare opportunity of seeing Lima at night through the eyes of President Belaunde.

When in college, Belaunde studied architecture and later practiced his profession with distinction in Mexico and Peru. On our nocturnal sight-seeing tour of Lima, he drove by about a half dozen housing developments constructed when he served as a congressman and during his two terms as president.

President Belaunde is one of those rare politicians who genuinely loves and sympathizes with the people.

His compassion for the poor prompted him to build 50,000 housing units for low-income people. Also, during his long service as a public official, he helped about 340,000 families with some major improvements in their lifestyle, such as the installation of running water and electricity.

The housing units he showed to me on our tour were one-, two-, and three-bedroom apartments in buildings four and five stories high. Facades varied from one complex to another but constituted some of the most attractive and sturdy housing units I have seen anywhere.

Each complex had one or more pleasant looking schools from grades one through five. He was justly proud that illiteracy had dropped from 36 percent to 14 percent during his administration, and that those attending school in Peru had dramatically increased to more than 90 percent of the youth of the nation.

Each high complex also had a collection of stores and one high-rise of one room accommodations for single people and the elderly. Beautiful, well kept gardens added their touch of delight to the scene. Everything I saw that night from the pretty curtained windows to the paved walkways was immaculate.

These apartment units are distributed by lottery to the people who have the necessary qualifications. An average three-room unit sells for $8,000. Financing was for 10 years. Many of the new homeowners were building equity through their purchases for the first time in their lives.

Several times during our tour President Belaunde stopped so that we could get out and walk around the complex. At the first such stop some young children spotted the president and came running over to shake his hand. Soon windows were popping open and people were waving and calling out, "Viva el presidente."

Men, women and children came running from all directions. In no time there were several hundred apartment dwellers crowding around us, shaking hands and embracing the president. In one such gathering a number of friendly teachers broke into an animated discussion with Belaunde over some school problems, to which he listened attentively and offered suggestions.

As we were leaving, the president turned to me and said, "Mel, you would never see the press rather take pictures of these warm greetings."

That evening when I got back to my hotel about midnight, I thought, "What a wonderful investment the president has made in the future of Peru through the 50,000 new housing units he has built."

Throughout the first half of President Belaunde's current term the country experienced an economic recovery from the years of military rule. The last half of the term, the nation has suffered from disastrous floods in some parts and crippling droughts in others. It also has been hurt by the worldwide recession that has affected most nations.

Inflation is high. At my hotel, for a breakfast, a glass of milk, a glass of orange juice and a small basket of rolls, I paid 22,000 sols. For an American dollar, I was able to buy 7,800 sols.

Relative inflation in 1983 was about 120 percent. The trade balance for 1984 for Peru was $580 million or about twice that of the year before. The debt to the U.S. is about $13 billion.

Despite inflation and a high debt load, President Belaunde has made long-term investments in the future of Peru that are bound to pay high dividends in the well-being of all Peruvians.

This man of compassion and vision has opened for his people the door on the vast Amazon River basin which in a short time will be more valuable than all the gold and silver the Incans stuffed in a room for Pizzaro as a ransom for their ruler.

President Belaunde was responsible for the building of the Andean highway that stretches for 1,000 miles across the Andes and down to the Amazon basin. Already the highway has brought new hope and prosperity to several of the eastern agricultural provinces. Quantities of rice, potatoes, corn and bananas are now moving over the highway to Lima.

The Dutch Shell company has been drilling in the jungles east of the Andes and has found sizable quantities of oil. In this area of the nation, the potential for hydroelectric power smothers the imagination. On a photo of one river, the Rio Tambo, the president pointed out to me two spots that he said were capable of generating 2 million kilowatts each of electricity.

President Belaunde has instituted medical service along hundreds of miles of rivers in the Peruvian jungles. Medical supplies and doctor services are carried on regular call by Peruvian gunboats up and down these long and primitive waterways.

Just as Horace Greeley, a century ago told young Americans to go west, President Belaunde in effect is telling young Peruvians to go east.

If those who follow the giant footsteps of Fernando Belaunde, an inveterate hiker in the jungles and mountains of Peru, carry forward the development of jungle areas of this nation, in time Belaunde's dream will form the golden web of Peru's newfound prosperity and give this nation of 19 million people an unprecedented economic security.●

LOW-LEVEL WASTE

● Mr. MITCHELL. Mr. President, the clock is winding down on the January 1, 1986, deadline set in the Low-Level Radioactive Waste Policy Act of 1980 by which States must join regional compacts to dispose of low-level waste. As Congress proceeds in its oversight of the progress made under the act, the views and assistance of State officials are extremely important.

State Senator Judy Kany recently testified before the House Interior Subcommittee on Energy and Environment about the progress Maine has made in this regard. Senator Kany is extremely well qualified to make that presentation because she serves as the chairperson of the Maine Low-Level Radioactive Waste Siting Commission.

Under her leadership, the commission has been diligent and thorough in its efforts to conduct the scientific and policy studies as well as the difficult negotiations with other States that are necessary in order for Maine to meet its responsibilities of disposing of its low-level waste. Senator Kany's testimony, while reflecting the specific concerns of Maine, is an excellent articulation of the issues facing the Senate regarding low-level waste disposal.

I ask that the text of the testimony be printed in the RECORD.

The material follows:

STATEMENT OF MAINE STATE SENATOR JUDY C. KANY BEFORE THE SUBCOMMITTEE ON ENERGY AND THE ENVIRONMENT

Mr. Chairman and Members of the Subcommittee, I am pleased to appear before you today in support of H.R. 1083, the Low-Level Radioactive Waste Policy Amendment Act of 1985.

I am speaking as chairperson of the Low-Level Radioactive Waste Siting Commission of the State of Maine. The Commission was established by law in 1981 to advise the Governor and the Legislature with respect to LLW policy. Its membership includes representatives of both the Executive and the Legislative branch and of licensees. Commissioner Henry Warren of our Department of Environmental Protection is Vice-chair.

The State of Maine has accepted its responsibility under the federal Low-level Waste Policy Act of 1980.

We have formed the Low-level Radioactive Waste Commission.

We have conducted technical & policy studies.

We have discussed cooperation with other states.

We have enacted a general framework of low-level waste siting laws (38 MRSA, chapter 14-A, subchapter III).

We have assessed our waste generators $10 per cubic foot to support these planning activities.

Maine has 8 commercial and one federal generator of LLW generating about 10,000 cubic feet per year. The Maine Yankee Nuclear Power Plant generates well over 90% of the commercial waste. The rest comes from several university and private biological research laboratories. Our hospitals are shipping no waste. In addition, the Portsmouth Naval Shipyard generates about 1000 cubic feet per year. These quantities are down by about 35% from earlier years because of the volume reduction efforts of Maine Yankee and the other generators. At present, these wastes are shipped to the commercial disposal facilities at Barnwell, SC and Richland, WA.

In the deliberations of our Low-level Waste Commission certain principles have emerged:

The waste disposal plan must be environmentally safe.

The waste disposal plan must be fair and reasonable.

Our Department of Environmental Protection has conducted technical studies with additional funding support from the U.S. Department of Energy. They have found that it may be feasible to site a LLW facility in Maine safety, consistent with the 10 CFR61 regulations. However, because our water table is high and the frost line deep, the waste would have to be placed below the water table or above ground. In either case an engineered facility would be required—simple shallow land burial would not be adequate.

Our studies so far have led us to believe that, if feasible and if regulatory approval can be obtained from the Nuclear Regulatory Commission, it would be preferable for any facility in Maine to use engineered above-ground construction rather than shallow land burial.

We are in the process of assessing the above-ground option, but we have completed a feasibility study of a small shallow land burial facility in Northern New England. That study does allow us to conclude that: A small (7,500 to 30,000 cubic feet per year) LLW facility can be operated just as safely as a large facility. In fact, it has at least one advantage: if there is a problem it may be a smaller problem if the facility is small.

Our studies have also evaluated the economic feasibility of a small facility and found it to be expensive, but not impossible. The cost of siting, licensing and construction is not very dependent on size, so larger facilities would enjoy economies of scale. For a modified shallow land burial facility the result is a generator price of $129/cubic foot, contrasted with the $21/cubic foot (average) paid to the large existing sites in 1983. This would only be partially offset by a $7/cubic foot transportation saving for a local site. The annual disposal cost of a Maine-only site would be about $1 million compared with $250 thousand paid in 1983. Although the difference is substantial, it is affordable: about 3 cents per month on the average residential electric bill.

A Northern New England (Maine, New Hampshire and Vermont) facility, although still small, would enjoy significant financial advantages, saving Maine generators about $630 thousand per year. Continuing to dispose of our low-level waste at a really large facility could save $200 thousand more.

Our discussions with other states have not yet led to agreement. Maine chose not to join the proposed 11-State Northeast Compact a year ago because, although Maine generates less than 1 percent of the waste, we would have the same responsibility to host a site for the entire region as the large states which generate 20-30% of the waste. We have had discussions with Vermont and New Hampshire about a 3-State Northern New England Compact. That would have the advantage that the states are similar in both size and waste volume.

We have approached the largest nearby generating states, New York and Massachusetts, indicating our interest in joining with them as a user if they should decide to develop a disposal facility for their own purposes. They have not yet responded, but we are hopeful that something can be worked out. That would help them support their facility and would give us access to a large site, with its accompanying economies of scale.

Finally, in the absence of an interstate agreement we are prepared to recommend that Maine go it alone and develop a facility to dispose of the waste we generate within our own State. For legal reasons that would be a State-operated facility.

The present Low-Level Waste Policy Act causes certain problems in our efforts to meet the State's responsibility to provide for the availability of disposal capacity. We believe that H.R. 1083 goes a long way toward solving those problems, and have a few suggestions for further improvements.

Interim access. Access to existing facilities after January 1, 1986 is absolutely essential. After the decision is made to start on a new disposal facility, our studies show that it would take approximately 6 years to select a site and license and build the facility. Most of our generators have only 1 or 2 years on-site storage capacity, although Maine Yankee is planning to expand to 5 years capacity. We strongly support the provisions in H.R. 1083 for interim access until 1993 to bridge this gap. That gives states in unsited regions a fair opportunity to develop new sites before the exclusion provisions of the LLW Policy Act take full effect. The conditions on interim access seem reasonable to ensure good faith and to protect the interests of the host state.

Single-State Sites. In some circumstances the most responsible way for a State to provide for disposal capacity may be to go it alone. We believe that option is authorized under present law. H.R. 1083 strengthens that belief, but we would prefer a clear statement in the statute that individual states which develop disposal facilities to meet their obligations under the Act are not responsible for meeting the needs of other states as well.

Defense waste. Defense waste brings special concerns. Portsmouth Naval Shipyard now generates about 1000 cubic feet per year of LLW, and ships it to a commercial disposal site. But, because of the special nature of defense activities we cannot be certain of the future content of that waste stream. For example, decommissioning of nuclear submarines could involve significant additional quantities of waste. We strongly support the provision of H.R. 1083 that sends submarine decommissioning waste to federal disposal facilities.

The federal government has 14 waste disposal facilities of its own, scattered around the country, that are not available to commercial generators. And, national security often precludes full sharing of defense waste generator plans and information with the operator of a non-federal facility. We believe it would be appropriate for all defense waste to be sent to federal facilities. In this spirit, we recommend changing the bill in section 2(2)(A) on naval reactors by adding the words "operation and maintenance".

Of course, if a commercial waste facility is authorized to receive federal waste, and wishes to do so, that should be allowed, subject to the same conditions as any other waste. We support the bill on this point.

Definitions. Under existing law the States have responsibility for "greater than C waste", that waste which is too radioactive

for near surface disposal under NRC regulations. We simply do not have the capability of dealing with such hot waste, and strongly support the provision in the H.R. 1083 which makes such a waste a federal responsibility.

Also, we have received statements of concern about allowing the Nuclear Regulatory Commission excessive flexibility in defining low-level waste. (For example, in increasing the amount of trans-uranics allowed in LLW). We do not have a specific proposal, but suggest that you review the technical data carefully and consider placing certain specific standards in the law.

Thank you, Mr. Chairman, I would be happy to address any questions you may have.●

RULES OF THE SELECT COMMITTEE ON INDIAN AFFAIRS, 99TH CONGRESS

● Mr. ANDREWS. Mr. President, in compliance with section 133(b) of the Legislative Reorganization Act of 1946, as amended, the Select Committee on Indian Affairs is publishing the committee's rules, which I submit for printing in the RECORD.

The rules are as follows:

RULES OF THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS FOR THE 99TH CONGRESS

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate, Senate Resolution 4, and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent that the provision of such are applicable to the Select Committee on Indian Affairs and as supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2. The Committee shall meet on the first Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee shall be open to the public except when the Committee by a majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4(a). Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee at least one week in advance of such hearing unless the Chairman of the Committee determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the Committee concurs. In no case shall a hearing be conducted with less than 24 hours notice.

(b) Each witness who is to appear before the Committee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee prescribes.

(c) Each Member shall be limited to 5 minutes in the questioning of any witness until such time as all members who so desire have had an opportunity to question the witness unless the Committee shall decide otherwise.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5(a). A legislative measure or subject shall be included in the agenda of the next following business meeting of the Committee if a written request for such inclusion has been filed with the Chairman of the Committee at least one (1) week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee to include legislative measures or subjects on the Committee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee shall be provided to each Member and made available to the public at least three (3) days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee. The Clerk shall promptly notify absent Members of any action taken by the Committee on matters not included in the published agenda.

CONDUCT OF BUSINESS

Rule 6(a). Except as provided in subsecs. (b) and (c), five Members shall constitute a quorum for the conduct of business of the Committee.

(b) A measure may be ordered reported from the Committee by a motion made in proper order by a Member followed by the polling of the Members in the absence of a quorum at a regular or special meeting.

(c) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee.

VOTING

Rule 7(a). A rollcall of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 8. Witnesses in Committee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee deems such to be necessary. At any hearing to confirm a Presidential nomination, the testimony of the nominee, and at the request of any Member, any other witness shall be taken under oath. Every nominee shall submit a financial statement on forms to be perfected by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. All such statements shall be made public by the Committee unless the Committee on executive session determines that special circumstances require a full or partial exception to this rule. Members of the Committee are urged to make public a complete disclosure of their financial interests on forms to be perfected by the Committee in the manner required in the case of Presidential nominees.

CONFIDENTIAL TESTIMONY

Rule 9. No confidential testimony taken by or confidential material presented to the Committee or any report of the proceedings of a closed Committee hearing or business meeting shall be made public in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 10. Any person whose name is mentioned, or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 11. Any meeting or hearing by the Committee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording filming, or broadcasting devises shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 12. These rules may be amended only by a vote of a majority of all Members of the Committee in a business meeting of the Committee:

Provided, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three (3) days in advance of such meeting. Such proposed amendments shall be mailed to each Member of the Committee at least seven (7) calendars in advance of the meeting.●

NATIONAL ENERGY EDUCATION DAY

● Mr. GLENN. Mr. President, I am proud to be an original cosponsor of the resolution offered by Senator NICKLES which designated March 22, 1985, as "National Energy Education Day."

As one who has been privileged to serve as chairman of the advisory board for the Ohio National Energy Education Day [NEED] project, I am very much aware of the important contributions this program has made in exposing students to the role energy plays in our society. Although our energy outlook has definitely improved since NEED was first established in 1980, I think it essential that Congress reaffirms its recognition of the significance of this project. By educating our future leaders to understand the energy choices of today, they will be prepared to meet the energy challenges of tomorrow. These students, through the acquisition of a working knowledge of energy production and consumption, will understand

the necessity of making efficient use of our energy resources.

I am particularly pleased that NEED is truly a community-based project. Indeed, it is because of the dedication and involvement of industry and energy associations, civic organizations, educational institutions, not to mention strong parental support, that the number of NEED participants is growing steadily.

While NEED is a full-year program, events are geared to culminate around the observance of NEED day. Activities undertaken by Ohioans on past NEED days have demonstrated what can be achieved with youthful zeal and ingenuity. Projects have ranged from holding science fairs and conducting energy audits to the construction of windmills and recycling centers. But perhaps my all-time favorite was the award-winning 1982 project organized by eighth-grade students at Youngstown's Boardman Middle School. Not only did these students engage in a special 9-week class session on energy, participate in a science fair, and publish a special article on energy conservation in the school newspaper, they also put on a solar energy program to elementary school students in which solar cookers were used to roast marshmallows. Nearly 150,000 people viewed this "cook-in" via local television coverage.

Although such projects in the past have set high standards, I am confident that this year's students creatively met the challenges of the 1985 NEED theme: "Educating for America's Energy Future."●

VIETNAM VETERANS MEMORIAL

● Mr. MITCHELL. Mr. President, while few things on this Earth rival the quality of life in Maine, a visit to Washington, DC, in the spring has to rank as one of the most entertaining and educational experiences a family can enjoy together. As spring has arrived here in the Nation's Capital, so too will come hundreds of families from my State of Maine.

It is always a great pleasure to spend time in my office with those Maine families who make the trip to Washington. I am also pleased that when visiting Washington, so many Maine people call on my office for assistance and information.

One of the most popular attractions in Washington for Maine visitors is the Vietnam Veterans Memorial. The thousands of Americans who have visited the memorial have all been touched by the power of this simple but elegant memorial.

The March 18, 1985 issue of the New Yorker carried an eloquent descriptive essay on the memorial and its impact on the visitors to it. I recommend it to my colleagues.

I ask that the text of the essay be printed in the RECORD.

The material follows:

ESSAY—VIETNAM VETERANS MEMORIAL

A young woman writes:

Washington has always seemed to me to offer one, essentially heroic profile, an image designed to circumvent the little currents of affection and curiosity that ought to pass between the visitor and the city and strike deep into memory, and for that reason, I suppose, until almost the end of a recent stay I never really felt at ease there: I never really felt moved by it. Even in the mornings, when the avenues were brisk with three-piece-suited young men and two-piece-suited young women, all bearing briefcases, and it was misty enough so that the red lights blinking at the apex of the Washington Monument enabled me to feel for it the fondness I'm inclined to feel for lighthouses, the city seemed to maintain its basic reserve—to keep its willed and formal distances intact.

In this mood, not disliking the city but not reluctant to leave it, either, I went along the Mall the other afternoon, before my flight home, looking for the Vietnam Veterans Memorial—I'd never seen it. The first thing I noticed was the crowd, which had a Midwestern look: young fathers with the chins of sleeping babies propped on their corduroy shoulders; young mothers with cameras slung loosely about their necks, with sneakers, sunglasses, and guidebooks, and with balloons straying along on strings. There was also a group of leggy young men in Georgetown T-shirts, shorts, and battered Nikes, walking single file toward the Memorial, one of them breaking ranks now and then and waltzing forward to tease the others, who had the self-absorbed nonchalance of long-distance runners cooling down.

The wings of the Memorial were visible on either side, for it is shaped like a long, open hinge, its leaves cut vertically into the ground, which descends very gradually toward the vertex, the effect as you come near being a little like facing a huge open book with black pages, just over ten feet high, that embrace you in a barely perceptible angle and slant away as gleaming walls for about eighty years. Because the crowd was densest toward the center, I walked around and began at the tip of the wing to the east, where there was a long triangular wafer of polished black granite, apparently as thin as a mirror, set into the ground, its upper edge horizontal below a rim of grass, clipped short and golf-course-vibrant, and its lower, slanting edge met by grass and by paving stones that were somewhat uneven, like squares in an old quilt, and pleasant to walk on. The feeling wasn't as it the granite wafer had been set there, exactly but more as if it had been exposed by some gentle falling away, some erosion that, without disturbing the grass above or below it, bared this odd and exact black shape—a triangle so attenuated that it managed to be at once as inevitable as bedrock and cunningly frail.

The vertical edge of the triangle was met by a quadrangle of the same black granite, which matched it and widened, its upper edge resolutely horizontal and its bottom declining, so that to follow the course of this second shape I descended slightly, almost imperceptibly—the rim of grass now at my knees, now my thighs, as if I waded into water—reading as I went, for the long, long quadrangle bore lines of names. The names had, like any such list, a great, provocative power. A list is an excerpt from reality, pure data that haven't been tempered with, and as Americans we trust such excerpted reality, we almost instinctively treat it with seriousness—we like the propriety of sheer information. In a way, it's what we're at home with. A list seems to represent a face of reality which is, for once, candid and free of emotional clutter; it's a kind of virgin territory. In a way, we wish to believe that our own preceptions are sufficiently good, clear-eyed, and sound, that our interpretation of the data, not someone else's, is what matters, and the closer we are to the unmanipulated, undoctored source the better—the greater the likelihood that some truth will be obtained. This is democratic. It's American to distrust incantations and obscurities, to want to go straight to the heart of the matter. That, I thought, was partly why this list inscribed in black granite had such power: because in the nimble shifts of syllables, constantly compounded, in the rhythm of the names, first, middle, and last, first, middle, and last, and in the sparks the names struck from each other, the friction of inadvertently beautiful or deliberately composed sounds, there was a quiet, cumulative force, like that of long lines of poetry wavering out from some central, spurring sense of sorrow and continually retreating to it, carrying it forward another line, seeing it through another stanza of incised lines, and another, and a wall of them. I wanted to read them more deeply, to crack the code. I wanted to find the configuration that bound them, but the only configuration, the only conceivable thing those names had in common, was death. They had been typeset from a computer tape of the official Vietnam casualty list.

I said them to myself. Nearly everyone facing the wall was saying the names, often aloud, confiding them to someone near, sometimes laughing, struck by something peculiar in a name, or reciting a single line of names several times, because of the way certain names fitted together; other people told how many names they'd found of those they'd known—counting them up, pleased to have found them, the way you can be pleased at locating on an unfamiliar map some place you know exists. There was a queer catharsis in this finding, queer because it opened into another sort of yearning, or maybe a yearning that simply was, and, by the findig of a name and the fraction of an instant of recognition, the eye's delight in reading what it knew, was made clear as something that would endure, that could not be eased by the finding of a name so much as thrown into relief by it, exposed.

There seemed to be an almost irresistible impulse, when one found a name, to touch it, to stroke the length of the inscription, to impress upon the reflective black something as slight as th eghostly humidity of one's handprint; to cover the name for a moment, to shield it, to make it private; to separate it for a moment from the locked vertical mass of the almost endless others. The number of the dead, in the mounting lines of inscriptions with rigid left-hand margin and ragged right-hand margin (this is reversed on the west wall: there the right-hand margin is the rigid one), was suddenly clear in a physical way, for you had to search among them, you had to pass by thousands of names to find one that meant something to you, and if you glanced away an instant you'd miss it, as surely as you'd miss a wedding ring on a beach; yet those names you passed by—skimmed in order to dismiss them or considered briefly for something out of the ordinary—worked on you as well, inflicting a steadily growing, almost subliminal pres-

sure, which was your awareness of the uncannily great number and the irreducible singularity of the lives that had been lost. In the deep panels of polished black the readers were mirrored, their reflections facing them from the list of names, so that you could see yourself, in a sense, in among the dead, and realize what infinite freedom it was simply to move on from one panel to the next, to keep reading, while the dead were fixed, locked in place, locked in the order in which they had died—in with their friends, possibly, or with someone they hadn't known who had happened to die on that same day, or on the next.

The dead had a context: the names had been transcribed from the computer tape in chronological order, the order in which the deaths had occurred. There was for me something in the walls which was reminiscent of an archeological site in the Midwest that has a deep and rather dangerous shaft, its sides as rich and nacreous and cold as newly excavated coal, where things—bones and shards and slender projectile points of white quartz—are fixed in the order in which they were buried. One of the archeologists there had a habit of taking a freshly unearthed quartz point in his palm and licking it until it gleamed. Now his habit, which isn't at all unusual among archeologists, seemed to me to be, at its root, very like the impulse to touch or stroke a name inscribed on the Memorial's wall, once it had been found; it was the attempt to bring a bit of life back to life.

Nothing, really, kept me from returning to the world—only my desire to stay inside the flanking black walls until I had understood them, understood something. It was possible to hear the cries of a baseball game going on above, perhaps a quarter mile away, and there was an encompassing sunniness, a brilliance in the way the light came through the rim of tended grass above the granite, that caused a restlessness—luxury of the living. One woman knelt, with her Nikon, not two feet from the wall, and everyone backed away to give her room and quiet to concentrate. She was photographing a name in the granite just above the edge of the grass. When the camera clicked, she sighed. Huddled with the camera on her knees, she'd been holding her breath, as if the name could vanish.●

TURKEY'S POLICY TOWARD ISRAEL

● Mr. D'AMATO. Mr. President, America relies heavily on the strength of our major ally in the Middle East, Israel, for our security interests in that region of the world. It is important to our Middle East interests, therefore, that the other countries in the Eastern Mediterranean be supportive of Israel.

The nation of Turkey has undertaken some policies in recent years that are very disturbing in regard to its treatment of Israel. It is my hope that during Prime Minister Ozal's visit to the United States next week these matters can be discussed with him, so that he might work to reverse the dangerous direction that this nation has taken of late in its relationships with Israel.

The following points regarding Turkish policy toward Israel are of particular concern and should be addressed by Prime Minister Ozal.

First. On March 10, 1985, Turkish President Kenan Evren said: "The Palestinian people (must be) granted their legitimate and inalienable rights * * * Israel should withdraw as soon as possible from the Arab territories it is occupying, including the sacred city of Jerusalem."

Second. In December of last year, 6 weeks ago, and again on March 6, the Government of Turkey issued a public statement sharply criticizing Israel's actions in Lebanon. In the News Spot publication of the Turkish Press and Information Office, it said, "Israel, with its invasion of Lebanon in 1982, inflicted heavy losses on the civilian population by the massacres at the Sabra and Shatila Palestinian camps in particular."

Third. Turkish President Kenan Evren "abandoned the reserved attitudes of the past and called for an Islamic strategy against Israel" at the Islamic summit meeting at Casablanca in 1984 according to the Christian Science Monitor.

Fourth. Turkey has downgraded the level of its diplomatic relationship with Israel in recent years.

Fifth. Turkey refused to allow American planes to overfly Turkey during the 1973 Middle East war.

Mr. President, the nation of Turkey is a strategic ally in a turbulent area of the world. We must not, however, allow this alliance to interfere with our long and close relationship with Israel. I urge the Prime Minister to review his relationship with Israel.

I thank the Chair.●

THE FLORIDA FEDERATION OF GARDEN CLUBS

● Mr. CHILES. Mr. President, last year an important bill became public law. This law now offers permanent protection to the Osceola National Forest from possible phosphate strip-mining. My colleagues in the Senate will recall that the road we traveled to get this legislation enacted was a long and arduous one. The journey would not have been successful had it not been for the countless numbers of Floridians who joined in the battle to save this beloved forest. Among the organizations whose members gave their time and effort to push for action on this issue was the Florida Federation of Garden Clubs. I want to take this opportunity today to bring to the attention of the Senate the efforts of this organization on behalf of the Osceola National Forest.

Initially, the biggest obstacle we encountered in pressing for legislation to protect the Osceola was educating the Senate on the problem facing our forest. The threat of stripmining the Osceola was well known in Florida, but it was virtually unheard of in other parts of the country. We needed help to elevate the level of attention given to the problem. We asked for help and we got it.

In the spring of 1982, the board of directors for the Florida Federation of Garden Clubs adopted a resolution opposing stripmining in the forest. That board of over 100 represented 30,000 members, and when they spread the word, many of the 30,000 wrote letters giving support to the proposed legislation.

As my colleagues know, the Osceola National Forest soon became an issue everyone had heard about. The first bill Congress passed was vetoed by the President. But finally, last year, a compromise proposal was passed by the House and Senate and signed into law by President Reagan.

Efforts to save the Osceola National Forest involved many years, many individuals, and many organizations. I am pleased to have this chance to give well-deserved recognition to the contributions of the Florida Federation of Garden Clubs for their efforts on behalf of the forest and the people in Florida. I want to say, thank you for caring and thank you for a job well done.●

RECOGNIZING EDWARD D. PARADISO, COOLEY'S ANEMIA FOUNDATION LEADER

● Mr. D'AMATO. Mr. President, I rise today to call to the attention of my colleagues that Edward Paradiso, one of the Cooley's Anemia Foundation's Founders, past national president and treasurer, passed away on February 2, 1985. He was also founder and president of the Long Island Cooley's Anemia Foundation Chapter in Garden City, NY.

As one of the foundation's leaders, Edward Paradiso was instrumental in the passing of Federal legislation; namely, the Cooley's Anemia Control Act in 1970, which authorized the Secretary of Health to create research, education and patient care programs. Edward Paradiso devoted his entire life to help find a cure for Cooley's anemia.

Having two of his four children afflicted with thalassemia major, the severe form of Cooley's anemia, made the thrust of his work more personal, more urgent and more necessary. Upon the deaths of Paul in 1973 and Susan in 1978, Edward Paradiso's efforts as an officer of the Cooley's Anemia Foundation and as president of the Long Island chapter, did not cease, but rather increased in intensity.

Edward Paradiso was a staunch supporter of the foundation's grant and fellowship program. In this last year as national treasurer, he was responsible for the foundation's appropriation

of over 46 percent of the national foundation's budget for research into controlling thalassemia and for his ultimate goal, a cure for this disease that had taken two of his children.

Some of my colleagues may not be aware of Cooley's anemia, and I would like to take a moment to explain the seriousness of the disease.

Cooley's anemia is a genetic blood disease which primarily affects the children of parents of Mediterranean descent who both have the thalassemia trait.

When both parents carry the trait, there is 1 in 4 chances with each pregnancy that they will have a child with Cooley's anemia. Even if a child doesn't have the serious, major form of the disease, there is a 50-percent chance that the child will have inherited the trait and could then pass it on to his or her children in the future. It is possible for one couple to have more than one child with Cooley's anemia.

Children with Cooley's anemia are apparently healthy at birth, but within a few months they become pale, listless and have poor appetites. What has happened is that the child is producing defective red blood cells that are rapidly destroyed, producing anemia. The deficient cells cannot carry a sufficient supply of oxygen to such vital organs as the heart and liver.

In time, the normal functioning of the affected organs diminishes and growth and development are retarded. As the anemia grows worse, the body tries to compensate for the deficiencies by producing more and more red blood cells. The spleen and liver enlarge and bones become brittle. Eventually, the skull and facial characteristics change and become more pronounced.

Is there a treatment that will help? Yes, the disease can be managed, and there can be a comparatively normal life. The present treatment for the disease is frequent blood transfusions—usually on a monthly basis. However, because the transfusions are taken over a long period of time, they cause an excessive buildup of iron deposits, iron the body cannot properly rid itself of. In time, the iron saturates vital organs and they begin to deteriorate. Skin will become bronze-like and discolored.

Later, the heart, which will be working hard to overcome these problems, will become strained beyond capacity. Until the recent development of a new drug, victims of Cooley's anemia died before they reached the age of 20.

I am pleased to say that two institutes of the National Institutes of Health—the National Heart, Lung and Blood Institute, and the National Institute of Arthritis, Diabetes and Digestive and Kidney Diseases—are strongly supporting research on this disease. Every year in the appropriations process I work to increase the funding for the two institutes and for Cooley's anemia research.

Because of Edward Paradiso's devotion and dedication for over 30 years, the children afflicted with Cooley's anemia today have a life span into the third decade. The quality of these years has also improved dramatically.

It is hoped that Ed's courageous work will continue to receive the necessary support at the Federal level until the genetic mystery of this disease, Cooley's anemia, is uncovered.

We will all miss him and his inspirational work.

I thank the Chair.●

RETIREMENT OF JOSEPH B. SWANNER

● Mr. BENTSEN. Mr. President, I should like to join a number of my colleagues from the House of Representatives today in bringing to the attention of Congress the record of one of the most dedicated public servants I know, Mr. Joseph B. Swanner, Regional Administrator of the Economic Development Administration in Austin, TX. Only a few short weeks ago, Joe Swanner retired after 35 years of working for the people of this Nation.

Since I first met Joe Swanner in 1950, when he began his career in the Federal Government with the U.S. House as a floor assistant helping to prepare the Journal, he has been committed to the proposition of Government helping people help themselves. From 1953 to 1959, he served as legislative assistant to Congressman O.C. Fisher, and in 1960 he won promotion to the position of chief file clerk for the House of Representatives, a post he held for 3 years.

In 1964, Joe Swanner moved to the executive branch, first with the Small Business Administration and later the Economic Development Administration. During that time, he worked day and night to make the programs of the Johnson administration work, helping communities develop a sound economic base for the future. In 1968, Joe Swanner wanted to return to Texas, and he moved his family to Austin where he became Deputy Regional Administrator for the EDA. In 1973, Joe became Regional Administrator, a post he held until his recent retirement.

In those years as Regional Administrator, Joe and his agency had been earmarked for extinction by at least four administrations. Most Federal workers would not be able to survive the cacophony of deathknells that Joe Swanner has been through. But then, most Federal workers are not able to place a couple of strategic telephone calls to friends on both sides of the partisan aisle in Washington to try to assure the survival of his agency.

Joe Swanner is a survivor, a friend and a man with a keen eye for detail. I can recall an event in Brownwood, TX, in 1978. The Army Corps of Engineers had declared Brownwood's dam unsafe, threatening the city's water supply, and Brownwood couldn't issue the bonds to finance its share of the repair project. With Joe Swanner's help, we were able to find the additional funds needed by the city, and I found myself in Brownwood with about 2,000 friends to discuss the project. Joe Swanner had planned the event down to the final detail. The invitees included a group of Tigua Indians who performed a rain dance for the city. I am not sure the Tiguas made much rain that night, but I am certain that with Joe Swanner's assistance we helped make it possible for the city of Brownwood to assure a future supply of water for its citizens.

That is exactly the kind of Government-private sector cooperation that has been the hallmark of Joe Swanner's tenure as Regional Administrator of the Economic Development Administration. Joe Swanner's determination to create new opportunities and to solve difficult challenges through creative cooperation between Government and the people has earned him great respect across Texas and the Southwest.

Joe Swanner is a hardworking, industrious public servant, one of those who is always anxious to roll up his sleeves and get to work resolving problems that affect people. His greatest thrill was to bring local government and the private sector together to work in harmony to create jobs, opportunity, and prosperity for the people. The results of Joe Swanner's industry can be seen all across Texas. Joe Swanner enjoys a great sense of when the Government can assist people, and equally important, when to get Government out of the way. Joe always tried to help local communities prosper on the strength of their own initiative and hard work.

I regret that Joe Swanner has chosen to leave Government service, because his 35 years of experience have enabled him to meet every challenge he has faced with success. I am proud to represent such an outstanding individual. He has dedicated his life to improving the economic prospects of all his fellow citizens.

I congratulate Joe Swanner for an excellent career as a public servant. Through his efforts, the economic future of hundreds of communities across my State are brighter. I sincerely hope that Joe Swanner enjoys a peaceful and productive retirement, and I wish him success in every future endeavor.●

MEMBERSHIP AND JURISDICTION OF SUBCOMMITTEES, COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. McCLURE. Mr. President, I ask to have printed in the RECORD a list of the membership and jurisdiction of subcommittees of the Committee on Energy and Natural Resources.

The material follows:

COMMITTEE ON ENERGY AND NATURAL RESOURCES STANDING SUBCOMMITTEES

ENERGY REGULATION AND CONSERVATION

Don Nickles, Chairman.
Mark O. Hatfield.
Pete V. Domenici.
John W. Warner.
Chic Hecht.
Daniel J. Evans.
Howard M. Metzenbaum.
Wendell H. Ford.
Bill Bradley.
Jeff Bingaman.
John D. Rockefeller IV.

NATURAL RESOURCES DEVELOPMENT AND PRODUCTION

John W. Warner, Chairman.
Lowell P. Weicker, Jr.
Malcolm Wallop.
Frank H. Murkowski.
Don Nickles.
John Melcher.
Dale Bumpers.
Jeff Bingaman.
John D. Rockefeller IV.

ENERGY RESEARCH AND DEVELOPMENT

Pete V. Domenici, Chairman.
John W. Warner.
Chic Hecht.
Daniel J. Evans.
Malcolm Wallop.
Wendell H. Ford.
Dale Bumpers.
Howard M. Metzenbaum.
John D. Rockefeller IV.

PUBLIC LANDS, RESERVED WATER & RESOURCE CONSERVATION

Malcolm Wallop, Chairman.
Lowell P. Weicker, Jr.
Chic Hecht.
Mark O. Hatfield.
Pete V. Domenici.
Frank H. Murkowski.
Dale Bumpers.
John Melcher.
Bill Bradley.
Jeff Bingaman.

WATER AND POWER

Frank H. Murkowski, Chairman.
Mark O. Hatfield.
Daniel J. Evans.
Don Nickles.
Lowell P. Weicker, Jr.
Bill Bradley.
Wendell H. Ford.
Howard M. Metzenbaum.
John Melcher.

(James A. McClure and J. Bennett Johnston are Ex Officio members of all Subcommittees.)

Full Committee jurisdiction: Oversight and legislative responsibilities include Strategic Petroleum Reserves; Intergovernmental Relations; Outer Continental Shelf leasing; Investigation and oversight; international energy affairs; territorial affairs; and Antartica. In addition, other issues are retained in the Full Committee on an ad hoc basis. Generally, these are issues which (1) require extremely expeditious handling, or (2) substantially overlap two or more subcommittee jurisdictions, or (3) are of exceptional national significance in which all Members wish to participate fully.)

Subcommittee's jurisdiction:

Energy Regulation and Conservation Subcommittee: Oversight and legislative responsibilities for Federal energy conservation programs; energy information; commercialization of new technologies (e.g., wind, solar, ocean thermal energy conversion); liquified natural gas projects; oil and gas pipelines and pipeline regulation; regulatory functions of ERA; refinery policy; gasoline rationing; natural gas pricing and regulation; emergency preparedness, petroleum allocation; and coal conversion (Fuel Use Act).

Natural Resources Development and Production Subcommittee: Oversight and legislative responsibilities for energy and nonfuel mineral resources; Federal mineral leasing; national mining and minerals policy and general mining laws; surface mining, reclamation and enforcement; coal production, distribution, and utilization; oil and gas production and distribution; mining education and research; minerals exploration, development and production from public and acquired lands; mineral conservation, royalty management; coal severance tax, Naval Petroleum and Oil Shale Reserves; deep water ports; and deep seabed mining.

Energy Research and Development Subcommittee: Oversight and legislative responsibilities for nuclear R&D; coal and synfuels R&D; nuclear and nonnuclear energy commercialization projects; nuclear fuel cycle policy, including uranium resources; Synthetic Fuels Corporation; new technologies R&D (e.g., conservation, solar, OTEC, and MHD);. nuclear insurance and facilities siting, and breeder reactor development.

Public Lands, Reserved Water and Resource Conservation Subcommittee: Oversight and legislative responsibilities for the public lands administered by the Bureau of Land Management; National Forest System; National Park System; National Wilderness Preservation System; Wild and Scenic Rivers System; National Trail System; establishment of wildlife refuges on public lands; Alaska Native Claims Settlement Act; Alaska National Interest Lands Conservation Act; reserved water rights; military land withdrawals; national recreation areas; national monuments; historic sites; military parks and battlefields; Land and Water Conservation Fund; historic preservation; renewable resources; outdoor recreation resources; and on the public domain, preservation of prehistoric ruins and objects of interest.

Water and Power Subcommittee: Oversight and legislative responsibilities for irrigation; reclamation projects; power marketing administrations (e.g., Bonneville, Alaska Power, Southwestern Power, Western Area Power, Southeastern Power); energy development impacts on water resources; small power producers; hydroelectric power; low head hydro; utility policy; Alaska Natural Gas Transportation System financing; and FERC, including regulation of Alaska Natural Gas Transportation System (ANGTS), Trans-Alaska Pipeline System (TAPS), and other oil or gas pipeline transportation systems within Alaska (e.g. the Trans-Alaskan Gas line system).●

TURKEY'S RELATIONSHIP WITH THE UNITED STATES

● Mr. D'AMATO. Mr. President, America's relationship with the nation of Turkey is very important to the well-being of both countries. Each year that we provide Turkey with nearly $1 billion worth of foreign aid, we fulfill our part of our mutual defense commitment. Periodically, Turkey is offered an opportunity to fulfill its half of that commitment. I am sorry to report that on several occasions, however, Turkey has not lived up to its side of the bargain.

At the end of March and in early April, the Prime Minister of Turkey will be visiting this country. I hope that my colleagues and other Americans will take this opportunity to communicate to Mr. Ozal exactly what we expect from him and his country in regard to American military needs. Some of the matters which have caused our concern include:

First. Turkey's refusal to indicate what has happened to American citizens taken by the Turkish Army from Cyprus to Turkey over 10 years ago.

Second. The fact that we were not allowed to use our bases in Turkey for the 1980 rescue attempt of our hostages in Iran.

Third. The fact that, in 1983, Turkey would not allow us to erect a Voice of America antenna in Turkey, as there is in Greece and many other countries.

Fourth. Turkey's denial of our initial request to use our bases in Turkey to support our soldiers in Lebanon. When the barracks were bombed, our boys had to be treated in Cyprus.

Fifth. The fact that the Turkish Foreign Minister promised our Secretary of State that Turkey would not support a declaration of independence by Turkish Cypriots. Yet a few weeks later, the day after President Reagan signed the bill giving Turkey nearly a billion dollars in aid, Turkey publicly endorsed the Turkish Cypriot declaration of independence.

Sixth. Turkey's disruption and weakening of American strategic interests in the Eastern Mediterranean with its occupation troops on Cyprus and threats to Greek territory.

Mr. President, this is not a record we can ignore. The bilateral situation between Turkey and the United States must be improved. That is the message we must clearly and unequivocally communicate to the Prime Minister during his visit here next week.

I thank the chair.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. D'AMATO. Mr. President, I rise today to join an ever-growing group of my colleagues who have participated in the 1985 Congressional Call to Conscience for Soviet Jewry as a show of support for the over 3 million Jews in the Soviet Union now struggling to maintain their cultural heritage. I

command all those who already have taken part in this worthy venture, and I urge the rest of my colleagues to join in this call.

Last year, more than 350,000 Soviet Jews expressed interest in emigration—only a mere 896 were allowed to leave. This number is a 98-percent drop from just 5 years earlier. Unfortunately, the crackdown goes further than simply restricting immigration. Jews are harassed by Soviet authorities. They are imprisoned, forced into labor camps, or relocated against their will for no apparent reason. Jewish history is deleted from the Soviet educational system, the teaching of Hebrew is prohibited, Jewish holiday celebrations are outlawed, and Bibles and prayer books are confiscated.

There are, however, two more violations of the human rights of Soviet Jews that represent the gravity of the situation. First, Soviet media, thoroughly censored by an agency responsible to the Council of Ministers and the KGB, are deluged with anti-Semitic material. This occurs so frequently—in hundreds of books and articles, in children's literature, in television programs, in publications for such diverse groups as the Academy of Sciences and the railway workers' union—that an anti-Semitic media campaign can qualitatively be said to exist. Indeed, such language would be the only way to describe a recent Soviet production "The Hirelings and Their Accomplices." This program explicitly shows the chilling reality of just how Soviet Jews are envisaged by their countrymen and their government. Jews are viewed from a Soviet perspective as part of a global conspiracy against the Soviet Government and people. As Moscow airs more and more derogatory and viciously untrue programs of this nature, the oppression and violence will continue, and worsen.

A second aspect of Soviet anti-Semitism that has intensified in a systematic manner during the last 10 years is anti-Jewish discrimination in university admissions. So precipitous has been the decline in Jewish enrollment that it cannot be attributed to emigration, the aging of the Soviet Jewish population, or any other "natural" factor. Published Soviet statistics show a greater than 40-percent decline in the number of Jewish university students from 1969 to 1976.

On February 5, the New York Times reported that Aleksandr Kholmyansky, a 32-year-old computer scientist in the Estonian city of Voru and a Hebrew teacher who had attracted a wide following among Soviet Jews, had been sentenced to an 18-month term in a labor camp on charges of possessing a weapon. From all available evidence, it can be determined conclusively that a pistol was planted in the apartment of Mr. Kolmyansky during a search—a search which occurred only after Mr. Kolmyansky had been detained on the aforementioned charge. Similarly, last December 19, Yuri Edelstein was sentenced to 3 years in a labor camp, when opium was planted in his apartment. In November, Hebrew teacher and prominent Jewish activist Iosif Bernstein was sentenced to 4 years in a labor camp on the charge of resisting arrest; how does one get arrested on the sole charge of resisting arrest? The list of such atrocities is endless.

Aside from the United States and Israel, no nation in the world is populated by more Jews than the Soviet Union. Yet, while Jews are treated with admiration and respect in both the United States and Israel, they are treated with scorn and degredation in the U.S.S.R. The disease which has infected the Soviet Union in its anti-Semitism certainly parallels that of Nazi Germany when Jews were systematically deprived of their culture, their heritage, and indeed their humanity.

In little over a week, when the youngest child of each American Jewish family sits down at the Passover table to ask the traditional "Four Questions," Jews all over the Soviet Union will be asked four questions of their own, albeit, not at the Passover table: One. When will this humiliating harassment end? Two. When will I be allowed to freely practice my religion and celebrate my holidays? Three. When will my productivity be respected, instead of mocked? and Four. When will I be allowed to leave the Soviet Union?

These are questions that we in the United States must begin to answer. We must have a committed and staunch posture with regard to the abuses of Jews in the Soviet Union, and we must categorically show our solidarity for Soviet Jews. As Americans dedicated to the principles of individual freedom and liberty, we cannot, and will not, ignore the Soviet Union's calculated cultural genocide of the Jewish community living in the Soviet Union.

Thank you, Mr. President.●

A GOOD JOB BY ROBIN JAEGER

● Mr. PRESSLER. Mr. President, for the past 6 weeks, Mr. Robin Jaeger has been working in my office. Mr. Jaeger currently is participating in the Department of the Interior Management Program, which is a mid-level management program. Robin's work in my office fulfills part of this program.

I wish to commend the Department of the Interior for making this program available to outstanding employees. I believe both my office and Robin have benefited greatly from this program. As a Bureau of Indian Affairs employee for 7½ years, Robin has shared his valuable and unique expertise in Indian issues with my office. On the other hand, Robin will take away a new knowledge of the complexities, and very often the frustrations, of enacting legislation in the Senate.

After teaching elementary school for the BIA in North Dakota and Arizona, Robin moved to the Aberdeen area office, where he served as an education specialist for 4 years. Robin is assigned to the Minneapolis area office as a field representative fo the Minnesota Sioux Tribes at the present time.

Having grown up on the Cheyenne River Reservation in South Dakota and in Montana, Robin's first-hand knowledge of and expertise in Indian issues have been invaluable to my office over the past 6 weeks. I shall be sorry to see him leave. However, I wish Robin every success in his future endeavors, and I applaud the Department of the Interior for this innovative program.●

RULES AND SUBCOMMITTEE ASSIGNMENTS FOR COMMITTEE ON GOVERNMENTAL AFFAIRS

● Mr. ROTH. Mr. President, as chairman of the Committee on Governmental Affairs, I hereby submit for printing in the RECORD the procedural rules of the Committee on Governmental Affairs in accordance with the requirement of Senate rule XXVI. These are the rules adopted by the committee in its first session.

Mr. President, I also ask to have printed in the RECORD the subcommittee assignments for the Committee on Governmental Affairs for the 99th Congress.

The material follows:

RULES OF PROCEDURE ADOPTED BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Pursuant to Rule XXVI, Sec. 2, Standing Rules of the Senate

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. *Meeting dates.* The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

B. *Calling special committee meetings.* If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requesed special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour.

Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

C. *Meeting notices and agenda.* Written notices of committee meetings, accompanied by an agenda, enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements of committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. *Open business meetings.* Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceeding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the chairman of the committee or the subcommittee shall offer a public explanation of the reason the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

E. *Prior notice of first degree amendments.* It shall not be in order for the committee, or a subcommittee thereof, to consider any amendment in the first degree proposed to any measure under consideration by the committee or subcommittee unless a written copy of such amendment has been delivered to each member of the committee or subcommittee, as the case may be, and to the office of the committee or subcommittee, at least 24 hours before the meeting of the committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the members present. This subsection shall apply only when at least 72 hours written notice of a session to mark-up a measure is provided to the committee.

F. *Agency comments.* When the committee has scheduled and publicly announced a markup meeting on pending legislation, if executive branch agencies, whose comments thereon have been requested, have not responded by the time of the announcement of such meeting, the announcement shall include the final data upon which the comments of such agencies, or any other agencies, will be accpeted by the committee.

RULE 2. QUORUMS

A. *Reporting legislation.* Seven members of the committee shall constitute a quorum for reporting legislative measures or recommendations. (Rule XXVI, Sec. 7(a), Standing Rules of the Senate.)

B. *Transaction of routine business.* Five members of the committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.

For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the committee and any amendments thereto, and voting on such amendments. (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

C. *Taking sworn testimony.* Two members of the committee shall constitute a quorum for taking sworn testimony: *Provided, however.* That one member of the committee shall constitute a quorum for such purpose, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXVI, Sec. 7(a)(2), Standing Rules of the Senate).

D. *Taking unsworn testimony.* One member of the committee shall constitute a quorum for taking unsworn testimony. (Rule XXVI, Sec. 7(c)(2), Standing Rules of the Senate.)

E. *Subcommittee quorums.* Subject to the provisions of sections 7(a) 1 and 2 of Rule XXVI of the Standing Rules of the Senate, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business, and the taking of sworn testimony.

F. *Proxies prohibited in establishment of quorum.* Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. *Quorum required.* No vote may be taken by the commitee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. *Reporting legislation.* No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Rule XXVI, Sec. 7(a) (1) and (3), Standing Rules of the Senate.)

C. *Proxy voting.* Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purpose of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member establishes his vote to be recorded thereon. (Rule XXVI, Sec. 7(a)(3) and 7(c)(1), Standing Rules of the Senate.)

D. *Announcement of vote.* (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such a measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Rule XXVI, Sec. 7(c), Standing Rules of the Senate.)

(2) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at the meeting. (Rule XXVI, Sec. 7(b), Standing Rules of the Senate.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Rule XXVI, Sec. 7 (b) and (c), Standing Rules of the Senate.)

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The chairman shall preside at all committee meetings and hearings except that he shall designate a temporary chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the chairman (or his designee) is absent ten minutes after the scheduled time set for a meeting or hearing, the senior Senator present of the chairman's party shall act in his stead until the chairman's arrival. If there is no member of the chairman's party present, the senior Senator of the committee minority present shall open and conduct the meeting or hearing until such time as a member of the majority enters.

RULE 5. HEARINGS AND HEARING PROCEDURES

A. *Announcement of hearings.* The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Rule XXVI, Sec. 4(a), Standing Rules of the Senate.)

B. *Open hearings.* Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

C. *Radio, television, and photography.* The committee, or any subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television or both, subject to such conditions as the committee, or subcommittee, may impose. (Rule XXVI, Sec. 5(c), Standing Rules of the Senate.)

D. *Advance statements of witnesses.* A witness appearing before the committee, or any subcommittee thereof, shall provide 100 copies of a written statement and an executive summary or synopsis of his proposed testimony at least 48 hours prior to his appearance. This requirement may be waived by the chairman and the ranking minority member, following their determination that there is good cause for failure of compliance. (Rule XXVI, Sec. 4(b), Standing Rules of the Senate.)

E. *Minority witnesses.* In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings.

(Rule XXVI, Sec. 4(d), Standing Rules of the Senate.)

RULE 6. COMMITTEE REPORTING PROCEDURES

A. *Timely filing.* When the committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Rule XXVI, Sec. 10(b), Standing Rules of the Senate.)

B. *Supplemental, minority, and additional views.* A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure of matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part, thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Rule XXVI, Sec. 10(c), Standing Rules of the Senate.)

C. *Notice by subcommittee chairmen.* The chairman of each subcommittee shall notify the chairman in writing whenever any measure has been ordered reported by such subcommittee and is ready for consideration by the full committee.

D. *Draft reports of subcommittees.* All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

E. *Cost estimates in reports.* All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Rule XXVI, Sec. 11(a), Standing Rules of the Senate.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. *Regularly established subcommittees.* The committee shall have six regularly established subcommittees. The subcommittees are as follows:

Permanent Subcommittee on Investigations;

Intergovernmental Relations;

Governmental Efficiency and the District of Columbia;

Civil Service, Post Office, and General Services;

Oversight of Government Management; and

Energy, Nuclear Proliferation, and Government Processes.

B. *Ad hoc subcommittees.* Following consultation, with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. *Subcommittee membership.* Following consultation with the majority members, and the ranking minority member, of the committee, the chairman shall announce selections for membership on the subcommittees referred to in paragraphs A and B above.

D. *Subcommittee meetings and hearings.* Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. *Subcommittee budgets.* Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day of February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a writen justification; addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities, (2) its accomplishments during the preceding year; and (3) a table showing a comparison between (a) the funds authorized for expenditure during the preceding year, (b) the funds actually expended during the year, (c) the amount requested for the current year, and (d) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current year. (Rule XXVI, Sec. 9, Standing Rules of the Senate.)

RULE 8. CONFIRMATION STANDARDS AND PROCEDURES

A. *Standards.* In considering a nomination, the committee shall inquire into the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated. The committee shall recommend confirmation, upon finding that the nominee has the necessary integrity and is affirmatively qualified by reason of training, education, or experience to carry out the functions of the office to which he or she was nominated.

B. *Information Concerning the Nominee.* As a requirement of confirmation, each nominee shall submit on forms prepared by the committee the following information:

(1) A detailed biographical résumé which contains information relating to education, employment and achievements;

(2) Financial information, including a financial statement which lists assets and liabilities of the nominee and tax returns for the three years preceding the time of his or her nomination; and

(3) Copies of other relevant documents requested by the committee, such as a proposed blind trust agreement.

At the request of the chairman or the ranking minority member, a nominee shall be required to submit a certified financial statement compiled by an independent auditor.

Information received pursuant to this subsection shall be made available for public inspection; provided, however, that tax returns shall, after review by persons designated in subsection (C) of this rule, be placed under seal to ensure confidentiality.

C. *Procedures for Committee Inquiry.* The committee shall conduct an inquiry into the experience, qualifications, suitability and integrity of nominees, and shall give particular attention to the following matters:

(1) A review of the biographical information provided by the nominee, including any professional activities related directly to the duties of the office to which he or she is nominated;

(2) A review of the financial information provided by the nominee;

(3) A review of any actions, taken or proposed by the nominee, to remedy conflicts of interest; and

(4) A review of any personal or legal matter which may bear upon the nominee's qualifications for the office to which he or she is nominated.

For the purpose of assisting the committee in the conduct of this inquiry, a majority investigator or investigators shall be designated by the chairman and a minority investigator or investigators shall be designated by the ranking minority member. The chairman, ranking minority member, and the designated investigators shall have access to all investigative reports on nominees prepared by any Federal agency, including the Federal Bureau of Investigation, whose report shall be reviewed by the chairman and the ranking minority member. The committee may request the assistance of the General Accounting Office and any other such expert opinion as may be necessary in conducting its review of information provided by nominees.

D. *Report on the Nominee.* After a review of all information pertinent to the nomination, a confidential report on the nominee shall be submitted to the chairman and the ranking minority member. The report shall detail any unresolved or questionable matters that have been raised during the course of the inquiry. Copies of all relevant documents and forms, except any tax returns, submitted pursuant to subsection (B) shall be attached to the report. The report shall be kept in the committee office for the inspection by members of the committee.

E. *Hearings.* The committee shall conduct a public hearing during which the nominee shall be called to testify under oath on all matters relating to his or her suitability for office, including the policies and programs which he or she will pursue while in that position. No hearing shall be held until at least 72 hours after the following events have occurred: The nominee has responded to pre-hearing questions submitted by the committee; and the report required by subsection (D) has been submitted to the chairman and ranking minority member, and is made available for inspection by members of the committee.

F. *Action on Confirmation.* A mark-up on a nomination shall not occur on the same day that the hearing on the nominee is held. In order to assist the committee in reaching a recommendation on confirmation, the staff shall make an oral presentation to the committee at the mark-up, factually summarizing the nominee's background and the steps taken during the pre-hearing inquiry.

G. *Application.* The procedures contained in subsections (C), (D), (E), and (F) of this rule shall apply to persons nominated by the President to positions requiring their fulltime service. At the discretion of the chairman and ranking minority member, those procedures may apply to persons nominated by the President to serve on a part-time advisory basis.

STRUCTURE OF THE GOVERNMENTAL AFFAIRS COMMITTEE

Committee Size: Seven Republicans and Six Democrats

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. Roth, Chairman.
Mr. Rudman, Mr. Mathias, Mr. Cohen, Mr. Cochran, Mr. Stevens.
Mr. Nunn, Mr. Chiles, Mr. Glenn, Mr. Levin, Mr. Gore.

GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. Mathias, Chairman.
Mr. Rudman.
Mr. Eagleton.

ENERGY, NUCLEAR PROLIFERATION, AND GOVERNMENT PROCESSES

Mr. Cochran, Chairman.
Mr. Cohen.
Mr. Glenn.

INTERGOVERMENTAL RELATIONS

Mr. Durenberger, Chairman.
Mr. Stevens, Mr. Cochran.
Mr. Chiles, Mr. Nunn.

CIVIL SERVICE, POST OFFICE, AND GENERAL SERVICES

Mr. Stevens, Chairman.
Mr. Mathias, Mr. Durenberger.
Mr. Gore, Mr. Levin.

OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. Cohen, Chairman.
Mr. Rudman, Mr. Durenberger.
Mr. Levin, Mr. Chiles.

MARYLAND HUMANITIES COUNCIL

● Mr. SARBANES. Mr. President, at a time when funding for the arts and humanities has been under attack, I am pleased to recognize the Maryland Humanities Council which has recently celebrated the 10th anniversary of its service to the citizens of Maryland.

An affiliate of the National Endowment for the Humanities, the Maryland Humanities Council has sponsored 800 projects in every county of Maryland, awarding over $3 million of outright grants and matching funds in support of cultural programs produced by State, private, and local organizations.

The council began in 1975 with an important mission: to increase public understanding and appreciation of the humanities. Over the past decade, it has accomplished this mission through funding a wide variety of programs including history, philosophy, language, literature, linguistics, archaeology, jurisprudence, comparative religion, criticism of the arts, and certain aspects of the social sciences. As a result of its prudent selection of grant recipients, the council has facilitated the learning process and enriched the quality of life for those who have participated in the interpretive exhibits, slide lectures, discussions, seminars, and other excellent forums. As one who subscribes to the inscription on the Archives building, "Past is Prologue," I commend the council in particular for being a major supporter of historic programs celebrating the 350th anniversary of Maryland.

Mr. President, I ask that the State of Maryland's House resolution congratulating the Maryland Humanities Council be printed in the RECORD at this point.

The resolution follows:

HOUSE RESOLUTION

Whereas the Maryland Humanities Council, an affiliate of the National Endowment for the Humanities, was part of a great experiment which grew out of Congressional legislation in 1970, allowing states to form citizen committees to distribute funds in support of cultural programs produced by local institutions in each state; and

Whereas during the past ten years the Council has sponsored 800 projects throughout Maryland, dispersing over three million dollars in funding to support a broad range of programs, covering almost every field of the humanities; now, therefore, be it

Resolved by the House of Delegates of Maryland, That the Maryland Humanities Council is commended for its efforts to increase public understanding and appreciation of the humanities, and directs this Resolution be presented to its Chairman, Dr. Carl Bode, and Executive Director, Dr. Naomi F. Collins.●

TRIBUTE TO MAYOR TED WILSON OF SALT LAKE CITY

● Mr. HATCH. Mr. President, it is with pleasure that we take time from pressing Senate business to pay tribute to Ted Wilson, mayor of Salt Lake City, for his many years of impressive service and commitment to local government.

Following a decade of care, concern, and compassion in serving the residents of Salt Lake City, Mayor Wilson has accepted a position at the University of Utah as the director of the Hinckley Institute of Politics and professor of political science.

No doubt, Ted will bring to his new position the same zeal and enthusiasm characteristic of his administration in facing challenges present in Utah's largest city. As the 28th and youngest mayor to serve Salt Lake City, Ted will be remembered for his commitment in serving the basic needs of residents while keeping the city on solid financial ground. Many will remember this dynamic man with sleeves rolled-up, shovel in hand, working side by side with fellow Utahns to successfully divert a potentially devastating spring runoff.

Ted is a multifaceted individual. Of all the contributions to public life, the role of husband and father are of monumental importance. His work and activity in his church depict the strength and depth of Mayor Wilson. His enthusiasm and integrity in regards to politics, and love for teaching make his appointment as full-time director of the Hinckley Institute of Politics ideal.

The mayor's influence will undoubtedly foster an increased respect for politics and politicians; the very purpose Robert H. Hinckley had in mind in 1965 when the institute was founded.

May the best of life's fulfillment and rewards follow Mayor Wilson in his new endeavors.●

PROPOSED SALE OF CONRAIL TO NORFOLK SOUTHERN

● Mr. HOLLINGS. Mr. President, in February of this year, Secretary of Transportation Dole selected Norfolk Southern to be the purchaser of Conrail. This selection represents the culmination of many months of extensive efforts to implement a sale of Conrail in the private sector as directed by the Northeast Rail Services Act of 1981.

Since this selection, questions have been raised about whether a sale to Norfolk Southern would be a government "giveaway" under the terms being proposed, both from the standpoint of the purchase price and tax benefits that might accrue to Norfolk Southern. William Greider recently published an article in Rolling Stone entitled "How to Steal a Railroad," which raised these very concerns.

In his article, Greider makes the following points: One, that the purchase is a steal at a price of $1.2 billion, which is too low particularly given the $800 million in Conrail cash on hand; second, that the Norfolk Southern would be acquiring a tax bonanza because of Conrail's close to $3 billion in depreciable assets; and three, that Norfolk Southern is obtaining special and favorable treatment because the proposed deal would assume the retirement of the debt owed by Conrail to the Federal Government and with no recognition of taxable income to Norfolk Southern.

The Greider article clearly raises important questions which must be asked in any governmental sale of this nature. In fact, at the Commerce Committee hearings held earlier this month on the sale of Conrail, I and other Members asked the same questions of the Department of Transportation, Treasury, investment bankers, and others—namely, is the purchase price too low, and is Norfolk Southern receiving any special tax treatment or tax benefits that would not be otherwise available for parties to a deal of this sort? To further clarify the issues, I also asked Secretary Dole to respond to the concerns raised in the Greider article.

The Department of Transportation's response to the Greider article reaffirms testimony received at the recent Commerce Committee hearings. With respect to the purchase price, DOT again points out that the price was set through a competitive bidding process and based on legitimate business evaluations of going concerns such as Conrail—also pointed out by certain investment bankers at the committee

hearings. Furthermore, DOT reminds us that Norfolk Southern is not receiving a cash windfall to do with it what they will—the memorandum of intent accompanying the proposed sale specifically restricts Norfolk Southern's ability to deplete this cash through dividends.

On the issue of Conrail's depreciable assets, DOT points out that in any stock acquisition of one company by another, the new company acquires the basis of the company being acquired. This analysis comports with that provided for the Commerce Committee by the Treasury Department witness, who also pointed out that the basis which Norfolk Southern would be acquiring reflects the basis acquired by Conrail from its predecessor railroads in 1976. Finally, DOT points out that there are limitations on Norfolk Southern's ability to depreciate non-Conrail income, as there would be in any such consolidation.

Finally, with respect to the retirement of the debt owed the Federal Government, DOT reminds us that Congress previously retired debt owed by the Milwaukee Railroad. Furthermore, DOT points out that because the Federal Government is a stockholder in Conrail, the retirement of its debt under the tax laws would not give rise to taxable income to Norfolk Southern.

I believe that DOT does address the concerns which have been raised in the Greider article, and thus I ask that both the Greider article and the DOT response, written by John Riley, Federal Railroad Administrator, be printed in the RECORD.

The material follows:

HOW TO STEAL A RAILROAD

(By William Greider)

WASHINGTON, DC—Americans have always loved the exploits of the con man—the smooth-talking rogue who is forever separating the yokel from his wallet. Given their rich appreciation of the old flimflam, taxpayers should be especially amused by President Reagan's proposed sale of the government-owned railroad Conrail to interests in the private sector. Of course, they will have to overlook the fact that it is they who will be left holding the bag. Right now the only people laughing are Wall Street insiders; the tax lawyers, investment analysts and business accountants who are paid large sums of money to understand and manipulate the mysteries of corporate finance and the magic of the U.S. tax code. For them, the Conrail deal is hilarious.

Here is how the con—entirely legal—works. The federal government tells the public that it plans to sell Conrail to private investors for $1.2 billion. The public is pleased: $1.2 billion is a good start toward reducing the enormous federal deficit. Then, when the public isn't looking, and after some financial sleight of hand, the government pays the buyers hundreds of millions of the taxpayers' dollars to take a profitable enterprise off its hands.

Even a great communicator might be hard pressed to sell a deal like it, but the president is ably assisted by Secretary of Transportation Elizabeth Dole, who is widely admired in Washington political circles and often mentioned as a potential candidate for vice-president. If Mrs. Dole can slip the Conrail sale past Congress and the public, maybe she should be president. Imagine, with those skills, how she might snooker the Soviets.

Taxpayers, though they may not know it, have paid dearly for Conrail. Since 1976, when the government created Conrail from the remains of the Penn Central and five other bankrupt rail lines, the government has sunk more than $7 billion into the Philadelphia-based operation, which hauls freight for the industrial Northeast and runs west to Chicago and St. Louis. The taxpayers own 13,500 miles of track, 90,000 freight cars and 3400 diesel locomotives.

Upon taking office in 1981, Reagan announced that he would sell Conrail. The government, he said, had no business running a railroad. There was little dissent: Conrail was losing a bundle.

So, last year Mrs. Dole asked for bids from private investors and swiftly winnowed the responses down to three finalists, all offering about the same money. The offer from the Alleghany Corporation struck some as a bit checky, because Alleghany was a major stockholder of Penn Central fifteen years ago, when the railroad was managed into ruin. (Alleghany shrewdly sold its stock shortly before the collapse.) Another potential buyer, a group of investors headed by J. Willard Marriott Jr., a major GOP contributor, knew nothing about running railroads but presumably lots about hotels and restaurants. Conrail, alas, does not operate dining cars or Pullman sleepers.

The only bidder directly experienced in railroading is Norfolk Southern, which profitably operates lines covering the Southeast and Midwest. Combined with Conrail, it would become the largest freight line in the nation. The proposed merger scares lots of shippers, who are afraid of rate gouging once competition is reduced, and railway labor unions have endorsed Alleghany's bid. (A fourth bid, by Conrail's own management, offering $1.4 billion, was set aside by the Department of Transportation because it calls for a public stock offering, which DOT says would be too risky and time-consuming.) When the winning bid is announced, perhaps by the time you read this, Congress will have to approve the sale.

But a funny thing happened to Conrail on its way to the auction block—the company started making money, lots of it. A new corporate manager took over, hard-boiled chairman L. Stanley Crane, who cut waste and abandoned thousands of miles of unprofitable track. Conrail's workers, who own fifteen percent of the stock, contributed yet more to the bottom line. They accepted an unprecedented wage hold-down—twelve percent below industry wages—which saved the company several hundred million dollars. In 1981, after five years of heavy losses, Conrail produced its first annual profit. Despite the recession, its earnings continued to grow. Last year Conrail reported an impressive profit of $500 million.

Already it sounds like not such a bad deal, paying $1.2 billion for a company that makes $500 million a year. The deal sounds even better when you learn that Conrail has now accumulated $850 million in surplus cash, money that will naturally belong to whoever buys the company.

You don't have to be a tax accountant to figure out that a new owner who was interested only in a quick profit could simply sell off the railroad, take the money and run. The Department of Transportation is itself sensitive to that possibility. Mrs. Dole has insisted upon so-called public-interest covenants in the sales contract—the buyer's promise to operate the railroad in good order for no less than five years and to maintain cash on hand of at least $500 million. "We have followed a deliberative and prudent course," she declared recently. "Decision time is close at hand, and we come to this point confident that we are capable of negotiating the best offer on behalf of the American people."

Taxpayers may wish to read the fine print before they applaud Mrs. Dole's negotiating triumph. The secretary of transportation is not merely selling the government's railroad. She is actually giving away a bonanza in taxes. The cash that the treasury pockets from the Conrail sale—and then some—will be deftly retrieved by the buyer through a hole in the pocket euphemistically known as tax avoidance Stanley Crane, Conrail's chairman, explained what Wall Street analysts really see when they look at the taxpayers' train set: "All of this is a damn fine tax shelter for someone."

To appreciate this complex transaction in its full ripeness, we have to go to the balance sheet and scrutinize, like corporate managers, Conrail's potential return. To find my way through the labyrinth, I consulted several financial authorities in the government and in Conrail's management, people who are intimately familiar with the railroad's finances. What follows are their conservative estimates of how the next owner will cash in on the taxpayers' investment.

For starters, the lucky winner really doesn't have to pay $1.2 billion of its own money to buy Conrail. According to DOT's proposed terms of sale, the purchaser can use up to $350 million of Conrail's own cash to complete the transaction. That effectively reduces the initial investment to $850 million. If the corporate buyer wishes, it can reduce its own investment much more by selling preferred stock to others, diluting its ownership to as low as fifty-one percent but retaining control of the company. Norfolk Southern doesn't plan a stock offering, but other bidders propose to lay off $400 million to $600 million of the purchase price this way. Thus you could buy Conrail by putting up only, let's say, $450 million of your own money. It's a no-lose deal, even if you pay the full freight of $850 million.

A prospective buyer will look not only at the $500 million book profits but at the actual cash generated by Conrail—the money on hand that the owner can pay out in dividends. In these terms, Conrail at first looks less promising. Last year's earnings produced cash on hand of $312 million, but profits will shrink when the railroad's workers are restored to industry wage levels, as every bidder promises to do, and when Conrail begins paying taxes.

Conrail's own management believes that it would be able to pay out annual dividends totaling $126 million, but a skeptical analyst might settle on a more conservative estimate—$50 million to $100 million annually. If the owner manages for maximum short-run returns, the figure can be pumped up in several ways. Simply by accelerating the sale of Conrail's nonoperating property, mostly real estate, the owner could generate $100 million to $200 million in revenues in five years. Imprudent management over the long haul, perhaps, but it makes a lot of

sense if you know you're going to sell the railroad after five years.

Then there is Conrail's pension fund, now overfunded by more than $250 million. The buyer can eventually get his hands on that money, too, either by reducing future contributions to the pension fund or by replacing it, after the five years called for in the sales agreement, with individual annuities for the workers.

In short, before the first train has left the station, the purchaser can conservatively count on recovering $600 million to $950 million in five years, depending on how aggressively Conrail is managed. The value of Conrail to Norfolk Southern is much greater, however, than potential earnings. If the two railroads are merged, NS can abandon overlapping track and close down duplicated facilities, like maintenance centers, thus eliminating employees, creating surplus property and adding big bucks to the bottom line.

A guaranteed sure thing may sound enticing to most people, but these are nickle-and-dime opportunities in the world of high finance. Now we get to the good stuff—the double bookkeeping that makes Conrail so desirable, the tax provisions that will allow the U.S. public to pay someone to acquire its railroad.

In 1981, President Reagan and the Congress "reformed" the corporate tax code in many ways delectable to buisness. The richest dessert they served up was a new schedule for the quick depreciation of assets, blandly labeled the Accelerated Cost Recovery System.

As a factory of its machinery ages and wears out, a business may deduct the annual decline in value from its taxable earnings. The principle is reasonable enough, but the faster depreciation rules enacted in 1981 are utterly unreal—forgiving taxes much faster than things actually wear out and need to be replaced. Railroads, for instance, can now depreciate many assets—tracks, for example—that were never eligible before. Any business can now write off a piece of machinery in five years, when everyone knows the machine will last for ten or twenty. A business building, the value of which was formerly depreciated over thirty to forty-five years, can now be deducted in a mere eighteen years. Depending on the kind of assets, the savings in taxes are effectively doubled, tripled, quadrupled.

The golden egg nested in Conrail's balance sheet is net depreciable assets totaling on a tax basis, more than $3.1 billion. As a government-owned enterprise, the railroad's potential tax depreciation is meaningless. After all, whatever the company owes in taxes, or whatever it saves, all comes out of the same pocket—the government's. As a privately owned corporation, however, Conrail's tax depreciation becomes quite valuable. It will be used to escape taxes owned not only by Conrail but, to some extent, by the owner's other profitable enterprises as well. How much is that worth? The theoretical maximum is tax avoidance is $1.4 billion ($3.1 billion in tax deductions multiplied by the corporate tax rate of forty-six percent). No one ever realizes the maximum in potential depreciation benefits, but a conservative rough estimate can be based on the annual tax depreciation that Conrail accountants currently enter in the books, even though the company is government owned. The depreciation could save Conrail's owner about $200 million a year in taxes—more than $1 billion over five years.

DOT officials claim that these tax breaks are less valuable than they appear, because new investment required by the sales agreement will generate still more tax deductions, and because the purchaser will be limited by the IRS in applying savings to other profits outside Conrail. In other words, the owner will have more tax shelters than it can use.

But the tax shelter is only half of it. The other half is a guaranteed jump in earnings—the real profits that stockholders care about—for the company that buys the railroad. You have to understand that every corporation keeps two sets of books, one for the tax collector and another reflecting its real earnings. When the new owner takes over Conrail's books, the company can automatically enjoy, not just the tax shelter for its tax ledger, but a spurt in real profits of $120 million or more a year—the bottom line that makes investors happy and drives up stock prices.

How come? The essential fact of the transaction is that someone will pay $1.2 billion—actually much less of their own cash—to buy real assets that Conrail now values for depreciation at more than $3 billion. Now follow the bouncing ball: Just as a company depreciates aging equipment on its tax books, it must do the same for its real profit-and-loss books. The declining value of assets is, after all, a real cost of doing business. Each year the company figures out the real depreciation total and subtracts that amount from its earnings. At present, Conrail subtracts about $240 million a year, based on all the trains and buildings it owns. The new owner—because it paid so much less for these assets—automatically loses much less each year as the assets decline in value. Thus it subtracts a much smaller depreciation figure from its earnings—less than half of what Conrail's management now subtracts.

This is mere bookkeeping, but it goes straight to the bottom line. Because the new owner has reduced the cost of doing business, the profits automatically increase. Forget the profit estimates cited earlier. The purchaser of Conrail can hype the earnings of its new subsidiary with a flick of the pen. This doesn't produce more cash, but it does make the company's stock more attractive in the marketplace and may allow it to take more cash out of the company. And, of course, the expanded profits will be fully sheltered from taxes. The buyer wins on both sides—in both sets of books.

Nothing about this double bookkeeping is illegal or even unusual. It's standard practice in corporate finance—one of the fundamental reasons why there are so many mergers and takeovers. These billion-dollar deals do not produce any new economic activity, no new factories or jobs, but they are lucrative adventures in finance. The Conrail deal is extraordinary only because, in this case, the government is actually inviting corporations to play the game with the government's property.

The DOT sales proposal includes one other exotic twist that might raise a tax accountant's eyebrows. The federal government's early subsidies to keep Conrail afloat included loans and the purchase of preferred stock totaling $3.2 billion. Conrail still owes this debt, but if the company is sold, the government will forgive us, wipe it off the books. Normally, if a corporation's debt is forgiven, the savings have to be counted as income subject to taxes. In this case, the bidders insist, and DOT has agreed, that when Congress writes off the $3.2 billion in legal debt, the federal tax collectors will agree not to recognize it as taxable income.

As far as I could learn, the secretary of transportation never mentions the extraordinary tax provision or the double-bookkeeping shelter in her many public statements on Conrail. Instead she boasts that DOT negotiators have won valuable concessions from the bidders: they have agreed to surrender any tax savings they could claim from Conrail's accumulated operating losses of $2.1 billion or its backlog of investment-tax credits of $275 million, all carried on the tax books from earlier years.

This sounds mighty generous of them, but actually it's the ultimate inside joke in the deal. Who put up the money to cover Conrail's operating losses? Who paid for the capital investments that earned the backlog of tax credits? The government did; the taxpayers did. In other words, these bighearted bidders have graciously agreed not to deduct our losses from their tax returns.

The final question a potential investor would ask is, How fast can we milk this cow? Here is where corporate strategists get to be creative. Thanks to ACRS, a buyer can accelerate the tax payoff and collect much of it within five years. The purchaser might choose a strategy that maximizes the tax benefits up front. After five years, as one financial expert told me, "The structure of this deal praactically screams, Sell!" The owner might sell it piece by piece or, better yet, ask three major freight lines in the West to name a price: the chance to establish the first coast-to-coast railroad in the nation would look very attractive.

Norfolk Southern would obviously not follow this course of action, because no one doubts that NS sincerely intends to continue operating Conrail as a railroad. Norfolk Southern's strategists face an entirely different challenge: NS already pays so little in federal taxes, it will have to invent new ways to cash in on the tax bonanza acquired with Conrail. According to a study by Citizens for Tax Justice, Norfolk Southern reported paying less than $16 million in taxes on profits of $575 million in 1983. That is an effective tax rate of less than three percent—compared with the twelve percent paid by the average American taxpayer.

An excess of tax-sheltering potential is the kind of problem that corporations like to have. Imaginative management will surely find solutions. NS, for instance, might carry the tax savings forward on its books for many years—protection against the dire possibility that someday it will actually owe taxes. Or it can go out and buy other companies, new subsidiaries for Conrail, so to speak, the profits of which need to be sheltered from the taxman. One way or another, the cow will be milked, and there will be plenty of cream for the strawberries.

The Reagan administration, in its spiel for selling Conrail, invokes the need to reduce those horrendous federal deficits, but it should be obvious from the arithmetic that Conrail will do more to reduce the deficits if the government holds on to it—and will actually add to the deficits if the railroad becomes a so-called free enterprise.

Owned by the feds, the company could begin paying modest annual dividends to the treasury. More important as Conrail's management keeps pointing out to Mrs. Dole, the potential sales price is bound to go much higher as the railroad establishes a longer record of annual profits. By trying to sell Conrail right after it has turned around, DOT is guaranteeing a depressed price. Congress would protect the public interest more effectively by doing nothing—by simply

postponing consideration of the question for two or three years.

That still leaves the grander bait-and-switch game that is now being played on average taxpayers— the outrageous corporate-tax loopholes enacted in 1981. Thanks to ACRS and other lesser goodies, scores of profitable companies on the Fortune 500 pay no taxes—General Electric, Boeing, Dow Chemical, RCA, Union Carbide, General Dynamics, Du Pont and Lockheed, to mention a few. This produces red ink for the rest of us taxpayers.

If Congress really wants to do something about the deficits, common sense suggests, it would start by repealing ACRS and begin restoring the minimal level of taxes that corporations used to pay. Eliminating ACRS alone would wipe out more than one-fifth of the deficit—nearly $40 billion.

These days, though, the American public is hearing a different pitch from Washington, and it goes like this: All of us contributed to the federal deficits and everyone must share equally in the sacrifices necessary to reduce them. Sacrifice means cutting Social Security and expenditures for education, health, nutrition and other programs—to avoid increasing anyone's taxes.

This could be amusing, if the mark takes the bait. Everyone chips in earnest money to make up what the other fellow took out of the kitty. Meanwhile, the other fellow is long gone, whistling down the highway. If people buy this—and perhaps they will—it may be remembered alongside other classic hustles, like selling the Brooklyn Bridge.

RESPONSE TO THE GREIDER ARTICLE (ROLLING STONE)

(By John H. Riley)

Despite the emotional appeal in Bill Greider's characteristics of myself and other DOT officials as "smooth-talking rogues," I'm afraid I have to confess that the financial impact of the Conrail sale is a lot less colorful than the article suggests.

The problem with that article stems in part from the fact that many of the article's allegations are simply wrong on the facts. So before addressing the article's central theme—that Government should simply keep Conrail—let me correct those allegations for the record.

CORRECTING THE RECORD

First, it is clear on the face of the Norfolk Southern agreement that the purchaser cannot ". . . use up to $350 million of Conrail's own cash to complete the transaction." Every cent of the purchase price comes from Norfolk Southern's assets—no borrowing against Conrail's assets, no cash from Conrail, no preferred stock. It was management's leveraged public offering plan that proposed to withdraw $300 million from Conrail's kitty, and the Secretary rejected that approach.

Second, the Corporation does not have $850 million of "surplus cash" that will "naturally belong to whoever buys the company." Of that total, $500 million represents Conrail operating reserve, the minimum operating capital necessary to insure continuous operation for 90 days in the event a strike, traffic disruption, or natural disaster cut off the railroad's cash flow. That reserve is as much a part of the railroad's capital base as its track and locomotives, and no prudent manager would reduce it. To make certain no one tries, the Department of Transportation's Memorandum of Intent (MOI) contains language preventing the payment of any dividend if that payment would cause the cash reserve to fall below $500 million.

The $300 million figure is clearly surplus cash, and the Secretary had to make a decision on whether to take it, or leave it with the Corporation and accept a lower purchase price. Given the wide swings in cash flow that have historically characterized Conrail and it predecessors, Secretary Dole determined that the interests of shippers, communities, and Conrail employees would be best served by leaving that fund in the Corporation as an extra margin of safety against traffic fluctuations and economic slowdowns. But she also made certain that the $300 million could not simply "pass to the buyer." The contract prevents Norfolk Southern from paying dividends from anything other then new profits generated after the date of sale.

The remaining $50 million doesn't go to the buyer at all. It passes directly to the Government on day of closing, as does all Conrail cash in excess of $800 million.

Third, Conrail's "impressive profit of $500 million a year" loses a bit of its luster when one recognizes that much of what Conrail earns comes about only because Government owns the Corporation, and either pays or forgives many of its obligations. For example, Conrail pays no state taxes (about $26 to $32 million a year), and has been paying its employees 12 percent less each year than standard industry wages. That's an annual saving of between $120 and $130 million, a saving that will not be available to any private sector owner. Government pays all of Conrail's labor protection costs, which run between $32 and $77 million a year. Conrail's 1984 profits are also inflated by $44 million through certain one-time pension and inventory adjustments that have no relation to Conrail's earning capacity. The bottom line is that a privately owned Conrail (after taxes) would have lost—not made—money in 1981 and 1982. It would have made about $90 million in 1983, and less than $300 million in 1984. By everyone's estimates—including Conrail's—1984 was the railroad's best year. Conrail's own projections forecast declining financial performance over the next two years. In fact, Conrail suffered an 18 percent decline in profits in the fourth quarter of 1984, in comparison to the same period in 1983.

Finally, the article proceeds to cite a variety of ways in which a buyer could liquidate resources or offer preferred stock to yield additional return. Those are simply aspects of other offers rejected by the Department of Transportation, and the article itself concedes that those objections have no applicability to the Norfolk Southern proposal.

Each of the article's arguments has obviously been crafted to suggest that the Norfolk Southern offer is a "windfall," far below Conrail's actual value. But this collection of "scatter-gun arguments"—in addition to being wrong on their merits—ignores the larger context of the transaction.

Conrail has been advertised for sale for more than three years. Over the course of those years, the Department of Transportation and its investment banker, Goldman, Sachs & Co., have contacted more than 110 potential bidders—including all of the nation's Class I railroads. The Norfolk Southern bid is the best bid, the end process of eight months of head-to-head bidding among seriously interested parties. In addition to more than $1.2 billion in cash on day of closing, the Norfolk Southern offer surrenders $2.4 billion in Conrail tax benefits, and incorporates a dozen pages of restrictive covenants designed to protect the railroad's financial strength and service capacity. Make no mistake—those covenants are a valuable part of the transaction. They limit the value of the investment to any buyer, and the railroad could surely have been sold for more without them.

In three years, no one has come forward with a responsible and higher bid. Although Conrail management talks in large numbers about the potential yield of a public offering, when it came time to reduce their bid to writing, the bottom line was a $1.1 billion offer. As I write this, Conrail's investment banker, Morgan Stanley, has continued to decline to give a firm underwriting on even that amount.

Railroads are sold as going concerns, and like all other commerical entities, they are valued by applying a standard price-earnings multiple to their average earnings. Throwing aside averages and using only Conrail's best year, that multiple produces a value of approximately $1.2 billion for Government's 85 percent of Conrail stock. That is the yardstick investors use to measure value in every comparable transaction, and the Norfolk Southern offer, which exceeds $1.2 billion in its value to Government, fully meets that test.

The Rolling Stone article is, in effect, an argument on how, in the author's view, other bidders should have valued Conrail. But fair value is very much a real world concept—the sum a willing buyer will pay a willing seller when a product is actually placed on sale. The decisions made by more than 100 sophisticated potential buyers in response to a three year marketing effort are the best answers to this type of conjecture. The market has studied Conrail, evaluated its propsects, and placed a value on it. By that real—not theoretical—yardstick, the Norfolk Southern is the best offer for Government and taxpayer alike.

TAX ISSUES

The tax analysis that follows in the article is equally misguided. To understand why, there are several points to bear in mind.

First, there are no special tax breaks provided in the Conrail sale. The tax consequences are the normal consequences of any comparable sale transaction, be it large or small. In making his arguments, the author is really suggesting that the entire tax code should be changed, not that Norfolk Southern is receiving unfair treatment vis-a-vis other buyers, carriers, or businesses.

Second, it is essential to bear in mind that the tax consequences the article complains of will be exactly the same whether Government sells to Norfolk Southern, states a public offering, or simply elects to keep the Corporation. Remeber that Federal ownership of Conrail does not make Conrail immune to Federal taxes. Conrail files annual returns, and uses accumulated tax benefits to shelter its income every year. Conrail will continue to apply its basis to reduce tax liability whether it is kept or sold, publicly or privately held. The one major difference in the Norfolk Southern transaction is the surrender of nearly $2.4 billion in tax credits and net operating loss carryforwards that are currently available to shelter Conrail's income.

It is dead wrong to suggest that with an investment of less than $3.1 billion, any buyer can acquire $3.1 billion in tax benefits to shelter its "other profitable enterprises as well" as Conrail. In general, the built-in deduction rules limit the amount of basis deductions any buyer can "upstream" to its

other enterprises to roughly the purchase price it pays. Norfolk Southern will get precisely what it pays for—no more, no less.

Nor does the sale agreement allow Conrail to apply ACRS (Accelerated Cost Recovery System) treatment to its frozen base. At present, Conrail depreciates its frozen base in the most conservative manner possible—straight line depreciation. That's because when Conrail had to make its depreciation election in the early 1980's, it was a publicly owned Corporation with low earnings and enormous net operating carryforwards. Conrail's frozen base will continue to be depreciated on a conservative, straight line basis, and Norfolk Southern must follow the same code procedures applicable to all other taxpayers.

Of course, if Norfolk Southern or Conrail make new purchases of ACRS eligible equipment after the closing, ACRS treatment will apply. But that's true whether government keeps Conrail or sells it, and it is likely to be true whether Norfolk Southern spends its cash on Conrail or on any of its other transportation enterprises. It is also true of any other taxpayer who makes similar expenditures anywhere in the country. None of this is unique to Conrail, or a special consequence of the sale agreement.

The real policy issue here is whether to treat Conrail like every other carrier with which it competes, or to treat it differently. If one were to take the opposite approach, and demand that Conrail yield back tax benefits that other railroads are entitled to use, Conrail would be placed at a severe competitive disadvantage. Conrail shippers would ultimately pay the difference, and the Federal government would simply have used the sale to seriously erode Conrail's ability to remain competitive over the long-term. The Secretary viewed that result—and the argument that Conrail should be treated differently than any other taxpayer—as both unwise and unfair. The U.S. Department of Treasury, which analyzed the transaction, agreed on both counts.

Finally, the argument raised on "debt forgiveness" is wrong on both the facts and the law.

The forgiveness of Conrail's $3.2 billion debt isn't an invention of the U.S. Department of Transportation. It was mandated by Congress in 1981, to give the newly privatized Conrail a fighting chance at survival—something it probably would not achieve if saddled with multibillion dollar debt obligations. Congress used a similar approach in dealing with the Milwaukee Road (The Chicago, Milwaukee, St. Paul, and Pacific Railroad Company).

No one has ever suggested—either with Conrail or the Milwaukee Road—that Congress demanded forgiveness of the debt only so it could kill these companies through the back door with multibillion dollar tax liens. And, in fact, the normal provisions of the tax code do not allow that result.

Two-thirds of what the article refers to as debt (about $2.3 billion) is actually preferred stock, held by the Department of Transportation. Contrary to the article's allegations, cancellation of preferred stock does not give rise to taxable income. The remaining $850 million is held in long-term notes—and under normal, everyday tax law, the cancellation of debt by a shareholder (like the DOT) does not give rise to income. The economic benefit of the cancellation accrues to the Government's benefit, since the value of the Government's common stock would be greatly reduced or eliminated without the debt cancellation. Because the Government's basis in the debt equals the amount of the debt, ordinary tax treatment would not produce a liability.

There is nothing "exotic" about this result. It's the way the tax code works in every comparable case, day in, day out. And that's exactly what Congress intended when it ordered DOT to forgive the Conrail and Milwaukee debts several years ago.

SELL NOW OR DELAY?

The central thesis of the article is that the Federal government would do better if it simply kept Conrail. But why?

The Federal government draws no benefit from holding Conrail. Any profits made do not flow into the Treasury—they stay with the railroad. At the same time, Government remains in the wings as a perpetual surety to subsidize any losses the railroad sustains.

Timing for the sale could not be better than it is today. Conrail has just recorded its most profitable year ever, and market conditions are strong. This timing argument is buttressed by the fact that Conrail profits are projected to decline over the next three years.

Moreover, every stakeholder in Conrail's services suffers, and suffers badly by delay:

States and localities lose the $26 million a year they could collect in taxes from a privately owned Conrail.

The Federal government loses the $1.2 billion sale price and must continue to subsidize Conrail's labor protection to the tune of $35 to $77 million a year.

Other carriers must continue to face unfair competition from a Federally backed, non-taxpaying competitor.

Labor will be forced to forego the $8,000 to $11,000 each member would receive on closing an NS sale, along with the significantly stronger labor protection provided in the NS contract.

Shippers and communities will continue to suffer the uncertainties that come from inability to plan their futures around a reliable source of transportation.

No one gains by delay. The Secretary has, as she puts it, "a bird in the hand"—a multibillion dollar offer from a first-rate carrier that will finally end the turmoil that has infected the Northeast rail system for decades. Leaders both in and out of Government have pursued that goal for more than fifty years. The benefits to the Northeast are enormous, and the time to achieve those benefits is clearly now.●

LYMAN COUNTY: STATE CHAMPS

● Mr. ABDNOR. Mr. President, a basketball team I was privileged to coach many years ago—back in the days when Lyman county had more high schools—has done it again.

For the second time in 5 years the Lyman County Raiders are State champions of South Dakota class B basketball. They took the title by defeating the Salem Cubs 55 to 52.

With a population of 3,864, all of Lyman County boasts fewer people than some apartment complexes in the Washington area. Lyman County high school has an enrollment of 126, but it is not numbers that count in central South Dakota—it is determination, and dedication and a will to excell.

The Lyman County Raiders have all these qualities in abundance and they are inspired by great teachers led by Coach Mike McDonald and Superintendent Chris Anderson, and Principal Ivan Dixon.

As it was a privilege to coach them years ago, it was a privilege to be on the sidelines cheering them to another State title in 1985. Mr. President, I ask that some of the press coverage related to this great victory be printed in the RECORD.

The articles follow:

[From the Aberdeen (SD) American News, Mar. 8, 1985]

LYMAN NIPS WAKONDA IN OT

(By Wayne Ortman)

SIOUX FALLS, SD.—Lyman defeated defending state champion Wakonda Thursday in the opening session of the South Dakota Class B boys state basketball tournament.

Sophomore Todd Vomer's three-point play with 21 seconds left in overtime sent Lyman past Wakonda 64–60 and set up its semifinal game against Mobridge.

Volmer's field goal and free throw gave the Raiders, 22–1, a 64–58 lead and capped a fourth-quarter, come-from-behind surge.

Randy Jensen drilled six medium-range jumpers in the third quarter as Wakonda came from a 33–25 deficit to take a 38–33 lead with 2:20 left in the third quarter. Jensen, a 6-foot senior, led Wakonda with 18 points.

Keith Moore, a 6-foot senior guard, and Volmer applied the fourth-quarter pressure that brought Lyman back within range. Moore had six of Lyman's final eight points, including a field goal with 1:45 left that knotted the score at the regulation-ending 56-all. Three Wakonda turnovers in the final three minutes helped Lyman's surge.

Volmer finished with 14 points and Garet Mohr with 12 for Lyman. Lyman had possession with a minute left in regulation and the score tied at 56, but two field goal attempts were off the mark.

"It was a game of spurts. That's the way we play," said Lyman coach Mike McDonald.

The Raiders shot 48 percent from the field and had 28 rebounds with Mohr getting eight. Wakonda shot 56 percent and had 35 rebounds with Paul Dwyer and Robert Tigert getting nine each.

Lyman was rated No. 2 in the final B poll and was the No. 5 seed in the tournament. Wakonda was rated third and was the No. 4 seed.

	fg	fg-fta	tp
Lyman:			
Todd Volmer	6	2–3	14
Garet Mohr	4	4–6	12
Keith Moore	9	6–7	24
Cooper Garnos	3	1–2	7
Scott Rabern	2	3–4	7
Totals	24	16–22	64
Wakonda:			
Phillip Tigert	5	2/3	12
Paul Dwyer	2	2–2	6
Robert Tigert	3	2–4	8
Kevin Groves	8	0–0	16
Randy Jensen	9	0–0	18
Totals	17	6–9	60

Lyman (22–2)	14	27	38	56	64
Wakonda (22–3)	12	23	46	56	60

Shooting: Lyman, 24 of 50; Wakonda, 27 of 49.
Rebounds: Lyman, 28 (Mohr 8); Wakonda, 35 (Dwyer 9, R. Tigert 9).
Fouls: Lyman 11; Wakonda, 14 (Dwyer out).
Officials: Clyde Hagen and Mick Wysuph.

[From the Yankton Daily Press & Dakotan, Mar. 8, 1985]

LYMAN STOPS WAKONDA IN OVERTIME

(By Hod Nielsen)

SIOUX FALLS.—The Wakonda Warriors and the Lyman Raiders tied up in an intense first round game at the South Dakota Class B basketabll tournament at the Sioux Falls Arena Thursday afternoon, and when the smoke cleared, the Raiders claimed a 64-60 overtime victory.

The win moved the Lyman team to the semifinals, and they will play the Mobridge Tigers at 7 p.m. tonight.

Wakonda came out shooting and scored the first six points of game Thursday, but the West River team came back to tie, and then rolled up a substantial lead, going on a six-minute, 16-4 roll to take a 21-12 lead two and a half minutes into the second period. Wakonda closed the gap to four points at the half and trailed 27-23 at the break.

In the first half, the sparkling shooting of six-foot senior Kevin Groves kept the defending champions in the game. Groves had all eight of the baskets that he scored in the first two quarters as he zeroed in from the corner on the base line.

Lyman countered with the quickness of their guards and the uncanny shooting ability of senior Keith Moore, a skinny little scooter who caused problems for the Warriors on both ends of the court. He had 11 at the intermission.

The third period belonged to Wakonda. With Randy Jensen and Phillip Tigert taking charge, the Warriors moved into an eight-point lead at the end of three periods, 46-38. During one strectch Wakonda went from a 33-25 deficit to a 38-33 lead, hitting 13 unanswered points.

Jensen's 12-footer at the 3:33 mark in the third quarter gave the Region 6 champions their first lead since early in the game, and they moved out smartly to take their temporary eight-point margin. Jensen drilled five from the base line in the final two and a half minutes of that stanza.

But the proud Lyman Raiders, who boast a 22-1 record thus far, refused to fold. After the two teams traded three scoring plays to start the final quarter, a 12-4 spurt tied the game, and Lyman chose to sit on the ball for the last minute and a half to get a last shot. The delay worked, but they failed to score, and the game went into an overtime period tied at 56.

In the extra period, Lyman scored on a drive by Todd Volmer, and the Warriors tied it up again at 58 on a Robert Tigert jumper, the first score in over four minutes of play for Wakonda. Then the Raiders made their winning run on a field goal by Moore, a free throw by Steve Rabern, and a successful three-point play by Volmer. Wakonda countered only with a Randy Jensen goal.

For Wakonda, who ended with a 54 percent shooting average on 27 of 50, Jensen led the scoring with 18 points, Grove scored 16, all in the first half, and Phillip Tigert had 12.

Moore led the Raiders with 24 points, Volmer scored 24, and Garet Mohr 12. Lyman hit 24 goals in 50 attempts (48 percent), but they were a very good 16-22 at the free throw line.

Wakonda will play the Armour Packers in consolation semifinal play this afternoon.

[From the Daily Capital Journal, Mar. 8, 1985]

RAIDERS GO COLD, FIRE UP TO STOP WAKONDA

(By Jeff Mammenga)

Lyman's Raiders withstood a torrid stretch of shooting by the defending champion Wakonda Warriors to win 64-60 in overtime in the second opening-round game of the state Class B boys basketball tournament Thursday in Sioux Falls.

The Raiders hit seven of 11 shots to take a 14-12 lead after the first quarter. They extended it to 21-12 with 5:47 left in the half before Kevin Groves, who scored 14 of his 16 points in the first half, led the Warriors back to within 27-23 at halftime.

Steve Rabern's field goal with 6:20 left in the third quarter put Lyman ahead 33-25, and that's when the Raiders went cold and Wakonda began its incredible streak.

Beginning with a Phillip Tigert jumper with 5:58 left in the third period, Wakonda connected on 13 straight shots. They didn't miss until about five and one-half minutes were left in the game.

And the Warriors did most of their shooting from outside instead of relying on their big guys inside. Randy Jensen, a 6-foot senior, made six shots in the streak, while Tigert and his 6-3 twin Robert, had four.

Jensen who led Wakonda with 18 points, put the Warriors ahead 34-33, their first lead since midway in the opening stanza. They led 46-38 after three periods.

"We thought their strength wasn't from the outside, but they were drilling them," Lyman Coach Mike McDonald, said, adding that Wakonda is a power team.

The Raiders were down, but not out.

McDonald said his team has a "killer instinct. They never die, and always remember our winning tradition here in Lyman."

Lyman was still down 56-48 with 4:28 to play when Keith Moore took charge.

Moore, a flashy, 6-foot senior guard, scored four straight points, making it 56-52 with 2:42 to go.

Two costly turnovers by Wakonda then allowed Garet Mohr to cut the lead to two points, and finally Moore could tie it at 56-56 with 1:48 to play.

"We started to get hot and comfortable," McDonald said, as the Raiders hit four shots in a row. Wakonda had a rare miss, and Lyman held the ball until 20 seconds remained, when they called time out. They had a chance to win in regulation, but Moore missed an 18-footer with eight seconds left, and Mohr missed after grabbing a long rebound.

Todd Volmer gave Lyman a 58-56 lead early in the overtime, but Robert Tigert countered for Wakonda.

Moore, who had a game-high 24 points, made it 60-58 with 1:51 left in overtime.

Wakonda, which had 12 turnovers to 11 for Lyman, had a costly one with 1:44 left. The Raiders held the ball until Rabern was fouled and went to the line for a one-and-one with 46 seconds left.

"I felt if I could get the lead in overtime, we could hold on to it for a while," McDonald said.

Rabern calmly made the first free throw for a 61-58 lead. He missed the second, but then Wakonda had another big turnover.

The Raiders again ran their offense, until Moore's partner at guard, Cooper Garnos, assisted Volmer with 21 seconds left. Volmer was fouled on the play, and his 16th point of the game made it 64-58, giving Lyman enough of a lead to let Jensen score one more basket.

Wakonda outshot the Raiders 50 percent to 44 percent and had a 35-28 edge in rebounding, with Paul Dwyer and Phil Tigert each having nine. Mohr led Lyman with eight rebounds to go along with a dozen points.

The key statistic for the Raiders again was free throws. They had 16 of 22 compared to 6 of 10 for Wakonda.

Lyman, now 22-1 faces giant-killer Mobridge in tonight's first semifinal game. The Tigers, who entered the tournament only 11-11 and unranked, upset heavily-favored Armour, which was 22-0 and ranked No. 1 all season.

Wakonda, 22-3, and Armour played today's first consolation game.

[From the Daily Republic, Mar. 8, 1985]

LYMAN OUTLASTS WAKONDA 64-60

(By John Papendick)

SIOUX FALLS.—It took a rally, a big rally, and one overtime period to derail defending State B champions in the Sioux Falls Arena Thursday afternoon.

And that is what the Lyman Raiders did. Coach Mike McDonald's crew nipped Wakonda 64-60 in overtime in the opening round of the 1985 South Dakota Class B Basketball Tournament.

Now the 21-1 Raiders will face Mobridge in the B semifinals at 7 p.m. Friday.

Even though Lyman standout Keith Moore had 24 points and six rebounds, it was the Raiders' balanced attack that did in the Warriors. Wakonda, which won the 1984 State B by defeating Avon, blew an eight point lead in the final 4½ minutes of regulation.

Phillip Tigert's basket with 4:27 left, put Wakonda ahead 56-48. However, that would be the last points the Warriors would score in regulation. After Tigert's field goal, Wakonda went into a stall which ended in disaster.

Moore's field goal with 3:38 remaining left Lyman trailing 56-50. Then during Wakonda's stall, Randy Jensen picked up an offensive foul. Moore capitalized by hitting free throws.

Then Wakonda's Kevin Groves threw the ball away—one of the few mistakes the six-foot senior committed in this game—while the Warriors were again trying to take time off the clock.

This time it was Lyman's six-foot-six senior center Garet Mohr's turn to capitalize. His field goal with 2:19 left to cut Wakonda's lead to 56-54.

Lyman's salty one-two-one-one press resulted in another Wakonda turnover, as the Warriors failed to advance the ball over the halfcourt line in 10 seconds. Another Moore field goal and the game was tied at 56 with 1:47 left.

Warrior senior ace Paul Dwyer missed his eight-footer 30 seconds later and Mohr grabbed the rebound. Then the three Lyman guards—Moore, Cooper Garnos and junior reserve Steve Rabern—took almost one minute off the clock with their super ball handling skills.

McDonald called time out with :20 left in regulation.

"Everyone says I'm so offensive minded," McDonald said. "But when we get into a situation like this (with a last-second shot involved), I don't tell the kids who should shoot.

"Our kids are an unselfish group. They know who is hot and get the ball to him," McDonald said.

The Lyman Raider who was hot was Moore, and that's who fired up a 20-footer with six seconds left. That shot skidded across the rim and teammate Mohr got the rebound. However, his 20-foot attempt also failed.

Thus, it was time for an extra three-minute period.

Super sophomore Todd Volmer of Lyman and Robert Tigert of Wakonda exchanged field goals in the first 40 seconds of overtime. Then Moore hit a field goal which gave Lyman a lead the Raiders would not lose.

A Rabern free throw with 46 seconds left gave Lyman a 61-58 lead after Rabern and his two running mates had taken one minute off the clock with their fine dribbling skills.

Volmer's three-point play with 71 seconds left put the Raiders up 64-58. The game's last points were scored on a Jensen field goal which made the final tally 64-60.

"Groves killed us in the first half, then the whole team killed us in the second half," McDonald said. "They surprised us offensively, because we thought their outside shooting was one of their weak points. But it wasn't tonight."

About Moore's great efforts, McDonald said, "Moore is a talented ball player. He had a tough first half. He was just three for nine from the field in the first half. But he took charge the second half."

Along with Moore's superb performance, the Raiders also got good efforts from Mohr, 12 points and eight rebounds; Volmer 16 points; Garnos seven points; and Rabern, seven points. Moore went 9-21 from the field and 6-7 from the line.

Wakonda's Jensen scored 12 of his 18 points in third quarter. Teammate Groves scored 14 of his 16 points in the first half. Phillip Tigert added 12 points and seven rebounds. Identical twin Robert Tigert got eight points and nine rebounds. Dwyer was held to six points, but the 6-foot-2 senior got nine rebounds.

Wakonda had 35 rebounds and 11 turnovers. The Warriors shot 56 percent, 27-48, from the field and 60 percent, 6-10, from the line. The 21-3 Warriors will play 22-1 Armour at 1 p.m. Friday.

Lyman shot 48 percent, 24-50, from the field and 73 percent, 16-22, from the line. The Raiders had 28 rebounds and 12 turnovers.

"We kind of wanted to play Armour again," Moore said after the game. "We played bad against them (in January's B Classic in the Sioux Falls Arena).

"But I don't really care as long as we got this one."

Lyman	14	27	38	56	64
Wakonda	12	23	46	56	60

LYMAN (64)

Dan Donovan 0 0-0 0, Todd Volmer 6 2-3 14, Garet Mohr 4 4-6 12, Keith Moore 9 6-7 24, Cooper Garnos 3 1-2 7, Scott Rabern 2 3-4 7, Jeff Schoenhard 0 0-0 0. Totals 24 16-22 64

WAKONDA (60)

Phillip Tigert 5 2-3 12, Paul Dwyer 2 2-2 6, Robert Tigert, 3 2-4 8, Kevin Groves 8 0-0 16, Randy Jensen 9 0-0 18, Bob Madsen 0 0-0 0, Tom Logue 0 0-0 0. Totals 27 6-9 60

Total fouls—Lyman 11, Wakonda 14. Fouled out—Dwyer. A—8,500.

[From the Daily Republic, Mar. 9, 1985]

RAIDERS, CUBS WILL COLLIDE FOR CLASS B CHAMPIONSHIP TROPHY

(By John Papendick)

SIOUX FALLS.—Rallies are fine, but Lyman coach Mike McDonald is hoping his team won't have to do it to win the 1985 South Dakota Class B basketball crown.

The Raiders defeated Wakonda 64-60 in overtime after overcoming an eight-point Wakonda lead in the final 4½ minutes of regulation in Thursday's opening round of the B.

Friday, Lyman rallied from a five-point deficit with 5:19 left to defeat Mobridge 55-50 in the B semifinals.

The 22-1 Raiders, whose only loss of the year came against Armour in January's B Classic in Sioux Falls, now advance to the B finals. The Raiders will meet Mark Meile's 23-2 Salem Cubs at 9 p.m. in the Sioux Falls Arena for the 1985 B crown.

"Well, coming from behind five is better than eight," McDonald said. "I wasn't afraid when we were down by five though. And the kids weren't either. They came into the huddle rarin' to go when I called a time out with six minutes left.

"I knew we were capable of coming back from a five-point deficit. We did a good job of getting the ball into the hot hands," McDonald said.

Steve Rossow's steal resulting in a layup with 5:19 left in the game gave Mobridge a 42-37 lead. Lyman's talented inside duo of senior Garet Mohr and sophomore Todd Volmer quickly responded with two points each. That short Lyman spurt left the Raiders trailing 42-41.

Then John Schaefbauer of Mobridge and Keith Moore of Lyman exchanged baskets. The Tigers' Rossow was then called for a double dribble.

With the Raiders trailing 44-43 with 3:19 remaining, Moore banged home a 22-footer which hit nothing but net. Moore's basket put Lyman ahead 45-44. It was a lead Lyman would not lose.

After a Schaefbauer turnover, Moore converted another field goal. Another Rossow turnover resulted in a Volmer basket after a super shovel pass from Cooper Garnos. The Raiders then got back-to-back free throws from Moore and Garnos.

Lyman now had a 52-44 lead with 50 seconds left. After Schaefbauer's bucket with 4:03 left, coach Jim Schlekeway's Tigers did not score again until Karl Linde's field goal with 40 seconds left. Lyman got 11 points during that stretch.

"You know, I'm the coach on the bench, but our coach on the floor is Cooper Garnos. And when I called that time out with six minutes left, he wanted us to go to a man-to-man defense. So we did, and that's what turned the game around for us. I think it surprised them," McDonald said.

"Hard work and lots of hoops over the summer," is what Garnos attributes Lyman's success to. "It's been our goal to win the B this season. And now we're in the game."

Moore and Garnos paced the Raiders with 18 and 15 points respectively. Volmer added 10 points and six rebounds. Rounding out Lyman's scoring were super sub Steve Rabern with four and Dan Donovan with two.

The Raiders shot 47 percent (23-49) from the field and 53 percent (9-17) from the line. Lyman had 22 rebounds and 19 turnovers.

Rossow led the 12-12 Tigers with 15 points and nine rebounds while Steve Brown collected 10 points and six rebounds. Teammates Linde, Schaefbauer and Jason Rahenberg added 10, seven and six points respectively.

The Tigers shot 53 percent (20-38) from the field and 67 percent (10-15) from the line. Mobridge had 28 rebounds and 21 turnovers.

Coach Schlekeway's troops will now face Castlewood at 7 p.m. in the tournament's third-place game. The Warriors enter that game 24-2.

"I think we should change our name to the Lyman Bulldogs because of our never-say-die attitude," said a smiling McDonald.

Of course on this night, one could call the Raiders what one wanted, and it wouldn't have mattered to McDonald.

Lyman	12	27	37	55
Mobridge	12	22	34	50

MOBRIDGE (50)

Tim Paulson 1 0-2 2, Steve Rossow 6 3-4 15, Karl Linde 4 2-3 10, John Schaefbauer 2 3-4 7, Steve Brown 5 0-0 10, Paul Schaefbauer 0 0-0 0, Jason Rabenberg 2 2-2 6, Matt Kohlmann 0 0-0 0, Kyle Sheldon 0 0-0 0.

Totals 20 10-15—50.

LYMAN (55)

Dan Donovan 1 0-0 2, Todd Volmer 5 0-2 10, Garet Mohr 2 2-2 6, Keith Moore 8 2-2 18, Cooper Garnos 6 3-6 15, Steve Rabern 1 2-5, 4, Jeff Schoenhard 0 0-0 0.

Totals 23 9-17—55.

Total fouls: M 16, L 15.

Fouled out—J. Schaefbauer.

A—8,800.

[Yankton Daily Press & Dakotan, Mar. 9, 1985]

SALEM, LYMAN WILL CLASH FOR "B" CROWN

(By Wayne Ortman)

SIOUX FALLS.—Salem will meet Lyman Saturday night for the championship in the 51st annual state Class B boys basketball tournament.

Lyman came from behind to defeat Mobridge 55-50 while Salem took control early and beat Castlewood 59-38 in Friday night's semifinals.

LYMAN 55, MOBRIDGE 50

Keith Moore sparked Lyman's fourth-quarter flurry. Moore, a 6-foot senior guard, scored 18 points and fellow guard Cooper Garnos added 15 for the Raiders, who led by three points going into the final quarter but then fell behind by five.

Moore hit three long-range jump shots to boost Mike McDonald's club into the lead for good at 47-44. A Mobridge turnover—Its third in a row—resulted in a Todd Volmer basket on a fast break. Two free throws by Moore and another by Garnos gave Lyman a 52-44 lead with 50 seconds left.

Mobridge, 12-12, had 15 points and nine rebounds from Steve Rossow, while Karl Linde and Steve Brown added 10 points each.

Lyman shot 53 percent to Mobridge's 47 percent and had a 28-22 rebound edge, paced by Volmer's six boards.

Mobridge led 4-0 as Lyman missed its first six field goal attempts. Garnos and Volmer helped Lyman back to a 12-12 tie after one period.

Lyman's largest second-quarter lead was 23-15 with just over two minutes left before

halftime. Mobridge came within one point 45 seconds before halftime but Lyman scored twice with seven seconds left for a five-point intermission advantage.

Garnos had 10 points the first half as Lyman converted 13 of 25 field goal tries and Mobridge nine of 16.

"Maybe we should be called the Lyman Bulldogs instead of the Raiders," McDonald said, referring to his team's never-say-die attitude.

"I think Keith Moore plays better when we're behind. When we're behind or need a last-second shot, he's the guy to go to."

McDonald is in his second year as Lyman's coach. He was an assistant on the 1983 team that finished fourth in the state tournament.

The Armour Packers, who entered the state Class B boys basketball tournament unbeaten and as the topseeded team, will instead be playing for the consolation title Saturday.

A third-quarter flurry sent Burnell Glanzer's pack to a 62-55 victory over Wakonda in one consolation round semifinal game Friday afternoon.

McIntosh, perhaps taking a cue from Armour, used its own rally in the fourth quarter to trip Britton 58-54 in the other consolation game.

Armour and McIntosh will meet Saturday for fifth place in the 51st annual B tournament, while Wakonda and Britton square off for seventh place.

[From Watertown Public Opinion, Mar. 9, 1985]

RAIDERS EARNS BERTH IN B CHAMPIONSHIP

(By Wayne Ortman)

SIOUX FALLS, S.D.—Two years ago third-place honors were on the line when Salem and Lyman met on the final day of the state Class B boys basketball tournament.

They meet again tonight with the championship of the 51st Class B tournament at stake.

Salem broke away early and out-distanced Castlewood 59-38 in one semifinal game Friday night. Lyman, meanwhile, had to fight from behind to derail Mobridge 55-50 in the other semifinal game.

Lyman posted its second come-from-behind tournament victory on the play of Keith Moore and Cooper Garnos, a pair of senior guards who led the scoring and pressure defense that turned the tide in the final quarter.

Lyman led 37-34 after three quarters but fell behind 42-37 with 5:15 remaining. Steve Rossow, who topped Mobridge scorers with 15 points, had six points in the flurry.

Mobridge led 44-41 when Moore rained in three long-range jumpers to start the Raiders on a string of 11 straight points for a 52-44 lead with 42 seconds to play. Mobridge committed three straight turnovers that helped the Lyman rally.

Garnos added 15 points while Todd Volmer chipped in with 10 points and six rebounds for Lyman.

Karl Linde contributed 10 points and Steve Brown 10 points and six rebounds for Mobridge, 12-12, which shot 53 percent, had 28 rebounds and 21 turnovers. Lyman finished with a 47 percent shooting average.

MOBRIDGE (50)

Tim Paulson 1 0-2 2, Steve Rossow 6 3-4 15, Karl Line 4 2-3 10, John Schaefbauer 2 3-4 7, Steven Brown 5 0-0 10, Paul Schaefbauer 0 0-0 0, Jason Rabenberg 2 2-2 6. Matt Kohlman 0 0-0 0. Kyle Sheldon 0 0-0 0. Totals 20 10-15-50.

LYMAN (55)

Dan Donovan 1 0-0 2, Todd Volmer 5 0-2 10, Garet Mohr 2 2-2 6, Keith Moore 8 2-2 19, Cooper Garnos 6 3-6 15, Steve Rabern 1 2-5 4, Jeff Schoenhard 0 0-0 0. Totals 23 9-17 55.

Mobridge	12	22	34	50
Lyman	12	27	37	55

Total fouls: Morbridge 16, Lyman 15.
Fouled out: J. Schaefbauer.
Attendance: 8,000.

[From Argus Leader, Sioux Falls, SD, Mar. 9, 1985]

RAIDERS DEFEAT MOBRIDGE

(By Greg Hansen)

Cooper Garnos' astute salesmanship sold Coach Mike McDonald on an idea that led Lyman to a 55-50 win over Mobridge Friday night in the semifinals of the state Class B basketball tournament.

"We took a timeout with about six minutes left," McDonald said. "Our coach on the floor, Cooper, said, 'Let's go man-to-man.' We're not normally a man-to-man team, but I decided to do it. It definitely helped us out."

Lyman, rated second in the Class B poll and riding a 15-game win streak, had watched a three-point Arena lead vanish as Mobridge's Steve Rossow scored six straight points early in the fourth quarter. That flurry lifted the unranked Tigers to a 42-37 lead.

Garet Mohr untracked the Presho-based Raiders, who meet Salem in the finals tonight at about 9. His two free throws signaled a 15-2 run that put Lyman on easy street at 52-44 with a minute left.

"When we switched to man-to-man, that's what I thought was the turning point," Mohr, a 6-foot-6 senior said. "We got a couple of steals and goofed up their offense. We knew then there was no looking back. We knew we'd win."

Mobridge, now 12-12, entered the "B" seasoned by a demanding schedule and sporting a deceiving won-loss record. Lyman was not lulled into underestimating the Tigers.

Mohr said: "We watched them beat Armour in the first round. We knew they were a good board team and strong underneath."

[From the Argus Leader, Sioux Falls, SD, Mar. 10, 1985]

MOORE TOO MUCH IN 55-52 "B" VICTORY

(By Greg Hansen)

Lyman held off Salem 55-52 in the Arena Saturday night to win the state Class B basketball title and keep intact Garet Mohr's reputation as an honest man.

"We came here to win," Mohr, a 6-foot-6 senior center, said before the championship game of the 51st "B," a South Dakota tradition that will receive a face lift next year when the three-class system is implemented. Then he and his Raider partners went out before a crowd of 9,300 and proved they meant it.

Keith Moore, the dynamic 6-foot senior guard who was a shining beacon whenever Lyman encountered storm clouds throughout the tournament, scored 27 points.

"Pressure—I love it," Moore said. "I just feel confident with the ball in my hands. I told the coach I wanted the ball."

Shaking off frustrating foul problems, Moore detoured a fierce Salem comeback by hitting Lyman's first three baskets of the fourth quarter.

Mike McDonald's Raiders, displaying trademark full-court pressure, took the early lead at 4-2 on Moore's long jump shot moments into the game. Salem didn't catch up until Chad Pearson scored with 1½ minutes left in the third quarter to forge a tie at 38.

Moore and Mohr were both on the bench saddled with four fouls. Momentum was rapidly switching its allegiance to Salem.

But the reappearance of Moore pumped life back into the Raiders, 24-1 and winners of their final 16 games.

Salem, winding up 24-3, crept within a point at 49-48 when Lance Pearson's turnaround jumper located net with 1:09 left.

Lyman then got two free throws from Steve Rabern and a set from Moore to go up 53-48 at the :37 mark.

Tim Olinger, Cub leader with 23 points and 15 rebounds, sank two foul shots at :25, and Moore answered with one a second later.

Olinger went to the free-throw line again with four seconds left, after teammate Lance Pearson had converted one of two foul shots, and made his first attempt. Olinger purposely shot the second attempt hard and scored off his own rebound. But he was whistled for a lane violation on the play, and Lyman's 54-52 lead stood up.

Moore's free throw cemented the issue and gave Lyman its second state title since 1980. Questioned by some for his on-court exuberance, Moore said: "I can't help the way I play. It just happens. I don't mind what they say as long as we got this championship."

Dan Donovan was Lyman's second leading scorer with nine points. He also had six rebounds as the Raiders were outrebounded 33-28.

McDonald, who struck gold in his second year as head coach, said: "Lyman has a winning program with a lot of tradition.

"We're not only the basketball capital of West River, but of South Dakota. Lyman in the last five years has to be considered along with Armour."

McDonald, whose Raiders were rated second in the Class B poll, offered praise for Salem.

"Salem is well coached and they never said die. We were up by eight points and they came back. But we regained our composure. We hit the crucial shots time after time when we needed to," he said.

Mark Meile, whose fourth-ranked Cubs received 14 points from Brad Johnson, said: "We've just got to keep our dobber up and be proud of the accomplishments of the kids. The sun will come up tomorrow, and we'll be smiling.

"The big turning point was late in the third quarter. We were up by two and made a couple of mistakes. So, rather than being up by four we were down by two.

"Lyman put it in the hole from the line. Moore showed that he is definitely first or second team all-state. He was a thorn in our side."

A sharp-shooting thorn.

LYMAN 55, SALEM 52

Lyman (55): Dan Donovan 3, 3-6, 9; Todd Volmer 2, 1-2, 5; Garet Mohr 2, 0-0, 4; Keith Moore 8, 11-13, 27; Cooper Garnos 2, 0-0, 4; Steve Rabern 1, 2-3, 4; Jeff Schoenhard 1, 0-0, 2.

Totals 19, 17-24, 55.

Salem (52): Lance Pearson 2, 4-6, 8; Chad Pearson 3, 1-2, 7; Tim Olinger 7, 9-13, 23; Brad Johnson 7, 0-0, 14; Dean Pearson 0, 0-

0, 0; Jim Tuschen 0, 0-0, 0; Alex Knox 0, 0-0, 0.

Totals, 19, 14-21, 52.

Lyman—14, 31, 42—55.

Salem—8, 23, 40—52.

Total fouls—Lyman 18, Salem 17. Fouled out—Volmer. Shooting—Lyman 19-42, Salem 19-40. Rebounds—Salem 33 (Olinger 15), Lyman 28 (Donovan 6).

[From the Watertown Public Opinion, Mar. 11, 1985]

MOORE NAILS DOWN LYMAN'S B CROWN

(By Wayne Ortman)

SIOUX FALLS, SD.—The time clock couldn't move fast enough for Mike McDonald.

His Lyman ball club was nursing a fourth-quarter lead with a state championship on the line.

"When it got down to one second I figured we had it," he said Saturday night after his Raiders won the state Class B boys basketball title by defeating Salem 55-52.

Keith Moore, a 6-foot senior guard, provided the knock-out punch for Lyman. He hit four of five free throws in the final 37 seconds that kept Salem at bay. His final free toss with 1 second remaining assured Lyman of its second state title in four trips to the B tournament.

Moore, whose take-charge style of play pulled Lyman safely from the edge in the final quarter, led all scorers with 27 points. He was 8-17 from the field and 11-13 at the free throw line.

He drew net on two long-range bombs to set Lyman ahead 4-2. Lyman, with six of its seven first-quarter field goals from 15 feet or more, led 14-8 after the first quarter, just as McDonald had hoped.

"It was important for us to get off to a good start," said the second-year coach. "In the previous two games we got ourselves in a hole. With Salem's quickness we couldn't afford to get in a hole."

"They had to make the run tonight—we didn't."

Lyman held Salem center Tim Olinger scoreless the first quarter and went on top 31-23 at halftime as Moore hit five of his first eight shots and all six free throw attempts. He had a 17-footer and two free throws to give Lyman its largest first-half advantage at 26-16 with 3:12 to play.

With Olinger drawing defensive attention in the middle, Salem guard Brad Johnson contributed four long-range bombs of his own in the opening period. Olinger finished with 23 points while Johnson had 14 for Salem, 24-3.

Salem made its move in the final three minutes of the third period as Moore and Lyman center Garet Mohr were on the bench with four fouls. Olinger's steal and layup put the Cubs ahead 40-38 with 1:12 left.

Lyman turned a 42-40 third-quarter advantage into a 49-42 lead with four minutes left to play on seven points from Moore. Salem scored six straight to cut the deficit to one, only to see Lyman bounce back on top 54-50 with 24 seconds to play.

Lance Pearson brought Salem within 54-51 on a free throw with seven seconds left, and Olinger returned to the free throw line three seconds later for a one-and-one. He made the first to cut Lyman's lead to 54-52, then threw the ball against the backboard, caught it and scored. But the basket was nullified because he crossed the free-throw stripe too soon.

Olinger had 15 of Salem's 33 rebounds. He was 7-12 from the field after missing his only two shots in the opening quarter.

Lyman finished with 28 rebounds as Todd Volmer grabbed six. Lyman shot 44 percent and Salem 45 percent.

Lyman, which lost to Salem in the Third place game in the 1983 tournament, won the state title in 1980. Salem was making its third state tournament appearance.

Lyman was 17-3 last year when it lost in the first round of the district tournament. Its only loss in 25 games this year was to Armour.

McDonald said the pressure was off now that another state title was in the bank.

"After the Armour game I was feeling down in the dumps, but I knew we were capable of rebounding," he said.

"The school expects success. The fans are a little spoiled I suppose. It's that way with any winning tradition."

"After the Armour loss we had to go out and prove ourselves again.'

Lyman (55): Dan Donovan 3,3-6,9; Todd Volmer 2,1-2,5; Garet Mohr 2,0-0,4; Keith Moore 8,11-13,27; Cooper Garnos 2,0-0,4; Steve Rabern 1,2-3,4; Jeff Schoenhard 1,0-0,2. Totals 19,17-24,55.

Salem (52) Lance Pearson 2,4-6,8; Chad Pearson 3,1-2,7; Tim Olinger 7,9-13,23; Brad Johnson 7,0-0,14; Dean Pearson 0,0-0,0; Jim Tuschen 0,0-0,0; Alex Knox 0,0-0,0; Totals 19,14-21,52.

Lyman—14, 31, 42-55.

Salem—8, 23,40-52.

Total fouls: Lyman 18, Salem 17. Fouled out: Volmer. A: 9,200.

[From Daily Capital Journal, Mar. 11, 1985]

LYMAN RAIDERS CLAIM 1985 STATE B TITLE TROPHY

MOORE LEADS WIN OVER SALEM

(By Jeff Mammenga)

Thirty-seven seconds can seem like an eternity when you're nursing a small lead with the State B basketball championship on the line.

But that's just what the Lyman Raiders did Saturday, as they held off the Salem Cubs to win the B Tournament 55-52 in the Sioux Falls Arena.

Lyman, which had been ranked second heading into the tourney, finished its season 24-1, its only loss a 66-59 setback to Armour, which matched Lyman's record but had to settle for fifth. Salem, fourth-ranked, wound up 24-3.

Keith Moore, Lyman's All-State senior guard, who led them in scoring all three tournament games and always seemed to play best when the pressure was on, gave the Raiders a seemingly insurmountable 53-48 lead with 37 seconds left, bringing Lyman fans to the edge of the court in anticipation of a victory celebration.

But Salem, which had beaten the Raiders two years ago in the third-place game, wasn't about to give up.

Tim Olinger, the Cubs' super 6-foot-3 center, made two free throws with 25 seconds left. Moore, who had 27 points in the championship game, made one of two free throws for a 54-50 lead with 24 seconds left.

Salem came down and missed a shot, but Lance Pearson got the rebound and was fouled. His free throw made it 54-51 with seven seconds left. Pearson missed the second shot, but after a scramble for the loose ball, Olinger was fouled with four seconds left.

Olinger made the first shot of his one-and-one opportunity, making it 54-52. He then purposely missed the second shot, banging the ball off the back-board, grabbed the rebound and scored what appeared to be the tying basket.

But Olinger was whistled for stepping over the line too soon, bringing cheers from Lyman fans and unprintables from Salem's crowd.

Moore was hammered on the inbounds play and made one of two free throws to account for the final score. He was 11-of-13 at the line for the game.

The key to the game, according to Lyman coach Mike McDonald, was a fast start by the Raiders. "They had to make a run and we didn't," he said.

Salem's Brad Johnson, who had 14 points, opened the scoring, but the Raiders hit their next six shots, including three by Moore, to open up a 12-4 lead on their way to a 14-8 lead after the first quarter. Johnson scored all eight of Salem's points, while Olinger, who scored 23 points, was held scoreless.

The Raiders tried to keep the ball away from Olinger, McDonald said, but Johnson made up the difference. "He played well; he's a pure shooter," McDonald said.

Moore continued his hot streak in the second quarter, scoring 10 points, giving him 16 in the first half. The Raiders hit four of their first six shots, then missed their last six, but were saved by seven free throws in eight attempts over the last three minutes to overcome 10 points by Olinger and lead 31-23 at the half.

Throughout the tournament, the third quarter was Lyman's worse, and it certainly was against Salem. Todd Volmer, a 6-2 sophomore, and 6-6 senior center Garet Mohr each picked up three fouls in the first half, and Moore got his third early in the third quarter.

It was 36-28 with 4:37 left when things went from bad to worse for Lyman.

Two field goals by Johnson made it 36-32, then in a 26-second stretch, Mohr and Moore each picked up his fourth foul and had to leave the game with about three minutes left.

Another Johnson basket brought the Cubs to within two points, but Dan Donovan, who had nine big points, ended a long Raider scoring drought with a field goal and another four-point lead with 2:22 left.

It didn't last long, though, as Olinger hit, Chad Pearson tied it at 38-38, and an Olinger steal and driving layup put the Cubs ahead 40-38 with 1:15 left in the third quarter, their first lead since 2-0.

The never-say-die Raiders didn't crack, however. Steve Rabern tied the score with 58 seconds left, then, after Salem had its first miss in six shots, reserve Jeff Schoenhard's rebound with 22 seconds left put Lyman back on top. Schoenhard nearly had another basket seconds later, but Lyman still led going into the fourth quarter.

"I was concerned, to put it mildly," McDonald said when Mohr and Moore had to sit down, "but I had faith in Jeff Schoenhard, and he did a great job."

Moore, who said he loves pressure and wants the ball in tight situations, hit three straight shots to open the fourth quarter, not letting his rest on the bench cool off his shooting touch.

But Moore's third bucket was the last of the game for Lyman, and Olinger made it 49-45. The Raiders went into their ball-control game with three minutes left.

Lance Pearson brought Salem to within a point at 49-48 with 1:09 left, then Rabern hit two pressure free throws for a 51-48 lead with 49 seconds left.

The most costly of Salem's 13 turnovers followed, a steal by Moore, and that's when

the final 37 seconds of heartstopping action began.

Salem outshot Lyman 45 percent to 44 percent and Olinger's 15 boards led the Cubs to a 33 to 28 lead. Volmer had six to lead the Raiders, who had six turnovers. This was another Raider victory earned at the line, as they hit 17-of-24 to 14-of-21 for Salem.

Lyman (55): Dan Donovan 3, 3-6, 9; Todd Volmer 2, 1-2, 5; Garet Mohr 2, 0-0, 4; Keith Moore 8, 11-13, 27: Cooper Garnos 2, 0-0, 4; Steve Rabern 1, 2-3, 4; Jeff Schoenhard 1, 0-0, 2.

Totals 19, 17-24, 55.

Salem (52): Lance Pearson 2, 4-6, 8; Chad Pearson 3, 1-2, 7; Tim Olinger 7, 9-13, 23; Brad Johnson 7, 0-0, 14; Dean Pearson 0, 0-0, 0; Jim Tuschen 0, 0-0, 0; Alex Knox 0, 0-0, 0.

Totals 19, 14-21, 52.

Lyman—14, 31, 42—55.

Salem—8, 23, 40—52.

Total fouls—Lyman 18, Salem 17. Fouled out—Volmer.

A—9,200.●

THE SUFFERING OF THE CAMBODIAN PEOPLE

● Mr. KENNEDY. Mr. President, an excellent article by Arnold R. Isaacs, entitled "Cambodia: No Hands Are Clean," in the Chicago Tribune last week recalls the incredible suffering that the Cambodian people have endured over the past 15 years: 5 years of brutal warfare between the U.S.-backed Lon Nol government and the Vietnamese and Cambodian Communist forces, followed by 4 years of mass murder under the Khmer Rouge Communist regime of Pol Pot, and 6 years of continuing Vietnamese military occupation and guerrilla conflict.

In recent months the fighting has intensified along the Thai-Cambodian border and a quarter million Cambodian civilians administered by the resistance forces have been forced to flee into Thailand.

All of us hope that a way can be found to bring peace to Cambodia and to end the suffering of the Cambodian people. I request that the entire text of Mr. Isaacs' article be printed at this point in the RECORD.

The article follows:

[From the Chicago Tribune, Mar. 19, 1985]

CAMBODIA: NO HANDS ARE CLEAN

(By Arnold R. Isaacs)

This spring, as our newspapers, magazines and TV networks will shortly begin reminding us, 10 years will have passed since the Vietnam War ended in sudden and dramatic triumph for the communists, and humiliation for the United States.

Another war-related anniversary deserves notice, too, because in many ways it represents the start of the cruelest tragedy of our era. Exactly 15 years ago—March 18, 1970—a group of ambitious Cambodian politicians and military commanders deposed Prince Norodom Sihanouk, Cambodia's head of state. From that event flowed all that has happened to Cambodia since then—five years of increasingly brutal war, four years of slave labor and mass killings under the Khmer Rouge and six years [so far] of Vietnamese occupation and continuing guerrilla conflict.

Under Sihanouk, Cambodia had skirted the war that was ravaging its neighbors, Vietnam and Laos, in the 1960s. Its neutrality was violated, first by the Vietnamese communists who set up bases on Cambodian territory and then by the U.S. response, which eventually escalated into the massive though secret B-52 bombing campaign against the sanctuary areas. Away from the remote and thinly populated border region, however, the rest of Cambodia remained at peace.

Sihanouk's overthrow, which occurred while he was traveling between Moscow and Peking trying to negotiate a Vietnamese withdrawal, upset the equilibrium. It is true that the events leading to his downfall were in part the result of his own miscalculations and abuse of power. But it's also true that the Americans and their Vietnamese adversaries, in seeking ways to turn Cambodian events to their military advantage, paid little heed to the dire impact of their decisions on Cambodia and its 7 million people.

That, in a way, set the pattern for everything that followed. Cambodians on all sides of the conflict must bear a substantial burden of blame for the events of the last 15 years, but so must the cynical strategies and moral obtuseness of other nations, including the United States. At no time since 1970 have the contending powers in the region—the U.S., Vietnam, China, Thailand or the other noncommunist countries of Southeast Asia—given real consideration to Cambodian needs. Instead, they have followed policies that could only result in more Cambodian death and suffering.

Sihanouk, who aligned himself with an increasingly barbarous communist movement, is by no means blameless in his country's extended catastrophe. A grievous share of responsibility must also be laid, however, to the men who overthrew him. [The prince himself blamed the CIA. Some of the plotters had collaborated in earlier U.S. covert activities in Cambodia, but there has been no evidence of direct American involvement in the 1970 coup.]

After seizing power, Cambodia's new rulers under Gen. Lon Nol set out to expel the Vietnamese by force, instead of diplomacy or persuasion. But they failed to understand the limits imposed by Cambodia's military weakness, and they fatally misjudged the U.S. response—believing, as one diplomat in Phnom Penh said, that "the Americans were the same Americans of 1963, that they would rain down money, soldiers, and so on. They didn't know Americans have changed."

In fact, by 1970, domestic opposition to the war made a large-scale U.S. intervention in Cambodia politically impossible. The "incursion" of U.S. troops caused such an uproar that all American units had to be withdrawn only two months later. That should have indicated the limited American ability to protect Cambodia. Yet the Nixon administration, which could have warned the new Cambodian leaders against marching into a war they couldn't win, chose instead to encourage their hopeless fight.

In those decisions, the U.S. was guided by the narrowest possible military considerations, having to do almost exclusively with the tactical situation of its own forces in Vietnam. What would happen to Cambodia played almost no part in American calculations, and the stated U.S. policy there after its own forces were withdrawn was schizophrenic—supporting the Lon Nol government with aid, arms and air power while declaring the U.S. had no "commitment" to Cambodia's defense.

It took several years for that commitment to be avowed. By then, Cambodia's land and spirit were already devastated, and the outcome of the war—the defeat of the Lon Nol regime and of every American purpose on Cambodia—was all but assured.

The war that spread through Cambodia after Prince Sihanouk's overthrow became a conflict of terrible brutality. Between 1970 and 1975, about one out of every 10 Cambodians died in the fighting between the U.S.-backed Khmer Republic and the Vietnamese and Cambodian communist forces. Half the population were driven from their homes. The violence tore apart the country's social fabric. And America's ally, Lon Nol, was weak and inept.

The character of the communist side, meanwhile, was changing more quickly and drastically than was recognized in Phnom Penh or Washington. The Vietnamese communists, whom the Americans saw as the principal enemy, played a significant role in the Cambodian war only until about the end of 1972, after which a native Cambodian insurgency took over the battlefields. That force, at first a welter of factions with different ideologies and loyalties, came increasingly under the control of its most fanatical component, the Khmer Rouge, whose primitive fury was aimed at their Cambodian enemies and at their former Viet Cong and North Vietnamese partners.

By the time they marched into Phnom Penh in 1975, the Khmer Rouge leaders were gripped by a deadly amalgam of ancient and modern hatreds that were channeled into a mindless, frenzied violence against their own people.

Under their rule, the country was turned into a huge slave-labor camp where it is calculated that up to 3 million people were murdered or died of exhaustion, starvation or disease. Only the destruction of European Jews by the Nazis seems comparable. Yet a world that had responded to the Holocaust with endless repetitions of "never again" reacted hardly at all to Cambodia.

In the end, neither the U.S. nor any other Western nation or organization did anything to stop the slaughter. The Khmer Rouge would probably still rule Cambodia today if territorial and ideological disputes, ethnic hatred and opposing alliances—theirs with China and Hanoi's with the Soviet Union—had not led them into an escalating conflict with communist Vietnam.

In the last days of 1978, that confrontation burst into full-scale war. Vietnamese tanks and infantry invaded Cambodia and in less than two weeks drove the Khmer Rouge out of Phnom Penh. The top Khmer Rouge leaders and the remnants of their army retreated westward into pockets of wilderness near the Thai border, from which they mounted a guerrilla resistance.

For the last year or so, two noncommunist factions, one loyal to Sihanouk and the other led by former Lon Nol supporters, have participated in the resistance, too. Their chief contribution, however, has been to make Western support seem somehow more palatable. In fact, the Khmer Rouge remain the strongest and senior partner in the resistance movement and would certainly dominate any regime that might follow a hypothetical guerrilla victory. There should be no illusion about the fact that the Khmer Rouge, not their partners, are the real beneficiary of Western policies that help keep the resistance alive.

This year, as a new Vietnamese offensive has once again put images of violence and flight and suffering on American television screens and magazine covers, the tangled background of the conflict remains only dimly seen or understood. Much of the reporting and rhetoric has been focused exclusively on the Vietnamese occupation, as if none of the events before 1979 ever existed. The truth is that there is no single villain in the story. In Cambodia's long tragedy, no one's hands are clean.●

THE 351ST ANNIVERSARY OF THE FOUNDING OF MARYLAND

● Mr. SARBANES. Mr. President, this week we celebrate the 351st anniversary of the founding of Maryland, the Free State.

This year also marks the 250th anniversary of the birth of John Carroll, the first Roman Catholic bishop of the United States and patriot in the service of American independence and the young Republic. We should remember on these happy anniversaries the first Maryland Assembly's declaration of religious freedom in the tradition which Bishop Carroll represented.

Over the years, this history of the important events which transpired in Maryland have been recorded by Father Thomas O'Brien Hanley, S.J., who teaches history at Loyola College in Baltimore. I ask that a prayer for the Nation, adapted from a sermon on the birth of the United States by Bishop Carroll, and several articles by Father Hanley on religious freedom in Maryland be printed in the RECORD.

The material follows:

PRAYER FOR THE NATION

Adapted from a sermon by John Carroll on the birth of the Nation.

Dedicated to the first Maryland Assemblymen for their 1639 declaration on religious freedom.

Delivered by the Reverend Thomas O'Brien Hanley, S.J., representing The Reverend Joseph A. Sellinger, S.J., President of Loyola College in Maryland.

At the Worship Service in Celebration of the Birth of Religious Toleration in Maryland, St. Mary's City, Maryland, June 24, 1984.

"Almighty God Your Divine Providence has so directed the course of human affairs and the Holy Spirit has so worked upon and tutored the minds of men, that now, agreeably to the dictates of our own consciences, we may sing canticles of praise to you in a country no longer foreign or unfriendly to us, but a country now become our own and taking us into her protection. For our beloved country we pray that every blessing, temporal and eternal, may descend upon her people; that each citizen, our President, the Congress, the Justices of the Court and all our national government by their benevolence will be the instruments of your favor and mercy towards our people. Amen"

[References: Thomas O'Brien Hanley, S.J., Editor, The John Carroll Papers (3 vols.; University of Notre Dame Press, 1976), III, 460; and Their Rights and Liberties: The Beginnings of Religious and Political Freedom in Maryland (New Edition: Loyola University Press, fall, 1984); U.S. Supreme Court, Torcaso v Watkins (1961).]

[From the Baltimore Evening Sun, Jan. 8, 1985]

PUBLIC-PRIVATE RESPONSIBILITY IN BISHOP JOHN CARROLL'S TIME

(By Thomas O'Brien Hanley)

In the wake of the American bishops' pastoral on poverty in the American economy, the 250th anniversary of the birth of the first Catholic bishop of the United States can be seen in a provocative light.

When he was born in Upper Marlboro, John Carroll's parents had little hope that he would have a voice in public questions. They certainly never expected him one day to lead his people in many churches of Catholic public worship; nor pave the way that brought the Basilica of the Assumption to Cathedral street in Baltimore.

This edifice, designed by Benjamin Latrobe, architect of the nation's Capitol, was the cathedral of his episcopal see and stands as a lasting memorial to his gratitude for the gift of the new American nations.

America had rescued him and his Catholic community from religious discrimination, and was rewarded by John Carroll's gifts of leadership generously given in building the young nation.

On this page recently Gwinn Owens challenged the private sector to accept its responsibility for solving social problems so long as it is inclined to be critical of government's role. Many of these private-sector interests are also critics of the bishops' support of a direct role for government in meeting the problems of poverty. The last election puts business corporations on the spot, according to Owens' reasoning. But the assumption behind this needs historical examination.

In John Carroll's era of the Founding Fathers, there was a call for "public spirited citizens" who have, because of their secure position in society, an obligation to collaborate with others in remedying its defects. The blights on their people which European monarchies had created must be prevented in the new world led by Americans dedicated to freedom as a dynamic process.

John Carroll's spontaneous response to the emergence of the new nation was to give full scope to his sense of a public spirited gentleman, a zeal for building in cooperation with others. He had no simplistic reservations about whether government or private citizens should act directly to improve American life. In education, for example, he advocated action in the private sector to eliminate problems in the young republic.

Carroll's generation of leadership did not fall into the private-versus-public trap that Owens discussed. Alexander Hamilton made it clear that the government was a collaborator with its citizens in building America. The subsidizing of commerce was not anathema then any more than was the social legislation by Franklin D. Roosevelt after 1933.

We do not, however, find the vigor today in the private sector that was so evident in America before 1800. A striking example is the problem of education, which brought action in the private sector as well as in government.

With Thomas Jefferson, Carroll saw the need for education in the intellectual virtues, such as a liberal arts college is designed to accomplish in its students. Such educated citizens would best be able to understand their society and lead it. The Bishop of Baltimore would one day collaborate with Elizabeth Ann Seton in a successful effort to create a broader-based education in the young republic on the eve of the public school movement.

Even before the formation of the federal Constitution, Carroll was busy collaborating with those of other faiths in the founding of Washington College, on whose board of visitors he served. In a similar way he aided the development of St. John's College of Annapolis. He secured the financial assistance of the Catholic community for this. By 1789 he had succeeded in the founding of Georgetown College which contributed to development of the Chesapeake Bay area. At the same time, John Carroll was working for the development of a library society in Baltimore.

The college that eventually became the University of Maryland was an outgrowth of this public-spirited effort of Carroll and other friends of the young republic. He served as a provost in this first state college supported directly by public funds. The state chartering of the other institutions, he understood, was essential, for they truly had a public character in educating the leadership of the new nation.

John Carroll rejected legislation in Maryland to pay the salaries of the clergy. But he approved of the study of religion as an academic discipline, as Jefferson had done in the University of Virginia—which continues today in this state institution.

In a new government by the people Carroll and other public spirited leaders saw the blight of poverty in existing resources for educating the young. He believed the private sector and the government should act to remedy this.

The wellspring of John Carroll's love for this country fed this stream of service to America and her people. In one manuscript fragment among his personal papers he reveals what this is. Like George Washington, he spoke of a special Providence of God for America that "directed the course of human affairs."

In the case of his own Catholic community and others discriminated against under the British system, a special benefit came with the new nation. That Providence "has so worked upon the tutored the minds of men," Carroll understood, "that now, agreeably to the dictates of our own consciences, we may sing canticles of praise to you in a country no longer foreign or unfriendly to us." The Basilica of the Assumption took shape under this inspiration, but so too all of his private sector's contribution to the new nation.

Today he would not endure a large segment of his fellow citizens deprived not only of educational benefits, but a level of human life that would have brought a response from John Carroll and his generation. They would not construct an unreal line of division between the public and private sectors—thanks to their idealism regarding America.

RELIGIOUS FREEDOM: MARYLAND'S CROSSCURRENTS

(By Thomas O'Brien Hanley)

Note.—This article is adapted from the author's preface to the new anniversary edition of *Their Rights and Liberties: The Beginning of Religious and Political Freedom in Maryland* (Chicago: Loyola U. Press; cloth, $9.95) was cited in the U.S. Supreme Court decision.

"There were wise and far-seeing men," Justice Hugo Black said of Maryland's first settlers and founders, "who spoke out against test oaths and all the philosophy of intolerance behind them." It was customary to single out the Lords Baltimore, George

and Cecil Calvert, as the source for religious toleration and church-state separation. Black went much beyond that and took note of the first Maryland assemblymen. Historians up to the present continue to explore the crosscurrents of freedom in that earliest period, adding to our understanding 350 years after the landing of the first Maryland settlers.

In writing the majority court opinion for *Torcaso v Watkins* in 1961 Black took account of a toleration act in 1639. It made religious freedom a civil right for all. Unlike the act later supported by Lord Baltimore in 1649, the earlier one extended to non-Christians the benefits of law. It did not carry the 1639 theory of church-state separation.

Writing for the *Maryland Historical Magazine* and elsewhere John D. Krugler explored the Calverts' route in these crosscurrents. They did not want to depart from existing legal formulae in England and hoped by private means to secure religious freedom. The Toleration Act of 1649 illustrates this.

Cecil Calvert through his brother Leonard, Governor of Maryland in 1639, must have prevailed on the assemblymen to put aside their toleration act of 1639. They did not entirely fail, however, for they planted a church-state tradition in Maryland that had been germinating in the Catholic community in England and would be found in later years. It had the force of interpreting the law whatever it might be in the most liberal terms. There is one instance of a Jew benefitting in this way.

Justice Black's opinion called attention to the fact that this tradition was put aside in one place when Marylanders drafted their constitution. It was provided, it is true, that no one should be disturbed in the free exercise of religion. But office holders, Black pointed out, were required to profess belief in the Christian religion.

"The power and authority of the State," he concluded, "thus is put on the side of one particular sort of believers . . ." He went on to take account of the remedial action taken in 1825 in favor of Jews and other non-Christian believers in God.

But this still was not up to the vision of freedom held by the "wise and far-seeing men" he found in Maryland's first assemblies. Black took a stand against the revised profession of belief that was a requirement of the Maryland constitution until his court struck it down. "The power and authority of the State of Maryland," he reasons, "thus is put on the side of one particular sort of believers—those who are willing to say they believe in the 'existence of God.'"

Most of all, the law violated what the "wise and far-seeing men" who fashioned the Federal Constitution provided. The people's freedom in the First Amendment extended to all the states. Maryland, Black said, must put aside its requirement of a profession of belief by office holders.

AMERICAN WRITERS BEFORE 1800—A BIOGRAPHICAL AND CRITICAL DICTIONARY

(Edited by James A. Levernier and Douglas R. Wilmes)

JOHN CARROLL (1735–1815)

Works: *Journal of European Tour* (w. 1771–1772; pub. 1976); *Narrative of Suppression* (w. 1773–1774; pub. 1976); *Letters to Charles Plowden* (w. 1779–1815; pub. 1976); *Constitution of Clergy* (w. 1783; pub. 1976); *Address to the Roman Catholics of the United States* (1784); *Address on Wharton* (1784); *Sermon on Independence* (w. 1785; pub. 1976); *To Columbian Magazine* (1787); *Pacificus* (1789); *Establishment of the Catholic Religion in the U.S.* (w. 1790; pub. 1830, 1976); *Address to President Washington* (1790); *Pastoral Letter* (1792); *John, Bishop of Baltimore* (1797); *Pastoral Letter* (1799); *Eulogy of Washington* (1800).

Biography: John Carroll was born on Jan. 8, 1735, in Upper Marlboro, Md., the son of Daniel and Eleanor (Darnall) Carroll and the second cousin of Charles Carroll of Carrollton (q.v.). In 1748 Carroll traveled with his cousin Charles to St. Omer, French Flanders, for an extended education on the Continent. In 1753 he entered the Society of Jesus, was ordained to the priesthood in 1769, and was teaching at Bruges when its Jesuit college was closed in 1773 as part of the general suppression of the order. Beginning in 1774, Carroll took his place, with his brother Daniel of Rock Creek Manor (signers of the Federal Constitution), among the Md. gentry and rapidly rose to civil as well as church leadership, serving with Charles Carroll on the commission of the Congress to Canada in 1776, juridically organizing the clergy under a new form following independence, becoming bishop and archbishop of Baltimore in 1790 and 1808, respectively. Carroll's values and vision of the Catholic community and its place in early America are credited for its solid foundation. The first Catholic bishop in America, Carroll died on Dec. 13, 1815. Appropriately, Benjamin Latrobe designed the architectural landmark—Baltimore Cathedral—where Carroll's remains are buried in its crypt.

Critical Appraisal: John Carroll's family, education, and position in large measure explain his success as a writer, the quality of his works, and their considerably diverse character. His *Journal* of a European tour and the *Narrative* of his last days as a Jesuit struggling against the autocratic procedures of the French civil government at Bruges illustrate, for example, his capacity to write movingly about human freedom and dignity. Equally effective are his occasional letters to the press urging an enlargement of religious freedom and his positive declarations of admiration at the liberation of the human person achieved by American independence, which he saw as a providential deterrent to any inclination toward repression of Roman Catholic congregations.

In fact, Carroll's natural moderation as a man of reason in the spirit of the Christian Enlightenment marked his protests at any infringements of freedom he encountered and made him at home in a Federalist segment of American writers. His concern for his duties as bishop of the small Catholic community after 1790 and for order in the new Federal Republic was expressed with dignity and reverence. In particular, Carroll's public writings on George Washington (q.v.) epitomize his distinctive use of style to underscore his love of freedom. In these writings, Carroll freed himself from Jesuit rules that clerics should preach Christ crucified and not the self performing feats of rhetoric. His *Eulogy of Washington*, he said, was modeled on St. Ambrose's composition for a similar occasion and was consciously academic in tone. At the same time, an earlier sermon or homily he gave on the same subject reveals a middle form of expression, far more moving than the general style of his many sermons, which were primarily intent upon doctrinal instruction and moral suasion.

As Carroll grew older, the role of religion in civil life increasingly became the subject of his greatest public influence and literary attainment. Particularly related to this thrust of his writings were his *apologetic* pieces. But even in these writings, the response to an attack on a religious figure or faith was always placed in the larger civil setting to prevent misrepresentation of the Catholic faith and its believers and to protect the religious freedoms won by a War of Independence. Particularly noteworthy in this area was Carroll's extended pamphlet directed at Charles Wharton, a Jesuit who had joined the Anglican Church. In this document, Carroll's use of literary techniques like *reductio ad absurdum* and *a fortiori* elevated his rhetoric above the ordinary. Although *ad hominem* overtones to Wharton's marriage are out of Carroll's natural style, when Wharton responded, Carroll turned from the contest, and this gesture gave him the image of the prudent man, disinclined to disruptive interfaith bickering. As a result, his writings on this case and on similar issues usually had the effect he intended: respect for the American Catholic community with roots in a liberal Anglo-Irish tradition of freedom rather than the Continental one as caricatured by English Protestant writers.

All of Carroll's published works reveal a disciplined writer, even the official documents, reports, and pastorals demanded by his office. When he enforced church discipline, for example, he drew on his literary skills. Somewhat akin to diplomatic correspondence in civil affairs are his letters settling differences among parties, appointments, and corrections of individuals. On one occasion, he even showed his ability to portray the historical context of his church.

In contrast to these works, Carroll's correspondence with friends and relatives holds the delights found in the exchanges of figures in literary history. Particularly, a lifelong correspondence with Charles Plowden of Eng. stands out and to a striking degree portrays the personal life of a man deeply experiencing the great movements of his times. Those closest to Carroll, it would seem, apparently saw him as Rembrandt Peale portrayed him: a thoughful man at ease with God, himself, his neighbors, and the humane values he found in his times.

Suggested Readings: CCMDG: DAB; DARB. *See also* Peter Guilday, *The Life and Times of John Carroll, Archbishop of Baltimore*, 2 vols. (1922; rep., 1954); Thomas O'Brien Hanley, ed. *The John Carroll Papers*, 3 vols. (1976), with volume introductions for general information and editorial notes for initiating research with complete texts.

THOMAS O'BRIEN HANLEY,
Loyola College, Baltimore ●

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M. TODAY

Mr. SIMPSON. Mr. President, I ask unanimous consent that the RECORD remain open today until 5 p.m. for the introduction of bills and resolutions and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, APRIL 1, 1985

ORDER FOR RECESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the

Senate completes its business today, it stand in recess until 12 noon on Monday, April 1, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, I ask unanimous consent that on Monday, following the recognition of the two leaders under the standing order, there be special orders for not to exceed 15 minutes each in favor of the following Senators: Mr. GORTON, Mr. HATFIELD, Mr. EVANS, Mr. STEVENS, and Mr. PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that on Monday, following the special orders just identified, there be a period for the transaction of routine morning business, not to extend beyond 2 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON FRIDAY, MARCH 29

Mr. SIMPSON. Mr. President, I ask unanimous consent that committees may file reports between 9 a.m. and 3 p.m. on Friday, March 29, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following morning business on Monday, the Senate will turn to any legislative or executive calendar items that are cleared for action.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond 4:30 p.m. today, that no legislative or executive business be transacted, and that no time restriction apply to the minority leader.

I further ask unanimous consent that following the conclusion of the speech by the minority leader on the history of the Senate, the Senate automatically stand in recess until 12 noon on Monday, April 1, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF SENATOR BYRD ON HIS HISTORY OF THE SENATE

Mr. SIMPSON. Mr. President, I appreciate the efforts of the minority leader as he shares with us the extraordinary insights he has as to the operation of this body, for which he has an allegiance and love that is second to none of us in this place. So I look forward to the continued compilation of the history of the Senate as it is done by Senator BYRD.

I believe this is No. 71 or 72 or somewhere close to that number in the series. I have read many of them, and they will make a remarkable collection for any Senator or any other person interested in the operation of this body. I look forward to the continuing series.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader for his kind and cheerful remarks in connection with the series. I also thank him for making the arrangement I need in order to deliver an additional speech on the subject of the U.S. Senate this afternoon.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE UNITED STATES SENATE

BLACK SENATORS

Mr. BYRD. Mr. President, today, in my continuing series of addresses on the Senate's history, I shall examine the history of black members who have served in this body.

In nearly 200 years of congressional history, there have been fifty-nine black Americans elected to the United States Congress: fifty-six to the House, including five women, and three to the Senate. It was not until 1870, during the 41st Congress, eighty-one years after the convening of the first Congress, that the first American of African descent served in the United States Congress. This was Senator Hiram Revels of Mississippi. Ironically, Mr. Revels filled the vacant Senate seat formerly occupied by Jefferson Davis who had left the Senate nine years earlier to become president of the Confederacy. He was followed in 1874 by a second black senator, Blanche Kelso Bruce, also of Mississippi, the first black senator to serve a full term and the first to head a congressional committee.[1]

Once emancipated and granted citizenship, American blacks moved into public office enthusiastically. They played prominent roles in the reconstruction governments of several southern states, and then advanced onto the national scene. For the three decades after Revels broke the color line in 1870 a steady stream of black legislators followed him to Washington. From 1870 to 1897, twenty-two blacks were elected to Congress, twenty to the House and two to the Senate. All were from Southern states that were parts of the military districts created by the 1867 Reconstruction Act.[2]

These twenty-two members have been portrayed in many ways: from the ignorant tools of corrupt white politicians, to corrupt politicians themselves, to the noblest leaders of their race. In truth some were corrupted and some were corrupt, but no more so than their white contemporaries. During this era, corruption was bisectional, bipartisan, and biracial.

These early black legislators were as diverse as their white colleagues in Congress. They were exceptional individuals. Some had been born free, but the majority had begun life as slaves. Several had fought in the Union army or navy. Nearly half had some college training and five held college degrees. Others had educated themselves. Before entering politics, they were ministers, teachers, and lawyers, barbers, farmers, and bricklayers. Some had white mothers or fathers, but all considered themselves to be black and were so regarded by others. Most had gained political experience as state legislators and local government officials.[3]

All requred, and displayed, courage, along with tenacity and perseverence to overcome the obstacles set in their path. The legal status of their elections was continually challenged, their supporters were intimidated and some of them were even murdered. One proof of the ability of Reconstruction-period black office-holders is that when the era came to an end, most went on to show competence as teachers, church leaders, lawyers, college president, administrators, and diplomats.[4]

By the end of the nineteenth century, the enforcement of discriminatory laws, combined with local prejudices, effectively blocked blacks from voting. By 1902, black Americans no longer had a voice in Washington. Nearly three decades passed before blacks were again elected to Congress. Since 1929, there has been a slow, steady increase, both in the number of black legislators and in the states or districts they represent. In 1966, Massachusetts elected Edward Brooke to the Senate, the first black to serve in this body in eighty-six years, and the first ever elected to the Senate by popular vote. From 1870 to 1985, fifty-nine blacks from 20 states, the District of Columbia, and the Virgin Islands, served in Congress. All twenty-two black members of Congress in the nineteenth century were Republicans, reflecting the political alignment of the Civil War. But in the twentieth century,

Footnotes at end of article.

only three black members of Congress have been Republicans and thirty-four Democrats. In the present 99th Congress, there are twenty black congressmen.[5]

I turn now to look more closely at the three black men who have served in the Senate. So I begin the story with Hiram Rhoades Revels of Mississippi who on February 23, 1870, 115 years ago, was patiently sitting on one of the sofas at the rear of this Senate chamber. As the black clergyman listened, Vice President Schuyler Colfax announced that President Grant had just signed a bill readmitting Mississippi to the Union. Outwardly, Revels showed no emotion, but he knew that at any moment debate would begin on his qualifications to serve in the United States Senate. He also knew that some of the oratory to follow would surely be bitter and uttered by men who hated him for his race alone.[6]

Senator-elect Revels had traveled a long and circuitous route from Fayetteville, North Carolina, where he was born on September 27, 1827, to reach this climactic moment.[7] The son of a black Baptist preacher and a Scottish mother, Revels and his brothers and sisters had been born free, part of a substantial community of free blacks in North Carolina before the Civil War. Despite the meager educational opportunities for blacks in the state, his parents worked hard to educate their children. Revels learned all he could at a small school run by a free black woman and then taught the younger children in the family at home, while supporting himself as a barber.

Revels began preaching the gospel while still a teenager and eventually traveled to Indiana, a free state, to study at Quaker seminaries and completed his education on a scholarship at Knox Academy, now Knox College, in Galesburg, Illinois. He was ordained a minister in the African Methodist Episcopal Church in Baltimore in 1845. Interspliced with these years of study were years of work as an educator and pastor in the free states of Indiana, Illinois, Kansas and Ohio and in the slave states of Kentucky, Tennessee and Missouri. It was a hazardous life, particularly in those states where schooling for blacks was discouraged or forbidden by law.

Revels eventually settled in Baltimore where he worked as a school principal and pastor of the downtown Madison Street Presbyterian Church. His brother was also a minister in Baltimore. After Fort Sumter was fired upon in April 1861, Revels helped to recruit and organize the first two black regiments in Maryland for the United States Army. During the next four years of war and chaos, Revels served as a chaplain in the Union Army, helped the Freedman's Bureau set up schools in Mississippi, and assisted the Provost Marshal in Vicksburg in managing the freedmen's affairs.

With the return of peace in 1865, Revels went back to church work and was assigned pastorates in Leavenworth, Kansas, New Orleans, and finally Natchez, Mississippi. Mississippi, an almost sixty percent black state, was still under military rule with Northern General Adelbert Ames of Massachusetts as provisional governor. Freedmen and exslaves, who could now vote under the congressional reconstruction plan, were moving into politics as members of the Republican party in great numbers, and, in 1868, Revels was appointed a Natchez alderman.

In the fall of 1869, Revels was one of forty blacks to win a seat in the reconstructed Mississippi state senate, which convened in January 1870. Their first order of business was to fill three vacancies in the United States Senate—two for unexpired terms left open when Mississippi seceded, and one for a regular term to start later. The full term went to former Confederate General James Alcorn, the next longest to Governor Ames. After three days of debate and seven ballots, Revels won the short, fourteen-month term.

Revels and Ames had traveled to Washington together and arrived in late January. Revels, by now a national celebrity, was beseiged by reporters who found him "a dark mulatto of large stature, easy and self-possessed in manner, and /who/ talks well," indicated "no special policy," but that he did expect "to look after the interests of his race in Congress." [8]

Revels wanted to settle into his new job quickly. He found rooms in the Capitol Hill home of George T. Downing, the former caterer and restaurateur from New York who managed the restaurant of the House of Representatives and was reported to be the wealthiest black man in the Union.[9] Now, nearly a month after their elections by the Mississippi legislature, senators-elect Revels and Ames sat together on a Senate sofa awaiting their fate. The strategy of the Republican leaders would be to present the two Mississippi senators separately, with Revels, the more controversial, coming up first.

After Vice President Colfax announced that the state of Mississippi had been readmitted to the Union, Senator Henry Wilson, a Republican from Massachusetts who had been chosen to lead his party's fight for Revels, formally began: "I present the credentials of Honorable H.R. Revels, senator-elect from Mississippi, and I ask that they be read and he be sworn in." [10]

The fight was on. The Republicans solidly controlled the Senate so there was no doubt of eventually approving the credentials, but the question remained as to the amount of energy and the level of acrimony the opposition would raise in their losing cause. The answer was a quite a bit. Senator Willard Saulsbury of Delaware, a Democrat, immediately challenged Revels' credentials because they had been certified by a provisional military governor. His opposition came as no surprise. Upon learning of Revels' election, Saulsbury had presented a Senate memorial "praying such legislation as will secure the Government of the United States to the white race."

Democrats Saulsbury, Garrett Davis of Kentucky and John Stockton of New Jersey tried to avert what they considered the calamity of Revels' seating by questioning whether the provisional governor was really a governor, the legality of a senatorial election in a state which had not yet been readmitted to the Union, and the form of Revels' credentials themselves. This line of attack came as no surprise to the Republicans or to Revels. Davis, a rabid white supremacist, had been among the most outspoken foes of the 1866 Civil Rights Act.[11]

Revels' supporters, who included influential New York Senator Roscoe Conkling and Lyman Trumbull of Illinois, effectively countered each charge, until, after hours of haggling, the opposition senators turned to the more promising tactic of challenging the validity of Revels' citizenship qualifications.

Stockton questioned whether Revels could meet the constitutional requirement of nine years of United States citizenship. It was a neat ploy, since blacks—even free men like the senator-elect and his father before him—generally had no clearly defined legal status as citizens in either the North or the South prior to the 1866 Civil Rights Act. Debate dragged on for two days, with Davis leading the opposition. Frankly admitting his intent to resist "at every step," Davis raged, ". . . I do not know why the law of the universe permitted that race to be brought here; and above all, I do not know why the Yankees were made their instruments to bring them here, unless it was to curse and to create another devil for the white man! . . . . I say that Revels is not a citizen under your legislation." [12]

Senator James Nye, a Republican from Nevada, arose to chide Davis, calling him a "mountain of prejudice." Jabbing away at all of Davis' objections, Nye said what all knew; the real objection to Revels was his color. Davis' opposition was, charged Nye, "the same old story of prejudice against the colored man. . . ." Senator Wilson also sought to quiet Davis by pointing out that Revels had voted as

a citizen of Ohio more than twenty years earlier, and his Ohio citizenship was also confirmed by Ohio Senator John Sherman.[13]

Throughout the debate, Charles Sumner of Massachusetts had remained silent, although the issues were of paramount concern to him. Finally, late on the afternoon of February 25, the magisterial antislavery leader, who had never quite regained his health since suffering a brutal beating from a Southern congressman in 1856, rose to speak. This was the signal that discussion would soon cease and the crucial vote began. "Mr. President," Sumner intoned, "the time has passed for argument. Nothing more need be said. . . ."[14]

The senators agreed with Sumner. After three days of acrimonious debate, they had had enough. Several members of the House, hearing that the vote was at hand, came over to the Senate chamber to watch. They knew that the outcome would influence the House when its first black members-elect came up for consideration. The *New York Times* reported that "there was not an inch of standing or sitting room in the galleries, so densely were they packed; and to say that the interest was intense gives but a faint idea of the feeling which prevailed throughout the proceedings." The chamber bristled as Vice President Colfax called for the votes. Visitors strained to hear each senator's reply as his name was called.[15]

When the tally was made, the vote was 48 to 8 in Revels' favor. It was a straight party vote. After three days of bitter debate, Mississippi's black senator, the Nation's first black senator, would be seated.

Dressed in a black suit with a long coat and waistcoat, and holding black gloves and a brown walking stick, Revels has sat impassively as he heard himself and his race vilified. Now he arose and began to walk down the Senate aisle. Realizing that there was no senior senator from Mississippi to pay Revels the customary honor of escorting him to be sworn in, Senator Henry Wilson quickly stepped forward to accompany him and to stand by as the Vice President administered the oath of office.

Newspaper reaction to Revels' seating was mixed, and even the most favorable believed the paternalism with which the newly enfranchised blacks had to contend. The bitterly racist *Savannah News* "hoped he was as black as the ace of spades and would get a seat next to Sumner." The *New York Herald* deprecated Mississippi's choice, noting that Revels "would hardly have an opportunity to shine very brilliantly among his distinguished confreres unless it is by his glossy complexion." The *New York World* found Revels a generous, intelligent man who could not be ignored or snubbed "either on grounds of color, or being a carpetbagger or for intellectual inferiority . . . ." Finally the *Philadelphia Inquirer* signalled the end of the matter: "The colored United States senator from Mississippi has been awarded his seat, and we have not had an earthquake, our free institutions have not been shaken to their foundations, nor have the streets of our large cities been converted to blood . . . . All the speeches made concerning Revels' race were in the interests of a political shibboleth that is as dead as slavery itself."[16]

Revels settled into the Senate without any outward sign of being embittered by the demeaning rhetoric of his new colleagues. His wife and daughters remained in Mississippi during his brief tenure. He wrote home often, sending money for household expenses and for the children, and invariably asking his wife to pray for him.

Revels made his first speech on the Senate floor earlier than was the custom for a junior member. But as the only black member there, he felt compelled to speak out on March 17, 1870, when recalcitrant Confederates appeared about to reassert control over Georgia through the passage of a bill to reconstruct the state for the second time since the War. Should the measure pass, Negroes would be deprived of their right to hold office. Revels apologized for speaking so soon, but explained that he must appeal for federal protection for loyal citizens throughout the South. Pointing out that many blacks had flocked to the Union's colors in the Civil War when the United States, its armies thinned by death and disaster, needed their aid, Revels pleaded for the rights of "the representatives of these men / who/ sleep today in countless graves of the South." His speech was praised by newspapers and some Republicans, but it had no apparent effect on the course of events. To Revels' sorrow, the bill readmitting Georgia to the Union containing the offensive Bingham amendment permitting state control of all seating in the state legislature, effectively excluding blacks from office in Congress, passed intact.[17]

This first unpleasant taste of failure would unfortunately be repeated often in Revels' short Senate career. Though he labored hard on his assignments on the Education and Labor Committee and the Committee for the District of Columbia, and proposed several pieces of legislation, his legislative efforts bore no fruit. He lent his support to legislation proposed by his more formidable colleagues, such as Sumner, for desegregation of schools, the lifting of political restrictions from the backs of blacks, but time after time, the measures went nowhere.

When Revels' brief term in the Senate ended on March 3, 1871, he returned to Mississippi to head a new black college, Alcorn College, in Rodney, Mississippi. During 1873, he briefly served as interim Secretary of State of Mississippi, but returned to the presidency of Alcorn from 1876 until 1882, when he retired and devoted himself to church work. Hiram Rhoades Revels, the first black Senator, died on January 16, 1901, at the age of seventy-eight. He had overcome a barrage of prejudice to become the first black in the Congress of the United States. His trials, however, made the way easier for those, like Blanche Kelso Bruce, who came after.

After Hiram Revels left the Senate in the spring of 1871, nearly four years passed during which there was no black man in the Senate. When Blanche K. Bruce took the oath of office on March 5, 1875, four days after his thirty-fourth birthday, he became the second black Senator in history, and the first and only former slave to serve in this body. He went on to become the first black to serve a full six-year term in the Senate and the first to preside over the upper house. Unlike Revels, Bruce had deliberately set out to become a Senator and had worked hard, cultivating Mississippi's political fields for several years, to gain his seat.[18]

The youngest of eleven children, Bruce was born into slavery on a Virginia plantation on March 1, 1841. As a little boy, he was chosen to be the special playmate of his master's son and when the white child was tutored, Blanche sat in on the lessons and proved the more adept student. In the years before the Civil War, Bruce's owner moved his family and slaves to Missouri and back, then to Mississippi and again to Missouri, with Bruce and his brothers working in tobacco fields and factories at each stopping place. When the war broke out, the planter's sons joined the Confederacy, while Blanche and two of his brothers slipped off to Hannibal in hopes of joining the Union forces. Their efforts were rebuffed—blacks were not yet accepted by the Army. Instead, Bruce wrote, he "emancipated himself" by escaping from the plantation after the attack on Fort Sumter and heading for the free state of Kansas. He spent the war years teaching school in Lawrence, Kansas, and, after Missouri emancipated its slaves in 1864, he returned to found that state's first black elementary school in Hannibal. Bruce also worked there as a printers' apprentice. He studied for a few months at Oberlin College in Ohio until his funds ran out, and then became a porter on a Mississippi river-boat. In 1868 Bruce arrived in Floreyville, Mississippi with nothing but seventy-five cents and boundless energy. Six years

later, he had become a wealthy planter and Mississippi's United States senator-elect.

Bruce was quickly attracted to politics and became deeply involved in Republican party circles. His first political job was to supervise elections in Tallahatchie County; his next, sergeant-at-arms of the Mississippi state senate. Later Bruce was elected sheriff and tax assessor of Bolivar County, a member of the Mississippi River levee board and a school superintendent. Before long, Bruce built his own home, and bought a plantation of nearly 1,000 acres which became the foundation of a fortune in real estate that grew as Bruce's career progressed.

In 1874, the state legislature elected Bruce to the United States Senate seat he had been working toward. With almost a full year to wait until his term began, Bruce was scrutinized by and inundated with advice from newspapers all across the country. The *Daily News and Courier* of Natchez cautioned him not to jeopardize his political career by marrying, lest the objection of Senate wives who did not want to socialize with a black woman hold him back. Though he scoffed at such advice, Bruce in fact did not marry until 1878. The *Vicksburg Times* complimented and cautioned him: "Our newly-elected senator, although colored and formerly a steamboat porter, is a man of liberal and comprehensive views * * * he fully realizes the necessity for adoption by his race and by the white Republicans of an honest and liberal policy." The *New York Times* applauded his election stating, "Mr. Bruce * * * possessed of intelligence, an irreproachable private character, and is perhaps quite as well qualified to perform the duties of the position as almost any fairer skinned aspirant." The *Louisianian* also approved of his selection stating, "Senator Bruce is of fine address, easy and graceful in his carriage, thoughtful and matured in his intellect, and a man of sterling and acknowledged integrity." [19]

Bruce's senatorial career began on March 5, 1875, during a special session held to decide what should be done about civil disorders in Louisiana. This time, unlike when Revels was seated, there was no singling out of the new black member for derision before he was admitted. Vice President Henry Wilson, who as a senator had championed Revels, in routine fashion read off the list of freshmen members and asked them to come forward when their names were called.[20]

As Bruce rose to go to the rostrum to take the oath of office, he was surprised and dismayed to see the senior Mississippi senator, James L. Alcorn, hiding behind a newspaper in order to avoid paying him the usual courtesy of escorting a new member to the front of the chamber. Bruce started to walk forward alone, but, when he was halfway down the aisle, he was joined by another senator who whispered a greeting while they moved forward together. It was Senator Roscoe Conkling, the powerful political boss of New York. Conkling proved a stout friend to Bruce, steering him through the Senate procedural maze and seeing to it that he drew some good committee assignments. Bruce later named his only child for the New Yorker.

Bruce, a portly, bearded man, drew more attention from the floor and gallery that day than most of the other new senators, except, of course, for ex-president Andrew Johnson, who had barely escaped impeachment four years before and who was now back in the Senate as a freshman member from Tennessee. During the special session that followed his swearing in, Bruce worked behind the scenes trying to secure the seating of P.B.S. Pinchback, the black Louisiana senator-elect over whose credentials the Senate had been wrangling for three years. The session ended without resolving the case.

When the Senate reconvened in December, Bruce's was one of the four desks decorated with flowers from well-wishers.

Incidentally, under the present regulations, flowers are today not allowed to be brought into the Chamber.

Having learned the Senate routine during the special session, Bruce looked forward to service on three committees: Pensions, Manufactures, and Education and Labor. He spent his time carefully drafting bills calling for desegregation of the army and pensions for black veterans of the Civil War. Like Revels before him, however, Bruce had little luck getting any of his bills passed. These, like nearly all his others, went down to defeat.

The controversy over the seating of Pinchback continued into the regular session, and Bruce remained his champion, offering his maiden speech in Pinchback's defense, but to no avail. Of even more concern to Bruce was the furor over his state's 1875 elections, which had been marred by terrible violence and the murder of several blacks. Bruce gave an impassioned speech, graphically depicting the terrorism used to intimidate blacks from voting and pleading for a federal investigation, which was authorized, though its damning finding were ignored. As the only black senator at the time, and for two years the only black in Congress, Bruce considered himself a spokesman for his race throughout the country, and he repeatedly pleaded and voted on its behalf.[21]

Bruce presided over the Senate in the absence of Vice President William Wheeler on February 14, 1879, as members wrestled with the issue of Chinese immigration. The *New York Tribune* reported, "This is the first time a colored man ever sat in the seat of the Vice-President of the United States. Senator Bruce is universally respected by his fellow senators and is qualified both in manners and character to preside over the deliberations of the most august body of men in the land." Arguing in favor of a motion to exclude the Chinese, one senator said the Nation could not absorb more than two races. But, as a man who had once been bereft of the privileges of citizenship himself, strictly because of color, Bruce entered the debate, attesting to his faith in the assimilative powers of America, and voting against the bill.[22]

The three congresses in which Bruce served saw a steady erosion in Republican strength and black membership. There were seven black representatives in the 44th Congress, only three in the 45th, and none at all in the 46th. Bruce never had a black colleague in the Senate. The Democrats swept both houses of Congress in the elections of 1878. When the 46th Congress was organized, Bruce, now a member of the minority, lost the chairmanship of the Mississippi River Committee he valued. It was while he was in the minority, however, that Bruce performed his most valuable service to black Americans. When he proposed a probe of the bankrupt, government-backed Freedman's Savings and Trust Company, Bruce was named to head a six-man investigatory group. Thousands of black depositors had entrusted their first meager savings, amounting to some $7 million, to this bank, only to lose them all when the bank failed in 1874. Bruce's committee's, in hearings during the 1879 summer recess, exposed the venality behind the mismanagement of the bank. As a result, the bank's nearly 70,000 depositors got back a portion of their money.

It was becoming increasingly clear to the Bruces that there was no future for them back in Mississippi. Democrats, with federal troops no longer in place to protect blacks from intimidation at the polls, had swept the State legislature, which, in January 1880, named a Democrat to succeed Bruce. Like hundreds of lame ducks before and since, Bruce had to decide upon his future. His predecessor, Senator Revels, had gone home to Mississippi to become president of Alcorn College, but the Bruces decided to settle in Washington.

Bruce was a lame duck, but he still had a year to try to work his will in the Senate. He worked down to the wire, offering bills and resolutions on education, railroad construction in Mississippi, aid to Indians, and court-redistricting in his state. But none of his proposals passed. Bruce's single Senate term ended on March 3, 1881,

amid speculation that a cabinet post might await him in the administration of incoming President James Garfield. The cabinet post was not offered, but the post of minister to Brazil was. Bruce refused it, citing the great distance and the fact that the South American country still sanctioned slavery.

During Garfield's administration and those that followed, Bruce held a series of federal patronage jobs, including Register of the Treasury and Recorder of Deeds in the District of Columbia. Reputedly one of the wealthiest blacks in the country, Bruce still owned valuable property in Mississippi and real estate in Washington. He served as a trustee of Howard University, which awarded him an honorary LL.D. degree in 1893. Bruce was Register of the Treasury when he died in 1898 at the age of fifty-seven.

Eighty-six years after Senator Bruce left this chamber, the Nation's third black senator, Edward Brooke of Massachusetts, was sworn into the United States Senate. He was the first black senator since Reconstruction, the first from a Northern state, and the first popularly elected to the Senate.[23]

From the outset, Senator Brooke made it clear that he did not wish to be thought of as a national black leader, but as a national leader, period! He noted that he did not think of himself in racial terms and wished others would not. He asked to be judged on his merits alone, as indeed he was, winning election, in a state with a less than five percent black population, on his record as a tough attorney general. Weary of talk of the numerous firsts he had achieved for his race, Brooke reminded the Nation that he was also a Protestant who had won in a Catholic state and a Republican who had triumphed in a heavily Democratic state.

Senator Brooke was born here in Washington on October 26, 1919. His great-grandfather Brooke had been a slave in Virginia. His father, for a half century, served as a lawyer with the Veterans Administration. After attending Washington's Dunbar High School, which then was a segregated school, Brooke, anticipating a career in medicine, earned a bachelor of science degree from Howard University in 1941. Hours after the Japanese attacked Pearl Harbor, ROTC-trained Second Lieutenant Brooke was called to active duty, assigned to the all-black 366th Combat Infantry Regiment, and spent the war years in Italy. After a crash course in Italian, he performed dangerous, valuable service as a liaison officer with the Italian partisan guerrillas under the code name of "Captain Carlo."

Following his discharge, Brooke decided to study law instead of medicine and graduated from the Boston University Law School. Brooke was hard at work building up a private law practice when friends from army days urged him to run for the state legislature. Brooke claimed he had never even voted until he was thirty years old, but he entered both the Republican and Democratic primaries, won the GOP endorsement, and has stayed with that party ever since.

Brooke lost his first two bids for the state legislature. He withdrew from politics until 1960 when he ran for Massachusetts secretary of state. Though he narrowly lost the election, state Republicans considered the outcome a victory of sorts since he had managed to poll a million votes against a powerful Democratic surge inspired by John F. Kennedy's presidential candidacy.

Brooke's new visibility won him the chairmanship of the Boston Finance Commission, a municipal watchdog group that had not barked in years. So vigorous a crusader for municipal reform did Brooke prove to be that, on his fourth try for elective office in 1962, impressed voters chose him as state attorney general and later returned him for a second term to that office. As the highest ranking black officeholder in Massachusetts, Brooke was often criticized for not using his office to push forward the civil rights movement. But Brooke responded, "I am a lawyer and . . . the attorney general of Massachusetts. I can't serve just the Negro cause. I've got to serve all the people of Massachusetts."[24]

In 1965, veteran Massachusetts Senator Leverett Saltonstall announced his retirement. Brooke won the backing of the state Republicans and defeated a strong Democratic challenger to win a striking victory in November 1966. On the night of his election triumph, Brooke happily announced "the people of Massachusetts judge you on your worth alone," and promised to "merit the faith shown in me as a man."[25]

Brooke and most of the other freshman congressmen in the 90th Congress took the oath of office in January 1967. Our colleagues Senators Hatfield and Hollings were members of that class. I might add that it was Senator Kennedy who escorted the junior senator from Massachusetts to the rostrum to be sworn in. Reminded by the press of the acrimony and hoopla that had surrounded the swearing in of Senators Revels and Bruce, Brooke noted with satisfaction, "There was no special fanfare for me. I felt like a member of the club." That Brooke's election was viewed as a meaningful and positive achievement by blacks across the country was attested to by the congratulatory letters that poured into the Massachusetts freshman's office at the rate of 350 a day.[26]

Though new to the Senate, Brooke set about making himself known to the Nation. During his two terms, he held seats on such very visible committees as Appropriations and Banking, plus a host of subcommittees and special and select committees. The summer after Brooke entered the Senate was one of the first of many long, hot summers in the United States when city after city erupted in urban violence that left looting, arson and death in their wake. Brooke and ten others were appointed by President Lyndon Johnson to investigate the disturbances and to try to find answers to the problems that lay behind them. The Commission of Civil Disorders issued a stinging report, warning that America was splitting into separate white and black camps, and urged the government to provide jobs, welfare reforms and better schools and housing as ameliorative measures. But President Johnson, by then a lame duck more engrossed in the Vietnam War than in his Great Society programs, did not implement their suggestions. Brooke and others here in the Senate were, however, able to incorporate some of the commission's recommendations into the subsequent civil rights legislation.

Brooke received his first extended national coverage and established his reputation as a national civil rights advocate during the Senate fights over President Nixon's nomination of Judge Clement Haynsworth, Jr. and Judge Harrold Carswell to seats on the Supreme Court. After warning the President, in vain, in 1969 that his choice of Haynsworth was an insupportable one for many Republican Senators, Brooke fired the initial Senate volley in the ultimately successful fight to keep Haynsworth off the high bench. Early in the following January, Brooke again found himself unable to support the president's next nominee, Carswell, and again successfully led the fight within his party to defeat the nomination. Brooke's actions in these instances set a pattern that he was to follow for the next several years: in general, he opposed President Nixon on domestic policy and supported him on foreign policy. In 1973, however, Brooke became one of the first Republican senators to call for President Nixon's resignation.

At the heart of all legislation Brooke proposed and supported was his belief in a pressing need for reconciliation in America: reconciliation between blacks and whites, between generations, between ideologies, between the civil and military functions of the government. He pursued this reconciliation in his own way through a variety of avenues, including tax reform, aid to education, and fair housing. Alerted, while attorney general of Massachusetts, to the problems facing consumers, Brooke strongly supported "truth-in-lending" legislation and consumer protection measures. Above all, throughout his two terms in the Senate, Senator

Brooke continued to use his low-pressure style of working to persuade the federal government to use its "full moral and political authority" to wipe out racial injustice in America.

Senator Brooke was defeated in his bid for a third Senate term in 1978. He practices law here in the District of Columbia.

Mr. President, there is a slow but steady and heartening progress evident in the careers of these three men, Senators Revels, Bruce, and Brooke. Hiram Rhoades Revels was seated by the Senate in 1870 only after days of bitter, divisive debate, which was an embarrassment to Revels, to the Senate, and to the Nation. Blanche Kelso Bruce was seated in 1875 with no overt racial slurs but also with no prospects of tenure. Edward Brooke, sworn in ninety-two years later, the first black senator since Reconstruction, the first from the North and the first from an overwhelmingly white state, and, perhaps most important, the first ever elected directly by the people, was sworn in routinely in 1967, won reelection, and served the Senate and the people of Massachusetts with distinction for twelve years.

Mr. President, with thanks to the occupant of the Chair, the distinguished Senator from Missouri [Mr. DANFORTH], for his patience and forbearance in listening while I have made this lengthy speech, I now ask unanimous consent to include appropriate footnotes at this point in the RECORD.

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES TO "BLACK SENATORS"

[1] Statistics provided by the Congressional Black Caucus.

[2] "The Long Road Up The Hill: Blacks in the U.S. Congress, 1870-1981," checklist of exhibition of the National Archives, 1981; *The Black American Reference Book*, edited by Mabel Smythe, New Jersey: 1976, p. 627.

[3] Maurine Christopher, *America's Black Congressmen*, New York: 1971, p. ix-x.

[4] Ibid.; *Black American Reference Book*, pp. 628-629.

[5] "The Long Road Up The Hill"; statistics provided by the Congressional Black Caucus; Mildred Amer, "Black Members of the United States Congress, 1789-1983," CRS Report No. 83-101 GOV, 1983, pp. 1-2.

[6] Sources of information on Hiram Revels include: Christopher, pp. 1-14; Julius Thompson, *Hiram R. Revels: 1827-1901*, New York: 1982; Billy Libby, "Senator Hiram Revels of Mississippi Takes His Seat, January-February, 1870," *The Journal of Mississippi History*, November 1975, pp. 381-394.

[7] Scholars are not certain as to the date of Revels' birth. Three different dates appear in the Revels citations: September 1, 1822, September 27, 1822, and September 27, 1827. Most scholars are inclined to accept September 27, 1827, the date Revels himself gave in his autobiography.

[8] Libby, pp. 383-384; *Washington Evening-Star*, January 31, 1870; *Baltimore American*, January 31, 1870.

[9] *New York World*, January 31, 1870; Thompson, pp. 63-64.

[10] The debates over the seating of Hiram Revels can be found in the *Congressional Globe*, 41st Congress, 2nd sess., pp. 1503-68.

[11] *Congressional Globe*, pp. 1503-1509.

[12] Ibid.

[13] Ibid., pp. 1509-1515.

[14] Ibid., pp. 1557-1567.

[15] Ibid., pp. 1567-1568; *New York Times*, February 26, 1870.

[16] *New York Herald*, January 22, 1870; *Savannah News*, January 21, 22, and 27, 1870; *Philadelphia Inquirer*, February 28, 1870; Libby, pp. 382, 393; Thompson, pp. 65-66.

[17] *Congressional Globe*, 41st Congress, 2nd sess., pp. 1986-1988.

[18] Sources of information on Blanche K. Bruce include: Christopher, pp. 15-24; Samuel Shapiro, "A Black Senator From Mississippi: Blanche K. Bruce," *The Review of Politics*, January 1982, pp. 83-109; Kenneth Mann, "Blanche Kelso Bruce: United States Senator," *The Journal of Mississippi History*, May 1976, pp. 183-198.

[19] *New York Times*, March 7, 1874; Christopher, pp. 16-17.

[20] *Congressional Record*, 44th Congress, spec. sess., p. 1.

[21] Ibid., 44th Congress, 1st sess., pp. 2101-2104.

[22] Ibid., 45th Congress, 3rd sess., p. 1314; Christopher, p. 21.

[23] Sources of information on Edward Brooke include: Christopher, pp. 228-236; John Henry Cutler, *Ed Brooke*, New York: 1972; "An Individual Who Happens to be a Negro," *Time*, February 17, 1967, pp. 20-23.

[24] Christopher, p. 231.

[25] Ibid.

[26] "An Individual . . .," p. 20.

Mr. BYRD. Mr. President, I yield the floor.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, upon the recommendation of the majority and minority leaders, pursuant to Public Law 96-388, as amended, appoints the Senator from Wisconsin [Mr. KASTEN] and the Senator from Georgia [Mr. MATTINGLY] to the U.S. Holocaust Memorial Council.

RECESS UNTIL MONDAY, APRIL 1, 1985

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until the hour of 12 noon on Monday next.

Whereupon, at 4 p.m., the Senate recessed until Monday, April 1, 1985.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 27, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Donald S. Lowitz, of Illinois, for the rank of Ambassador while serving as the U.S. Representative to the Conference on Disarmament.

FOREIGN SERVICE

George Southall Vest, of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Director General of the Foreign Service, vice Alfred L. Atherton, Jr.

THE JUDICIARY

Walter K. Stapleton, of Delaware, to be U.S. circuit judge for the third circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

Charles C. Lovell, of Montana, to be U.S. district judge for the district of Montana vice a new position created by Public Law 98-353, approved July 10, 1984.

FOREIGN SERVICE

The following-named persons of the Agency for International Development for appointment as career members of the Senior Foreign Service of the classes stated, and also for the other appointments indicated herewith:

For reappointment in the Foreign Service as a career member of the Senior Foreign Service, class of Minister-Counselor, and a Consular officer and a Secretary in the Diplomatic Service of the United States of America:

Jaime Luis Manzano, of Maryland.

For appointment as a career member of the Senior Foreign Service, class of Minister of Counselor, and a Consular officer and a Secretary in the Diplomatic Service of the United States of America:

Lewis P. Reade, of Florida.

The following-named persons of the agencies indicated for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as Foreign Service officers of class 1, Consular officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Priscilla Ann Clapp, of Massachusetts.
Herbert Leo Tyson, of Maryland.

DEPARTMENT OF COMMERCE

Samuel Cerrato, of Florida.
Rafael Fermoselle, of Florida.
Emilio F. Iodice, of Virginia.
William J. Lynch, of Virginia.
Melvin W. Searls, Jr., of Colorado.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Tom G. Bebout, of California.
Clifford Belcher, of Florida.
Fred J. Bieganski, of Florida.
Mervin F. Boyer, Jr., of Pennsylvania.
Tony L. Cully, of Florida.
Weston Lewis Emery, of Maine.
Frank L. Gillespie, of Virginia.
S. Edward Hirabayashi, of Virginia.
Abraham Menco Hirsch, of Maryland.
Lee R. Hougen, of Missouri.
Emily Claire Leonard, of the District of Columbia.
Robert J. Mac Alister, of Maryland.
Lucas M. Malabad, of Virginia.
Dean Dalby Moody, of Arizona.
Ivan B. Peterson, of California.
Edward C. Stonebrook, of South Carolina.
Carole Henderson Tyson, of California.
Paul N. Wenger, of Connecticut.
Frederick Andrew Zobrist, of Hawaii.

For appointment as Foreign Service officers of class 2, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Lois Gochnauer Angulo, of Virginia.
Gerri McLain Casse, of Georgia.
Janean Lee Mann, of Florida.
Andrés D. Oñate, of Arizona.
Penelope Williams Snider, of Florida.

DEPARTMENT OF COMMERCE

Hilbert Engelhardt, of Wisconsin.
Walter P. Hage, of the District of Columbia.
Carl R. Jacobsen, of Massachusetts.
Kay R. Kuhlman, of Virginia.
Theodore A. Rosen, of Connecticut.

AGENCY FOR INTERNATIONAL DEVELOPMENT

G. William Anderson, of Maryland.
Gary L. Bayer, of Wyoming.
P.J. Buechler, of Virginia.

Raymond J. Dunbar, of Louisiana.
Donald Ferrin Enos, of Texas.
Stephen W. Giddings, of Maryland.
David Nelson Hagen, of Florida.
Roland Walter Hanson, of California.
Ike T. Hatchimonji, of California.
Matthew Benjamin Horween, of Florida.
Mark H. Karns, of Texas.
Michael Squires Kenyon, of Florida.
Sonny Low, of California.
Felipe Porto Manteiga, of Florida.
Curtis Richard Nissly, of Oregon.
Carole Scherrer-Palma, of Washington.
Stephen John Pulaski II, of Texas.
Norman L. Sheldon, of Florida.
William H. Smith, of California.

U.S. INFORMATION AGENCY

Mary B. Carlin, of the District of Columbia.
Helena Kane Finn, of New York.
William Philip Lukasavich, of Virginia.
Diana C. Proeschel, of Virginia.

For appointment as Foreign Service officers of class 3, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Edmund Earl Atkins, of California.
Steven L. Blake, of Texas.
John Owen Cook, of California.
Scott H. DeLisi, of Virginia.
Jonathan D. Farrar, of California.
Michael E. Guest, of South Carolina.
Barbara Fitzsimmons Hughes, of Nebraska.
Scott Frederic Kilner, of California.
David A. Kornbluth, of the District of Columbia.
John E. Lange, of New York.
Mary Jeanne Reid Martz, of Florida.
Michael Joseph McCamman, of Oregon.
Dan Mozena, of Iowa.
Elo-Kai Ojamaa, of New Jersey.
H. Kirkby Ressler, of New York.
Virginia Jean Scheel, of Florida.
Jeanne Lee Schulz, of California.
Elizabeth Worth Shelton, of Michigan.
Douglas R. Smith, of Texas.
Elizabeth Peterson Spiro, of the District of Columbia.
Scott Norris Thayer, of California.
Robert M. Witajewski, of California.
Karl Edwin Wycoff, of California.

DEPARTMENT OF COMMERCE

Michael J. Hegedus, of Maryland.
Judith A. Henderson, of Pennsylvania.
David R. Rearwin, of California.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Debra R. De Witt, of Florida.
James Anthony Dzierwa, of Texas.
Helen Kim Gunther, of Michigan.
Julie M. Klement, of the District of Columbia.
Peter F. Kranstover, of Wisconsin.
Gary E. Leinen, of California.
Deborah C. Maxwell, of Georgia.
John Patrick Aloysius McMahon, of Illinois.
Alexander Durham Newton, of Georgia.
Judi Shane, of California.
Gary L. Vaughan, of New York.

U.S. INFORMATION AGENCY

William E. Edwards, of Florida.

For appointment as Foreign Service officers of class 4, Consular officers, and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Alan Bruce Ammerman, of Florida.
Richard Hanson Appleton, of California.
Alexander Armando Arvizu, of Colorado.
Algis Avizienis, of the District of Columbia.
Jeffrey Jay Baron, of the District of Columbia.
Joyce Anne Barr, of Washington.
Blaine David Benedict, of South Dakota.
James Howard Benson, of Maryland.
Brent E. Blaschke, of Texas.
John Angelo Butler, of California.
Thomas William Callow, of Virginia.
Martha Larzelere Campbell, of New Hampshire.
Arnold A. Chacon, of Colorado.
Richard Jon Chidester, of Texas.
William Gerard Corbett, of Virginia.
Elizabeth Link Cummings, of the District of Columbia.
Kathleen Rebecca Davis, of Maryland.
William Fairbairn Davnie III, of Alaska.
Philip Hughes Egger, of Tennessee.
James A. Forbes, of Nevada.
Henry Danton Gaddis, of Texas.
Priscilla Harter Galassi, of Virginia.
Cassie Louise Ghee, of New York.
Jeffrey H. Gorsky, of Maryland.
David L. Gossack, of Washington.
Jeffrey Drew Hallett, of Pennsylvania.
Maura Harty, of New York.
Frederic Carl Hassani, of Maryland.
Patty L. Hill, of California.
Steven Don Hill, of California.
Kenneth MacLean Hillas, Jr., of Maryland.
Darcy Elizabeth Fillebrown Hofmann, of California.
James Robert Holbein, of Texas.
Clarence Alexander Hudson, Jr., of Indiana.
Dennis W. Imwold, of Maryland.
Paul W. Isaacson, of Connecticut.
Delvin Wayne Junker, of Texas.
James Robert Keith, of Florida.
Michael David Kirby, of Ohio
Anthony M. Kolankiewicz, of Pennsylvania.
Kathleen Carr Lang, of Virginia.
Margery Lemb, of Pennsylvania.
George Stephen Malleck III, of Connecticut.
Glenda Gaye Maris, of Texas.
Carmen Maria Martinez, of Florida.
Kevin Cort Milas, of California.
Robin Jan Morritz, of Texas.
Kathleen Murphy, of California.
Wanda Letitia Nesbitt, of Pennsylvania.
Edwin Richard Nolan, Jr., of Massachusetts.
Nelson Blythe Nugent, of New Hampshire.
Harry John O'Hara, of Texas.
Molly O'Neal, of Texas.
Lisa A. Piascik, of Florida.
Roman Popadiuk, of New York.
Genevieve J. Pratt, of Illinois.
Thomas Gwyn Reich, Jr., of North Carolina.
Miriam M. Saif, of Florida.
G. Manfred Schweitzer, of New York.
Paul E. Simons, of New Jersey.
Jeanne E. Topka, of Texas.
Craig Stuart Tymeson, of Florida.
David Alan Weiss, of the District of Columbia.
Seth D. Winnick, of New Jersey.

DEPARTMENT OF COMMERCE

Peter B. Alois, of the District of Columbia.

U.S. INFORMATION AGENCY

Mari Baumgarten Adam, of Florida.
Michael Hugh Anderson, of Minnesota.
Douglas Malcolm Barnes, of Colorado.
Michael J. Boyle, of Wyoming.
Linda Carol Cheatham, of Texas.
Kathryn McPherson Gunning, of California.
Inez Green Kerr, of Ohio.
Carol Annette Madison, of Ohio.
Mary Elizabeth Thornhill, of Connecticut.
Howard Clinton Wright, of Georgia.
Claud R. Young, Jr., of the District of Columbia.

The following-named members of the Foreign Service of the Departments of State, Agriculture, and Commerce, and the U.S. Information Agency, to be Consular officers and/or Secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular officers and Secretaries in the Diplomatic Service of the United States of America:

Elizabeth H. Adair, of New York.
Cynthia H. Akuetteh, of the District of Columbia.
William G. Anderson, of Virginia.
C. Elaine Bannerman, of Florida.
Beatrice M. Barthelemy, of California.
Grace Hsiao-Lin Bay, of New Mexico.
Robert M. Benson, of Texas.
James T. Bland, of Virginia.
Denise Anne Boland, of New Jersey.
Ellen Boneparth, of California.
Susan P. Bowman, of Connecticut.
Ann Kathleen Breiter, of California.
John Brien Brennan, of Missouri.
Raymond L. Brown, of California.
Ann T. Callaghan, of California.
Kevin Paul Carey, of Ohio.
Charles Cato, of Colorado.
Robert D. Caudle, of Texas.
Alexander Peter Chambers, of Maryland.
David Cheng Chang, of Maryland.
Willis W. Chipps, of West Virginia .
Jean H. Christoff, of the District of Columbia.
Marjorie Coffin, of Virginia.
Efraim A. Cohen, of New York.
Mitchell A. Cohn, of New York.
William Lewis Collins, of Kentucky.
Margaret M. Comiskey, of New Hampshire.
Michael H. Corbin, of North Carolina.
Bainbridge Cowell, Jr., of Virginia.
Thomas Michael Cynkin, of New Hampshire.
Kimberly A. Daley, of Virginia.
Carmine G. D'Aloisio, of New Jersey.
Mark David Dembro, of Massachusetts.
Rosemary A. DiCarlo, of Rhode Island.
Douglas Stewart Dobson, of Florida.
Edward J. Doyle, of Virginia.
Edward J. Doyle, of Illinois.
Ann S. Driscoll, of Florida.
Charles William Dunne, of the District of Columbia.
Richard Mansfield Eason, of Virginia.
Pedro Gustavo Erviti, of the District of Columbia.
Robert J. Evans, of Virginia.
Richard J. Falke, of Florida.
Alexander Alfredo Featherstone, of Indiana.
Mariam J. Fidler, of New Mexico.
Dianne L. Fischer, of New York.
Christopher Fitzgerald, of Pennsylvania.
Jane Fitzgibbons, of New York.
John J. Fogarasi, of Maryland.
Kyle D. Foggo, of California.
Gordon D. Foote, of California.
Patricia Bailey Foran, of New Mexico.
James K. Foster, of Texas.
Frederic Wilson Frank, of the District of Columbia.
Barbara A. Frazier, of New Mexico.
Barrie Lynne Freeman, of the District of Columbia.
Ben Garcia, of Texas.
Gregory Gebhardt, of Virginia.
Daniel Francis Geisler, of Pennsylvania.

Michael Gfoeler, of Ohio.
Tatiana Catherine-Volkoff, of Ohio.
Jocelyn G. Gilbert, of the District of Columbia.
Page Warner Gildner, of Florida.
Robert F. Godec, Jr., of Virginia.
Thomas E. Graham, Jr., of New Jersey.
William Kevin Grant, of Connecticut.
Douglas A. Gray, of Virginia.
William Gary Gray, of Ohio.
Beverly Daria Greene, of Georgia.
Judith R. Greenspan, of Indiana.
Christa Ute Griffin, of Maryland.
Carol A. Hammond, of New York.
Dennis Bruce Hankins, of Minnesota.
Gerald W. Harvey, of Virginia.
Todd Hazelbarth, of Maryland.
Dennis Walter Hearne, of North Carolina.
Alice W. Hellerstein, of Missouri.
David E. Henifin, of Virginia.
Martin Paul Hohe, of Virginia.
Stephen W. Holgate, of Oregon.
Sarah Burgwin Holmes, of the District of Columbia.
Steven Alan Honley, of Louisiana.
Michael Stephen Hoza, of Virgina.
Lawrence Robert Hughes, Jr., of Wyoming.
Lisa Bobbie Schreiber Hughes, of New Jersey.
Charles M. Hurley, of Minnesota.
Russell Pierson Ingraham, of Illinois.
William David Jackson, of Pennsylvania.
Mark T. Jacobs, of New York.
Kenneth T. Jasper, of Wisconsin.
Mark Randolph Jensen, of Minnesota.
Bernadine Ruth Joselyn, of Minnesota.
Robert Kaneda, of California.
Jonathan M. Kayes, of Missouri.
Thomas Keane, of Virginia.
Susan Elizabeth Kempe, of New Mexico.
Susan Elizabeth Keogh, of Virginia.
Frank John Kerber, of Maryland.
Diana L. Kiel, of Virginia.
Patricia Kim-Scott, of Virginia.
Bruce Fred Knotts, of California.
John Monroe Koenig, of Washington.
Donald William Koran, of California.
Leonard J. Korycki, of Washington.
Garold Norman Larson, of California.
Damian Riehl Leader, of Indiana.
Elizabeh Leighton, of Maine.
Jospeh Lepre, of Virginia.
Jacqueline Levandowsky, of Virginia.
Gary A. Littlejohn, of Virginia.
Eric W. Luftman, of the District of Columbia.
Edward P. Macias, of California.
Constance Grills MacMillan, of Rhode Island.
Lawrence P. Maestas, of Colorado.
Edward Paul Malcik, of Texas.
Joel R. Malkin, of New York.
James Patrick Manfred, of Pennsylvania.
Scot Alan Marciel, of California.
Robert Gough Markstein, of California.
Gregg P. Marshall, of Wisconsin.
Elizabeth Lee Martinez, of Ohio.
Albert Konin Matano, of New York.
John A. Matel, of Indiana.
Kenneth R. Mauck, of Indiana.
Cathleen Eleanore Maynard, of California.
Walter Lloyd Mayo III, of Virginia.
Michael G. McBride, of Georgia.
Michael W. McClellan, of Kentucky.
Portia Elizabeth McCollum, of North Carolina.
Terence Patrick McCulley, of Oregon.
William Whiting McIlhenny, of West Virginia.
Albert S. McWade, of Virgina.
David Wilson Merrell, of Washington.
Kenneth Alan Messner, of Michigan.
Katherine Joan Margaret Millard, of Maine.
Cornelia Petronella Johanna Miller, of the District of Columbia
Kem E. Miller, of Maine.
Ogden D. Miller, Jr., of Massachusetts.
William G. Miller, of Minnesota.
R. Booth Mitchem, of Wisconsin.
Gary Moe, of Virginia.
Judith A. Moon, of Virginia.
Timothy W. Moore, of California.
Frank E. Morrill, of California.
Stanley Morris, of New Jersey.
Theodore Arthur Nist, of South Dakota.
David Adelbert Noble, of the District of Columbia.
David Woodruff Norland, of New Hampshire.
Victoria Nuland, of Connecticut.
Charles C. Ocheltree, of Virginia.
Peter Adams O'Donohue, of Connecticut.
Sandra S. Odor, of California.
Karl Gunnar Olson, of New York.
Sarah Kellogg Otis, of Virginia.
Patricia McGuire Parker, of New Mexico.
Isiah Lenart Parnell, of Florida.
Christian V. Pascale, of Virginia.
Michael R. Pastirik, of New York.
Rex-Marc Patterson of New York.
Betsy Ross Peters, of Wyoming.
Mary Janice Price, of Virginia.
Augusto Recinos, of New Jersey.
Robert Brian Rink, of New Jersey.
Catherine Sachiko Roberson, of Colorado.
Ricky Lynn Roberts, of Utah.
David R. Salazar, of California.
Richard Milton Sanders, of Pennsylvania.
Christopher J. Sandrolini, of Illinois.
Timothy C. Sandusky, of Ohio.
Alfonso Sapia-Bosch, of the District of Columbia.
Kathleen Juanita Scanlon, of California.
Allan Richard Scott, of California.
Douglas Alden Sears, of Pennsylvania.
David Samuel Sedney, of Massachusetts.
Alfred H. Seidel, of California.
Dorothy A. Senger, of Wisconsin.
Gary L. Sheaffer, of Pennsylvania.
Viktor A. Sidabras, of Indiana.
Steven R. Slatin, of West Virginia.
Dana L. Spengler, of California.
Nancelian Stahl, of Virginia.
Teresa F. Stewart, of Florida.
David L. Stone, of Virginia.
Anne L. Stratford, of New York.
John W. Struble, of Pennsylvania.
Stephanie A. Switzer, of Virginia.
Jane Judith Tannenbaum, of Virginia.
Lowry Taylor, of New Jersey.
Prince A. Terry, Jr., of North Carolina.
Jeffrey C. Thomas, of New York.
Trudie E. Thompson, of Delaware.
Arthur D. Trezise, of Vermont.
J. Patrick Truhn, of the District of Columbia.
James A. Truran, of Maryland.
James L. Tucker II, of Texas.
Jackie C. Tyler, of Illinois.
Joseph R. Vaccaro, of Florida.
Denise M. Valois, of Virginia.
Daniel Vigil, of New Mexico.
Thomas E. Volz, of Maine.
Robert Shiao Wang, of California.
Easton C. Warner, of Oregon.
Richard G. Weidner, of Pennsylvania.
Ann Mason Wells, of Kentucky.
Carla Gayle Wells, of West Virginia.
Bruce Williamson, of California.
James E. Winkelman, of Connecticut.
Charles James Wintheiser, of Illinois.
Christopher Erwin Wittmann, of Virginia.
Paul Dashner Wohlers, of Washington.
Judith Ann Wood, of Minnesota.
John S. Woodall, of Virginia.
James L. Woolfork, of the District of Columbia.
Beverly Roth Yett, of New York.
Whitney Lane Young, of North Carolina.
Joseph Yuosang Yun, of Oregon.
Peggy Sue Abelmann Zabriskie, of the District of Columbia.
Roger H. Zanes, of Connecticut.

Consular Officers of the United States of America:

Lyndon K. Allin, of the District of Columbia.
Irene S. Harrison, of Maryland.
James R. Reid, of Indiana.
Donald L. Schilke, of Colorado.
Francis E. Shafer, of Virginia.

Secretaries in the Diplomatic Service of the United States of America:

J. Dawson Ahalt, of Virginia.
Robert C. Bodden, of Connecticut.
Lawrence I. Eisenberg, of Virginia.
Terence Flannery, of Virginia.
Michael J. Hand, of Virginia.
Dolores F. Harrod, of New Hampshire.
Catherine Houghton, of California.
Edward P. Kemp, of Oregon.
William L. Lofstrom, of Virginia.
Richard F. May, of California.
Charles J. Omana, of New York.
Peter F. Spalding, of California.
Robert Tze-Yuen Yuan, of Maryland.

The following-named career member of the Senior Foreign Service of the Department of State for promotion in the Senior Foreign Service to the class indicated, effective October 30, 1983:

Career member of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Martin G. Heflin, of Florida.

The following-named persons of the Agency for International Development for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith, effective March 19, 1984:

For appointment as a Foreign Service officer of class 1, a Consular officer, and a Secretary in the Diplomatic Service of the United States of America:

Harry W. Shropshire, of Washington.

For appointment as a Foreign Service officer of class 2, a Consular officer, and a Secretary in the Diplomatic Service of the United States of America:

Roy H. Johnson, of Nevada.

IN THE ARMY

The following-named officer for appointment as Director of Admissions, U.S. Military Academy, in accordance with the appropriate provisions of title 10, United States Code, section 4333:

Col. Pierce A. Rushton, Jr., [redacted]

Executive nominations received by the Senate March 28, 1985:

DEPARTMENT OF ENERGY

Theodore J. Garrish, of Virginia, to be an Assistant Secretary of Energy (Congressional, Intergovernmental and Public Affairs), vice Robert C. Odle, Jr., resigned.

J. Michael Farrell, of the District of Columbia, to be General Counsel of the Department of Energy, vice Theodore J. Garrish.

COMMODITY FUTURES TRADING COMMISSION

Susan Meredith Phillips, of Iowa, to be a commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1990, reappointment.

Susan Meredith Phillips, of Iowa, to be chairman of the Commodity Futures Trading Commission, reappointment.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 28, 1985:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Wanda L. Forbes, of South Carolina, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1988.

Margaret Phelan, of Kansas, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1988.

Patricia Barbour, of Michigan, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1989.

Daniel W. Casey, of New York, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1989.

NATIONAL SCIENCE FOUNDATION

Annelise Graebner Anderson, of California, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

Karen J. Lindstedt-Siva, of California, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

Simon Ramo, of California, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990.

DEPARTMENT OF STATE

William Lockhart Ball III, of Georgia, to be an Assistant Secretary of State.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Alfred Clinton Moran, of Illinois, to be an Assistant Secretary of Housing and Urban Development.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constitued committee of the Senate.

EXTENSIONS OF REMARKS

ARCHBISHOP JOHN J. O'CONNOR UNFAIRLY CRITICIZED BY BRITISH MEDIA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. BIAGGI. Mr. Speaker, I was most disturbed to read this past week of criticisms which were directed at Archbishop John J. O'Connor by the Daily Express, a London newspaper. Their criticism was directed at the archbishop for his participation in the St. Patrick's Day Parade this past March 17 in New York, his home diocese.

Imagine an editorial which asked if a man of the stature of Archbishop O'Connor hadn't "enough to do contending with murder and mayhem in New York without encouraging more of both in Ireland." Archbishop O'Connor's participation in the parade was not a reflection of any support for any particular political point of view with respect to Northern Ireland. To infer this as the Daily Express did is to display tremendous disregard for facts.

Archbishop John J. O'Connor has indeed displayed a deep concern about Northern Ireland but he has not done it in a political context. He led a delegation of other bishops to the North last year—not on a political mission—but rather a mission of peace and understanding. He observed so correctly that the future for peace in Ireland is so dependent on an end to violence and a renewed commitment to economic development. It was an important trip, one which was deeply appreciated by people in Ireland and in America.

It almost seems that the British press is engaging in the age-old practice of when you can't attack the message you attack the messenger. The message of Archbishop O'Connor for Northern Ireland and for the whole world is a message of peace and good will toward all men.

If the London Daily Express believes that this message should not apply to Northern Ireland then that is their prerogative. But to attack a messenger who is as esteemed and important figure as Archbishop O'Connor that is most regrettable.

An indication of the sentiments of the archbishop can be found in the words of his sermon at the Mass held just prior to the parade on March 17. The New York Post on Tuesday carried an article which featured excerpts of his sermon which I will insert into the RECORD at this point:

[From the New York Post, Mar. 26, 1985]

O'CONNOR SETS THE RECORD STRAIGHT

There has been horrible pain in Ireland for a long, long time. There has been bitter suffering. There has been oppression met with violence and violence met with further oppression.

Men and women, and whole families, teenagers and little children of all political positions and all religious persuasions, have paid dearly for months, for years, for generations.

The Holy Father has pleaded passionately for an end to it all—to the injustice, the oppression, the indignity and to the violence and the terrorism and the paralysis of fear.

And he has called for the use of the word, the healing word, the reconciling word, the word of reasoned dialogue.

I know it is argued by each party that other parties won't listen, but it is terribly difficult to hear over the sound of guns or tanks. I know that willingness to talk mere words can be perceived as a sign of weakness.

I know that sometimes the powerful of the world turn back conciliatory words with public scorn. Then the words must be repeated until the shallowness of the rebuff defeats itself.

The whole world recognizes that the weak are strong in their initiatives for peace, and the strong are weak in the rejection of those initiatives.

My words today may please few and displease many. They are spoken from the depths of my being. They are a passionate plea to all.

My actions today may please some and displease others. For following this mass, as Archbishop of New York, having carefully and prayerfully conferred with hosts of advisers, and listened to an exceptional number of validly concerned parties, I shall review the parade from the steps in front of the Cathedral in honor of St. Patrick and of all Irish everywhere of whatever religious persuasion.

I will do this with profound respect for my beloved predecessor, His Eminence, Cardinal Cooke, who two years ago made in honor and all integrity, with malice toward none and charity toward all, the judgment which he deemed appropriate for the circumstances of the day.

In that same spirit I will do today what I believe should be done.

There are those good and sincere people who will be pained by my decision and who believe it implies support for violence and terrorism. Nothing could be farther from the truth.

I reiterate and reemphasize publicly what I have said repeatedly before:

I cannot accept, I cannot support or encourage support of the violence in Ireland by whomever perpetrated. And that includes both physical violence and moral violence. The violence of those who shed blood and engage in acts of terrorism, the violence of those who rob a people of justice, deprive them of their birthright and inflict on them continuing indignities.

I cannot and I will not condemn or indict the legitimate struggle of Ireland for justice and human rights. But I must condemn, and I do condemn once again in the strongest terms, all acts of violence by whomever or against whomever they are perpetrated and all acts of terrorism as well.

And finally, it is not for me to determine the political procedures for ending the conflict, I am a bishop, not a politician.

But the moral course is clear, the time has come and is long overdue for those great nations of the world, truly dedicated to liberty and justice for all, to raise their voices loudly and clearly and unmistakably in the forums of the world, or privately and quietly but persuasively, as they see fit, to demand that the oppression and the slaughter cease.

Which nation should lead the way but our own?●

A TRIBUTE TO LOUIS WIENER, JR.

HON. HARRY REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. REID. Mr. Speaker, his name is Louis Isaac Wiener Jr. To his many friends, however, he's Lou.

Today is a special day for Lou. He celebrates his 70th birthday—seven decades he's given unselfishly to thousands of people, whether it be by sharing his insight about the practice of law, as he did with me, or by supplying knowledge, experience, and money to first-time businessmen, or by providing financial assistance to college students who otherwise could not go to school, or by setting up a trust fund for the elderly with his own monthly Social Security checks. This is just a sample of his generous outpouring that has been, and continues to be, an essential part of who Louis Wiener is!

Lou was born in Pittsburgh, PA. He came to Las Vegas with his parents, Louis and Kittie, and his sister, Kathryn, in 1931, as did many others with the pioneer spirit to contribute their part to the building of Hoover Dam. Lou's dad, who was a tailor downtown on Fremont Street, set a good example for everyone who knew him. Honor, integrity, loyalty, commitment, humor—all of these were qualities Louis, Senior, taught his son.

Though he didn't participate in sports, Lou was always there to cheer on the team—literally. During his senior year at Las Vegas High School, and while attending the University of Nevada at Reno, Lou often lost his voice while leading cheers for the Silver State's finest athletes.

His love of sports hasn't changed either, as you regularly find him at University of Nevada/Las Vegas athletic events, or at home watching a trio of ball games simultaneously on three different television sets—still straining his voice by the end of the sporting experience.

Lou believes that when you enjoy something you should contribute to its perpetuity. That's why, for example, he has set up a special trust fund at UNLV for the athletic program. And, by the way, he has also established one for the music department as a tribute to his mother.

That same sense of giving back might be why Lou has been so highly respected by the legal profession in Nevada. He started his legal career in Nevada in 1942 after graduation from the University of California/Berkeley Boalt School of Law. Since that time, he has not only handled some of the most important cases in Nevada's legal history, but has also helped stimulate some of the most outstanding lawyers and jurists in both the State and the Nation.

I remember my initial contact with Lou. It was during my first week as a practicing attorney. Since I didn't have my entire schedule booked with clients yet, I budgeted some time for an afternoon break at a small downtown cafe. As I entered, I noticed Louis Wiener, Jr., the local attorney every other lawyer in town respected for his professional expertise and integrity. He motioned me over. I hastily responded to his gesture. This was to be my first experience with his generous and unconditional sharing of both the knowledge and spirit of the law. He spent more than an hour with me, giving me insight and direction. How ironic—and inspirational—that shortly thereafter, my first legal opponent in court should be Lou.

Anyone who knows Lou would understand that, along with his sage advice, would come a joke or two and a story of "how it used to be" in Las Vegas. This combination still serves to keep a smile on my face and profundity in my thoughts. And what is equally amazing to me is that, even today, he continues to maintain this sensitive balance of legal practice and professorial sharing from the minute he enters his office at 4:30 each morning.

His sense of selflessness goes beyond the world of the legal counselor. He has helped hundreds of people in their "getting-started" stages of life, whether that be in educational assistance or business support. He's probably funded more college educations than the most prestigious scholarship program and helped more people get started in business than the Small Business Administration.

Lou's impact on the development of Las Vegas and the State of Nevada cannot be described accurately within the confines of this tribute. There isn't an aspect of the community he hasn't touched in a positive way. Let me illustrate.

Recently, I dedicated the Foley Federal Building in Las Vegas, NV. Four generations of the Foley family have contributed more than 300 years to legal and political service in our State. During the dedication ceremony, George Foley, Sr., paid tribute to the people who had made the occasion possible. He noticed my press secretary, Valerie Wiener, in the audience and thanked her for her contributions to the special event. However, as he mentioned Valerie's name, tears came to his eyes as he reflected on how Valerie's father, Lou, and grandfather, Louis, Senior, had been so important to the Foley family for more than 50 years. George referred to a sense of continuity, a continuity built on friendship.

Lou has spent those five decades, and then some, setting an example for the rest of us. He is one who believes that life must be understood backward, but it must be lived forward; that the best part of a person's life is the working part, the creative part.

So, for Louis Wiener, Jr., I extend my sincerest congratulations for a life well-lived and for sharing with all of us his wisdom, his intelligence, his humor, and his friendship.

On this, your 70th birthday, Lou, you continue to show us all that time imposes no limits on a great man.

Happy birthday, Lou.●

RURAL DEVELOPMENT REORGANIZATION ACT OF 1985

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. WATKINS. Mr. Speaker, I have today reintroduced the Rural Development Reorganization Act of 1985 to create a more effective delivery of services of the Nation's agricultural community and to the one-third of America's citizens who live in rural America. With the extreme stress that the agriculture industry is under, never before has efficiency been so important.

My bill is basically simple:

First, the current Farmer's Home Administration will become the Farm Administration and will continue to have jurisdiction over the present agriculture loan programs and administer the Single-Family Rural Housing Program.

Second, the bill proposes to take the ingredients for rural development from the existing Farmer's Home Administration—except single-family housing—associated measures from the Soil Conservation Service, technical assistance and planning functions of the Office of Rural Development Policy and combine them to form the Rural Development Administration. FmHA, with some admitted failings, still has the best delivery system available to rural America. We want to keep it that way and strengthen the effectiveness and efficiency of this delivery system where we can.

On the other side of the coin, my farmers and ranchers tell me that when they have business at the FmHA office frequently they find the personnel are tied up with community facility or other projects and cannot tend to farming matters. My proposal calls for redirecting the necessary personnel which are now implementing programs to the respective new agency with direct responsibility for those specific programs. This is to better serve the needs of the 270,000 FmHA borrowers who in these trying times need all the help they can get.

Programs transferred to the new RDA will include business and industry loans, community facility loans, water and waste disposal loans and grants, rural development and planning grants and loans and all other programs—except single-family housing—dealing with rural development but not pertaining to agricultural production or farms, family size or not.

Third, current FmHA district offices and personnel, which usually serve from six to nine counties in each States, would be transferred to the new RDA. The RDA district offices will work directly with the people of the resource conservation and development councils and the people of rural America.

Fourth, RC&D councils will continue as volunteer groups working with local units of government and the people for the betterment of rural life. RDA district offices will have the rural development technical specialists and, as is currently the case, Soil Conservation Service technicians who serve as RC&D coordinators to work directly with the cities, towns, villages, and the people of rural America.

Fifth, transferred to the Soil Conservation Service would be two categories of loans currently under FmHA: Resource conservation and development loans and watershed protection and flood prevention loans. These are currently completed with technical assistance and planning by SCS and administered by FmHA.

Sixth, this reorganization renames the Department of Agriculture, the Department of Agriculture and Rural Development [ARD]. City residents have a special Cabinet level of concern in the Department of Housing and Urban Development [HUD]; surely the other one-third of America—80 million people—is entitled to be elevated and recognized at the Cabinet level

with a department devoted to agriculture and rural development [ARD].

The bill also proposes the transfer of such personnel as necessary on the State and national level—plus FmHA district personnel—who are now providing these services to accomplish a smooth transition and provide an orderly continuation of services by the Farm Administration and the new Rural Development Administration. It is proposed that the specialists now working with specific programs continue in that speciality at their new assignment for a more orderly transition. The proposal leaves intact the Rural Electrification Administration and the Federal Crop Insurance Corporation. It is my assessment that this reorganization can be accomplished without adding a single new employee. People to whom I have talked within the Department of Agriculture assure me that SCS-RC&D coordinators can assume double duty as soil and erosion technicians and rural development specialists to provide rural development technical assistance needs.

Individuals and farm groups with whom I have discussed this proposal agree with the concept and with my judgment that the reorganization will be good for all concerned.

Agricultural producers will not have the forces of their assigned personnel diluted and the delivery of agriculture programs will be streamlined. The role of the RC&D councils will be emphasized and strengthened. The proposal will give a more comprehensive thrust to the Soil Conservation Service. And, finally, the proposal will for the first time provide a sole-purpose agency for delivery of rural development programs to the 80 million people who live in rural America.

Additionally, the bill proposes the establishment of rural technology centers to stimulate rural industrialization. The primary objective of the centers will be to improve the economic condition of rural areas by promoting the development—through technological—and commercialization of new products which can be produced in rural areas and new processes which can be utilized in the production of products in rural areas.

Locations in rural areas with few rural industries and agribusinesses; high levels of unemployment; high rates of migration of people, businesses and industries; low levels of per capita income; and that will contribute the most to the improvement of economic conditions of rural areas shall receive preference for grant applications made providing for the establishment of centers for rural technology development.

Activities to carry out the objective of the center may include programs for technology search, investigations, and basic feasibility studies in any field or discipline for the purpose of generating principles, facts, technical knowledge, new technology, and other information which may be useful to rural industries, agribusinesses, and other persons, in rural areas in the development and commercialization of new products and processes.

They may include programs for the collection, interpretation, and dissemination of existing principles, facts, technical knowledge, new technology, and other information which may be useful to rural industries, agribusiness, and other persons, in rural areas in the development and commercialization of new products and processes.

Activities may include programs providing training and instruction for individuals residing in rural areas with respect to the development—through technological innovation and adaptation of existing technology—and commercialization of new products and processes.

Also, programs to provide loans and grants to individuals in rural areas and to small businesses in rural areas for purposes of generating, evaluating, developing, and commercializing new products and processes may be part of the discipline of the centers.

Programs may also provide technical assistance and advisory services to individuals, small businesses, and industries, in rural areas for purposes of developing and commercializing new products and processes.

Such centers in carrying out their activities will seek, where appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal Government, and State and local governments.

Also, centers will consult and cooperate with any college or university administering any program under title V of the Rural Development Act of 1972 in the State in which such a center is located.

Centers will take all practicable steps to develop continuing sources of financial support for such centers, particularly from sources in the private sector.

I would like to remind my colleagues that this particular language of the bill has already passed the House three times, once by two recorded votes by 383 to 8 and 398 to 3 votes respectively.

The bill proposes that the Secretary of Agriculture may make grants to defray not to exceed 75 percent of the administrative costs incurred by organizations and public bodies to carry out projects for which grants and loans are made concerning rural development. In determining the non-Federal share of such costs, the Secretary shall consider contributions in cash and in kind, fairly evaluated, including premises, equipment, and services.

Subject to dollar limitations specified, the amount of any grant or loan made by the Secretary for a project to be carried out by a multicounty public organization or body may be 10 percent larger than the amount of the grant or loan which would have been made to an applicant which is not a multicounty organization or body to carry out such projects.

I ask for the support of my colleagues and their endorsement of this proposal to make better delivery of agriculture and rural development programs to the people and to give the same representation and opportunities to those in rural areas as other Americans now enjoy.●

COOKEVILLE, TN, STUDENT WINS VFW SCHOLARSHIP

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. GORDON. Mr. Speaker, I wish to bring to the attention of the 99th Congress the accomplishment of a young student from my district. Miss Lisa C. Swallows, daughter of Jerry and Linda Swallows of Cookeville, TN, has distinguished herself and brought honor to the State of Tennessee by winning second place in the Veterans of Foreign Wars' Voice of Democracy scriptwriting contest.

The contest, sponsored and conducted by the VFW of the United States and its Ladies Auxiliary, invites high school students to write scripts on a theme in competition for six scholarships totaling $32,500. This year's theme was "My Pledge To America." More than 8,000 schools participated along with 4,000 VFW posts, 3,500 auxiliaries and 2,300 radio and television stations.

Miss Swallows emerged from a field of 250,000 contestants to capture second place and a $7,000 scholarship which she intends to use at Tennessee Technological University in Cookeville.

Following is her well written, highly patriotic and inspiring script:

MY PLEDGE TO AMERICA

(By Lisa Swallows)

In a midwestern state in the early thirties, he began clerking in a store and managing a mill. In thirty-two, he enlisted as a private in the army, was mustered out, and his merchandising business went bankrupt. That same year he ran for the House of Representatives, and lost. In thirty-four, he was elected to the legislature. In thirty-five, his financee tragically died and he was treated for a nervous breakdown. In thirty-seven, things pick up. He was admitted to the bar and began practicing law. In forty-two, he married and he was out of the political world for almost seven years. In fifty-six, he held the republican nomination for vice-president, but was defeated. In fifty-eight, he was nominated for a seat in the U.S. Senate, and once again, he was defeated.

But in the year 1860, he ran for the office of President of the United States and became our sixteenth President.

Abraham Lincoln had little formal education, little money, and little positive experience. He had intelligence, integrity, and sincerity. He had a dream, but perhaps even more importantly, he made a pledge, a vow to his country, his God and himself to make that dream a reality. He wanted justice, liberty, and unity for this land, and he had some ideas about how that could be achieved. He had a contribution to make and he let no amount of failure prevent him from making that contribution. I don't believe Abraham Lincoln became involved in political affairs for his own glory. I believe he felt that it was his duty as a citizen in a free land to see that our nation prospered.

Abraham Lincoln inspires me. Sometimes it is difficult to fathom, that in this high-tech world of millions, one unextraordinary seventeen-year-old girl can make a contribution. When I think about it, I've been given 12 years of priceless education, a good home, an opportunity to practice my religion, earn money, voice my opinions, and yes, even opportunities to make mistakes and learn from them. I love this land, and I realize that I am not called to live up to someone else's responsibilities, but to my own. Fortunately, I am not required to fight the revolution. That has already been done. I'm not even required to write or sign the Declaration of Independence, because this, too, has been done. The Constitution has been written, a federal system of governing established, and America's melting pot of people, from every nation in the world, has been united.

America is not a dead political document etched in marble somewhere, but rather a complex system of living laws and opportunities that is continually changing to meet the needs of its people. Because of this system, I live in a free world in which I am guaranteed opportunity, not success, not failure, but opportunity. I have the right to speak, to grow, to improve, and even to suggest and help create change. Perhaps even more important than my rights, I have the obligation to contribute with my ideas and talents.

I too, have a dream, and I also have a pledge. I pledge to use my abilities as best I can for my community and world. I pledge to remember all those that cleared the bloody paths before me. Those men and women, living and dead, who cared enough about my generation to protect my rights and privileges. I pledge to exercise those rights, with conscientiousness and integrity. I pledge loyalty and allegiance to this nation that has allowed me to be me. My pledge to America is really a very simple one. I pledge myself, every ounce of perspiration and perseverance that I can muster. I only have to look around to know what my country is continually doing for me; now I intend to see what to see what I can do for my country. I may not have the profound insight or charisma that honest Abe had, but like President Lincoln, I have an opportunity to make a difference, however great or small. I have made a pledge to my God, my country, and to myself that I am honor bound to keep. Abraham Lincoln fulfilled his pledge. It's my turn.●

MY PLEDGE TO AMERICA

HON. CHARLES WHITLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. WHITLEY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies' Auxiliary conduct the Voice of Democracy scriptwriting contest. This year more than 300,000 secondary school students participated in the contest, competing for six national scholarships.

I would like to take this opportunity to bring to the attention of my colleagues one of the top three winning scripts written by Christopher Jordan of Smithfield, NC. I have known this fine young man all of his life, having grown up with his father, who lived in my home town of Mount Olive, NC.

It is my privilege to enter his script, "My Pledge to America," in the RECORD.

MY PLEDGE TO AMERICA

Not all the streets in Philadelphia were paved and there had been an afternoon shower, but when the paperboy ran down the street with an armful of the American Weekly Mercury everyone rushed to get a copy. "Extra! Extra! Read all about it! The United States of America!"

The date was September 17, 1787. Every great statesman in America had come to Independence Hall to write a new pledge for freedom. A reporter asked Benjamin Franklin when he walked out on the porch with the completed draft, "Well, Doctor, what have we got, a republic or a monarchy?"

"A Republic," Franklin said, "if you can keep it".

American democracy far exceeds the boldest expectations of our founding fathers, because we have continued to grow and change for the better. No nation has achieved a greater measure of power and leadership in the world, or a higher level of political and economic stability than has this country. We owe that to the genius of Benjamin Franklin, James Madison, Alexander Hamilton, and George Washington and the Living Constitution that they gave us two hundred years ago. But tomorrow is filled with peril. Appearing on the horizon are tests of a growing land: an aging population, race differences, ethnic differences, religious differences, economic stability, nuclear power, nuclear weapons, rival national ideologies, and differing political systems.

Whether the United States of America will overcome these problems of growth and time will depend upon us, and how well we protect our liberties and our Constitution and how well we practice good citizenship. What can we do? NO! What must we pledge? We must:

1. Start where we are today
2. Speak up, express our ideas and defend the truth
3. Take an active part in community and school affairs
4. Cast our ballots
5. Write our representatives
6. Get involved in politics
7. Run for office. Democracy is everybody's business

What, then, is the future of America? We must not rest our hopes too much on our rights and our courts and our laws. These are the instruments of our freedom. The strength of our Constitution lies in the hearts of our men and women; and when compassion and spirit and patriotism are gone, no right or court or law can save it. The future of America lies in our willing sacrifice for what is best for our fellow countrymen. The future of America lies in our striving to understand the minds of other men and women and to weigh their interest alongside our own without prejudice. The future of America lies in our youth. The future of America lies in the spirit of Him who taught a lesson 2000 years ago we have never learned, but never quite forgotten; there may be a land somewhere, sometime where our weak and our strong, our black and our white, our poor and our rich will stand as brothers alongside the greatest of our countrymen. There we may find our great, our beloved America.

And so I pledge to you, Dr. Franklin, and to you, America, we have a republic and we can keep it, and we shall keep it, under God, indivisible, with liberty and justice for all.●

NATIONAL ASSOCIATION OF HOME CARE PLAN FOR LONG-TERM HOME HEALTH CARE WORTHY OF CONSIDERATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging, I wish to bring to the attention of my colleagues highlights of a recent report developed by the Board of Directors of the National Association for Home Care. The report, entitled "Toward a National Home Care Policy—A Blueprint for Action," is in fact just that—the framework for a long overdue national policy for long-term care and a command for public policy action.

As this Nation deals with the realities associated with a rapidly aging society, we must especially evaluate the challenges posed by the health care needs of our senior citizens. At the very least, we must dispel some of the premises which have dictated our policies in the past. For example, we must work to remove the inherent bias which exists in the Medicare and Medicaid programs which favor institutional care over all of its alternatives. This is especially true with respect to home health care which, in my judgement, deserves more favorable consideration in the reimbursement policies associated with Medicare and Medicaid. It is in many cases a more humane and cost-effective form of care for senior citizens and its growth should not be thwarted by policies which fail to be progressive.

As our Nation enters into the serious debate on how we provide for the long-term health care need of our seniors, whether with public or private dollars,

let us not overlook the realities of home health care.

At this point in the RECORD, I wish to insert an article from the American Medical News of March 15, 1985, entitled "Report Outlines Policy on Long-Term Home Care." The National Association for Home Care met this week in Washington and I was pleased to meet with a number of their representatives. The organization is to be commended for this report and the best tribute we could pay to it would be to advance some of their recommendations and develop a national policy for long-term home care.

[From American Medical News, Mar. 15, 1985]

REPORT OUTLINES POLICY ON LONG-TERM HOME CARE

The National Assn. for Home Care's (NAHC) board of directors has adopted a major policy statement, "Toward a National Home Care Policy: A Blueprint for Action."

The statement was described by the NAHC as an "attempt to provide leadership in the establishment of a national policy for long-term care based on providing that care in the home."

The statement cited government statistics indicating that nearly five million Americans today lack long-term health care and supportive services they should have.

"Without home care services," the statement said, "these citizens are likely candidates for institutionalization."

The NAHC also cited data from the American Assn. of Retired Persons and the Gallup Poll showing that home care was preferred by the majority of adults.

The group's statement continued, however, that "there is an institutional bias in America that mitigates against home health care." The bias is reflected in private and public spending for long-term care, the NAHC said, noting that more than $30 billion will be spent for nursing home care this year, compared with less than $3 billion for home care services.

"The bias is evident in the policies of government health care programs Medicare, and Medicaid," the report said, adding that the bias "continues in the face of reports from Congress and the Heritage Foundation and other public and private entities suggesting the priorities be reserved."

Home care is less costly, the report stated, adding that "direct cost comparisons between the institutionalization of an individual in a nursing home of hospital and caring for that same person at home show that home care usually costs less."

The NAHC report contained a series of recommendations for the private sector and the government. For the prviate sector, it recommended:

Increased coverage of home care in major medical plans.

Increased emphasis on home health care and other cost-saving measures by employers and unions in collective bargaining contracts.

Increased private health insurance coverage of home health care in policies designed to supplement Medicare.

RECOMMENDED legislative actions included:

Tax incentives for families that bear the financial burden of providing home and long-term care for relatives.

A special form of Individual Retirement Account exempt from taxation if used to fund long-term care.

Allowing senior citizens to use equity in their homes to pay for home care without having to sell the homes during their lifetimes.

Prospective payment for home health agencies participating in Medicare.

A full program of home care as a cost control measure for Veterans Administration health care plans.

A new home-care program to provide services and control costs in native American health care plans.

Measures to prevent fraud and abuse in the home care field.

Extension of the three-year experimental program—now slated to end in September, 1986—that provides Medicare hospice benefits for home care of the terminally ill.

The NAHC also urged Congress to resist efforts to limit home health eligibility, including a proposal to add a co-insurance requirement for home health care.

The statement took issue with administrative cutbacks in Medicare entitlement prepared by the Health Care Financing Administration (HCFA). The NAHC statement asserted that "only Congress has the authority to make such cutbacks in the existing Medicare benefits." Changes developed by HCFA, it said," are improper if not illegal."

The report further urged Congress to intervene in "these individual matters which, taken in the aggregate, amount to devastating cuts in the Medicare home health entitlement."●

DISINCENTIVE TAX LEGISLATION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HUBBARD. Mr. Speaker, I received a copy of a recent letter to President Reagan from my constituent, Jeffrey M. Gagnon, Branch Manager of Metropolitan Insurance Companies of Paducah, KY.

I believe my colleagues will be interested in Jeff Gagnon's comments to the President regarding proposals to reform our income tax system that would be a disincentive to Americans to provide for their own financial security—that is taxing life insurance policy cash values, policy loans or disallowing interest deductions on loans, over-taxing every American, or taxing fringe benefits.

Certainly the concerns of Jeff Gagnon are echoed across the Nation as Congress continues its work on reducing the Federal deficit and debating tax reform proposals.

I want to take this opportunity to share Jeff Gagnon's excellent concerns to the President, and his letter follows:

FEBRUARY 12, 1985.

Hon. Congressman CARROLL HUBBARD,
2182 Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN HUBBARD: Enclosed is a copy of my letter to President Reagan. I would appreciate hearing your views on the subject. Hopefully, you are in agreement with my viewpoint and will support my recommendations.

Respectfully,

JEFFREY M. GAGNON,

CLU Branch Manager, Metropolitan Insurance Co., 1634 Broadway, Paducah, KY 42001.

February 1, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Here is one of the many loyal registered Republicans and an ardent supporter of Reaganomics. I personally asked many of my friends, family and business associates to vote for you in the past two elections. For this I expect no credit nor favors as I believe every American must be a giver and not a taker. I only ask that you listen to what I have to say and respond to my letter.

First, let me give you some perspective on where I am coming from. I am 38 years old, have a wonderful wife and three children. They motivate me to be the best that I can be at what I do, which is serving the needs of my clients and influencing my fellow associates to be top performers by putting the needs of their clients above their own. My profession is insurance but I do much more than sell policies and recruit new agents. My work and that of my fellow associates is to provide for the financial well-being of our clients in the event of death, disability, retirement, sickness, property loss or whatever the future brings their way.

The economic and social good provided by the thousands of dedicated professionals that are practitioners of insurance is beyond measure. Because of what we do, Americans have the opportunity to provide for the financial security for their families and businesses. The companies that stand behind all of us provide more jobs and economic benefit than can be measured. Our industry is not without blemish as there are unscrupulous companies and practitioners in our business, just as there are in most every profession. But, for the most part, the biggest majority of those who survive this difficult business provide a truly great service to our clients, are givers to society and the betterment of the American way of life.

Please read the attached article from the January issue of our National Association News. It succinctly pinpoints what is a major concern of all Americans (inside and outside of our industry). That concern is that America will be hurt or crippled by legislation that could adversely affect the financial well-being of every citizen of this great Nation. The problem is some ill-conceived legislation which may on the surface appear to solve some of our economic problems but in reality would have a devasting effect on society and demotivate Americans to increase productivity and their plans for a better tomorrow. Without financial security there is no security. We must preserve or even continue to improve and promote individual financial security through proper financial planning.

Note that for the sake of brevity and clarity the article is highlighted and brief comments are in the margins which further identify the problem. No identification of a problem is worth hearing about unless it is backed up with some recommendations to solving that problem.

In summary, here are my recommendations for you and your followers, of which I am one:

Work to defeat any ill-conceived legislation that would be a disincentive to Americans to provide for their own financial security (i.e. taxing life insurance policy cash values, policy loans or disallowing interest deductions on loans, over taxing every American, taxing fringe benefits or disallowing companies to deduct the costs of these benefits which are so vital to the well-being of our society, putting too many unnecessary restrictions on retirement or other programs which benefit all Americans).

Continue the positive approach of encouraging self-reliance volunteerism and incentive based legislation that will bring about a stronger economy by encouraging increased productivity, thrift and financial planning.

Support legislation that will improve the efficiency of our delivery systems for financial planning (i.e. keep the banks in the banking business, the stock brokers in the investment business and the insurance companies in the insurance business). Already there is too much confusion in the marketplace and the consumer is too often ill-advised.

Seek the counsel of those in each industry by inviting qualified professionals to develop workable long-range plans to help America to be the best that it can be.

Please take the time to read and think about what I have said. I would very much appreciate a response to this letter and stand ready and willing to assist you and our great nation in any way possible. Thank you for listening.

Respectfully yours,

JEFFREY M. GAGNON,
CLU, ChFC, Branch Manager,
Metropolitan Insurance Companies, 1634 Broadway, Paducah, KY.●

MERGER LEGISLATION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RODINO. Mr. Speaker, the Subcommittee on Monopolies and Commercial Law will begin hearings on proposed merger legislation next week. Although there will be a number of bills before us that vary in their approach, there is a common impetus for all of them—the failure of the antitrust enforcement agencies to adequately confront the host of competitive problems raised by the unprecedented surge in corporate takeovers.

Although many takeovers may benefit target shareholders interested in immediate gain, the overall benefits are questionable at best when we consider their impact on other affected interests: employees, communities, small businesses, and the American consumer. Also very much at issue is whether the primary focus of our economic system should be shifted away from the traditional American belief in long-term business planning and growth to the short-term juggling of corporate assets.

Takeover activity—in particular hostile takeover attempts—may well reflect the new emphasis that our society has placed on immediate private gains. As the economist and Nobel laureate James Tobin put it:

We are throwing more and more of our resources, including the cream of our youth, into financial activities remote from the production of goods and services, into activities that generate high private rewards disproportionate to their social productivity.

Last month, a number of members of the Committee on the Judiciary joined me in introducing legislative proposals aimed at revitalizing antitrust enforcement of the merger provisions of the Clayton Act. Other bills, including H.R. 1515, a bill introduced by my colleague Mr. SEIBERLING and cosponsored by a number of members of the Subcommittee on Monopolies and Commercial Law, have built upon this approach.

Today, I am pleased to introduce three additional proposals aimed at remedying other problems and deficiencies in antitrust enforcement.

The Judiciary Committee has scheduled hearings for the coming month that will afford an opportunity to consider each of these measures in light of expert testimony and the real-world problems resulting from the current takeover wave.

STUDY COMMISSION ON HOSTILE TAKEOVER

The first of these bills would establish a 2-year moratorium on hostile takeovers in order to permit a careful study of their effects. A study commission, made up of eight Members of Congress, a Cabinet level official appointed by the President, and eight persons from the private sector, would conduct a comprehensive study of the long-term and short-term effects of merger activity, with particular focus on the impact of acquisitions attempted against the will of the target company's management—hostile takeovers. The commission would make recommendations concerning the appropriate policy responses needed to remedy actual or potential abuses.

The commission would directly assist us in dealing with the hostile takeover phenomenon in two ways. First, it would gather additional information needed to address some of the unanswered questions about the economic and competitive impact of these takeover attempts. Second, by gathering a number of experts of diverse backgrounds and points of view, the commission may assist us in reaching a consensus view on the appropriate response to hostile takeover activity.

OFFICE OF COMPETITION AND ECONOMIC CONCENTRATION

Experts differ widely in their view of the impact of merger and takeover activity. Most, however, would agree that takeover play a major role in determining the structure of private businesses and in influencing their level of performance.

Frequently, the problem for policymakers and enforcement officials has been the lack of a reliable data base on which to rest their decisions. Enforcement decisions and policies should be made based on the best possible information that is available. For example, economists and antitrust experts differ sharply about the short- and long-term effects of corporate takeover. Past studies based on stock market data and available corporate financial data have led to inconclusive or even inconsisitent results.

Experts have stressed the value of a coordinated effort to collect a reliable body of basic industrial data. For example, former Assistant Attorney General William Baxter, when testifying before the Subcommittee on Monopolies in 1982, had "no doubt about the value to the economy and the value to our own understanding about business problems of a fairly extensive collection of industrial data." Mr. Baxter stressed the need to coordinate Government data collection efforts to eliminate duplication and maintain necessary confidentiality.

This bill would establish an Office of Competition and Economic Concentration answering directly to the President. Its primary function would be to collect and analyze all relevant economic data bearing on the concentration of ownership or control and measuring competitive performance by businesses in various markets. The Office would issue reports based on its analyses. It would also make recommendations on coordinating data collection efforts within Government and on appropriate changes in policy and practice. The Office would not, however, have any role in enforcing the antitrust laws. All data collected by the Office would be subject to carefully drawn rules preventing disclosure of confidential business data.

This bill should go a long way toward helping us understand and gauge the multiple and often overlapping effects of mergers on our free enterprise system. More broadly, it should provide an invaluable tool for measuring the performance of various segments of commercial activity, including the impact of Government action, or inaction on that activity. Important regulatory and fiscal decisions within the Government should be made with our eyes open, not based upon myth or speculation.

RECORDATION BY ENFORCEMENT AGENCIES OF OUTSIDE COMMUNICATIONS DURING MERGER REVIEW

Private parties affected by a proposed transaction which is subject to the requirements of section 7A of the Clayton Act should also be entitled to appropriate process protections under the act, and the third bill that I am introducing is directed to that end. It requires the recordation and the mainte-

nance of a public file for all outside communications received by the Department of Justice and the Federal Trade Commission during merger review under section 7A of the act.

Recent events—particularly involving transactions and arrangements in the steel and automobile industries—have made clear that Cabinet members, the Special Trade Representative, other executive department officials as well as foreign governments have had communications with the enforcement agencies. As with any act of decisionmaking, it is as much the confidence of the affected parties in the process as in the substantive outcome of a decision that invests an official decision with the public trust.

The persistent American concern with both the appearance and actuality of regularized review procedures is reflected throughout the governmental decisionmaking system, ranging from the scrupulous handling and public recordation of ex parte contacts in the judicial system to similar safeguards in agency rulemaking proceedings, as most recently set forth in section 12 of the FTC Improvements Act of 1980.

My proposal follows this traditional pattern by requiring the recordation and maintenance of a public file for all outside communications from persons other than the affected parties to the transaction and the officials, employees, and paid consultants of the decisionmakers under section 7A—the Department of Justice and the FTC. As with agency rulemaking, this procedural protection in no way limits outside communications. On the contrary, the bill expressly recognizes the fact that persons outside the antitrust enforcement agencies are increasingly playing a role in merger review but that, to maintain confidence in the integrity of the process, such outside contacts should be disclosed to affected parties and the public at large. Finally, the bill, as drafted, carefully leaves intact the confidentiality safeguards afforded to the parties acting in compliance with the requirements of section 7A.●

WHAT AMERICA MEANS TO ME

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HAMMERSCHMIDT. Mr. Speaker, it is my honor this afternoon to share with my colleagues an award-winning essay by Miss Sydney Neel, a constituent from Horatio, AR.

Miss Neel wrote about "What America Means To Me," placing first in the Third Congressional District contest sponsored by the Arkansas Federation of Republican Women.

Miss Neel is an eighth grader, a straight A student, and as her essay tells so well, a patriot.

The essay follows:

WHAT AMERICA MEANS TO ME

(By Sydney Neel)

Because my parents, grandparents, I and many generations before them were born and reared in this great nation, I cannot fully appreciate my blessings without trying to look through the eyes of my immigrant ancestors.

I am sure my Irish ancestors left Ireland because of the potato famine which was caused by the potato blight. For two years practically no potatoes were grown, and this caused mass starvation. This caused many thousands of Irish to come through Ellis Island. Many other nationalities came because of hunger. They naturally settled in the East, but as it became more crowded on the Eastern Seaboard they moved West for "elbow room." I love that "elbow room!" Because the early settlers knew starvation, they opened up the great prairies and rich valleys for farming.

Across this great land agricultural colleges and experiment stations sprang up everywhere. Soon, by the dedication and hard work these citizens laid the foundation for the greatest agricultural complex this world has ever known. Our biggest problem now is raising more than we can use, but we solve part of that problem by sending millions of tons of food to starving people all over the world. More importantly, we, at the same time, send our technology and equipment to show these people how to grow their own food.

Some of my ancestors left England and other countries because of political oppression. They were jailed, beheaded, hung, beaten, and otherwise punished without, in many cases, any trial at all. These immigrants came over determined with the slogan "Justice for all." Here, we are innocent until proven guilty. Our justice system is sometimes slow and occasionally wrong, but is the best in the world.

They wrote into the constitution safeguards for our liberty. Today I can vote for the candidate of my choice or indeed become a candidate myself. I love that privilege.

Many of my other forefathers searched out these shores so they might have religious freedom. They were forced to attend the church of their state. Many were persecuted and slain because of their beliefs. When these citizens started writing the laws of our land, they were very careful to separate religion and state. I can now go to the church of my choice, or not at all, if I wish.

Here I can travel freely from one state to another without a pass. I can go to the college I want to go to and enter any professional I wish to. I get to vote for the government officials I choose and many other privileges that people of other countries are denied.

Have you ever really thought about the words to the "Star-Spangled Banner" or really listened to the words? Just stop and think about all of the people that died to make America what it is today.

If I had to use one word to describe what America means to me, that word would have to be "Freedom."●

A SUBMINIMUM WAGE FOR TEENAGERS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RANGEL. Mr. Speaker, I rise to express my concern regarding the President's plans to resubmit legislation to establish a youth employment opportunity wage for summer workers aged 19 and under.

I am appalled at this administration's constant attempts to introduce legislation that will have adverse affects on the poor of this Nation.

The issue of the subminimum wage has been debated for decades, and there is no legitimate evidence that paying teenagers a subminimum wage would create jobs. However, there has been considerable research to show that women, especially poor working women, who are usually single heads of households, would be adversely affected by a subminimum wage.

Why should those who can least afford it have a decreased purchasing power? Why should the unskilled, poorly educated working women be pitted against the unskilled poorly educated teenager for employment?

Mr. Speaker I ask you where is the opportunity in the youth employment opportunity wage for summer workers aged 19 and under? The President's proposed budget cuts threaten the very programs and services that will provide the education and training needed to make these groups viable candidates for the labor market. The only opportunity that is obvious is for the employer, since the subminimum wage will create a cheap labor force that will enhance their profitability.●

ROBERT M. SCHAFFNER, PH.D.

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to honor Dr. Robert M. Schaffner who on March 2, 1985, retired as Director of the Office of Physical Sciences in the Food and Drug Administration after 14 years of superior Government service, following an equally illustrious career of 25 years with Libby, McNeill & Libby. Dr. Schaffner distinguished himself as an international expert in food processing of canned foods and as a skilled initiator of joint activities with industry, as exemplified by the voluntary industrial programs which resulted in substantially lowering both the amount of lead in canned foods

and the levels of nitrosamines in rubber baby bottle nipples.

Dr. Schaffner was born in Brooklyn, NY, on January 30, 1915. He received a B.S. degree in chemical engineering from the Polytechnic Institute of Brooklyn in 1936, a M.S. degree in chemical engineering from West Virginia University in 1939, and a Ph.D. degree from the University of Pittsburgh in 1941. He also completed additional graduate work at the Harvard Business School in research administration. Dr. Schaffner instructed chemical engineering at West Virginia University from 1937-39 and at the University of Pittsburgh from 1939-44. He was director of dehydration research at Miner Laboratories (now part of A.D. Little), and from 1945 to 1957 was employed at Libby, McNeill & Libby as chemical engineer and assistant general superintendent in their eastern division. From 1957 to 1970 he was vice president of research and quality standards at Libby, McNeill & Libby.

In his position of Director of the Office of Physical Sciences from 1971 to 1985, Dr. Schaffner was responsible for planning, organizing, staffing, coordinating, and controlling the Food and Drug Administration's program responsibilities in the area of technology of foods and cosmetics. He provided technical and executive leadership in industrial food processing to assure quality of marketed food products, directed research to elucidate chemical composition of cosmetics, color additives, and related commodities, as well as research on chemical pollutants in the environment which may contaminate foods. He also directed studies and the evaluation of the manufacturing and composition of cosmetics to ensure that these products do not contain harmful ingredients.

Dr. Schaffner is married to the former Blanche Wharton and they have three children. Dr. and Mrs. Schaffner presently reside in Falls Church, VA.●

RURAL AMERICA

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, rural America continues to be victimized by misguided Federal policies. High interest rates and the overvalued dollar—both resulting directly from tight monetary policies and irresponsible fiscal policies—have sent the farm economy reeling. The knockout blow in some areas has come from the Interstate Commerce Commission, which has burdened rural areas still further by letting railroad companies wipe needed branchline service off the face of the map.

That is why I am introducing today a bill which will enable interested States to gain more authority over the future of transportation within their borders. My bill permits any State which chooses to take jurisdiction over intrastate rail abandonments. Currently jurisdiction over all abandonments rests with the ICC.

Rural areas need good rail service. When branchlines are abandoned the costs of transporting every bushel of wheat or ton of coal go up, tacking on additional distress to failing farmers and struggling country elevators. This additional cost only accelerates the decline of the agricultural economy, and the towns and communities dependent on that economy.

Just as we wouldn't cut off military supplies during a war, or stop disaster relief after a flood, we shouldn't be reducing necessary rail service in rural areas in the midst of the worst depression there in the past 50 years.

Yet that is exactly what is being done by the ICC. The ICC has served notice that the interests of shippers, consumers, even the public at large are dwarfed by the interests of the railroad companies. It is eager to approve any abandonment proposed by a railroad.

The ICC has set criteria for their opposition to rail abandonments which boggle the mind. It says that any branchline which does not give to the company at least a 22.3-percent annual return on its investment can be abandoned. This figure is not met by the combined rail operations of any major rail company in America, and probably not by any branchline. It ignores the loss of business caused by the line deterioration, as the railroad defers maintenance on lines slated for extinction. It ignores the income derived from the enormous mineral-rich tracts given land-grant railroads for building and maintaining the lines.

When one of our northern railroads asks for an abandonment of a branchline, the ICC does not ask how they can justify an abandonment when they just paid $1.3 billion for a natural gas company without taking out long-term debt. When another railroad proposes an abandonment in the South, the ICC does not investigate whether the parent corporation could have used its money to maintain and improve railroad service, rather than to purchase one of the largest barge carriers in the country.

The ICC is required by statute to certify that the public necessity and convenience are met when approving an abandonment application. Yet the ICC does not even give the public a chance to present a case before it speeds approval through.

The results of these sham proceedings are predictable and appalling. In the 12 months since February 1984, according to ICC records, decisions were reached on 171 abandonment petitions—97 percent of those petitions were granted: 166 branchlines were abandoned, covering over 2,000 miles. Not included in these figures were exempt cases, lines with no traffic for 2 or more years, in which abandonments were granted automatically. Not included were Conrail abandonments, which were expedited even faster than other cases.

It is time we voided the legal fiction that the ICC has jurisdiction over rail abandonments. The ICC has shown itself unwilling to assume the responsibilities of protecting the public when considering abandonments. It has turned over jurisdiction to the railroad companies.

I propose, instead, that we return jurisdiction to the States.

States, through their public service boards and commissions, have experience in addressing issues of intrastate economics. They know the histories of the railroad lines, and what the lines have meant to local communities. They understand how to assess future prospects, and how to balance economic interests. Ample precedent exists within regulation of electricity, natural gas transmission, cable television, telephones, and other public services. States have the right and responsibility to regulate economic activities within their boundaries. Such an activity is the operation—or the abandonment—of an intrastate branchline.

Many States, as part of their normal activities, already make informed, expert determinations on abandonment cases. If they find an abandonment not in the best interests of the State, their only recourse at present is to appeal a decision of the ICC, usually to no avail.

States will assume jurisdiction over intrastate branchline abandonments in my bill only if they choose to do so, and only if they have procedures which are fair to all interested parties. The ICC will retain jurisdiction where States do not opt for the authority, as well as over all interstate abandonment petitions.

The ICC now resembles a puppet, with the railroads pulling the strings. Let us stop this sideshow, and leave the States to decide their own economic futures.●

ALL-AMERICAN FAYETTEVILLE

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. ROSE. Mr. Speaker, a couple of days ago my home city of Fayetteville received one of the most distinguished honors that an American community

can strive for: designation as one of the eight All-American cities in 1985.

Mr. Speaker, the effort that ultimately achieved the designation began, according to Roy Parker, editor of the Fayetteville Times, in the late 1970's, when about 10 citizens, including Roy, discovered that they had similar ideals and goals for Fayetteville. The 10 grew into a Committee of 100, and they and many other civic-minded citizens changed Fayetteville from a "can't do" community to a "can do" community.

Mr. Speaker, the designation All-American City has been going on for 35 years, and currently is a project of USA Today and the Citizens Forum on Self-Government. The process of designating the winners began last summer, with about 500 municipalities of various types being studied by specialists in municipalities.

I want to extend my congratulations to Mayor Bill Hurley, to the other city officials—elected and appointed—to our city employees, and to all of the thousands and thousands of citizens who contributed, some in small ways and some in large, toward this success.

I didn't need the award to tell me that they're good people, because I've known that all of my life. But we sure can use the award, so well earned and richly deserved, to tell the rest of the Nation and the world. Although Fayetteville's population is around 70,000, the people who know the community number many hundreds of thousands more, because of military service at nearby Fort Bragg or Pope Air Force Base.

I am sure that the article I am inserting in the RECORD about this achievement for Fayetteville will be of interest.

[From USA Today]

FAYETTEVILLE, N.C.: "CAN-DO" TAKES OVER

(By Carolyn Pesce)

Once plagued by a reputation as a neglected military town with a "can't do" attitude, Fayetteville, N.C., now shows signs of an about-face.

More than $50 million is targeted to revitalize the city of 68,000, home of Fort Bragg and Pope Air Force Base.

The dreaming started in the late 1970s with a group of about 10 citizens.

"We all discovered we had the same principles and a lot of the same goals," says Roy Parker, editor of the *Fayetteville Times* and former member of the group, which evolved into the Committee of 100. "It turned out we wanted to revitalize downtown, preserve culture and promote history."

The first project: wiping out the "500 block," a cluster of sleazy "combat zone" bars on Hay Street, known for its prostitutes and drug dealers.

"When I ran for mayor in 1981, I promised people we'd get rid of that economic cancer," said Mayor Bill Hurley.

It will be renovated into doctors' offices, scheduled to open this spring across from the new Highsmith Rainey Memorial Hospital.

East of the 500 block is the old vacant Prince Charles Hotel—a 1920s era mansion that will be renovated and expanded into a quality hotel and offices. Cost: $15.5 million.

Other projects: a three-block pedestrian and transit mall and a 48-unit town house complex on the edge of downtown for middle-income families.●

EXTENSION OF TWO PATENTS RELATING TO CARDIAC DRUGS

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. SABO. Mr. Speaker, today I am introducing a bill to extend for 5 years the patents on two cardiac drugs. This legislation is requested by the University of Minnesota, which has the rights to both patents—patents held by one of its physician/researchers. I am pleased to be able to say that the measure has the support of the entire Minnesota delegation. All seven other Members from Minnesota have indicated that they would cosponsor it if it were a public bill and cosponsorship were permitted under House rules. In the Senate an identical bill, S. 456, has been introduced by Senator RUDY BOSCHWITZ, who has provided able leadership on the issue. His bill is cosponsored by Senator DAVE DURENBURGER.

The legislation is necessary to make possible expensive clincial studies on the use of bretylium tosylate and bethanidine sulphate to prevent sudden death by heart attack. On the order of 600,000 such deaths, caused by ventricular fibrillation, occur in the United States alone each year. Ventricular fibrillation is the rapid, uncoordinated movement of heart ventricle muscle fibers.

Laboratory research at the University of Minnesota indicates that these two drugs are more effective than those currently used to prevent such sudden deaths. What is needed next is clinical research involving a substantial number of patients. This could produce the kind of evidence which would lead to widespread use of the drugs by practicing cardiologists around the world, potentially saving many thousands of lives annually.

The patents expire in 1986 and 1987. Extension of the patents for 5 years should provide the time and financial support through royalties for the university to conduct such clinical studies. I am assured that money earned through royalties from the current limited use of the drugs will be invested back into the research program.

The reason that more than the usual 17-year period of patent protection is needed is that it took a very long period of time for the Food and Drug Administration to approve use of the drugs in the manner contemplated in the Minnesota research. After a period without approval and then a very restricted approval, FDA gave the more general approval which is necessary only in 1981.

Since the 1981 approval, the university has made efforts to have the clinical trials conducted by private industry. This, however, has been unsuccessful, apparently because the short period remaining of patent protection denies companies the financial incentive they deem necessary to carry out the expensive studies.

Mr. Speaker, the University of Minnesota and its employee, the physician/researcher who holds the patents, assure me that they will see to it that the clinical studies are done if the patents are extended. If the research findings thus far are borne out, the public benefit could be enormous. Physicians, hospitals, and emergency medical technicians could have available to them a more effective injectable drug for patients suffering sudden heart attacks and an oral drug for preventive use by patients known to have a high risk of sudden death by a heart attack involving ventricular fibrillation.

One would normally expect that medicines with such promise would be developed and promoted by the private pharmaceutical industry. That normal pattern does not exist here because of the long time it took the FDA to grant its approval, because of the limited potential for profits on the sale of injected drugs, and because of uncertainty over what the actual outcome of the clinical trials may be.

With passage of the legislation I am introducing today, there is a very good possibility that two life-saving drugs will be thoroughly tested and become widely available throughout the world. Without the legislation, there is a very good possibility that the necessary testing will never occur and the current very limited use of the drugs will prevail.

Mr. Speaker, I ask that the bill be printed in the RECORD.

H.R. 1846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents and Trademarks, shall—

(1) when patent numbered 3441649 (for the cardiac drug Bretylium Tosylate) expires; and

(2) when patent numbered 3495013 (for the cardiac drug Bethanidine Sulphate) expires;

extend such patent for five years, with all the rights pertaining thereto.

SUBMINIMUM WAGE NOT FOR YOUTH

HON. AUGUSTUS F. HAWKINS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HAWKINS. Mr. Speaker, my comments today are prompted by the administration's continued attempts to create a subminimum wage for young adults and teenagers under age 20. During the 98th Congress, this administration tried to sell its so-called youth opportunity wage bill within the Congress and across the country. The administration flooded the media with accounts of why such a subminimum wage would make available thousands of new jobs for unemployed teenagers and young adults. Its sole premise being that a subminimum wage would act as an incentive for employers to hire teens and young adults.

On the surface, creating an opportunity for our energetic and ambitious teens and young adults to work is certainly laudable. No one in the Congress should oppose the creation of new job opportunities for those who want to work. But, scratch below the surface on this issue, and problems abound more so than opportunities. Why?

The administration's bill, which has been reintroduced in the 99th Congress, would be a disincentive rather than an incentive for youth entering the labor market. Few if any new jobs would be created in the economy, because any gain in youth employment would occur at certain costs. This cost would be an unknown number of job opportunities lost for adult men and women. The Minimum Wage Study Commission estimated that a 25-percent youth differential would increase teenage employment by about 4 to 5 percent, but would displace about 150,000 adult workers. In addition, a recent study shows that almost 70 percent of all minimum wage workers are 20 years of age or older; 50 percent are 25 and older. A youth subminimum wage will create fierce competition among youth and young adults, young female heads of households, as well as older, unskilled workers.

The displacement of adult workers as a result of enacting a subminimum wage, cannot be discounted in this or in any other instance. With a youth subminimum wage, the incentive for employers to replace adults with cheaper youth labor is enormous. Quite frankly, it would be a windfall for employers. While the administration's proposal has a provision which would supposedly prohibit substitution, it is unlikely that it could be enforced. In the last 4 years, the Wage and Hour Division of the Department of Labor, which would be responsible for enforcement, had a 20-percent reduction in enforcement staff, while their caseload has increased by 1,000 cases per year.

A recent Supreme Court decision added over 8 million more States and local employees to mimimum wage coverage. It will be impossible for DOL to carry out its enforcement mandate under current law with such limited resources, let alone adding on another category of coverage.

The administration has courted the support of such groups as the National Conference of Black Mayors, and small business associations on the notion that the minimum wage acts as a barrier for youth seeking entry level jobs. But, reality of the marketplace discredits the merit of that notion. At present, a large number of so-called mom and pop establishments are exempt from the minimum wage.

Moreover, in 1982 the most recent period for which comparative data is available, the following facts are significant: There were 3.2 million retail and service establishments, and almost 700,000 unemployed high school students. Yet, only 26,000 employers received authorization to employ only 200,000 students at the lower wage rate already permitted under the student-employment provisions of current law.

Preliminary studies of the Targeted Jobs Tax Credit Program indicate than even when the employee is subsidized by the Federal Government, private sector employers did not create substantial job opportunities for many people. In other words, whatever additional hiring occurred would have occurred without subsidy.

Central to the issue of implementing a subminimum wage for youth, is the impact it would have on reducing the high rates of minority youth unemployment. Minority youth suffer from disproportionately higher rates of unemployment than whites. Disadvantaged black high school dropouts are the youth most likely to be unemployed. Yet, a subminimum wage is not targeted to these groups. Consequently, disadvantaged black teenagers, who are most in need of jobs, would be least likely to receive them.

Rather than address the crux of the problem, the administration is using its proposal to camouflage an all out attack on the Fair Labor Standards Act.

If Congress wants to address the long-term unemployment problem among our youth, we must implement comprehensive legislation, which provides training and encourages continued progress in the educational system.

The Youth Incentive Employment Act which I introduced along with Representative MARTINEZ, H.R. 671, contains the characteristics that the administration's proposal lacks. Under this proposal, jobs are targeted to economically disadvantaged dropouts and potential dropouts who agree to resume or maintain attendance in school and work toward a high school diploma. These employment opportunities would allow youth to obtain the basic education, training, and motivation needed to improve their long-term employment prospects. If the administration is truly committed to combating youth unemployment, they can do no better than to support this extensively tested youth employment program.

Finally, I want to offer a recent editorial which appeared in the New York Times for the reading of my colleagues. The editorial entitled, "Why Pay Less to Teenagers?", does an excellent job of outlining the serious reservations that this Congress and this Nation should have concerning the administration's proposal.

WHY PAY LESS TO TEEN-AGERS?

Would a subminimum wage alleviate high unemployment among teen-agers? The Reagan Administration thinks so. It plans to resubmit legislation to establish a "youth employment opportunity" wage for summer workers aged 19 and under.

The Administration estimates that this youth wage, to be in effect for three years from each May 1 to Sept. 30, would create 400,000 new jobs annually. But no one knows for sure what its effect would be, which is one reason for proposing a three-year trial.

Perhaps it would stimulate businesses to hire unskilled, inexperienced youths, as the Administration claims. Or perhaps it will be the camel's nose under the tent that organized labor fears, eroding the minimum wage and making low-paying jobs for younger workers at the expense of slightly better-paying jobs for slightly older workers.

The proposed trial program could help answer such questions, and so warrants support—but only if fine-tuned by Congress to improve the chances of securing useful evidence.

The problem is obvious. Unemployment among whites aged 16 to 19 is 15 percent. Among blacks it is 43 percent. And that only counts those already in the labor force. Half the white teen-agers and three-quarters of the black teen-agers aren't. The subminimum wage is less obvious as a remedy, raising four serious questions.

Would employers simply replace older workers with eligible youths? This is the most disturbing potential consequence, and the Administration would make it a crime. But can the Labor Department's wage and hour division, which has suffered staff cutbacks, provide adequate enforcement?

Can the jobs be targeted to the minority and disadvantaged youths most in need? Since 1978, employers have been allowed to write off 85 percent of the salary, up to $3,000, paid to a disadvantaged youth for a summer job.

This targeted jobs tax credit helps those who need jobs most. With considerable support and effort, it has worked in New York. But the Administration wants to eliminate the credit because it depletes tax revenues and it hasn't had much impact on overall youth unemployment. If a tax credit, of greater benefit to employers, hasn't helped, why sould the subminimum wage?

Third, the most effective youth employment programs offer some education or job training. Why is there no programmatic content in the Administration's proposal? Finally, would this proposal lead to wage reductions for other high-unemployment groups, such as female heads of households?

Questions like these make many people skeptical of this proposed "experiment." The Administration may be right that a free-market approach is a better solution to the intractable youth unemployment problem. If so, it should offer, or welcome, a program carefully designed to provide the evidence to prove that.●

SALUTE TO JOSEPH B. SWANNER

SPEECH OF

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. O'NEILL. Mr. Speaker, I want to thank JIM WRIGHT for letting us know of the retirement of Joe Swanner.

I appreciate this opportunity to join my colleagues in a salute to a great Texan, a trusted and talented professional, and a terrific card player!

We have missed Joe here in Washington since his departure to the executive branch, but we have been proud of his achievements and his contributions there. The many awards he has received for his Federal service have been applauded by all of us as well-deserved tributes to a man we know, first hand, as an outstanding employee, supervisor, manager, administrator, and director.

I want to extend my very best wishes to Joe and hope that his life is filled with continued success and much pleasure.●

NICARAGUA SITUATION

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LEVINE of California. Mr. Speaker, I would like to call to the attention of my colleagues an extremely insightful and important article by our colleague from Indiana, Mr. HAMILTON, with regard to the situation in Nicaragua.

Mr. HAMILTON, under those chairmanship I am honored to serve on the Foreign Affairs Subcommittee on Europe and the Middle East, has articulated with his usual thoughtfulness and precision why this administration's policies in Nicaragua are counterproductive and, in fact, work against rather than for many of the goals that we all share for the region.

Mr. HAMILTON's article is important reading for us all.

NICARAGUA: WE CAN'T REMAKE IT IN OUR OWN IMAGE

The Reagan administration poses a fair question when it asks opponents of its Nicaraguan policy to come up with a better one. As I see it, the heart of our policy should be the negotiation of an agreement with the Sandinistas, the key provision of which would be our promise to "live and let live" in exchange for Sandinista concessions in important areas of foreign policy.

We would insist that the Sandinistas expel foreign military advisers, keep all foreign military bases and modern offensive weapons out of their country, and stop exporting revolution and trafficking in arms. In return, we would abandon our efforts to interfere in their internal affairs or change their form of government. This is a formula that promotes our national interest and sets out objectives that the American people are willing to support.

As part of this agreement we should insist on verification provisions encompassing intelligence, technological means, and on-site inspection where necessary. We would judge by our own standards the data that we collected. While enforcement of an agreement might be a problem, there are diplomatic and political steps that can be taken to make it more enforceable.

In this respect a strong regional policy is important. We should continue to strengthen Honduras, Costa Rica and El Salvador so that they can resist any attempt by Nicaragua to threaten or destabilize them. We should help them with military equipment and intelligence. We also would need to give priority to addressing the economic problems that cause so much turmoil in the region. Our economic aid to Honduras, Costa Rica and El Salvador should be complemented by other efforts to build and preserve peaceful democratic societies that respect human rights. We should use our influence with international organizations and banks to promote long-term development, and try to remove all trade barriers between ourselves and our friends in Central America.

Concerning Nicaragua, pressure on the Sandinista government to change its policies will work only if we use both carrots and sticks. We should be prepared to offer Nicaragua the benefits that we offer its neighbors if its domestic and foreign policies change. However, if the Sandinistas continued those external actions that we did not like, or if any agreement that we reached with Nicaragua were violated, all bets would be off and all options, including a return to hostilities, would be reserved.

By now the Sandinistas must understand just how difficult we can make their lives if they do not live up to an agreement. To begin, we could isolate them diplomatically within the hemisphere, using the Organization of American States as a platform for voicing our concerns, and working as closely as possible with our Rio Treaty partners in developing a unified policy. We have the Rio Treaty available to us as the legal foundation for the use of military force against Nicaragua, should it prove necessary. We can also increase economic pressure on Nicaragua, working with our allies to deny it World Bank loans and assistance from the International Monetary Fund. A policy of increased economic pressure on Nicaragua could also include a trade cutoff. We are still Nicaragua's largest trading partner despite a 64 percent falloff in trade since 1980. Stopping Nicaragua airlines from flying to the United States, denying visas to its citizens or breaking off diplomatic relations—these are other potential options that should be considered, should they prove necessary.

Supporters of the rebels argue that if we cease military action against Nicaragua, we will not be able to get the Sandinistas to negotiate seriously. The argument is an interesting one, but we have to regard it as inconclusive unless we also believe that ending the covert war is the only real goal that the Sandinistas hope to achieve in talks with the United States. I believe that the Sandinistas have detailed economic and political agendas that they could be advanced in productive discussions with the United States.

A second point is of equal weight. The United States will be unable to change Nicaragua's behavior in any significant way as long as the Sandinistas are persuaded that we seek either to destroy them or to substitute our ideals of government and society for theirs. Despite years in the field, much killing and millions of dollars spent, the rebels are as far from Managua as they have ever been. Another $14 million would not help the rebels very much, but it would be another down payment on deeper American involvement. It is a dubious tactic on behalf of a doubtful policy.

Supporters of the rebels argue that military action is essential to force the Sandinistas to keep the promise of free elections that they made to the OAS in 1979. We certainly should continue to press the Sandinistas to keep the promise, but their failure to do so to date is no excuse to fund a war against them. We have good relations with dozens of undemocratic nations around the world, and my guess is that the Sandinistas simply never would cry "uncle" and allow the United States to dictate the form that Nicaraguan government and society would take.

It would be nice if Nicaragua were a liberal democracy, but that is not a matter that affects our national interest directly unless the Sandinistas persist in trying to export revolution. There is little that we can do about internal politics there in the short term—short of invading Nicaragua, occupying it and remaking it in our image.

It is my belief that an end to our involvement in the covert war, rather than undermining the prospect for successful negotiations, may help to energize them. The current impression among participants in the Contadora process is that the United States does not attach much importance to negotiations. Ending support for the rebels will increase our credibility and bring leverage if it is obvious that we intend seriously to achieve a diplomatic settlement. Similarly, we will have greater success in obtaining the detailed verification procedures that we seek if it is apparent that this is the only barrier to an agreement.

Nicaragua must be watched closely so that we can be sure that it poses no direct or immediate threat to our national security. Should that happen, we would want to follow the Reagan administration's lead and respond vigorously to such a threat. Our decision, however, should be based not on ideology, but on a clearly defined assessment of how best to protect our national interest.●

WOMEN'S HISTORY MONTH HIGHLIGHTED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RANGEL. Mr. Speaker, I would like to honor Women's History Month.

I ask my colleagues to pause and reflect upon the significant contributions that women have made in many areas of our society. Women have contributed to the development of the United States and have had an impact in every area, from politics to sports.

However, throughout history, women have continually faced barriers. These barriers have been used to restrict and restrain women from becoming equal citizens of this country, and have limited the even greater contributions that women might have made.

Although advances have been made in destroying some of these barriers, there remains a great deal yet to do. Women today continue to be discriminated against in many areas. We must continue in our present efforts as well as develop new ways to ensure that women are incorporated as full and equal members of our society.●

FOOD STAMP ACT AMENDMENTS OF 1985

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. WEISS. Mr. Speaker, as study after study is released documenting the striking increase of hunger and malnutrition in this country, it is apparent that the budget cuts of the past 4 years to the food stamp and other nutrition programs must be reevaluated and in many cases reversed. It is for this reason that today I am reintroducing legislation to redress one of the contributing factors to the rise in hunger: insufficient food stamp benefit levels.

Hunger in America, according to the latest study by the Physician Task Force on Hunger in America, is so widespread and obvious that its existence has been documented by 15 national studies, and even more State-level studies, during the past 2 years. Rarely do we as policymakers have the luxury of so many thorough, nonpartisan studies and surveys on a major national problem all reaching the same general conclusion.

Government involvement virtually ended the problem of hunger in America quickly and effectively in the 1960's and 1970's. But in 1985, hunger and malnutrition are once again serious problems in every region of the country. This second turn around can also be attributed to the Government. It is the result of the failures of the Reagan administration's ill-conceived budget priorities.

Studies conducted by groups including the President's Task Force on Food Assistance, the United States Conference of Mayors, the U.S. Department of Agriculture [USDA], the Salvation Army of America, the U.S. General Accounting Office [GAO], and numerous religious and nonprofit organizations have all documented the frightening increase in demand for emergency food assistance nationwide. Soup lines are now not only frequented by single men with alcohol or mental health problems, but also by single mothers, children and families desperate for a sound meal.

One startling finding in many of the reports is that a majority of persons seeking emergency food assistance are already receiving Federal food assistance benefits. According to a report released last November by the Food Research and Action Center, 60 percent of persons seeking emergency assistance participate in the Food Stamp Program. These women, men, and children are driven by inadequate benefit levels to seek emergency food assistance on a supplementary basis.

Poor families have realized disproportionate inflation of certain nonfood expenses, including housing and energy costs. These cost increases have strained whatever discretionary funds poor families might once have used for food purchases. This cost increase, coupled with a decrease in food stamp benefits to all recipients, has created the widespread shortfall of monthly food stamp benefits.

The Food Stamp Act Amendments of 1985, which are identical to legislation I introduced in the last Congress, would increase the current excess shelter deduction cap of $125 a month to $175 a month in fiscal year 1986. The excess shelter deduction was enacted in 1977 in recognition of existing regional variations in rent and utility costs. Food stamp households which pay in excess of 50 percent of their monthly net income for shelter may deduct the difference up to the cap from their net income to calculate food stamp benefit levels. Any shelter costs not covered by the deduction must be paid with income considered available to supplement the food stamp benefits and purchase other essentials. This bill would mitigate an inequity in the Food Stamp Act which penalizes recipients who have high shelter costs and eliminate the "heat or eat" choice which many food stamp households face.

In addition, the bill would establish a separate child-care deduction, currently coupled with the excess shelter deduction. The CBO has found that 75 percent of all child-care costs incurred by food stamp recipients cannot be deducted under the coupled deduction formula. Three to five percent of current beneficiaries would be eligible for the child-care deduction. The separate child-care deduction, capped at $160 per month, would benefit the working poor and provide an incentive to unemployed recipients to seek work or job training. Furthermore, this deduction would help to offset major reductions in title XX funds for subsidized child-care services for the poor.

Unfortunately, this legislation will only apply to those fortunate enough to receive food stamps. Budget cuts of the past 4 years have knocked 1 million people out of the Food Stamp Program and have meant benefit reductions to all recipients. Just over half of the households in poverty in the United States now receive such assistance.

Although much more extensive reform is needed, I feel that this legislation is a responsible and necessary action to combat the rise of hunger among Americans in need. I urge my colleagues to cosponsor this legislation and join in the effort to once again end hunger in America.

A copy of the bill follows:

H.R. 1844

A bill to amend the Food Stamp Act of 1977 to establish separate deductions allowable for dependent care expenses and excess shelter expenses for purposes of determining certain benefit levels under the food stamp program, and to increase the maximum amount of such deductions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended—

(1) by striking out "the same as" and all that follows through "clause (2) of this subsection,", and inserting in lieu thereof "$160",

(2) by striking out ", or (2)" and inserting in lieu thereof "and (2)",

(3) in the proviso—

(A) by striking out "$115" and inserting in lieu thereof "$175", and

(B) by striking out "$200, $165, $140, and $85" and inserting in lieu thereof "$260, $225, $200, and $145", and

(4) by striking out ", or (3)" and all that follows through the period, and inserting in lieu thereof a period.

SEC. 2. (a) Except as provided in subsection (b), the amendments made by the first section of this Act shall take effect on the date of the enactment of this Act.

(b) The amendments made by the first section of this Act shall not apply with respect to any adjustment required to be made before October 1, 1985, under section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e))●.

LETTER ON CUT IN FEDERAL AID FOR EDUCATION

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. CROCKETT. Mr. Speaker, the American people still cling firmly to the notion that everyone—poor and rich alike—should have an equal opportunity to receive the best available education.

President Reagan, however, has shown that he feels differently.

The administration's budget makes severe cuts in Federal aid to education, and sets unrealistic standards for student loan programs. Left unopposed, President Reagan's budget proposals would close our finer schools to working class and minority families, returning us to the days when rich schools were reserved only for the rich and poor schools only for the poor.

I submit for the RECORD, Mr. Speaker, a letter sent to the Secretary of Education, Mr. William Bennett, by Ms. Matilda Graff, the Financial Aid Director of Wayne State University's School of Medicine in Detroit.

In her letter, Ms. Graff elucidates some of the tough financial problems that poor students and small medical schools like Wayne State have had to face due to the massive cuts in Federal education assistance.

I commend this thoughtful and heartfelt letter to the attention of my colleagues.

Hon. WILLIAM J. BENNETT,
Secretary of Education,
Washington, DC.

DEAR SECRETARY BENNETT: My congratulations on your appointment to the position of Secretary of the Department of Education. To me yours is one of the most vital departments in the president's cabinet because this is truly where the security of our nation lies. Without an educated people we are destined to destroy that greatness we have achieved over the many years of nationhood.

Surely you have a strong interest in developing and strengthening our educational system or you would not have accepted the position you now hold. It is for this reason that I am writing to you.

I believe in our democratic institutions. I believe that as an educated people we must utilize our communicative skills to correct what we believe may be a grave error which may also become a dangerous injustice.

I am a financial aid officer in the School of Medicine at Wayne State University. Our school is located in the inner city of Detroit, Michigan and we serve the people of the surrounding area. This great city has not yet recovered from the last recession. 80% of my students receive some form of financial assistance in order to complete their medical education. The school budget for a single resident student is $14,000 per year and the $5,000 Guaranteed Student Loan is insufficient to pay for tuition. Books, transportation and living essentials require additional loans. Any cuts in the financial aid programs will mean that many of these capable students will be forced out of school for economic reasons only.

I am concerned because I have read statements attributed to you, that students are using financial aid funds for expensive vacations, automobiles, stereos, etc; that you support recissions in Title IV funds; that you feel that education will be better served with fewer dollars. I understand you are supportive of the president's proposed budget as it applies to education in particular. I must tell you there is little validity to the statement that many students are abusing their financial aid funding. As in all other programs, there is some abuse that must be eliminated. Not the programs.

If the intent of the cuts is to reduce the numbers of physicians coming from low and middle income backgrounds, which would include the great majority of minority students, that will indeed be accomplished by the president's recommended budget.

I appeal to you as the Secretary of the Department of Education not to allow education to be destroyed. Surely there is great need for improvement always, but cutting the heart out of the patient will not strengthen it. That will only terminate the life of the patient—education.

Thank you.

Sincerely yours.

MATILDA S. GRAFF,
Financial Aid Officer.●

TRIBUTE TO JOE SWANNER

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1985

● Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to express my thanks and best wishes to a good friend and committed public servant, Joseph B. Swanner of Austin, TX, on the occasion of his retirement.

From 1973 until several weeks ago, Joe served as Southwestern Regional Director of the Economic Development Administration, with total responsibility for the management and administration of EDA programs in my home State of Arkansas, as well as Louisiana, New Mexico, Oklahoma, and Texas.

Joe finally decided to retire, after 35 years of dedicated Federal Government service, and his experience and positive attitude will be missed. Throughout his 12 years as Regional Director of the EDA, he has always worked to find ways to solve whatever problems could not be solved. Never afraid to take on a challenging assignment, he has successfully overseen many EDA projects from planning to completion, resulting in increased employment and business development for many communities.

Ever since I came to Congress in 1967 it has been my pleasure to work with Joe on matters pertaining to the Economic Development Administration. When we first started working together, Joe was serving in Washington as Special Assistant to the EDA Administrator and later as the Special Assistant to the Assistant Secretary with responsibility for congressional liaison. Subsequently, he was transferred to the Southwest region, first as Deputy Regional Director, and later as Regional Director.

In these capacities, Joe had a very direct impact on EDA projects in Arkansas. There is no question in my mind that many of the most important projects in our State would not have been brought to fruition without his strong support and detailed knowledge on how to get an application through the many obstacles which lie in wait on the road to approval.

Joe's long list of achievements, and ability to make things happen, have earned him wide bipartisan respect and a lasting reputation. I wish him only the best in whatever future activities he undertakes.●

VETERAN'S PREFERENCE ACT OF 1944

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. GILMAN. Mr. Speaker, today I am reintroducing legislation to amend title 5, United States Code, to establish certain requirements for the procurement by contract of certain services that are reserved for performance by preference eligibles in the competitive service. This bill was passed by this House unanimously last Congress.

When Congress passed the GI bill of rights, to address problems faced by returning veterans of World War II, the Congress also set the pace in instituting a comprehensive package of benefits known as the Veteran's Preference Act of 1944, to not only provide secure employment opportunities with the Federal Government, but to also afford reemployment and rehabilitation to these returning veterans.

An important aspect of veteran's preference, under title V, section 3310, ensures competition for the positions of guard, messenger, elevator operator, and custodian, in the civil service, are reserved for veteran's preference eligibles, as long as preference eligibles are available.

Now the 99th Congress, just as the 98th Congress, is faced with the erosion of this special benefit—in large part due to the conversation of many of these positions to contract performance—at a time when many veterans can least afford to have this benefit eliminated. Many preference eligibles in the four occupations in question are veterans of World War II and the Korean war. These older veterans may encounter great difficulty in finding other employment so late in their working lives. The forfeiture of full retirement benefits, health benefits, and

a portion of their expected income, may prove to be devastating for these veterans.

Additionally, many of the veterans currently holding these positions are disabled or handicapped. They, too, would encounter barriers in trying to secure alternative employment if they are separated from Government service.

The 78th Congress upheld our Nation's sacred commitment to those who answered its call and the 99th Congress must continue to uphold this precedent which clearly demonstrates that our Government should take the lead in assisting those who have sacrificed for the principles on which this Government was built. Rather than forget the reasons for passage of the Veteran's Preference Act, it is time to reaffirm to those who served our country in time of national crisis, and ensure continuation of the act's original intent.

This bill provides that Federal agencies may not separate a veteran preference eligible from the position of guard, messenger, elevator operator, and custodian as the result of a contract award. Veterans must receive first consideration when vacancies occur, or new positions become available, as well. The legislation also provides that, when procuring by contract the four services covered under section 3310, a Federal agency must do so in accordance with provisions of the Javits-Wagner-O'Day Act, governing the purchase of services from sheltered workshops for the blind and severely handicapped.

Passage of this legislation will allow this body of Congress to demonstrate its commitment to those who served our country in times of national crisis and to state we have not forgotten them in times of peace. I therefore urge my colleagues to support this bill.

Mr. Speaker at this point, I am inserting a copy of the bill in the RECORD.

H.R. 1802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3310 of title 5, United States Code, is amended to read as follows:

"§ 3310. Preference eligibles; examinations; guards, elevator operators, messengers, and custodians

"(a) In examinations for positions of guards, elevator operators, messengers, and custodians in the competitive service, competition is restricted to preference eligibles as long as preference eligibles are available.

"(b) An agency may not procure by contract any of the services performed by individuals in any of the positions described in subsection (a) of this section if the performance of such services by contract—

"(1) would cause the involuntary separation of a preference eligible from any such position; or

"(2) would preclude the performance of any of such services by a qualified preference eligible in the competitive service.

"(c)(1) For purposes of subsection (b)(1) of this section, neither an involuntary reassignment within the same agency nor an involuntary transfer to another agency shall be considered to be an involuntary separation if such reassignment or transfer is to a vacant position—

"(A) which is of the same type as the type of position described in subsection (a) of this section from which the preference eligible was reassigned or transferred,

"(B) which is within the preference eligible's commuting area,

"(C) for which the preference eligible is qualified (taking into consideration any physical disability which the preference eligible may have), and

"(D) the grade or pay level of which is at least equal to the grade or pay level which was in effect for the preference eligible immediately before having been so reassigned or transferred.

"(2) The Office of Personnel Management shall prescribe regulations necessary to carry out this subsection.

"(d) Subsection (b)(2) of this section—

"(1) shall not preclude the procurement of services by contract if, or to the extent that, qualified preference eligibles are not available; and

"(2) shall not apply with respect to a position which is held by an individual other than a preference eligible on the date that the contract is entered into.

"(e) For the purpose of this section—

"(1) 'qualified preference eligible' means, with respect to a position described in subsection (a) of this section, a preference eligible whose qualifications have been established; and

"(2) 'agency' includes the United States Postal Service and the Postal Rate Commission."

SEC. 2. (a) Any procurement by the Government of services performed in any of the positions described in section 3310(a) of title 5, United States Code, as amended by this Act, shall be in accordance with applicable provisions of law, including the provisions of the Act entitled "An Act to create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (41 U.S.C. 46-48c), requiring certain procurements of services from qualified nonprofit agencies for the blind and qualified nonprofit agencies for other severely handicapped, and Office of Management and Budget Circular Numbered A-76 (including any supplement thereto).

(b) For purposes of this section, the terms "Government", "qualified nonprofit agency for the blind", and "qualified nonprofit agency for other severely handicapped", each has the meaning given such term under section 5 of the Act so entitled (41 U.S.C. 48b).●

THE EMPLOYEE HEALTH CARE COST REDUCTION ACT OF 1985

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DANNEMEYER. Mr. Speaker, at a time when our Nation is faced with double-digit increases in the cost of health care which threaten to quickly overload our capacity to plan for, let alone pay for, quality health care in the unfortunate event of serious illness, it is incumbent on all of us, as citizens and policymakers, to determine and implement a method of reform which will allow us the highest quality health care at the lowest possible cost.

Although most of us are painfully aware of high health care and insurance costs, actual percentage increases over the last few years are staggering. Last year, for instance, medical costs rose 6.2 percent and physician's fees rose 7 percent while the Consumer Price Index rose only 4.3 percent. Not only are health care costs rising more rapidly than other costs, they are consuming a growing part of our gross national product. In 1960 we spent 5.3 percent of our resources on health care, while in 1985 we will spend 10.8 percent, and 1987, we, as a nation, are projected to spend 11.6 percent of our total resources on health care.

Toward the end of freeing us from this inflationary morass, I am again introducing legislation which is aimed at curtailing the high cost of health care by providing incentives to beneficiaries to utilize our medical care system more judiciously. Available evidence suggests that such an approach is a feasible and effective way to reduce growing health care costs.

A Rand Corp. study, published in late 1981, stated that a person with full insurance coverage spent 16 percent more on health costs than those who pay for 25 percent of their own medical costs. In addition, medical economists estimate that up to 70 percent of physician-patient contact is unnecessary. Most visits to a doctor or an emergency room are for such ailments as the common cold, flu, or upset stomach. Excessive use of existing medical care facilities in such instances places a strain on our medical resources as well as available financial resources.

It has been estimated that the cost of health care is often a minimal consideration in a patient's determination to seek medical help, and fall behind availability of care as well as severity of illness. While it is important that medical care remain readily available to those who truly need it, the overutilization of our current health care industry has contributed to soaring health costs.

The measure I am proposing would give employees the option of choosing a higher deductible in return for a contribution made by his employer to an IRA. The amount of the employer's contribution would be equivalent to the premium reduction the employer would realize based on the difference between the high and the low deductible insurance coverage received by the employee. In addition, any financial institution agreeing to handle an IRA into which such a contribution would be made would have to agree to extend

a line of credit to the employee in the event of a medical emergency up to the amount of the higher deductible. In repaying this extension of credit, the employee would have the choice of payment by out-of-pocket means, or by withdrawing from his IRA. Only upon withdrawal of IRA funds would the employee be taxed on the employer contribution as income.

This proposed legislation would not require mandatory participation by an employer or employee. Adoption of this program would be on a voluntary basis to be used only by those who are committed to gaining individual security through family control over their health care resources rather than through reliance on the Federal Government or other third party payors. In addition, implementation of this proposal would cost the Federal Government nothing. These factors in conjunction with the critical need to reform the existing health care system should provide the necessary impetus for policymakers to seriously consider supporting such a proposal.

Mr. Speaker, so that my colleagues may have the details of what I am proposing, I ask unanimous consent that a section-by-section summary of the bill be inserted in the RECORD at the conclusion of my remarks.

SECTION-BY-SECTION ANALYSIS

EMPLOYEE HEALTH CARE COST REDUCTION ACT OF 1985

SECTION 1. (a) Title: Employee Health Care Cost Reduction of 1985.

(b) Purpose: To reduce medical care overutilization by giving employees enrolled in group health plans an incentive to carry health insurance plans with higher deductibles.

SEC. 2. (a)(1) Authorizes trustees of "eligible individual retirement accounts (IRA's)" to extend credit to employees who agree to participate in such a program.

(2) Defines "a qualified group health insurance plan" as a group health plan offered by an employer which offers a "qualified high deductible option."

(3) Defines "qualified high deductible option" as one which is higher than any other deductible offered and which results in the employer contributing to the employee's IRA a sum equivalent to the difference between the premium on the previous deductible plan and the premium on the higher deductible plan.

(4) Defines "deductible amount" as the total, for each individual covered, of all deductibles contained in the qualified group health insurance plan in question.

(5) Defines "eligible individual retirement account" as one which is set up by the employee for that purpose at a bank, thrift or credit union which, in turn, is willing to extend a line of credit to the employee to cover medical costs incurred by the employee. Those costs must be certified by a physician in order for the line of credit requirement to be triggered.

(6) Limits the amount of credit which the financial institution acting as trustee for the employee's IRA's is obligated to extend to 90% of the balance in the IRA or a sum equivalent to the "deductible" amount whichever is less.

(7) Defines "premium savings amount", which is the amount the employer shall contribute to the employee who elects the "qualified high deductible option", as the difference between the premium for that option and the premium for a lower deductible option. In cases where more than two deductible options are available to the employee, the "premium savings amount" is defined as the difference between the premiums for the two highest deductible options so as not to penalize the employee who assumed a greater degree of his/her health care burden in the past by opting for a higher deductible.

(b) Provides that, in cases where any of the funds in the employee's IRA are used to repay a lne of credit that has been extended the employee to cover medical costs, those funds shall be considered to be taxable income attributable to the employee.

(c) Makes a number of technical and conforming amendments to existing law necessary to implement the aforementioned provisions.

(d) Makes the provisions of the bill applicable to the 1985 tax year and all subsequent tax year.●

THE DISTINGUISHED CAREER OF MALCOLM BALDRIGE, SR.

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DAUB. Mr. Speaker, this past January, we lost one of America's most outstanding citizens and public servants. Malcolm Baldrige, Sr., passed away at the age of 90, but he left behind a legacy of dedication and commitment to this Nation that merits our appreciation and our admiration.

A veteran officer of both World Wars, Mr. Baldrige's memorable career included service in both the U.S. Congress and the Nebraska State Legislature. In these positions he promoted the highest standards of public service and earned the deepest respect of not only his fellow Nebraskans but also those who had the privilege to work for him and with him.

Malcolm Baldrige, Sr.'s record of accomplishment will stand as a lasting tribute to this patriotic and distinguished American. I take this opportunity to share with my colleagues an editorial from the Omaha World Herald that highlights his lifelong achievements and his selfless contributions to this Nation:

BALDRIGE'S MEMORABLE CAREER

Some younger Nebraskans might associate the name of H. Malcolm Baldrige with his son, Commerce Secretary Malcolm Baldrige Jr., or his daughter, Letitaia Baldrige, a widely known columnist, author and former secretary to Jacqueline Kennedy.

But the Senior Baldrige, who was born in Omaha, had a long, varied and distinguished career as a lawyer, politician, military officer and Washington lobbyist. He served as a Republican congressman from Nebraska's 2nd District in 1931 and 1932 and was chief fund-raiser for the Republicans in the 1936 presidential election.

Baldrige was an artillery captain in World War I. In World War II, as an Army colonel, he spent 10 months in the Balkans directing the capture of Bulgarian Nazis and helping to rescue shot-down American airmen.

Baldrige was asked by Queen Johanna to deliver a small purple case to her brother, Prince Umberto of Italy. Baldrige did so—and was informed later that the case had contained Bulgaria's crown jewels.

Baldrige was a husky, 6-foot, 2-inch lineman on the Yale football team and was an Eastern intercollegiate wrestling champion for three years. He later coached football briefly at Creighton University.

His Nebraska record includes service in the Legislature, on the Metropolitan Utilities District board and as an assistant Douglas County attorney. He wound up his career as general counsel of the U.S. Cane Sugar Refiners Association in Washington.

Baldrige died Saturday in a Connecticut nursing home at the age of 90. He outlived many of his contemporaries and people with first-hand recollections of his achievements on the national scene. But he deserves to be remembered as one of Nebraska's outstanding citizens.●

VIETNAM VETERANS AWARENESS DAY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, for the past 2 years, the city of New Haven, CT, in my Third Congressional District, and the Connecticut House of Representatives have designated March 31 as "Vietnam Veterans Awareness Day." This Saturday, March 30, 1985, I will be joining Gov. William O'Neill, and Mayor Biagio DiLieto of New Haven, in recognizing this day once again. We will be joined by the New Haven Veterans Council for Legal Redress and many involved Connecticut citizens to honor the tens of thousands of Americans who died in Vietnam and the hundreds of thousands of veterans, who still carry with them the physical and emotional scars of the horrors of the Vietnam war. The day's events, which will take place in the Chapel Street Mall in New Haven, will include speeches by notable dignitaries and experts on veteran's rights, as well as information booths setup for answering questions and registering interested veterans.

"Vietnam Veterans Awareness Day" would not have been possible without the dedicated work of the New Haven Veterans Council for Legal Redress. This organization, a branch of the National Council, is made up of Vietnam-era veterans organized for the purpose of legal redress of less-than-honorable discharges and unconditional amnesty. Unlike most traditional veterans groups, its membership is composed of undesirable, as well as honorable, and nonveterans. Their primary concern is the needs of less-than-honorable veter-

ans, particularly obtaining fair treatment and medical benefits for those veterans who have been physically disfigured or mentally disabled.

I call on my colleagues in Congress to work for the privileges that Vietnam Veterans have previously been denied. We all have a responsibility, not only to the Vietnam veterans themselves, but to their families and future generations. The unfair treatment that Vietnam veterans have been subjected to must be rectified now and must not be allowed to occur in the future.

Governor O'Neill, Mayor DiLieto and I are very proud of the New Haven Council's contribution to the movement to afford fair and equal treatment to veterans of the Vietnam war. "Vietnam Veterans Awareness Day" serves as an important step toward supporting the efforts of the New Haven Veterans Council for Legal Redress, and the many other organizations like them, to improve the situation of all Vietnam veterans. I am honored to be a part of this important day.

Following is a text of the City of New Haven's resolution proclaiming "Vietnam Veterans Awareness Day":

PROCLAMATION

Whereas, a strong debt of gratitude and recognition is owed to those young men and women who served our country during a difficult and tumultuous period—the Vietnam War era; and

Whereas, for too long, veterans of the Vietnam War have not been accorded the same respect and appreciation which was given to veterans of other wars in which American soldiers served; and

Whereas, in order to heighten awareness of this fact and to provide information and resources to these veterans, a Vietnam Veterans Awareness Day will be held in the Chapel Square Mall; and

Whereas, a large number of service organizations and agencies, including the National Veterans Council for Legal Redress, the National Association of Concerned Veterans, the Vietnam Veterans Center, the Veterans Administration Hospital, AMVETS, VFW, American Legion, Order of the Purple Heart, Gold Star Mothers, Agent Orange Victims International and the POW-MIA groups, will participate in this event with booths at the Chapel Square Mall. Now, therefore,

I, Biagio DiLieto, Mayor of the City of New Haven, Connecticut, do hereby proclaim Saturday, March 30, 1985, as Vietnam Veterans Awareness Day in the City of New Haven, and urge all citizens to participate in this important event by coming to the Chapel Square Mall between the hours of 10 a.m. and 5 p.m.●

ALBERT S. NEMIR

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DE LA GARZA. Mr. Speaker, accolades were a part of Al Nemir's life; they came to him regularly and he always accepted them with humility. I suppose the only frustration his friends may have ever felt came from their belief that he was too modest, because in their eyes he was a giant.

And that giant has now passed from our lives—Albert S. Nemir died December 16, 1984, at the age of 77. If the power of the Almighty had been in the hands of his friends and colleagues, he would have lived forever.

Albert Nemir possessed a quality of cosmopolitanism that is the calling card for but a few of us. In his every aspect of speech and manners, he commanded a quiet authority that is the marriage of intellect and discretion. His professional courtesy gained him the ear of heads of state and his business acumen earned him the respect and acknowledgement of the world sugar industry. His range of influence, both domestic and foreign, was formidable.

An encyclopedia could be written on this gentleman's life and in this woefully inadequate space I want to record for generations to come some of the notable features of his incredibly productive life.

Al Nemir was a native of Texas. He earned his A.B. and his M.A. degrees in business administration from the University of Texas in 1929 and 1930. He played the guard position on the University of Texas football team, and was the university handball champion. He continued his keen interest in sports by serving as director of athletics at Blinn Memorial Junior College in Brenham, TX, from 1930 to 1934.

He came to Washington from Texas in 1934, and he remained here as a part of the Washington community for all of the next 50 years of his life. He started his business career in Washington in 1934 to 1946 in Federal Government service including positions as Chief of the Sugar, Confectionery and Related Products Industries in the U.S. Department of Commerce, and Chief Economist in the Sugar Branch in the U.S. Department of Agriculture. He was an economic adviser for the War Production Board in 1941 and 1942, and was Chief Economist for the War Food Administration in the U.S. Department of Agriculture from 1943 to 1945.

In 1947, Al formed the consulting firm of A.S. Nemir Associates to offer consulting services to industry and government on a broad range of foreign and domestic agriculture and economic issues. He began to travel extensively in the United States and the world which broadened his already large range of contact with key people in sugar and agriculture in Washington, this country, and in the world. Most of the work of A.S. Nemir Associates in the following years was concerned with sugar and related products, including cocoa, coffee, nuts, and molasses, primarily for industry and food associations. In addition, however, he performed research projects for the Federal Government and for others on grains and other agricultural products involving travel to foreign countries in Asia, South America, Europe, and Africa. By 1962 he was considered by many as the foremost expert on sugar economics in the United States. He was known by and he knew almost everyone of importance in the sugar industry in the United States and the world.

In 1962, Al was retained as adviser and consultant for the Brazilian Institute for Alcohol and Sugar. This relationship with Brazil continued for all his remaining 22 years of his life, and was the most important relationship of his business career. He was based in Washington, but traveled to Brazil at regular intervals to communicate in person and to consult on his assignment. Brazil was his best client and his most valued client in his career.

In this same spirit of his concern for his community, Al was active and was an important leader in the Episcopal Church Diocese in Virginia for over 30 years from before 1954 to 1984. He served as senior warden, member of the vestry, as well as chairman of finance for St. Andrews Episcopal Church in Arlington, VA. He was a member of the board at St. Stephen's Episcopal School for Boys in Alexandria. He was a trustee of St. Andrews Church in Arlington. The minister of St. Andrews from 1958 to 1979 said of him with a tear, "I had the best 20 years of Albert's life."

Al would not have wanted to be remembered solely for his professional accomplishments. Indeed not. He was married for 53 splended years to Mary Lou Nemir, and she survives him along with their beloved children—Mary, David, Lewell, Michael, and Diane. Al was a family man in the tenderest interpretation of the word.

And he loved his garden and was known to spend much time in its care. Success never blinded Al to the beauty of what some people call the simple things in life, but what Al would call the solemn beauty of the Earth. He had two other loves—candy and the Washington Redskins—which he pursued with vigor.

The friends he made were the friends he kept all his life. Be they business associates or personal friends, he was loved and admired for his natural generosity and Al could always find the time for a caring word or helping hand when a friend was in need. He knew intrinsically in his heart that the friendship you take is equal to the friendship you make.

He was our friend and we will miss him. It is not possible to see every single quality of his life embodied exactly in any other person. But that

specialness makes his memory all the more permanent, all the more indelible.

In 1954 when St. Andrews Episcopal Church in Arlington, VA, was under construction, Al asked that an immense old oak tree not be taken down but the church built around it on the land. The church agreed, and today Al is buried under that old oak whose spreading canopy was once blessed by his touch.●

A TRIBUTE TO LES PAYNE—AN EXTRAORDINARY JOURNALIST

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring an inspiring story of success to the attention of my colleagues.

It is entirely appropriate for Mr. Les Payne, a reporter with Newsday magazine of Long Island, NY, to again be nominated for his eminent work concerning conditions in South Africa. As a consistent advocate working to bring about meaningful change in that oppressive republic, it is encouraging to know that a black man in this country can aspire to and reach the highest level of his profession. Journalism has indeed benefited from Mr. Payne's integrity, compassion, and talent.

Mr. Payne is a significant figure in black America and his work is a source of inspiration to us all.

I submit the following article for inclusion in the CONGRESSIONAL RECORD:

[From the New York Daily News, Mar. 8, 1985]

PULITZER WEEK AT COLUMBIA UNIVERSITY

(By Earl Caldwell)

They came from every section of the country. There were editors and publishers and, with them, distinguished reporters and writers. Through three days of this week, they collected on the campus of Columbia University.

It was the playing out, one more time, of a tradition that goes back to 1918. For newspaper journalism, it is still a high moment: the judging for the awarding of the 1985 Pulitzer Prizes. In newspaper journalism, the Pulitzer Prize is the top of the line. It is an award held in such esteem that anytime a newspaper is called great, coupled with that is reciting of the Pulitzer Prizes that paper won. And a part of the reason is the way the recipients are selected.

The big structure that rises at Broadway and 116th St. is known as the Journalism Building. Carved on it is the name of the late Joseph Pulitzer. In 1918, it was Pulitzer, then publisher of the old New York World, who provided the endowment for the prizes that carry his name. The awards themselves are given annually by the president of the university but that's the far end of the process. It begins with the editors and publishers and writers who this week examined every entry.

Every one gets scrutiny. It doesn't matter who the reporters are or the size of newspaper or the region of the country. Every piece of work submitted is examined and weighed by writers and editors and others who have distinguished themselves in newspaper journalism. It is not an easy thing to do. Just reading all the entries in any category is an enormous task. But the work that is done in Pulitzer week, in the journalism building at Columbia, has the reputation of being done so well that nobody argues that the Pulitzer Prize is an honor without equal in newspaper journalism.

In doing their work, the judges ask many questions as they go from one entry to another. How much digging was the reporter required to do to come up with the story? What impact, what significance did the story have in the community the newspaper serves? In the process of weeding out, the questions are many and it all takes hours but the system that is used is one that works and the proof of all that is the work that is honored.

The so-what paragraph in all this has to do with the Pulitzer Prizes that were awarded in 1974. It's a year that stands out. A part of the reason it does is that in 1974, one of the winners was Les Payne. He was then a reporter on the staff of Newsday, the daily published on Long Island. As a reporter, Les Payne made his reputation as digger. On a story he was involved with, he never stopped digging. It's not pretty writing that makes stories great. It's the information that reporters get and that information comes from digging. Les Payne dug into the world of heroin and the information he brought back for the readers of his newspaper was so compelling that it won for him and his newspaper the Pulitzer Prize. As it happens, Les Payne is a reporter who is black and in 1974 when the president of Columbia University put the Pulitzer Prize in his hand, it became a high moment too in the history of black America. There are still many fields just beginning to open in a significant way for Americans who are black and because it is that way, each time there is progress, it is held up high for the young to see and in 1974, it was that way when the Pulitzer Prize was won by Les Payne.

But the story doesn't end there. Four years later, Les Payne just missed winning a second Pulitzer Prize. He went to South Africa and his reporting there was so outstanding, it brought him a second nomination for journalism's highest award. He is still at Newsday. He writes a weekly column and he's also editor for national news. His name was in the news a lot last week because the mayor called him racist. The judging of the Pulitzer Prizes on the campus of Columbia University this week was a good reminder of a part of what the mayor left out when he put the mouth on Les Payne.●

COMPELLING "NOTES OF A FAMINE-WATCHER"

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mrs. ROUKEMA. Mr. Speaker, since returning from my trip to Ethiopia, I have been searching for ways to express adequately what I saw there and how I felt about it. Visiting those feeding camps and being an eyewitness to the catastrophe overwhelming that country was for me a soul-searching experience. Words do not come easily after you have been to Korem and Makelle.

It is for this reason that I commend to my colleagues' attention an article by Blaine Harden which appeared in the March 17, 1985, Washington Post. It is aptly entitled "Notes of a Famine-Watcher." In Mr. Harden's words, he is writing some of this "to get at the jumble of confused emotions an American and newcomer to the Third World feels as a temporary voyeur amid tens of thousands of miserable and dispossessed human beings."

I suspect that many people also feel these confused emotions as they sit in their living rooms and watch this tragic tale unfold on the nightly news programs. For all of us, then, this is an instructive and compelling article.

The article follows:

[From the Washington Post, Mar. 17, 1985]

NOTES OF A FAMINE-WATCHER

(By Blaine Harden)

"Mister Blaine, a woman, her baby died. You want to interview her?"

The questioner was my "minder," an employee of the Ethiopian Ministry of Information and National Guidance, an impresario of countless press tours of the highland feeding camps where starving Ethiopians are available to reporters.

We were at Korem, a camp of 45,000. More precisely, we were inside a long shed of corrugated tin, with a dirt floor and stone beds, that is the hospital at Korem. At one end of the shed lay hollow-eyed, stick-like people with pneumonia; at the other end, similarly wasted patients with hepatitis. In between, were wards for those with an infectious lice-born ailment called relapsing fever and for old people too weak to move. The air in the hospital was sour with the smell of excrement. There was little noise but for coughing and the clink of bed pans against the stone beds. The mother whose baby had just died—10 minutes after it had been given an injection in the hospital—was waiting for me outside.

I went to Ethiopia late last year to get the particulars on the great famine, to put in words for this newspaper what millions were seeing on television at suppertime every night. A grieving mother with a newly dead child was precisely what I was after. So I followed my minder (and my translator) out the hepatitis end of the shed.

We found the mother, Sakarto, a girl of about 19, standing stiffly, tears running down her checks, beside a teen-age hospital worker who was holding a tiny body. The baby was wrapped in a gray blanket. For 15 minutes, as Sakarto wept and the hospital worker dutifully stood by with the baby in his arms, I interviewed her. How long had she walked to get to Korem? One and a half days. Where was her husband? Gone, resettled by the Government 1,000 miles to the southwest. Did she expect to join him? No. Would she let me take her picture? Yes.

I was out of film and asked Sakarto to wait while I walked back to a Jeep, about a quarter of a mile away, to reload my camera. I reloaded and had walked halfway to the hospital shed when I realized I had left my pen in the Jeep. I ran back after it and returned to find the mother standing unmoved in the equatorial highland sun. She waited, as if fearing punishment from

me: a white foreigner whose face was hidden behind dark sunglasses, a baseball cap and a zoom lens. When I finished taking pictures and asking more questions, I turned away. I felt ashamed of my coldblooded interview with this woman who feared me, and I cried for a few minutes.

The point of telling this story is not to expiate my guilt for having been a ghoul, although there may be something to that, but rather to get at the jumble of confused emotions an American and newcomer to the Third World feels as a temporary voyeur amid tens of thousands of miserable and dispossessed human beings.

Most notably, there was emptiness. The distance between Sakarto and me, in language and culture, made our interview a charade. I believe she thought I was a doctor. I came now closer to her than if I had seen her on television. My feeling for Sakarto—like the feelings of millions of Americans who saw television pictures of suffering in Ethiopia—had less to do with her and her country's poverty than with me and my country's wealth.

At Korem, as at other large feeding (and dying) camps across Ethiopia, nearly everyone was visibly ill. Heads were shaved to get rid of lice. Arms were painted a shocking violet, with antiseptic dye, to kill scabies. Ninety percent of the people at Korem had some kind on bronchial infection. tuberculosis and leprosy, dysentry and gastroenteritis, eye infections and skin diseases were epidemic. Sakarto's fingertips were falling off.

I had grown up being squeamish at the prospect of using someone else's toothbrush. All this sickness in the camps scared me, and I was not alone in being scared.

Some reporters feared touching their notebooks if they accidentally dropped them on the dirt. No one ate or dared think about food in the camps. In hotels back in Addis Ababa, where Western famine-watchers—reporters, aid workers and visiting government officials—stayed, we dined together over discussions of the advisability of repeated shampoos to get germs out of our hair. We asked our hotel workers to launder our clothes after each trip to the camps. We warned each other to be careful; keep your fingers and your pens away from your mouth while in the camps. Remember, we told each other, a reporter from Newsday got a fever of 104 degrees after a stay at Korem and had to be evacuated to Nairobi.

In places like Korem, all I managed to do was look at starving people. Interviews with them elicited responses that, after being processed by my government-paid translator, were bleached of any emotion. Unless they cried in front of me, I didn't have any idea what these curiously passive people were thinking or feeling, what they were afraid of, what sense of panic or shame the famine had forced upon them. In this vacuum, I wrote about what famine looks like: two-dimensional surface decriptions that painted victims, not human beings. Television pictures, really, without the immediacy of live video.

Only when children crowded around us during our guided tours did I, or most of the other Western famine watchers, have a chance to actually touch anyone in the feeding camps. The children had amazing recuperative power. With regular meals of rice porridge and a high-energy goop made of milk, butter oil and sugar, they metamorphosed in a couple of weeks from immobile skeletons to giggling kids.

At the feeding camps these kids ran to be near foreigners. They wanted to hold hands. Sometimes four or five of them would try to touch one of my hands, each attempting to claim a finger. When they had a finger, they would throw their heads back, look up at me and smile. Back in my hotel we had discussed this hand-holding at some length. The children don't use toilet paper, we had said. Their cute little hands carry all kinds of diseases. One representative of the U.S. Information Service said at lunch at the Addis Ababa Hilton that his wife thought anyone who feared touching the children was a jerk.

In the feeding camps, with children bobbing around my knees, begging to touch my hands, sometimes I would let them hold my fingers. Sometimes I would not.●

TV GOES GLOBAL

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LOWERY of California. Mr. Speaker, a little over a year ago, Charles Z. Wick, Director of the United States Information Agency, launched the world's first global television satellite network—WORLDNET. WORLDNET is an interactive state-of-the-art television network designed to link Washington via satellite with U.S. embassies. USIS posts, and television stations in up to 100 major cities in over 40 countries on six continents.

Using the format of an international press conference, WORLDNET has already played a significant role in explaining U.S. foreign policy abroad. Last April, during a 50 minute teleconference, Secretary of State George Shultz fielded questions from reporters located in Tokyo, Seoul, Hong Kong, Manila, Singapore, and Sydney while an estimated 73 million people watched. Other U.S. and foreign officials have been similarly interviewed, including Defense Secretary Caspar Weinberger, U.N. Ambassador Jeane Kirkpatrick, Joint Chiefs of Staff Chairman, Gen. John W. Vessey, Commmerce Secretary Malcom Baldrige, U.S. Senator RICHARD LUGAR, Congressman G.V. MONTGOMERY, Belgian Foreign Minister Leo Tindemans, and West German Chancellor Helmut Kohl.

During the past 6 months alone, over 1 billion viewers from around the world have seen televised portions of the last 30 WORLDNET transmissions. Moreover, articles based on these programs have reached over 63 million newspaper readers and have been heard by almost 120 million radio broadcast listeners.

Commenting on these figures, Director Wick has said: "The enormous potential of satellite technology as a tool to explain and clarify U.S. foreign policy is confirmed by these figures . . . . This can only be good news for the free world, which thrives on the belief that the free exchange of ideas between nations will bring us closer to mutual understanding."

Mr. Speaker, WORLDNET has indeed proven itself to be the single most important innovation in the communication of U.S. foreign policy since the Voice of America went on the air 40 years ago. Without question, it has increased in a dramatic way the ability of the U.S. Information Agency to "tell America's story to the world."

On March 2, 1985, an article by Penny Pagano entitled "TV Goes Global On WORLDNET" appeared in the Los Angles Times. This article explores both the current capability and the potential of the WORLDNET communications system. I commend it to my colleagues as follows:

[From the Los Angeles Times, March 2, 1985]

TV GOES GLOBAL ON WORLDNET

(By Penny Pagano)

WASHINGTON.—It was morning in East Asia as doctors and medical journalists gathered at U.S. embassies in six cities to see and talk with America's two leading doctors in the field of artificial heart implants.

It was 8 p.m. in Louisville, Ky., where Dr. William DeVries, who recently performed his third artificial heart implant in a human, was standing by. And it was 6 p.m. for Dr. Robert Jarvik, the inventor of the artificial heart, who was in Salt Lake City.

Through the marvel of satellite technology, DeVries and Jarvik were being linked with doctors and medical journalists in Bangkok, Hong Kong, Jakarta, Manila, Singapore and Sydney in a high-tech TV global news conference this week that was moderated through Washington.

In mid-January, the two doctors did a similar program that went to Europe. Both satellite broadcasts were produced not by a commercial TV network but by the U.S. Information Agency through Worldnet, the government's own TV network with satellite links to about 40 U.S. embassies around the world.

USIA officials say that Worldnet provides dramatic opportunities for unfiltered statements about America's positions to be tested thousands of miles away in unrehearsed sessions with foreign correspondents and government leaders of other nations.

"This has been a real breakthrough because it's the nearest thing to being there in person," USIA Director Charles Z. Wick said.

USIA has conducted about 70 Worldnet news sessions since the program was launched under Wick's direction a little more than a year ago. In the last half of 1984, Wick said in an interview, 30 programs were seen by 1 billion people.

To date, most broadcasts have been news conferences, with foreign journalists questioning U.S. officials live from USIA's spacious TV studio in Washington. In these interactive broadcasts, participants at the foreign locations can see and speak to officials in Washington or other designated locations.

Beginning in April, USIA will launch a major expansion of Worldnet, with two hours of news and feature programs broadcast to Europe five days a week. However, the programs won't be going just to the foreign posts. For the first time, they will also

be seen in hotels in Europe as well as by millions of viewers on European cable systems. (USIA programs are not shown in the United States.)

"We think this is going to be a spectacular service," said Alvin Snyder, director of television for USIA. "It's the only one of its kind."

The programs will include news broadcasts from the previous evening, documentary films and other feature programs produced by USIA as well as films acquired outside the agency. Worldnet producers plan to include a wide range of programming, from science shows to cultural series. They also hope to show excerpts of Capitol Hill proceedings from C-SPAN, the cable public affairs TV network.

"This is truly the world's first global television service," Snyder said, adding that his agency is holding discussions about utilizing other regional satellite systems in the Caribbean, Latin America and the Middle East for the daily broadcasts.

Worldnet will still include news conferences once a week or every 10 days, but the sessions will be broadened to include more shows like the recent programs that featured DeVries and Jarvik. For example, Snyder says Worldnet plans to present a show for the Middle East next Saturday that will deal with hypertension, a serious health problem in that part of the world. Doctors in five Arab countries will have an opportunity to question leading cardiologists live from Los Angeles.

Wick said future programs also will examine a variety of other subjects, including cultural areas.

The idea for Worldnet originated with Wick, who was in Paris in the fall of 1983 when the United States invaded Grenada. Unhappy with the reaction of British Prime Minister Margaret Thatcher and other Western European leaders, Wick suggested an international news conference when he returned. On Nov. 3, outgoing U.N. Ambassador Jeane J. Kirkpatrick and two East Caribbean prime ministers in Barbados talked with more than 40 journalists in eight European countries.

The result, he said, was dramatic, including 11 minutes on the evening news on independent television in Britain. "We could never have bought that time," he added. "We felt we had really stumbled on something that was much greater in consequence than we have ever dreamed of."

Since its beginning, Worldnet has included appearances by cabinet and top government officials and other news makers. Last June, Peter Ueberroth, then president of the Los Angeles Olympic Organizing Committee, and Los Angeles Mayor Tom Bradley talked with African nations about the Olympic Games.

Worldnet received about $13.9 million in funding for fiscal 1985, of which $11 million went for satellite transmissions. The Reagan Administration's budget proposal for fiscal 1986, which begins in October, includes $15 million for Worldnet, of which about $10.7 million will be for transmission costs.

Wick believes that Worldnet's success may lead to a new era in public diplomacy. "There isn't a foreign leader who doesn't know of it," he said.

On Jan. 25, he wrote to Leonid M. Zamyatin, chief of the international information department of the Soviet Union's Communist Party Central Committee to propose that Soviet journalists participate in a one- or two-hour Worldnet session questioning senior U.S. officials in return for a program allowing American journalists to question senior Soviet officials.

If that should happen, Wick believes it won't be long before world leaders use these satellite sessions for more public, as well as private meetings.

"We think that is definitely coming very soon," he said.●

AMERICAN EAGLE KNIFE—MADE IN JAPAN

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. GAYDOS. Mr. Speaker, recently Mr. Gregg Kretchun, editor of the Times Sun, a newspaper which circulates in West Newton, PA, published an article illustrating why many Americans shake their heads over what is happening in our country.

Mr. Kretchun describes an advertisement he received in the mail promoting the sale of a strictly limited edition of a folding pocket knife commemorating the 200th anniversary of the American eagle. The knife bore a relief sculpture of that noble bird and would-be purchasers were encouraged to own this proud symbol of America's eternal vigilance in defense of freedom.

Reading the ad one could almost hear the stirring sounds of the fife and drum—until, at the bottom of the page, in smaller print, came the disclaimer: "* * * the American Eagle Folding Pocket Knife is made in Japan. * * *"

Mr. Speaker, I enclose Mr. Kretchun's article for the consideration of my colleagues in the House:

Oh, the irony of it all! Arriving recently in my mailbox was an offer from one of the major department stores peddling a commemorative folding pocket knife to honor the 200th anniversary of the American Eagle. This "strictly limited edition" was promoted with patriotic fervor *(cue the fife and drums!)* claiming, "Every American is proud of our great and free nation . . . and proud of the majestic American Eagle, stirring symbol of that great freedom." The advertisement for the knife, bearing the Eagle in relief sculpture, also appealed to collectors of "Americana." And, adjacent to an inspiring photo of the Capitol dome, the ad urged consumers to "own this proud symbol of America's eternal vigilance in defense of freedom."

At the bottom of the page, in smaller print, came the admission that "the American Eagle Folding Pocket Knife is made in Japan. . . ."●

FRANK CAMPBELL: CIVIL RIGHTS LEADER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. MICHEL. Mr. Speaker, Frank Campbell of the Urban League in my hometown of Peoria, IL, has for 20 years been showing the kind of civil rights leadership that gets results, creates allies, and expands opportunities. The Peoria Journal Star recently wrote about the contributions Frank Campbell has been making to our community for 20 years and I want to take this opportunity to share this article with you.

At this point I insert in the RECORD, "Frank Campbell: The Quiet Man in Civil Rights Movement" from the Peoria Journal Star, Sunday, March 24, 1985.

[From the Peoria (IL) Journal Star, Mar. 24, 1985]

FRANK CAMPBELL: THE QUIET MAN IN CIVIL RIGHTS MOVEMENT

(By Eric Sandstrom)

Twenty years ago, when Frank Campbell was hired to open an Urban League franchise in Peoria, he quit a director's job in the St. Louis Human Relations Office with the notion that the Illinois River town was ripe for social change.

Which was not news.

NAACP state and local president John Gwynn had been adamant in his demands for integrating Peoria's white corporate structure.

Often brash and outspoken, Gwynn thrived in the public eye, leading demonstrations and sit-ins around town.

Campbell's approach, just as insistent, was lower-keyed, and appraisal by others he doesn't refute.

"You can get quite a bit accomplished without confrontation," says Campbell. "But when you do things behind the closed doors of a board room, that's not quite as exciting as demonstrating in front of city hall."

Campbell joined Gwynn and other leaders, black and white, in bringing pressure to bear on the city. New laws and new programs signalled new, if long overdue, opportunities, for blacks in housing, education and jobs. Campbell credits his office for instigating some—not all—of the changes. In 1968 alone, the Tri-County Urban League found jobs for more than 800 blacks with such firms as WABCO, Pabst Brewery and Caterpillar Tractor Co.

"Peoria's certainly a better place to live than it was 20 years ago," Campbell says.

Forever upbeat, Campbell finds a silver lining behind Peoria's cloudy business future, too.

"I feel a sense of people coming together—coalescing across racial lines—who want to do something about the economy," says the recently elected member of the Economic Development Council. "Adversity brings people together. Blacks and whites are in the same boat.

Not that his mission is over.

Will the Urban League be around 20 years from now?

A nice thought, says Campbell, who was honored at a Saturday banquet for his leadership since 1965.

To imagine the day that blacks will have achieved social equality—making agencies like his obsolete—is a thought he entertains for all of a second. At age 55, Campbell does not foresee the Urban League's obsolescence.

At this time, he is on the phone, 20 years later, with a saleswoman from Computerland, preparing for what lies ahead. The Urban League just bought a new computer—got a deal on one from St. Louis—and needs the accessories to go with it. More storage capacity. More floppy discs. More social change to the tune of a $2 million budget this year.

"Give me a quote I can live by?" he says.

He writes down a number. Hangs up.

"I'm a civil rights activist but an administrator first," he smiles. "That's why I'm ordering computers and all this bull . . ."

When he began practicing here in 1973, Dr. William Reid became Peoria's second black physician. Campbell recruited him. It was part of the League's ongoing efforts to attract black professionals.

"Frank was a real salesman for Peoria," says Reid. "He has a dynamic personality."

Reid took a job in the emergency room at St. Francis Hospital and developed a part-time family practice on Northeast Jefferson St. Five years later, in 1978, Reid ("I'm a southern boy") was so weary of Illinois winters that he moved to Knoxville, Tenn.

Having watched the Urban League operate in various towns, including Washington, D.C., Nashville, Knoxville, Reid was impressed by the support that Peoria's League received from the business community.

"The Urban League in Peoria is the most effective one of the whole bunch," says Reid. "It accomplishes things. We have one here in Knoxville that has an annual dinner and that's about it."

Gwynn, who has led his share of city hall demonstrations, insists that whatever distinguishes himself from Campbell arises out of the disparate natures of the agencies they work for.

The League offers direct services, (read p-r-o-g-r-a-m-s), as well as advocating social change. Instead of running programs, the NAACP musters its energy into flexing political muscle.

Gwynn calls his arch rival a "good director" and leaves the comparison-making to others.

Unlike the Urban League, says Gwynn, "The NAACP is independent enough not to have to depend on the power structure. The Urban League uses United Way and federal funds. We depend on memberships from the community."

A similar view is taken by Andre Bohannon, Peoria's director of human resources.

Both leaders share the same stature within the black community, says Bohannon, who spent four years working for the Urban League in the early 1970s.

Because their roles are different, says Bohannon, "Frank probably wouldn't be able to get 10 people to picket. But John, as cold as it is today, could probably get a group together."

He attributes the Urban League's success to Campbell's leadership, his "outstanding staff" and his ability to attract some "pretty heavy hitters on his board."

Minnie Smith, a relocation officer for Peoria, is another former League staffer who watched the Urban League grow.

"One of the qualities I always liked about Mr. Campbell was his ability to relate to people from all walks of life," says Smith. "But once he takes a stand, he maintains it. He calls it like it is."

Campbell looks back to July 16, 1965 with surprise. It was the day he took the Urban League job.

"It was not my intention to stay 20 years," he says.

But he did. He went on to become the first black director of a local financial institution. He's been on the board of First Federal Savings and Loan (now Talman Savings and Loan) for eight years.

"Frank is a quiet, behind-the-scenes man," says Steven R. Koch, First Federal's former president who now serves as treasurer for the Journal Star. "You don't see him as a point man making a lot of political statements. He doesn't need a political constituency like a John Gwynn or Mike Banks. He just gets things done."●

INTRODUCTION OF HOUSE JOINT RESOLUTION 219, TO REPUDIATE THE CONSEQUENCES OF YALTA

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. KEMP. Mr. Speaker, the Polish-American Congress was founded in Buffalo, NY, in May 1944. It represented Americans of Polish descent, numbering about 6 million. When President Roosevelt received representatives of the newly founded Congress, the head of the delegation, Mr. Charles Rozmarek, speaking on behalf of the—then—6 million Americans of Polish descent, called on the President to "insist that neither an alien nor a puppet system of government shall be imposed upon Poland nor that any part of her population will ever be disposed of or transferred against the really freely expressed will of the Polish People."

Today, the people of Poland are still fighting that battle, as are the peoples of all the captive nations of Central and Eastern Europe.

In support of these people who continue to yearn for their freedom and for the right to determine their own destiny, today I am introducing a resolution to reaffirm U.S. solidarity with the aspirations of captive nations in Central and Eastern Europe by repudiating the consequences of the 1945 Yalta executive agreements. This same resolution has already been introduced in the Senate by my good friend Senator BOB KASTEN of Wisconsin.

One of the great debilitating myths of our times is the myth of Yalta. That myth holds that in 1945, the powers at the Crimean Conference agreed to divide up the postwar world into two spheres of influence, one "belonging" to the East and the other "belonging" to the West.

From this revision of history related policies have grown, both in the East and in the West. In the East, the myth of Yalta has served to legitimize Soviet control over Central and Eastern Europe. It has served to convince the Soviet leadership of the free world's acquiescence in Soviet domination of peoples end nations outside its borders. And it has found expression in the Brezhnev doctrine, which gives the Yalta myth a global cast, holding that any nation falling under Soviet control must remain under Soviet control.

In the West, the Yalta myth has served to anesthetize our concern over the fate of Central and Eastern Europe. It reached its greatest ignominy in the Sonnenfeldt doctrine, which established U.S. policy to strive for an evolution that would create an "organic relationship" between the Soviets and Eastern Europe in a misconceived effort to promote international harmony. And it is echoed in the bitter irony of the Helsinki accords: A human rights agreement that lent legitimacy to the most extensive repression of human rights in history.

I believe that it is time for the United States and our Western allies to unmask the Yalta myth as an unhealthy shadow over East-West affairs. Far from mandating "spheres of influence," as the myth would have it, the Yalta agreements called for free and fair elections in Poland and the other countries of what is now the East bloc. The Western powers' error was not to cede Eastern Europe to the Soviets, for no such deal was ever struck. The West's error was in trusting that Stalin would honor his agreement.

In the words of Stanislaw Mikolajczyk, premier of the Polish government-in-exile of the late 1940's, "I was able to accomplish nothing in effecting free elections in Poland. But I have accomplished one thing: I have shown to the whole world that nobody can believe the promises of the Soviet Government."

Mr. Speaker, by enacting this resolution, the U.S. Congress can show to the world that we do not take broken promises lightly, and that we support the right of the peoples of Central and Eastern Europe to self-determination and to choose the form of government under which they will live. We must show the courageous men and women of solidarity in Poland that we stand with them and the freedom loving men and women throughout Central and Eastern Europe.

I ask that my resolution be printed in the RECORD.

H.J. RES. 219

Joint resolution to reaffirm U.S. solidarity with the aspirations of captive nations in central and eastern Europe by repudiating the consequences of the 1945 Yalta executive agreements

Whereas, during World War II, representatives of the United States, Britain, and the Soviet Union took part in agreements and understandings concerning other peoples who were not represented;

Whereas, the Soviet Union violated the Yalta guarantee of free elections in the countries involved, specifically the Yalta agreement commitment "to form interim intergovernmental authorities broadly representative of all democratic elements in the population and pledge to the earliest possible establishment to free elections of government responsive to the wills of the people and to facilitate where necessary the holdings of such elections;

Whereas, at Yalta, it was decided that a new Polish government should be formed using an unpopular Soviet backed Provisional Government as a base which was to expand on a broader democratic basis with the inclusion of democratic leaders from Poland and itself and from Poles abroad, and was to hold free elections, provisions which the Soviets violated by arresting or executing democratic leaders while holding fraudulent elections;

Whereas, at the Yalta Conference, representatives of the United States agreed to repatriate all Soviet cicizens who remained abroad after the war, irrespective of their individual wishes and by force if necessary, resulting in much tragedy and suffering;

Whereas millions of people around the world, especially those residing in Central and Eastern Europe believe the 1945 Yalta executive agreement involved United States acquiscence in the enslavement of entire nations under a Soviet totalitarian system of government;

Whereas, the nations of Central and Eastern Europe continue to resist Soviet domination as for example in guerrilla wars after World War in Lithuania, Ukraine, and other countries, in East Berlin 1953, Poznan and Budapest 1956, Prague in 1968 and in Poland 1970 and again since 1980;

Whereas it is appropriate for the United States according to the principles on which this nation was founded to respect the desires and aspirations of all freedom-loving people around the world;

Whereas it is appropriate that the United States express the hopes of the people of the United States for the freedom of the people subjected to the captivity of Soviet despotism in Central and Eastern Europe as well as elsewhere around the world; and

Whereas it is appropriate for the United States to reject any interpretation or application that, as a result of the signing of the 1945 Yalta executive agreements the United States accepts the present position of nations being held captive by the Soviet Union: Now, therefore, be it

Resolved by the Senate and the House of Representatives in Congress assembled, That the United States does not recognize as legitimate any spheres of influence in Europe and that it reaffirms its refusal to recognize such spheres in the present or in the future, by repudiating the consequences of Yalta executive agreements of 1945.

That the United States proclaims the hope that the people who have been subjected to the captivity of Soviet despotism shall again enjoy the right to self-determination within a framework that will sustain peace, that they shall again have the right to choose a form of government under which they shall live, and that the sovereign rights of self-determination shall be restored to them in accordance with the pledge of the Atlantic Charter.

The United States hereby expresses its solidarity with the peoples of Central and Eastern Europe.●

SCHOOL LUNCH CUTS DISASTEROUS TO PENNSYLVANIA

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. KANJORSKI. Mr. Speaker, in 1981, the administration forced 3.7 million of our children out of the school lunch program by cutting its budget by $1.5 billion. In the small northeastern Lehighton Area School District in my congressional district, 100,000 fewer meals were served the following year.

Last year, this same school district had a temporary interruption in its school lunch program. The school lunch director watched in horror as many hungry students sat in the lunchroom with little or nothing to eat and watched their more fortunate friends eat. She went out and bought bread, peanut butter, and jelly so that they would not go totally without food.

This unfortunate scene could be repeated many times over if this year's proposed cuts go through. The 1981 cuts averaged out to 11 cents a meal, this year's cuts will average out to 24 cents per meal and could deprive 7.3 million children of the nutritionally balanced meals they need to grow and learn.

Mr. Speaker, it is time for Dave Stockman to learn that knives can be used for spreading food, as well as for cutting the school lunch budget.

I'd like to take this opportunity to share with my colleagues an excellent article by Becky Finsel on the school lunch issue which appeared in the March 20 edition of the Times News.

FUTURE OF SCHOOL LUNCH PROGRAMS LOOKING MORE GRIM IF FEDERAL CUTBACKS ARE PASSED

(By Becky Finsel)

Louise Oppold is afraid for the children. As Food Services manager for the Lehighton Area School District for 10 years, she has seen a lot of changes. But now more than ever, she says, the future is looking very grim for the school lunch program.

The Lehighton school cafeterias have basically survived the $1 billion cut in 1981 despite its many inconveniences brought on by the Reagan administration, but Louise fears the currently proposed 1985 budget, with cuts of more massive proportions, will force many children to go hungry.

Concerned that many children may be forced to drop out of the school lunch program, Louise recently spent four days in Washington, D.C., talking with government officials and lobbying against the $3.5 billion that may be taken away from the Child Nutrition programs and educational programs in this country.

Her trip, sponsored by the American School Food Service Association, was informative as well as frustrating for her and the other 419 people from across the nation chosen to attend.

During her stay, she and the others had appointments with congressmen and senators and attended many workshops. It was there that Louise learned the Reagan administration is hoping that Congress will pass its proposed "package deal" of cutbacks. Not only will this package include cuts to the lunch program, it will affect elementary and secondary education as a whole and student aid for college loans.

Specifically, the $3.5 billion amounts to a nine percent reduction in elementary and secondary education programs, a 16 percent reduction in child nutrition programs and a 32 percent reduction in higher education programs. Even though Congress is scheduled to vote on this issue very soon, Louise was told by Congressman Paul Kanjorski that it is still not too late. If the public becomes aware of the problem and offers to help by writing an influx of letters, the school lunch program may be saved.

Mrs. Carol Helmer's kindergarten class at Shull-David Elementary School offered to help their school when they found out they might not be able to eat in the cafeteria next year. The children in the morning and afternoon sessions wrote a letter to Mrs. Nancy Reagan saying: "Dear Mrs. Reagan: We want to be able to eat lunch in our school cafeteria next year. Please ask the President to help by supporting school lunch programs."

Mrs. Helmer explained to her class in simplistic terms that if the cafeteria did not get money from the government (President) to make it work, there would be a chance that they would not be able to eat there next year. Even though it was a difficult situation for them to understand fully, she said they expressed their disappointment and then composed the letter to Mrs. Reagan.

The National School Lunch Act was established in 1946 to provide an adequate, affordable school lunch for all students as part of their total educational experience. The philosophy of this act was to safeguard the health and well being of the nation's children and encourage the domestic consumption of nutritious agricultural commodities and other foods. Schools participating in the lunch program receive a small reimbursement from the government for all lunches served to children which meet federal school lunch meal patterns.

Lehighton, for example, receives roughly 29½ cents per lunch. The district has a totally self-supporting lunch program, not supported by the district or the taxpayers. Last year, the food services department's total receipts were $408,664.45 and the total expenses were $412,835.80.

This income is received solely by the sale of extra or a la carte items such as potato chips, cupcakes, pretzel sticks, etc. to students, besides their lunch. The lunch itself on the elementary school level costs $1.30 to prepare. Students pay 70 cents. The profit made by the extra sales in the cafeteria pays for all employee salaries with 12-month-a-year benefits, as well as all cafeteria equipment, upkeep, and office supplies as well as food. If the proposed cutbacks go through, it could mean the elimination of jobs as well as the end of the school lunch

as we know it today. The alternatives will be either to raise taxes or the lunch program will be no longer.

Lunches now include food that provides many nutritional requirements and for many of the free and reduced students especially, this is the only decent meal the child will receive in a day. Mrs. Oppold's office runs the cafeterias for nine buildings in the district, which includes six elementary and the junior and senior high schools.

If the 1985 budget is passed as is, lunches which now sell for 70 cents would be easily raised to $1 per lunch, or the cafeterias will be forced to sell all a la carte items at restaurant prices. Either these drastic increases of lunch prices would occur or the school board would be forced to make a serious choice—raise taxes to subsidize the lunch programs or the a la carte solution. But, in this case, the poor would be deprived of a nutritious lunch, unless paying these high prices.

The only way this may be avoided is if the government receives many letters from PTAs, senior citizens, taxpayers, parents and teachers, asking that the proposals be reconsidered.

If you would like to help, write to: Congressman Paul Kanjorski, Room 1711, Longworth Building, Washington, D.C. 20515; Senator Arlen Specter, Washington, D.C. 20510; and Senator John Heinz, Washington, D.C. 20510.●

FAIR COMPETITION IN HYDROELECTRIC LICENSING ACT OF 1985

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. MATSUI. Mr. Speaker, I am introducing today a bill that proposes a fair and workable solution to the debate over Federal licensing and relicensing of hydroelectric facilities. My proposal will ensure fair competition between private utilities and consumer-owned utilities, address the concerns of existing licensees of hydroelectric facilities and further the public's interest in energy conservation and environmental protection.

My bill, the Fair Competition in Hydroelectric Licensing Act of 1985, has four principal components. First, it preserves the public preference in hydroelectric relicensing in those cases where there is a tie after all other factors have been considered, while ensuring that competition is fair among all applicants—public and private.

Second, it increases the compensation to be paid to the customers of an existing licensee if a decision is made to issue the license for a project to a new licensee.

Third, the bill requires the Federal Energy Regulatory Commission in relicensing proceedings to consider thoroughly environmental and energy conservation and antitrust concerns.

Fourth, the bill expands the authority of the Commission, in appropriate circumstances, to order the transmission or wheeling of power, on a fair and reasonable basis, by those utilities that control such a large part of the country's electrical transmission facilities.

This proposal stakes out a fair middle ground between the interests of private utilities who are seeking elimination of the public preference in relicensing in its entirety, and the consumer-owned utilities, who prefer the status quo. It is far less drastic than the bill, H.R. 44, introduced by my colleague, the gentleman from Alabama [Mr. SHELBY], which would eliminate the preference in the relicensing by FERC of hydroelectric facilities and virtually guarantee that existing licenses would be reissued to the original license in perpetuity.

Although its supporters attempt to explain H.R. 44 as consumer-oriented legislation, in fact it is anticonsumer, anticompetitive, and antienvironmental. And that is why it is opposed by leading consumer, labor, and environmental groups including Consumer Energy Council of America; Consumer Federation of America; National Consumers League; United Steelworkers of America; Oil, Chemical, and Atomic Workers International Union; National Farmers Union; American Federation of State, County, and Municipal Employees; National Farmers Organization; Environmental Action; Friends of the Earth; American Rivers Conservation Council; Natural Resources Defense Council; National Rural Electric Cooperative Association; and American Public Power Association. That also is why many of our colleagues who cosponsored Mr. Shelby's legislation in the last Congress have refused to renew their support for the bill this year.

At hearings held before the Subcommittee on Energy Conservation and Power of the Committee on Energy and Commerce on May 17, 1984, I testified that, in my judgment, the Shelby bill is shortsighted because it rejects the judgment made by Congress in 1920 and reaffirmed repeatedly since then that the competitive licensing and relicensing process produces many public benefits. In relicensing proceedings to date, the competitive process has resulted in a kind of nonmonetary but innovative bidding by competing consumer-owned and private utilities. As a result, commitments have been made not only to improve the power output and the efficiency of some of the projects at issue, but also to provide the public with additional environmental and recreational benefits. Moreover, rate and other competition between consumer-owned and private utilities acts as an important check on the ever-increasing rates of monopolistic private utilities. All citizens benefit from the competitive process, regardless of the final outcome of individual cases.

Unlike the Shelby bill, which would create a virtually unrebuttable presumption in favor of the existing licensee, my bill would permit competition by requiring the Commission to award a license for a hydroelectric project to the applicant whose proposal is best adapted to the purposes of the Federal Power Act. The existing preference for public applicants in relicensing proceedings would operate only as a statutory tie breaker in those limited instances in which two proposals are deemed equal in all material respects.

At the same time, my bill addresses the concerns raised by representatives of private utilities about the operation of the current law.

First, it ensures that competition will be fair between competing applicants by providing that each license applicant will file one application, and that all applicants will have the same opportunity to amend their license applications. This is a major change in the way the law presently operates, and would ensure that all applicants would compete under the same fair procedural rules.

Second, it addresses the concern that the amount of compensation a successful applicant must pay an unsuccessful existing licensee—which, under existing law, is limited to the existing licensee's net investment in the project and severance damages—is inadequate. The private utilities want to replace the existing standard with a provision in the Shelby bill which would entitle a displaced existing licensee to just compensation in accordance with due process of law. This could, in effect, require the new licensee to pay the full replacement cost of the project and make competition for the project uneconomic. It also creates the potential for an unjustified windfall to the shareholders of the existing licensee who would be paid the increased value of a leased public resource, even though the private utility has already recovered all or most of its investment through depreciation charges and by including the capital cost of the project in its rate base.

Section 3 of my bill strikes a balance between existing law and the private utilities' preferred solution. It requires, in addition to payment of net investment and severance damages, that the new licensee make available for the benefit of the customers of the existing licensee up to an average of 25 percent of the output of the project for one-fifth of the license term at the new licensee's actual generation cost. This is the maximum percentage which, under existing law, a State or municipal licensee could provide to a private utility without adversely affecting its ability to issue tax-exempt bonds under the current tax law. This provision also would ease the transi-

tion for the customers of the existing licensee in those limited instances in which a license changes hands.

In addition, my bill also would require FERC and competing applicants for an existing project to pay more attention to environmental and energy conservation concerns. Specifically, section 2 of the bill requires that the Commission consider the applicants' plans respecting protection of fish, wildlife, natural, cultural and recreation resources. This would promote competitive bidding between consumer-owned and private utilities to present the best plan for protecting the environment and encouraging energy conservation. Section 2 also provides the Commission with new authority to require a licensee to implement an energy conservation program, including, where the licensee is a utility, a plan to assist its customers to conserve electricity cost effectively.

Section 5 of my bill, modeled on similar provisions of the Atomic Energy Act of 1954, requires that the Attorney General be notified of hydroelectric relicensing applications and allowed to provide his views to the Commission on whether the activities under the license would create or maintain a situation inconsistent with the antitrust laws. The Commission is required to give due consideration to the advice received from the Attorney General on this issue. In my view, antitrust review during the relicensing process is essential to promoting and maintaining a healthy, competitive electric utility industry, and guarding against monopoly control over generating resources and transmission.

My bill also includes a wheeling provision that would be applicable only in connection with the issuance of new licenses for existing hydroelectric projects. It would require the Commission to include in all new licenses for such hydroelectric projects a condition requiring the new licensee to wheel electricity—that is, an arrangement whereby one utility is paid to transmit electric energy between two other utilities—on fair and nondiscriminatory terms to other electric utilities. Wheeling facilitates the regional distribution of surplus, low-cost power, thereby providing lower electric rates for all consumers. In addition, the bill would preclude existing licensees from avoiding competition by refusing to transmit the power from a project to a new licensee. This provision is necessary to permit smaller utilities, which may lack access to extensive transmission facilities, to compete effectively for hydroelectric projects.

The amendments will serve to provide smaller, usually consumer-owned, power systems with access to the transmission lines often denied them by the larger utilities. Indeed, in order to avoid fair competition, some private utilities have announced in advance that consumer-owned utilities. My bill will insure that all utilities have a fair opportunity to seek the least expensive power available.●

A DOUBLE STANDARD?

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DORNAN of California. Mr. Speaker, I rise today out of concern for something which is happening this very day in the D.C. Superior Court right here in Washington. Vanna Om Strinko, a Cambodian-American, is going on trial for demonstrating against the Soviet Union, before the Soviet Embassy here in Washington some weeks ago. Hundreds of others have demonstrated and continue to demonstrate before the South African Embassy and though arrested, are not prosecuted. Mrs. Strinko was demonstrating against the policy of the Soviet Union in supporting the Socialist Republic of Vietnam in its occupation of Cambodia. She was registering her protest against imperialsim, aggression, and genocide on behalf of self-determination and freedom. She was doing so under the protection of the first amendment to the Constitution of the United States, which most of us remember guarantees freedom of speech.

Now, you say, what is so unusual about demonstrators being prosecuted? Happens all the time. Mrs. Strinko was the only person in her group prosecuted for demonstrating. There were others, dozens of them. They were all demonstrating and were arrested. Then why is Mrs. Strinko being prosecuted? Was her behavior so outrageous that the authorities had no choice? I doubt that very much. In fact, she has sued the Federal prosecutor involved for selective prosecution. I ask whether it is possible that the Soviets have pressed charges against Mrs. Strinko, which might be one reason, at least, for this peculiar trial.

Those protesting against the South African Government's policies before that embassy here deliberately break a clear set of rules and cross an imaginary line in order to get arrested. The South African Embassy does not press charges against those demonstrators, which it could do. It chooses not to do so, because it sees no reason to provide additional opportunity for rhetoric from the demonstraters in the courtroom.

Mrs. Strinko was arrested on January 28, 1985, while she was standing in silent protest—I am citing a Washington Post article—on the sidewalk in front of the Soviet Embassy after she was refused permission to deliver a petition. There were no police lines, to my knowledge. There are two issues which her case have raised.

One issue is that the U.S. Attorney Joseph E. diGenova has chosen to prosecute Mrs. Strinko while dropping charges against those demonstrating against apartheid before the South African Embassy. The distinction drawn between the two is that the South African Embassy cases "lack prosecutive merit." The D.C. Corporation Counsel, who shares jurisdiction with the U.S. attorney in such matters, has publicly stated that it would be "untenable" to prosecute people for demonstrating against the "the gross injustices which result from the South African policy of apartheid." It is obvious to any objective observer that the District of Columbia and the U.S. attorney would rather deal with one Cambodian-American woman than all those who have expressed their freedom of speech in a currently more popular cause.

The other issue is whether the Soviet Union has chosen to press charges, which would be a part of the "prosecutive merit" Mr. diGenova says he finds in Mrs. Strinko's case. Which would mean that the Soviets have chosen to use our legal system to protect themselves from a single Cambodian-American woman, an American citizen.

Is the Soviet Union so sensitive to criticism about the policies of the Vietnamese, their allies, that they cannot stand to permit one small Cambodian-American—Mrs. Strinko is a citizen of the United States—to exercise her right of free speech? Does that Government, which just days ago countenanced the cold-blooded, slow, and deliberate murder of an American officer, contrary to its own solemn agreements and any civilized standard of behavior—which a year and one-half ago even more brazenly shot down KAL 007 and slaughtered a planeload of civilians including our colleague, Larry McDonald—so resent being held accountable for the crimes of their Vietnamese clients that it cannot stand to ignore Mrs. Strinko's demonstration? Could it be that the Soviets are trying to use the laws of this country, which protect them in ways they could never enjoy at home, to muzzle an American citizen? Perhaps they wish to intimidate the thousands of other Cambodian refugees in this country who wish nothing more than to return home to a free Cambodia governed by free Cambodians.

I respect the laws of this country. I have sworn to uphold the Constitution and the laws. I trust the courts to do justice in Mrs. Strinko's case. I only wish to call attention to the immense and obscene irony of prosecuting what appears to be a Soviet charge against a single, selected American citizen who dared in this city to protest their mon-

strous policies. And, to question what is even more clearly a double standard on the part of the judicial authorities in this case.●

A MEMORIAL TRIBUTE TO LEO FLOOK

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. SCHEUER. Mr. Speaker, on March 23, 1985, the Great Neck Engine and Hook and Ladder Company held their 80th anniversary dinner and dance celebrating a long period of devoted service to the community.

At this affair a great individual was remembered for his contribution to making our homes and our lives safer and more secure. Leo Flook—1937-84—would have been making his fifth year as chairman of the Vigilant Fire Company's board of trustees. Instead, he was prematurely taken from us, but not before he had left a mark on all those who met him and on the town he loved so much. I would like to take this opportunity to share with my colleagues some of the details of Leo's life, his contributions, and the volunteer fire department that will always bear his mark.

Leo joined the Vigilants in 1966. His intelligent, subtle manner quickly earned him the respect of his fellow volunteers who elected him financial secretary in 1968 and again in 1969. In 1970, Leo decided that service as a fire officer was to his liking. After serving 1 year as second lieutenant, he became first lieutenant from 1971 to 1973, captain in 1974, and second assistant chief in 1978.

In 1980, Leo made a bold move. Seeing an opportunity to leave a permanent mark on both the fire community and the Great Neck community, Leo ran and was elected as a trustee. After serving only 1 year, Leo's outstanding ability was recognized by his peers who made him chairman of the board of trustees, chief executive officer of the company.

Under Leo Flook's leadership, the Vigilants saw great changes and advancements. The creation of the firemedic squad and the introduction of two Great Neck primary ambulances are highlights of his tenure. These acts alone, which have improved the delivery of emergency medical services to all residents of Great Neck, form a legacy that we will not forget. Most important is the legacy that Leo left in the hearts of his brother firefighters.

Whether it was on the softball field or at a fire scene, Leo was always there with a word of encouragement and support. He was the role model for many young volunteer firemen and firemedics who turned to him for guidance. He will be greatly missed by his family and friends and by the Great Neck community which he served so long, so hard, and so well.

The Vigilant Engine and Hook and Ladder Company was presented with an American flag which was flown over the U.S. Capitol in honor of Leo Flook. I am honored to pay tribute to a fine, compassionate, and caring human being.●

HELP VETERANS HELP THEMSELVES

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Ms. MIKULSKI. Mr. Speaker, our country's veterans have had unique experiences that do not affect the rest of us. These experiences have made veterans self-reliant, resourceful, and aggressive. However, it is these same veterans who could fight their way through an enemy jungle who now need some help fighting their way through a paper jungle—the VA. It is difficult to know what your entitlements are or how to get them when you are dealing with a confusing bureaucracy. Today I am introducing The Hotline for Help Act which will provide a one-stop shop where veterans can get assistance.

THE HOTLINE FOR HELP ACT

This bill directs the VA to set up a national, 24-hour 800 number hotline. The hotline will provide veterans with information pertaining to entitlements as well as providing referrals to centers and agencies local to the veteran. The hotline would be staffed by professional counselors who would be available to talk over any problems.

I believe that it is the responsibility of the government to provide tools such as this hotline so that veterans can help themselves. I also believe that assistance should be provided in times of crisis to those veterans who feel that neither they nor anyone else can help them. For this reason, I am also introducing today the Data Bank Centralization Act.

THE DATA BANK CENTRALIZATION ACT

This bill directs the VA to establish, maintain, and utilize a central data bank of information. This centralization will increase the efficiency of the VA, thus helping veterans with their benefit claims and medical needs. The bill also directs the VA to provide law enforcement personnel with immediate information on a 24-hour basis in hostage and barricade situations, thus helping veterans in times of crisis.

The need for this legislation was brought to my attention last spring when a Baltimore veteran barricaded himself in an apartment and fired several rifle shots. The incident was not in my district, but the veteran said he was having problems with the VA, so I left my home at 11:30 at night and went to see if I could help.

What I found at the scene was a group of well-trained officers working to resolve the situation without injury. The officers, who were part of a specially trained hostage negotiation team, had access to all the resources of the private sector. They had the best electronic devices. They had the best communications devices. However, the team did not have access to the people who knew the most about the vet—officials at the VA. The hostage team informed me that knowing the veteran's medical history would have helped them to deal with the situation more effectively.

When tragedy strikes a veteran and in turn strikes the community, I believe it is the responsibility of the Government to provide what information it has in order to alleviate the crisis. This legislation balances the right to privacy of the individual veteran with the need for law enforcement personnel to have timely access to this information in hostage and barricade situations. The bill acknowledges the potential for abuse that such a 24-hour phone line would create. Safeguards against abuse are required and penalties are provided if violations do occur.

Our Nation has a longstanding commitment to support those who have served our country in times of need. Veterans do not want or need handouts. What they need is some straightforward assistance in order to benefit from the entitlements that they have already prepaid. I urge my colleagues to join with me in this effort to help veterans help themselves.●

INDIA JOINS THE SUPPLY SIDE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. KEMP. Mr. Speaker, the American idea of freedom, individualism, and economic opportunity is showing enormous power throughout the world. India is the latest, and perhaps most surprising example, of a country that is self-consciously imitating the U.S. economic miracle. Prime Minister Rajiv Gandhi has begun a policy of cutting taxes to revitalize the lackluster Indian economy. For many years, this great nation with so much potential has lagged behind other fast-growing nations like Korea, Malaysia, and Singapore because its high tax rates, stifling regulations, and centrally directed economy have snuffed out strong economic growth.

But, according to the New York Times, Mr. Rajiv Gandhi is going to take a page from President Reagan's economic textbook. He has promised to deregulate India's economy and reduce the marginal tax rate on personal income from the highest rate of 62 percent to a high of 50 percent. Estate taxes are to be eliminated entirely. And the amount of income the poorest people would have to earn before being taxed is being raised considerable. Corporate income taxes are to be cut this year and further cut over the next few years.

It is especially interesting that the new Prime Minister is projecting that the tax cut will actually generate new tax revenues because of stronger economic growth. Mr. Rajiv understands what still escapes some in our own country, that high tax rates don't maximize revenues; rather they chase productive workers into the underground economy and tax shelters by making such activities as investment, savings, and work less attractive.

It used to be that many in the West didn't think that democratic capitalism could compete with communism in offering the Third World a compassionate vision for prosperity and social justice. But there is noting so contagious as success. The Third World is watching us. India is an emerging example of how democratic capitalism can take root in the Third World, a happy development that promises to create greater prosperity and hope for this the world's largest democracy.

[From the New York Times, Mar. 28, 1985]

TAX-CUT PROPOSAL IN INDIA BUDGET RECALLS REAGAN PLAN FOR STIMULUS

(By Steven R. Weisman)

NEW DELHI, March 24.—Prime Minister Rajiv Gandhi, in a notable break with past policies, has proposed a sweeping program to cut taxes for businesses and wealthy individuals and reduce government regulation of key parts of the economy.

The Prime Minister's program bears more than a passing resemblance to some of President Reagan's "supply side" initiatives. Consciously or not, Mr. Gandhi seems to have borrowed a page from Mr. Reagan's textbook in an effort to shake up the Indian economy.

The program, introduced in his Government's budget last week, has drawn praise from several quarters, including some associated with the political opposition.

CONTRASTING POINTS OF VIEW

Business groups and trade associations are hailing it as the most important budget proposal in years. But others have attacked the budget as "against the common man."

Perhaps most reminiscent of Reaganomics is the basic theme that the proposed changes are aimed at increasing savings, investment and productivity in a free economy.

Unlike Mr. Reagan's tax cuts, however, Mr. Gandhi's proposed tax reductions would affect only a small part of the population, portions of the middle and upper classes, the only people who pay income taxes.

In fact, there is a debate here, similar to the one on Reaganomics, over whether the benefits will extend to the vast majority of impoverished people of India. "Unless the large masses have purchasing power, they cannot take advantage of these steps," said Mr. Nagar of the Delhi School of Economics.

A HIGHLY REGULATED ECONOMY

The Gandhi program falls short of an attempt to revamp the economy, which remains highly regulated and heavily taxed. Yet the budget offers the clearcut indication so far of Mr. Gandhi's apparent determination to liberalize an economy almost universally described as strangled by taxes and government regulations.

The program is also aimed at reducing rampant tax evasion, which has been a fact of life here for years.

"What is important is that the Government is changing direction," said a Western economist. "It used to be that the Government had its finger in every piece of the pie. Now it is stepping back a bit and giving the private sector a chance to allocate. They're letting the marketplace in a little."

Among other steps, the Government wants to drastically increase the amount of assets a corporation is allowed to have before it comes under regulation as a monopoly enterprise. Under current rules, a $20 million corporation falls under an interagency Government committee that reviews every major decision. This has discouraged much private investment. Under the new rules, the committee would not have jurisdiction unless the company were valued at more than $80 million.

The Government has also proposed removing its licensing requirements in 25 industries, including scientific instruments, electronic components, diesel generating equipment and other categories of instruments.

Taxes on salaried income would be lowered sharply in several ways. The progressive income tax's top marginal rate is to be lowered from 62 percent to 50 percent, and there is to be an increase in the amount of income a person may earn before he has to pay taxes. Estate taxes are to be eliminated altogether.

Import duties, lifted on computers last November, are to be lifted on other electronic equipment, too.

To help close a budget deficit of $3 billion in a budget of $37 billion, the Government is raising taxes and fees on such commodities as imported petroleum and petroleum products, cement, commercial vehicles and soda water. A proposal to increase railway fares has sparked protest.

Some of the changes Mr. Gandhi proposes can be ordered unilaterally. Most are expected to be enacted by the Parliament, where Mr. Gandhi's Congress Party commands an 80 percent majority.

The changes were put forward by V.P. Singh, the Finance Minister, one of a small group of market-oriented economic advisers to Mr. Gandhi. This group began assembling almost immediately after Mr. Gandhi took office last November upon the assassination of his mother, Prime Minister Indira Gandhi.

CONJECTURE ABOUT NEW PATH

For months, the 40-year-old Prime Minister has talked generally of the need to modernize India's economy. In spite of the talk, many wondered whether he would break away from the socialist tradition of both his mother and grandfather, Prime Minister Jawaharlal Nehru, modern India's founding leader.

Some businessmen said in recent days they still question whether Mr. Gandhi has the commitment to stick with his course of action. India's economic policies in the past have been notoriously erratic.

Economists note further that India has experienced satisfactory growth rates in recent years. The economy expanded more than 5 percent last year. But some people have expressed concern that if there is an economic downturn, Mr. Gandhi's experimentation with market solutions could come to a quick halt.

Finance Minister Singh apparently was trying to assuage these fears when he promised that the tax revisions would stay in effect several years at least. He said, for example, that corporate taxes not only would be cut this year but also would be cut further in the next three years.

"That's an important statement," said the Western economist. "It means that businesses can make plans knowing that there will be some stability."

As a result of the income tax changes, Mr. Singh said, there will be only three million salaried individuals paying income taxes in India. At present, four million pay income taxes. The number is small because few people earn enough salary to be taxed and because agriculture income—which is what most Indians earn—is exempt from taxes entirely.

LIke "supply side" economists, Mr. Singh projects that the tax cuts will actually generate new tax revenues because of the economic growth that is expected to result.

The theory behind the income tax cuts is a variation on this theme, however. Mr. Singh and others hope that they will produce more honesty among taxpayers, and that for the first time many of them will actually pay their taxes now that the tax rate itself is lower.

SPECIAL COURTS TO BE SET UP

The Government proposes to accompany this incentive with a threat of punishment, however. Special courts are to be established and new efforts are to be made to prosecute tax evaders.

In another step to encourage honesty, the Government proposes to let corporations make direct contributions to political parties, something they have been barred from doing for more than 15 years. Political experts say corporations make contributions under the table anyway, so this change is intended to bring the process into the open.

These steps are all directed at reducing what is known in India as the prevalence of "black money," generated by illegal and illicit activities. Such money has led to tax evasion, payoffs and widespread corruption in government and politics.

One criticism of the proposed budget is its projected deficit of about $3 billion in a budget of $37 billion. Some economists fear the deficit will fuel inflation, but Mr. Singh said agriculture reserves and other factors should curb rising prices.●

WASTE AND ABUSE IN DEFENSE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mrs. BOXER. Mr. Speaker, in December of last year, the International Association of Machinists & Aerospace

Workers published a story in their trade magazine, the Machinist [page 2, No. 8, vol. XXXIX], about the billions of dollars of taxpayer's money wasted each year in defense procurement. They raised a number of excellent examples of how this ripoff occurs. I would like to share these examples with my distinguished colleagues in order to emphasize the need to monitor defense waste continually.

Testimony before Congress recently revealed an overpricing scam which alone is costing taxpayers an estimated $10 billion more than the national budget of Bolivia in unnecessary costs each and every year.

The scam was revealed by A. Ernest Fitzgerald before the Joint Economic Committee. Companies guilty of these abuses include United Technologies, Pratt & Whitney, Rockwell International, General Dynamics, General Electric, Boeing, and Lockheed.

Fitzgerald said the overpricing scheme works this way: A contractor actually pays his employees $13.93 an hour—a real example. Then he adds on to that the real rate such items as rework, special changes, planning, manufacturing development, shipping and manufacturing support, changes. Now he has labor cost up to $20.62. Next he adds on such things as tooling, quality, and finance, online planning, overhead, inventory management, and now his labor cost totals $99.13 per hour. With costs now that high, the contractor tacks on his profit anywhere from 6 percent to 16-percent. If the contractor tacks on a 16-percent profit, the wage, the wage rate cost to the Government is $114.28 for the hourly wage rate.

Senator PROXMIRE noted that "the higher the contractor can make his labor costs, the higher the profit the contractor can tack on at the end."

Fitzgerald was asked why DOD plant representatives don't try to stop these ripoffs: Because they get in trouble." One honest company official, according to Fitzgerald, who was harassed out of his job, was George Spanton, former chief auditor at Pratt & Whitney in Florida.●

EQUITY FOR THE COAST GUARD COMMANDANT'S SURVIVING SPOUSE

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, I am introducing a bill today to provide dependency and indemnity compensation for the surviving spouse of a Commandant of the Coast Guard at the same rate as provided for surviving spouses of other armed services chiefs. This bill would simply add the Commandant of the Coast Guard to the list of high ranking officers covered under section 411(a) of title 38, United States Code, who are entitled to a higher rate of dependency and indemnity compensation [DIC]. I understand that a survivor of a former Commandant receiving DIC at this increased rate would receive a net benefit of less than $100 per month. Currently there is only one spouse of a former Commandant receiving this compensation. Therefore, the total budgetary impact for the Veterans' Administration would be negligible as it would total only about $1,000 per year per recipient.

In the last Congress I introduced a bill, H.R. 4990, which made various amendments to existing law to improve the management and efficiency of Coast Guard administration. Among the amendments, which were finally enacted in the Coast Guard Authorization Act of 1984, were provisions that placed the Coast Guard on an equal footing with other military services. In particular, that law amended the basic pay entitlement and retired pay of the Commandant by applying a special rate of compensation in the same way as it applies to the other service chiefs of the Armed Forces. We made this change as a matter of equity and fairness believing each of the service chiefs of the Armed Forces should be entitled to the same compensation.

The bill I am introducing today will complete this effort of providing similar benefits to all of the chiefs of the armed services. By doing so, it serves to place the Coast Guard generally on a par with the other services. Too often we forget the Coast Guard is a valuable part of our Nation's defense. Usually we picture them performing lifesaving search and rescue or law enforcement duties, or overseeing maritime safety. These, of course, are extremely important peacetime activities and, I know in my State of Alaska, are essential for our fishermen and shipping concerns. We should realize that the Coast Guard also stands equally ready to serve our country in time of war or national emergency. Therefore, I hope we will promptly take up and pass this compensation measure.●

CLEAN UP OHIO WEEK 1985

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. APPLEGATE. Mr. Speaker, I would like to bring to your attention and to that of my colleagues here in the House of Representatives an upcoming event in the State of Ohio that can serve as a model for other such programs across this Nation. I am referring to the week of April 20 through 27 which has been proclaimed as "Clean Up Ohio Week 1985."

Clean Up Ohio Week 1985 will be the fourth consecutive year that this special observance will be held in Ohio, following previous years of success in which over a thousand tons of trash and litter have been collected by hardworking and conscientious volunteers all across Ohio.

Over the years, the participants in this important program have carried forth the message to all citizens of Ohio that litter is unnecessary and unacceptable. Last year, well over 100,000 volunteers combed the State in their efforts to foster community pride and to promote cooperation between State agencies, local governments, community organizations, schools, youth clubs, and business and industry.

The efforts of these volunteers in cleaning the parks, waterways, and thoroughfares of Ohio have reestablished a pride in our State's rich heritage of natural and human resources as well as instilling an ethic of stewardship with the land. With the recognition that litter and trash present both a health and safety problem for all of our citizens, Clean Up Ohio Week 1985 will prove, as it has in 3 previous years, that the reduction of litter and trash will build the economic health of Ohio and will encourage tourism, attract business and industry, and will create jobs as well as saving tax dollars.

Mr. Speaker, I wish to congratulate those volunteers in Ohio and in my district who will once again take part in Clean Up Ohio Week 1985 during the week of April 20, 1985. I feel that this valuable program can serve as a model that every other State and district in this Nation can follow so as to improve the qualities of life and the environment throughout America.●

INCREASED CIGARETTE TAX

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. OBERSTAR. Mr. Speaker, in the 97th Congress, I introduced legislation to raise the excise tax to the level it would have been had Congress adjusted the tax for inflation from 1951 when the tax was first established at 8 cents per package. Under provisions of my previous bill, the adjusted level would have been 28 cents per package.

While Congress did not provide for a permanent increase to the inflation-adjusted level in 1982, we did at least did increase the tax to 16 cents per pack.

Unfortunately, the increase was only temporary, through September 30, 1985.

The adjustment of the cigarette excise tax to offset the effects of inflation was a sound proposal in the 97th Congress; I am still convinced that Congress should at least maintain the cigarette tax at the same real dollar level as the tax imposed 34 years ago.

In view of the substantial increase in solid scientific and medical evidence of the dangers of cigarette smoking and in view of the astronomically higher cost of cigarette-related illness, I believe that it is foolish that in 1985, we have a Federal excise tax on cigarettes the real value of which is one-half the amount that it was in 1951.

A coalition of major health organizations, including the American Heart Association, the American Cancer Society and the American Lung Association, have repeatedly urged Congress to act not only to maintain the temporary increase which we provided in TEFRA in 1982, but to compensate for the effect of inflation on the real value of the cigarettes excise tax.

I have introduced legislation, H.R. 1508, which would increase permanently the cigarette excise tax to a level of 32 cents per package. The revenue would be divided in the following manner:

First, one-half of the revenues—16 cents per package—would be paid into general revenue, as is the current excise tax. In effect, this provision would maintain approximately the current level of revenue entering into the Treasury from the cigarette excise tax;

Second, one-quarter of the revenue would be paid into the Medicare trust fund in recognition of the substantial cost to the Federal Treasury of smoking-related illnesses; and,

Third, one-quarter of the revenue would fund research into cancer, heart, lung, and other smoking-related diseases under the auspices of the National Institutes of Health.

My bill is a reasonable approach which balances a number of important national interests relating to the cigarette excise tax—the need to sustain revenues to the Treasury from the tax; the effect of cigarette smoking on health program costs; and the importance of increasing research into tobacco-related disease. Each interest would share appropriately in the proceeds from the cigarette excise tax.

I also hope that my bill would discourage cigarette consumption among Americans. Frankly, a significantly higher excise tax would be necessary in order to accomplish that goal. Consequently, while discouraging smoking would be a welcome effect of this legislation, the primary focus is not to discourage smoking by making cigarettes more expensive. Rather, the purposes are as straightforward as the language of the bill: provide revenues for the Treasury, recapture part of the cost to Medicare of smoking, and encourage increased research into smoking-related diseases.

The objectives of this bill are sensible. It is not intended to cause economic problems for tobacco farmers; it does not affect the Tobacco Acreage Allotment Program, which tobacco farmers need for their economic survival, or other tobacco-producing States; nor is the legislation an attack on the cigarette industry. It is an attempt to deal fairly and effectively with the costs of the health consequences of smoking.

I hope that a broad coalition of those concerned about smoking-related illness, the Federal deficit, and the future of the Medicare trust fund will support this legislation and encourage favorable action on it by the Committee on Ways and Means and by the full House.●

ARM'S, INCOME GAINS BOOST AFFORDABILITY

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DREIER of California. Mr. Speaker, the mortgage banking firm of Lomas & Nettleton Co., recently issued a report on home affordability which found that more people could afford to buy a new home than at any time since 1978. That, in itself, is good news, but I believe it is also important to take note of the reasons for that upswing in affordability.

According to the latest issue of Builder magazine, put out by the National Association of Homebuilders, "Last year's rise in home affordability was due to an unusual increase in personal income, a sharp swing to adjustable rate mortgages, and stable housing prices."

There are two important lessons in these statistics. First, personal income has increased because of the Economic Recovery Tax Act, which we passed in 1981. If this Congress will continue down the path of tax and spending reductions, I'm sure we'll see many other sectors of the economy flourish, just as the housing industry has.

The second lesson is just as important. Adjustable rate mortgages [ARM's] are an integral part of home affordability, and they've made it possible for millions of Americans to realize the dream of home ownership. I'm concerned that this Congress may attempt to restrict the use of ARM's or overly and unduly regulate their underwriting. Before we take any steps to do so, we must bear in mind the positive use of ARM's and the role they have played—and will continue to play—in making homes affordable.

The Builder magazine article that carried this information ends on a caveat, however: "it seems further improvements in affordability will depend heavily on what happens to fixed-rate mortgages." Unless we can bring the deficit under control and get interest rates down to manageable levels, the dream of home ownership will still be unattainable for millions of deserving Americans.

ARMs, Income Gains Boost Affordability

(By Carol Anderson)

More people could afford to buy new homes last year than at any time since 1978, only many of them didn't do so.

According to a U.S. Housing Markets report published by the mortgage banking firm Lomas & Nettleton Co., the number of households that could qualify to buy a conventionally financed new home jumped 20 percent last year. It was the second year in a row for strong gains in affordability. Lomas & Nettleton measures affordability by dividing average income by average mortgage payments.

In the turnaround year 1983, the number of households that could qualify for a new house shot up by 50 percent—the strongest gain since at least the 1920s. Improvement wasn't as spectacular in the resale market. Affordability rose about 15 percent in both 1983 and 1984 because resale prices jumped in 1983 to recoup recession concessions.

Last year's rise in home affordability was due to an unusual rise in personal income, a sharp swing to adjustable rate mortgages (ARMs) and stable housing prices, according to the report.

The average conventional mortgage payment for a newly purchased home remained at $925 a month for new homes and $790 for existing homes, including taxes and insurance. Although average new home prices increased 3 percent last year (less than inflation), increased use of lower rate ARMs held average mortgage payments to the 1983 level.

But payments were easier to make last year because average household income climbed 8.5 percent to $34,600. After subtracting for inflation, real household income rose 4.5 percent, the biggest spurt since 1973.

As a result, mortgage payments as a proportion of income fell to an average of 32 percent for new homes, down from 35 percent in 1983, and to 27 percent for existing homes, down from 30 percent. These are the lowest ratios since 1978.

For the third straight year St. Louis was the most affordable market. There, conventional mortgage payments accounted for only 21.6 percent of income—25 percent less than the national average. Indianapolis was a close second with a 21.7 percent ratio.

Improvements in affordability were greatest last year in Indianapolis, Denver and Houston, mainly because those markets softened and housing prices declined. Prices of both new and existing houses dropped 7 percent in Houston—the largest decline among the 27 markets surveyed. Prices fell 6 percent in Indianapolis.

The least affordable market last year—also for the third consecutive year—was San Diego with a 38.2 percent ratio. Its average house price was 40 percent above the national average, but income there was only 2 percent higher. The next least affordable

market was Los Angeles with a 37.2 percent ratio.

Boston, where house prices jumped 12 percent last year, was the only major area where affordability actually deteriorated.

So if housing was so affordable last year, why didn't more people buy? Apparently, low expectations for appreciation dampened demand.

In 1979, for example, when the mortgage payment-to-income ratio was somewhat higher than last year, sales of both new and existing homes were higher because the average home was appreciating 15 percent a year.

"This suggests that the payment-to-income ratio must be significantly lower than in the 1970s to provide a comparable stimulus to home purchase" if inflation and appreciation rates stay down.

However, it is becoming increasingly difficult to squeeze out more affordability. The ARM stimulus is over, in fact ARMs are losing market share, and real income growth isn't likely to take off again any time soon. So it seems further improvements in affordability will depend heavily on what happens to fixed-rate mortgages.

While homes became more affordable to buy last year, the rent component of the Consumer Price Index (CPI) increased 5 percent last year, marking the third straight year that rents rose slightly faster than inflation.

The biggest rent increase last year was 9 percent in San Diego, which followed a 9 percent rise the year before. Other areas with significant rent increases were San Francisco, up 8 percent, Los Angeles and Kansas City, Mo., up 7 percent, and Philadelphia and Washington, D.C., up 6 percent.

Houston once again was at the opposite extreme. Rents there dipped 2 percent—the first rent index decline in a major market in many years. Rents rose less than 1 percent in Miami and less than 2 percent in Portland, Ore.

HOUSING AFFORDABILITY IN SELECTED MARKETS

Market	1983	1984
Atlanta:		
Average household income	$34,200	$37,250
Average home price	$97,500	$98,300
Payment as percent of income	33.9	29.7
Boston:		
Average household income	$38,750	$41,750
Average home price	$91,000	$102,500
Payment as percent of income	31.0	32.1
Chicago:		
Average household income	$37,600	$39,800
Average home price	$92,800	$90,700
Payment as percent of income	30.3	26.9
Dallas-Fort Worth:		
Average household income	$36,100	$38,950
Average home price	$104,500	$109,200
Payment as percent of income	34.6	32.7
Denver:		
Average household income	$38,050	$41,000
Average home price	$119,300	$115,400
Payment as percent of income	36.5	31.1
Houston:		
Average household income	$39,350	$41,650
Average home price	$101,900	$94,800
Payment as percent of income	32.8	27.1
Los Angeles-Orange Co.-Riverside:		
Average household income	$36,350	$39,200
Average home price	$133,500	$132,000
Payment as percent of income	40.4	37.2
Miami-Fort Lauderdale:		
Average household income	$32,500	$35,000
Average home price	$80,600	$84,700
Payment as percent of income	29.5	27.8
Minneapolis-St. Paul:		
Average household income	$37,500	$40,200
Average home price	$95,300	$103,400
Payment as percent of income	28.7	27.9
New York City area:		
Average household income	$40,350	$44,300
Average home price	$114,600	$126,500
Payment as percent of income	38.9	36.6
Phoenix:		
Average household income	$32,200	$35,400
Average home price	$97,100	$101,400
Payment as percent of income	32.3	30.9
San Francisco Bay area:		
Average household income	$39,900	$43,750
Average home price	$144,200	$143,400
Payment as percent of income	40.4	36.7
Seattle-Tacoma:		
Average household income	$33,050	$35,250
Average home price	$96,100	$97,800
Payment as percent of income	33.3	30.2
Tampa-St. Petersburg:		
Average household income	$27,350	$29,700
Average home price	$76,400	$78,100
Payment as percent of income	30.3	27.5

[1] Refers to conventionally financed new good existing homes sold.
Source: U.S. Housing Markets, Lomas & Nettleton Co.●

DISARM THE DEFICIT: END CORPORATE TAX DODGES

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. SLATTERY. Mr. Speaker, I am inserting into the RECORD a thoughtful article by Mr. Robert S. McIntyre, entitled "Disarm the Deficit: End Corporate Tax Dodges." The article appeared last Sunday in the Washington Post.

DISARM THE DEFICIT: END CORPORATE TAX DODGES

(By Robert S. McIntyre)

There is really only one sensible way to deal with the huge budget deficits that hang over the American government and economy like an undetonated bomb, and that is to raise taxes on American corporations—not in any radical way, but just to something like the levels of taxation that prevailed during the last great American boom, in the 1960's.

The facts are simple: In the '60s, when the economy and capital investment were both growing at record rates, taxes paid by American corporations covered the cost of about one-fourth of all government spending other than Social Security (which is self-financed by its own tax). By last year corporate taxes financed just 8.8 percent of government spending on all programs other than Social Security. Ironically, some of our most dynamic firms still pay significant taxes. IBM, for instance, pays a tax rate of close to 30 percent on its profits. But many other corporate giants now pay no corporate income tax at all, thanks to loopholes and incentives enacted since 1970.

If every corporation again paid taxes at the level they paid in the '60s, the budget deficit would instantly be cut in half. We could expect interest rates to fall, the dollar to return to a more sensible value, and the economy to prosper without the dangerous imbalances that now threaten our future.

Is this politically impossible? No. Despite President Reagan's attempts to make any tax increase sound like sedition, even the most antitax of America's politicians agree that something needs to be done about corporate taxes. Three weeks ago, Rep. Jack Kemp (R-N.Y.) got big cheers from the participants at the 12th annual Conservative Political Action Conference when he said: "There is no reason conservatives should support tax breaks and subsidies for corporations. There's no reason for corporations to be subsidized by government."

But today they are subsidized to a degree most citizens don't realize. For every dollar corporations paid last year in taxes, loopholes allowed firms to avoid $1.42. In other words, the current corporate tax provides 40 percent more in subsidies than in revenues—$90–100 billion in subsidies in the current fiscal year.

Even the Reagan administration has figured out the problem. In late February, newly appointed Treasury secretary, James Baker, told the House Ways and Means Committee that "there's no way to make the tax system fair to individuals without raising business taxes. It's that simple." And most important, at a recent press conference, President Reagan himself indicated a willingness to raise corporate taxes, at least on those corporations "who are not now paying taxes at all or paying very low taxes."

Last October, Citizens for Tax Justice, a coalition of citizens' groups and labor unions, released a study documenting just how many corporations fit into the category the president thinks should be paying more in taxes. Of the 250 large, profitable companies we surveyed, more than half enjoyed at least one year between 1981 and 1983 in which they either paid zero in federal income taxes or actually received cash rebates from the Treasury.

A quarter of the firms paid a total of nothing or less over the full three years.

The overall tax rate for the 250 corporations was only 14 percent, and virtually all of that was paid by just a handful of the companies. The 200 lowest-taxed firms paid a mere 4 percent of their profits in federal income taxes.

Topping the list of corporate free-loaders was General Electric, which paid not a penny in taxes on its $6.5 billion in domestic profits in 1981–1983. Instead, GE received in outright tax refunds—checks written by the Treasury to the company rather than the other way around.

Next came Boeing, with $267 million in tax rebates on top of $1.5 billion in earnings. Boeing's case typifies the defense industry's disdain for helping pay for the arms buildup from which it is profiting. Seven of the top 11 defense contractors—all of them highly profitable firms—including the much-criticized General Dynamics, paid zero in taxes or got money back from the government over the three years.

W.R. Grace & Co., despite its $684 million in profits, made $12.5 million off the tax system by selling its excess tax breaks—an example of government waste that went unmentioned in the Grace Commission's report.

It is conventional wisdom that "out-of-control" federal spending is the source of the deficit. But while a few areas of spending, notably defense, have been increasing rapidly in recent years, corporate nonpayment of taxes is by far the most critical factor in the deficit calculus.

A look at 1960s helps explain what has happened. Supposedly the period when spending got out of hand, the '60s actually were distinguished by being the only decade in this century that both began and ended with the budget in balance.

How was this feat achieved? Well, it certainly wasn't because we spent a lot less of our money on government programs in the old days. In 1960, for example, before the advent of the New Frontier and the Great Society, federal spending for everything

except Social Security and interest on the national debt amounted to 41.9 percent of the gross national product. In 1984, that share had hardly changed—totaling 15 percent of the GNP.

And we can't blame our current horrendous deficits on Social Security. Although it has grown since the '60s, Social Security payroll taxes take in more than the program spends, and the Social Security surplus is expected to get larger over the next decade.

Here's the crucial difference: In 1960, corporate income taxes paid for 26.3 percent of federal spending other than Social Security. But by fiscal 1984, the corporate share had plummented to only 8.8 percent. As a percentage of GNP, corporate income taxes fell from 4.3 percent in 1960 to 1.6 percent in 1984.

The loopholes that make possible corporate tax avoidance have also fostered the creation of tax shelters that have enabled wealthy individuals to escape paying billions in federal taxes. In a study published by Public Citizen, the Ralph Nader organization, Richard Meyer estimates that such tax shelters are now costing the Treasury more than $24 billion annually, a number that is growing rapidly, despite supply-siders' claims that the 1981 cuts in tax rates for the rich would "eliminate" shelters.

Moreover, the enormous amount the federal government now pays in interest—up from 1.4 percent of the GNP in 1960 to 3.1 percent in 1984—has its roots in government borrowing to fund corporate tax reductions over the past 15 years. In sum, had corporate tax payments not fallen off since the 1960s, we would have no deficit today.

Individual citizens have a right to be angry at the tax system. In 1960, their taxes produced less than twice as much revenue as the corporate income tax. By 1984 individuals were paying more than five times as much as corportations.

What are these loopholes that are wreaking such havoc on the tax laws and the nation's finances? There are many, but two in particular dominate. The first is the Accelerated Cost Recovery System, enacted in 1981 at the behest of the Reagan administration, which allows companies and tax shelter investors to "depreciate" machinery and buildings far, far faster than they actually wear out. Accelerated depreciation permits a company buying a new machine tool costing $100,000, for example, to deduct its full cost from its taxable profits over 4½ years. But the average machine tool lasts 10 years or more.

The second megaloophole is the investment tax credit, which provides 10 cents in tax reduction for every dollar spent on equipment. In other words, that same hypothetical company could cut its tax payment by an additional $10,000 in the year it bought that new machine tool.

Without these two loopholes, General Electric, for example, would have paid close to $1 billion in taxes in 1983, instead of receiving a refund. Altogether, the cost of accelerated depreciation and the investment credit comes to a staggering $65 billion in the upcoming fiscal year, and is expected to exceed $121 billion annually by 1990.

It doesn't take a wild-eyed radical to see the importance of these loopholes. President Reagan's own Treasury Department understood their significance in the "tax simplification" plan it advanced last November. Drafters of the Treasury plan recognized that to make taxes simpler, fairer and lower for individuals, they had to recoup this money now given away to corporations.

Of the $767 billion that Treasury's 108 separate reform provisions would raise over five years, $371 billion comes from repealing the Accelerated Cost Recovery System and the investment tax credit. Another $149 billion would come from eliminating special breaks for oil companies, defense contractors, financial institutions and companies that moved their plants abroad. Thus two-thirds of Treasury's reform program centers on closing corporate and tax-shelter loopholes.

Unfortunately, the Treasury plan would use the new revenues raised by a more comphehensive corporate tax simply to lower tax rates for companies and individuals. Treasury would shift $40 billion in taxes from individuals to corporations by 1990, but overall, in the jargon of the tax business, the proposal is "revenue neutral"—it does nothing to give the Treasury more money to close the yawning budget deficits.

But a reform program that does nothing to reduce the deficit makes no sense. Eventually, it would have to be followed by higher rates of new taxes—perhaps the national sales tax or "value added tax" backed by some corporate lobbyists. But such taxes are unfair; Treasury says that a 10 percent national sales tax would add about 50 percent to the income tax bills paid by families earning $40,000, and could triple taxes for families making $10–15,000. Wealthy individuals would face only an 8 percent tax hike, and corporations would be exempted entirely from such a sales tax.

There is a better way. Rather than use all the money raised by tax reform to cut tax rates and end up with corporations paying only 12 or 13 percent of the federal tax burden, as under Treasury's plan, we ought to tie tax reform and deficit reduction together. If, for example, Congress were to adopt Treasury's entire reform package except for Treasury's corporate rate reductions and another proposal for dividend tax relief, the program would raise $280 billion over five years. Individuals would still get tax cuts, but by 1990 the deficit would be $100 billion a year less.

Such a change would require corporations to bear about 19 percent of the federal tax burden. This is not so onerous. In the booming '60s our corporations paid considerably more than that, and our successful competitors in Japan raise nearly 30 percent of their national revenues from corporate income taxes.

Corporate lobbyists argue that raising corporate taxes will only result in higher prices for consumers, since "companies don't pay taxes, people do," in one of the lobbyists' favorite phrases. But this claim is not defensible. An example: the profitable Whirlpool Corp. paid almost 46 percent of its profits in taxes in the '81–'83 period, while its competitor, General Electric, paid no taxes at all, and actually got hundreds of millions in tax refunds from the treasury. But Whirlpool washing machines—higher rated than GE's by consumer testing organizations—are cheaper than GE's.

Another example: In 1983, Exxon paid 34 percent of its profits in taxes; Mobil paid 6 percent; Texaco got a tax refund. Has anyone noticed dramatic differences in the price of the gasoline each sells at the pump?

If corporations can easily pass on taxes to their customers, you wouldn't think they'd mind paying taxes so much. But even the modest increase in corporate taxes proposed by the Treasury Department has the loophole lobbyists screaming like stuck pigs. They claim it would hurt the economy to close loopholes and ask corporate tax-avoiders like General Electric to pay their fair share of the costs of government. In fact, however, tax reform would help the economy immensely.

The evidence is overwhelming that "tax incentives" have been a colossal failure as an economic strategy. The lobbyists promised that the loopholes would increase business investment and produce a healthier economy. But that did not happen.

"The taxation of capital and business income in the United States is deeply flawed." the Treasury tax plan states. "It is best characterized as irrational. . . . The tax law provides subsidies to particular forms of investment that are unfair and that seriously distort choices in the use of nation's scarce capital."

Proponents of tax breaks for business incentives were needed to encourage our companies to make the investment needed to compete effectively against the Japanese and other foreign competitors. But as the Treasury points out, the incentives actually encouraged unproductive activities at the expense of productive investment.

Tax incentives "work" only in the sense that they encourage investments that make no economic sense. The glut of office construction in many of our cities is one example of the kind of waste that tax incentives create. So is the wild proliferation of tax shelters in everything from llamas to foreign stamps to embryonic cattle breeding to use shopping centers and even billboards.

Despite the enormous expansion in corporate loopholes in the 1981 Reagan tax bill, after it took effect, total investment in plant and equipment (measured in constant dollars) declined for three straight years. Instead of an investment-led boom promised by the tax cut's proponents, we got the worst recession since the 1930s. Investment boomed in the recovery year of 1984—but in response to surging consumer demand, not to the incentives contained in the 1981 tax bill. Overall, the increase in business investment in Reagan's first term was considerably less than during Jimmy Carter's presidency.

Most tellingly, the companies in our Citizens for Tax Justice study enjoying the largest "incentives," such as G.E., Boeing and W.R. Grace, cut their investment the most between 1981 and 1983. The companies paying the highest taxes bucked the national trend and increased their investment. Whirlpool—while paying 46 percent of profits in taxes—increased its capital spending by 7 percent; IBM, despite a 28 percent tax rate, increased investment by 15 percent.

The Treasury's tax-reform plan contains another overdue change—an end to the tax break for "capital gains," or profits from the sale of investments held for more than six months. Here again the loophole lobbyists make eloquent but false claims for the "success" of a tax break that actually had no positive consequences, but did spur tax shelters and undermine tax fairness.

The lobbyists insist that 1978's reduction in the top capital gains tax rate from 35 to 28 percent was responsible for the boom in venture capital that began in 1980. "The problem with this argument," Michael Barker pointed out recently in the newsletter Politics & Markets, "is that there is nothing to it—no evidence that it is true, and considerable evidence that it is not." The key factor behind the increase in venture capital, Barker notes, was a change in the rules governing pension funds, allowing them for the first time to get heavily into

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the venture-capital market, where investors can put money into new and often risky business ventures.

Barker's conclusion is borne out by data recently published in Venture Capital Journal, an expensive publication for the finance industry, showing that 87 percent of the increase in venture capital between 1978 and 1984 was supplied by pension funds, other tax-exempt entities and quasi-tax-exempts, such as life-insurance companies and banks. In other words, the venture-capital boom was overwhelmingly dominated by organizations for which tax "incentives" are irrelevant, since they don't pay taxes anyway.

Even the corporate lobbyists' computer models are betraying them. Recently, the National Association of Manufacturers commissioned Wharton Econometrics to analyze Treasury's tax program on its model of the economy. Wharton's computer model is programmed to conclude that tax incentives produce higher investment, so it predicted that the Treasury reform would reduce "capital formation." But the model also concluded that enactment of Treasury's reforms would lead to greater employment, increased consumer spending, a reduced federal deficit and a higher GNP.

The power of the case for repealing corporate loopholes appears to be sinking in even for President Reagan, although it has taken a while. When he first looked at Treasury's proposals, the president was quite cool to the idea that virtually everything he had ever stood for when it came to taxes was wrong. In his State of the Union address, the president praised the "principles" of Treasury's plan, but explained that he favored closing loopholes "while maintaining incentives."

Compounding the confusion, Reagan went on to repeat his past calls for still more tax loopholes. A week later, the president told The Wall Street Journal that the basic thrust of Treasury's reform plan—raising corporate taxes and cutting taxes for individuals—was a "detail" he wasn't familiar with.

Since then, however, the president has made a breakthrough. By admitting the possibility of raising taxes on those corporations "who are now paying taxes at all or paying very low taxes," he has made it clear that his 1984 pledge of no tax increases applied only to individuals. The door is now open for combining tax reform with deficit reduction. If Congress is at all concerned with cutting the deficit and making the tax system fair, it should rush in.●

INTRODUCTION OF LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR THE PANAMA CANAL COMMISSION FOR FISCAL YEAR 1986

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LOWRY of Washington. Mr. Speaker, I am today introducing legislation to authorize appropriations for the operation and maintenance of the Panama Canal for fiscal year 1986. Joining in sponsoring this bill are several of my distinguished colleagues who are members of the Subcommittee on Panama Canal/Outer Continental Shelf.

In my capacity as chairman of the subcommittee, I conducted a hearing on March 7, 1985, at which witnesses from the Panama Canal Commission testified on their proposed budget for fiscal year 1986.

Authorizing legislation is required by the provisions of the Panama Canal Act of 1979—Public Law 96-70—that established the Panama Canal Commission as an agency in the executive branch of the U.S. Government. Section 1302 of the act provides that no funds may be appropriated, obligated or expended by the Commission for any fiscal year unless specifically authorized by law. In the 98th Congress, H.R. 4900, the fiscal year 1985 authorization bill, passed the House by an overwhelming vote of 307 to 89.

I think that it is very important to emphasize a significant aspect of the Panama Canal Commission's budget. Public Law 96-70 mandates that the Commission operate at no cost to the U.S. taxpayer. The tolls and fees that are collected from the owners of the ships transiting the canal pay for the operation of the canal. For example, the luxury cruise ship *Queen Elizabeth II*, which holds the canal tolls record, recently paid $113,747 in tolls and fees to the Commission during its 12th transit of canal.

Congress authorizes the appropriation of the Commission's revenues. The law also mandates, as far as possible, a break-even budget. The Commission, through its prudent management and accurate economic forecasts, conscientiously observes this mandate.

The President's budget for fiscal year 1986 requests $446,784,000 for the operation and maintenance of the Panama Canal. Out of this total request, no more than $26,500,000 may be spent on capital outlays.

This year's total request is $2,838,000 more than the 1985 administration request. The Commission estimates a break-even operation in fiscal year 1986, which conforms to the legal mandate I referred to previously. No increases in tolls are contemplated in fiscal year 1986.

Additionally, the Panama Canal Commission is requesting a supplemental appropriation of $6,068,000 for fiscal year 1985.

The bill I am introducing today reflects the administration's request for fiscal year 1986 and has bipartisan sponsorship.

Thank you, Mr. Speaker.●

LEGISLATION TO PRESERVE AND PROMOTE THE TELEVISION VIEWING RIGHTS

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. TAUZIN. Mr. Speaker, today I am introducing legislation intended to preserve and promote the televi[illegible]n viewing rights of potentially mil[illegible] of Americans. Today there is flourishing a phenomenon that gives great promise to our Communications Act goal of providing television service to all people of this great country. The rapid proliferation of satellite Earth stations throughout America, particularly in rural areas, over the last 4 years has provided the opportunity for millions of Americans to receive a wide variety of educational, information, and entertainment programming.

Even though television broadcast and cable television have existed for over 35 years, large portions of the population have remained either unserved or underserved until 1980 and the advent of home satellite Earth stations. It is my understanding that consumers are now purchasing satellite Earth stations at a rate of 60,000 units each month. Earth stations are clearly desired by the public and the Congress has recognized that they are in the public interest.

Last year, I cointroduced with Congressman—now Senator—ALBERT GORE, JR., and Congressman CHARLIE ROSE, the Satellite Television Viewing Rights Act of 1984. That legislation and similar legislation in the Senate—S. 2437—introduced by Senator BARRY GOLDWATER achieved widespread bipartisan support in the Congress. The House bill H.R. 5176, was designed to do two things: The first objective—as with the Senate bill—was to clarify that existing provisions of the Communications Act do not prohibit the manufacture, distribution, and use of home satellite Earth stations. This is what I call the "basic legality issue." The second objective was to ensure that if television satellite signals were encrypted—scrambled—by television program distributors, consumers would be afforded access to these signals at reasonable prices, terms, and conditions.

The basic legality issue was in dire need of resolution at that time. For 4 years there had been legislative attempts in the House and the Senate that would have had the ultimate effect of banning home satellite Earth stations. Then a lawsuit was filed in the Federal district court in Wichita, KS, by a cable television company against a home satellite Earth station retailer alleging violation of the Communications Act and other laws. With

this mounting cloud of uncertainty hanging over the heads of consumers and the Earth station industry, we felt compelled to introduce the legislation just described. The broad popularity and public support for satellite Earth stations became readily clear from the widespread cosponsorship of H.R. 5176 in the House and S. 2437 in the Senate. It is not surprising that the basic legality issue was resolved expeditiously by the Congress in the form of amendments to the Communications Act which were incorporated in the Cable Communications Policy Act of 1984.

Great credit goes to Chairman WIRTH of the Subcommittee on Telecommunications in helping to bring about a compromise in order that the basic legality issue could be resolved. Thus, the first objective of H.R. 5176 was accomplished: The Communications Act was clarified to provide that the manufacture, sale, and noncommercial use of satellite Earth stations were legal activities; that marketing plans for selling unscrambled signals could be negotiated in the marketplace; and that in the future any receipt of scrambled signals without permission of the sender was prohibited. However, the second crucial objective of H.R. 5176, access to scrambled programming at reasonable rates, terms, and conditions, was not addressed and was left for later resolution in the marketplace or, if necessary, by congressional action.

Unfortunately, I do not see this issue being resolved in the marketplace. To the contrary, an antihome Earth station campaign has been launched by many in the recently deregulated cable television industry. In newspaper articles all across the country cable operators are taking out advertisements telling consumers that satellite signals will soon be scrambled, and often highlighting that there are no current plans for allowing Earth station owners to receive these scrambled signals. This is troublesome because cable was deregulated from local rate regulation a scant 3 months ago by this Congress, in legislation that I cosponsored. This deregulation was based in large part on the premise that there was competition to cable. However, it is apparent that this recent advertising campaign and other actions by cable operators demonstrate that cable operators may not, in fact, be willing to accept competition from satellite Earth stations.

At this time, I am extremely concerned that, as one executive of Home Box Office [HBO] stated, "slowly but surely the sky will grow dark." Fast on the heels of legislation clarifying that it is legal for consumers to own satellite Earth stations, many of the major programming distribution sources have indicated that they intend to scramble their signals. We have not heard of even one feature film distributor taking advantage of our new law by selling movies in an unscrambled format to Earth station owners. HBO/Cinemax has already started to encrypt its programming. Press reports indicate that three of its four feeds will be scrambled during the months of March and April of this year and that cable affiliates of HBO already have decryption devices—decoders—supplied to them. After this initial period, it appears to be HBO's intention to scramble all four of its feeds in the fall of 1985.

Once program distributors encrypt signals, home satellite Earth station consumers will not be able to unscramble the signals unless they have a decoder which is activated by the program distributor or the distributor's agent. HBO/Cinemax has already provided its cable affiliates with decoders that are now in use. Showtime/The Movie Channel intends to do the same. Neither HBO/Cinemax nor Showtime/The Movie Channel has yet been willing to make a commitment to ensure that Earth station consumers will have decoders and access to the scrambled signals. The distributors have also indicated that if they do sell, it will be only on terms of "cable friendly," that is, advantageous to the cable industry over the Earth station industry and its consumers.

While Earth station consumers currently receive signals that are unencrypted and make no payment for signals, there is no argument that reasonable payment for pay television signals is in order. The major unanswered question is access to these signals at reasonable prices, terms, and conditions. This issue should not be resolved after the skies go dark, but now. Too many have waited too long in this country for adequate television service. To take it away from those millions of individuals who view television on Earth stations, or to slow down its availability, is simply wrong and we should not stand by idly.

In this regard, I introduced legislation to impose a 2-year moratorium on scrambling. The rationale of that bill included: First, the desire to allow the congressional intention to work that there be fairly negotiated marketplace agreements for unscrambled signals; and second, the fact that there is no marketing plan in place for satellite Earth station viewers that assures them access to scrambled signals at reasonable prices, thus, depriving the already large rural base of Earth station consumers the programming they are already receiving.

The concept of a moratorium for 2 years in order to develop a reasonable approach to the scrambling issue is welcome and I support it, and urge my colleagues Members to do so as well. But, I do not think we should wait one moment longer to address the substantive issue of reasonable access to scrambled signals. So many questions have been raised that warrant pursuit of answers through introduction of this legislation as well as immediate hearings on these important issues. We need to explore whether or not the consuming public is being fairly treated or whether their newly codified viewing rights are going to be undermined.

I introduce this legislation with the following facts and concerns in mind:

First, pay television distributors and motion picture suppliers have fought against satellite Earth station user rights in this Congress for 4 years. During the 4-year period some of the program distributors badgered Earth station retailers, threatening lawsuits for "piracy" while at the same time refusing to accept payment from Earth station consumers, retailers, or manufacturers. This culminated in the filing of a major lawsuit by a cable operator against an Earth station retailer.

Second, fast on the heels of new legislation recognizing viewer rights for unscrambled signals, the satellite distributors of programming are starting to scramble their signals.

Third, cable television operators, recently freed from the burdens of local rate regulation, now appear up-at-arms at this new form of potential competition.

Fourth, pay television current movies are distributed mainly through two sources: HBO/Cinemax and Showtime/The Movie Channel, with a combined market share of over 85 percent. These companies are using the same source of encryption equipment, and neither has made a commitment to sell to home Earth station users. If these distributors do sell, they indicate it will be only on terms that are "cable friendly." I think we ought to know what cable friendly means and how it came about.

Fifth, HBO/Cinemax—58 percent of the market—is the largest distributor and is owned by Time, Inc. which also owns American Television Communications Corp. [ATC], the second largest cable company in the United States. HBO is also involved in motion picture production. Showtime/The Movie Channel is primarily owned by Viacom and Warner Communications, both have large cable operations. Warner also owns Warner Brothers Studios.

These companies account for over 12 percent of the cable television subscribers in the United States, some 85 percent of the pay television distribution market in the United States and a substantial share of the supply of new feature films produced in Hollywood each year, films which are essential to the Earth station industry. This group wants to be cable friendly. I take this

to mean that they will sell programming, if they sell at all, to Earth station owners only through cable outlets in cable franchised areas. HBO has recently instituted just such a plan for distribution to SMATV systems, which serve multiple-unit dwellings, by requiring such systems to purchase product, in most cases, from the cable operator and not directly from HBO.

Since we deregulated local rate regulation in the Cable Communications Policy Act of 1984, the only check on prices to consumers is the meaningful competition to cable now coming from home satellite Earth stations and SMATV. The cable-friendly approach will eliminate the possibility of competition by satellite Earth station dealers and SMATV within cable-operating areas. It is instructive that HBO's notice to cable affiliates regarding the SMATV plan states that it will enable the cable operator to "retain the margin between the price you decide to charge a SMATV operator and your rate card to us." It is alarming to think that given an exclusive right to sell feature film programming to Earth stations, cable operators may refuse to sell that programming altogether to avoid competition. The cable-friendly approach may remove the only meaningful form of competition to cable competiton: satellite Earth stations. This action would be harmful to the consumer in terms of prices paid for movies as well as the fact that consumers could be deprived of the larger variety of programming that Earth stations offer over more cable systems.

Sixth, the selection by HBO/Cinemax and Showtime/The Movie Channel of one source of encryption may lead to a de facto standard for encryption with one company making all the decoders to be placed in consumers' homes. This has the potential to, in turn, eradicate the competitive U.S. manufacturing capability for Earth station receivers. From 1980 until 1983, 90 percent of Earth station receivers were manufactured in the United States. It is my understanding that U.S. manufacturers still dominate the market and there are dozens of competing manufacturers all around the country. But developments resulting from a single source of descrambling capability could destroy both U.S. competitors and foreign competitors in Earth station receiver manufacturing.

According to satellite television receiver manufacturers, the decoding apparatus consisting of microprocessors, chips, and circuit boards, could be readily installed within satellite Earth station receivers that are being manufactured by the industry. This would result in a receiver with an integrated decoder, that is a decoder/receiver. Refusal to license the decoder technology or to allow other receiver manufacturers to purchase the microprocessors, chips, and circuit boards would result in only one company with an ability to build its own integrated decoder/receivers. The remainder of the receiver manufacturers would be able to sell only standard receivers without decoding capability. Thus, consumers would have the choice of purchasing an integrated receiver/decoder or purchasing a receiver and a separate decoder at perhaps more than a 50-percent higher price. Obviously, this affords little choice to the consumer and could result in ruination for the satellite Earth station receiver manufacturers. The ultimate effect of eliminating this competition on the price of receivers and decoders is now unknown. But, given that intense competition has lowered the price of Earth stations from $100,000 to $2,500 today, the elimination of competition would likely place a severe constraint on the continued lowering of prices of satellite Earth stations.

For these and other reasons, we must be vigilant to make sure that Earth station technology and the benefits it provides, benefits the Congress has so recently ensured, are not undermined by anticompetitive marketing schemes or a refusals to sell.

The bill we are introducing today is marketplace oriented. There would be no FCC regulation of pay television rates except in circumstances that the distributors of pay television could easily avoid. The bill prohibits practices which: First, would deny scrambled satellite television programming to Earth station consumers; second, restrict programming by charging unreasonable prices or imposing unreasonable terms or conditions; or third, discriminate in prices between distributors that offer comparable services to a satellite television programmer or distributor. For example, prices charged by satellite motion picture distributor to a CATV operator or to a distributor of viewing rights to Earth station users ought to be the same if the CATV operator and Earth station distributor are offering comparable distribution services and functions. The bill also prohibits practice which would result in the sourcing of decoding equipment to the public in a manner that would likely eliminate competition in the manufacturing of satellite Earth station receivers. The bill permits the FCC to establish rates only in limited circumstances.

The first instance occurs only if access to scrambled signals is denied to consumers. The second is when Earth station retailers are precluded by program distributors or others from selling viewing rights in a cable franchised area. This would require the Earth station owners to go through the cable operator to obtain viewing rights. We must keep in mind that it is very likely that the consumer is buying an Earth station as an alternative to purchasing cable service. The cable operator can warehouse movies by not selling them to Earth station owners or can charge an unreasonable price so as to effectively preclude consumers from purchasing Earth stations. In this situation, FCC oversight is appropriate. Where both Earth station retailers and cable systems compete in selling Earth stations and programming, in a cabled area, the FCC would not be able to review the prices charged.

The third circumstance is review of prices when there is no likely competition. This would occur when Earth stations are sold outside cable franchised areas. In this case, the FCC could review rates in the limited circumstance that the rates charged were beyond a certain outer limit. This outer limit would be what cable subscribers pay, on average, in the market. The market would be defined by the FCC in rulemaking or in individual cases. It could be a mileage zone, a county or, in some cases, even a statewide territory. Only when rates charged by the program distributor or its agent to the Earth station owner are out of line with established prices in the market, charged by cable operators to their subscribers, can the FCC make a review of rates. In other words, this legislation provides that Earth station consumers located outside of cabled areas will be charged no more than what cable consumers are charged, unless the program distributor is willing to be subject to FCC review of the price. This does not mean that we are encouraging rates to be as high as cable rates. This seems unjustifiable because Earth station owners are essentially building their own plant; this legislation establishes only an outside limit. This legislation will ensure that Earth station owners will not be priced out of the market by the imposition of prices designed to deny access to scrambled signals.

The introduction of this bill will likely provoke much discussion and debate as well as resolution of these important issues to the American public. I urge my colleagues to cosponsor this bill in order to demonstrate your concern for those Americans, particularly rural constituents, who do not have access to cable. This bill ensures the continued ability of all Americans to view television as they have over the last few years, through the benefits of this new Earth station technology.●

ARE THE ELDERLY ECONOMICALLY SECURE?

HON. AUGUSTUS F. HAWKINS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HAWKINS. Mr. Speaker, I am inserting in the CONGRESSIONAL RECORD today a study released by the National Council of Senior Citizens entitled "The Economic Status of the Elderly: A Response to the Report of the Council of Economic Advisers," which clearly discredits the administration's position that America's elderly are economically secure.

The study shows that more than 25 percent of the elderly live at or below the poverty level and that the problems associated with poverty have reached the crisis stage for widows, minorities, and those over 80 years of age.

Over 3½ million elderly live in poverty.

Nearly half of all black elderly live below the poverty level.

More than 70 percent of the elderly poor are women.

Less than 25 percent of older women receive Social Security and a private pension.

Mr. Speaker, the elderly continue to be one of society's most disadvantaged groups.

I urge my colleagues to read this report in its entirety in order to gain a more complete picture of the financial status of America's elderly, so that we know all the relevant facts before making policy decisions which will affect the standard of living of our senior citizens.

A copy of the report follows:

THE ECONOMIC STATUS OF THE ELDERLY: A RESPONSE TO THE REPORT OF THE COUNCIL OF ECONOMIC ADVISERS

PREFACE

The elderly have been receiving a lot of press lately, most of it directed at their improved economic status. A variety of articles and publications have highlighted the economic gains made by the elderly over the past several years, while at the same time suggesting that perhaps the elderly shouldn't have it so good. Without sufficient understanding of all the issues involved, these articles imply that the elderly are being selfish and are receiving more than their fair share of government spending. The unspoken recommendation is that the elderly sacrifice some of their newly-gotten gains, so that the Reagan Administration can reduce its deficits and so that younger people can be freed of the extra financial burden so many feel they are bearing.

The stereotype of the prosperous elderly presented by these articles is as misrepresentative as the stereotype of the pitiable old person. The fact is that while there are some well-off older people, there are many more who live in or very near poverty. It is only because of Federal programs, particularly Social Security, that poverty among the elderly has been drastically reduced. It is these very same programs that critics now wish to eliminate or cut, thereby once again threatening the income security of the elderly.

Most of the credit for the reductions in poverty among the elderly belongs to Social Security. Social Security benefits are indexed to keep pace with inflation, so that the purchasing power of benefits is protected. Without this annual adjustment, the elderly's retirement income would lose stability and value; few other portions of it are updated for inflation. Social Security's success in raising thousands of elderly out of poverty is an achievement that all Americans can be proud of and is one to which nearly all working Americans have contributed.

Before the public debate over the alleged prosperity of the elderly continues, it would be wise to know all the facts. What is presented here is an attempt to put into perspective some of the statements made in one of the recent publications about the income status of the elderly, *The Economic Report of the President, by the Council of Economic Advisers.*—WILLIAM R. HUTTON, Executive Director.

The recent *Economic Report of the President*, written by the Council of Economic Advisers, contained for the first time a section entitled "Economic Status of the Elderly." It portrays the elderly as a no longer relatively disadvantaged group, citing dramatic increases in income, coupled with equally dramatic reductions in poverty. The report indicates that the elderly and non-elderly have about equal levels of per capita income, implying that all things are equal between the elderly and non-elderly. Given the rosy economic status of most of the elderly described in the report, along with positive comments about the growth of Social Security benefits, the availability of pensions and the prevalence of in-kind benefits, the report could easily be used as justification by the Administration and others for cutting back programs aiding the elderly.

However, what the report does not say, and how it uses figures to their best advantage, is glaring. It provides a limited view of the future and fails to address the impact the graying of the population will have on the elderly themselves and the country as a whole. What is presented here is an attempt to furnish some of the information omitted from the CEA report.

1. *The elderly are not a homogeneous group.* Pockets of poverty among the elderly still exist. While the overall poverty rate among the elderly has been reduced from about 35 percent in 1959 to 14.1 in 1983, poverty rates are not uniform across the elderly:

POVERTY RATES 1983

	Total	White	Black	Hispanic
Men 65 plus	10	8.2	28.3	22.3
Women 65 plus	17	14.7	41.7	23.7

Poverty remains at crisis levels for certain groups of older people—widows, minorities, those who are sick and those who have lived into their 80s. The higher proportion of very old persons surviving over time will also lower the average income of the elderly. Moreover, a significant number of elderly live near poverty and could easily be pushed into poverty. About 25 percent of the elderly live in poverty or very close to it.

Elderly women are particularly disadvantaged. More than 71 percent of the elderly poor are women. This is largely because marital status bears a positive relationship on income and most elderly women live alone in later years. Most older men are married, while most older women are widowed. About 85 percent of surviving spouses are female, as are 80 percent of the 7.5 million elderly who live alone.

2. *Money income is not an ideal measure of economic status.* Moreover, the use of different figures can lead to different conclusions. For example, the mean—average—real income figures used in the report are deceptive. Median—mid-point—figures, rather than mean figures, are more frequently used in discussions about income. Consequently, the use of mean figures presents a somewhat brighter picture. The mean income for families where the head of the household is 65+ is stated to be $21,420; the median is $16,862; for unrelated individuals, the mean is stated to be $10,038, but the median is $6,938. The report also fails to include any breakouts of subgroups. For example, the median income of older women is $5,599. This means that one-half of all older women are below or within $800 of poverty ($4,775).

3. *All things are not equal between the young and the old.* For example, the CEA report claims that "the goods typically purchased by the elderly and the non-elderly have experienced similar price increases," and that consequently, the elderly are not more susceptible to inflation than other age groups. This fails to take into account the burden the rising cost of health care places on the elderly. It is undeniable that the elderly use more health care services than other age groups. While much of their health care is covered by Medicare, 25 percent of the cost of their care comes from out of their own pockets. Use of medical care by the elderly is much greater than that of the non-elderly, consequently, the elderly are much more directly affected by increases in medical inflation. In addition, for those very old (85+) who, as a result of aging and chronic conditions, require even more medical care than the young old (65+), the impact of increasing medical costs can be devastating.

In 1984, the overall inflation rate was four percent, yet medical care rose 6.1 percent. In the two prior years, medical inflation was nearly double and triple that of overall inflation. This has taken its toll on the elderly. In 1985, it is expected that the elderly, on average, will pay 14.5 percent of their income for health care. With no changes in current systems, this will rise to 18.4 percent in 1989. The growth in the elderly's health care payments between 1984 and 1989 will be twice as fast as the growth in their income. Annual increases in Social Security will go to pay for annual increases in Medicare deductibles and co-payments.

4. *Improvements in the income status of the elderly are attributable to the Social Security system.* More than 90 percent of the elderly receive Social Security. On average, it provides about 40 percent of retirement income, although 21 percent of the elderly rely on it for nearly all their income. It is particularly important for lower-income elderly, representing nearly 80 percent of the cash income of elderly with incomes of $5,000 or less. Average benefits for a retired worker are $449 a month; for a widow, $415 a month. Again, these aggregate figures are deceptive. About 63 percent of Social Security beneficiaries are women, and women typically receive lower benefits, either as surviving spouses or in their own right. In 1983,

the average monthly benefit to a retired male worker was $497; to a retired female worker, $316. About 20 percent of unmarried older women rely on Social Security as their sole source of income. Only 23 percent of single elderly women receive both Social Security and another pension. Moreover, because elderly women live longer, resources they had when started receiving Social Security may be spent when they reach advanced old age, increasing their dependence on Social Security.

The provision of the full Social Security Cost-of-Living adjustment is directly related to poverty among the aged and the very old. The COLA ensures that Social Security benefits keep pace with inflation, allowing the elderly to maintain a decent, though hardly luxurious, standard of living. Without the COLA, the elderly's buying power would be reduced due to inflation and more older people would be pushed into poverty. For example, according to a study by AARP and Data Resources, Inc., a freeze on the COLA next year would send a half million more senior citizens into poverty.

The decline and stabilization of poverty among the elderly can be traced to the COLA. In 1970, one-quarter of the elderly were living in poverty. Increases in benefits were granted on an ad hoc basis during the early 1970's and the elderly poverty rate declined to about 14 percent in 1975. Automatic COLAs began during 1975 and the poverty rate among the elderly has remained relatively stable since then. That Social Security has been successful in helping to raise thousands of elderly people out of poverty and to provide a stable source of income for retirees is no reason to cut benefits. If anything, Social Security must be preserved so that poverty among the elderly will not once again rise to unacceptable levels.

As a person becomes very old, the protection against inflation that the full COLA provides becomes increasingly vital. Persons over 85 are likely to have disproportionately high expenditures for health care, supportive services and energy costs, yet by that age, they are much more likely than younger individuals to have exhausted savings or other resources necessary to meet these higher expenses. COLA limitations would reduce the value of retirement benefits the longer they were received.

5. *Pensions are not a major source of income for most current retirees.* Contrary to the upbeat discussion of pension coverage and its role for future retirees, for most current retirees, pension income is limited. Moreover, pensions are rarely indexed, thereby reducing their value as a stable source of income. Only about 3 to 10 percent of pensions are indexed for inflation.

While it is true that recent legislation will help expand pension coverage, the fact is that most elderly now receive only a fraction of their income from pensions. Monthly income from pensions is varied, due to the diversity of pension plans. Overall, about 10 percent of the elderly's retirement income comes from pensions. In 1982, the average annual income from a private pension for an elderly male was $2,980; for an elderly female, $1,520. Pensions are also not available to most elderly, since the majority of the elderly are women and older women typically do not receive pensions. Only about 13 percent of elderly single women receive pensions compared to 24 percent of single older men and 33 percent of older couples. Less than 10 percent of aged widows receive survivor pension benefits.

6. *In-kind benefits are crucial to the health and well-being of the elderly.* Programs which provide such services as health care, housing, nutritional assistance, legal aid and energy assistance are critical to all elderly, but particularly the low-income elderly. If these forms of support were not available, the poor elderly, with limited disposable income, would either have to attempt to purchase these items or forego services. Nearly every older person is covered by Medicare, although the elderly must still pay at least $1,500 per year out of pocket for their health care. About half of poor elderly households receive one or more cash or non-cash benefits, but 1.8 million aged households in poverty receive no cash or non-cash public assistance. Even these benefits are not available or as generous as the public may believe. For example, the elderly must often wait several years before they can obtain subsidized housing. SSI benefits do not bring the elderly up to poverty level. Moreover, many, many low-income elderly who are eligible for these programs do not participate, either because they do not know about them or because for reasons of pride or social stigma.

The CEA suggests that perhaps in-kind transfers ought to be counted as income and that if they were, the poverty rate among the elderly would decline significantly. However, there are several problems with this, and the results of assigning cash values to in-kind benefits can be misleading. First, this argument only takes government transfers into account and fails to put any similar cash value on private benefits such as health insurance, life insurance, pension contributions and educational assistance and the impact these have on the incomes of younger workers. Second, there is some dispute over how to value in-kind benefits—market value, recipient value or poverty budget share. Given that poverty is a relative measure, if these concerns are taken into account, it is likely that the distribution of poor people would not change very much.

7. *The majority of elderly people do not work.* Only about 12 percent of all elderly are employed, so that earnings are not an assured source of retirement income. Older workers have borne the brunt of the recent recession. Only 21 percent of displaced older workers found new jobs after being unemployed during that period, as compared to 70 percent of young workers and 41 percent of middle-aged workers. In addition, the recovery has had less effect on older workers. Their rate of unemployment has only declined by ten percent, while the unemployment rate for workers age 25 to 54 has declined 25 percent. Early, and often involuntary, retirement still remains the rule in the American workplace for workers in their 50s and early 60s. What this translates into for older workers is lost health coverage and reductions in pensions and Social Security.

8. *The value of assets in contributing to retirement income is hard to quantify and may be overstated.* The elderly as a group may hold more assets than younger people because they have been able to accumulate them over the years; however, the distribution of assets among the elderly is very uneven. For instance, older men have substantially more asset income than women, and blacks have significantly lower asset incomes then whites. While some elderly have accumulated wealth, most elderly do not.

It is also difficult to place a monetary value on some assets. For example, while 70 percent of the elderly live in their own homes and at least half of these own them outright, thus giving the appearance that the elderly have access to a significant sum of money, equity in a home is not very liquid. The value of the house may be great on paper, but not necessarily to the owner. Consequently, the worth of a house to the elderly person in terms of contributing to economic well-being may be overstated.

CONCLUSION

It is important to resist jumping to the conclusion that the elderly are as well off as the non-elderly because their incomes are nearly equal. All things are not equal between the aged and non-aged; equivalent levels of total income do not necessarily indicate equivalent needs or levels of living.

The economic status of the elderly is more closely tied to levels of public funding than is the economic status of the non-elderly. While the primary source of income for younger people is earnings, the elderly rely heavily on Social Security and Federally-financed support programs. The perception that the elderly are as well off as other groups could threaten the funding and/or existence of programs vital to the elderly, with the resulting consequence that many elderly fall into poverty. Before any decisions are made or actions taken that would affect the economic status of the elderly, a careful assessment of their needs and resources, apart from any comparison with other age groups, must be made.

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KEEPING THE PEACE

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DANNEMEYER. Mr. Speaker, the House this week took the courageous action of passing legislation to release funds for the MX missile. These funds had been authorized and appropriated last year for the fiscal year 1985 program, but were frozen pending review of Soviet participation in the Geneva arms reduction talks. Passage of these two resolutions was necessary to thaw the MX funds and releases $1.5 billion for procurement.

There are two reasons why the MX program is so crucial. First, it adds a critical element to our military arsenal, thereby addressing the imbalance between United States and Soviet strategic forces. The United States has not deployed a new land-based strategic missile in 15 years whereas, during this same period, the Soviets have deployed four new systems and are developing four more in violation of the SALT II agreement.

Since 1974, the United States has built 346 ICBM's, all of pre-1971 design. The Soviets, by comparison, have built over 2,000, more than half of which are new since 1975. The Soviet SS-18 is the most powerful missile in the world, 8 times as large as our newest ICBM, the Minuteman III. They possess over 5,000 hard-target ICBM warheads with which to strike 1,030 U.S. ICBM silos—a 5-to-1 advantage.

Point one, then, is that we are at a serious disadvantage both in quantity and caliber of strategic missiles. Opponents claim that the MX is an unwieldy and unworkable system. They charge that its basing mode is particularly unreliable. What they fail to realize is that there probably hasn't been a single weapons system—whether ship, gun, missile, tank, or plane—where the prototype was designed and operated without a hitch. In the 1920's, the military establishment laughed at the idea that airplanes could successfully bomb battleships—until General Billy Mitchell proved them wrong. The first aircraft carriers were hardly the powerful and efficient vessels they are today. The very first tanks may have lost a tread or two before they were perfected. Despite early problems, the fact remains that each was necessary in the natural progression of military hardware. And so is the MX.

The second reason is that rejection of the MX would seriously undermine the U.S. position in arms reduction negotiations with the Soviet Union. Without the counterbalancing factor of the MX, the Soviet heavy missiles (particularly the SS-18's) remain relatively invulnerable and therefore there is no incentive for the Soviets to bargain or reduce their forces. As in any bilateral agreement, or management/labor dispute for that matter, both sides must negotiate from strength; if one side is noticeably weaker than the other, the scales are tipped toward the other. In the realm of strategic nuclear weapons, any such imbalance is potentially catastrophic and cannot be tolerated.

Wars have not emanated from maintaining a strong defense. They have more often than not been the result of unpreparedness. Unilateral disarmament, unverifiable arms freezes, and false senses of security based on good intentions do not prevent wars. They often pave the way. In this regard, the MX is not named the Peacekeeper for naught.●

SENATOR CHILES SPEAKS AGAINST THE MX

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, as you know I am totally opposed to the MX.

Although I am opposed to funding on moral grounds, there are a wide variety of reasons for opposing the MX even among my opponents.

Recently, my Florida colleague, Senator LAWTON CHILES, outlined the reason why he was opposed to the MX in a recent Washington Post article.

The article follows:

IT'S NOT A VOTE TO KILL THE MX

The relationship between the pending vote on MX appropriations and arms control is being misunderstood.

This vote has been called a referendum on both the MX missile program and the administration's arms control policies. Those inclined to vote against release of this funding are told that would be killing the program and sending a negative signal to the Soviets at the outset of the negotiations. That is not so. Rather, we face a vote only on whether to move ahead immediately to procurement of additional missiles prior to engaging in arms control talks.

Regardless of the outcome of the forthcoming vote, we will have an MX program. To date, Congress has provided $9 billion in research and development funding. With that funding the Air Force has developed prototype missiles and is conducting a research test flight program. In FY 1984, Congress appropriated $2 billion for production of 21 missiles. In FY 1985, Congress provided another $1 billion for deployment of those missiles as well as the long lead materials necessary to maintain a hot production line.

Clearly, this approach does not kill the MX missile. Instead, it provides the funding necessary to maintain a production capacity, should additional production prove necessary. The vote we face is not whether to eliminate the $1 billion we have appropriated this year, it is a vote on whether to add another $1.5 billion on top of it and move to further production.

The arguments that proved crucial to my decision to oppose building more MX missiles at this time is my concern about the vulnerability of MX in its proposed basing mode. In recent testimony before the Senate Budget Committee, Dr. William Kaufmann, a defense expert who served in five administrations starting with Kennedy, said "putting MX in the current silos, even if hardened still further, is a losing game, I regret to say, because the expectation is that by the late '80s, the Soviet Union will be able to knock out on the order of 95 percent of those silos." The Congressional Budget Office estimates that, after a Soviet first strike, MX would provide fewer than 100 survivable warheads for $25 billion. This is a poor return on our investment.

To improve on that return, we would be forced to move to a launch-on-warning or a launch-under-attack strategy. This is why critics call MX "a use or lose weapon." In its current highly vulnerable basing mode, MX is provocative and destabilizing.

Do these pressing concerns require that we kill the MX now? No. At the outset of potentially rewarding negotiations with the Soviet Union, it would not be prudent to give away our options on any strategic system that might serve as leverage for significant arms reductions.

Last year's House vote was all or nothing on MX. The final compromise lets us keep our options open. We will begin production of the initial group of missiles in May or June. There is sufficient funding to keep the production line going through the end of FY 1985. The MX program has actually expended less than $150 million, or 5 percent of the $3 billion provided for production.

The General Accounting Office has also raised difficult questions about the MX program's ability to meet its ambitious deployment objectives. GAO points out that we will deploy the first 21 missiles before we even perform the first operational flight test. The trouble-plagued DIVAD gun shows what results when we rush to deploy weapons systems before tough and independent tests can conducted.

It is better to maintain a ready production capacity and keep MX as leverage. At some point in the negotiations, the MX might become part of an agreement to reduce the threat posed by the Soviet SS18s.

The administration argues that any vote against additional production funding would send a negative signal to the Soviets. I am skeptical of this assertion. The Soviets left the talks after Congress endorsed the Scowcroft Commission's recommendation for 100 MX missiles. They returned hat in hand after we suspended additional production. Maintaining a ready production capability so we can move ahead at any time, but choosing to not make a preemptive move, sends the Soviets the right signal: flexibility backed up by strength.

If the president wants to avoid a close and contentious vote, he can do so by postponing the vote until Congress reviews the Defense Authorization Bill in the spring. At that time, the arms control picture might be clearer. This could free up $1.5 billion, which could be applied to the defense budget in FY 1986 and would help us considerably in our efforts to reduce the deficit.

The administration tells us that each vote on additional defense appropriations is a test of our will. Secretary Weinberger tells us if we cut a single dollar we send a negative signal to the Soviets. Now we are told that MX is another loyalty test. Clearly, the missile cannot be sold on its merits, so the administration is selling it as a symbol. Congress should stick to the facts and not buy this approach.

At some point in the future, we may have to consider additional production of MX missiles. For now we should take advantage of this limited opportunity and try to achieve the objective we all share—arms reductions.●

VETERANS IN CIVIL SERVICE POSITIONS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DYMALLY. Mr. Speaker, I am pleased to be an original cosponsor of legislation being introduced today which would provide employment security for veterans in Civil Service positions which are reserved for them by law. This bill, sponsored by my colleague on the Post Office and Civil Service Committee, Mr. GILMAN, is similar to legislation which unanimously passed the House of Representatives in the 98th Congress. We are pleased to be joined in this effort by distinguished members of the Committee on Veterans Affairs, as well.

Briefly, this legislation provides that veterans preference eligibles in the positions of guard, messenger, elevator operator, and custodian, may not be separated from employment as a result of contracting out. It is important to point out that this bill does not create a new preference for veterans. To the contrary, the bill upholds a commitment Congress made to these veterans over 40 years ago, in the Veterans Preference Act of 1944.

In that act, the four Civil Service positions in question were reserved for veterans, as long as veterans are available. Unfortunately, I fear the intent of the original law has been circumvented by increased efforts to contract out these positions. Veterans from World War II and the Korean war, who have served the Government faithfully for many years, are suddenly faced with the loss of their jobs. Younger veterans from the Vietnam era do not have the opportunity to obtain secure employment in these positions, despite the fact that 5 U.S.C. 3310 sets these positions aside for them.

I also would like to point out that the legislation introduced today provides the same protection for veterans holding these positions in the U.S. Postal Service. I feel that this addition to the bill is extremely important, particularly because 80 percent of the custodial employees in the Postal Service are veterans. And almost one-half of these veterans are disabled!

Finally, the bill makes a special effort to ensure that sheltered workshops for the handicapped, which contract with the Federal Government for these types of services, will have continued opportunities to obtain work with Government agencies. Under the bill, sheltered worshops must be given priority when Federal agencies contract for the positions I question.

I am hopeful, Mr. Speaker, that the Congress will act quickly on this much-needed legislation.●

WASHINGTON UNION HIGH SCHOOL BASKETBALL TEAM

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. COELHO. Mr. Speaker, I want to take this opportunity to congratulate Coach John Pestorich and the Washington Union High School basketball team of Easton, CA, for capturing the State of California Division II championship.

I know that not only the students of Washington Union and the citizens of Easton, but also all of Fresno County, are extremely proud of the accomplishments of the Coach Pestorich and his squad. I share in that pride, knowing that the Panthers' perfect 29–0 season record was accomplished with both athletic talent and sportsmanship.

I insert for the RECORD the Fresno Bee's report on the State championship game, and once again, offer my heartiest congratulations.

The article follows:

[From the Fresno Bee, Mar. 17, 1985]

WASHINGTON, TOP IN STATE

JERVIS COLE TURNS IT ON AS PANTHERS FINISH 29–0

(By Andy Boogaard)

OAKLAND.—Just when it appeared control was slipping out of its grasp, Washington Union High School turned to its money player Saturday in the Oakland Coliseum Arena.

That player, senior center Jervis Cole, responded by burying three consecutive jumpers in the fourth quarter and the Panthers sailed to a 69–56 victory over Rio Americano for the Division II boys' state basketball championship.

Cole finished with 15 points—one of four Washington seniors to reach double figures—as the Panthers wrapped up a 29–0 season.

In doing so, they became the first valley team to go unbeaten since East Bakersfield in 1968, a year in which there were no state playoffs.

For Coach John Pestorich's Panthers, it was more than "just" an unbeaten season.

It was a year in which they crushed their opponents by an average margin of 24 points and, more impressively, remained a dominating force in the postseason. In the Sequoia Division, Southern Regional and state title games, their average winning spread was 18.3.

In regard to its seniors, the final chapter of Washington's storybook season was chronicled in ideal fashion.

Guards Tony Harris and Stennis Cook, who have started alongside Cole on the varsity for three years, contributed 18 and 16 points, respectively. And Jervis Cole's twin brother, Jarvis, who joined the varsity at the end of his sophomore year, offered 12 more points.

Washington went 77–4 in games Jervis Cole, Harris and Cook played together in three seasons.

Junior guard Dwayne Tucker, with eight points, was the only other scorer for Washington, which managed to win big with little depth this season.

"I felt in different times in the game, a different kid contributed to keep us going," said Pestorich. "At one time it was Jarvis, another time Stennis and I could go right on down the line. That's been a characteristic of these kids. Someone was always ready when we needed them."

In the pinch, it was Jervis Cole who asserted himself as many in a crowd of about 5,500 expected he might.

Among those "fans" were coaches Boyd Grant of Fresno State University and Bill Berry of San Jose State, who have the inside track at landing the 6-foot-5½ gem from Easton.

"I've narrowed it down to those two," Cole said afterward. "I'll have to sit down with my coaches and decide which one."

A jumper and a slam after his own steal by Harris and two free throws after his own steal by Cook gave Washington a 44–30 lead with 6:32 left in the third quarter.

But it wasn't over for Rio Americano, a well-coached (Al Manfredi) team that blended backcourt quickness with formidable size underneath. The Raiders of Sacramento wound up their year 28–6.

The guard play by Pete Cardinale and Len Bridges was the key as Rio Americano closed the third quarter with a 16–4 rally, trimming the gap to 48–46.

Washington led 50–47 when Jervis Cole slammed the throttle to the floor.

After missing his previous three shots—each well within his range—he sank three straight jumpers, none shorter than 12 feet. That made it 56–49 with 3:55 remaining and the Raiders were history.

"Jervis really showed his true character at that point," said assistant coach Eric Cederquist, Pestorich's shadow and valuable right-hand man. "He really took control of the game."

The first of the three buckets in the fourth quarter gave Cole 1,301 points for his career. He closed the books at 1,306—tops in Washington history.

"My shot was off, but my teammates did a good job of talking to me and helping me get it back together," said Cole.

Harris, going for the jugular instead of playing his cards conservatively with the lead, nailed a jumper off a fast break and drove the land and hit another as the Panthers went on a 9–0 run, making it 65–51 with 1:20 left.

Harris finished his career with 1,047 points, second-best in school history. Against Rio Americano, Harris also collected a team-high 12 rebounds and had four steals.

Washington hit 50 percent (29 of 58) from the field and was 11 of 13 from the line.●

THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC. CHARTER

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RODINO. Mr. Speaker, were I asked to name the one national symbol that exemplifies the promise of American life, I would not hesitate to say the Statue of Liberty, which stands in great majesty in the New York Harbor, facing seaward, a message to the world that our Nation is a beacon of freedom to all the people of the world. "Give me your tired, your poor, your huddled masses yearning to breathe free," wrote Emma Lazarus in the famous sonnet that defines the statue, "* * * I lift my lamp beside the golden door!" Truly, the Statue of Liberty—along with nearby Ellis Island—characterizes our Nation, that we are indeed a Nation of many nations.

In this spirit, Mr. Speaker, I am today introducing legislation to recognize and grant a Federal charter to the Statue of Liberty-Ellis Island Foundation, Inc., which is a private, nonprofit organization working with the Department of the Interior to restore these two most famous landmarks of our Nation.

Since the Statue of Liberty was given to the American people by the people of France in 1886, the statue has deteriorated and corroded due to exposure to the elements. Ellis Island is also in a deteriorated condition. The total restoration effort will cost over $230 million. To date, $138 million has been raised, but another $100 million is needed.

The Statue of Liberty and Ellis Island have long stood as symbols of freedom to the people, not only of this Nation, but to people all over the world. First seen by the immigrants as they entered New York Harbor, the Statue of Liberty was a profoundly moving sight, full of the promise of America, a redemption for that painful and perilous decision to leave their homelands. It was, in sum, a symbol to those immigrants that they had completed their journey to America—and to freedom.

This legislation will aid the foundation in its efforts to raise the remaining funds needed to complete the restoration. In order to achieve this goal, the charter grants the foundation rights to commercial advertising representing an affiliation with the restoration effort or the foundation. This is unusual in a Federal charter, but is necessary to enable the foundation to raise the remaining funds needed to complete the restoration.

The foundation is currently operating as the primary fundraising entity for the restoration project under a Memorandum of Agreement with the Department of the Interior. The agreement between the Interior Department and the foundation will terminate in 1987, at which time the Federal charter will also terminate. The restoration of the statue is scheduled for completion by 1986.

I believe we all recognize the importance of the restoration of these national monuments. When President Reagan appointed the Statue of Liberty-Ellis Island Commission, an advisory committee for the restoration effort, he declared that no money would be appropriated for this project. Rather, he said, the money must come from the private sector. The foundation, as a private corporation, has undertaken to raise the funds necessary for this project and is working with the Department of the Interior and the National Park Service toward this goal.

Inasmuch as this charter will aid the foundation toward this goal—and toward the larger purpose of rejuvenating our great national symbols—I urge my colleagues to join me in support of this legislation.●

CONGRESSMAN LARRY SMITH OF FLORIDA TO BE HONORED BY B'NAI B'RITH

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. PEPPER. Mr. Speaker, Members of the House will be pleased to know that one of our colleagues, Congressman LARRY SMITH who represents Florida's 16th Congressional District will be honored next month by the B'nai B'rith Foundation of the United States. Congressman SMITH will receive their Public Service Award at a dinner in his honor on April 13.

Congressman SMITH is highly deserving of this honor. Before he was elected to the House of Representatives he served as a member of the Florida House of Representatives from 1978 to 1982 where he was a leader in the fight to keep illicit drugs out of our State. In the 2 years that he has served in the House he has become deeply involved in the rights of the Soviet Jewry and been a distinguished member of the Foreign Affairs Committee.

Back in Florida he is a leader in many civic, fraternal, and philanthropic organizations including the Broward County Democratic Committee, B'nai B'rith, the Emerald Hills Optimist Club and Temple Solel of Hollywood where he was a founding member. In recognition of his public service he has received many previous community awards such as the 1983 Environmental Legislator's Award from the Broward Sierra Club, the 1983 Democrat of the Year Award from the Broward County Young Democrats, the 1984 Israel Bonds Scroll of Honor Award and the 1984 Kiwanis Club of Miami Appreciation Award.

In announcing this award B'nai B'rith Foundation said:

> Larry is a dedicated, caring public servant who, together with his wife Sheila and his children, Grant and Lauren, is committed to a fairer, more humane and healthier America and to a more just and peaceful world. He exemplified, in the highest sense, the qualities of a public servant who serves. In a profounder sense, he is genuine role model for young people, who will become our future leaders, to emulate.●

GREATER PUBLIC SUPPORT OF ORGAN DONATION NEEDED

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. WAXMAN. Mr. Speaker, the transplantation of human organs represents nothing short of a scientific miracle.

Recently in Arizona an artificial heart was used to preserve a young man's life until a human heart became available. This episode highlights a continuing problem faced by a field of human organ transplantation. Despite dramatic advances in surgical techniques and the availability of powerful drugs to prevent organ rejection, the supply of human organs hasn't kept pace with the demand made possible by these scientific advances.

Each day lives are jeopardized because the availability of transplants to those in need has been severely restricted due to an inadequate supply of donated organs.

Last year the Congress enacted Public Law 95-507, the "National Organ Transplant Act." The principal purpose of the new law is to increase the supply of human organs donated for transplantation. The law authorized a program of Federal grants to assist local organ procurement organizations in making their activities more effective.

Experts estimate that less than 15 percent of organs potentially available for donation are actually donated and used in transplant operations. Without better planning and coordination of organ procurement activities, transplant procedures may become a medical option available only to the rich or those singled out by the media for attention.

The low rate of donation can be attributed to two factors. The first is a lack of effective organization in the Nation's organ procurement effort. This problem was addressed by the

National Organ Transplant Act which established a nationwide 24-hour computer system to speed the matching of donor organs with transplant patients and a grant program to supplement and improve community level organ procurement activities.

A second aspect of the problem has to do with the public's willingness to donate organs. The effectiveness of any organ procurement program is limited by the public's understanding and willingness to donate following a tragic accident. In view of the current low rate of organ donation and the thousands of transplant patients waiting for an organ to become available, increasing public understanding of organ transplantation should be motivated by a sense of urgency. To be effective, both the public and private sectors must be involved.

For this reason I was pleased to learn that the Dow Chemical Co. has committed $1 million to the American Council on Transportation to initiate a public advocacy campaign. The effort is intended to encourage the public to be more aware about the need and value of organ donation. In addition to important financial support, the Dow Chemical Co. has indicated it will encourage its 35,000 employees to participate in this effort.

The president of the American Council on Transportation is Gary E. Friedlaender, chief of orthopedic surgery at Yale University School of Medicine. In commenting on the goals of the program made possible by the Dow commitment, Dr. Friedlaender said:

> We must educate the public on the need for donors and organs, dispel the myths surrounding the process and, most importantly, motivate families to discuss organ transportation within the home setting before the time of trauma.

Mr. Speaker, I want to commend the Dow Chemical Co. for their concern and commitment to this important cause. If Americans become more aware of the need for organ donation, I am confident that the gap between the need for and availability of organs can be reduced.●

THE BUCKS STOP HERE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. YOUNG of Florida. Mr. Speaker, during the many hours of debate this week on the MX missile, some of our colleagues have attempted to lay the responsibility for our mounting budget deficits on President Ronald Reagan.

Let's take a look at the numbers to see where the responsibility really lies. From fiscal year 1982 through the President's proposed fiscal year 1986 budget, the annual budget deficits total $923.2 billion. During that same time, the President has had no choice but to spend $778.9 billion of the $923.2 billion just to pay the interest on the national debt. It's important to note that when President Reagan took office he inherited a $1 trillion national debt and annual interest payments on the debt which have risen from $117 billion to $200 billion per year.

Subtracting these annual interest payments from the deficits of the President's first five budgets, we find that President Reagan's actual deficit for that period is $144.3 billion, for an average deficit of $28.9 billion per year. The last time our annual budget deficit fell below $30 billion was in 1974, 11 years ago.

It's my hope Mr. Speaker, that my colleagues will keep these figures in mind when they attempt to pass the buck for our national debt. The truth of the matter is that the President of the United States cannot spend a single dollar that the Congress does not first appropriate. And before Ronald Reagan took office, Congress appropriated a trillion more dollars than it had to spend. President Reagan never had a chance to start with a clean slate. Instead, during his Presidency, he has had to include in his budget more than three-quarters of a trillion dollars to pay the interest on the trillion dollar national debt he inherited upon taking office. The blame for our national debt does not belong down Pennsylvania Avenue at the White House, the cause of this problem rests right here with the U.S. Congress.●

END OPERATION OF HONORARY SOUTH AFRICAN CONSULATES IN THE UNITED STATES

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LOWRY of Washington. Mr. Chairman, today I am introducing legislation that would prohibit any individual from acting as an honorary consular officer for the Republic of South Africa in the United States. Penalties would be imposed for violations of this prohibition. I believe it is time to end the involvement of U.S. citizens and permanent resident aliens in the official affairs of the South African Government. I urge my colleagues to join me in working for the passage of this timely measure.

The South African Government maintains 10 consulates in the United States in addition to its Embassy located in Washington, DC. Four are operated by career consular officers who are South African nationals. The remaining six are operated by honorary consular officers who are American citizens or permanent resident aliens. The four consulates are located in: Houston, New York, Chicago, and Beverly Hills, CA. The six honorary consulates are located in: Seattle, Cleveland, Salt Lake City, New Orleans, Phoenix, and Mobile, AL. The honorary consulates in Boston and Portland, OR have been closed because of protests by local citizens and Pittsburgh's honorary consulate has been out of operation for the same reason.

The activities of the honorary South African consulates are authorized and determined by the South African Government. These consulates can issue South African visas and carry out other official business on behalf of the South African Government. Moreover, the U.S. citizens who operate the honorary South African consulates provide vital public relations services for the South African Government by promoting the virtues and amenities of South Africa to tourists, businesses, and potential investors.

Conditions in South Africa belie the South African Government's constant talk of reform. The February 19 arrests in South Africa of over 70 key antiapartheid leaders, and the charge of "high treason" that was brought against 8 of these individuals and 8 others from an earlier roundup, demonstrate the South African Government's unwillingness to implement meaningful change.

The recent killings and mass arrests in Cape Province underscore the South African Government's true intentions: To maintain the brutal, racist system of apartheid and to continue to deny the rights of citizenship to South Africa's 22 million blacks. Just yesterday, in a speech before parliament, South African Prime Minister Pieter W. Botha emphasized his unshaken opposition to the mounting challenges to apartheid. This speech signals the likelihood of continued repression by the South African Government, including killings, bannings, arrests, and detentions.

The oppressive policies and actions of the South African Government have been condemned by governments, organizations, and individuals throughout the world. The United States cannot dictate South Africa's internal laws, but we have an obligation to reshape our policies toward South Africa. Ending the operation of honorary South African consulates in the United States is an important step in this effort. The passage of this legislation, and other congressional measures which place restrictions on United States relations with South Africa, will send a crucial and necessary message to the racist South African Government.●

REVENUES SURGE FROM NATION'S TOP EARNERS

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. KEMP. Mr. Speaker, soon after the 1981 tax rate cuts passed the Senate, the newspapers were wont to quote former Senator Howard Baker statement that the country had just embarked on a "riverboat gamble."

Many of us thought that the risk was all on the side of continuing the outdated policies of the seventies, but Senator Baker's remarks seemed to sum up the thoughts of many professional economists and policymakers. Others were even less charitable, calling the tax cuts welfare for the rich.

Supplysiders argued that practicing the politics of envy was not only dangerous and counterproductive, but needless. The tax rate reductions were not going to cause a greater and greater disparity in income, they were going to create a more equal distribution of income. They would not cause tax revenues from the rich to decrease, they would generate greater tax receipt. And the tax rate reductions would not shift the tax burden downward to the poor, but actually upward to the rich. In short, tax rate reductions are the foundation and prerequisite for social justice.

Critics could never understand this because they don't understand human nature. People don't work in order to pay taxes, they work for after-tax income to earn a better living for themselves and their families. When we impose high marginal tax rates on success, work, thrift, and entrepreneurship, we encourage wealthy Americans to leave the productive and taxable economy and exploit tax loopholes and shelters or spend their earnings on luxury goods, which are lightly taxed.

A recent article by Richard Vedder and Lowell Gallaway in the Wall Street Journal provides new evidence that tax rate reductions caused higher tax revenues from the rich, a lighter tax burden on the poor and middle income Americans, and greater prosperity for the whole country. The Journal piece examines the Internal Revenue Service's data on the Nation's tax returns and concludes that upper income earners are paying a greater share of the tax burden after the Reagan tax-rate cuts.

The evidence is especially dramatic from the very rich. Those earning more than $1 million a year, according to Vedder and Gallaway, paid over 100 percent more taxes in 1983 than in 1981, and the number of millionaires doubled, the largest increase in the number of millionaires in U.S. history. Meanwhile, poor and middle Americans, defined as those making less than $50,000 yearly, paid 12 percent less taxes. Not surprisingly, the tax burden shifted upwards to the rich. The share of total income taxes paid by the top 1 percent of taxpayers grew from 17.44 percent to 20.64 percent between 1981 and 1983.

Coming as it does in the midst of a great debate on tax reform and simplification, this evidence confirms our view that we must further lower our marginal income tax rates, for example, by bringing down the top marginal tax rate to 24 percent–30 percent. This new evidence indicates that tax simplification can bolster economic growth, lower deficits, and create a fairer and more progressive Tax Code for all Americans. I commend this important article to my colleagues' attention.

SOAKING THE RICH THROUGH TAX CUTS

(By Richard Vedder and Lowell Gallaway)

Almost a year ago, the release of Internal Revenue Service data on 1982 income-tax returns showed that higher-income Americans paid more in income taxes in 1982 than in 1981, whereas lower- and middle-income Americans paid less. The preliminary IRS data for 1983 tax returns are in, and repeat the pattern of the 1982 returns. Upper-income earners *are* paying a greater share of the tax burden after the Reagan tax-rate cuts.

A year ago, this interpretation was still open to question by critics and skeptics, while supply-siders proclaimed that since the top income-tax rate fell from 70% to 50% in 1982, the 1982 IRS data showed the tax cut was working just as they said it would. The incentives for higher-income Americans to engage in tax avoidance and even tax evasion were reduced and they responded accordingly. The fact that the number of returns from citizens with an adjusted gross income (AGI) of more than $1 million grew by nearly 60% amid the greatest recession in years was ample evidence that the tax cuts were working.

VARIOUS ARGUMENTS

All of this, of course, was mildly embarrassing to Democratic presidential hopefuls who were spending most of last year trashing the Reagan administration for its tax policies that supposedly benefited the rich and hurt the poor. However, a horde of commentators rose to their defense and attacked the supply-side view. They argued that the 1982 data were not typical. John Berry of the Washington Post suggested that the stock-market boom explained the rising affluence (and tax payments) of the rich, somehow assuming that the tax-rate reductions had no bearing on that boom. Joseph Minarik of the Urban Institute argued that because of inflationary "bracket creep," the payments from the rich typically rose and the 1982 results merely reflected a long-term trend.

Still others used different arguments. Donald Kiefer, a researcher for the Congressional Research Service, claimed that the wealthy, anticipating the tax-rate reductions, engaged in income-shifting tactics in late 1981 that swelled 1982 taxable income. Finally, some people maintained that because of rising nominal income, the definition of "rich" and "poor" was changing, meaning that a simple analysis of the data by constant-income classes led to distorted findings.

While supply-siders believe the bulk of these criticisms to be misdirected or exaggerated, the fact remains that conclusions were being drawn on the basis of a single year's observations. As Mr. Vedder said in a Joint Economic Committee study published last November, ". . . the final word will be the 1984 data."

Well, the preliminary 1983 IRS data are in and they further support the contention that as after-tax rates of return rise the supply of labor and capital also increases. As the first table indicates, affluent Americans (say, those with an AGI of more than $100,000) paid substantially more than in 1981. Poor and middle-income Americans (those making under $50,000 AGI) paid less in 1983 than in 1982, and far less than in 1981. While tax payments rose 28% from 1981 to 1983 for the affluent group, they decreased nearly 12% for the low- and middle-income groups.

The increase in payments from the super rich was particularly dramatic—those with an AGI of $1 million or more paid 108% more in 1983 than in 1981, and the number of "tax millionaires" more than doubled in the greatest explosion of millionaires in U.S. history.

These results are not surprising. In the aforementioned JEC study, an analysis of 29 years of tax data from 1954 to 1982 revealed that upper-income Americans have been highly sensitive to variations in marginal tax rates on both ordinary and capital-gains type income. The study revealed that some Americans were in the backward-bending portion of the Laffer Curve—where reductions in tax rates so stimulate growth in the tax base that total tax receipts from the group rise. Profs. James Gwartney of Florida State University, Richard Stroup of Montana State University and James Long of Auburn University have reached virtually identical conclusions using quite a different methodology and different data sources.

The rise in tax payments reflected mainly a boom in what might be termed "entrepreneurial" income—income from small businesses, partnerships, farms, etc., or from working. The second table indicates that passive or rentier income, in the form of dividends, interest, royalties and the like, grew far less rapidly. It would appear that a big surge in entrepreneurial activity has occurred in response to the increase in the part of income that individuals keep after taxation.

TABLE I.—TAX PAYMENTS BY INCOME GROUPS, 1981–83

Income class [1]	Taxes paid [2]			Percent of total taxes paid		
	1981	1982	1983	1981	1982	1983
$0 to $15,000	$26,571	$23,949	$21,037	9.1	4.4	7.4
$15,000 to $30,000	80,475	74,196	67,000	27.6	26.0	23.6
$30,000 to $50,000	88,322	86,363	84,736	30.3	30.2	29.8
$50,000 to $100,000	52,156	51,732	55,179	17.9	18.1	19.4
Over $100,000	43,633	49,387	55,781	15.0	17.3	19.6
Over $1,000,000	4,901	6,955	10,231	1.7	2.4	3.6

[1] Adjusted gross income.
[2] In millions of dollars; refers to total tax liability.
Source: Internal Revenue Service.

TABLE II.—CHANGING INCOME OF THE "VERY RICH," 1981–83 [1]

Income source	AGI reported [2]		Percent of total AGI	
	1981	1983	1981	1983
"Rentier" income [3]	$4,509	$7,147	40.5	28.2
"Enterpreneurial income," total [4]	6,620	18,182	59.5	71.8
Business [5]	329	4,012	3.0	15.8
Financial [6]	4,105	8,718	36.9	34.4
Human capital [7]	2,186	5,452	19.6	21.5
Total income	11,129	25,329		

[1] In millions of dollars.
[2] "Very Rich" is defined to include returns with an AGI of over $1,000,000.
[3] Dividends, interest, rent, royalty income, and estate and trust income.
[4] All income other than "rentier" income as defined above; see below for specific sources.
[5] Small business corporations, farms, partnerships, and business and professional income.
[6] Primarily capital gains.
[7] Wages and salaries.
Source: IRS data, author's calculations.

The one argument of the critics that has not been addressed is the notion that rising nominal income normally pushes more Americans into higher tax brackets, increasing the pool of persons with incomes in excess of a given amount. One way to deal with this argument is to look at the relative income of Americans, that is, to examine, say, the top 10% of income recipients, regardless of what their income may be. Analysis using this procedure indicates that the shift in tax payments toward the rich is somewhat less dramatic than shown in the first table, but it is occurring nonetheless. The share of total income taxes paid by the top 1% of income recipients grew from 17.44% to 20.64% between 1981 and 1983, with the share of middle-income groups showing a noticeable decline.

A single index of progressivity is the "tax Gini coefficient." A value of 1. indicates perfect progressivity—one rich person pays all the taxes—while a value of 0 describes a situation in which everybody pays the same absolute tax, regardless of income. The tax Gini rose from .6488 to .6560 between 1981 and 1983, a move in the direction of greater progressivity. In other words, the 1981 tax cut seems to have been successful in promoting a key part of the liberal agenda of the past half-century, namely, "redistributive justice."

All of this, of course, speaks to the great tax debate beginning now in Washington. The Treasury, Kemp-Kasten and Bradley-Gephardt proposals all continue in the spirit of the 1981 legislation, further reducing marginal tax rates, raising the rate of return on investment in both human and physical capital, and stimulating growth, fairness and administrative simplicity in the tax system. The evidence from the period 1981 to 1983 indicates that these initiatives also hold the promise of making a welcome addition to the U.S.'s long-term economic vitality.

(Mr. Vedder and Mr. Gallaway are professors of economics at Ohio University in Athens, Ohio. They previously served as staff economists with the Joint Economic Committee of Congress.)

ROMULUS MARKS BIRTHDAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. FORD of Michigan. Mr. Speaker, in the heartland of southeastern Michigan is a community which enjoys a number of remarkable distinctions. Romulus, MI, is the city I am speaking about in this statement and Romulus is celebrating its sesquicentennial even as the State of Michigan inaugurates its sesquicentennial observance of statehood.

This community is well-known to countless Americans because it is the home of Metropolitan Airport, a major transportation facility for North America. What most Americans don't know, however, is that on April 6, 1835, the first township meeting was held at the home of Joseph Pullen. The location at that time was known as Pullen's Corners and is known today as Five Points. This will be the location, this weekend, for the kickoff of the year-long sesquicentennial celebration. I am proud that I will be presenting a flag flown over the Capitol of the United States to Mayor Beverly McAnally on behalf of the city.

It is a special honor to also recognize the origin of the name for this community as being from the timeless classics of Roman history. People of Romulus can be proud of their heritage honored by their current role in business, commerce and education and optimistic about a bright and meaningful future.●

A TRIBUTE TO DONALD JACOBS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. YATRON. Mr. Speaker, I rise today to pay tribute to a young man who made the ultimate sacrifice while on duty during a tragic fire in Reading, PA. Donald Jacobs served as a volunteer firefighter for nearly 4 years. His selfless actions to save his fellow man reflect his commitment to duty and to the service of his community.

Donald Jacobs personified every sense of the meaning of the word "dedication." Through his love and respect for life and humanity and through his heroic actions he affected the community most profoundly. He will serve as an inspiration to others and his name will forever recall his honor and his courage. Donald Jacobs will be awarded posthumously, the 1985 Kiwanis Club of Reading's Outstanding Citizenship Award. His name will also be placed on a perpetual "Outstanding Service to Reading" memorial plaque in Reading's city hall.

While this recognition cannot diminish our profound sadness at his loss, it can be hoped that his family will take some consolation in knowing how much Donald Jacobs meant to us and how grateful we are that someone of his outstanding character lived among us.

I know that my colleagues will join me in saluting Donald Jabcobs—a true hero, an outstanding American.●

NATIONAL SHUT-IN DAY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RAHALL. Mr. Speaker, recently I reintroduced House Joint Resolution 145, "National Shut-In Day," which I feel will be of interest to a number of persons throughout the country.

I am sure that there are a number of "shut-in's" in every congressional district, and I would like to take this opportunity to bring their plight to your attention. "Shut-in's" are those persons who are confined to their homes due to physical impairment. It is essential to realize that these people have a great deal to contribute to their communities; however, due to physical incapacities, they are not able to do so. Unfortunately, "shut-in's" are largely ignored and tend to lead lives of extreme loneliness. We must all begin to recognize "shut-in's" as the valuable members of our society that they are, who have, in the past, contributed much to their communities and who have the potential to offer much more, if only given the chance.

In light of the continuing reductions in social programs, passage of "National Shut-In Day" legislation would show that we in Congress do feel compassion for the less fortunate in our society. The "shut-in" people of our country have a great deal of knowledge, warmth and friendship to offer, and it would be to the benefit of us all to acknowledge them with this special day of recognition.●

THE GIFT OF LIFE

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. SWIFT. Mr. Speaker, the most underused means of persuasion is a thing the psychologists call positive reinforcement.

We all become aggravated with television. It is so compelling. It is so much a part of our lives. But, it often disappoints us.

However, when television is at its best, we need to let the people who made it happen know that we watched and we appreciated.

Last night CBS presented a documentary called "The Gift of Life." Superbly filmed and well written, it sensitively dealt with the human hope and fear surrounding organ transplants. It focused on more than medical technique—on the people who wait and worry and sometimes despair that their failing organ will ever be replaced.

CBS let us share that experience while paying tribute to donors who make it possible to prolong other people's lives.

For that program we owe television our compliments and our gratitude and the recognition that, more often than perhaps we recognize, it fulfills its promise gloriously.●

THOMAS L. MARSALIS ELEMENTARY SCHOOL, DALLAS, TX, RECEIVES NATIONAL RECOGNITION FOR EXCELLENCE

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. FROST. Mr. Speaker, for the first time in the history of the Dallas public school system, an elementary school within the district has been selected by Phi Delta Kappan, a respected national honorary society, for its excellence.

The Thomas L. Marsalis Elementary School of Dallas, which I proudly represent in the Congress of the United States, was selected on the basis of its academic achievement as compared to both State and national percentiles, overall instructional programming, and the dedication of teachers and administration of the school.

The Phi Delta Kappan organization, by so honoring the Thomas L. Marsalis Elementary School of Dallas, recognizes this academic program as one of the top three schools in the United States. Congratulations are in order for Dr. Sherwin Allen, principal of the school, the outstanding faculty, and certainly the students who are receiving the benefits of this program.●

BAN THE STEEL JAW-LEGHOLD TRAP

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LANTOS. Mr. Speaker, today with the cosponsorship of 71 of my distinguished colleagues, I am introducing legislation to prohibit the use of the steel-jaw leghold trap. This trap, in use since 1823, is a painful and crippling device which ought to be prohibited. Numerous more humane ways of trapping animals are available which do not produce the painful agony associated with the steel-jaw trap.

The steel-jaw trap painfully imprisons anything or anybody that triggers it. It clings to its victims with deadly certainty, prompting animals to gnaw off their own limbs in an effort to escape.

Furthermore, each year millions of the "wrong" animals have their limbs smashed by the steel-jaw trap. Pet dogs, cats, endangered species including American eagles, have fallen victim to this brutal device. In one 2-year period in Minnesota, 360 cases were reported of pets being seriously injured in traps. Even more tragic is the permanent injury to children—which has occurred far too often.

More than 50 nations of the world have already acted to eliminate the steel-jaw trap—nations as diverse as England, West Germany, Malaysia, and Brazil. Furthermore, controls have been imposed on the steel-jaw trap by many of our States, including Florida, Massachusetts, and my home State of California.

Proposals to eliminate use of the steel-jaw trap are far from new. Naturalist and biologist Charles Darwin wrote in 1863: "I know of no sight more sorrowful than that of these unoffending animals as they are seen in the torture grip of these traps."

Canadian trapper Frank Conibear, who became a legendary trapping figure in the vast western regions of his country, spent 32 years maintaining trap lines. One day, he renounced his primary trapping tool, the steel-jaw, leghold trap, writing:

It is sometimes said that wildlife is cruel, and that the animals die a painful death anyway, by the teeth and claws of predators. But the sufferings occasioned by the common steel trap are incomparably greater.

NEW PROVISIONS OF THE LEGISLATION

In the last Congress, House Resolution 1797 to ban use of the steel-jaw leghold trap was introduced, and important hearings were held on that bill. The new legislation which I am introducing today includes some minor changes from the earlier bill which addresses criticisms that were voiced during those hearings.

On the basis of extensive discussions with humane groups and legislative counsel, minor alterations have been made to improve the bill. The new legislation has the same intent as House Resolution 1797, but new language makes it more effective and gives it a better chance of passage. The two changes are as follows:

A New Definition of "Steel Jaw Leghold Trap"—One of the criticisms of House Resolution 1797 was that it would outlaw all traps, including the domestic mousetrap. New language makes clear that it is only the cruel and inhumane steel jaw trap which is proscribed.

Additional Sections on Enforcement—Formerly the bill had no enforcement provisions, which would have been a major problem if House Resolution 1797 had been adopted as drafted. The new bill provides for search authority plus fines and a reward system for information leading to convictions for violations of the bill.

ERRONEOUS ECONOMIC ARGUMENTS AGAINST BANNING THE TRAP

Those who strongly support trapping have often utilized arguments based on economics and wildlife management to protect their special interest in the steel-jaw trap. They speak of lost jobs, lost income, devastated industries, and serious wildlife management problems if the trap is banned. The record of nations who have acted to bar the leghold trap, however, do not indicate such problems.

The Federal Republic of Germany shares many characteristics with the northeast United States—similar population densities, land use, climate, even similar fur-bearing animals. West Germany banned the steel-jaw, leghold trap in 1961. Eighteen years after the ban was enacted, the Minister of Forestry stated that there had been no serious consequences for game management, the fur industry, or public health as a result of the ban. In 1979, West Germany—without benefit of the steel-jaw trap—exported almost $5 million worth of furs to the United States, fully one-quarter of our Nation's fur imports that year.

When the leghold trap was banned in West Germany, industry did not suffer, rabies did not break out in epidemic proportions, timbered regions were not destroyed by beavers, and raccoons did not destroy fields of corn. In fact, the Forestry Minister praised the leghold ban in Germany as having a "good effect on the natural ecosystem".

The American fur industry is completely capable of shifting its reliance away from the steel-jaw, leghold trap, and still maintaining its economic viability, as has been the experience of the Federal Republic of Germany.

THE TRAGIC HUMAN DIMENSION

The suffering endured by animals from the leghold trap is only one consideration in urging that it be banned. I remind my colleagues that anything or anybody can trigger these traps. I quote a letter to the Journal of the American Medical Association from Dr. John F. Beary of the Johns Hopkins Hospital in Baltimore, MD:

I recently treated a 4-year-old girl who was caught by her right hand in a steel-jaw trap that had been set by an unknown person in a small woods behind her home. The prognosis for a complete recovery of fine motor skills is doubtful.

The power of the steel-jaw, leghold trap is devastating. It cannot discern between the front paw of a coyote, the hind leg of a German shepherd, or the right hand of a little girl. It clings to its victims with deadly certainty, prompting many animals to gnaw their own limbs off in an effort to escape.

The bill we are introducing is a narrowly tailored bill. Through its passage, our Nation will make a conscious decision to turn to more humane means for trapping animals. It is time to put the tools of the early 19th century behind us. It is time to ban the steel-jaw, leghold trap.●

END EXCESSIVE WAGES FOR GPO EMPLOYEES

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. LEWIS of California. Mr. Speaker, for over a decade the issue of excessive wages for certain GPO employees has been discussed but not addressed by Congress. GAO has finished its third comprehensive study in 7 years detailing that some employees at Congress Government Printing Office, on average, receive 42 percent more in wages than other Federal workers in similar occupations. This is a shocking problem in our own backyard. If Congress fails to rectify these gross inequities and overpayments to its employees, the American public will lose faith in our ability to govern fairly and economically.

Today I have introduced legislation which equitably addresses these problems, as outlined in the June 3, 1983, GAO report on GPO wages. This report revealed the following astounding facts:

GPO craft and industrial employees were paid $3,322 to $17,879 more per year than General Schedule or Federal wage system employees in similar occupations. This means that GPO craft and industrial employees earn an average of 42 percent more than other Federal workers.

GPO craft employees also receive between $0.36 and $5.14 per hour more than private sector employees doing the same work. This translates into approximately a 32-percent premium over the private sector in the Washington, DC, area.

Over the last 10 years, GPO wage increases for these workers have greatly exceeded wage increases granted other Federal workers.

Many unrelated jobs, requiring different training and skill levels, are all paid at the same rate, completely disregarding the standard practice in the Federal Government.

The main provisions of my bill will:

First, apply the Federal wage grades and pay rates—printing and lithographic wage scales—to all the newly hired GPO craft and industrial employees;

Second, "grandfather" the previously negotiated Kiess Act pay levels for all GPO employees paid under that system, while classifying or grading those workers under the General Schedule or Federal wage system;

Third, provide the "grandfathered" workers with pay raises which they would receive if they were paid under the General Schedule or general wage systems; and

Fourth, apply the General Schedule classifications and pay systems to all present and future white-collar GPO employees.

This legislation is designed to bring GPO's classification and pay practices for both white-collar and blue-collar workers into conformity with the systems used by the rest of the Federal Government. Currently, the workers in GPO field printing plants are paid under the Federal wage system, whereas the workers at the Washington, DC, plants bargain collectively for their wages in accordance with 44 U.S.C. 305. This practice is irrational, inequitable, and has been the source of numerous legal challenges.

Three major class action lawsuits have been brought against the GPO in the last decade, and the agency has settled or lost them all. These suits were based upon the use of inconsistent classification or pay systems and the perpetuation of the journeyman craft status. The Government has lost over $13 million in these suits already, and the costs continue to escalate. The only way to solve the agencywide problems highlighted by the lawsuits is to implement a rational, equitable, and objective classification and wage system for the agency. This legislation will be a major step toward such a system and will not adversely impact workers currently employed at the Government Printing Office.

It is important to note that the U.S. Postal Service has recently switched to a similar two-tier pay system in which new employees are placed on a lower pay system than existing employees. The savings will be significant.●

SALUTE TO THE INSTITUTE OF SCIENCE AND TECHNOLOGY, UNIVERSITY OF MICHIGAN ON THEIR 25TH ANNIVERSARY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. PURSELL. Mr. Speaker, it is a pleasure to salute the work of the Institute of Science and Technology of the University of Michigan on it 25th anniversary. From its formation in 1959, institute has acted as a multidiscipline catalyst to help solve scientific and technological problems facing Michigan and the world. It has promoted the interchange of ideas among academic, government, and business communities through conferences, seminars, and joint research ventures. This sharing of resources has brought practical, cost-effective, and enduring solutions.

The institute has significantly contributed to the diversification of the Michigan economy by fostering the growth of technology-based industries and assisted businesses by researching problems and identifying new growth opportunities.

It is the university's unique faculty which provides a reservoir of expertise, together with the staff of the institute, to perform both basic and applied research to improve the quality of life for Michigan citizens. We recognize that the institute will continue to provide this service to benefit Michigan for future generations and want to encourage their growth and development in the challenging technologically changing years ahead.

The leadership of the institute, both past and present has carried its mission forward as an integral part of the University of Michigan's contributions to a better Michigan and the world and it is with pride that we recognize and commemorate their 25 anniversary.●

FOODS ARE NOT DRUGS ACT

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. NIELSON of Utah. Mr. Speaker, I am introducing this legislation, by request, to exempt foods from the definition of drugs under the Food, Drug, and Cosmetic Act. This bill shall be known as the Foods Are Not Drugs Act.

Under the present act, manufacturers of capsulated herbs, foods, and vitamins are prohibited from making any claims that their product will mitigate, treat, or prevent disease. Once a manufacturer of a product makes such a claim that product immediately falls under the definition of a drug and thus is subject to the laws and regulations governing drugs. It is the intent of this bill to exempt capsulated herbs, foods, and vitamins from the definition of drugs when such foods are truthfully promoted or offered for sale in the diagnosis, mitigation, treatment, or prevention of disease in man or animal.

Foods have been useful throughout the history of mankind in helping to treat or prevent many serious diseases

that have plagued mankind. There are several examples of this but I will only take time to mention two. The Portuguese explorer Vasco da Gama once lost 100 out of 160 men from scurvey on a single trip. In 1775 the British Navy first issued a daily ration of lime juice to prevent scurvy. It is interesting to note that it was this practice that earned the British sailors the nickname of "limeys." The use of vitamin C has long been recognized as a means of treating and preventing the contracting of scurvy. Fifteen years ago Dr. Dennis Burkitt, a British surgeon, discovered the inverse relationship of dietary fiber to colon cancer. It is interesting to note that the National Cancer Institute officially announced this relationship just last year.

It is not the intention of this legislation to in any way weaken or lessen the ability of the FDA to regulate and prosecute false and misleading claims under the Food, Drug, and Cosmetic Act. In fact, it is my hope that the FDA will continue to do the excellent job it had done in the past in prosecuting those who make false or misleading claims through labeling or advertising. I also hope that the FDA will once again look at this problem and come up with some suggestions on how they might administratively solve this problem.

I have introduced this legislation at the request of my constituents. The State of Utah has a large constituency that feel that foods should not be classified as drugs and that truthful claims regarding their virtues should be permitted. In fact over 95 percent of the capsulated food industry is located in Utah and 75 percent of those are in my district.

At this time I would like to encourage Chairman HENRY WAXMAN to hold hearing in his Health and the Environment Subcommittee on this legislation. I hope that we can have extensive hearings on this legislation and I am confident that the legislative process will provide the opportunity for all concerned parties to carefully review and discuss this legislation.

However, I would like to make it clear my introduction of this bill does not in any way indicate my support for it. In fact, I reserve the right to oppose this legislation should I determine after congressional hearings that its impact upon the Food, Drug, and Cosmetic Act is not desirable.●

ABOLITION OF RUNOFF PRIMARIES ESSENTIAL UNDER SECTION 2 OF THE VOTING RIGHTS ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. CONYERS. Mr. Speaker, today I have introduced, H.R. 1785, the Runoff Primary Elimination Act of 1985, a bill which would amend section 2 of the Voting Rights Act to eliminate runoff or second primaries.

The abolition of the runoff primary is an essential step in breaking down the barriers to full and equal participation in the political process which persist in the United States today. Runoff primaries, particularly in the presence of at-large elections, annexation, burdensome registration procedures and other discriminatory arrangements and schemes have had, more often than not, a racially discriminatory effect.

Runoff or second primaries are a devices which were adopted by nine Southern States and the State of Oklahoma at the turn of this century as part of a reactionary crusade to eliminate any chance of black Americans gaining influence in the political system. Indeed, runoff primaries continue today to discriminate against numerical minorities, black or white, in elections in which there is racial polarization. If the blacks are a minority in a particular congressional district, for instance, and if whites vote in a solid block, a black candidate can never be elected. This is precisely what has happened in numerous elections in the South.

The detrimental effects of runoff primaries also include decreased voter participation in the second primary and more costly campaigns which discriminate against less affluent candidates. These detrimental effects are evidenced in part by the absence of runoff primaries in 40 States.

Section 2 of the Voting Rights Act of 1965, as amended in 1982, prohibits any voting practice or arrangement that has a discriminatory effect. The Runoff Primary Elimination Act of 1985 would further amend section 2 to establish that runoff primaries in Federal elections shall be considered a procedure to deny or abridge the right of a citizen of the United States to vote on the basis of race. The abolition of runoff primaries must be understood as essential to enforcing the letter and spirit of the Voting Rights Act and to promoting a more representative political system.●

GOLDEN ANNIVERSARY OF I.L.W.U. LOCAL 6 IN CROCKETT, CA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. MILLER of California. Mr. Speaker, I rise today to pay tribute to the International Longshoremen's and Warehousemen's Union, local 6 in Crockett, CA, for 50 years of dedicated service to both organized labor in general and to the welfare of its membership and their families in particular.

On March 13, 1935, as part of the inland organizing drive of the San Francisco Warehouse local of the International Longshoremen's Association, life was breathed into local 6 by a vote of warehouse workers at the C&H Sugar Refinery. The union banded together through the turbulant 1930's guided by organizers Al Paoli, August "Ham & Eggs" Hemenez, Clarence Rose, Leo Ghilarducci, Dan Mahoney, and many others.

I know that the membership of this House joins me today in congratulating past, present, and future members of local 6 on their golden anniversary.●

NASSAU COUNTY POLICE CHIEF MAKES INTERNATIONAL GAMES FOR DISABLED A SUCCESS

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. McGRATH. Mr. Speaker, last summer, the International Games for the Disabled were held in Uniondale, NY, the heart of the Fifth Congressional District. Nearly 2,000 athletes from 53 nations joined in this great competition. The affair brought warmth to the hearts of thousands of spectators including President Reagan and the King of Sweden.

Countless hours of timeless effort were needed to insure an orderly, secure, and enjoyable experience for everyone who attended or took part in the events and preliminary activities, which spanned the better part of a month. The work of the Nassau County Police Department was one of the noteworthy contributions to the success of the games. I would like to take this opportunity to publicly recognize the tremendous job done by the department under the direction of chief of operations, George F. Maher.

Over a year before the games began, Chief Maher was planning details ranging from crowd control to protection against international terrorism.

The special needs of disabled athletes also had to receive careful consideration. More than 700 of the 3,400 officers in the department played a role in meeting those challenges.

The results of Chief Maher's diligent preparation and strong command were clear. No serious problems threatened the games and dozens of accolades for the department's performance poured in from around the world. Hundreds of athletes rushed to sign an olympic flag for presentation to the police department. Letters praising the department's performance came from many coaches and participants.

The members of the N.C.P.D. were truly the day-to-day representatives of government in the United States to innumerable foreign visitors. Their conduct and professionalism created impressions which will last in the minds of many long after they have returned to their homelands. An excerpt from one letter best sums up the feelings generated by the police officers. The letter came from a British coach, who had helped a cerebral palsy victim win a gold medal in an equestrian event. It read in part as follows:

Your officers were superb in helping in so many ways . . . Officer Gary Millan—a member of the mounted unit—lent her his reins because her borrowed ones were too heavy for her to handle in her condition . . . after they had played the olympic hymn for her gold medal, all of your officers hugged her as she sat in her wheel chair. At this time, the British supporters broke down with emotion. Her father tells me that this one small incident has given a new meaning to her life as no handsome man had ever kissed her before, and to have four handsome Yanks hug her was out of this world * * *.

I am proud to represent many of those who efforts, although in large part unnoticed by the public and the press, meant so much to people they had never met. Chief Maher's leadership was instrumental in the outstanding performance of his officers. I want to publicly thank him for the tremendous job he performed in the finest tradition of the Nassau County Police Department. I also wish him the best in the years ahead as he takes on new challenges and responsibilities.●

TRUE PURPOSES OF THE STRATEGIC DEFENSE INITIATIVE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DOWNEY of New York. Mr. Speaker, the following editorial from the New York Times is important reading. It suggests that the administration may be misleading us, and possibly itself, on the true purposes of the strategic defense initiative. The administration has asked us to approve a $3.7 billion budget as a downpayment on a program to make all nuclear weapons impotent and obsolete; this same administration is conducting active research into ways to defeat just such a Soviet system.

Every effort to gain a strategic advantage in ballistic missile technology by one nation has been matched by the other, reducing the security of both. We MIRV'd our missiles, confident that the Soviets couldn't match us for at least 5 years; they did so in two, and their larger missiles have allowed them to out-MIRV us. Now we're responding with the MX and star wars, confident that the Soviets will be out matched again. We've gone down this road before.

The administration claims that the Soviets won't see strategic defense as a threat, and will choose not to increase their offensive forces to overwhelm our defenses; indeed, they will build defenses of their own. Yet we pursue measures because we're scared to death the Soviets might acquire an offensive shield. Confronted with the prospect of a U.S. shield, the Soviets are certain to do the same. Instead of encouraging a defense-dominate world, we could easily be slipping into an accelerating offensive-defensive arms race.

We must be careful to keep the SDI Research Program in its proper conceptual and fiscal perspective. The following editorial makes for helpful reading to that end:

[From the New York Times, Feb. 14, 1985]

THE STRATEGIC BLACK HOLE

President Reagan's "Star Wars" strategic defense program has an unpretentious little brother. It's the Advanced Strategic Missile Systems program, which aims to insure that American missiles could penetrate any future Soviet defense system.

Research for Star Wars will cost $3.7 billion next year, but little brother's only $174 million. That fairly reflects the comparative costs of strategic defense and offense. It mirrors something else too: what the Russians will surely be doing as their first line of response to Star Wars.

Didn't the superpowers come this way before? Yes, in the 1960's, when the Soviet Union developed its Galosh defense system around Moscow. That provided American strategists to put multiple warheads on each missile, so as to overwhelm the defense and guarantee penetration. Far from leaving the Soviet Union better off than before, Galosh only provoked a more terrible threat.

But the multiple-warhead missile also left its American inventors worse off once the countermeasure was completed. Soviet rockets had always carried much heavier warheads to compensate for their relatively lesser accuracy. But as the Russians gained in accuracy and applied the multiple-warhead technique to their much larger rockets, they created a potentially threatening advantage in land-based weapons—the theoretical chance to lob two or more warheads at every American missile before it could leave the ground.

Now the multi-headed SS-18 in turn is about to leave the Soviet union worse off than before. It provoked the American MX, a direct counterpart, and revived the American interest in missile defense, which has come to bloom as Star Wars.

The pattern has been constant. Every step forward compels the adversary to respond. And the response, by decreasing security and stability, leaves both sides worse off than before. The vicious circle cannot be broken because the advantage at hand always seems more compelling than the adversary's distant countermeasure.

The shining exception in this dismal spiral was the antiballistic missile treaty of 1972, in which both superpowers agreed to forgo missile defenses. Since nothing drives offense as much as defense, the treaty might have stood as an important restraint.

Instead of building on that restraint, Star Wars would abolish it. When President Reagan started the program in 1983 he implied it would defend cities as well as missiles. Now he's hedging, telling The Times that Star Wars is intended to provide "a good chance of keeping all or at least the bulk of [missiles] from getting to the target." But a less-than-perfect shield is little solace for cities; even 1 percent of the 9,000 Soviet warheads could devastate society. As other officials explain, the main attraction of Star Wars is for missile defense.

So as both sides move toward vast new missile defenses, they will strive to make their offenses more terrible and more certain of penetrating the defense. That little $174 million item in the Pentagon's budget for Advanced Strategic Missile Systems is a reminder of what will happen if the prohibition on defenses is shattered; full-scale development of strategic weapons in every form.●

TRIBUTE TO ROLAND FINCH

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. BREAUX. Mr. Speaker, Roland Finch, a distinguished fishery manager with over 20 years of Federal service, is retiring at the end of this month.

Mr. Finch is recognized in the National Marine Fisheries Service as a respected leader, wise adviser, dependable colleague, and a witty chronicler of events. He will be missed, not only by his coworkers at NMFS, but throughout the fishing community at large—as a friend, a mentor, and an inspirer to high achievement.

A fellow of the Royal Society of Chemistry in England, Roland Finch obtained his B.Sc. of chemistry from the University of London in 1941, then served in the Royal Air Force for the duration of the war. During his working career, he has been employed for some 25 years in various technical management, research, quality control, and production positions in the food and chemical industries in Great Britain and the United States. In 1964, he joined the Federal Government, and has directed comprehensive research programs, developed a national fisheries plan for the United States,

and, in the last 6 years, occupied key positions in Federal marine fisheries management.

Of particular note was Mr. Finch's direction of the successful program for the development of fish protein concentrate, and his subsequent direction of the fisheries technology program. He was awarded the Department of Commerce's Silver Medal in 1977 in recognition of his work in these areas.

Since then, Mr. Finch has been a key figure in the successful implementation of the Magnuson Fishery Conservation and Management Act. He was awarded the Department of Commerce's Gold Medal for his work in this field in 1982, and became Director of the Office of Fisheries Management.

Mr. Finch is also a watercolorist of some note, and his satirical sketches of people and events around him are prized by his friends and colleagues. He plans to retire to the Shenandoah Valley of western Virginia, and he and his wife Molly are looking forward to gardening, painting, and enjoying their well-earned home in the country.●

BISHOP HOBAN WINS STATE SWIMMING TITLE

HON. PAUL KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. KANJORSKI. Mr. Speaker, I am proud to bring to your attention the achievements of a group of outstanding young athletes from northeastern Pennsylvania, the Bishop Hoban High School boy's swim team. These talented young men and their coach, Jim Higgins, showed tremendous ability and determination, and should be especially proud of their accomplishment.

Just 2 weeks ago, Bishop Hoban surprised nearly everybody by winning the Pennsylvania Swimming and Diving Championships at Penn State University's McCoy Natatorium. And they did so by accumulating a record 126½ points.

Theirs was truly a team victory, with all members of the squad pitching in to the winning effort. The Bishop Hoban Argents won both relays, the 200-yard medley and the 400-yard freestyle. The medley team of Tim Adams, Mark Dombroski, Mike Morgan, and Sean McCall set a State record in their event, while the freestyle team of Sean McCall, John Sembrat, Chris McCall, and Mike Morgan shaved almost 6 seconds off their time from previous competitions.

The Argent's freestyle team qualified for All-American consideration by scoring in the top 30 in the Nation for their event. And Tim Adams and Mark Dombroski have qualified for individual All-American consideration by finishing second in the backstroke and the breaststroke, respectively.

The most thrilling aspect of this win is that the Argents had their best day ever when it counted the most. The team added 20 points to its total during the 2 days of competition. Coach Higgins must be given enormous credit for his masterful handling of these young men, and his ability to make them believe in themselves.

Mr. Speaker, I am always pleased to recognize notable achievements by citizens from our region. I know I join with the people of northeastern Pennsylvania in expressing my sincere congratulations to the Bishop Hoban Boy's swim team.●

FARM EXPORTS ARE IMPORTANT TO U.S. ECONOMY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, measured by farms per capita, my State of North Dakota is the most agricultural State in the Nation. So, when U.S. agricultural exports fall, as they did from $43.7 billion in 1981, to an estimated $35.5 billion this year, North Dakota's economy suffers.

But farm exports are important to the entire Nation's economy, too. For every billion dollars lost from our agricultural exports, we also lose 35,000 jobs. The $8 billion drop in farm exports means a $16 billion loss in income to the entire economy in 1985, since every dollar of farm income generates one more dollar in the rest of the economy.

Agriculture is still our Nation's largest export earner. But, as University of Missouri economist Abner Womack notes, "Under a scenario of continued high interest rates and a strong U.S. dollar, we will see no growth in U.S. agriculture." This is bad news for the farm belt and a bad omen for our trade balance.

REVIVING FARM EXPORTS

We need a better farm program; but farm programs alone won't sort out this mess. Our overvalued dollar is propped up by high interest rates; high interest rates, in turn, are fueled by our bloated budget deficit. This point is not lost on North Dakota farmers. In a recent survey I conducted among farmers in the State, a majority agreed that "the best farm program we could put in place would be reduced deficits."

Beyond reducing the deficit, however, there are a number of other positive steps we could take to expand agriculture exports. We could work hard for a government-to-government barter program that would trade our excess agricultural products to cash-poor but mineral-rich countries for materials in short supply in our National Defense Stockpile. We could expand the Food for Peace Program, with its excellent record in turning former recipients into some of our best cash customers. These efforts would not only help our family farmers, but also serve our foreign policy interests as well.

We could even out the playing field in international agricultural trade by giving our farmers a fair chance to compete with Common Market countries. And, we could tighten our grain standards so that our exports can compete with other countries, such as Canada, whose standards are stricter than our own.

If we work hard to accomplish these ends, we will not only boost the farm economy but our entire U.S. economy as well. And a strong economy means real national security. I urge my colleagues, therefore, to put farm export growth at the top of our agenda.●

LEGISLATION TO ASSURE SOLVENCY OF MEDICARE

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. GEPHARDT. Mr. Speaker, I am introducing a bill today to protect the health and well-being of our senior citizens while confronting the high cost of health care inflation that threatens the health of all Americans. This bill recognizes the need for both competition and regulation, working in concert, that will reduce inflation in the health care sector of our economy down to the level of inflation of the general economy.

July 30, 1985 will mark the 20th anniversary of the signing of the Medicare Act into law. At the signing President Lyndon B. Johnson said, "Every citizen will be able in his productive years when he is earning, to insure himself against the ravages of illness in old age. * * * No longer will illness crush and destroy the savings that older Americans have so carefully put away over a lifetime that they might enjoy dignity in their later years." I believe that we in the Congress can keep this pledge through structural changes in the health sector rather than raising taxes or cutting benefits.

This bill will encourage States, through financial incentives, to establish cost containment programs using rate setting, voluntary systems, competitive mechanisms, or a combination, for all inpatient hospital and physician services. States will be able to address the total system of the cost

of health care through the coordination of Medicare (that this bill adds), Medicaid, and other third party insurance. This mechanism allows each State to approach system-wide reform in a manner consistent with their own individual and unique needs.

Each State, through its own program, will meet a statewide revenue limit on inpatient services furnished by hospitals and, in later years, by physicians. This approach will insure system-wide control of hospital costs. States will at last be responsible for all parts of the system.

States will be required to provide for payment to hospitals for services furnished to low income, uninsured, and underinsured patients. This provision is critical in meeting the growing problem of financing indigent care.

Any significant reform must encourage physicians and hospitals to work more closely together. This bill requires that payments from all sources for services furnished to hospital inpatients (including physician services) be made through the hospital as a condition of the hospital's participation in the Medicare Program. This provision will encourage administrative efficiency and provide incentives to practice cost effective quality health care.

In the event that particular States do not establish programs or in States whose programs fail to meet Federal performance criteria, a Federal hospital revenue cost containment program will be established. This residual Federal program insures a nationwide implementation of cost containment. Under this program physician services reimbursement and capital payment would be incorporated into the DRG Prospective Payment System and assignment for all Medicare services would be mandated.

We must encourage health maintenance organization [HMO's] and competitive medical plans [CMP's] as a major competitive force in reducing health care costs and encouraging continuity and quality of care. Financial incentives are provided to employers and employees to enroll in these type plans. In addition HMO's and CMP's are offered special incentives to enroll Medicare beneficiaries.

It is critical that we continually monitor and evaluate the impact of congressional action on the health care system. Evaluation protocols and data collection mechanisms must be set up before changes are implemented if we are to know the impact. This bill mandates the Secretary of HHS to report no later than January 1, 1991 on the following topics: First, the effect of utilization on health care costs; second, methods to maintain quality care while constraining costs; third, the effect of Kennedy-Gephardt legislation on the cost and character of the U.S. health care system; fourth, comparative evaluation of State cost control systems.

The inflation rate for health care is coming down, but still exceeds that of the general economy. The DRG reimbursement system for Medicare looks promising. Many of the health care bellweather indicators suggest improvements in the system. I hope that this progress does not blind us to the fact that we have not dealt with the fundamental issues within the context of the total health care system. Until this is done gains in cost control in one area will be lost in other areas by cost shifting. Cost shifting is not cost saving. It is time to deal with the total health system both in cost savings and in meeting our responsibility to our senior citizens and ourselves. This bill is a first step in that direction and symbolizes our will and commitment to health care reform.●

SUPERFUND REAUTHORIZATION PROPOSAL INADEQUATE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. FLORIO. Mr. Speaker, on February 22, the administration put forth its Superfund reauthorization proposal. The administration's proposal bears little resemblance to the reauthorization plan that the House of Representatives overwhelmingly passed last session, 323 to 33. The administration's proposal calls for a woefully inadequate funding level of $5.3 billion for the next 5 years; at this level of funding it would take 30 years for the cleanup of all the sites that will be placed on the national priorities list which qualifies such facilities for Federal funds.

Regrettably, the administration's proposal turns its back on the States, requiring them to pay a greater share of the cost of cleanups. Under the administration's plan the States' share of the cost of cleanup at priority sites would double.

The consequences of so rapidly and dramatically escalating the burden that the States must bear may be extremely destructive to the Superfund Program. Already many States are having difficulty meeting their current Superfund obligations and the proposed doubling of their burden is even more disturbing in light of the fact that the States will be left with tens of thousands of hazardous waste sites to clean up by themselves.

I draw my colleagues' attention to a letter to the Honorable ROBERT T. STAFFORD, chairman of the Senate Committee on Environment and Public Works, from 10 Governors of the Northeast-Midwest region. The Governors correctly note the large burden that the States will have to bear on their own for the vast majority of hazardous waste sites. They have joined together in the letter to express their bipartisan concern and support for reauthorizing Superfund at a considerably higher level of funding. They note that National Governors' Association has endorsed a plan which calls for essentially twice the funding level proposed by the administration.

FEBRUARY 25, 1985.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR CHAIRMAN STAFFORD: We the Governors of the Northeast-Midwest region are writing to you because of a shared bi-partisan concern for the prompt cleanup of abandoned hazardous waste sites by the federal Superfund program. We believe strongly that the Superfund should be reauthorized in a timely manner at a considerably higher level of funding. Accordingly, we respectfully urge you to support the National Governors' Association position calling for a $9 billion, five-year Superfund reauthorization.

We believe the Superfund program suffers from many short-comings, most notably the lack of adequate funding. Our experiences with these problems have illustrated two somber points; there are an extremely large number of toxic waste sites in the country which will require some form of cleanup, and the cleanup of individual sites is more difficult and costly than initially expected. Currently there are 786 sites on the Environmental Protection Agency's National Priority List (NPL); this number is likely to reach at least 2,000 over the next several years.

There are an estimated 22,000 or more hazardous waste sites in the country threatening the public health or environment, most of which will never be added to the NPL and become eligible for federal funding. Cleanup of the non-NPL sites has been, and will continue to be, the responsibility solely of the States. The EPA has estimated that cleanup of NPL sites will cost at least $11.7 billion; the Office of Technology Assessment suggests that cleanup of all abandoned hazardous waste sites will ultimately cost between $50–$100 billion. Therefore, increasing state matching shares on the NPL sites would have an adverse impact on the states' ability to clean non-NPL sites.

We are confident that given sufficient resources, the EPA and our States can work in an effective and efficient partnership to clean up abandoned toxic waste sites. We thank you for your consideration and hope you will reauthorize the Superfund program this year.

Sincerely,

Gov. Richard F. Celeste, Gov. Anthony S. Earl, Gov. Michael S. Dukakis, Gov. John H. Sununu, Gov. Rudy Perpich, Gov. Thomas H. Kean, Gov. Madeleine M. Kunin, Gov. James J. Blanchard, Gov. Edward D. DiPrete, Gov. Mario M. Cuomo.●

JAPAN TO INCREASE AUTO EXPORTS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HILLIS. Mr. Speaker, Japan has announced that it will increase its shipment of automobiles into the United States by 25 percent, commencing Arpil 1. I believe that by taking this action Japan is, once again, pursuing a course which will result in the greatest damage possible to the American worker.

Administration and private sources indicate that the new level of 2.3 million units represents no restraint at all, and that in fact, it represents the maximum number of cars which Japan could ship to the United States. This is a short-sighted decision which sends precisely the wrong signal to the American public, the Congress, and the administration.

In essence, the Japanese decision is another indication of their policy to pursue "business as usual." The American public is becoming increasingly resentful of Japan's attitude toward free and fair trade. In essence, they are following an approach of maximizing employment opportunities for Japanese workers at the direct expense of the American worker.

The United States and Japan are now engaged in sensitive trade discussions in the areas of telecommunications, electronics, pharmaceuticals and medical equipment, and wood and paper products. Indications are that the Japanese are largely refusing to make any adjustments in their unfair trade importation policies. While refusing to open their own markets, they are in essence, expanding their own sales in the United States.

This must end. The American consumer has benefited in many ways from Japanese products and technology. I am hopeful that this can continue. Should the Japanese see fit to continue to deny to the American worker the access to the Japanese market that his Japanese counterpart enjoys in the United States, the Congress will have no choice but to restrict the importation of Japanese products.●

REGIONAL PETROLEUM STORAGE LEGISLATION

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, I am today introducing legislation to authorize regional petroleum storage in Hawaii. The bill calls upon the President to amend the Strategic Petroleum Plan established under the 1975 Energy Policy and Conservation Act to provide within 2 years for the establishment and maintenance of regional petroleum reserves that would serve region 1—New England, and region 9—Hawaii, California, and the Pacific territories.

Mr. Speaker, I feel that it is crucial that we proceed with regional petroleum storage at this time. The ongoing Persian Gulf war has heightened the Nation's awareness of the need to proceed with adequate energy preparedness measures. It has been some time since the Department of Energy has evaluated the distribution systems for the SPR in terms of oil tanker speed and cost to move crude oil to Hawaii. I am afraid that the time required to activate an SPR withdrawal combined with the transportation time from the gulf coast to Hawaii would overburden the capacity of the State's limited petroleum inventory and supply system. Studies have shown that tankers carrying SPR crude from the gulf coast could require at least 25 days to make the 6,000-mile trip to Honolulu. In an emergency, such a delay could devastate Hawaii's economy.

Mr. Speaker, we must not sit idly by and wait for an energy-supply disruption. While we still have time, we must continue to evaluate our strategic petroleum program and improve its distribution capacity. I hope that my legislation will prompt debate in the Congress on the question of regional storage at a time when we are considering other facets of the national SPR program and energy emergency preparedness.●

CONGRATULATIONS TO MAX SCHENKLER ON HIS 80TH BIRTHDAY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. ACKERMAN. Mr. Speaker, I would like to ask my colleagues in the U.S. House of Representatives to join me now in congratulating Max Schenkler on the occasion of his 80th birthday, on April 16, 1985.

Mr. Speaker, Max Schenkler is a man who is much loved in Queens County, NY, where he lived for almost 25 years. When he and his wife, Pearl, left several years ago to make their home in Boca Raton, FL, it was no surprise that their departure was deeply felt by the entire community—because they had made everyone in that community part of their family. Max and Pearl Schenkler are cherished by everyone who comes to know them. And in Queens, a great many people came to know and love them—in their neighborhood and synagogue, through Max's many years as a teacher and educator, and through their loving service in community organizations. We in New York still miss them.

Max gives himself to people in many ways. He spent 40 years giving his talent, humor and insight to New York City school children. As a teacher, Max did much more than impart knowledge. His enthusiasm for life and gift for sharing himself with others gave him a special relationship with his students. If children are to become interested in learning, in growing and in stretching their minds and imaginations to meet new challenges, they must be shown the way. Max Schenkler did that. Generations of young students were instilled with an excitement about learning. For thousands of young New Yorkers, Max provided the spark so vital and so necessary to propel them on to higher education and exciting careers and opportunities.

Mr. Speaker, Max has had a distinguished career as an educator, and as principal of public school 143, an elementary school in Queens. There he trained and inspired scores of dedicated teachers to the extent that his impact will be felt for many generations yet to come. He is a man of wide interests and talents, one who throws himself into whatever he's doing—whether he's helping someone in need or in trouble, hosting a birthday or anniversary celebration for a friend, or pursuing his most beloved hobby—golf.

Max's professional and family life have been rich with success. His 80th birthday is a joyous occasion for his many friends and his beautiful family—his lovely wife, Pearl; his loving daughter, Carol Jacobson and her husband, Gil, and daughter, Debbie; and Max's son and my dear friend, Michael. Max always gave his children the love and encouragement they needed when the time came to make tough decisions or embark on new challenges.

Mr. Speaker, Max Schenkler is a beautiful man who has touched many lives. I would like to ask all of my colleagues in the U.S. House of Representatives to join with me now in wishing him a joyous 80th birthday.●

CORRECT RAIL TIER II BENEFITS

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. SHUSTER. Mr. Speaker, today I have introduced a bill which will begin to correct the one glaring inequity of the Railroad Retirement Solvency Act of 1983.

In 1984, when Social Security recipients received A 3.5-percent cost-of-living increase, railroad retirees received a decrease of 3.5 percent. In 1985, when Social Security recipients received a 3.5-percent cost-of-living increase, railroad retirees received only a 2-percent increase. Over the last 2 years while other retirees received a 7-percent increase, rail retirees received a 5-percent decrease in benefits. My bill would restore 1.5 percent of their tier II benefit beginning on January 1, 1986.

The revenues generated from this 5-percent decrease went back into the railroad retirement fund. This was just one of the many provisions that were revenue enhancing to make the system solvent. The simple truth is the railroad retirement system was solvent last year, is solvent now, and will be solvent until well past the year 2000. It was unnecessary to penalize rail retirees this additional 1.5 percent on January 1, 1985, it is double unnecessary, nor fair, to continue to penalize these retirees.

The President has stated his desire many times to not lower benefits for Social Security recipients. The railroad retiree seems to have gotten lost in the shuffle. Even by returning this 1.5 percent to rail retirees, their benefits will still have been cut by 3.5 percent. By returning this 1.5 percent to rail retirees we will not be adding any more money to the massive Federal deficit, and we will be beginning to show railroad retirees they are no longer second class retirees. For these reasons, I, as well as nearly 1 million rail retirees, ask your support for this legislation.●

LET'S KEEP AMTRAK ON TRACK

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1985

● Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to voice my strong opposition to the Reagan administration's fiscal year 1986 budget proposal to eliminate all Federal funding for Amtrak. I feel it would be a drastic and unwise measure that would adversely affect many, not only in my district in West Virginia, but throughout the country. Furthermore, the impact would be greatest on those who are already suffering massive cutbacks, namely the elderly, the handicapped, and the low income.

Rail passenger service plays a vital role in our intercity transportation network. In West Virginia, Amtrak's Cardinal is a crucial means of inexpensive, safe, and fast transportation for many. Amtrak's ongoing progress in improving service and reducing dependence of Federal funds indicates that additional support will pay great dividends in the long run. In 1986, Amtrak is expected to cover at least 60 percent of its costs through revenues, compared to 48 percent just 4 years ago. In constant dollars, operating costs for the current year are 26.6 percent below the level of fiscal year 1981. All equipment is new or refurbished, and passenger satisfaction with service is at its highest level ever. It would be absolutely absurd to eliminate funding for Amtrak at this point. Below are two mewspaper articles concerning Amtrak that I feel are informative.

The articles follow:

[From the Bluefield (WV) Daily Telegraph, Feb. 18, 1985]

AMTRAK ATTEMPTS TO IMPROVE SERVICE WHILE CUTTING COSTS

WASHINGTON.—When W. Graham Claytor Jr. became president of Amtrak, he quickly made known his dislike for the food on his trains. Budget cuts had forced freshly prepared entrees to give way to frozen dinners heated in a microwave oven.

Arguing that good food would attract passengers, Claytor promptly ordered that meals again be freshly prepared on board and even restored linen, china and silverware to some dining cars.

While not the most momentous decision by Claytor since he took over the nation's passenger railroad in 1982, the new policy reflected Amtrak's push in recent years to improve service, while at the same time facing pressure to hold down costs.

Not many years ago Amtrak attracted headlines for running trains that were unsanitary, often had no heat, and almost half the time didn't arrive on schedule.

Much of that has changed. But the railroad, which was created as a private corporation by Congress and began operating in 1971 so the freight lines could bail out of the passenger business, is again fighting for survival—more so, some supporters say, than at any time in its history.

Amtrak has bought nearly 1,000 new cars over the past decade; replaced its old locomotives; purchased a computerized reservation system tied in with the airlines; built one of the industry's most modern repair facilities; and is about to finish a $2.1 billion track improvement project along the Northeast Corridor.

It has improved its on-time record to better than 90 percent and has seen a sharp reduction in complaints.

The Reagan administration announced earlier this month it wants to eliminate federal subsidies for the railroad, a move that most railroad experts say would force it out of business.

Amtrak, which carries 20 million passengers a year between about 500 communities in 43 states, is getting $684 million from the government this year. It has asked Congress for a similar amount for the fiscal year that begins next October.

But says Transportation Secretary Elizabeth Dole: "At a time when deficit reduction is our highest national priority, we can no longer afford to provide railroad subsidies that primarily benefit passengers in the middle and upper income bracket".

Even without federal money, some form of passenger rail service would be expected to survive with states or private investors likely to come up with the money, she said.

The suggestion was met with widespread skepticism in railroad circles. Rail experts noted the railroads already found once that they couldn't make a profit hauling passengers. States also in the past flirted with trying to operate an intercity train and failed.

A few years ago, Delaware, Pennsylvania, Ohio and Indiana wanted to continue a train Amtrak had eliminated. But all four states wanted to go through their state during the daytime and when that was found to be impossible the project feel apart.

More recently, Mississippi, Alabama and Louisiana couldn't agree on continued support for the Gulf Coast Limited, a popular Amtrak train that linked Mobile and New Orleans last year. The train made its last run Jan. 6 after Mississippi decided against providing additional money.

Meanwhile, the debate over the future of Amtrak is about to unfold in Congress. In the past Amtrak has shown itself to be one of Washington's most durable survivors.

In 1979, the Carter administration wanted Amtrak's routes cut by 43 percent. After the dust settled, the rollback was limited to 16 percent.

[From the Washington Post, Mar. 8, 1985]

TO AMTRAK RIDERS AND BACKERS, SUBSIDIZED WHEELS GIVE BEST RIDE

(By Douglas B. Feaver)

Diana McGrevey, sitting in the club car of Amtrak's Cardinal as it raced toward West Virginia's spectacular New River Gorge, said she is unemployed and rode the train from Washington to Cincinnati because the round trip cost $95, while the least-expensive, short-notice airline ticket was $250.

Her choice of a 13½-hour train ride is part of an emerging transportation policy debate between two of the best advocates in town: Office of Management and Budget Director David A. Stockman, who has proposed eliminating all federal money for Amtrak effective Oct. 1, and Amtrak President W. Graham Claytor Jr., who is fighting back with arguments not just about money but about social class.

Claytor won the first round yesterday when the Senate Budget Committee voted the same amount of money for Amtrak in fiscal 1986 that it is getting this year: $684 million, a figure matching Claytor's request.

"In a country this big, what are you going to do if you don't drive your own automobile and you don't want to spend 24 hours on a bus?" Claytor asked in an interview. "There's no other way to go except to fly. There are a hell of a lot of people who can't fly for health reasons, and an even larger number who won't fly because they don't like it. You're going to leave those people without any form of transportation."

Transportation Secretary Elizabeth Hanford Dole, however, told a House subcommittee that "Amtrak provides only 2 percent of intercity travel [automobiles provide about 80 percent]." On Amtrak's Northeast Corridor, from Boston to Washington, "55 percent of the passengers have incomes of more than $30,000," Dole said. "We have to look at where the priorities are. It's so heavily subsidized."

The corridor carried half of Amtrak's 20 million annual passengers, but provided only one-third of last year's operating revenues of $758.8 million because the fares are less for the northeast's shorter trips.

Nationwide, Claytor said, 47 percent of his riders have family incomes of less than $20,000, more than one-third of his passen-

gers are 55 or older, and only 20 percent of his passengers are on business trips.

If Congress adopts President Reagan's budget, the Cardinal and Amtrak's 249 other trains will cease to operate, Claytor said. The Transportation Department challenges that, but if Claytor is right, on Oct. 1, when fiscal 1986 arrives, this would happen:

135,000 weekday commuters whose non-Amtrak trains run on Amtrak's track would be stranded on the Northeast Corridor, unless the states, transit authorities and freight railroads came up with about $212 million to keep the track, signals and stations in operation.

17,500 daily passengers who use Amtrak between and among Washington, Baltimore, Wilmington, Philadelphia, Newark and New York, would have to fly, drive or take the bus, adding traffic to busy airports and freeways.

2,700 passengers who use Amtrak between Washington and New York would have to find other transportation.

Thousands of passengers who depend on trains at 500 stations from Albany, Oreg., to Yemassee, S.C., would have to switch to buses, autos, airplanes or some combination of them. A total of 21 communities that Amtrak serves would be without scheduled bus, rail or air service.

25,000 railroad employees—21,000 of them at Amtrak—would be laid off, creating a potential $2.1 billion liability against Amtrak for federally mandated labor protection. Amtrak's stock is owned by the federal government.

Reagan said in his State of the Union message that "Taxpayers pay about $35 per passenger every time an Amtrak train leaves the station. It's time we ended this huge federal subsidy." That number is derived by dividing Amtrak's 20 million annual passengers into its $684 million federal subsidy. While the computation essentially is accurate, the results are deceptive.

Claytor, once the profit-oriented chairman of Southern Railway and a former secretary of the Army, defends Amtrak with the knowledge that all forms of transportation—those needing red and green lights and those needing air traffic controllers—are subsidized by taxpayers.

His political problem is that the Amtrak subsidy is easy to see in the budget and easier still to convert to a catch phrase. The difference between Amtrak and the airplane, Claytor said, "is that our people spend their own money to travel. Sixty-five percent of the major airline passengers travel on business and deduct it." When the tax deduction for a business expense is taken, he said, "it comes out to 33 bucks an airline passenger, which is almost the same. . . . The difference between not collecting tax money and paying tax money out is, it's the same dollar," Claytor said.

Secretary Dole attacked Claytor's $33 figure at a House hearing, saying, "That's a business tax deduction, not a subsidy."

But in the Senate, when she was defending the federal government's proposed sale of Conrail, the northeastern freight railroad, to Norfolk Southern Corp., she noted that Norfolk Southern will surrender many of Conrail's tax benefits and said "this represents true value to the treasury and is a very important element of the total compensation."

Amtrak collects almost 60 percent of its budget from passenger fares, a steadily improving portion, but there is a limit to how high fares can go, Claytor said. Since Claytor took over in 1981, Amtrak has shown steady operational as well as fiscal improvement.

Within the constraints of arcane railroad labor agreements, he has moved trains to more productive routes, improved on-time performance from 69 percent systemwide in 1980 to 80 percent last year, and increased the Metroliner's top speed to 120 mph to cut the time of New York-to-Washington trips from more than 3 hours to the current 2 hours, 49 minutes.

More than $2 billion has been spent repairing track and restoring the corridor's once-grand stations, from Washington's Union Station to New York's Penn Station, now getting a facelift to make it more pleasant for the passengers who use it daily on 750 commuter and Amtrak trains.

Trips on Amtrak's Cardinal between Alexandria, Va., and Charleston, W.Va., and on a New York-to-Washington Metroliner show the two faces of Amtrak. The former is the more leisurely people's train, favored by the elderly, families with small children, and blacks, particularly on trains to the South. The latter is also the Northeast businessman's special, complete with briefcases, three-piece suits, calculators and furrowed brows.

Trains are not the place to find people who think the government has no business subsidizing passenger railroads. Diana McGrevy, for example, finds it "unimaginable" that Amtrak service would end. Debbie Bates, who lives in Greenbelt, decided that driving two rambunctious youngsters to Charleston was not an appealing prospect. "It's just easier than flying with the kids. They can move around," she said. "I don't think they should get rid of it."

The Cardinal carried 224 people, including 91 eighth graders from Walnut Hills High School in Cincinnati, an academic public high school, returning home after a tour of Washington. "I love trains," teacher Gwen Walker said. Killing Amtrak "would be unfair. There are people who rely on it," she said.

Ernest and Jerry McCoy, a retired couple, boarded in Alexandria and were riding to Cincinnati. "We need this train," said Jerry McCoy, and "I don't like him [President Reagan] for" his proposal to cut the service.

The Cardinal arrived in Charleston 15 minutes late after making up five of 20 minutes lost at Clifton Forge, Va., in a futile attempt to fix the air conditioning on two cars.

The next day, the noon Metroliner from New York left punctually with 66 on board, including Conrad Johnson, a lobbyist from the national office of the Presbyterian Church in New York. He was on his way to Capitol Hill. "It is such a pain going to and from airports and fighting the cabs," he said. Amtrak's subsidy "is not a lot of money relative to the budget. . . . I don't think making [all costs] back is a requirement. It's not in European countries."

The train arrived on time at Union Station, three blocks from Claytor's office, where he is taking the threat to Amtrak seriously despite yesterday's victory in the Budget Committee.

Every president since Richard M. Nixon has attempted to kill Amtrak, but Congress always has found money for it even as it has required improved financial performance. Each battle has brought a new set of standards and sometimes more service cuts; five of the 48 contiguous states have no Amtrak trains.

Deputy Transportation Secretary James H. Burnley IV said in an interview that if Claytor "is able to curtail service on those lines in which he loses enormous amounts of money which is now made up by the American taxpayers, he can continue to operate those lines where he is generating enough in fares to cover his costs.

"Mr. Claytor needs to think about real world alternatives and spend less time contemplating earthquakes and floods, and we're more than willing to help him."

If he closes all of Amtrak but the trains running the Northeast Corridor, as the Transportation Department seems to be suggesting, Claytor says that would trigger labor protection costs for Amtrak jobs lost in the rest of the country that would exceed his revenue. "The only thing to do would be to declare bankruptcy, and a trustee would take over," he said.

Most trains in the corridor meet their daily operating costs, but fares do not pay for new or refurbished equipment or meet the costs of maintaining track and operating signals and yards, Claytor said.

"So there is absolutely nothing either a state or private business is going to take over or run," Claytor said.

"There is no tooth fairy."●

HOUSE OF REPRESENTATIVES—*Monday, April 1, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, lift our hearts with the abundance of Your love, nourish us with the fullness of Your grace, and encourage us to be open to Your healing power. Help us to reflect Your love to those about us that our lives will be testimonies to Your good spirit and witnesses to an abiding faith. May Your blessing be upon each one of us this day and all our days. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the act;

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day";

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week";

S.J. Res. 23. Joint resolution designating 1985 as the "Year of Social Security";

S.J. Res. 28. Joint resolution to designate the week of September 8 through September 14, 1985, as "National Independent Retail Grocer Week";

S.J. Res. 29. Joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week";

S.J. Res. 31. Joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week";

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week";

S.J. Res. 48. Joint resolution to designate the year of 1986 as the "Year of the Teacher";

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week", and to designate April 7, 1985, as "World Health Day";

S.J. Res. 53. Joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month";

S.J. Res. 58. Joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week";

S.J. Res. 60. Joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week";

S.J. Res. 61. Joint resolution to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week";

S.J. Res. 65. Joint resolution to designate the month of November 1985 as "National Alzheimer's Disease Month";

S.J. Res. 70. Joint resolution to proclaim March 20, 1985, as "National Agriculture Day";

S.J. Res. 72. Joint resolution to designate October 16, 1985, as "World Food Day";

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month";

S.J. Res. 80. Joint resolution to authorize and request the President to designate the month of May 1985, as "National Physical Fitness and Sports Month";

S. Con. Res. 9. Concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care;

S. Con. Res. 15. Concurrent resolution to express the sense of the Congress that the President respond to unfair trade practices of Japan; and

S. Con. Res. 33. Concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on April 18, 1985, for a ceremony commemorating the days of remembrance of victims of the Holocaust.

The message also announced that pursuant to the provisions of Public Law 94-304 and Public Law 99-7, the Vice President appoints Mr. D'AMATO (chairman), Mr. HEINZ, Mr. MCCLURE, Mr. WALLOP, Mr. HUMPHREY, Mr. PELL, Mr. LEAHY, Mr. DECONCINI, and Mr. LONG as members, on the part of the Senate, of the Commission on Security and Cooperation in Europe.

The message also announced that pursuant to the provisions of Public Law 96-388, the President pro tempore appoints Mrs. HAWKINS, Mr. KASTEN, and Mr. MATTINGLY as members, on the part of the Senate, of the U.S. Holocaust Memorial Council.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *April 1, 1985.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 4:20 p.m. on Thursday, March 28, 1985, the following messages from the Secretary of the Senate:

(1) That the Senate passed H.J. Res. 181;

(2) That the Senate passed H.J. Res. 121;

(3) That the Senate passed H.J. Res. 160;

(4) That the Senate passed H.J. Res. 134; and

(5) That the Senate passed H. Con. Res. 92.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that, pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Thursday, March 28, 1985:

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The Clerk will call the first bill on the calendar.

CERTAIN LANDS HELD IN TRUST FOR THE COCOPAH INDIAN TRIBE OF ARIZONA

The Clerk called the bill (H.R. 730) to declare that the United States holds in trust for the Cocopah Indian Tribe of Arizona certain land in Yuma County, AZ.

There being no objection, the Clerk read the bill, as follows:

H.R. 730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to all valid existing rights, all right, title, and interest of the United States in the following described tracts of land shall be held by the United States in trust for the Cocopah Indian Tribe of Arizona and shall be part of the reservation of such tribe:

(1) As part of the West Cocopah Reservation, containing 2,140.91 acres, more or less:

GILA AND SALT RIVER MERIDIAN, ARIZONA

Township 9 South, Range 24 West

Section 18, lot 17;
Section 19, lots 24 and 25; and
Section 30, lots 19 and 27.

Township 9 South, Range 25 West

Section 24, lots 1 and 3 to 12 included;
Section 34, lots 1 and 2; and

Section 35, lots 8, 9, 12 to 26 included, and east half southeast quarter.

Township 10 South, Range 25 West

Section 2, lots 12 to 17 included and 19 to 27 included;

Section 10, lots 1 and 2;

Section 11, lots 5 to 16 included;

Section 14, lots 8 and 9; and

Section 15, lots 5 to 7 included, and northeast quarter northeast quarter.

(2) As part of the East Cocopah Reservation, containing 1,481.68 acres, more or less:

GILA AND SALT RIVER MERIDIAN, ARIZONA

Township 9 South, Range 23 West

Section 30, southeast quarter southwest quarter; and

Section 31, lots 1 to 4 included, northeast quarter, east half northwest quarter, northeast quarter southwest quarter, and northeast quarter southeast quarter.

Township 10 South, Range 24 West

Section 1, lots 1, 2, 5 to 8 included, south half northeast quarter and east half southeast quarter;

Section 12, northeast quarter and east half southeast quarter; and

Section 13, lots 7 to 9 included, east half northeast quarter, northeast quarter southeast quarter, and south half south half.

(3) As the North Cocopah Reservation, containing 614.18 acres, more or less:

SAN BERNARDINO MERIDIAN, ARIZONA

Township 16 South, Range 21 East

Section 24, lot 1; and

Section 25, lots 7 to 17 included.

Township 16 South, Range 22 East

Section 19, lot 10; and

Section 30, lots 11, 12, 13, 19, 20, 22, and south half southwest quarter.

SEC. 2. (a) Nothing in this Act shall deprive any person or entity of any legal existing right-of-way, legal mining claim, legal grazing permit, legal water right, accretion claim, or other legal right or interest which such person or entity may have in lands described in section 1 of this Act.

(b) That portion of the lands described in paragraph 2 of section 1 which are the subject of a dedication for a garbage disposal recorded at book 167, page 464 of the Yuma County Recorder's office shall remain subject to such dedication for as long as such lands are used for landfill or related purposes.

SEC. 3. Notwithstanding any other provision of this Act, Executive Order Numbered 11988 of May 24, 1977, 42 Federal Register 26951, as amended, shall apply to lands described in section 1 of this Act.

SEC. 4. (a) There are reserved to the United States the following rights-of-way upon, over, and across the lands described in section 1 of this Act:

(1) A right-of-way of sixty feet from the margin of the Colorado River on the international boundary with the Republic of Mexico, as described in Public Land Reservation of May 27, 1907;

(2) Rights-of-way for existing facilities of the Yuma reclamation project, the Colorado River front work and levee system, and the Yuma Mesa conduit;

(3) A right-of-way of fifty feet on each side of the center line of the Pesch header, as shown on the United States Bureau of Reclamation, Yuma project, drawing numbered 35-303-634;

(4) A right-of-way for power and transmission facilities within the north seventeen feet of the south fifty feet of the southeast quarter southwest quarter, section 30, township 9 south, range 23 west, Gila and Salt River meridian;

(5) A right-of-way of two hundred feet measured horizontally landward from the high water mark of the Colorado River bankline for channel rectification, bankline maintenance, and preservation of the floodway, as well as a right, at all proper times and places, to free ingress to, passage over, and egress from the lands described in section 1 of this Act, for the purpose of exercising, enforcing, and protecting the rights reserved in this right-of-way; and

(6) A right-of-way for sludge disposal for the Yuma desalting plant on sections 24 and 25 (excluding lots 5 and 6), township 16 south, range 21 east, San Bernardino meridian. This right-of-way shall terminate on the earlier of the date that is five years after the date of the enactment of this Act or the date on which the Secretary of the Interior determines that such right-of-way is not needed for such purposes. Any determination by the Secretary of the Interior under this paragraph shall be published in the Federal Register.

(b) In the event that any of the rights-of-way reserved by this section shall be abandoned, as determined by the Secretary of the Interior, such rights shall revert to the Cocopah Tribe.

SEC. 5. In the event that title to any private lands located within section 1 or 2, township 10 south, range 25 west, Gila and Salt River meridian, which are contiguous to the West Cocopah Reservation, is subsequently acquired by the Cocopah Tribe, such lands shall thereupon become part of, and shall be within the exterior boundary of, the west reservation of the Cocopah Tribe.

With the following committee amendments:

Page 3, strike all of line 6 and insert, in lieu thereof, the following: "Northeast quarter southeast quarter, and west half southeast quarter."

Pages 5 and 6, strike all of paragraph (6) of section 4(a) and insert, in lieu thereof, the following:

"(6) An option for a right-of-way for sludge disposal for the Yuma desalting plant on sections 24 and 25 (excluding lots 5 and 6), township 16 south, range 21 east and sections 19 and 30, township 16 south, range 22 east, San Bernardino meridian. This option shall be exercised within five years after the date of the enactment of this Act. The right-of-way, if exercised, shall terminate on the date on which the Secretary of the Interior determines that such right-of-way is not needed for such purposes. The rights-of-way which the Bureau of Reclamation currently has in lots 5 and 6 of section 25, township 16 south, range 21 east, San Bernardino meridian, shall be retained. Any determination by the Secretary of the Interior under this paragraph shall be published in the Federal Register."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

APPOINTMENT OF MAJORITY MEMBERS AS MEMBERS OF COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The SPEAKER. Pursuant to the provisions of section 3, Public Law 94-304, as amended by section 1, Public Law 99-7, the Chair appoints as members of the Commission on Security and Cooperation in Europe the following majority Members of the House:

Mr. HOYER of Maryland, cochairman;

Mr. FASCELL of Florida;

Mr. YATES of Illinois;

Mr. WIRTH of Colorado; and

Mr. MARKEY of Massachusetts.

GENERAL LEAVE

Mr. FLIPPO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 730, the bill passed earlier today on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

TURNING THE BULLS—OR THE HAWKS—LOOSE

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, our President Ronald Reagan rang the opening bell at the New York Stock Exchange vowing to "turn the bulls loose."

I'm not surprised by the President. Since current administration policy is exporting farmers, I guess we really have no choice but to turn the bulls loose.

Nor am I surprised that this President finds it more comfortable at stock auctions, not auctions of farms and farm equipment.

Let's be honest. The President has not turned the bulls loose, he has turned the hawks loose, and left every one else to fend for themselves.

The industrial production index, which is factories and mills, not service industries or consumer spending, rose only 2.9 percent last year. The category of military industries increased production by 13.5 percent last year, four times as much. And last month, military production was the only category to increase.

We know this administration will not cut out any weapons systems, yet the administration, over the objections of every northwest member, will close the Portland office of the Commodity Credit Corporation.

Wheat growers in Washington, Oregon, and Idaho will now have to

deal through the CCC in Kansas City, MO. This will hurt them badly. So much for this administration's efforts to increase exports to Japan.

Well, I hope Mr. Reagan enjoyed his trip to the stock exchange, because if the farmers are in depression now, by next year he won't be welcome there either.

GETTING THE KIDS OUT OF THE HOME—AND INTO THE HOUSE

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, we live in a youth culture. The young people of today are everywhere. They're in business, making money as young entrepreneurs; they're in entertainment, singing, dancing, and acting all across America and they're in technology, hacking away at computer terminals. The only place they are not in is politics. Mr. Speaker, the time is long overdue for Congress to remedy this inequity. Therefore, today, April 1, 1985, I propose we amend article 1, section 2 of our Constitution and lower the age eligibility to serve in Congress from 25 to 15.

For too long, Mr. Speaker, we in Congress have pretended this problem did not exist—sometimes even acting younger than our years ourselves in the hope that the country would not miss real youngsters in Congress. But the charade must end. Lower the eligibility and let kids be kids in Congress.

There is a need for new blood in Congress. But lowering the age requirement would add more than just this. Consider the following. It would add new meaning to the term junior Senator. It would bring into this body a new commitment to the concerns of today's teenagers; new congressional organizations like the "What's for Dinner Tonight Ma Caucus," the "Video Game Study Group," and the "Select Committee on Acne" would work for a constituency that has had little voice here.

Mr. Speaker, by the time most Members are here for 10 years, they've had it. By the time most Members have become committee chairmen, they're over it. Imagine if we started at 15, we'd have committee chairmen who would be middle-age instead of mega-age—and three-term veterans who would just be turning legal age.

Think of the pool of winning candidates it would open up. Emmanuel Lewis, Brooke Shields, the Karate Kid, and all the many Menudos.

No doubt we could expect some problems with a youthful influx; food fights in the cafeterias; smoking in the bathrooms and cutting committee hearings all might increase. But think of the advantages; junkets could become field trips; the carry-outs could sell twinkies; missed votes could be excused with a note from Mom; and should party discipline ever be a problem—we could send errant Members directly to their rooms and ground them for a week.

Finally, to my colleagues on both sides of the aisle, consider what a class of teenage Members would mean for the seniority system.

Mr. Speaker, let's get Americas' kids out of the home and into the House.

DEMOCRATIC RESPONSE TO PRESIDENT REAGAN'S SATURDAY MORNING RADIO ADDRESS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, on Saturday last I had the privilege of responding to the President's weekly radio address. On that occasion Mr. Reagan chose to promote his policy in Central America. The thrust of my response was to point out that Mr. Reagan's policy is against fundamental American law, and that his actions in Central America are serving to strengthen the Sandinista government which he hopes to overthrow.

Mr. Speaker, I submit a copy of my remarks for the RECORD, as follows:

DEMOCRATIC RESPONSE OF HON. BILL ALEXANDER TO PRESIDENT REAGAN'S RADIO ADDRESS, MARCH 30, 1985

This is Congressman Bill Alexander. I have been asked to respond to the President and to talk with you today on a subject which is of pre-eminent concern to me and to the people I represent in Arkansas. We Arkansans hold the traditions of our great nation among our highest values. We revere the founding fathers. We learn as small children to quote John Hancock, George Washington, Thomas Jefferson and other courageous leaders whose ideals have become the foundation upon which our great nation is built.

These great patriots taught the world that America is the birthplace of peace, liberty and freedom. Throughout our history our nation has shined as a beacon of hope to all those in the world who aspire to the blessings that we Americans enjoy. Now, however, that light has dimmed.

In Nicaragua President Reagan is supporting guerrilla groups intent on the violent overthrow of the government there. While we may not like their government—unilateral intervention violates United States law that respects the sovereignty of other nations, and the right of self-determination. Our own Declaration of Independence condemns "transporting large armies of foreign mercenaries to compleat the works of death, desolation, and tyranny . . ." Mr. Reagan supports the guerrillas who he calls "freedom fighters" even though many of these men were officers of the corrupt dictator Somoza who was ousted by the people of Nicaragua. To support the guerrillas is to return to the past.

For three years there has been a movement to bring about a diplomatic rather than a military solution in Central America. This peace plan is known as the Contadora process which is sponsored by Mexico, Panama, Venezuela, and Colombia. President Reagan says he supports peace, but his actions sound the trumpets of war. By the end of April we will have about 10,000 U.S. troops in Central America. This costs American taxpayers millions upon millions of dollars.

Peace serves the cause of all nations. Violence leads to the folly of war and the destruction of humankind. If Mr. Reagan's actions are to support peace, he should join with the Contadora nations and endorse the following principles:

(1) No export of revolution.

(2) No foreign military bases in Central America.

(3) Agreed levels of military forces in the region.

(4) No military ties with any government which is the enemy of peace and freedom.

Mr. Reagan's alliance with violence in Nicaragua is against the American way. The President's actions are contrary to the principles of our founding fathers. The real enemies in Central America are poverty, ignorance, hunger, social injustice and political corruption. The voices of the people are crying out for food, for shelter, for peace, and for justice.

The effect of Mr. Reagan's reign of terror in Nicaragua actually strengthens the Sandinista government he wants to overthrow.

Even if it is the correct policy, Mr. Reagan's three-year old war in Nicaragua has not worked. And, it has cost us millions upon millions of dollars; even worse, we Americans have been made a party to the deaths of thousands of innocent people who have been killed in the war.

Is the United States going to fulfill the fear of Simon Bolivar, the George Washington of Latin America, who worried that:

"Los estados unidos parecen destinadoes . . . plagar a la America de miseria a nombre de la liberatad."

"The United States appears destined . . . to plague the Americas with misery in the name of freedom."

Or, are we going to provide the leadership which is the mark of a great nation?

Next month my daughter, Alyse, celebrates her 17th birthday. As a gift to her, I am sponsoring Damien Meza Gomez, a five-year-old boy who desperately needs food, medicine and clothing. Damien is a resident of La Esperanza, a small village in the northeast part of Honduras. In Spanish, Esperanza means hope. Mr. President, if you want to provide hope for Damien and thousands of other children like him in Central America, join the Contadora nations in their quest to stop the war.

Thank you and God bless you all.

□ 1210

CONTRIBUTION OF VENTURE CAPITALISM TO NATION'S OVERALL CLIMATE FOR ENTREPRENEURSHIP AND INNOVATION

The SPEAKER pro tempore (Mr. PENNY). Under a previous order of the House, the gentleman from California [Mr. LUNGREN], is recognized for 5 minutes.

Mr. LUNGREN. Mr. Speaker, last year I had the opportunity to chair the first congressional field hearings comparing this Nation's two premier high tech centers, California's Silicon Valley and Boston's Route 128.

Today, for the Joint Economic Committee, I am releasing the first of the two reports that are the outgrowth of those hearings. The first study on the contribution venture capitalism has made to the Nation's overall climate for entrepreneurship and innovation is based on a landmark comprehensive survey of the Nation's venture capital markets.

This report shows that the health of the Nation's venture capital markets receives good marks. Entrepreneurial activities are flourishing as a result of the recent surge of venture capital availability, and the consequence of this is not something that ought to be just considered important for economists; rather, it means that we have had increased jobs in small high growth companies, enhanced international competitiveness and ultimately we have had an improvement in the quality of American lives.

Perhaps the most significant finding for policymakers, however, Mr. Speaker, is the identification of the availability of venture capital as a major factor in assuring entrepreneurship and innovation. Without a doubt this study shows that venture capital is the only means for many entrepreneurial ideas to ever get an opportunity to be tested in the marketplace.

Thus, the level of venture capital funds in the economy is an important barometer or indicator of how strong entrepreneurial activity is. Therefore, I believe the study holds several important lessons for public officials who are faced with major economic decisions.

The report, for example, will serve as a valuable source of information in the anticipated tax reform debate, particularly with regard to capital gains. Each of the three major tax reform proposals treats differently capital gains and, consequently, would have a significantly differing impact on the level of entrepreneurship in the economy. I am hopeful that this report will provide definitive evidence for maintaining some form of differential treatment between capital gains and ordinary income.

Furthermore, the study finds that the tax reform debate will have to ensure the maintenance of incentive-based features. Tax reform, while necessary and while a majority of Members, I am sure, are committed to it, must insure that the entrepreneurial spirit which has pervaded our country for much of its history continues.

In other words, Mr. Speaker, what we are saying is as we move as we should toward a simplification of tax structure, toward overall tax simplification, it is important that we keep in mind the growth environment for the economy that can result from proper tax reform; that is, that tax reform can either benefit or it can in a very major way devastate the environment for entrepreneurship in this country. The importance of that is that entrepreneurship is one area in which we have a decided advantage over our major international competitors, particularly the Japanese, and it would be a terrible travesty for us as we move as we should toward tax simplification to make the mistake of forgetting those incentives that are necessary for a growth oriented economy.

I would, therefore, commend to my colleagues' attention the report from the Joint Economic Committee that is being released today called "Venture Capital and Innovation."

FOUR BILLS TO ADDRESS PROBLEMS OF U.S. TRADE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LUNDINE] is recognized for 5 minutes.

Mr. LUNDINE. Mr. Speaker, today I am introducing a series of four bills dealing with international trade. These bills grow largely out of recommendations developed by the trade task force of the House Democratic caucus which I cochaired during the last Congress. These bills are designed to address some of the main problems which underlie our escalating U.S. trade deficit, a deficit which reached a record $123 billion last year. Simply put, we imported $123 billion worth of goods more than we exported in 1984.

The consequences of this largest trade deficit ever experienced by any country are immediate and serious. Industries are having difficulty developing new markets for U.S. products and competing in existing markets in the international marketplace.

This seriousness of this trade imbalance was not only recognized by our Democratic task force last year, but concern over sagging U.S. competitiveness has also recently been echoed by the President's Commission on Industrial Competitiveness, headed by John Young of Hewlett Packard. The Commission concluded in its final report that:

> A close look at U.S. performance during the past two decades reveals a declining ability to compete—a trend that, if not reversed, will lead to a lower standard of living and fewer opportunities for all Americans.

If current trends continue, this deficit could exceed $300 billion by 1990. The United States will become a net debtor country this year for the first time since 1919. By 1990 the U.S. external debt could reach $1 trillion, exceeding the combined total of external debt for the entire Third World.

Shoring up U.S. international competitiveness must involve both short-term and long-term bipartisan policy actions. Steps must be taken at the macro-economic level to create a better climate for economic growth, as well as with respect to individual industrial sectors and their individual needs. The four bills which I propose to you today for your further consideration, I believe, can help us make progress toward creating a better overall economic environment for worldwide economic growth and toward providing the necessary tools for U.S. firms to develop new markets and compete more effectively in the international marketplace.

These coordinated legislative proposals are designed to address four particularly critical facets of international competition which our task force found key—dealing with the inflated value of the U.S. dollar, export promotion, industrial competitiveness, and trade law reform.

INTERNATIONAL DEVELOPMENT AND GROWTH ACT OF 1985

We have all welcomed the economic growth which has occurred in our economy since the end of the 1981–82 recession. It has meant higher profits for many U.S. firms and new jobs for many Americans. Equally important, growth in the United States has provided the world economy a shot in the arm. Increasingly, as a result, the economic fortunes of the rest of the world are tied to how the United States manages its own economy and the leadership we provide internationally in coordinating with our trading partners.

At the same time we are experiencing an economic recovery, real U.S. interest rates remain at historic highs, and the U.S. trade deficit is escalating. Meanwhile, the economies of developing countries that have never been able to recover from worldwide energy and economic shocks of the 1970's continue to suffer under the burden of massive external debt. The continuing strength of the dollar in relation to other currencies exacerbates the world debt problem.

What does all this mean? It means there are very ominous storm clouds on the current recovery's horizon which could wreck devastating economic havoc. Two factors in particular must concern those who are trying to bring about sustained economic growth. The first is that the value of the U.S. dollar is artificially high on international exchange markets. The second is the desperate economic plight of the developing countries.

High real interest rates in our country is causing massive foreign capital flows to move into the United States, thereby inflating the value of the dollar against other currencies. Because of the high value of the dollar,

U.S. goods are less competitive with their foreign counterparts. This is weakening the industrial base of the United States. The dollar's high value is drawing badly needed capital from the developing world and making the job of repaying external debt owed by less developed countries more difficult as they must work all the harder to earn dollars to repay their debts.

This situation should concern us all. The inflated value of the U.S. dollar on international markets is not sustainable. If it falls precipitously, without the United States having taken offsetting actions, the results could be catastrophic. Under these circumstances, interest rates would climb even further, and the economy would be sent into a recessionary tailspin. The stability of the international monetary and financial system is at stake. How the United States manages the current destabilizing situation will largely determine whether our overall prosperity is sustained and our trading partners prosperity is enhanced.

Actions must be taken to reduce the value of the dollar on international exchange markets and to provide stability to the international monetary and trading system.

Many analysts correctly advocate that the best action which can be taken to help bring the value of the dollar down is to reduce the Federal budget deficit, which in turn would bring U.S. interest rates down and make U.S. dollars less attractive to foreign investors. I agree that we must move aggressively on the budgetary front, and in fact will be introducing legislation subsequent to this package to help us achieve this.

At the same time, I am convinced that the relationship between budgetary reductions and movements of the dollar is not entirely linear. Actions by our international trading partners in relation to their own economies and coordinated actions with the United States are needed to moderate the effects of the high dollar on American industrial competitiveness. We may even need to consider international modifications in our monetary system, such as moving to a system whereby currencies are permitted only to fluctuate within a prescribed range before coordinated international intervention in the currency markets would be triggered.

The International Development and Growth Act, which I introduce today, is concerned with development of an orderly program to bring the value of the dollar down and to stimulate growth in developing economies of the world.

There is no one legislative action that can be taken to achieve these difficult goals. Rather, it will require a coordinated set of policy actions on the part of many parts of government in the United States and in coordination with our major foreign trading partners to effect real progress. I believe my proposal would result in an important step forward in this area.

It first declares that a major objective of U.S. economic policy must be to bring down the value of the dollar. It directs the President to seek negotiations with our international trading partners to help achieve this. As part of this effort, it declares that a major objective of economic policy will be to bring down the size of the Federal deficit. It also directs the Federal Reserve Board to coordinate its actions with other governments to help bring the value of the dollar down. Only by reducing our Federal deficit to take the pressure off the credit markets, and by coordinating actions with our international trading partners, can we hope to make progress on this problem.

The second aspect of this bill creates a high level commission to develop over a year's time recommendations on longer term reforms which should be undertaken to stabilize the international financial system and to stimulate growth in the economies of the world's developing nations. It is in these economies that significant trade expansion is possible. The United States must take an active leadership role to encourage international cooperation to develop this potential and increase trade flows.

EXPORT PROMOTION AND FAIR CREDIT ACT OF 1985

A central part of an U.S. trade policy must be export stimulation. The U.S. Government should, as part of that trade policy, provide U.S. exporters with the kind of tools necessary to compete with their trading partners on an equal footing. The lack of official U.S. backing for exporters is reflected in the fact that the U.S. Export-Import Bank directly finances only 6 percent of U.S. exports, while countries like Japan and France finance somewhere in the range of 35 percent of their exports with official credits.

The preservation of a strong U.S. Export-Import Bank is essential if U.S. exporters are to be able to compete effectively in the world marketplace. More aggressive U.S. exporting is critical to erasing the current imbalance between imports and exports and to future economic prosperity. The export of goods and services accounts for over 10 percent of U.S. gross national product and each $1 billion in exports represents 25,000 jobs. Foreign governments are to an increasing degree relying on subsidization of their exports, including mixing foreign aid and commercial export credits to obtain artifically low selling prices.

The United States has unsuccessfully tried to negotiate an end to the use of mixed credits by our foreign trading partners. This is reflected in the fact that the number of mixed or tied aid credits involving both foreign aid and commercial credits offered by foreign governments in 1983 increased by 38 percent from 1982, with their value exceeding $3.2 billion. According to the OECD, during the first 9 months of 1984, 14 countries offered 238 mixed credits worth $5.2 billion.

To counter this growing problem, the United States must take action to put American exporters on a level playing field with their international competitors by matching foreign offers of mixed credits. At the same time, the United States must make clear to our trading partners that we will be willing to end our program to match foreign mixed credit offers as soon as an international agreement limiting their use can be concluded.

Concern over the growing use of mixed credits was expressed by Congress when it approved amendments to the Export-Import Bank charter in 1983. That legislation mandated that the Eximbank and the Agency for International Development jointly establish and coordinate a mixed credit program for U.S. exports. However, the statutory language surrounding this effort is vague and the available financial resources to carry it out have been insufficiently identified. As a result, the agencies have not made effective progress toward establishing a workable program to counter the growing use of foreign mixed credits.

This bill amends the Export-Import Bank Act of 1945 to better enable the intent of the 1983 act to be carried out. First, it establishes a fund in the Eximbank to counter the use of mixed credits by foreign trading partners of the United States. Second, a $250 million authorization is included for fiscal year 1985 to establish the fund along with a requirement that $1 billion of the Export-Import Bank's direct lending authority in fiscal year 1985 be reserved for establishing a mixed credit program. Third, an Office of Competitive Export Financing is established in the Export-Import Bank to deal with mixed credits. Finally, the provisions of this bill would terminate if the United States successfully negotiates with foreign trading partners an end to the use of mixed credits.

We must make clear to our foreign trading partners that we cannot continue to tolerate lost markets and jobs because of foreign mixed credit financing. Providing for an aggressive and effective U.S. capacity to counter foreign mixed credit financing is our single best hope for doing so.

TRADE LAW REFORM AND ENFORCEMENT ACT OF 1985

The trade task force concluded that our trade laws were in need of change to be responsive to the needs of U.S. firms and to deal with the realities of the modern day trading situation. Two of the most important problems iden-

tified by the task force involve: First, providing more effective mechanisms under U.S. law to provide adjustment time for U.S. industries to adjust to foreign competition, and second, providing more effective mechanisms to deal with the impact of foreign targeting and other newer forms of foreign trading practices on U.S. industries. The Trade Law Reform and Enforcement Act of 1985 is designed to address these two needs in particular.

This bill contains amendments to section 201 and 301 of the Trade Act of 1974. Under current law, section 201 sets forth the procedures for U.S. industries and workers to obtain temporary relief from injury from increased import competition. It stems historically from a recognition that difficult economic adjustment problems could result for particular sectors of the economy from import competition and that serious injury from such competition should be minimized.

To secure 201 relief, an industry or workers in an industry must petition the International Trade Commission for relief and include an explanation of reasons the relief is needed. The ITC then conducts an investigation to determine whether imports are a "substantial cause" of injury to the industry in question. If the Commission makes an affirmative injury finding, it reports to the President and recommends to the President specific import relief actions he could take. The President is then authorized to provide import relief through tariffs, quotas, or negotiation of orderly marketing agreements. The President has flexibility to determine whether or not to provide import relief, and to direct, if he chooses, expeditious consideration of petitions for adjustment assistance for the industry in question.

This bill transfers the authority for decisionmaking surrounding section 201 cases from the President to the Special Trade Representative to integrate it more effectively with the evolution of trade policy.

The bill makes a number of changes in the existing injury test and causation standard. It replaces the requirement in existing law that imports be a "substantial cause" of injury to a domestic industry to requiring that they just be a "cause." This change is in line with GATT—currently the United States retains a stiffer test on this point than do most of our trading partners.

The bill also adds a threat of injury test which requires the International Trade Commission to consider acts, policies, or practices of exporting countries intended to increase the competitiveness of a given article in world markets; the extent to which the U.S. market is the focal point for diversion of exports through Third World markets; and the inability of producers in a domestic industry to generate adequate capital to finance modernization of plant and equipment and to conduct research and development.

The bill requires the ITC to establish government-labor-management adjustment advisory groups for petitioning industries if it is requested in the petition that such a group be established. This is designed to provide a mechanism for government, management, and labor of an impacted industry to develop a consensus on what goals are needed to successfully adjust to realities facing them, and to develop a plan for accomplishing the adjustment goals.

The bill also establishes a permanent sectoral research and monitoring capability at the International Trade Commission to evaluate the industrial and trade policies of other countries and their effects on U.S. industries, trade and employment. They would make an annual report to the Congress. The Special Trade Representative would then convene special labor-management-government sector advisory panels which would then make recommendations to the Special Trade Representative of actions which need to be taken to deal with foreign practices impacting on key industries.

Section 301 currently provides the President broad power to enforce U.S. rights against unjustifiable or unreasonable foreign trade practices which burden, restrict, or discriminate against U.S. commerce. Parties must file a petition with the USTR requesting the President to take action and setting forth the allegations in support of the request. The USTR reviews the petition and determines whether or not to initiate an investigation. If the problem cannot be dealt with through negotiation, the USTR is required to make a recommendation to the President for action to deal with the problem. The President also has broad authority to act with or without a recommendation if he deems it appropriate.

This bill also, like the 201 section, would transfer authority to the USTR for administration of the 301 law.

The bill also makes injurious industrial targeting actionable under section 301, and sets up a definite time limit for resolving a claim. The USTR must take final action within 11 months after a petition is initiated if injurious industrial targeting is found. Definite deadlines are established in this section for involvement of the International Trade Commission in determining targeting.

Unless U.S. trade laws are updated and effective in their application to modern day trading circumstances, U.S. firms will continue to fall victim to foreign predatory practices. This proposal is an effort to make our trade more flexible, revelant, and useful in countering these practices. U.S. trade policy cannot be effective without effective trade laws on the books as an avenue for securing relief.

INDUSTRIAL STRATEGY ACT

Whether one considers our Democratic task force on trade, the Harvard Business School project on industrial competitiveness, data resources study of the U.S. manufacturing sector, or the President's Commission on industrial competitiveness, study group after study group looking at the competitiveness of the U.S. industrial sector, all conclude that there is a serious problem with U.S. industrial competitiveness and make a recommendation that the United States develop some sort of industrial strategy for effective international competitiveness in the future.

This bill is meant to establish a framework for developing such a strategy and is similar to legislation which was reported from the House Banking and Energy and Commerce Committees during the last Congress. The major difference in this proposal is that it no longer contains authorization for a separate development bank as did last Congress, but rather relies on a much leaner financing mechanism, primarily utilizing loan guarantees and a secondary market, as a limited facilitator role for government financial involvement in implementation of an overall industrial strategy.

This bill would create an Economic Cooperation Council, broadly representative of government, business, labor, and others in society. It would work toward the development of a strategic consensus for our industrial economy and make recommendations regarding actions which might be taken by government, labor, and management to facilitate change and improve international competitiveness.

This bill would also create and Industrial Modernization and Financing Association and Secondary Market for Industrial Loans. These mechanisms are aimed at filling the gaps in the availability of capital for productive investment needed to revitalize our industrial sector and to finance the needs of innovative small and medium size businesses. Unlike the proposals discussed in the last Congress to create a National Industrial Development Bank, the Industrial Modernization and Financing Association and Secondary Market for Industrial Loans would be aimed at facilitating the flow of private capital to areas currently affected by structural impediments in our capital markets.

The Industrial Modernization and Financing Association would be an arm of the Economic Cooperation Council and could not undertake any activity which was inconsistent with a consensus based strategy for a given industrial sector. The association would utilize loan guarantees primari-

ly to conduct its businesses. The association's main purpose would be to assist in developing and implementing a package of commitments between management, labor, and the financial community to help modernize basic industries with serious competitive problems. The loan guarantee authority of the association would be the principal carrot available to the private sector to invest in modernizing existing industry and creating new production facilities.

The secondary market for industrial loans, similar to the secondary markets which exist for housing, would be aimed at providing long-term debt capital for purchase of plant and equipment for small to medium sized businesses. Regional and local banks are increasingly reluctant to take the risks associated with making long-term loans to small businesses.

Larger institutional investors, such as insurance companies and pension funds, are not equipped to evaluate the quality of smaller investment proposals and, therefore, tend to overlook them. A secondary market would address this problem by providing a mechanism to purchase loans to small and medium size industrial concerns from banks and then repackage them into pools of securities large enough and stable enough to be of interest to institutional investors.

Such a secondary market mechanism has worked well in the area of housing and can play a significant role in facilitating the growth and development of innovative small industrial firms.

The cost of establishing and carrying out the functions of these industrial strategy facilities is very modest considering the enormity of the task or the amount in previous proposals. The Economic Cooperation Council would be authorized to spend up to $50 million for each fiscal year from 1986 through 1989. The secondary market for industrial loans would have a one time capitalization cost of $100 million.

The Industrial Modernization and Financing Association would have a capital stock of $1.5 billion. Two-thirds of this amount would be used as a reserve fund for any possible losses on guaranteed loans. No individual guarantee could exceed $500 million. The other one-third of this fund could be used for direct lending by the association in accordance with the strategies developed by the Economic Cooperation Council.

PROJECT CHILD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island [Mr. ST GERMAIN] is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, I would like to call my colleagues' attention to the innovative merits of a unique mental health program presently operating in the city of Providence, RI.

The program, Project CHILD [Children's Home-Based Intervention for Learning and Development], was created in 1981 by the Providence Center for Counseling and Psychiatric Services. Its primary objective is to address the cognitive and emotional needs of preschool children whose parents suffer from chronic mental illness. Throughout the years, this program has successfully sought out to break the cycle of dependence and illness which is literally passed on from generation to generation in such families.

Project CHILD's exceptional work in the mental health field was recently accorded high honors at the American Psychiatric Association's 36th Annual Institute on Hospital Community.

The APA is a medical specialty society representing over 30,000 psychiatrists nationwide. Chosen from among 134 applicants, Project CHILD received an award of significant achievement honoring its outstanding efforts on behalf of the mentally ill and mentally retarded.

Funded by the U.S. Department of Education and the Providence Center, Project CHILD targets preschool children because their parents often lead isolated lives. With limited exposure to people outside the family, these children often have no alternative but to model their own behavior on that of their parents.

Mr. Speaker, 70 percent of the children of psychotically ill parents exhibit adjustment problems by the time they reach adolescence. I am proud of Project CHILD for having finally broken that cycle.

Project CHILD's staff helps the children learn to become competent and self-relient: First, having them complete concrete tasks in a structured environment; second, exposing these children to healthy, concerned adults; and third, by helping them to effectively seperate from their parents so that they can establish their own identities.

I commend Project CHILD for its selection by the APA as an award winning program and invite my colleagues to view its successes as a model of what can be done for the at-risk emotionally ill of our Nation.●

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I continue what I have on three previous occasions called My Advice to the Privileged Orders.

As I pointed out previously, I pay my respects to the great American poet, Joel Barlow, who was not only a poet and a great leader, but he was a minister, a preacher, if you please, to the American revolutionary armies. He had reason to write an extensive essay which he entitled, "My Advice to the Privileged Orders of Europe for a New Revolutionary International or Governmental System."

□ 1220

In other words, he was advocating revolution, very much like some of our neighbors to the south and other countries throughout the world since World War II.

I pointed out in the course of the last, No. 3, this I label my "Advice to the Privileged Orders of America," which, as I told my colleagues, I include the colleagues in the Congress because we are among the privileged, both in the sense that temporarily we are invested with this great power under our system of government of an attempt to try to be representative of those great people that have elected us to do so. And try to do so impartially, equally, without fear or favor, privileged to none. And yet in this day and time that becomes a real challenge.

I pointed out that also economically we are highly privileged. We are in the upper 10 percent of that apex of this pyramid of economic income in our country. I think that in itself, where our colleagues in the other body, over a third are in the range of millionaires, and now quite a substantial number of my colleagues in the House. I think that that means we have a real challenge for participatory democracy. But whether this has been the case or not, certainly it is time to address a plea to the privileged orders of our country today whose control today is all powerful, obliterative, and is really in control of our destiny—political, economic, and the like.

Any time we boast of a free participatory democracy and then point to the fact that the average campaign budget to get elected as a Member of the House of Representatives, not the Senate with a 6-year term, but the House with over half a million dollars, and where we now are accustomed to have million dollar budgets for some House seats, how in the world, with the added observation that the Presidential contest now involves millions and millions and millions of dollars, the first of which comes from those areas of concentrated wealth that today for the first time in the history of our Nation have gained complete control, the basic decisions, even as to war and peace, are not being made in these Halls, even though the Constitution says that war shall be decided only by the Congress, not delegatable; it cannot be delegated to the Execu-

tive. Yet we take for granted today the era of Presidential wars. We have a President that is involved in war now without the sanction of Congress, and who even defies the rather weak and somewhat pucilanimous expressions that have emanated from Congress specifically with respect to Central America in which the Congress, both the Senate and the House, have spoken out as of last year in very definite and clear terms; they have said, "Mr. President, we have not declared war, so you stop making war. You shall not use congressionally disbursed funds or appropriated funds for aiding those that are in the course of attempting through violence to overthrow a regime that on the face of it we are at peace."

We accept this because we have an accepted envoy, an Ambassador, and when this happens, among civilized nations, it means that there is a recognition of that particular power.

But I also rise to continue what I said last time, and that is that not only have we gone full circle to that point, but the Founding Fathers, or at least the authors of the Constitution feared the most, we have ended up with two, well, one unelected President and two unelected Vice Presidents.

If this had ever been raised as a distant and impossibility during the debates of the Constitutional Convention, I seriously doubt the vote would have been found among the delegates to have created that second branch of the Government, article II, the executive branch. This they feared more than anything else. This is exactly why the power to declare war was placed exclusively in the Congress. The power to raise armies was placed in the Congress.

Yes, it is true, the Constitution also made the President Commander in Chief, naturally. Under this system of tripartite government there would be no other way out. But it was certainly limited, and it was clearly prescribed that the three branches were coequal, independent, and separate. No such thing as the superiority of one over the other. Each was restricted with well-defined powers.

Now when the Congress has delegated, as it did under necessity during World War I, great, great delegation of power, most of which has not been returned to the Congress under the Constitution, but which for good reason and cause of the exigencies of the moments were delegated. But today we live in a day and time in which the President defies the first branch of the Government. In this all-powerful consideration, even as of last week his defiance reached the point of violation of other laws that the Congress has passed.

Now, I have introduced a resolution in which I allege that the President is in violation of the War Powers Limitation Act which we approved in 1974. I had a hand in its shaping. I had my doubts, but I always assumed that the Chief Executive would follow his oath of office under the Constitution, which is to faithfully execute the laws of the land. This he refuses to do, and quite arrogantly announced last week that what he was not empowered to do, and what the Congress had specifically prohibited him from doing, he was asking private, mostly rightwing extremist groups that have been the cause of the assassination of Archbishops and priests and nuns, the money coming from these groups, some based in Florida, some in other points in the country, and now having the blessings of the President to do by indirection, and asked publically to do so by the President, which I simply would be a violation of the Logan Act, if anything else. The Logan Act, which was so piously appealed to by the President and his cohorts seeking reelection last year, when Jesse Jackson was talking about going to some countries that this administration considers to be in a state of war, though not officially so, and interposed and said through a spokesman in the Justice Department. "Mr. Jackson, if you go and make that visit you might be imperiling your legal status inasmuch as you will be clearly in violation of the Logan Act."

□ 1230

I think that Jesse Jackson, under the explicit and clear terms of the Logan Act, would have been far less vulnerable in a court of jurisdiction than the President is today after his utterances last week.

Now, the bad part is that there are other and more important areas in which the Congress has, in my opinion, abdicated very serious responsibilities. In my appeal to the privileged orders, what I am saying simply is: You have the power but you do not have the accountability. The people did not elect you to run those nine most powerful banks that are jeopardizing the stability, not only of this country's financial conditions but the entire world.

I appeal to those privileged magnates which I prefer to use the term that Franklin Roosevelt used, malefactors of great wealth, because they have indeed, with the power they have acquired by indirection, and that they have not hesitated to use thoroughly, completely and graspingly and greedily. Please, at least have some, some residium of accountablity.

And I appeal to you the privileged in and out of this Chamber and particularly in those inner sanctums of the plush offices of these highly paid corporate lawyers who are in control, who are in effect writing the laws, who are in effect dictating the terms for any kind of a tax bill, the ones primarily responsible for the first time in 1981 with what the President boasted and with great support with the cross-section of corporate power, the so-called economic recovery and reform tax. I never of any tax being called "economic recovery tax," but so be it; we live in that type of world. And in by virtue of that tax bill, gave away, drained the life blood of the revenues to our Treasury of over $650 billion and then with great sanctimoniousness talks about a monster deficit, because it is due to the social programs such as food stamps.

David Rockefeller, in a big speech about 3 years ago said that was the reason why we were in trouble; food stamps. And he specifically mentioned that program.

Now, I think that anybody still in this Congress who voted for that 1981 tax, so-called tax legislation which for the first time in our country irretrievably abdicated the long time basic American system of taxation based on a progressive type of taxation, and which has resulted in such things as the biggest corporations in our country which are now not really tied to loyalty or fealty or nationality even though they may be based in this country, to this country.

They are now meganational institutions, transnational institutions. Where the profit goes, there is their allegiance; not necessarily the greatest interests of the greatest number of Americans.

And the result has been, yes, a deficit that this President said, when it was one-third the size it is now, was unacceptable. Today it is, but one thing that is not—and I think that here these privileged orders, these overlords of economic power who have sold out America with no accountability—not having to answer to any electorate; not having to have any kind of reckoning before any type of constituency other than their own balanced books and ledgers, but as always a history of mankind shows, when this group of humanity gets the power, it is insatiable.

And its greed leads ultimately to its own destruction. Unfortunately, in this day and time, in that misfortune are the ebbs and flows of the well-being or lack of a great populace such as America.

Also, about 100 years ago in England, which believe it or not was pretty much in a corresponding state of mind, the great John Ruskin, in a series of letters that he entitled, "Letters to the Workmen and Laborers of Great Britain."

The one he wrote, dated January 1, 1871, from Denmark Hill, says:

We begin today another group of 10 years not in happy circumstances, although for the time exempted from the direct calamities which have fallen on neighboring states, believe me, we have not escaped

them because of our better deserving, nor our better wisdom, but only for one of two bad reasons, or for both.

Either that we have not sense enough to determine in a great national quarrel which side is right, or that we have not courage to defend the right when we have discerned it.

I believe that both these bad reasons exist in full force, that our political divisions prevent us from understanding the laws of international justice and that ever if we did, we should not have to defend perhaps not even to assert them, being on the 1st of January 1871, in much bodily fear—that is to say, afraid of the Russians, afraid of the Prussians, afraid of the Americans, afraid of the Hindus, afraid of the Chinese, afraid of the Japanese, afraid of the New Zealanders, and afraid of the Kafiris, and very justly so.

Being conscious that our only real desire respecting any of these nations has been to get as much out of them as we could.

What better and more eloquent description of our state of mind: We fear the Russians, we fear the Latin Americans, we fear the Chinese, we fear the Middle Europe, and we are just fearful, all the way around.

But now my special appeal this day to the privileged orders is a two-phased appeal. First to my colleagues and also second to these privileged orders that have brought us to the past where we cannot much longer temporize with the inevitable, and that is to face the consequences of what has been boasted as a recovery.

I have pointed out previously that America has lost control of its destiny with respect to its economic, meaning fiscal, monetary, well-being. I have pointed out and have alluded to the greatest leaders our country has had in its successive history at the height of crises, in which the essential issue is the same: Who is going to gain and exercise the power of the allocation of credit? The bankers, or the people, as it is intended it should be? Both through their election of their representatives in the Congress as well as theirs in the executive branch-the President and Vice President.

I have pointed out for years that there was no accountability from such an entity as the Federal Reserve Board which, in the meanwhile, had arrogated some and been given by the Congress in other instances, though not debated.

For example, if you pull out a dollar bill from your pocket, you will see "Federal Reserve Note." When I came to Congress, and that is some 24 years ago, and for a few years thereafter, there were more one dollar bills that said "Treasury notes."

Now you, what's the difference? Big difference. But that became possible because there was an obscure amendment that was placed in the law, without debate, that made it possible to reconstruct the fundamental charter known as the Federal Reserve Board Act of 1913.

□ 1240

When Chairmen of the Federal Reserve Board such as I have seen in these 24 years—and, let's see, there will be a total of some five or six—and with the exception of perhaps two who did not occupy the office for long, every one appearing before the Committee on Banking, of which I have been a member since I came here, have refused to even give an accounting of the basic decisionimaking processes and, rather, have had such haughty and arrogant Chairmen as those who appeared and, in direct answer to a question I propounded, said, "Oh, yes, of course, some Americans will have to suffer a decline in their standard of living."

"Well, who are those?" I said, "Mr. Chairman, are those most of the people I represent? I think they are. Certainly you cannot tell me it will be David Rockfeller and those levels of families. They are not going to suffer any decline in their standard of living. Who are you talking about?"

And he said, "Well, we hope that whoever it is—and, yes, you may be right, the people you are talking about may be the ones, but it will be temporary."

Now, since when was it ever intended that a powerful mogul, a panjandrum of power, who does not have to run for election, does not even feel he has to account either to the Congress or the President and has reached the point that he accounts only to those sources from which he comes, he comes off the payroll of the Chase Manhattan, and that is where he will go back the moment he stops his service as Chairman of the Federal Reserve Board, very much like the former Secretary of State, Henry Kissinger.

He left being Secretary. He is still a special consultant to the Chase Manhattan, got a good fat income. On top of that, he has organized a private enterprise State Department. Why, there are more foreign diplomats making a beeline for Henry Kissinger's consultant's office than there are to old George Shultz as Secretary of State. Who knows about it or who cares?

Yet these men have been unaccountable. They have been given power, yes, in the case of Mr. Kissinger, by a President who delegated Presidential power and authority. In fact, I think we had the first Prime Minister in the history of our country, the way we were operating there for a while.

But in the case of the Chairman of the Federal Reserve Board, it is not his to say what the policies of national note and construction shall be that will determine the well-being or the standard of living. That is in the policymaking body that the people elect us to Congress, the lawmaking body.

But why this? Because the way now it is operating, of course the Federal Reserve Board is not a Federal agency. It is an independent private enterprise run by the six principal largest banks in our country who in turn have been such rotten bankers that they have laid in bad loans to the so-called developing world alone—I am not including Poland, where they also have millions—but I am talking about in the developing countries alone, which anybody with any kind of reasoning and basic information and not totally blinded by greed of collecting 30 percent and 35 percent interest have invested an overhang of such magnitude that it is 200 percent the basic assets of these banks.

Now, if that were a bank back home, it would have already been declared illiquid, bankrupt. But what are the concomitants of that? I listened a few moments ago to my distinguished colleague who serves on the same committee as I do, and he mentioned the reintroduction of a bill that is intended to try to reverse what is now catastrophe, and that is our international trade and accounts imbalance, which is monstrous and the real, real problem, and yet there is nobody addressing it.

My colleague feels that there is something that can be done that would enable our corporations to compete in the world. But let us look at the facts. The facts are that under this administration and for the past 4 years we have emerged from a creditor nation to a debtor nation.

Now, there are some economists, the same ones who were telling us 10 years ago that domestic deficits were intolerable and the direct cause for high interest rates, who now say, in the light of the most monstrous deficit that, no, there is no relationship, high interest rates are due to something else, maybe an act of God.

These same self-economists will say, "Well, you know, being a debtor nation does not mean much because most of our national existence we were a debtor nation."

I cannot conceive of a more facetious expression from men who are supposed to be experts in economics than that.

Of course it was not until World War I, which, incidentally, as I have said, we were the only creditor nation; same thing true in World War II, we were the only creditor nation.

As a matter of fact, neither World War I nor World War II would have lasted 4 months without loss to the German imperial armies or Hitler's Wehrmacht had it not been for American credit. And the sorry history of what happened after World War I is being repeated in what we confront today after World War II, and when some of us try to evoke this history so that we could avoid these pitfalls, we

were considered way out—in fact, maybe something peculiar with us.

So let us look at the facts. Let us see what any American corporation can do to try to regain even a competitive leverage.

As a result of this sellout on the part of our public, or what I call private money managers, in total control of our financial destiny, and the private, item 1: French, German exports to the United States in 1984 rose over 33 percent; Japan, Korea, Taiwan even faster than that. Brazil, which was one of those nations which has been able to rollover only interest payments, has not hit the principal yet to these big banks—and that we had to go in and loan a couple of billion dollars, or give, in order that they could rollover those payments so that they could pay the banks, not for U.S. interest, unless we consider that the banks are one and the same as the United States.

As the chairman of the board of General Motors once said, "What is good for General Motors is good for the country." Brazil's last year's surplus in trade balance amounted to $12 billion while ours went up to the most unheard-of in the history of human activity to over $133 billion. And as I pointed out, for each one of those $10 billion, America has lost 250,000 jobs permanently, which is what my distinguished colleague a while ago was referring to. But we cannot attack the problem and have a solution that is correct unless we understand the cause and do not flail before the magnitude of the task.

What we are seeing now is, we are paying, after the election of last year, the price tag for past mistakes. We have no policy—that is, no overarching policy. All we have are ad hoc responses to the crises as they come up.

In September 1982, Mexico said, calling at midnight the Chairman of the Federal Reserve Board "Well, look, fellows, we are sorry, we cannot even pay interest; if you do not give us a moratorium, why, we may have to default."

□ 1250

Of course, that brought a midnight session, and immediately the next day, there was $4 billion provided Mexico, some in direct exchange aid, and others in direct credit aid, and others in so-called purchases of oil in which the purchase per barrel price has not even been revealed publicly to this date. In other words, it was a way of bailing out Mexico so that the banks would not go broke in America.

It is still shaky; nothing has been addressed. There has not been $100 paid on the principal. They have just been rolling over interest. More debt to try and get rid of debt.

Now, as of June last year, item 1: "These American corporations went into the Eurodollar market for about $18 billion-plus as of June." If they were going at the rate of $18 billion as of June, when the final figures for December 1984 are compiled, I will say it will be at least 300 percent more. Even this $18 billion borrowing was 13 times the volume of 6 years ago.

Item 2: Pension funds. Oh, these are sacrosanct. Those of us who are worried about housing Americans, taking care of our own people first, trying to avoid a coming social crisis because of the lack of adequate housing and shelter, seeing with great chagrin and sadness the homeless that now are over 2 million Americans. Not aimless drifters but families. Look at this and say, well, why can we not tap these vast reservoirs of over $85 billion, $90 billion worth of pensions? Oh, no, you cannot do that because there is no way you can invest that in long-term mortgages. But, pension funds, well, 5 years ago, only 8 percent of America's 1,600 largest pension funds invested in foreign securities. At the end of 1984, 28 percent were doing so.

Item 3: Funds from overseas financed over 40 percent of our budget deficit. That is, we have become victims and at the mercy of fickle foreign investors. They now are providing the finances for over 40 percent of our budget deficit. That is our domestic budget deficit.

Item 4: Mitsubishi Bank acquired Bancal Tristate of California. Assets: $3.9 billion. When I tried to get the Federal Reserve Board to give me statistics as to the acquisition of banks by foreign interests in 1977, 1978, and 1979, they said they could not do it. I was warning then, not now, every time I have spoken here this year in this session—I can make reference page and word and line to the RECORD, some of it going back over 20 years ago.

Item 5: Five of Japan's biggest steelmakers spent over $500 million last year to buy into America's counterparts.

Item 6: France's Societe Generale was financing the water system of Dayton, OH. Why? I thought this is why we had a banking system. I thought that when a bank was chartered, it was supposed to be chartered only for public need and convenience. Why are those resources not available for Dayton, OH, instead of those banking resources being tied up by our billionaire potentates like Hunt of Texas trying to tie up and corner the silver market and tying up over $35 billion worth of bank resources. Exxon taking over this, that, and the other from another corporation; giant eating up giant and involving and tying up billions and billions of banking resources that are supposed to be for the purpose of firing the engines of industry and production in America, because Americans have lost the power to determine who allocates credit and for what purpose.

Item 7: Japan's Sumitomo Bank was a guarantor of bonds for the University of Virginia. The internationalization of capital has become endemic under this administration. From 1981 to the present, we have been converted from a producing nation to the dumping ground of the world.

In those same years, we have become not a creditor, but a debtor nation. Of course it has awesome significance, for it means that we are, as I say and repeat, at the mercy of fickle foreign interests. Some of whom are former conquered enemies. Are we so naive and gullible as to think that a conquered people think they are anything else? Are we so gullible and so childish as to believe for one-half second that they will be thinking of the national interests of the United States or their own and to try and emerge from their submission as conquered nations?

History shows that anyone that believes that believes anything, including the tooth fairy. These megacorporations, under this administration, have spread their operations in tremendously new ways. As I pointed out, and I have just skimmed the surface today on these items, I intend as we go along to pursue on a specific, as they used to say during the impeachment uproar, "specificity." Because I have also reintroduced my resolution of impeachment of Chairman Volcker. I have also, in past sessions, specified specific acts that anybody in that Constitutional Convention in the 1780's, in grasping for the words in which they would draft that section in the Constitution providing for the impeachment of Federal officials, would clearly say that is the reason they put it in the Constitution. That is, so there could be a reach to a public official or quasi-public official who might have arrogated, directly or indirectly, tremendous powers without accountability. Impeachment is the answer.

Nobody is exempted. Now, Mr. Volcker might think that, since he and the practices do not consider them Federal officials. I have news for them: Under the precedents that I have studied and have researched quite vigorously, Mr. Volcker would be very much amenable.

Now, I know that sounds bombastic, and I know that is the way it sounded when I first introduced the measure, but some day, and perhaps it will be too late by then, there will be a fuller realization, and perhaps a far more sympathetic understanding as to the reasons why I would be motivated. I have never in my legislative history—and I might remind my colleagues that I have served 3 years on the local legislative body known as a city council in the city of San Antonio, and 5 years privileged to represent the 26th senatorial district in the Texas State Senate, and 24 years here—and never

once, even my worst detractors cannot point to one line in which I have acted either with levity or with any kind of an emotional purpose in mind to arouse passions unnecessarily or to arouse anger and resentment against some other individual.

□ 1300

My actions have been dictated and motivated only after very careful and long-time research. I might remaind my colleagues that I had the same reaction when I introduced for the first time in the history of the Congress a resolution not to investigate, as it was later distorted—and I might remind my colleagues that I have reference to the so-called ad hoc committee or the Select Committee on Assassinations. My intention was that the Congress had a responsibility. It has always exerted it in the whole course of the history of the Congress, since the first one in 1789.

In fact, at the height of the Civil War, when some of my colleagues got nervous about 5 years ago when I introduced a resolution informally suggesting that the Congress review the conduct of the Vietnam war. Well, at the height of the Civil War, this House of Representatives had a select committee doing exactly that, reviewing the conduct of the war, and nobody thought that it was untoward or divisive. It was a responsibility, since the Congress is the one, under the Constitution, to raise and provide for the armies, the raising of armies.

When I introduced a resolution in 1975, on February 14, it was thought ridiculous. It was misinterpreted. It was said that I intended to have an investigation as to the murder of John Kennedy, not realizing that my phraseology said "beginning with the assassination of John Kennedy and the assassination of Robert Kennedy, and the assassination of Martin Luther King, and the attempted assassination of the Governor of Alabama at the time, who was running for the Presidency."

Why did I phrase it that way? Because I felt that after 10 years of violence that had impacted our democratic processes, the Congress had an inescapable obligation to review and, if possible, seek some kind of a legislative approach or handle to try to diminish this awful thing of government by the bullet rather than by the ballot. But the thing, when it ended up, was another resolution, and then it became a sort of a whodunit type of thing, which I always felt was beyond the prerogatives of the Congress. It did not stipulate a legislative purpose I thought I had in mind.

I know that when I introduced that resolution, the first one of its kind, I was kind of ridiculed. But less than 7 months after its introduction, I had over 50 colleagues saying, "Hey, we heard from some constituent. We want to know what this is all about." I had invitations from Berlin newspapers, magazines, and even TV stations, Paris, France, Tokyo, Japan, because they thought, they understood, that I was seeking an assassination investigation of John F. Kennedy, where in Europe and in other places there had and continues to be a great deal of question. I said, "You have misinterpreted. It is not true. I cannot conduct an investigation. I have merely introduced a resolution."

Well, lo and behold, because of other conjunctions of events, as has always happened in my career, it becomes alive and kicking 2 weeks before the termination of that Congress in September. Then, of course, the rest is history, and it was not at all pleasant. It was one of the greatest crises I have beheld and confronted in my career, and it meant antagonizing the leaders of this body, my own party leaders, and then antagonizing others, but the basic reason was that I realized that as a Member of the House, and designated to be chairman in the beginning of the Congress in 1977, either I was a name or I was only a symbol because of a contentious, rather famous attorney who had been selected by my predecessor unilaterally to serve as chief counsel. I had to make that decision, and I made it. I am not so enamored of the position of chairmanship of anything. I did not run for the office of chairmanship or anything else. I ran for the position of the Representative of the 20th Congressional District of the State of Texas, and I came up here to partake in the legislative process, and that is it. And that is exactly what I do when I rise and I make these appeals, because time is awasting. It may be perhaps too late for some of the suggestions that I have presented to this Congress, some going back as long ago as 18 years ago, some further than that, 19 years ago, some 20 years ago, all having to do with what I claim is a recapturing for the American people their destiny of economic well being and freedom.

The American people are not economically free. We may have relative political freedom, but we do not economic. And sacrificed on the altars of greed have been what we call and have taken pride in designating as the American standard of living, the American way. I feel that just the specific items that I have brought out today will require some elaboration and some addition. There are other areas, because it is interconnected.

High interest rates are at the root cause, but why high interest rates? What causes it? What is the real reason? To hear some of these great financial leaders that have come before the committee, one would think high interest rates are an act of God, it is like a flood, it is like some uncontrollable natural event, but of course, it is manmade and, therefore, susceptible of manmade solution. The real basic reason is that once a people lose control to the most powerfully selfish interest of self-aggrandizement, who worship at the altars of aggrandizement and unconscionable profit would not hesitate 1 minute to exact almost what I call extortionate, indeed they are, in fact, extortionate rates of interest which are flagellating the American people. There is not a businessman I know back home or anywhere else, and I mean small businessmen, really small, who if he needs credit with the local bank can get a small loan, say $1,000 or $1,500, which to those businessmen is not small, it is substantial, at a lesser rate of interest than about 14 or 15 percent, and there is no way, no way, no way, no society, no people, no nation in the whole written history of the annals of mankind where you had that exaction that has been able to endure economically free. If we do not have economic freedom in the type of structured society that predominates the world today, what do we have?

□ 1310

I say that with that and the concomitant policies, why do we have the type of policy that results in what I started today's remarks with in Central and Latin America generally? The root causes again go back to this: In some circles in Latin America our troops are looked upon as the banks' collectors.

We talk about people who have suffered invasions. My grandfather led the North Mexican forces against the French invaders of Maximilian. Why were the French troops, the pride and glory of Napoleon III, in Mexico? They were exactly for that reason. They were trying to collect debts the Mexican Government and people were accused of reneging payment on.

We do not look upon ourselves that way, but that again gives rise to why I make my appeal to the privileged orders, those who have the true power of decision. Certainly nobody would say they reside in an individual, solitary Member of a 435-Member body. Certainly not. But our system is predicated on that one voice and that one vote being cast as a direct agent of the most direct kind ever devised in any country in immediate contact with the people who have chosen him or her to be their agent.

This is why there are the differences. You can be appointed a Member of the other body; of this one you cannot. The only way any one of us can get here is to be elected by the people back in that district. We cannot be appointed. There is a reason for that, and the reason is that this office is destined, construed, shaped, and structured to be in as direct and imme-

diate contact with the people as possible.

This is why they had the debate as to whether the terms of office of a Member of the House should be 2 or 3 years. That was the biggest debate, and the 3-year motion lost by one vote in the Constitutional Convention. But the reason was that they wanted this office to be a prime constitutional office, as directly accessible to the people as any human office could be designed to be. And when we become so distant that perhaps a Representative has to have a representative, then I think we are in bad straits, and when we compound the accretion of neglect and abdication of at least three decades, the past seems impossible.

But there is one saving grace, and that is the American people themselves. The American people themselves, as I witness it, are there, and they are smart enough and wise enough to know how to discern an issue if the issue is presented, if they are informed, if they have an understanding of the true nature of the issue involved. If not, we cannot blame the American people. But otherwise, in my opinion, that is the saving sap in this American tree of democracy or representative participatory democracy.

That is where I pitch my faith, and I wish I could share with my colleagues, as disparate as my words may sound to your ears, the number of telephone calls received from every single State of the Union. I never address an audience outside the confines of this body. I have been using this forum because this is what I have—one voice, one vote, and I make use of them. I have been using this forum since the second week after I was sworn into the House of Representatives, and not only since the proceedings have been covered by television.

Nevertheless, I wish I could share the response. Certainly these Americans have no direct connection with the 20th Congressional District of Texas, but it must be they are thinking of these issues and it must be that they are hearing something they are not accustomed to hearing during debate.

As I pointed out last week, it seems to me almost an act of negligence to discuss a $315 billion defense budget, which in my opinion is really a war budget, and based on an assumption that the world is the same as it was in 1946, with no mention of the fact that there has been no final treaty or resolution of World War II, without examining the predicate of the basis of this defense request in light of a completely changed and wholly new world.

I see a resurrection of policies that were bankrupt then, and certainly now. In 1929 we had the "gunboat diplomacy," now resurrected by our President whose mind-set seems to be 1946 with respect to Europe and 1929 with respect to Latin America generally. I say to my colleagues this is a disastrous error or profound significance. Even though we may have voted certain directional imperatives to the President, he is determined and at this present moment is surrounding Nicaragua with over 30,000 of our men in the air, on land, and on the sea.

On these exercises, now known as Pine Tree, I have dire feelings about the men, ranging all the way from those that have been allowed to go in to others like National Guard components. I noticed the Governor of California refused to let his National Guard go, and he is a Republican Party Governor, whereas my State's Governor, the Governor of Texas, allowed his National Guard to go. And we heard one of the most tragic utterances by one of the commanders, saying, "Well, the reason we want to get these men in particular from southwest Texas is that they are people that might understand the language of the people we are going over to in Honduras."

On examination, this is terrible. Why do we do it in the case of the so-called Hispanic? And that is a word I do not really like either, because I am really a Mexican-American. I do not really like the hyphenated word, either. I have always fought those who would have us use hyphenated Americanisms. I have always said that we are either Americans or we are not, and if I am not, I want to know who I am.

But I think it is terrible. We do not say that we are going to send troops to Germany, but we are going to try to select German-descended Americans who speak the language. We do not say that we are going to get members from our American society of the Jewish faith to send them over to the Middle East, or, for that matter, of Arabic descent. We do not say, "Well, we are going to send only Asiatic-descended members of our society to go and be one of the 45,000 troops we have in Korea." Yet this is being said and done right now in my backyard.

So I think that all of these are interconnecting developments. If we look at what we have lost, even with our next adjacent country, directly because of the miscalculated financial and economic judgments of our leaders in this country, we see that all of a sudden our balance of trade, which was the most favorable of all the countries we were trading with, with Mexico, is reversed, and we end up with over 20 percent unemployed up and down the border.

Now, I ask, what clearer evidence do we have of bankrupt policies than those? If we do not address the cause, we cannot hope to find a happy solution. And, of course, there are solutions. There is no good reason why we should consider following this course that is irreversibly set by this President, which, as I have said time after time, is pitting your children and my children and our grandchildren and great-grandchildren, yours and mine, in eternal enmity with the very neighbors we must share the New World with. It is inexorable, and there is no need for that.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. GONZALEZ] has expired.

□ 1320

A PRESIDENTIAL COMMISSION ON AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 30 minutes.

Mr. RAY. Mr. Speaker, I want to pay tribute to my colleague, the gentleman from Texas [Mr. GONZALEZ] for his concern about America, for his interest in expressing his concern and for his expertise in bringing them before the House in such an eloquent manner.

Mr. Speaker, just about any time we converse or gather in these times, it doesn't take very long for us to begin discussing the problems of America—problems such as agriculture; the social problems of our people, towns, and cities; the deterioration of the infrastructure of America; the national debt; the necessity of defense and the cost of it; our educational institutions; and the continued deterioration of the moral fiber of America.

I'm going to touch on a concern which I have that is growing daily, but first, I want to comment on "what's right about America." Too often, we get so wrapped up in obstacles and problems and fears about the prospects for the future that we lose sight of what we really have.

I'm proud to be an American and we can be grateful for the heritage which our forefathers left us, especially in our Nation's Capital where I, along with millions of others, feel a sense of pride every time I see the magnificient dome of the Captiol Building, or whenever I see the Jefferson, Lincoln, and Washington memorials and review the philosophy and the achievements in the history of those great leaders.

I recently went to Arlington Cemetery, with 325 school patrol students from Columbus, GA, and participated in laying a wreath at the Tomb of the Unknown Soldier. I was struck by the inscription on the tomb, "Here lies an American soldier, known but to God."

As I looked around at the thousands of white crosses and monuments of America's hallowed dead, who had given the utmost, their very lives, on behalf of all of us and our freedom, I was filled with a sense of pride and

peacefulness and I thanked God for this country and its principles.

You know we have the freedom to say what we think, to condemn the Government, without fear of being hauled away in the middle of the night to prison as happens in many countries, to workship as we please, to enter into the free enterprise system, and to succeed or to fail.

We can vote into or out of office representatives of government without fear of reprisal, and we only have to watch the evening news to realize it's not that way in many areas of the world.

The last paragraph of the unanimous Declaration of Independence of the 13 States of America signed on July 4, 1776, summed up—I might add at great risk and courage—the foundation of America as follows:

As free and independent States they have full power to levy war, conclude peace, contract alliances, establish commerce, and to do all other acts and things which independent States may of right do.

Mr. Speaker, there are many countries in this world who have lost these rights, and we have to as citizens of this great Nation remember that ours did not come to our forefathers without risk and must never be taken for granted.

Now I want to touch on an area of growing concern to me—the long-term dangers of the agricultural crisis which we face in America today, including the demise of our textile industry.

One of the most serious problems facing America in my opinion is the deep seated and mostly unrecognized danger involving our agriculture.

The immediate and short range problems are desperate and must be dealt with in order to save those farmers who can survive with assistance and time.

I am informed that we have three tiers of farmers, among less than 2 percent of our Nation today, and of those only 600,000 produce all of the food and natural fibers which our Nation consumes and exports.

The first of these three tiers is a group of farmers who are so deeply in debt that it is practically impossible for them to survive.

The second tier can survive, with cooperation from their financial sources and with favorable growing and marketing conditions over a few years.

The third tier, which is probably in the minority, has managed to remain financially solvent.

As we look toward the turn of the century, we can expect some rather disturbing events to take place in my opinion.

Of the 600,000 farmers producing food, the average age is 50 years.

We can expect their expertise to be sharply reduced in the next 15 years, as new generations shun a farming or agricultural career.

Therefore, it is likely that we will face a period in which the pipelines from farm to market will dry up and the food surpluses, which America is famous for, will disappear.

Should this occur, we would look to foreign sources for food and fiber, and I would imagine that the energy crisis of the 1970's would be somewhat mild compared to the panic that would occur in America, if our food supplies began to be limited.

Much of our textile fiber is used totally or in blended fashion, and of course is produced by agriculture.

I was astounded a few weeks ago when General Sennawald, commander of all the Army in the continential United States, testified before the Armed Services Committee, on which I sit, that there is not a single textile manufacturer in the United States who has the expertise to manufacture clothing to protect our soldiers from chemical warfare.

It is all imported from Great Britain.

As a result, I have been raising the question of the effect that a declining American agriculture and textile industry will have on our national security and I was further astounded to learn that it probably doesn't rank near the top areas of concern regarding national security at the present time.

I have brought together a committee of varied and specialized farmers and agribusiness people from the third district to channel their concerns, ideas, suggestions, and requests to me, in order that I can better represent agriculture in a more coordinated manner in the Congress.

Recently, in a meeting in Reynolds, GA, 19 members of this committee joined me in writing the President, expressing our concern and urging that he give consideration to convening a commission, such as the Greenspan Commission which saved Social Security.

The administration has expressed interest in this proposal, and I am presently working with Members of Congress to gather a list of about 60 qualified farmers, agricultural specialists, educational people, economists, and marketing and agribusiness people to present to the White House as potential candidates to discuss this idea further.

To encourage the President, I am planning to introduce a sense of the Congress resolution, urging him to convene this commission.

My concern is that 15 years down the road, our industry will have changed completely, or will be almost gone. Trade is a delicate situation and our country is involved in a great deal of agricultural trade for reasons that aren't strictly economic.

But, there is a tremendous danger for this country if we allow ourselves to begin importing more and more of our food and fiber. There is a fine line between foreign diplomacy and foreign dependency, and I don't want to see our country cross that line.

I used to be a farmer, but I don't consider myself an agricultural expert. So, I haven't tried to tell the President or the proposed commission what they should do or how they should do it. But, common sense tells me that the best way to handle this problem is to let the experts look at it. If this agricultural commission is formed, then the experts from all branches of farming will have a chance to work on a solution.

I will be introducing this legislation within a couple of weeks. I believe this is an idea that may be able to help us focus our agricultural efforts in this country and I hope my colleagues who share my concern in this area will join me in introducing this resolution.

THE SPACE HARVEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, Friday I had the privilege to preside as master of ceremonies at the annual Goddard Memorial Dinner in Washington, DC.

Each year the National Space Club honors an individual or individuals with its top award, the Goddard Memorial Trophy. President Reagan is the recipient for 1985 because of his leadership in America's space program by calling for the creation of a manned space station.

As master of ceremonies, I shared that I never cease to be amazed at the tremendous space achievements that we have made in recent years. Indeed, we have landed men on the Moon, landed spacecraft on Mars, returned pictures from Jupiter, and received signals from a Pioneer spacecraft as it left our solar system.

In addition to these technical achievements, I am impressed by the growing and tremendous potential offered by space commercialization ventures, especially those in the areas of developing and producing new materials and drugs.

I strongly support the innovative and visionary efforts by NASA and firms like 3M, McDonnell Douglas, Johnson & Johnson, Microgravity Research Associates, and others to explore and exploit the potential for space manufacturing.

Additionally, it is clear to me that achieving a fully operational space shuttle system and developing a permanently manned space station will be vital to the ultimate success of these space commercialization ventures.

Also, I believe that the establishment of NASA's Office of Space Commercialization will be truly beneficial to achieving the visionary aspirations that those in Government and industry have for space commercialization ventures.

Finally, I applaud the action taken by the President today to establish the National Commission on Space as mandated in last year's NASA authorization bill. This Commission should prove invaluable in helping us formulate our national space goals for the years ahead.

We are at the dawn of a new era—the decisions that Government and industry make over the next few years that will determine the extent by which the Nation as a whole benefits from the potentials offered by the new frontier of space.

The benefits of our decades of investment in space are there for the asking if we as a nation reach out to grasp them.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. NELSON of Florida, for 5 minutes, today.

(The following Member (at the request of Mr. LUNGREN) to revise and extend his remarks and include extraneous material:)

Mr. LUNGREN, for 5 minutes, today.

(The following Members (at the request of Mr. ECKART of Ohio) to revise and extend their remarks and include extraneous material:)

Mr. LUNDINE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. RAY, for 30 minutes, today.

Mr. RAY, for 30 minutes, April 2.

Mr. DASCHLE, for 60 minutes, April 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LUNGREN) and to include extraneous matter:)

Mr. GUNDERSON.

Mr. LENT.

Mr. EDWARDS of Oklahoma.

Mr. BROOMFIELD in two instances.

Mr. COURTER.

Mr. MILLER of Washington.

Mr. LEWIS of California.

(The following Members (at the request of Mr. ECKART of Ohio) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. HAMILTON in 10 instances.

Mr. DE LA GARZA in 10 instances.

Mrs. LLOYD in five instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. GONZALEZ in 10 instances.

Mr. PENNY.

Mrs. BOXER.

Mr. FRANK in three instances.

Mr. EDWARDS of California.

Mr. ST GERMAIN.

Mr. DYMALLY.

Mr. LAFALCE.

Mr. WISE.

SENATE BILL, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTION REFERRED

A bill, joint resolutions, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 781. An act to amend the Biomass Energy and Alcohol Fuels Act of 1980 to clarify the intention of section 221 of the Act; to the Committee on Banking, Finance and Urban Affairs.

S.J. Res. 15. Joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day"; to the Committee on Foreign Affairs and Post Office and Civil Service.

S.J. Res. 22. Joint resolution designating March 1985 as "National Mental Retardation Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 17. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 23. Joint resolution designating 1985 as the "year of Social Security"; to the Committee on Post Office and Civil Service.

S.J. Res. 28. Joint Resolution to designate the week of September 8 through September 14, 1985, as "National Independent Retail Grocer Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 29. Joint Resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 31. Joint Resolution to designate the week of November 24 through November 30, 1985, as "National Family Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 35. Joint Resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 48. Joint Resolution to designate the year of 1986 as the "Year of the Teacher"; to the Committee on Post Office and Civil Service.

S.J. Res. 50. Joint Resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week", and to designate April 7, 1985, as "World Health Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 53. Joint Resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 58. Joint Resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 60. Joint Resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 61. Joint Resolution to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of U.S. weather satellites; to the Committee on Post Office and Civil Service.

S.J. Res. 65. Joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 70. Joint resolution to proclaim March 20, 1985, as "National Agriculture Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 72. Joint resolution to designate October 16, 1985, as "World Food Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 79. Joint resolution to designate April 1985, as "Fair Housing Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 80. Joint resolution to authorize and request the President to designate the month of May 1985, as "National Physical Fitness and Sports Month"; to the Committee on Post Office and Civil Service.

S. Con. Res. 9. Concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care; to the Committee on Post Office and Civil Service.

ENROLLED JOINT RESOLUTIONS

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 121. Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month";

H.J. Res. 134. Joint resolution authorizing and requesting the President to designate the week of March 10 through 16, 1985, as "National Employ-the-Older-Worker Week";

H.J. Res. 160. Joint resolution designating March 22, 1985, as "National Energy Education Day"; and

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on March 29, 1985, present to the President, for his

approval, a joint resolution of the House of the following title:

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

ADJOURNMENT

Mr. NELSON of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 35 minutes p.m.), the House adjourned until tomorrow, Tuesday, April 2, 1985, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1984, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804

OFFICE OF THE
ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, March 22, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85-804, enclosed is the calendar year 1984 report on *Extraordinary Contractual Actions to Facilitate the National Defense.*

Section A, Department of Defense Summary, shows that 51 contractual actions were approved and that 12 were disapproved. Included in the number approved are 50 actions for which the Government's liability is contingent and cannot be estimated.

Section B presents those actions which were submitted by the Navy and Air Force with an estimated or potential cost of $50,000 or more. A list of contingent liability claims is also included. The Army and Defense Logistics Agency reports indicated that no actions of $50,000 or more were approved; and the Defense Nuclear Agency reported no actions.

One contract has been omitted pursuant to Section 4(a) of the Act.

Sincerely,

D.O. COOKE,
Deputy Assistant Secretary of Defense.

CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER, 1984

SECTION A—DEPARTMENT OF DEFENSE SUMMARY

Department and type of action	Actions approved: Number	Actions approved: Amount requested	Actions approved: Amount approved	Actions denied: Number	Actions denied: Amount
Department of Defense—Total	51	0	0	12	$29,230,125
Amendments without consideration	[1]1	0	0	9	11,256,800
Correction of mistakes	0	0	0	3	17,973,325
Contingent liabilities	50	0	0	0	0
Army—Total	0	0	0	3	17,926,192
Amendments without consideration	0	0	0	1	1,098
Correction of mistakes	0	0	0	2	17,925,094
Navy—Total	40	0	0	5	699,337
Amendments without consideration	[1]1	0	0	4	621,106
Correction of mistakes	0	0	0	1	48,231
Contingent liabilities	39	0	0	0	0
Air Force—Total	1	0	0	3	4,745,170
Amendments without consideration	0	0	0	3	4,745,170
Contingent liabilities	11	0	0	0	0
DLA—Total	0	0	0	1	5,899,426
Amendments without consideration	0	0	0	1	5,899,426
DNA—Total	0	0	0	0	0

[1] This is an action not involving specific dollar costs.

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1984

SECTION B—DEPARTMENT SUMMARY

U.S. ARMY

Type of action and contractor	Amount requested	Approved

The report of extraordinary contractual actions from the U.S. Army indicated that no actions of $50,000 or more were approved.

U.S. NAVY

CONTINGENT LIABILITIES

Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 39 contracts (the potential cost of the liabilities cannot be estimated inasmuch as the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor	Number of Contracts
General Dynamics Corp.	21
General Electric Co.	4
Honeywell, Inc	1
Newport News Shipbuilding & Drydock Co.	3
Rayhtheon Co	1
Rockwell International Co	2
The Singer Corp	1
Vitro Corp	2
Westinghouse Electric Corp	4
Total	39

U.S. AIR FORCE

CONTINGENT LIABILITIES

Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 11 contracts (the potential cost of the liabilities cannot be estimated inasmuch as the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor	Number of Contracts
Aerojet Strategic Propulsion Co	1
Boeing Co	2
General Electric Co	1
Honeywell, Inc	1
Martin Marietta Corp	2
Morton Thiokol, Inc	1
Northrop Corp	1
TRW, Inc	2
Total	11

DEFENSE LOGISTICS AGENCY

Type of action and contractor	Amount requested	Approved

The report of extraordinary contractual actions from the Defense Logistics Agency indicated that no actions of $50,000 or more were approved.

DEFENSE NUCLEAR AGENCY

Type of action and contractor	Amount requested	Approved

No extraordinary contractual actions were reported for 1984 by the Defense Nuclear Agency.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

917. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of a proposed letter of offer to Thailand for defense articles estimated to cost $50 million or more (Transmittal No. 85-20), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

918. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notification that the study of the T-2 aircraft maintenance functions at Beeville and Kingsville, TX, and Meridan, MS, have shown contractor performance to be cost effective, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(b) (96 Stat. 747)); to the Committee on Armed Services.

919. A letter from the Deputy Assistant Secretary of Defense, transmitting a report on extraordinary contractual actions to facilitate the national defense, pursuant to Public Law 85-804, section 4; to the Committee on Armed Services.

920. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the 1984 annual report of the Financial Institutions Examination Council; to the Committee on Banking, Finance and Urban Affairs.

921. A letter from the Presiding Officer, Advisory Council on Education Statistics, Department of Education, transmitting the annual report for 1984 of the National Center for Education Statistics, pursuant to GEPA, section 406(d)(1) (88 Stat. 556); to the Committee on Education and Labor.

922. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances

Control Act, as amended, for 2 years; to the Committee on Energy and Commerce.

923. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting, a notice of intent to approve certain commercial technical assistance or manufacturing licensing agreements in non-NATO countries, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

924. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Air Force's proposed letter of offer to Thailand for defense articles and services (Transmittal No. 85-20), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

925. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on political contributions by Donald S. Lowitz, to be the U.S. representative to the Conference on Disarmament with rank of Ambassador, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

926. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for George Southhall Vest, of Virginia, to be the Director General of the Foreign Service and Director of Personnel, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

927. A letter from the Comptroller General of the United States, transmitting a report on the examination of the Senate Building Beauty Shop financial statements for fiscal years ending February 29, 1984, and February 28, 1983 (GAO-AFMD-85-37), pursuant to 40 U.S.C. 193m-1; to the Committee on Government Operations.

928. A letter from the Assistant Secretary of State for Administration, transmitting a report of a new system of records entitled the "Secretary Access Control System Records, STATE-54.," pursuant to 5 U.S.C 552a(o); to the Committee on Government Operations.

929. A letter from the Chairman, National Transportation Safety Board, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

930. A letter from the Chairman, Federal Trade Commission, transmitting an evaluation of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

931. A letter from the Chairman, Council on Environmental Quality, Executive Office of the President, transmitting an evaluation of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

932. A letter from the Chairman, National Transportation Safety Board, transmitting a report on compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

933. A letter from the Chief, Program Liaison Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Air Force has suspended the General Electric Co. from obtaining any new contracts with the Government; to the Committee on Government Operations.

934. A letter from the Deputy Assistant Secretary of Defense, transmitting notice for a computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

935. A letter from the Secretary, Federal Trade Commission, transmitting an evaluation of activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

936. A letter from the Chairman, Federal Maritime Commission, transmitting the 23d annual report of the Federal Maritime Commission for the fiscal year ended September 30, 1984, pursuant to the act of June 29, 1936, chapter 858, section 208 (90 Stat. 380); to the Committee on Merchant Marine and Fisheries.

937. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report dated July 2, 1984, from the Chief of Engineers, Department of the Army, together with other pertinent reports, pursuant to Public Law 89-789, section 209; Public Law 90-483, section 219; Public Law 91-611, sections 216 and 217; Public Law 93-251, section 76; Public Law 94-587, section 150(b) (H. Doc. No. 99-49); to the Committee on Public Works and Transportation and ordered to be printed.

938. A letter from the Chairman and Board of Directors, Tennessee Valley Authority, transmitting the 51st annual report of activities of the TVA during the fiscal year ending September 30, 1984, pursuant to the act of May 18, 1933, chapter 32, section 9(a) (90 Stat. 377); to the Committee on Public Works and Transportation.

939. A letter from the Chairwoman, U.S. International Trade Commission, transmitting its 41st annual report on trade between the United States and the nonmarket economy countries, pursuant to 19 U.S.C. 2440; to the Committee on Ways and Means.

940. A letter from the Board of Trustees, Federal hospital insurance trust fund, transmitting the 1985 annual report of the Board of Trustees of the Federal hospital insurance trust fund, pursuant to SSA, sections 201(c)(2), 1817(b)(2), and 1841(b)(2) H. Doc. No. 99-47; to the Committee on Ways and Means and ordered to be printed.

941. A letter from the Board of Trustees, Federal old-age and survivors insurance and disability insurance trust funds, transmitting the 1985 annual report of the Board of Trustees of the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund, pursuant to SSA, Sections 201(c)(2), 1817(b)(2), and 1841(b)(2) (H. Doc. No. 99-46); to the Committee on Ways and Means and ordered to be printed.

942. A letter from the Comptroller General of the United States, transmitting the examination of the office of the attending physician revolving fund's financial statements for fiscal years ending September 30, 1984 and 1983 (GAO/AFMD-85-32), pursuant to Public Law 94-59, title III (89 Stat. 283); jointly, to the Committees on Government Operations and House Administration.

943. A letter from the Board of Trustees, Federal supplementary medical insurance trust fund, transmitting the 1985 annual report of the Board of Trustees of the Federal supplementary medical insurance trust fund, pursuant to SSA, sections 201(c)(2), 1817(b)(2), and 1841(b)(2) (H. Doc. No. 99-48) jointly, to the Committees on Ways and Means and Energy and Commerce and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS (for himself, Mr. RODINO, Mr. GEKAS, Mr. FISH, Mr. FRANK, Mr. BERMAN, Mr. BOUCHER, and Mr. LUNGREN):

H.R. 1847. A bill to amend title 28, United States Code, with respect to the U.S. Sentencing Commission; to the Committee on the Judiciary.

By Mr. BERMAN (for himself, Mr. BEILENSON, Ms. FIEDLER, Mr. LEVINE of California, and Mr. WAXMAN):

H.R. 1848. A bill to amend the National Parks and Recreation Act of 1978 to extend the time period during which the State of California may apply for certain grants for acquisition of lands and waters and development of essential public facilities in the Santa Monica mountains zone; to the Committee on Interior and Insular Affairs.

By Mr. BROYHILL:

H.R. 1849. A bill to extend for 5 years the existing temporary duty-free treatment of machines designed for heat set, stretch texturing of continuous manmade fibers; to the Committee on Ways and Means.

By Mrs. COLLINS:

H.R. 1850. A bill to amend the Arts and Artifacts Indemnity Act to increase the aggregate of loss or damage covered at any one time by indemnity agreements made under such act; to the Committee on Education and Labor.

By Mr. COUGHLIN:

H.R. 1851. A bill entitled, the "Professional Football Stabilization Act of 1985"; to the Committee on the Judiciary.

By Mr. COUGHLIN (by request):

H.R. 1852. A bill entitled, the "Health Care Cost Containment Act of 1985"; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 1853. A bill to permit certain Federal employees who retired or became entitled to receive compensation for work injury before December 9, 1980, to elect to resume coverage under the Federal employees' group life insurance program; to the Committee on Post Office and Civil Service.

By Mr. HUGHES (for himself, Mr. LENT, Mr. HOWARD, Mr. CARPER, Mr. SAXTON, Mrs. SCHNEIDER, and Mr. THOMAS of Georgia):

H.R. 1854. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Merchant Marine and Fisheries.

By Mr. LANTOS (for himself, Mr. FROST, Mr. HAWKINS, Mr. MITCHELL, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. OWENS, and Mr. STOKES):

H.R. 1855. A bill to provide for requirements and procedures applicable to automobile warranties; to the Committee on Energy and Commerce.

By Mr. LELAND (for himself, Mr. PANETTA, Mr. HAWKINS, Mr. TRAXLER, Mrs. BURTON of California, Mr. MORRISON of Connecticut, Mr. KILDEE, Mr. YOUNG of Alaska, Mr. GEJDENSON, Mr. WEISS, and Mr. FAZIO):

H.R. 1856. A bill to extend and improve domestic food programs; jointly, to the Committees on Education and Labor and Agriculture.

By Mr. LUNDINE (for himself, and Mr. BONIOR of Michigan):

H.R. 1857. A bill to amend the Export-Import Bank Act of 1945 to provide competitive export financing; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1858. A bill to promote industrial revitalization in the United States by establishing an Economic Cooperation Council which will collect and analyze economic data and make recommendations regarding actions which can be taken to improve the competitiveness and economic vitality of U.S. industries and by establishing the Industrial Modernization and Financing Association and the Federal Industrial Loan Corporation which will assist in providing financing for the long-term development of U.S. industries; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1859. A bill to reform the trade laws of the United States to help facilitate international trade, to strengthen the enforcement of U.S. trade rights, and provide more effective remedies for U.S. industries and workers to address injurious international trading practices; to the Committee on Ways and Means.

H.R. 1860. A bill to stabilize the international financial system and to stimulate international growth and development; jointly, to the Committees on Banking, Finance and Urban Affairs; Foreign Affairs; and Ways and Means.

By Mr. WOLF:

H.R. 1861. A bill to establish the Commission on the Centennial Review of the Civil Service; to the Committee on Post Office and Civil Service.

By Mr. BONER of Tennessee:

H.J. Res. 222. Joint resolution to designate the month of September 1985 as "National Sewing Month"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL:

H. Con. Res. 105. Concurrent resolution concerning the United States-Japan trade; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H. Res. 118. Resolution authorizing the House Administration Committee to investigate, recount, and report all contested elections for the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

57. By the SPEAKER: Memorial of the Legislature of the State of Idaho, relative to loans to the Soviet Union; to the Committee on Banking, Finance and Urban Affairs.

58. Also, memorial of the Legislature of the State of Idaho, relative to Afghanistan; to the Committee on Foreign Affairs.

59. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to unemployment compensation benefits; to the Committee on Ways and Means.

60. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to nuclear waste policy; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BURTON of California:

H.R. 1862. A bill for this relief of Richard John Longstaff; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 1863. A bill for the relief of O. Edmund Clubb; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 1864. A bill to provide that certain claims of Bobby R. Prince of Fort Smith, AR, against the United States under the tort claims provisions of title 28, United States Code, shall not be barred in a civil action brought within 1 year after enactment of this bill; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 75: Mr. DIOGUARDI.

H.R. 75: Mr. DIOGUARDI.

H.R. 76: Mr. LEATH of Texas and Mr. CRAIG.

H.R. 469: Mr. WHITEHURST.

H.R. 521: Mr. KANJORSKI, Mr. SPENCE, Mr. LIPINSKY, and Mr. THOMAS of Georgia.

H.R. 539: Mr. BRYANT, Mr. STRATTON, Mr. WORTLEY, Mr. HERTEL of Michigan, and Mr. SNYDER.

H.R. 696: Mr. BADHAM, Mr. HORTON, Mr. MARTINEZ, Mr. WHITLEY, Mr. HENRY, Mr. BEREUTER, Mr. DENNY SMITH, Mr. BURTON of Indiana, and Mr. PANETTA.

H.R. 748: Mr. FRANKLIN, Mrs. VUCANOVICH, and Mr. BOEHLERT.

H.R. 816: Mr. WOLF.

H.R. 1123: Mr. ADDABBO, Mrs. BENTLEY, Mr. BUSTAMANTE, Mr. GRAY of Pennsylvania, Mr. HATCHER, Mr. KLECZKA, Mr. LANTOS, Mr. ROE, Mr. SAVAGE, Mr. MONSON, and Mr. HUGHES.

H.R. 1340: Mr. DASCHLE, Mr. LEVINE of California, and Mr. KEMP.

H.R. 1436: Mrs. BENTLEY.

H.R. 1552: Mr. MCEWEN, Mr. GARCIA, Mr. MCCURDY, Mr. CONYERS, Mr. WALKER, Mr. HILER, Mr. HUGHES, Mr. LEHMAN of California, Mr. SAXTON, Mr. MILLER of Washington, Mr. SOLOMON, Mr. KOLBE, Mr. LAGOMARSINO, Mr. HENRY, Mr. DIOGUARDI, Mr. HUNTER, Mr. KOLTER, Mr. HARTNETT, Mr. CLINGER, and Mr. BROWN of Colorado.

H.J. Res. 151: Mrs. HOLT, Mr. SISISKY, Mr. SLAUGHTER, Mr. EDWARDS of Oklahoma, and Mr. MURPHY.

PETITIONS, ETC.

Under clause 1 of rule XXII,

72. The SPEAKER presented a petition of the City Council of Saginaw, MI, relative to the President's budget proposal; which was referred to the Committee on Government Operations.

SENATE—*Monday, April 1, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

O give thanks unto the Lord; call upon His name; make known His deeds among the people. Sing unto Him, sing psalms unto Him; talk of all His wondrous works. Glory in His holy name; let the heart of them rejoice that seek the Lord—Psalm 105:1-3

We worship and adore You, Almighty God—not that You need our worship, but we need to worship You. We are made to glorify You; our nature demands it. We are not just body and brain as the animal; we are human with soul to seek You and heart to love You and rejoice in Your reality .

In gratitude we contemplate and celebrate the two great Biblical events that this week recalls—Passover and Easter. We praise You, Eternal Lord, for the deliverance, freedom, resurrection and life which these events commemorate. We thank You for the gracious hope which they instill within us. Bless you, O Lord our God. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, to apprise our colleagues of the business today, under the standing order the leaders each have 10 minutes, followed by special orders not to exceed 15 minutes each for the following Senators: GORTON, HATFIELD, EVANS, STEVENS, and PROXMIRE. I ask unanimous consent that the special orders allocated to Senators HATFIELD, EVANS, and STEVENS be under the control of the Senator from Washington [Mr. GORTON].

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

Mr. DOLE. Following the special orders, there will be routine morning business not to extend beyond 2 p.m. with statements therein limited to 5 minutes each.

Following the conclusion of morning business, it will be the intention of the majority leader to turn to any legislative or executive items cleared for action. There is still some hope we might be able to dispose of S. 413, the war risk insurance bill, and maybe the Export Administration 90-day extension. We would like to do that, obviously without floor amendments, hopefully either today or, if not, later in the week.

Tomorrow, April 2, we hope to turn to the consideration of the conference report to accompany H.R. 1239, the urgent supplemental African famine relief appropriations bill, and again hopefully under a time agreement that no amendments be in order to the amendments in disagreement. Therefore, rollcall votes could occur.

On Wednesday, depending on what the House does, an extension of the Federal Supplemental Compensation Program could come before the Senate. I am not certain at this time what, if any, action will be taken.

It will also be our intention to take up a bill reported out of the Finance Committee dealing with auto recordkeeping. That would be the repeal of contemporaneous recordkeeping requirements. I think there is a broad interest on both sides of the aisle. I know Senator ABDNOR, from South Dakota, and others have indicated the necessity of taking that up this week if we can.

So I would guess in all candor there is not a great deal that may happen this week unless we get into a situation on the floor where we have a number of amendments on both sides of the aisle on any bill that we bring up. So I would say to my colleagues that it now appears we could have rollcall votes tomorrow and possibly on Wednesday. I do not believe there will be a rollcall vote today, but that might depend on whether or not we can clear the war risk insurance bill or the Export Administration extension.

I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Democratic leader is recognized.

FEDERAL SUPPLEMENTAL COMPENSATION

Mr. BYRD. Mr. President, I thank the distinguished majority leader for laying out the program as he sees it for the week. Is the distinguished majority leader in a position to say definitely that, when the House sends over a measure extending the Federal Supplemental Compensation Program, the measure will be called up so that the Senate can take action and hopefully the President can sign legislation that would provide for the extension?

Mr. DOLE. I am not prepared to say that at this point. I would need to consult with the chairman of the Senate Finance Committee, Senator PACKWOOD. As I recall—I have not checked—he was entertaining a markup tomorrow. The Finance Committee may not be willing to go as far as the House would go on extending the FSC Program, but they may at least, move to make certain that those who are already eligible and receiving benefits now would not be terminated immediately. The proposal they are scheduled to consider would cost about $100 million. But I will check and make that announcement hopefully later today.

Mr. BYRD. I thank the distinguished majority leader.

Mr. President, I hope the Senate will be able to act on an extension of the FSC. As I understand it, after listening to and reading media reports, the President is opposed to an extension of the FSC. Perhaps the distinguished majority leader would be in a better position to comment on this than I am. Perhaps I should ask the distinguished majority leader that question, if he knows what the President's position is and, if so, am I correct in what I understand?

Mr. DOLE. Based again on the response the President gave at a press conference last week and based on conversations with White House personnel, it is also my understanding the President is opposed to an extension. It is not clear at this point where the President might come down if we simply permitted those who are now receiving benefits to exhaust those benefits. I hope in that case the President might be willing to sign such legislation.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. President, the position that the President apparently takes in this regard is that he would be opposed to an extension and suggests instead that there are job training programs to which those individuals whose unemployment compensation will have expired may apply. He is suggesting job

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

training on the one hand while opposing the extension of Federal supplemental compensation on the other. Now, on the surface, that may appear to be a reasonable thing, but what the President is not saying is that his administration is also recommending further cuts in job training.

People who are in need and whose benefits will terminate and who will have a difficult time scraping for something with which to feed their families, should know that the President either does not know that his own administration has recommended cuts in job training or he is being disingenuous. Take whichever of the two you prefer. That is the situation as I understand it. If it is not, someone can correct me.

That being the situation, I do not think it is fair for the President to say, on the one hand, "We oppose extension of unemployment compensation, and people can fall back on job training," when it is a fact that his administration is proposing cuts in job training.

I want to voice the hope that the distinguished majority leader will be able to call up the legislation extending the program when the House sends it over. I, myself, am not interested in offering nongermane amendments to that measure, but I hope we could have an opportunity—those of us who may want to try to amend the House action, whatever it may be—to amend it so that we can perhaps come out with a better program than what may appear to a last resort that would be offered to us. What I am saying is that I hope we would have an opportunity to amend the subject matter with relevant and germane amendments. As to offering nongermane amendments, I am not saying that I can get an agreement to limit such a bill to germane amendments.

I thank the distinguished majority leader.

Mr. President, do I still have some time?

The PRESIDING OFFICER. The minority leader has 3½ minutes.

Mr. BYRD. I yield that time to the distinguished majority leader.

Mr. DOLE. Mr. President, let me suggest that we will try to accommodate the distinguished minority leader. I will be checking with the appropriate administration officials.

I do know that there are probably some who would offer nongermane amendments. Perhaps they can be dissuaded, and perhaps we can work out some arrangement on unemployment benefits.

I think it is also fair to say that nothing prevents the States, some of which are flush with money, from giving additional benefits. The State of Maryland already has done that. The State of Oregon is doing that. There may be others, but we can debate that later. It is the Federal Government that is out of money.

I know the expiration of the FSC Program works a hardship on many unemployed workers—in the neighborhood of 300,000 or 350,000. So I suggest that even though the Federal Government does not act, that should not preclude action by State governments, many of which are talking about tax cuts, massive tax reductions, because of their surpluses. This might be an opportunity for them to address a real problem.

In any event, we will be working on that, and I will keep the minority leader advised.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I understand the reasoning of what he has just said.

The legislative bodies of some States, however, will not be meeting at this time. Some have scheduled meetings in odd-numbered years; some have meetings in even-numbered years, and some meet every year. I think that might be a problem with some of the State legislatures.

In addition, I think this is the kind of thing that should be a standard measure throughout the country. Otherwise, it would end up being a situation which is pretty much like the present situation now in regard to extended benefits and supplemental benefits. As I understand it, the extended benefits program is beneficial to only three States that now meet the eligibility requirements. So we have a kind of patchwork situation now: The basic unemployment insurance; then extended insurance for which only three States, including my own, can apply; and then we have the third tier, which is the supplemental.

A third of the States now have unemployment rates that are above the national average, certainly above 8 percent, as I understand it. My State still has the dubious distinction of leading the 50 States in that regard. We still have about 16 percent unemployment.

I thank the distinguished majority leader.

RECOGNITION OF SENATOR GORTON

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, is this pursuant to a special order; and if so, under what terms and conditions?

The PRESIDING OFFICER. The Senator from Washington now controls four special orders, pursuant to previous orders, for a total of 1 hour.

Mr. GORTON. I thank the Chair.

EIGHTIETH BIRTHDAY OF FORMER SENATOR WARREN MAGNUSON

Mr. GORTON. Mr. President, I sought to set aside an hour today so that my colleagues and I could take the opportunity to pause for a few minutes from the hectic pace of the Senate to salute Warren Magnuson on his 80th birthday, which will occur on April 12, while we are in recess.

Mr. President, no Senator in this century, perhaps in the history of our Nation, has ever had, in one sense a more difficult, and yet, in another, an easier task than I have had replacing my predecessor—Warren G. Magnuson. It has been difficult because few Senators have had to replace someone whose record of service to his country and his State was as long and as honorable as that of Warren Magnuson. On the other hand, it has been easy because few Senators have ever had as clear and as broad a trail of service blazed for him by his predecessor. One cannot proceed anywhere through our Federal laws or Government without finding his footprints. In some areas, such as health, consumer affairs, and fisheries, his presence still dominates the landscape.

The legislation extending this Nation's jurisdiction 200 miles off our shores to include the world's most productive fishing grounds is proudly and properly named the Magnuson Act.

Health science facilities from the National Institutes of Health in Bethesda to the University of Washington in Seattle bear his name.

One of our most basic consumer protection laws is the Magnuson-Moss Act. Simply put, Warren Magnuson has left an enduring and valued mark on our society matched by few others.

For example, Senator Magnuson was the first Member of this body to advocate recognition of the People's Republic of China.

A second and more personal reason why his trail has been easy to follow is the consistently generous time and good counsel he has shared with me on numerous occasions since 1980. Perhaps nothing in his career shows what a true statesman he is, and shows his love for Washington State more, than the fact that several times every year he has provided the person who replaced him the benefit of his wisdom and perspective and the delight of his company and experiences.

Warren Magnuson spent almost half a century in these Chambers attempting to put America first and Washington State second; partisanship and special, narrow interests are not his legacy.

Warren Magnuson spent half a century in Washington, DC, seeking to unite the State and the Nation.

Warren Magnuson spent half a century in Washington, DC, never stint-

ing of himself or his efforts when they could help people as broad classes or as individuals looking for thoughtful constituent services.

Those have been the hallmarks of effective public service which I have tried to take to heart and which have been burned indelibly in my mind—and they will continue as long as I am in the Senate.

Should God grant me even half the years in the Senate that Warren Magnuson was granted, and if the voters grant me the same privilege, I hope to follow his trail. I would be flattered and honored if some day I were regarded as the kind of Senator who we all know that Warren Magnuson was.

Maggie, we all wish you a very happy 80th birthday and many more to come.

Mr. President, I ask unanimous consent, if it is appropriate pursuant to these special orders set aside for me, that up to 5 minutes be granted to any other Member of the Senate during that period of time to speak on the same subject as he or she wishes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized.

Mr. EVANS. Mr. President, I am proud to join with my colleague from the State of Washington to honor Warren Magnuson on his 80th birthday.

He served in this body for almost 40 years and, as my colleague has pointed out, served in Congress for almost half a century, a half century of enormous change in this country, a half century of a new deal, of a world war, of several conflicts after that, of the great society program; and during that period of time, Warren Magnuson always was a good friend not only of the Nation and the people he represented but of the State of Washington.

I had the privilege during 12 of those years serving as Governor of the State of Washington to meet with Warren Magnuson on many, many occasions on behalf of issues which were important to the State. Never did I find him do anything but the utmost to be of service, help, and usually of leadership in providing for the needs of our State.

Hardly anyone, however, knows him as Warren Magnuson. He has been Maggie to his voters and constituents in the State of Washington, to his colleagues in the Senate, and to his friends for many, many years.

He never became pompous or self-important, but he perhaps like only a few in this body really became a Senator's Senator, thoroughly at home in these Chambers, thoroughly at home in the use of power, thoroughly at home in the understanding of what it took to put together the coalitions and the necessary votes for important issues, but I think he will be mostly remembered because he cared very much about people who have little power, people who needed help, people who were poor and homeless and sick, and the reason his name is on so many medical facilities is not because of the appropriations he gained for those facilities but because he cared, cared personally about those people and their problems.

The stories about and by Maggie are legion. But I think that I enjoy most one that happened to me when I visited Warren Magnuson shortly after he became President pro tempore of the Senate. He told me that a special phone had been put in his office shortly after he became President pro tempore, and he showed me the phone and said that the first time he saw it he went over and picked up the phone and immediately a voice came over saying, "The White House," and he was so flustered he said, "I've got the wrong number," and hung up, and, of course, he laughed uproariously at himself for a story that I think perhaps as well as any showed him as a man of no pretentions, no pompousness, but it reflected the reality of Maggie.

I join with my colleagues in the Senate in extending the happiest of birthday celebrations to Warren Magnuson on 40 full and productive years and he still, after 80 years, is offering advice and help to those of us who are struggling to serve the people of the Nation.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, it is a pleasure to honor our former colleague from the State of Washington, Senator Warren G. Magnuson, on the celebration of his 80th birthday. Because I served with him on the Appropriations and the Commerce, Science, and Transportation Committees, I came to know him well. With every hearing, markup, and debate, my admiration and respect for him deepened. I miss him, and so does our Nation.

Senator Magnuson led the fight for a clean, healthful environment before it became a popular cause; he championed the cause of the consumer before the consumerism movement was formed; he fought for civil rights and racial equality in our immigration laws and was criticized for doing so; he had the foresight to advance health programs that improved the welfare and prolonged the lives of millions; he and our late colleague Henry "Scoop" Jackson provided the State of Washington and our Nation with statesmen of the highest international stature.

As a small gesture of our profound respect and deep affection for Senator Magnuson, the Senate Democratic Conference on March 26 adopted a resolution honoring Maggie on his birthday celebration.

Mr. President, I ask unanimous consent that the text of the conference resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION HONORING WARREN G. MAGNUSON

Whereas, the Honorable Warren G. Magnuson will be celebrating his 80th birthday on April 12, 1985;

Whereas, the former Democratic Senator from Washington is remembered by his colleagues as exemplifying the highest ideals and goals of our nation's lawmakers;

Whereas, during his chairmanship of the Committee on Commerce, Science and Transportation from 1955 through 1977 more than 200 measures authored by Senator Magnuson became law, among them landmark legislation improving consumer protection, environmental policy, and transportation;

Whereas, Senator Magnuson's initiatives included the establishment of the Consumer Product Safety Commission, Amtrak, Conrail, the National Science Foundation, truth in advertising and packaging laws, protection of oceans against waste disposal, automobile safety requirements, and many other major measures;

Whereas, as a member and later Chairman of the Appropriations Committee, Senator Magnuson authorized measures to substantially improve national health programs by establishing the National Institutes of Health, the National Cancer Institute, and the National Health Service Corps;

Whereas, Senator Magnuson actively supported his Democrat colleagues as Chairman of the Democratic Senatorial Campaign Committee and served as an unofficial but influential advisor to President Franklin D. Roosevelt;

Whereas, the first measure enacted to abolish racial discrimination in modern American immigration law—the repeal of anti-Asian exclusion laws—was authored by Senator Magnuson;

Whereas, the legacy of Senator Warren G. Magnuson epitomizes the highest ideals of the Democratic Party, and whereas the many legislative achievements of Senator Magnuson serves as a standard by which current and future senators can be measured, but cannot hope to equal;

Be it resolved, that the Senate Democratic Conference honors the historic accomplishments of Senator Magnuson, extends our warmest birthday wishes to Maggie, and sends our warmest hopes for health, happiness and contentment to the Magnuson family.

Mr. DOLE. Mr. President, it is always a pleasure to extend good wishes to a former colleague who, in his retirement, is flourishing.

And it is a special pleasure to wish Warren Magnuson a happy 80th birthday.

Warren was an esteemed and valued colleague who served this body with distinction for many years.

While I am certain he is enjoying his life away from the Capitol, we in the Senate miss his presence.

I know those Senators who served with Senator Magnuson over the years

will want to join with me in sending him our congratulations and best wishes for continued good health and many more happy birthdays.

Mr. PROXMIRE. Mr. President, the Senate just isn't the same without Warren Magnuson but it brings me pleasure nonetheless that he will celebrate his 80th birthday on April 12 without having to worry about Budget Committee reductions in his Labor-HHS appropriations bill or countless other pressing legislative matters.

I know he will enjoy this birthday in his beautiful State of Washington as he so richly deserves. No one fought harder or longer for the people of this country than Maggie. There are many institutions and organizations that miss his enthusiastic support. The American labor movement, public health hospitals, the National Institutes of Health, the National Cancer Institute, those associated with education or consumer issues—each of these groups remember Maggie fondly and with great respect.

And so does the Senate. So, Mr. President, we all today send a big happy birthday winging out to the west coast to our friend, colleague, and chairman, Warren Magnuson. Happy birthday, Maggie, and many, many more.

Mr. KENNEDY. Mr. President, it is a privilege and an honor for those of us who served with Warren Magnuson to join today in this 80th birthday tribute to one of the greatest Senators who ever graced this Chamber.

What a friend the State of Washington has in Warren Magnuson; what a colleague he was to all of us: What achievements he has wrought from the country and its people.

He served the Nation in the Congress from 1937 to 1980—the last 36 years in this Chamber.

In that time he became known as Mr. Consumer in the Congress, the champion of the worker, the protector of the average citizen.

His accomplishments are legendary. President Kennedy used to say that Warren Magnuson was the kind of Senator who walks quietly into the Chamber, offers an amendment late in the day—and it turns out to be the Grand Coulee Dam.

No State has ever been served more effectively by their Senators than the State of Washington in the extraordinary years of service by those two unusual leaders of the Senate, Warren Magnuson and Henry Jackson. As Senator Magnuson said recently of the remarkable relationship, "we served together in the House and Senate almost half a century. We worked as a team, shoulder to shoulder."

Senator Magnuson deserves great credit for the State of Washington's remarkable economic growth. The vitality of the aerospace and the defense and the timber industries; the incredible growth of hydroelectric power that has made the region so rich in energy resources; the protection of Puget Sound from supertankers that are as unsafe as they are unwanted—these are but a small part of the Magnuson legacy, the unique results of one man's vision and his ability to make Government work the way it should—to translate programs into progress for the benefit of all the people of his State.

Senator Magnuson was also a miracle worker for people of the State of Washington who needed help.

If an injured aircraft worker had trouble with his disability claim, Warren Magnuson could sort it out.

If a worker who had lost his job had trouble with his unemployment benefits, Warren Magnuson would put it right.

If an elderly person had lost a Social Security check, Warren Magnuson would get another one.

And if a small business person had trouble with a government contract, he did not need a lawyer—he needed Warren Magnuson. In countless ways like these, he made the system work.

I had the honor and the pleasure of serving and working with Senator Magnuson for 18 years. And I can tell you that there is no Member of the Senate with whom I worked more closely or for whom I had higher respect.

But I admire Senator Magnuson most for his unparalleled leadership in the cause of better health care for America.

Because of Warren Magnuson, America is renowned throughout the world for the extraordinary quality of our medical research. As a Senator, he was the commander in chief of the war against cancer and heart disease. He was the father of one of the most successful government health programs ever enacted, the National Health Service Corps, which brought medical care to countless rural areas in America that never had a doctor.

For achievements like these and many more, I was always proud to salute Senator Magnuson as Mr. Health Care in the United States.

All Americans have been touched by, and benefited from, the health programs he nurtured. He has never wavered from his commitment to decent quality health care for all citizens, at a price they can afford to pay. His own words say it best:

A lot of human misery I saw as a youngster was caused by cancer. I saw healthy men and women in the prime of life suddenly fold up and die or waste away—and no one knew why. It just made good sense to do everything we could to find the answers—and the cures.

I am convinced that more money for research now will save this nation millions of dollars in the years to come. To those who would pursue a pennywise-and-pound-foolish policy, closing their eyes to the long-range gains of this program [the National Cancer Institute], I say, you may not only lose your pennies, but the very heritage of democracy itself. Our best exhibit of our democratic experiment lies, not in talking about human welfare, but in continually practicing it.

Our relentless and humane fight to save thousands upon thousands of Americans every year from death . . . is the most accurate barometer I know of our real concept of human values.

It is our firm answer to the totalitarianisms which hold that the individual is insignificant, particularly the weak and sick.

In 1980, I had the honor of offering a joint resolution in the Senate to name the proposed new clinical research center at NIH after Senator Manguson. The Warren Grant Magnuson Research Center of the National Institutes of Health opened its doors in the spring of 1982. In the time since then, the Magnuson Center has tripled the ambulatory care research activities of the NIH and now cares for 78,000 patients a year. It is particularly appropriate that this facility, which takes the basic research conducted at NIH and applies it to research on the most humane and effective methods of patient care, is named for this giant of health care in modern America, Warren Magnuson.

It is often said that how a nation cares for its sick is a measure of its humanity, and its humanity is a measure of its greatness. Warren Magnuson's dedication to health research and health care are a measure of his own humanity and his greatness. I am proud to join today in these congratulations on his 80th birthday, and I say to my dear and indestructible friend—may his next 80 years be even greater than the first.

Mr. President, I ask unanimous consent that two articles from the Washington Post in 1981 on the Magnuson Research Center at NIH may be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 22, 1981]

A NEW NAME, NEW CLINICS FOR NIH CENTER

(By Victor Cohn)

It is the world's largest "clinical research center," a place where the medical laboratory meets the patient.

Starting today, by act of Congress, the giant research hospital at the National Institutes of Health will be known as the Warren Grant Magnuson Clinical Center, for the Washington Democrat who has been its friend.

Translate "friend" into "moneyman." Until he lost his seat last November, "Maggie" was the longtime chairman of the Senate health appropriations subcommittee, and he usually gave NIH more than any president asked.

Today, too, the new Magnuson Center will officially spawn an addition, another product of congressional friendship. It will be dedicated by Health and Human Services Secretary Richard S. Schweiker, who was

also a friend of NIH when he was on the Hill.

The addition will be a giant, $100 million set of out-patient clinics and laboratories with the rather awkward name of the Ambulatory Care Research Facility. Together, the 29-year-old hospital building and the new clinics should be the laboratory for the medical care of the next century.

The clinical center is only one part of the vast NIH campus in Bethesda. There are also 11 institutes dealing with various diseases and parts of the human anatomy. With a 1981 budget of $73.6 million, the center accounts for a little more than a tenth of the $668.2 million spent on the NIH campus. (Most of NIH's total $3.6 billion budget finances research at hospitals and universities around the country.)

The center is the institute's very own, highly unusual hospital. The older building is split down the middle, with patients on one side of each floor and research laboratories on the other. Doctors and scientists go from one to the other, testing and applying new findings.

The care is all free—that is, paid by the taxpayers—for patients referred by doctors all over the country. Under the rules, a patient must fit into a "research protocol" or ongoing program, which often tests one kind of treatment against another.

Out of this marriage of care and research has come the first successful chemotherapy of a cancer (choriocarcinomal); "combination chemotherapies" using batteries of drugs against leukemias and lymphomas; work on the chemistry of mental illness, leading to new drugs; and practical discoveries and new treatments in arthritis, heart disease, high blood pressure, genetic disorders, infections and other conditions.

Most of this work was done by studies on hospitalized patients. But medical care has been changing since 1952, when the hospital building was first occupied. More and more diseases, even cancer, can be treated on an out-patient or ambulatory basis, that is, on patients who walk in, get some attention and leave.

This is the main reason for building the new facility, Dr. Mortimer Lipsett, the Center's director, said yesterday.

"The clinical researcher," he said, "is the man who stands with one foot in the laboratory and one foot at the bedside. He takes the new information from the lab and tries to bring it to the patient.

"Today, however, he doesn't always have to do this at a bedside. And the fact that we have this new facility will also enable us to look at many less life-threatening but still important conditions."

Among them: asthma, allergies, many mental conditions, eye diseases, nerve disorders and pain. Pain alone will be the concern of one entire new clinic.

To help treat and study patients with these conditions, the new 14-story facility will have extensive patient-testing laboratories and many X-ray and other machines to look under the skin at illness. Like the older building, the new facility will have both basic research laboratories and patient clinics on the same floor.

The older, 504-bed hospital has 1,246,860 square feet of usable space. The new facility will add 685,000 square feet. Together, they will handle 7,600 hospitalized patients and 100,000 out-patient visits a year at the start. Ultimately, the new facility may accommodate 250,000 out-patient visits a year.

So far, only some cancer laboratories have been established in the new building. But the first patient clinics and other labs will be occupied before the end of the year, and the building should be in full use by mid-1982.

To some extent, the pace will depend on the still uncertain fiscal 1982 appropriations, and the extent to which NIH and the Magnuson Center feel President Reagan's call for a 12 percent cut in 1982 spending plans.

[From the Washington Post, Oct. 23, 1981]

MAGNUSON SOLACES NIH DOCTORS

(By Victor Cohn and Cristine Russell)

Doctors at the National Institutes of Health, worried about Reagan administration budget cuts, were told by a Democratic veteran of budget wars yesterday to "hunker down" until the slashes of this "fleeting moment" are ended and future congresses surely come to their rescue.

The hardly unpolitical message came from former Washington Senator Warren G. Magnuson, powerful dispenser of billions of health-research dollars until his defeat last November. The occasion was the rededication of NIH's big clinical center and research hospital as the Warren Grant Magnuson Center plus the dedication of a new $100 million addition for out-patient care.

Magnuson's message had to be read for him. The 76-year-old former lawmaker said he could not attend the dedication for "personal reasons." A former aide said he is well but had just moved from one Seattle home to another, which seemed to be "enough activity" now.

The dedication's main speaker, Health and Human Services Secretary Richard S. Schweiker, praised Magnuson as "commander in chief" in the war against cancer and heart disease during his many years as virtual ruler of Senate Health appropriations.

President Reagan has called for a 12 percent cutback in all federal spending, but some obervers think Congress will spare NIH at least part of the ax. NIH is currently operating on a continuing resolution which prolongs its fiscal 1981 appropriation level of $3.6 billion until Nov. 20.

Schweiker did not mention appropiations, but said only that "both President Reagan and I are committed" to maintaining NIH as "a unique national enterprise."

NIH also has other concerns. It has been without a director since the unexpected resignation of Dr. Donald Fredrickson last July; five of its 11 institutes either lack or will soon lack directors, and several other key jobs are open. All the lesser jobs await selection of a new director to fill Fredrickson's post as chief dispenser of research dollars to the entire American medical community.

Schweiker told a reporter yesterday he has just received a short list of nominees and he hopes to send a nomination to the White House "within a couple of weeks," with a director on board by the first of the year.

The list was chosen by a committee under Dr. Edward Brandt Jr., HHS assistant Secretary for Health, who said yesterday that more than 100 names had been received.

HHS, Capitol Hill and scientific sources say these doctors are among those who have been under serious consideration:

Dr. Richard Krause, head of the National Institute of Allergy and Infectious Disease, an inside NIH favorite; Dr. Baruj Benacerraf, a Harvard Novel Prize winner; Dr. William Danforth, of the Washington University Medical School, who is a brother of Sen. John Danforth (R-Mo.). A top department official said, however, that Danforth has pulled himself out of the running.

CORRECTION

[October 25, 1981]: In a story Friday on the National Institutes of Health, several names of those reported to be under serious consideration for the post of director were inadvertently omitted. They included Drs. Eugene Braunwald, a Harvard professor of medicine; Julius Krevans, medical school dean at the University of California. San Francisco, and James Wyngaarden of Duke University Medical School, as well as pharmaceutical executives W. Clarke Wescoe, formerly of the University of Kansas, and Theodore Cooper, who previously held several top government health posts.

Mr. EXON. Mr. President, I wish to offer my sincere congratulations to Warren Magnuson on his 80th birthday on April 12.

Those of us who served with him have all benefited from his leadership and wisdom.

The Senate it is a far better body because Warren Magnuson was here and he played a key role in the development of the Senate for so many years.

His place in history is secure, and I am honored to be numbered among his legion of admirers.

Warren, happy birthday.

Mr. President, I yield the floor.

Mr. MATHIAS. Mr. President, I join with other Senators in extending our congratulations to the distinguished former Senator from the State of Washington, Mr. Magnuson.

It was a great privilege to me to serve for many years in the Senate with Warren Magnuson, and I certainly acknowledge with gratitude all that I learned by observing his astute leadership in the Senate and in particular his leadership in the Committee on Appropriations.

We, in the State of Maryland, owe a considerable debt to Warren Magnuson for a number of projects that were funded by appropriations, projects that I think improved the State of Maryland, but one experience that I had with him comes to mind as I think about his 80th birthday today.

There was an opportunity to acquire an historic property in Maryland, the home of one of the signers of the Declaration of Independence, Thomas Stone—an historic Maryland plantation house know as Habre de Venture. The National Park Service was interested in acquiring this property as a national historic site and as an opportunity to protect some of the open space that is within the perimeter of the Greater Washington metropolitan area.

So it had several inducements for acquisition by the public. It was historic preservation and it was environmental preservation at the same time and offered a chance for greater recreation for the people of the area.

I took all of these arguments to Senator Magnuson as chairman of the Ap-

propriations Committee and urged him to provide us with the funds to make this important addition to the National Parks System. He was a watchdog of the Treasury. He was careful about appropriations that were made. He had to be convinced that they were right.

And he immediately asked me, "How much was the house of Thomas Stone?" And I said that it would be $600,000 and that I did not think the Park Service could negotiate a lower figure. He said that was a lot of money, even for the home of a signer of the Declaration of Independence. And I could see the chance of acquiring that property was diminishing as the dollar figures clicked across his mind.

"But," I said, "Mr. Chairman, just consider that with the house we also get the signer, because Thomas Stone is buried in a family graveyard close to the house." And with that consideration, he changed his mind. He said he would support the appropriation.

And so the Nation now has a valuable and historic property. One of Maryland's historic landmarks is guaranteed preservation. I think the Nation has made a good investment.

But it is sometimes interesting to reflect on those small episodes which are indicative of how decisions are made. And on Warren Magnuson's birthday, I would like to take the opportunity of saying, on behalf of the people of Maryland, not only happy birthday and many happy returns but thanks for all the interest and consideration that he has given to our welfare in the years gone by.

Mr. DOMENICI. Mr. President, I rise today to pay tribute to my former colleague, Senator Warren Magnuson, on the occasion of his 80th birthday. To those of us who know him, Maggie exemplifies the qualities of caring, compassion, and concern that are so important in a representative of the people. During his illustrious 44 years in the Senate, Maggie served not only the people of the State of Washington, but all Americans. As President pro tempore of the Senate, he spent many long hours working to ensure that the business of this body was conducted in a professional and effective manner. As chairman of the Appropriations Committee, he set an example by dedicating himself to the task of working with his colleagues in order to meet the needs of Americans. He is admired and respected by his peers as a colleague and as a friend.

When Maggie first came to this body in 1938, Franklin Delano Roosevelt was President of the United States. Few among us can remember those turbulent times—the end of the Dust Bowl era, the beginning of the Second World War. But Maggie's concern for his fellow beings was evident then, as he was instrumental in the passage of legislation which established the National Cancer Institute in 1938—the forerunner of the National Institutes of Health. It was an honor and a privilege to serve with someone who has been such an important part of creating the America we know today. I am proud to join with my colleagues in wishing Warren "Maggie" Magnuson many happy returns of the day!

Mr. DECONCINI. Mr. President, I would like to join the chorus in celebrating the 80th birthday of Senator Warren G. Magnuson. Maggie used to love to say that if he knew he was going to live this long, he would have taken better care of himself. Well, the good Lord has taken care of this exceptional, humble, and caring man as he, for so many years, took care of the needs of the citizens of Washington State and the Nation.

Senator Magnuson's legislative achievements during his 44 years of service in this body are legion. They span a host of areas, including major initiatives in the fields of health care, health care research, consumer protection, the preservation of our fishing resources and our wildlife, the improvement of our educational system, and the promotion of civil rights for all Americans. Of all his achievements, I think he would be most proud of the title "citizen legislator." For Maggie was, above all, a man of the people. He was a dogged and persistent advocate for the rights of the poor, the sick, the elderly, the disadvantaged, and the dispossessed. He was the voice of the voiceless.

We all know how effective Senator Magnuson was in delivering projects for his beloved State of Washington. Yet he was always willing to listen to and to try to accommodate the needs of other Senators. I shall never forget the many kindnesses he extended to me as the most junior Senator of the Senate Appropriations Committee in 1977. Senator Magnuson knew the West. He understood the West, and he was enormously helpful to me as I tried to meet the needs of my State of Arizona. The kindness and consideration he extended to me in his capacity as chairman of the Senate Appropriations Committee were extended to all Members, regardless of party. During his entire legislative career, I don't think Maggie made an enemy. He only made friends and I am certain I express the views of all his former colleagues in saying, we miss you, Maggie. We miss your leadership, we miss your talents, and we miss your warm and hospitable personality. And we all send our best wishes for a very happy birthday and continued good health in the days and years to come.

Mr. BOREN. Mr. President, it is an honor and a pleasure for me to join with many of my distinguished colleagues today in congratulating Senator Warren Magnuson on the upcoming occasion of his 80th birthday. I am proud that I am the second in my family who has had the privilege of serving in the Congress with Maggie. Not only did Senator Magnuson and I serve together in the U.S. Senate, but my father, Lyle H. Boren, served with Maggie in the U.S. House of Representatives. Thus, the Borens and the Magnusons share a mutual friendship and respect which spans two generations, and continues even today.

When I was first elected to this body in 1978, Senator and Mrs. Magnuson were among the very first to contact my wife, Molly, and me and offer their friendship and help as we moved of Washington. Mrs. Magnuson graciously served as Molly's "Big Sister" in the Senate.

It would be impossible to list all of Senator Magnuson's many accomplishments during his 44 years of service in the Congress, beginning with his first election to the U.S. House of Representatives from the First District of the State of Washington in 1937 and spanning a Senate career which began in 1944, when he was appointed to fill the unexpired term of Senator Homer T. Bone.

However, among the accomplishments for which he is best known are his work as chairman of the Senate Commerce Committee on proposals to improve our consumer protection laws. These included the Fair Labeling and Packaging Act of 1966, which tightened the standards for package descriptions; the Auto Safety Act of 1966; the Cigarette Labeling and Advertising Act, which requires warning labels on each package; the Flammable Fabrics Act, which attempted to reduce the death toll from clothing fires; the truth-in-lending laws, which clarified interest rates and credit terms; the Child Protection Act, which set safety standards for toys to prevent poisonous substances from being used on children's products, and other important pieces of legislation.

He was also an advocate of environmental safety and introduced bills to promote conservation of our precious land, air, water, and wildlife resources.

During the 91st Congress, Maggie became chairman of the Appropriations Subcommittee for Labor, an assignment which controlled funding for health services. As chairman of this subcommittee, Senator Magnuson sponsored the National Health Service Corps to send teams of doctors to remote and impoverished areas as well as several bills aimed at improving children's health, including the Teeth for Tots program and the Children's Catastrophic Health Care Act, which provided for emergency medical expenses when they exceeded 5 percent of a family's income. Along with my Dad, Senator Magnuson helped establish the National Cancer Institute in

1937, a forerunner of the National Institutes of Health.

There have been many stories told of the successes which Senator Magnuson reaped in gaining funds and projects for the State of Washington during his many years in Congress. Clearly, his experience and knowledge of the legislative process enabled him to make a significant mark on the State which he so ably represented. Yet, he did so in a congenial and friendly manner, and not in an overbearing way, always striving for consensus on his committee and in this Chamber.

This quote, from President John F. Kennedy, during a stop in Seattle 8 months after becoming Chief Executive, epitomizes Maggie's political style. President Kennedy said, "Most Members of the Senate, as you can already judge, have developed the art of speaking with precision and clarity and force. The secret of Senator Magnuson's meteoric Senate career has been the reverse. He may make clear speeches to you on great public questions. But in Washington he speaks in the Senate so quietly that few can hear him. He looks down at his desk. . . . He is very hesitant about interrupting other Members of the Senate. . . . He sends his messages up to the Senate; everyone says, 'What is it?' and Senator Magnuson says, 'Well, it's nothing important,' and Grand Coulee Dam is built."

Those of us who have had the privilge of knowing and serving with Senator Magnuson are deeply appreciative of his friendship and knowledge. He is missed very much by Members of both the Senate and the House. It is in tribute that we join together today to say, "Happy Birthday, Maggie. May your future years continue to be productive ones. Thank you for the important role you have played in shaping the future of our country, and of the State of Washington."

Mr. MURKOWSKI. Mr. President, it is a great privilege for me to join with other Senators on congratulating Senator Warren G. Magnuson on his 80th birthday.

Senator Magnuson served his Nation with great distinction in the House of Representatives and in the Senate for a total of 44 years. Although I did not have the opportunity to work with him in the Senate, I know that his accomplishments are still evident in my home State of Alaska.

Warren Magnuson's impact on Alaska began when he was a Congressman, as evidenced by his efforts, dating to 1938, to have the Alaska Highway built.

As chairman of the Labor, Health, Education and Welfare Subcommittee of the Appropriations Committee, Senator Magnuson worked closely with Senator TED STEVENS in completely modernizing the health delivery system in rural Alaska. These efforts led to the construction of new facilities, such as the hospital in Bethel, AK. That hospital provides essential health care services to residents of the Yukon-Kuskokwim region.

Senator Magnuson was a leading spokesman for the commercial fishing industry. In 1975, he sponsored the act that established our Nation's 200-mile fishery conservation and management zone. It is safe to say that this act, now appropriately known as the Magnuson Fishery Conservation and Management Act of 1976, not only saved many species of fish from overharvesting by foreign distant water fleets, but has given the U.S. fishing industry the legal base upon which to grow and prosper. Commercial fishing is an extremely important facet of Alaska's economy and all Alaskans owe Senator Magnuson our deepest appreciation for his work in this area.

Mr. President, Senator Warren G. Magnuson has given his all to serve the public interest in the House and Senate. I welcome the occasion of his 80th birthday to note my deep gratitude for his distinguished service to our Nation and to Alaska.

Mr. STEVENS. Mr. President, it is with pleasure that I join to celebrate the second anniversary of the second round of 39th birthdays for my good friend, Senator Warren Magnuson.

I remember so well my first days in Washington, DC, as an appointed Senator from the State of Alaska. Warren literally took me under his wing—no partisanship involved. He was the chairman of the Commerce Committee at that time. Warren and I were neighbors—I used to call him my "Southern Neighbor." To me, Warren Magnuson was one of the true statesmen of my time here in the Senate.

In any event, I watched, listened and learned—and learned, and learned. Senator Magnuson was a wealth of knowledge. He was constantly passing on something new to me about the Senate, politics, or public policy. Because he invested his life's work in the service of the Senate and the State of Washington, he was a good teacher.

Together we worked on the 200-mile limit legislation, which was named, at my request, the "Magnuson Fisheries and Conservation Management Act." We also worked together on the Appropriations Committee. The State of Alaska was always well treated under Senator Magnuson's leadership—he had helped us become a State and did all he could to assure that we made the transition early.

Warren Magnuson is a living legend. I believe the records will show that he, as chairman, sponsored more long-lasting reforms than any other Senator in history.

I recall an article written by the late Senator from the State of Washington, Senator Scoop Jackson, describing his colleague. He wrote:

> Senator Magnuson did more during those 40 years to better the quality of life for his fellow human beings than any other U.S. Senator.

It is appropriate that we honor Senator Magnuson's 80th birthday—he is special to so many of us in the Senate. We congratulate him and wish him well for many years to come.

Mr. BOSCHWITZ. Mr. President, I rise today to join my colleagues from the State of Washington in honoring our former colleague, and I might add a native Minnesotan, Warren Magnuson on his 80th birthday.

Warren Magnuson served the State of Washington and our country as a Member of Congress for over 40 years. He did so with great skill and distinction. This, of course, can be attributed to spending the formative years of his life in Minnesota's Red River Valley. Maggie was born in Moorhead MI, where he attended the public schools. From there he crossed the Red River and headed north to attend the University of North Dakota at Grand Forks, as do many high school graduates from that area of my state.

Anyone familiar with Maggie's congressional career can see this background served him well. It is truly amazing to me that he spent 44 years in Congress, 36 of those in the U.S. Senate. I served with him only his last 2 years, but that was certainly enough to develop a deep respect for his abilities and his accomplishments. He is a warm, personable man and I offer my hearty congratulations on this 80th birthday.

I also want to commend our colleague, SLADE GORTON, for organizing this tribute to his predecesor. In our business we do not always find this sort of relationship between former foes. Maggie and SLADE can serve as an example for us all and they both deserve our commendation.

Mr. SIMPSON. Mr. President, I certainly want to add my voice to the many that will be joining to wish Warren Magnuson the happiest of 80th birthdays. I trust that April 12 will be a lovely day for our former colleague.

Indeed, we miss his presence in this fascinating area. "Maggie's" personality added a unique dimension to this body. It was always a treat to work with him. He had a great way about him—with an uncommon degree of common sense, and a skill and ability that was awesome to watch.

Warren Magnuson served here in the Senate with my own dear father—and was very kind to me, I first came here in 1978. That kindness continued throughout our mutual time here together—and was very much appreciated, I assure you.

So it is just a pleasure for me to join in wishing "Maggie" a happy 80th birthday. I know my father would join in sending his kindest and most sincere birthday regards as well. We are all thinking of you on this happy occasion and send our thoughts and prayers and greetings to you. My wife Ann joins in these expressions of affection and we would both wish him many happy returns of the day.

Mr. HEINZ. Mr. President, I am very pleased to have this opportunity to wish the happiest of birthday celebrations to Warren Magnuson on the 80th birthday of this remarkable man. It was my great pleasure to serve with Maggie in the Senate from 1977 until his retirement, and I remember his friendship with great fondness.

Maggie is unique. His unassuming and unself-conscious manner won his friends throughout the Nation. At the same time, his tireless efforts on behalf of health research, consumer protection, foreign policy and ocean policy earned him the respect of all. He capped his distinguished career, which spanned 45 years, as President pro tempore of the Senate, a position which he filled admirably.

Mr. President, I commend my colleagues for taking this time to honor a great friend. Maggie, I wish you the very best on this special day, and many happy returns.

A NATIONAL TREASURE

Mr. ANDREWS. Mr. President, it is indeed fitting that we pay tribute to former Senator Warren Magnuson on his 80th birthday. Those of us in the Fargo area feel we shared Maggie with the State of Washington. He grew up in our community and had deep roots in it. As a matter of fact, while he served in the Senate, he was a director of the Dakota National Bank in Fargo and came to our town on a number of occasions to visit his many friends there. Maggie is indeed a self-made man. It was a privilege to meet him across the conference table on the many appropriations bills we worked on while I was in the House, and his background was often an ace in the hole for the needs of North Dakota. A little over a year ago, I was in the Seattle area and, following a series of meetings, Warren and Germaine invited me to their home for dinner with a group of their friends. It was a delightful evening of reminiscing, and I can report to my colleagues that Maggie is hale and hearty in his new house overlooking the beautiful bay. In fact, if he is as good as he looks, I image we shall be celebrating his 90th birthday with congratulations to him from the floor of the Senate. The State of Washington may claim Maggie as her own, but to me and so many of his colleagues, he is a national treasure.

Mr. SARBANES. Mr. President, an 80th birthday is always an auspicious event. When the birthday is Senator Warren G. Magnuson's, it has special meaning for all of us. Senator Magnuson, our distinguished former colleague and always our good friend, spent more than half his life in service to the Nation, first entering the House of Representatives nearly 50 years ago—in 1937—and the Senate in 1945. He can justly survey those years with satisfaction, in the knowledge of a difficult job well done, just as we survey the accomplishments of his long service with admiration and respect.

Senator Magnuson was an effective advocate for the concerns of his home State of Washington at the same time that he proved himself time and again to be a legislator with a strong sense of the national interest. It was he, more than any other single Member, who secured inclusion of public accommodations provisions in the Civil Rights Act of 1964. It was he who, in 1970, first sponsored legislation to establish Federal standards for warranties on consumer products, legislation finally enacted into law 4 years later; and he chaired the Commerce Committee's Subcommittee on Consumer Affairs that produced the Flammable Fabrics Act, the School Bus Safety Act, the Safe Drinking Water Act, the Truth in Package Act, and other measures that set standards we now accept as a matter of course.

Warren Magnuson understood the importance, both to his State and to the Nation, of maritime resources. It was he who sponsored the Fishery Conservation and Management Act of 1976, by formal Senate action now officially titled the Magnuson Fishery Conservation and Management Act of 1976, and he who took a leading role in the enactment of legislation to protect the country against oil spills and to husband our marine resources. As a spokesman on health issues, Senator Magnuson had few peers in the Congress. Small wonder that in 1973 he was awarded the Albert Lasker Public Service in Health Award for his support of basic medical research programs, or that the clinical center at the National Institutes of Health is known today as the Warren Grant Magnuson Clinical Center.

Throughout his long career, Warren Magnuson was a skillful and distinguished legislator whose ability and dedication to his work were an inspiration. First as chairman of the Commerce Committee, subsequently as chairman of the Appropriations Committee, he took on the most difficult challenges a Member of this body can face. He knew the Congress and his colleagues well and had a deep and uncompromising respect for the institution of the Senate in which he served. That knowledge, that respect, served him well. He was a wise and expert leader; America is the better for his efforts. And for all of us, he remains a good and true friend.

WARM ASSESSMENTS OF SENATOR LONG'S CAREER

Mr. BYRD. Mr. President, in 1949, RUSSELL B. LONG, son of one of America's most famous political figures, took his seat in the Senate, representing the State of Louisiana. This year, after 36 years in this chamber, Senator LONG announced that he will not seek reelection when his current term ends in 1986.

When he retires, Senator LONG will have served 38 years in the Senate. In retirement, he will be able to look back on a career in which he was often a central figure or participant in making some of the most important decisions affecting modern American history—a career of which Senator LONG can be genuinely proud.

A recent article in the Washington Times shared some retrospectives on Senator LONG's life and career, both by Senator LONG himself and by others, some of them his colleagues here in the Senate and others friends and associates from his past. The article captures much of the wit and compelling color that have marked Senator LONG's Senate style, as well as incisive judgment and practicality for which he is noted. Mr. President, I ask unanimous consent that the article, "The End of the Long Era," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 21, 1985]

THE END OF THE LONG ERA

(By Jim Watson)

Thirty-six years ago, a stocky, wire-haired man named Russell B. Long strolled down the aisles of the U.S. Senate for the first time, drawing stares of disbelief from some veteran legislators.

The resemblance was uncanny. So much so that, for a moment, they imagined that Huey P. Long, firebrand orator, Louisiana's "hillbilly Marxist" and Russell's slain father, had returned from the grave to haunt them.

After all, Huey had worked near-miracles before.

The voice, the gait, the strong wide jaws and full cheeks, those iron black curls combed up in a wave on top of his head—all suggested that the "Kingfish" was back.

Folks at home must have felt the same way. During his campaign for the Senate seat vacated by Sen. John Overton, who died with two years to go in his term, Life magazine reported that Russell's mannerisms were so much like Huey's "many a Redneck thought he was seeing a ghost."

Enemies of the former Louisiana governor and senator—and in his brief lifetime Huey had made a few enemies—foresaw years of more head-butting with his son. For all they knew, he was as ruthless as his father and fought with similar ferocity.

But with time, Russell Billiu Long, who took office only weeks after he had reached the required minimum age of 30 to become the youngest man in the Senate, was to surprise them all.

Where Huey was a stubborn, flamboyant rabble-rouser who left a trail of enemies even as he brought reform to his state, Russell relied on grace, brainpower and wit to charm his peers in the Senate and earn respect back home.

Instead of an abrasive, ambitious upstart hoping to pick up where his father left off, here was a smooth, soft-spoken and modest man who advocated a toned-down version of Huey's share-the-wealth vision.

Russell quickly established himself as a moderate Southern Democrat who had a knack for making friends, even among those who disagreed with him. Where his father often left opponents resentful and angry, Russell's style was to leave them weakened with laughter.

For 36 years, Sen. Long, now the second-ranking member of the Senate, has been the dominant force in Louisiana politics. In that sense, he has perpetuated the family tradition started by his father, a Louisiana senator from 1928 until he was assassinated in 1935 at the age of 42.

Along the way, Sen. Russell Long has become one of the most influential lawmakers in the country, serving as chairman of the powerful Finance Committee for 15 years until the Republicans took over the Senate in 1981.

Odds were that, should he have sought another term in 1986, the seat would have been his for the asking.

But in late February, at a time when his campaign staff already had collected more than a half million dollars for his re-election bid, Sen. Long stunned his colleagues and close friends by announcing that his days in the Senate were over.

"The decision wasn't final until I actually announced it," says the 66-year-old senator, seated in his plush and meticulous office on Capitol Hill during a rushed interview squeezed between meetings and lunch. But in fact, it was a decision he had made long ago, during his sixth and last campaign.

"Frankly, that has been my mind-set for the past six years, going back to when I ran last time," he says.

"When I was sweating out there in that hot August sun, I found myself saying, 'Well, one good thing about it is I may not have to do this again.' [Campaigning] is a lot more fun when you're in your 30s, 40s, even your 50s, than it is in your 60s."

Speaking softly in a slow, sorghum Louisiana drawl, the avuncular Southern gentleman sits upright in his chair, addressing each question with his eyes self-consciously riveted on the floor.

He seems ill-at-ease, as if unaccustomed to all the attention and wishing it would go away. Dressed in a stately dark suit, hands neatly folded in his lap, Sen. Long patiently hears out each question before politely giving his answer. When he's finished, he looks up, asking with his eyes if the response is sufficient.

The image is hardly what one would expect from the son of one of the most colorful, flamboyant figures in United States political history; from the former champion of the debate team at Louisiana State University; and from someone who once was described as the "whirlwind president of the student body" in The Gumbo, his college yearbook.

Some have made the mistake of misinterpreting this easy, front-porch-swing manner as slowness and left far behind when he finally shows his hand.

His mouth is fixed in a half-smile, poised to deliver a disarming comment if the conversation gets too weighty. His hair, once a mat of coarse black bristle, now lies flat against his head, tame and white.

He takes his time, paying scant attention to his legislative assistant fidgeting in his chair nearby and desperately trying to hold the interview to the allotted half-hour. Unlike his father, who was always racing against time, Russell is in no hurry.

Maybe that's why the announcement, at a hastily arranged press conference Feb. 25, that he would not run again in 1986 caught virtually everyone by surprise. No one thought he would ever leave. And no one could imagine the Senate without him.

Word of his imminent retirement boomed down the halls of Congress. After almost 60 years, the colorful Long era and an exciting chapter in Louisiana politics was coming to an end.

A flood of speculation followed. Was he ill? Did he fear that he would lose another race?

Or, worse yet, was he getting out while the getting was good to avoid implication in the latest Louisiana scandal?

Three days after Sen. Long's announcement, a federal grand jury handed down indictments against Louisiana Gov. Edwin W. Edwards. The charges were that he used his clout to collect $3 million for himself and his brother from hospital construction deals from 1982 to 1984.

The timing was enough to make anyone wonder if the good senator also had his finger in the pie.

Sen. Long dismisses all those attempts to pin a reason on his departure, insisting it had nothing to do with anything so glamorous or exciting. It was just time to call it quits.

In fact, were it not for a series of delays, he says, he would have made his intentions known a lot sooner, probably shortly after President Reagan's State of the Union address in January.

"I really was thinking about retiring at the end of this term. But once the word got out, the media would've picked it up and I wouldn't have had any decision to make, " he says.

So as the fund-raising machinery hummed along, Sen. Long kept silent and waited for an appropriate time to speak out. The best opportunity was just after the Senate was organized, he says, a process that usually takes one meeting. "But for the first time in 36 years, bipartisan bickering delayed that for almost six weeks."

Then, on Jan. 20, when he was preparing to make the announcement, Rep. Gillis W. Long, his distant cousin, died just as he was beginning his eighth term in Congress. And later, when Gillis' wife Cathy announced that she would run for her husband's vacated seat, Sen. Long says, "I didn't want to upstage her . . . so I postponed it again."

Four members of his family died while in office: his father, Huey, uncle Earl, three-time governor of Lousiana; cousin Gillis; and another uncle, George Long, who served in the House of Representatives from 1953 to 1958.

"If I'm fortunate I might live a long life," says the senator. "And if you do live a long life, in my judgment, you should retire in the Senate rather than die in it."

After almost four decades in office, no one understands the country's complicated tax laws, or for that matter, the government itself better than Sen. Long, say those who worked with him.

"He knows more about the tax code than all the rest of us put together," said Sen. Robert Dole, R-Kan., who replaced Sen. Long as chairman of the Senate Finance Committee in 1981.

"I doubt if you could measure his contribution. If you could go back and look at all the things that have his fingerprints on them, you'd have a book. . . He's always looking for solutions, not problems."

For someone who has been in office as long as he—he is second in seniority to Mississippi Democrat John Stennis, 83—Sen. Long has had few legislative initiatives, preferring instead to focus his attention on projects dear to him.

Those that stand out are the voluntary tax write-off provision that allows taxpayers to donate $1 to presidential campaigns; the earned income tax credit, which benefits the working poor; and a tax credit program for companies that offer employees stock ownership plans.

Sen. Long opposed early civil rights legislation but eventually reversed his position to support the Voting Rights Act in 1981. He helped defeat President Nixon's Family Assistance Plan, which he considers his greatest legislative coup.

"He's a populist at heart," said Sen. Dole. But the Louisiana senator has always stopped short of pursuing his father's famous "share the wealth" crusade.

Also unlike his father, who terrified the business community and especially Louisiana's oil and gas industries with his Dixie socialism, Russell Long was their advocate. What was good for the industry was good for Louisiana, he figured.

As chairman of the Finance Committee, Sen. Long ruled with a velvet glove, coaxing rather than forcing votes from a supply of friends he made on the strength of his personality and his skill.

"He had good antennae," said Sen. Dole. "He knew when to strike and when to retreat."

Sen. Lloyd Bentsen, a Texas Democrat who has been on the committee for 12 years, said Sen. Long has had an unparalleled sense of fairness as chairman. "He didn't bruise people."

Another Finance Committee member said that, with regard to Senate procedure, the Louisiana senator had "an innate ability to sense when an amendment should be offered, when you should talk and when you should sit down. He senses that chemistry as keenly as any person I've had the opportunity of serving with."

His political career has not been without its dark moments, though. Elected whip in 1965, Sen. Long lost the job to Sen. Edward Kennedy four years later. Senate Democrats thought he had handled the job poorly, and that he was too willing to delay Senate business. Some of his colleagues blamed it on alcohol.

However, Bob Hunter, his administrative assistant for 20 years, flatly denied that the senator ever had a drinking problem. "I never at any time saw anything that would lead me to believe in any way shape or form that Russell Long had a drinking problem. And I was with him longer than anyone else," he said.

When newly elected President Jimmy Carter was preparing to take office, as one story goes, he commented on how he was looking forward to coming to Washington to run things. "But," he said, "when I got here I found that Russell Long was already running them."

More memorable than his wisdom, though, is the senator's legendary wit, and the combination of the two can quickly take

the steam out of any argument. Sen. Long is known for his ability to digest hundreds of pages of complicated tax law and point out the essence in a few brief sentences. More often than not, his explanations come out in pithy, down-home observations or parables that show not only a firm grasp of the subject matter, but also of human nature.

Once, after the committee was confronted with baffling testimony on a proposed tax depreciation schedule, Sen. Long quipped, "Well, if you can't explain it off the back of a pickup truck, it ain't worth having."

Born of a storybook character father, raised in a political maelstrom and taunted by neighborhood kids because of things they heard their fathers say about his, Russell nonetheless emerged with an even temperment and a wry, self-effacing sense of humor.

Even as a child growing up in Shreveport, he showed an appreciation for simple pleasures and could find amusement in the most mundane of circumstances, his sister recalled.

"He could see humor in things so that sometimes you might not even know what he was thinking about," said Rose Long McFarland, who now lives in Colorado. "He sees humor in little things that not everyone can see it in. I think he can just find pleasure in the world around him."

"Our father had a marvelous sense of humor. Russell has some of that, but it's a more quiet, introspective kind." As a child he used to like to settle in a chair off by himself. "He'd just sit there, think and musing to himself, thinking about whatever it was, then sometimes just burst out in a little chuckle.

"He has some of Huey's flamboyance," said Mrs. McFarland, "but then he has the gentle way that came from our mother. He has the better part of both."

Sen. Long may be a big-time politician on Capitol Hill, but his heart has never left the banks of the Mississippi River, Louisiana's crawfish bakes or his friends back home.

"Of course, in Washington, they call everybody senator," said Mrs. McFarland. "Most people in Louisana just call him Russell."

Jimmy Davis, governor of Louisiana from 1944 to 1948 and again from 1960 to 1964, used to live across the street from the Longs after the family moved from Shreveport to Baton Rouge. He remembers taking walks with Huey Long, and he vividly recalls the sadness throughout the state when the "Kingfish" was gunned down in front of the elevator in the capitol building.

In fact, it was Huey who had talked Mr. Davis into getting into politics, he said.

Mr. Davis said he's a little too old ("looking back at 80 and heading for 90") to say he was a childhood friend of Russell. It was later, when both were active in politics, that they became close. Russell was "easier, a little smoother than his father," Mr. Davis recalled. "He was always kind and compassionate even to those who disagreed with him."

The class of 1942 at Louisiana State University started about 140 strong, but with natural attrition was whittled to about 25 by year's end. But it yielded some of the most influential people in the state.

One of those, E. Gordon West, who was appointed U.S. District Judge by President John Kennedy in 1961, was Russell Long's law partner for two years before he was elected to the Senate.

Their friendship began not in school, but in the Navy, after the judge-to-be went to a movie aboard a ship in the Mediterranean and, by coincidence, took a seat beside his former classmate. Neither had known that the other was in the area.

Judge West, now semiretired and looking stately with a full head of white hair, remembers being awakened on several occasions at 2 in the morning by his industrious law partner, who had gone to the office "to flesh out" an idea.

"Russell's a rather complex person," he said "When you're talking to him, he's probably three or four jumps ahead of you. Sometimes I thought he had missed the point, but then when I caught up with him I saw he'd skipped the three or four inconsequential steps in between."

Alvin B. Rubin, valedictorian of the class of '42 and now a federal appeals court judge in Baton Rouge, has his office on the 24th floor of one the tallest buildings in Baton Rouge. A picture window offers a grand view of the Mississippi River and the old state capitol Mark Twain once called a "Moorish monstrosity."

Judge Rubin said that he and Sen. Long have been good friends for 45 years. He remembers Russell, who was third in his class, as a very "unassuming, hard-working young man" and an "intellectual leader" at school.

Aside from his family history and involvement in student politics, Russell was best known as a formidable debater, Judge Rubin said. Once, when LSU was going to debate a team from Oxford, Russell was chosen to represent the school along with a graduate student named Hubert Humphrey.

The younger Mr. Long had disappointed a lot of his father's staunch supporters, said Mr. Gill. Perhaps it was his approach, which was "more sensible" than Huey's. "He worked for everybody," he said. "There was no hatred."

A clerk in a Baton Rouge jewelry store described herself as a senior citizen and a longtime Long supporter. "I don't know Russell personally, but I know what he's done," she said, citing a social security cost-of-living raise that Russell helped push through. He has been as effective as his father, she said, but "not in as loud a way."

About a week before he announced his retirement, and after he had done some reflecting at his retreat in the mountains, Sen. Long paid a visit to his old friend Buddy Gill in Baton Rouge. Their conversation on the back porch was Mr. Gill's first indication that the senator was thinking of leaving the hectic political life.

"He came to my house, sat there on the patio, looked at me and told me how comfortable I looked," said Mr. Gill, who is retired. "I told him I was. I told him now that I'm retired, I do what I want to do. Then he said next time he comes he's going to bring his golf clubs."

It'll take some willpower to stay out of politics for a while, says Sen. Long, shifting in the leather chair in his Senate office. Of course he'll still maintain an interest in government and plans to stay somewhat involved.

"But, at least for the first year, I hope to resist some of that and pay more attention to my private affairs."

Like fishing. "I haven't found time to fish in years, and I'd like to be fair at it. There are plenty of places to fish in Louisiana."

And golf, with his wife, Carolyn. "I hope that I can find time to get to be not a good golfer, but an adequate golfer—to break 100, perhaps," he says with a chuckle.

When he retires he will have been in the Senate 38 years, and "that's a lot of time to work any job," he says.

Looking back at his career, he attributes his success to the differences, not the similarities, between himself and his father. The way he sees it, Huey was a "revolutionary" and he an "evolutionary."

As the morning turns to afternoon and then runs into another appointment, Sen. Long stands and pulls a crinkle out of his suit. Walking toward the door, he flashes a grin. You may think so, he says, but you haven't heard the last of the Louisiana Longs.

It's not really the end. There'll be others to appear on the scene in due course. Not necessarily my children or my grandchildren. But I have a lot of relatives in Louisiana who have been bit by the political bug. You'll be hearing from them."

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

ISRAEL SHOULD STOP ITS MASSIVE SALE OF MILITARY WEAPONS TO SOUTH AFRICA

Mr. PROXMIRE. Mr. President, one of this Nation's firmest friends and strongest allies in the world is the little country of Israel. In that keg of dynamite known as the Middle East, the Israelis stand out as a truly unique island of democracy and as a firm and consistent supporter of the United States. Israel is precisely the kind of friend this country values because it is no wilting violet. It is no wimp, no shrinking dependent. Indeed, it is a nation whose military force is hard as nails. Its soldiers are trained, smart, motivated, superbly led. Again and again, they have been tried by superior forces—superior in number, in economic strength, and in military hardware. But the Israelis have repeatedly won military victories in defense of their homeland.

Now, Mr. President, let us be frank about this. Israel has a very strong political home base right here in the United States. The Jewish population in America is relatively small, less than 3 percent, but, because of the extraordinary level of its education, its economic achievements and its vigorous political activity, it has earned a special respect with every thoughtful person who is active in American politics. And it provides an alert and aggressive base for support of Israel in both political parties, in the press, in the Congress, and in every administration. As a senior U.S. Senator I have been among those who have been convinced that vigorous economic and military support for Israel is in our clear national interest.

Mr. President, all of what I have just said is why I am so concerned about the substance of a story that appeared

on Friday, March 22, in the Washington Post, headlined: Israeli Economy Said To Depend Heavily on Export of Weapons.

In an article written by Daniel Southerland, the Post reports that little Israel may be selling over a billion dollars in military weapons. The report is based on a study by Aharon Klieman of Tel Aviv University. Mr. Klieman estimates that arms sales may account for as much as a quarter of Israel's industrial exports. In relation to its size, Israel has become an astonishing leader in the export of weapons.

The 1982 statistical computations of the U.S. Arms Control Agency places Israel fifth in the world in the proportion of its exports that are military sales. Only North Korea, the Soviet Union, Romania, and Egypt have a higher percentage of their exports in military weapons. Israel's military weapon exports constitute 6.9 percent of its total exports, compared to a 4.5 percent ratio for the United States.

Most troubling is the destination of Israel's arms exports. From one-third to one-half of Israel's arms exports go to Latin America. But the big shocker is that this Washington Post report estimates that 35 percent of Israel's exports have gone to South Africa in recent years!

Mr. President, in view of our own protests against South African apartheid and our proposed restraint of our trade with South Africa—and our present policy of a virtual ban on U.S. military weapons exports to South Africa—this sale by Israel of $350 million in weapons to South Africa raises some very serious questions about Israel, our close friend and ally. What would be the reaction in this body if the United States were selling $350 million in weapons to South Africa? There would be outrage. There would be picketing. And there would be swift and sure action by the Congress to stop it.

Mr. President, all of us know that Israel is in desperate economic straits. It has to pour most of its resources into defense. Virtually all of its able-bodied manpower, except for the elderly, serves on active military duty or in the reserve. Largely because of this necessary concentration on military defense, it suffers a 100-percent annual rate of inflation, one of the worst inflation rates in the world. Clearly, it must have foreign exchange. Arms sales provides that foreign exchange. And of course the Israel armament industry does something else: It assures the country of the production of ample military weapons at low cost because the billion-dollar arms export program permits big economies of scale in Israel's arms production.

Sure, it's a brutal world out there, Mr. President, but at a time when South Africa is imposing its cruel apartheid system on the 70 percent of its citizens who are black, at a time when South African police are shooting down unarmed innocent black citizens who are guilty of nothing except attending a funeral for their deceased brethren, can Israel really justify selling them $350 million worth of military weapons? The citizens of Israel, this gallant country, our firm ally, should think long and hard about that one.

Mr. President, I ask unanimous consent that the article from the Washington Post of Friday, March 22, that reports Israel's export of military weapons be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 22, 1985]

ISRAELI ECONOMY SAID TO DEPEND HEAVILY ON EXPORT OF WEAPONS

OVER $1 BILLION IN SALES POSSIBLE

(By Daniel Southerland)

Overseas arms sales have become a central component of Israel's foreign relations and one on which its economy is now heavily and perhaps dangerously dependent, according to an Israeli expert.

Aharon Klieman of Tel Aviv University estimates that weapons sales now account for as much as a quarter of Israel's industrial exports. The old image of a sunny Israel exporting oranges has been supplemented, if not superseded, by that of a small nation that can provide more bang for the buck. Alongside the oranges, an equally appropriate symbol for today's Israeli exports might be the Uzi submachine gun or the Gabriel sea-to-sea missile.

Klieman, a political scientist, said the dependence on arms sales virtually has been imposed on Israel and, until recently at least, has served Israeli interests well. But in an interview, he argued that the Israelis now may be reaching the limit of their growth as arms exporters and ought to re-evaluate what has been a largely uncoordinated effort. He contended that growing competition among arms producers for markets and the undependability of some of Israel's debt-ridden weapons purchasers are likely to limit further arms exports.

Klieman pointed to Brazil as a competing arms exporter that holds advantages over Israel. Supported by major natural resources and cheap labor, Brazil can sell to the world's leading arms purchasers, the Arab nations of the Middle East, a market denied to Israel.

Despite its disadvantages, Israel may be exporting more than $1 billion worth of arms each year, according to Klieman. Each of the two government-controlled defense manufacturers admits to marketing its products to more than 40 foreign nations. Klieman estimated the total number of Israeli arms clients to be close to 50, an impressive figure when one compares it with the 67 countries that purchase arms from the United States and 28 known to buy weapons from the Soviet Union.

A total of 112 Israeli industries are involved in the arms sales effort. They have mastered the most sophisticated technologies, including microelectronics and a new generation of precision-guided "smart weapons."

As a visiting professor at Georgetown University, Klieman has spent much of the past year writing what might be described as the first comprehensive book on Israeli arms sales. An American-born Israeli citizen, he previously wrote on the subject as an associate of the Jaffee Center for Strategic Studies at Tel Aviv University. His book is to be published in June by Pergamon-Brassey's under the title "Israel's Global Reach: Arms Sales as Diplomacy."

Working from unclassified, public materials and interviews with defense industry leaders and specialists, Klieman concludes that it may be time for Israel to rein in its arms exports. According to various estimates, those exports currently constitute between a fifth and a third of the country's total industrial exports.

In his book, Klieman argues that military sales come close to dominating Israel's foreign trade and certainly its industrial exports.

"Even if effectively restricted to no more than one-quarter of industrial exports, the sale of arms, acknowledged to be one of the more unstable and unpredictable areas of international commerce, would in Israeli terms be too salient," Klieman writes.

"A sudden drop in sales, due perhaps to being edged out by other sellers or possibly because a good customer can no longer afford additional purchases, has no use for them or is itself manufacturing comparable items, would introduce profound shocks in already shaky economy."

Klieman says he sees signs that Prime Minister Shimon Peres is going to pursue a more cautions arms sales policy, shying away, for example, from further entanglements with Central American nations.

Peres has said that Israel no longer sells any military equipment to Iran. Following the 1979-80 hostage crisis, Israel was reported to have sold $25 million worth of spare parts and other items to the Iranians.

Klieman calls for greater coordination of arms sales within the Israeli government. He says there is no permanent unit charged with considering the political implications and economic consequences of weapons sales. He adds that the Israeli defense industry now may be aiming too high in attempting to sell tanks and fighter planes in the face of powerful competition. He contends that Israel needs to reach an understanding on arms sales with the United States, which is both a market and a competitor for Israel's arms sales.

Klieman recommends that Israel further develop its most advanced technologies and cultivate more arms trade with the members of NATO.

"At a time of unprecedented American sensitivity to the financial burden of supporting Israel, . . . it is hard to anticipate an enthusiastic reception for defense sales contracts in the U.S. market by Israel," Klieman writes.

"Such prospects will be poor unless a skillful political and public relations campaign is waged to present Israeli defense sales in a positive light," he says.

Klieman argues that Israeli success in selling its military wares ought to make it less dependent on American grants and loans. In addition, he says that Israel's innovations and its refinements of American weapons represent savings for the U.S. government.

According to Klieman, Israel's main market is Third World nations. As he puts it, Israel offers them a "cost effective alternative" in the form of cheap, highly mobile, and easily operable weapons.

When it comes to poor nations that cannot afford to buy new and expensive weapons, the Israelis have the answer. They are adept at modernizing old equipment. Israel is reported, for example, to have "updated" 15 Mirage-55 fighter planes for Colombia.

The Israelis also refurbish old Soviet equipment. Having captured large quantities of Soviet weapons, the Israelis are now considered the second largest exporters of Soviet arms. In 1982, the subject of sales of Soviet-built equipment is said to have arisen in talks between Israel and Zaire.

In terms of total arms exports, Israel is not among the biggest exporters in the world. It probably ranks around 15th or 16th, Klieman says, lagging far behind such big exporters as the Soviet Union, the United States and France. But when it comes to arms exports in relation to its total in exports, Israel has one of the highest ratings in the world, reflecting its economic dependence on this single sector.

In 1982, statistical computations by the U.S. Arms Control and Disarmament Agency placed Israel fifth in this category, with the nation's military sales estimated at 6.9 percent of its total exports, based only upon known or verified transfers of arms. This figure was exceeded only by those of Egypt with 9.3 percent, Romania with 9.5 percent, the Soviet Union with 12.5 percent, and—in all probability—North Korea with 13.2 percent in 1976. The United States' military sales were estimated at 4.5 percent of its total exports.

Although accurate statistics are hard to come by, it appears that South Africa has been the leading purchaser of arms from Israel, acquiring as many as 35 percent of the nation's arms exports in recent years. Israeli sales to South Africa have included gunboats and Gabriel missiles.

Latin American nations are reported to buy anywhere from a third to half of Israel's arms exports. Among those nations, Argentina is probably the largest client, having purchased heavily from Israel before the Falklands war.

The Israelis were at one point the largest infantry equipment suppliers to El Salvador and Guatemala. They are reported to have conducted intelligence training in Guatemala and Costa Rica and to have offered Central American nations stocks of arms captured in Lebanon at low cost.

It is no incident that the Israeli directory of defense industries and their products is published in two editions—one in English and one in Spanish.

[Mr. McCONNELL assumed the chair.]

HOW AND WHY STAR WARS WILL DESTROY ARMS CONTROL

Mr. PROXMIRE. Suppose the antimissile technology—star wars—works perfectly, as Secretary Weinberger insists it will. What will it do? Will it prevent an ICBM attack on the United States? If so, what would become of the prime Russian deterrent to an American attack? Much of its deterrent capability—not all of it but much of it—would fade away. But unless the Russians also had the star wars technology, the American deterrent would remain intact. Then what happens? Since the early 1950's, when the U.S.S.R. developed its nuclear arsenal, the superpowers have been in rough nuclear balance. Each superpower has known that the other superpower fully realizes the other side's capability to retaliate in response to an attack is so devastating, so sure to destroy the other, that neither superpower will ever initiate such a strike. For more than 30 years—ever since both powers developed their own massive retaliatory powers—that balance, that standoff, has kept the peace. Does it give perfect assurance that the Russians will never initiate a nuclear preemptive strike? No. Is it likely as the nuclear arms race continues that one side or the other will make a technological breakthrough which will eventually persuade the leadership of that superpower that they have a temporary nuclear advantage that will enable them to end the nuclear threat of the other superpower? Yes. And given enough time and the potential of nuclear weapons research, such a technological breakthrough eventually is probable, in fact, highly probable unless we end the arms race.

Isn't it likely that the Russians regard our antimissile or star wars program as exactly this kind of a potential breakthrough? After all, if this star wars system does everything its principal advocate, Secretary of Defense Weinberger, says it will do, it will indeed give the United States exactly the kind of decisive nuclear weapons advantage that could destroy the Soviet deterrent.

In doing so, in the eyes of the Russians, wouldn't this terminate the nuclear balance that has kept the peace between the world's two great military powers for the past 30 years? How do we restore that balance? Secretary Weinberger says that we restore the balance by handing the technology over to the Russians, lock, stock, and barrel. The Russians could then produce and deploy their own antimissile program. Is it possible that such a startling and astonishingly generous proposal could serve American interests? Usually, when the Defense Department has said that we would make the antimissile technology available to the Soviets, they have added a critical qualification. They would insist on a quid pro quo. When General Abrahamson, who heads the program, last testified before the Defense Appropriations Subcommittee he emphasized that quid pro quo. The Russians would get the star wars technology only if they agreed to a mutual and verifiable treaty to limit the production and deployment of offensive missiles so that neither superpower could simply nullify the antimissile defense by building enough offensive missiles to overwhelm the antimissile defense, and by improving the missiles so they can penetrate the defense.

Mr. President, this Senator is concerned that the administration is pushing the Congress into a trap that will have the following painful consequences: First, it will cost this country a trillion dollars or more. Second, it will destroy arms control. It will do so by making the satellites on which arms control critically depend for verification easily and certainly vulnerable. Third, it will not win an offensive missile limitation agreement from the Soviet Union even if we offer the technology to the U.S.S.R. The Russians would not buy such an agreement because three-quarters of the Soviet deterrent is on land-based ICBM's, whereas only one-quarter of the U.S. deterrent is in land-based ICBM's. The antimissile system will only work against land-based ICBM's.

So, what follows? Suppose both sides were to deploy the antimissile system. What is the result? The Soviets would find three-quarters of their deterrent compromised. We would find only one-quarter of our deterrent in any jeopardy. As an American, of course, I would like that kind of an agreement. But would the Russians? What do you think? What happens if the Russians accept such a treaty? They agree to limit any further land-based missile deployment. They agree not to harden the skins of their ICBM's. They agree not to use decoys. So they agree to assure us that three-fourths of their deterrent will be greatly diminished in retaliatory power. In return, we make the same agreement. We agree to limit our ICBM land-based force. We agree not to harden the skins or use decoys. So we lose most of the deterrent force of our land-based ICBM's. But so what? We only have one-quarter of our deterrent land based and incapacitated. The Soviets would have three-fourths of their deterrent land based and incapacitated. Does anyone really expect the Soviet Union to agree to such a deal, even if we do give them our multibillion dollar technology as a gift? Of course not, and the administration knows it. So why does the administration go through this act of proposing to give the Russians our immensely expensive antimissile nuclear technology? Because the administration knows it can attach conditions that the Soviets will reject out of hand. And once again, the Reagan administration can argue that it wants to negotiate arms control but the Soviets stubbornly refuse to agree in spite of the spectacularly generous quality of the offer. And when the Russians refuse to accept the star wars technology and we push ahead with star wars, what will the Russians do? They will do precisely what Dr. Hans Bethe, who probably knows more about nuclear weapons than any man alive, says they will do. They will double or triple their offensive missiles. They harden the skin of their missiles so our antimissile cannot stop them, and

they will prepare to fill the skies with 10 decoys for every missile so they can "use up" the antimissile defense. The trillion dollar antimissible program will turn out to have been totally useless and a trillion dollar golden fleece. The nuclear arms race will march on, more and more out of control. Arms control will be dead. Why will arms control die? Because the star wars technology will make the satellites sitting ducks. Russian missiles will not be vulnerable to the star wars technology. The satellites essential for arms control verification will be the sure and certain victim of our star wars arms race.

WHERE THE REAGAN FISCAL POLICY IS TAKING AMERICA

Mr. PROXMIRE. How will history view President Ronald Reagan? Here is a President who has won two smashing landslide elections. He has succeeded in stopping, at least temporarily and maybe permanently, a steady 50-year increase in Federal spending for a variety of purposes, including housing, health, education, environmental protection, financial assistance to State and local government. On the other hand, he has sharply increased spending for military and foreign aid purposes. He has succeeded in reducing taxes on upper-income Americans, the personal income tax, and increasing taxes paid by low- and moderate-income persons, the Social Security payroll tax. He tried and failed to change the laws regarding abortion and prayer in the schools. He has opposed agreement with the Russians on nuclear arms limitation—an agreement that relies almost exclusively on Presidential negotiations.

By far, his most significant innovation is military. He supports star wars, a radical, highly controversial, immensely expensive and unworkable new technology designed to defend against a possible nuclear ICBM attack by the U.S.S.R. How does all this add up? What will Americans think of the Reagan administration 10 years or 50 years from now? If, as seems likely—if not certain—we have endured through the next 10 or 50 years, so there is still an American Nation surviving and able to assess the Reagan administration, here is my guess on how they will consider the Reagan administration. Here is a report from April 1 in the year 2035:

The Reagan years were the most grossly irresponsible fiscal years in the history of the country. Why? Because those were the years the crushing Federal debt began. Ironically the explosion of the national debt that undermined the U.S. economy was accompanied by a transparent patina of criticism by President Reagan and his supporters in the administration and the press of the wasteful spending practices of previous administrations and against his congressional opposition. President Reagan and his administration drove the Federal deficit to a level that pushed it out of Congress' control. Here is how it happened: In the first 4 years of the Reagan administration, in spite of the President's anti-spending posture, the Congress maintained almost precisely the same rate of increase in Federal spending as its predecessors. the Reagan administration simply shifted the priorities. His administration held down spending for social services but it transferred the savings from reduced spending for social services into spending for military programs.

The critical fiscal change took place in the tax or revenue side of the ledger. President Reagan called for and won a very sharp reduction in the progressive income tax. Result: the overall Federal budget ran far and away the biggest deficits in the history of America. Fifty years ago, back in 1985, when these mammoth deficits were just beginning, some Senators proposed to hold down military as well as domestic spending. The President temporarily relented from his military buildup and negotiated a $50 billion overall reduction in the current services budget, which was expected to reduce the deficit from its $220 billion deficit in 1985 down to $170 billion in 1986. But the sharp reduction in the deficits slowed the economy. Unemployment rose. Tax revenues fell. Some Members of the Congress called for an even stiffer battle against the deficit. They asked for further spending cuts and tax increases. Others called on the President and the Congress to dig in and hold the line. The 1986 elections were coming up. So, the President made an unsurprising political decision. He called on a willing Congress to get the economy moving again. They did. They passed a combination tax cut and an across the board increase in both domestic and military spending.

Under a new Chairman of the Federal Reserve Board, monetary policy eased up. The economy regained its momentum with the stimulative combination of a $300 billion deficit and an easier monetary policy. The Reagan administration's brief and frightening flirtation into fiscal responsibility in 1985 taught future Presidents a lesson they did not forget for the next 15 years. Despite misgivings the Congress even proceeded with the multitrillion dollar star wars program. In 1988 it added 1,000 additional MX missiles armed with 10,000 nuclear warheads. The United States also vigorously stepped up its conventional armor of ships, tanks, and planes. The President, the Congress and much of the American public became convinced that only big and steadily increasing deficits could keep the economy moving. In 1988, the deficit exceeded a half trillion dollars. In 1995, the country had its first $2 trillion deficit. That year, the national debt climbed to $10 trillion. Inflation raced to an annual rate of 25 percent. The Treasury bill rate averaged 20 percent. Interest on the national debt at $2 trillion a year exceeded all other costs of the Federal Government combined.

Finally, in the year 2000, inflation reached 100 percent. The Federal Government devalued the dollar, laid off half its employees, tripled its taxation, and stopped the arms race by negotiating a nuclear freeze with the U.S.S.R. America then suffered 25 years of high unemployment before it moved to a 30-hour workweek in 2025.

FOREIGN RELATIONS COMMITTEE ANNOUNCES MARKUP DATE FOR GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I have argued time and again that the time to act on the Genocide Convention is right now. And the slow pace of the Senate schedule—we were only in session 2 days last week—demonstrates that point clearly.

But I have been delighted to learn that, at long last, there is progress. The Foreign Relations Committee has announced April 23 as the markup date for the Genocide Convention.

That is good news and the committee chairman and ranking minority member are to be congratulated on reaching an agreement for committee action.

It is far from clear whether committee action will be completed on that date, however. The tactics of opponents have always centered on delay and the possibility is there, under the committee's rules, for requesting a 1-week delay to review any proposal that is put forward.

But I hope the committee will follow its own action of just 6 months ago. Then, the committee reported the Genocide Convention promptly with three understandings and one declaration and it is my fervent hope that they will report the Genocide Convention once again in just that format.

Nevertheless, the administration's flip-flop on an article IX reservation has not co-opted the opponents as the administration may have hoped. Instead, it has fueled the fire for more understandings and so-called clarifications to the Convention. Indeed, at the committee's last hearing, a list of eight amendments was circulated which would not only gut the Convention but would completely restate American treaty practice of the last 30 years. What Senator Bricker couldn't succeed in doing—in a straightforward manner in an up-or-down vote on the Senate floor—the Genocide Conven-

tion's opponents are attempting to do by a backdoor "clarification" to the treaty.

Opponents are attempting to steamroll the committee members into believing that these amendments are a necessary "price" for securing an opportunity to debate the Genocide Convention on the Senate floor. Nothing could be further from the truth.

For every amendment offered by opponents, for every clarification proposed, there are a dozen waiting in the wings. While insisting that they support the treaty but it merely needs to be "improved;" the opponents know full well that you cannot change the text of a multilateral treaty—particularly one that has been ratified by 96 nations—and expect our signature to have any validity under international law.

But the arena in which to debate all of these "helpful" proposals is the Senate floor. Each and every one of these issues will be debated fully on the Senate floor, regardless of the committee's decision, so there is no need to prolong the fight by debating them twice.

I cannot expect that opponents would let any of these amendments slip by without a debate and I welcome it. I am convinced that when the Members of this body have an opportunity to review the arguments in full, that this Chamber will move promptly to ratify the Genocide Convention without crippling amendments.

The case for the Convention is strong and it will withstand these assaults. But the time to open debate is now. The time for delay is long since gone.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for morning business.

CHILD ABUSE AWARENESS MONTH

TEACHING KIDS WHAT TO LOOK FOR AND WHAT TO DO IF IT HAPPENS TO THEM

Mr. GORE. Mr. President, today marks the beginning of Child Abuse Awareness Month; a time for our Nation to give special consideration to the problems of child abuse and its damaging effects on our society.

The statistics involving child abuse incidents are frightening. One expert says that as many as 10,000 children are severely battered each year, at least 50,000 to 70,000 are sexually abused, 100,000 are emotionally neglected, and another 100,000 are physically, morally, and educationally neglected. The actual numbers of child abuse and neglect cases are difficult to ascertain because of the necessity of relying on reporting by hospitals, the police, or family members. Most researchers agree that studies and surveys underestimate the true number of incidents. Statistics further show that many abused children grow up to be abusers, and many along the way are likely to become involved in criminal acts.

For too long, our society has labeled this subject taboo, and for too long, we, as parents, family members, and citizens have turned our backs on the victims—the many thousands of children who are frightened and confused about what to do once it happens to them.

Mr. President, I stand before this body to share what I have learned of an important cooperative effort underway in this country. On February 17 of this year, eight major newspapers published a four-page supplement with a critical message on child abuse to children; what to look for and what to do if it happens to them.

In the form of a comic strip, using the popular figures of "Spider-Man and Power Pack," the delicate issues of child abuse and neglect were masterfully analyzed in a way that children could understand. The response to the supplements has been moving. Hundreds of letters from formerly abused children and thoughtful parents, to teachers and law enforcement officials, have poured in to the groups that sponsored and organized the publishing. I would like to share with my colleagues excerpts from some of these many letters.

In all, 6.6 million copies of the supplement were distributed on that day in the eight newspapers. Special thanks should go to the newspapers that allowed the supplement to run in their editions: the Chicago Tribune, the Boston Globe, the Cleveland Plain Dealer, the Des Moines Register, the Detroit Free Press, the Kansas City Star, the Philadelphia Inquirer, and the St. Louis Post-Dispatch. The organizations behind the scenes that made up their historic cooperative effort happen, the Marvel Comics Groups, the National Committee for Prevention of Child Abuse, and the McArthur Foundation, which funded the supplements, should also be commended.

Mr. President, this incredible effort to educate millions of American families and open the door to parent-child discussions need not end now. The Marvel Comics Group has agreed to provide us with copies of this comic strip so that every Member of Congress can have the opportunity to see firsthand this important message. They are being delivered to the offices as I speak.

I want to urge my colleagues in both Houses to do everything within their power to encourage the distribution of this comic strip in their home states. It is a special comic strip, with a special message that speaks to the hearts and minds of all ages.

There are many steps that we, as a Nation, must take to bring the disease of child abuse under control. The widespread distribution of publications, like this comic strip, that are designed to draw attention to this problem and offer advice to children and parents on how to handle it, is one of these important steps.

Mr. President, I ask unanimous consent to have printed in the RECORD the letters to which I have referred.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 28, 1985.

NATIONAL COMMITTEE FOR PREVENTION OF CHILD ABUSE,
Chicago, IL.

To whom it may concern:

This Sunday I read the Spiderman supplement in the Chicago Tribune; I had to write to tell you what I thought about it.

When I was a kid I read a lot of comics. My nickel allowance would buy either a candy bar or two comic books; I usually went for the comic books. And they didn't even stunt my intellectual growth, as so many adults believed in those days—now I'm getting a PhD. But in those days a lot of things were different, and one of them was that no one but no one ever talked about things like child abuse.

I was abused by my father for nearly 17 years. He said he'd kill me if I ever told anyone. I finally got up the nerve to tell my mother, who said I must be lying. I never told anyone else about it again until I saw a psychiatrist in my twenties. How I wish that one of those many comic books I read had had a story like this in them! I might have had the bravery to tell others, to tell until someone did believe me.

I am very glad that Marvel has done this story, and that nowadays people do talk about this, that they are bringing it out into the open. Years after the fact I found out that I was not alone, that many friends of mine had been abused and either had been afraid to tell or had been accused of lying. When I read this comic it made me want to cry—not because it made me sad, but because it made me hopeful. If other kids could be saved from such horrifying and crushing guilt, it would be a very good thing. Putting it into a comic book is a very good idea; for a lot of kids, comic books are more than entertainment—they are friends.

Thanks.

Sincerely,

INSTRUCTOR AT INDIANA UNIVERSITY.

FEBRUARY 28, 1985.

DEAR STAN LEE, I really enjoyed your special addition on sexual abuse. I think it will encorage kids to tell adults that they are being sexually abused. I hope to grow up and be a cartoonist like you someday.

Sincerely,

10 YEAR OLD BOY.

FEBRUARY 28, 1985.

DEAR SIR/MA'AM, I am currently a nursing student taking my phsychiatric nursing course. During a women's group therapy session I attended, the topic of sexual abuse was brought up by the therapist. I knew the statistics on sexual abuse were rising, but to my surprise, all fourteen women in the

group reported being sexually abused at one time or another between the ages of six to eighteen years old. Once one member of the group told her painful experience, the others followed. Needless, to say, a lot of pain, anger, fustration and tears were released.

I want to thank you for your part in presenting that wonderful comic strip placed in the Chicago Tribune. I hope it helps children and adults talk about their feelings and fears about this problem. The women in my group said that the hardest part was telling someone about it. I hope children found a way to do that through the comic strip. I also want to thank you for the list of agencies to contact for information and help. The public needed that. I was very glad I read last Sunday's Chicago Tribune.

NURSING STUDENT.

TO WHOM IT MAY CONCERN, your supplement on Child Abuse which appeared in Sunday's Tribune is to be commended.

I think it is wonderful to see the media aiding in informing and educating today's children. Child abuse is a reality and it truly exists in our world.

There are, I'm sure, a great number of frightened victims out there. And, if your supplement even touches a handful, it will have done a great deal. Thanks for reaching out to them and giving them courage to come forward, and also, a sense of understanding. It's important for these children to be aware of the fact that they're not alone and that they're not bad!

I am confident that your supplement will do its intended job.

It really impressed me to see the open arms of help which you are offering.

Bravo to you!

WOMAN IN ILLINOIS.

NATIONAL COMMITTEE FOR PREVENTION OF CHILD ABUSE,
Chicago, IL.

Good Morning!

Recently I had the pleasure of reading the Spider-Man and Power Pack comic strip presented in the Chicago Tribune newspaper dealing with child abuse. I found this article to be very informative and a good way of relating to possible abused children.

With more and more child abuse and neglect cases being reported every day, I would like to be able to have some pamphlets on hand for the children and/or their parents to refer to. Do you have any type of information pamplets on child abuse or neglect that can be presented to the public? If so, I am interested in obtaining several copies for our Department.

Any information you can relay to me will be sincerly appreciated.

Respectfully,

JUVENILE OFFICER IN INDIANA.

FEBRUARY 28, 1985.

To Whom It May Concern:

Congratulations and much appreciation on a job well done. I am very impressed with the Spiderman insert on child sexual abuse. I have a four-year-old daughter to whom I intend to read it to as soon as we can have a quiet time. She goes to pre-school and has gotten some instruction about avoiding strangers and saying "no" already. There was also a good episode on "Richard Pryor's Place" about an abused girl that we watched together. I'm sure the comic will reinforce the messages.

I think it's wonderful that the media is helping along the work that your organization is doing. I feel there can't be too much information, and constructive educational vehicles such as the Spiderman Comic are very important. As a parent I depend on them because I need to be instructed first, and only then can I instruct my child. And for the unfortunate children who don't have the parent who cares, the programs and comics that speak directly to them are invaluable. As the comic does.

I'd like to see more comics like this one. Maybe one in comic book form to be made available to schools, churches, etc. The honesty and positiveness were very impressive, thanks to everyone for caring.

In addition to being moved to writing this letter I also was moved to tears while reading the comic. And after, out of gratitude and also sadness that our world is one where this sort of thing is needed.

Sincerely,

MOTHER OF 4-YEAR OLD IN ILLINOIS.

MANCHESTER, MO,
February 28, 1985.

DEAR SIR: My children and I just finished reading your Spiderman supplement in the St. Louis Post Dispatch. You took a very difficult subject and gave us a way to make it understandable, even to young children.

It is so hard as a parent to know how to bring this tragic problem to your children's attention. Your supplement gave us a great starting point that led to a lot of discussion, and questions from my children. I applaud your supplement and thank you for your tremendous help.

Sincerely,

MOTHER IN MISSOURI.

FEBRUARY 28, 1985.

NATIONAL COMMITTEE FOR THE PREVENTION OF CHILD ABUSE,
Chicago, IL.

DEAR COMMITTEE, I would like to add my appreciation to that of many other parents, I'm sure, for featuring the Spiderman comic in February's Sunday the 17th edition of the "Chicago Free Press."

I was especially impressed with Spiderman's sharing of his abuse experience as a child. I feel that children's attachment to Spiderman will make them sympathize with his story, thus the children will possibly feel that they are not alone in an abuse situation and this can happen to anyone: two very important facts relating to child sexual abuse. Also, the character gave good advice when he told children, "keep telling until an adult believes you, if the first person you tell does not."

I am the mother of a three year old, who is a fan of Spiderman, of course, Josh can't read yet, but I did share this with him and paraphrased its contents into words he can understand. I have been introducing the concept of "self-awareness" and "body protection" to him for about 6 months. He liked this comic and after I had set it down, Josh picked it up and "read it to himself" saying, "Spiderman says nobody should hurt me." Also, "Spiderman said to tell Mommie if anyone touches me." That's probably the best review you've had on this!!!!!!

Again, thank you for printing this feature! I have joined my son in his admiration of Spiderman!

PS: If your committee recommends any books on how to tell children about sexual abuse, please let me know. I wish to obtain books like these and use them in our story time at home.

MOTHER IN NEW YORK STATE.

FEBRUARY 28, 1985.

NATIONAL COMMITTEE FOR PREVENTION OF CHILD ABUSE,
Chicago, IL.

Thank you, the Spider Man supplement to the Chicago Tribune was read by my eight-year-old son, my ten-year-old daughter, my husband and me. We all appreciate the opportunity you gave us to talk about this subject. The more knowledge my children have on this sort of thing, the easier it is for me to leave them in the care of others! This article and others like it will be put away to be read a few years from now to my youngest who is just a toddler now.

I hope you will continue to call attention to the problem and give teaching aids such as this supplement to those of us who are concerned about our children.

Sincerely,

MOTHER IN ILLINOIS.

EUROPEAN CONCERN FOR PRESIDENT REAGAN'S CENTRAL AMERICAN POLICIES

Mr. KENNEDY. Mr. President, as Americans begin to focus on the administration's policy in Nicaragua, few stop to consider the effects of our Central American policies on our Euopean allies. Recently, a delegation from European parliaments came to Washington to voice European opposition to U.S. policies in Central America. They came as representatives of 600 other members of European parliaments who have published a report on the Central American crisis.

Four members of the Dutch, Irish, German, and Italian Parliaments wrote to President Reagan to inform him of the grave concern shared by hundreds of their fellow legislators about the current U.S. policy toward Nicaragua. The letter raises several points which are central to the debate on the appropriate role of the United States in the region.

While framing the issue as an East-West conflict, the Reagan administration ignores the roots of the crisis in Central America which lie in the social and economic problems of the region. As the letter states, the administration's policy toward Nicaragua of isolation, containment and hostility "only strengthens the hand of those forces inside the country most likely to depart from the original goals of the Sandinista revolution: political pluralism, nonalignment, and a mixed economy."

The Reagan administration's policy toward Nicaragua makes a mockery of Western values. "To compare mercenaries who butcher and rape women and children to members of the French Resistance—or even to the Founding Fathers of—the United States—is an insult to the memory and dignity of those genuine heroes and martyrs who fought for freedom." In addition, the United States' brazen violation of international law tramples over the very principles of the NATO

Charter and only weakens the entire alliance.

In the upcoming debate in the Senate over Central American policies, it is important to take into consideration these views and concerns of our allies. I urge my colleagues to read this letter to President Reagan.

Mr. President, I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSE OF PARLIAMENT,
2500 EA The Hague, March 8, 1985.

President REAGAN,
The White House,
Washington, DC.

DEAR PRESIDENT REAGAN: We are writing to inform you of the grave concern shared by hundreds of our fellow legislators about current United States policy towards Central America, and in particular, vis-a-vis the Government of Nicaragua. During the last three days while we have been in Washington, we have discussed the policy with scholars, journalists, Senators and Representatives, congressional staff and Executive Branch officials. These talks have only reinforced our judgment that the policy is headed on a course about which European elected officials—across a broad political spectrum—are appropriately disturbed.

In brief, the mainstream of Western European opinion has reached a firm consensus on the following points:

The roots of the crisis in Central America lie in the social and economic problems of the region. It is important to come to terms with the fact that, for the foreseeable future, the countries of Central America will be poor. A durable peace in the region can only be established through political solutions and economic development, and these must be rooted in a reasonably just social order.

The tensions in Central America are not manifestations of the East/West conflict. As stated, the revolutions in Nicaragua, El Salvador and Guatemala are rooted in poverty and political repression. Successful revolutions need not threaten the United States; they need not lead to governments that are dependent upon the Soviet Union. Indeed, it is precisely policies of isolation, containment and hostility that threaten friendly and prosperous friendships with countries such as Nicaragua.

Diplomatic rather than military solutions should be sought to defuse tensions which plague the region. Peace, gradual reform and long-term stability, as well as U.S. national security, can only be insured by negotiated settlements in the region. Further militarization of Central America only spawns further chaos and bloodshed. We give strong backing to the Contadora group effort which remains the best framework for securing a just and stable peace, and we fear that the United States does not support the Contadora effort sincerely.

Nicaragua should not be isolated. If the Administration is concerned about the democratic evolution of the Nicaraguan revolution, it must immediately reverse its strategy of covert operations, trade and aid blockades, and threatening military maneuvers. The tremendous pressure which Washington is bringing to bear on Nicaragua only strengthens the hand of those forces inside the country most likely to depart from the original goals of the Sandinista revolution: political pluralism, non-alignment, and a mixed economy.

International law must be observed. After World War II, the United States was a leader in the international acceptance of the credo that the rule of the law must replace the rule of force. Unfortunately, the actions of the U.S. government in Central America, such as the mining of Nicaragua's ports and its refusal to admit to the validity of the International Court of Justice, are seen by many Europeans as proof that the United States is prepared to disregard the principles of international conduct which it professes to uphold. We especially note that the NATO charter pledges a member to observe international law whenever it declares its national interests to be at stake. When the U.S. acts in contempt of the law, she undermines the very foundations of international justice and stability she helped foster in the West over the past 40 years.

With respect to Nicaragua, there are legitimate reasons to be concerned about the well-being of democracy. However, to call the contras "freedom fighters" is to make a mockery of the word freedom. Recent revelations of atrocities committed by the contras against Nicaraguan civilians—including assassination, torture, rape, kidnapping and mutilation—only leads honest observers to conclude that the contras are terrorists, not defenders of freedom. To compare mercenaries who butcher and rape women and children to members of the French Resistance—or even to the founding fathers of your own country—is an insult to the memory and dignity of those genuine heroes and martyrs who fought for freedom.

Our delegation traveled to Washington to express a concern felt deeply throughout Europe. Our views were clearly expressed at the meeting of European foreign ministers held in San Jose, Costa Rica during September, 1984. The voice of European opinion on this issue will be reaffirmed and strengthened in a follow-up meeting of foreign ministers scheduled for the second half of this year.

We are unsure of your Administration's concern about European interest and opinion on the Central America crisis. However, we do believe you share with us a mutual interest in the status of the NATO Alliance. It has become increasingly difficult for elected officials throughout Europe to defend the NATO Alliance because of United States policy in Central America. A policy which makes a mockery of Western values, which brazenly violates international law, which tramples over the very principles of the NATO charter only weakens the whole alliance. We do not write to you as mere friends, or interested observors. Your policy has a profound effect on our lives and our countries.

More than six hundred of our parliamentary colleagues in the countries of Western Europe have sponsored a report on the crisis in Central America that details the points we have raised in this letter. We are their representatives in this visit, and we hope that their concern is both clear to you and taken into consideration in these critical days.

Sincerely,

EVELINE HERFKENS,
M.P., The Netherlands.
BERNARD ALLEN,
M.P., Republic of Ireland.
UWE HOLTZ,
M.P., Federal Republic of Germany.
STEFANO RODOTA,
M.P., Italy.

ARTHUR SCHLESINGER, JR.—"MR. REAGAN'S TAR BABY"

Mr. KENNEDY. Mr. President, as the administration begins its campaign to pursuade Congress to resume aid to the Contras in Nicaragua, it is important to stop and examine the dangers created by linking America's credibility to an unlikely victory against the Sandinista government. Mr. Reagan may find it much more difficult to extricate himself from a Nicaraguan quagmire than he did from the Lebanese disaster.

In his enlightening article, "Mr. Reagan's Tar Baby," Pulitzer Prize winner Arthur Schlesinger, Jr., outlines the dangerous "slippery slope" upon which the Reagan administration is embarking. "The Reagan-Shultz line creates its own momentum. Once we talk about moral duties and define a local issue as a global test, anything short of the regime's removal will seem to some a U.S. defeat." The President's own Secretary of State recently warned, "We may find later, when we can no longer avoid acting, that the stakes will be higher and the costs greater."

The Reagan administration's policy is based on the flawed assumption that it can control the guerrillas. But recent reports of atrocities by the guerrillas, as well as "overzealous" CIA practices, make it clear that President Reagan is not in full control of his policy. "In the Nicaraguan case, the great United States is allowing itself to be manipulated by men who use the 'credibility' line to entrap us into restoring their property and power—and who hope that this restoration will be completed by U.S. troops."

The more urgently Mr. Reagan raises the stakes and pledges results in Nicaragua, the more difficult it will be to extricate himself and maintain America's credibility. As Mr. Schlesinger so succinctly states, President Reagan ought to remember Denis Healy's law, "When you are already in a hole, stop digging."

Mr. President, I urge my colleagues to read Mr. Schlesinger's insightful article and ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 1, 1985]

MR. REAGAN'S TAR BABY

Last week President Reagan avowed what he had long denied—that his objective is to "remove" the government of Nicaragua or at least, as he elegantly put it, to make the Sandinistas cry "uncle."

The campaign to attain this objective is now under way. The president preceded his press conference with a radio speech in which he embraced the Contras, the CIA-backed guerrillas, as "our brothers." In helping the Contras, he said, we are doing what Lafayette, von Steuben and Kosciuszko did in helping the American Revolution. "How can we refuse them assistance when we know that ultimately their fight is our fight?" The secretary of state soon added that "it is our moral duty to help people trying to bring about the freedom of their country."

It is hard to be sure how far this campaign is meant to go. Some observers think it is no more than an intensification of pressure to force further concessions from the Sandinistas. If this reading is correct, then the tactic is already having some success. The Sandinistras this week decided to suspend the import of new arms systems and to send 50 Cuban military advisers home. They ask for a resumption of negotiations and an end to the financing of the Contras. But the last thing the administration hard-liners want is a negotiated settlement. If they can't avoid negotiations, they will keep on raising the ante; and they will demand continued support for the Contras, if only to maintain the pressure.

The Reagan-Shultz line creates its own momentum. Once we talk about moral duties and define a local issue as a global test, anything short of the regime's removal will seem to some a U.S. defeat. What begins as pressure may end as crusade.

If the Contras fail to overthrow Managua, the administration may find itself on a slippery slope. Some Reaganites will surely feel that, to preserve "credibility," the U.S. must use additional means to attain its objective, including the dispatch of American troops. "We may find later." Mr. Shultz said ominously, "when we can no longer avoid acting, that the stakes will be higher and the costs greater."

FLAWED INVOCATION

Mr. Reagan's invocation of Lafayette, von Steuben and Kosciuszko has its flaws as historical analogy. After all, Lafayette and his comrades were not cheering the American rebels on from a safe distance; they were with them on the firing line. But perhaps the analogy secretes an unconscious expectation.

It isn't necessary to like the Sandinistas in order to question the wisdom of the Reagan policy. The Sandinistas are a rough lot. Many are Marxist-Leninists. They are also nationalists with fierce pride in their revolution and independence. To be told to cry uncle by the American president is an insulting reminder of the idea, expressed by Secretary of State Richard Olney in 1895 and presumably scrapped in more civilized times, that "the United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition."

Mr. Reagan's bullying words will be about as effective as it would have been for King George III to have told the American revolutionaries to cry uncle. Nor is it unreasonable that a small country besieged by the U.S. should build up its defenses. And it's utopian to suppose the Sandinistas will demobilize so long as the U.S. proclaims its intent to overthrow them.

As for the Contras, are they really "our brothers"? The Contras are not a unified force. Some, like Eden Pastora of the Democratic Revolutionary Alliance, are brave and worthy men. But Mr. Pastora has been notably critical of the CIA and of the Nicaraguan Democratic Force (FDN), the largest Contra unit. Many of the FDN leaders—including the chief of operations, the chief of intelligence, the chief of logistics and the chief of personnel—are reportedly veterans of the National Guard, which in the good old days was the Somoza family's personal instrument of terror. Men trained in such a school rarely alter their habits, and newspapermen have described the depredations and atrocities they leave in their trail. "U.S. support for the Contras". Sen. Claiborne Pell has well said, "flies in the face of the administration's anti-terrorist policy." These guardsmen may be the brothers of Ronald Reagan. I doubt that they are really the brothers of most citizens of the U.S.

Yet they are the men to whom Mr. Reagan proposes to entrust the honor and prestige of the republic. The objection to doing this proceeds not from idealism but from realism. Mr. Reagan supposes he can control his guerrillas. The idea that the patron can control the client is an abiding American illusion—an illusion that has mysteriously survived bitter experience to the contrary in China and Indochina.

Once the patron commits himself to the achievement of the client's goals, his own leverage shrinks. He must now renounce his ultimate sanction—the withdrawal of support from the client. He is no longer the manipulator but the manipulated. He ends less the client's patron than his prisoner. In the Nicaraguan case the great U.S. is allowing itself to be manipulated by men who use the "credibility" line to entrap us into restoring their property and power—and who hope that this restoration will be completed by U.S. troops.

The administration has now cast aside the pretense that its purpose in backing the Contras was simply to stop arms shipments to the Salvadoran insurgents. This was at best a tenuous point, since solid evidence is lacking that such shipments have taken place in recent years. But in avowing his real objective, Mr. Reagan faces the obstacle of the Boland Amendment, which prohibits U.S. support for the overthrow of the Nicaraguan government. When asked about the Boland Amendment in his press conference, our president responded with an airy reference to "some of the proposals that have been made in Congress." The Boland Amendment is no proposal. It is an act of Congress, signed into law by Ronald Reagan.

The new policy also faces obstacles in international law. Mr. Reagan propounded a novel doctrine in his State of the Union message. "Support for freedom fighters is self-defense," he said, "and totally consistent with the OAS and U.N. Charters." But "self-defense," as Abraham Lincoln pointed out long ago, is a mighty elastic concept. Suppose, Lincoln wrote, a president claiming self-defense invaded Canada because he thought the British were about to invade us. "You may say to him, 'I see no probability of the British invading us' but he will say to you 'be silent; I see it, if you don't.'" Let a president invade a neighbor whenever he shall deem it necessary to repel an invasion, Lincoln said, "and you allow him to make war at pleasure. Study to see if you can fix any limit to his power in this respect."

The belief that support for freedom fighters is exempt from international law has long been a Soviet doctrine, though they prefer the term "wars of national liberation." As Mr. Reagan showed when he pulled the U.S. out of the Nicaragua case in the World Court, he is coming close to the Soviet position that a superpower is a law unto itself in world affairs.

Mr. Reagan ought to count carefully the costs of an interventionist policy in Central America. He is a lame-duck president, and his power to attain his domestic goals will steadily trickle away in the months ahead. Intervention in Central America will derail his domestic program and use up wasting political assets. The Second American Revolution announced in the State of the Union address will perish in Nicaragua as surely as Lyndon Johnson's Great Society perished in Vietnam. The new Central American line puts Mr. Reagan's second term at risk—unless, of course, he already despairs of coping with the farm problem, the deficit, the tax bill and other local vexations and, like other leaders known to history, sees in foreign war an escape from domestic perplexity.

A Marxist-Leninist Nicaragua is a problem—though as Sen. William Fulbright said of Cuba in 1961, it is a thorn in our side, not a dagger in our heart. The Soviet Union obviously rejoices in our Central American discomfiture, but the administration has never vouchsafed a rigorous analysis as to how Moscow can exploit the situation to its strategic benefit.

Moscow knows that it cannot install nuclear-missile bases in the Western Hemisphere in 1985 any more than it could in 1962. As for economic aid to Nicaragua, why, as the Latin Americans put it, would Moscow fatten a lamb in the jaws of a lion? The Kremlin will do its best to keep the revolutionary pot boiling on a low-cost, low-risk basis, but it will not invest much in the way of arms or money or prestige because it understands how hopelessly vulnerable any such investment would be.

CONSULT THE NEIGHBORS

If the Nicaraguan threat lies in the export of revolution to neighboring countries, perhaps we should consult with the neighbors before we rush into action ourselves. They are far closer to the threat than we are, far more familiar with the territory and just as determined to protect themselves. State Department officials say that few of our Latin American allies would support us in breaking relations with Nicaragua. If the neighbors still see possibilities in diplomacy, why should we put our chips on military power? If diplomacy fails, force is always available, and it is better to use it with our Latin American friends than without them. Unilateral action by the U.S. is a sure loser.

I find it hard to believe that Ronald Reagan will actually send American boys to kill and die in Central America. But the more urgently he raises stakes and pledges results, the more difficult it will be to extricate himself. He should remember Denis Healey's law: When you are already in a hole, stop digging. Mr. Reagan will not find it as easy to shed Nicaragua as it was to shed Lebanon. He may well end up playing Br'er Rabbit to the Nicaraguan tar baby.

A WINNING TRADITION

Mr. FORD. Mr. President, once again the Commonwealth of Kentucky has excelled on the basketball court. Five Kentucky college and university basketball teams turned in sterling performances this season, and were justly rewarded with invitations to

post-season tournaments. The winning tradition continues.

The University of Kentucky at Lexington—site of this year's Final Four—made its 30th NCAA Tournament appearance this year, more than any other team in the Nation. It was the sixth year in a row that Coach Joe B. Hall led his "Wildcats" to the tournament. The "Cats" have now chalked up 1,378 wins—again, more than any other school in the country. It will be under a new leader, but you can bet that University of Kentucky will be back to the NCAA very soon.

Down in the southern part of the State, the Western Kentucky University "Lady Toppers" made their first NCAA tournament appearance this year. After only nine seasons of women's basketball at Western, Coach Paul Sanderford led his team to the Mideast regional title and on to the Final Four. The "Lady Toppers" set a school record this year, winning 28 games. I am very proud of these folks.

The University of Louisville continued in its tradition of excellence on the court this season, going all the way to the semifinals of the National Invitational Tournament. This was University of Louisville's 11th appearance in the NIT, in addition to 17 NCAA Tournament appearances. By posting a winning record again this year, Coach Denny Crum's "Cardinals" extended their winning streak—the longest in the country—to 40 consecutive winning seasons.

Centre College in Danville, KY, a school with an excellent academic reputation, also has a typical Kentucky basketball program—and, as you probably have guessed by now, typical in Kentucky basketball means excellent. Coach Tom Bryant's "Colonels" this year won their third consecutive College Athletic Conference Championship, and then went on to the NCAA Division III Tournament. Not satisfied with the conference title, the Colonels went down to Greensboro, NC, and came home with the South Regional Championship in hand.

Finally, Mr. President, I would like to share with my colleagues just a few of the accomplishments of the Panthers of Kentucky Wesleyan College in my hometown of Owensboro, KY. The Panthers this year went all the way to the division II semifinals, making their 11th appearance in the final four—a division II record. It was the team's third trip to the Final Four in the past 4 years. On their way to tying for the Great Lakes Valley Conference Championship, the Panthers broke eight school records and seven conference records. Kentucky Wesleyan is led by Coach Michael Pollio, who in 5 short years has amassed 117 wins and only 34 losses.

Mr. President, in Kentucky we do not just grow good tobacco, raise fast horses, and make smooth bourbon—we also field some of the finest college basketball teams in the country. These teams are deserving of our praise and support. We certainly love them in Kentucky; with teams like these, the basketball season does not end until well into spring, which gives Kentuckians about a month to gear up for the Derby.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR WEICKER ON THE CHALLENGE TO THE CONSTITUTION

Mr. MATHIAS. Mr. President, no Senator has been a more vigorous and articulate defender of constitutional principles than the senior Senator from Connecticut, LOWELL WEICKER. His energetic adherence to the ideals that undergird our country's fundamental charter must be a source of pride to all the citizens of the Constitution State.

On March 18, 1985, Senator WEICKER testified before a joint committee of the Connecticut State Legislature concerning two of the most serious contemporary challenges to our Constitution: the proposed constitutional amendment to require a balanced budget, and the call for a constitutional convention under article V to propose such an amendment. Senator WEICKER's trenchant comments on these important topics deserve a wider audience. Members of Congress, State legislators, and thoughtful citizens would all benefit from careful consideration of Senator WEICKER's perspective.

Mr. President, I ask unanimous consent that the statement of Senator LOWELL WEICKER before the Connecticut State Legislature Committee on Government Administration and Elections be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR LOWELL WEICKER, JR.

Senator Lovegrove, Representative Schmidle and members of the Committee, it is a unique pleasure for me to testify before you this morning as you consider S.J. Res. 23, calling for a Constitutional convention on the matter of a balanced budget. I am proud to be the Senior Senator from the "Constitution State" and hope that as members of the Connecticut legislature, you will honor our state by defeating this seductive but dangerous proposal.

In remarks this morning I will divide my time between objection to the end this process hopes to achieve, a balanced budget Constitutional amendment, and the means it proposes for achieving it, the Article V Constitutional Convention. It's difficult to say which represents the greater danger.

First, the balanced budget amendment. Our recent political and economic history has been turned on its head over the last five years. We have seen the federal budget deficit mushroom from $40 billion in 1979 to $222 billion just five years later. We have seen taxes cut and priorities realigned and defense spending increased as never before, and the estimates are that the deficit will climb to $300 billion per year by 1989. And what is the response? The President and politicians from both parties, who will not deal with record budget deficits, are reaching for a Constitutional fig leaf to cover their naked inability to match rhetoric with results. Unfortunately, the coverage they have chosen is too transparent to get the job done.

During President Reagan's State of the Union speech and his FY86 budget request, he expressed a strong desire for a balanced budget. Well, my fellow Nutmeggers, that's like the quarterback of the football team leaving the field, going into the stands and shouting "We want a touchdown!" The President has submitted five budgets to the Congress, each further from the balanced budget goal. And the Congress has passed them making only small reductions in those deficits each year. We are not your average bear. If the President and the Congress want to balance the budget we have the power to balance it—now.

The federal budget is in perilous shape not because of the lack of procedural mechanisms to reduce spending but because of the lack of political courage to deal with the problem. A constitutional amendment will not confer that virtue on the body politic; more likely it will create a generation of legislative bootleggers who find their way around or through the Constitution to do their thing without risk.

That brings me to my central concern, that it is nothing less than the Constitution of the United States that is at stake here. Alexander Hamilton wrote that: "Constitutions should consist only of general provisions; the reason is that they must necessarily be permanent, and that they cannot calculate for the possible change of things."

Our Constitution, like no other document in history, has conferred on the American people the blessings of both order and justice because it establishes ideals rather than make policy. To enshrine in that document a particular device of economic policy, along side the freedom of speech, the freedom of the person and right to vote is to demean and encumber our greatest strength.

How then shall we deal with the budget crisis? A group of fellow Republicans and I have tried with some limited success to fashion budget proposals which approach deficit reduction comprehensively. All federal activities must be addressed; defense must be reduced; entitlement programs must be reformed; and yes taxes must be raised. But I do not believe this problem will be licked until the American people demand it in the voting booth. That is how the Framers of the Constitution intended such changes to occur, not be taking a red pen to the nation's founding charter.

What I'm saying here, basically, is that the responsibility lies as much with the American people, with the voters of the State of Connecticut, as it does with their representatives, be they in Hartford or in Washington. I'm reminded of that great

passage in Harry Truman's book, "Plain Speaking." He was asked a question, "Did it bother you, leaving the pomp and circumstance of Washington? Of the White House?" and Truman responded "Never gave me any trouble at all. I always kept in mind something old Ben Franklin said at that meeting in Philadelphia we were talking about. They had a big discussion about what should be done about ex-Presidents, and Alexander Hamilton I think it was said that it would be a terrible thing to degrade them by putting them back among the common people after they'd had all that power. But old Ben Franklin didn't agree. It's here someplace . . . I've got it, what he said . . . Here, read it."

Franklin said, "In free governments the rulers are the servants and the people their superiors and sovereigns. For the former therefore to return among the latter is not to degrade them but to promote them."

Mr. Truman smiled, and he said, "I kept that in mind when I was in the White House, and I've had it in mind ever since I got my . . . promotion.

The point also has to be made then—this is not a matter just for the politicians, this matter of balanced budgets and our Constitution. It should be a matter of deep concern to every one of us.

Abraham Lincoln wrote, "What is conservatism? Is it not adherence to the old and tried, against the new and untried?" With the pending proposal to convene a constitutional convention, many self-proclaimed conservatives have adopted what history clearly portrays as a radical approach to the Constitution. Twenty-six times over nearly 200 years, the Congress and the States have followed the "old and tried" means of amending the Constitution: a two-thirds vote of the House and Senate, approved by three-fifths of the States. As a point of fact that effort continues today in Congress. However, the proponents of the "new and untried" seek a different path. I cannot begin to catalog for the members of the committee the plethora of legal issues which such a convention presents. What makes matters all the more uncertain is the complete absence of any experience or legal precedent from which to decide them. And again it is nothing less than the Constitution that is at stake. Anyone who tells you that he or she knows definitively how such a convention would work and what the Constitution would look like after they finish with it cannot be trusted with matters of such consequence. Suffice it to say that when a convention was convened in 1787 "for the sole and express purpose of revising the Articles of Confederation", that document was scrapped and our current Constitution was drafted.

The magnitude of the risks involved in such an undertaking tower over even the most optimistic assessment of benefits we may derive.

I very much appreciated listening to my friend George Will when he was on This Week with David Brinkley, and Will, with I'm sure tongue in cheek, said the following: "The big question is, if you're going to have another Constitutional Convention, who's going to play Benjamin Franklin, who's going to be James Madison? If it's going to be Jerry Falwell and Gloria Steinem we want to think twice."

I took an oath of office to support and defend the Constitution of the United States. Today I am fulfilling that oath. In the battles I have fought on the Senate floor for that document, none of which have been popular, whether separation of powers, religious freedom, the right to vote or the accountability in law of a president, I have found the more I become immersed in that document, the greater my respect for it grows. A balanced budget amendment, as to substance, or a constitutional convention, as to procedure, diminishes that greatness. Once lost, we all lose.

In conclusion let me say this: If we want to spend our children's monetary inheritance, that's not too gutsy but they can probably survive it. And indeed that is what we're doing with increased deficits. But don't squander their inheritance of Constitutional ideals. Such currency can never be replaced. Thank you very much.

THE CENTENNIAL CELEBRATION OF BREWTON, AL

Mr. HEFLIN. Mr. President, as the senior Senator from the State of Alabama, I am pleased and proud to congratulate the citizens of the town of Brewton, AL, on their upcoming centennial celebration.

Brewton, the county seat of Escambia County, is located in the central portion of the extremely southern end of Alabama, just a few miles north of the Alabama-Florida State line. History records that the earliest name given in the area that would become Brewton was "The Crossroads," since a trail connected the Old Wolf Creek with Fort Crawford. That fort had been established by the U.S. Government in 1818 as a supply base and defense against Indians.

The earliest settlers were two brothers, Benjamin and Joseph Bruton, who were in the area as early as 1816. In the 1850's, the Alabama & Florida Railroad surveyed a right-of-way in the Brewton area. As word spread that a depot would be located at "The Crossroads," settlers began to congregate in the area, forming the first real community.

The first local station agent for the railroad was Edmund Troupe Bruton, the great-nephew of the original settlers. Following tradition, the new town was named after its station agent, only the nameplate on the depot was misspelled, as "Brewton." Rather than change the sign, all the Brutons in the area changed the spelling of their name.

The town was first incorporated in 1874, but the records of this incorporation were destroyed when the courthouse at Pollard, the original county seat, burned in 1879. That fire would lead to the removal of the county government to Brewton. After the fire, it was 1882 when the town again petitioned for incorporation. The State of Alabama approved the incorporation of February 13, 1885. It is that approval which is being celebrated with this centennial.

As with all towns, Mr. President, Brewton and its citizens have had to work to overcome hardships. In this case, however, there seem to have been a disproportionate share.

In the fall of 1883, Brewton was visited by a devastating yellow fever epidemic, one of the darkest periods in the town's history. The epidemic struck on September 12 and continued until early November, recording a total of 70 cases and 28 deaths.

In addition, Brewton suffered through three major fires in its early years. The first occurred in 1886 and destroyed several downtown buildings. A system of fire protection was begun, but was incomplete when fire again destroyed nearly all the business section in 1888. Fire hit again 1896, destroying 15 buildings. After each fire, the determined citizens refused to give up, and the town was soon graced with new and better buildings

Brewton is situated in the fork of Burnt Corn Creek and Murder Creek, and this location has caused the town to experience many devastating floods. History shows that floods have been recorded in 1847, 1864, 1888, 1913, 1928, 1929 and 1975. Of these, the 1929 flood has been considered the most costly, although the most recent caused estimated damage of more than $4.5 million.

In more recent years, Brewton has profited from the establishment of Jefferson Davis Junior College, which opened in the fall of 1965. This institution has grown to be one of the State's finest junior colleges.

Mr. President, from April 19 through 28, Brewton will be celebrating its centennial. This celebration is, in reality, a ceremony to honor all of the citizens of Brewton, past and present, who have always worked to see that Brewton has bright tomorrows. This persistent civic dedication is best illustrated by the fine community these efforts have built in Brewton.

Mr. President, it is indeed a great pleasure for me to represent the people of Brewton, AL, in the U.S. Senate. They can take a great deal of pride in the significant and proud history of their town, and, with continued civic dedication, can look forward to an even brighter future.

A TRIBUTE TO JOHN W. BLOOMER

Mr. HEFLIN. Mr. President, one of the great strengths of our Nation lies in our provisions for and protection of freedom of the press. Although many people in the public life are often at odds with members of the press, I believe it is important to realize that their job—keeping the public informed—is an important one, and to respect those that do this job and do it well.

It is for that reason, Mr. President, that I am particularly saddened to note the recent death of an outstand-

ing newspaper leader, John W. Bloomer, former editor of the Birmingham News.

John's long career in journalism began while he was a student at Indiana University. He ran short of money and applied for a job at the Wabash Plain-Dealer, where he was hired as sports editor and city hall reporter. For the rest of his life, newspapers were to be in his blood.

After only 1 year, his publisher asked John W. Bloomer to serve as editor of the Elizabethton, TN, Star. At that time, he was only 21. Along with a stint in the U.S. Air Force, John served in executive positions with newspapers in Tennessee, Florida, Georgia, Virginia, and Mississippi. During these years, he gained an outstanding reputation across the Southeast.

In the 1950's when Phenix City, AL, was thoroughly crime-ridden, John W. Bloomer was the managing editor of the Columbus, GA, Ledger and Inquirer, located just across the State line. Under his leadership, the paper courageously exposed the corruption, bringing about the move to clean up Phenix City. For these efforts, the newspaper was awarded a Pulitzer Prize for meritorious public service.

John was Mississippi editor of the Birmingham News for a short time, and then worked briefly for a paper in Jackson, MS, before returning to the News for good, as an editorial writer in 1959. Two years later, he was named managing director, a position from which he directed coverage during the civil rights struggles of 20 years ago. Later, he was appointed editor of the News. John retired from that post in 1978.

Although John W. Bloomer was known to say that newspapering was his recreation and hobby, as well as his work, he was also active in a wide range of civic activities. Among the long list of civic organizations to which he belonged were the Birmingham Kiwanis Club, the American Heart Association, and the Alabama Lung Association. He was also a past president of the Alabama Symphony Association.

In 1976, when a major earthquake caused great devastation in Guatemala, John was instrumental in having two field hospitals sent to the Central American nation within a week of the tragedy. He also promoted a statewide relief campaign that raised $55,000. Following this involvement, he served as president of Alabama Partners of the Americas, an organization which supports health, education, and cultural development in Guatemala. Under his guidance, 12 Alabama cities established special ties with sister cities in Guatemala. For all of his work in this area, John received an award from the Medical Association of the State of Alabama.

Among the numerous other honors he received were awards from the Environmental Protection Agency, two Keep America Beautiful Awards and the Alabama Wildlife Federation Award.

At the time of his death, he was serving as editor of Caribbean Today magazine and as chairman of the Alabama Environmental Quality Association.

Mr. President, John W. Bloomer was not only a great newspaperman, but a great Alabamian. Under his guidance, the Birmingham News flourished, and because of his work, Alabama has become a better place. He will be missed by all who knew him.

Mr. President, I ask unanimous consent that an editorial and an article from the Birmingham News and an article from the Birmingham Post-Herald be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

JOHN W. BLOOMER

If editors are not a bit crusty when they take on the job, they soon become so. And John W. Bloomer, retired editor of the The Birmingham News wore his crustiness somewhat as a badge of office. Hundreds of reporters who have worked under his tutelage will testify, however, that under the crustiness beat a heart as tender and sometimes as anxious as the heart of a young father. A newsman in trouble could count on his help.

Bloomer was proud of his newspaper. He often said newspapering was not only his work, but his recreation and his hobby. The long hours he put in routinely are proof. He was proud of his profession, although not blind to its faults. He was proud of Birmingham and Alabama. And he believed with all his heart that the United States of America was the finest country in the world and a worthy model for all men seeking freedom and the fullest development of their talents.

Bloomer also felt that communism was democracy's natural enemy. He feared that political reformers often are so habituated to freedom that they have great difficulty preceiving and understanding the difference between communism's claims and its performance.

Bloomer put down his journalist's roots in weekly newspapers, on papers where the editor is often reporter, copy editor and typesetter. He learned first hand the impact of news on the citizens of a small town and the value they place on it. All of this stood him in good stead when he became managing editor of the Columbus (Ga.) Ledger and piloted that newspaper to a Pulitzer Prize for its coverage of the Phenix City cleanup during the 1950s.

Bloomer felt that one of the cardinal virtues of a good journalist is skepticism. Good journalists, he said, attack facts. They look at them from all sides to see if they really are facts or fantasies. Honesty, or integrity, he felt, is the bedrock of any newspaper. For a newspaper to have credibility, it must be honest and forthright or readers will soon come to distrust it.

Like most newsmen, he believed staunchly in freedom of the press and the public's right to know. He believed also that freedom carried with it a great responsibility. And he often said these virtues must never be used hypocritically to mask irresponsibility, vindictiveness or a biased agenda.

All of us here at The News will miss John Bloomer, as will many of his friends in Alabama and in the journalistic community across the nation. One trust that the principles he believed in and worked for, the legacy he leaves his colleagues, will always survive fashions and that newspapers will continue to help light the way to an ever more effective democratic society.

[From the Birmingham News, Mar. 21, 1985]

FORMER "NEWS" EDITOR, JOHN W. BLOOMER, DIES

John W. Bloomer, former editor of The Birmingham News, died today in Mobile. He was 72.

During his long career, Bloomer guided a Columbus, Ga., newspaper to a Pulitzer Prize and played a leading role in groups dealing with environmental and Central American issues.

"John Bloomer was a great newspaper editor who gave years of important service to The Birmingham News and to the community," said Victor Hanson II, publisher of The News. "He was a man whose sound judgment could always be depended on."

Bloomer became ill Wednesday night while riding to Mobile on a business trip in connection with his work as editor of Caribbean Today magazine, according to A.J. Washington, Bloomer's friend who was driving the car.

He was rushed to a Springhill Memorial Hospital, where he was diagnosed as suffering from an aneurysm and transferred to Mobile Infirmary, where he entered surgery at 5 a.m. an died during the operation, Washington said.

Funeral arrangements were pending Thursday morning.

"John Bloomer was a tough editor and a strong-willed one, and a dear friend," said James E. Jacobson, editor of The Birmingham News.

"He believed in himself, in his newspaper, in Birmingham and Alabama, and he gave of himself unselfishly in literally uncountable ways to make our community and state better.

"He was involved in just about every civic endeavor that came along, and his interests ranged across the spectrum, from downtown Birmingham to remote villages in Guatemala, from the Alabama Symphony to Alabama farmers.

"He never stopped caring or contributing. Even after his retirement from The News, he continued to be actively interested and involved in issues and events."

A native of Wabash, Ind., Bloomer attended Indiana University and studied English, history, and economics. But he was short of money, so he walked into the Wabash Plain-Dealer and was hired as sports editor and city hall reporter.

A year later, his publisher asked Bloomer to serve as the editor of another paper he owned in east Tennessee. He was only 21.

Shortly after he began at the Elizabethton Star, Bloomer married his high school sweetheart, Margaret (Peg) Schornick.

After a stint in the U.S. Air Force, Bloomer served in newspaper executive positions in Tennessee, Florida, Georgia, Virginia and Mississippi.

He served as managing editor of the Columbus (Ga.) Ledger and Inquirer in the 1950s when the newspaper won a Pulitzer Prize for meritorious public service in expos-

ing crime and corruption in nearby Phenix City.

In a past interview, Bloomer called the Pulitzer "one of the highlights of my journalism career."

He was Mississippi editor of The Birmingham News for a brief time, then worked at a paper in Jackson, Miss., until he was called back to The News as an editorial writer in 1959. He was appointed managing editor in 1961. He directed the paper's news coverage during the turbulent civil rights period of the early 1960s.

Bloomer later was appointed editor of The News, and he retired from that post in 1978.

In addition to his newspaper work, Bloomer played an active role in Alabama in promoting the arts, the environment, and better relations with Central America.

A past president of the Alabama Symphony Association, Bloomer was a member of a long list of civic organizations, including the Birmingham Kiwanis Club, the American Heart Association, the Alabama Lung Association and the Better Business Bureau.

Among the numerous honors he received during his lifetime include awards from the U.S. Environmental Protection Agency, two Keep America Beautiful Awards, the Alabama Wildlife Federation Award, and an award from the Medical Association of the State of Alabama for his work in coordinating the Guatemalan relief effort.

When a major earthquake struck Guatemala in 1976, Bloomer was instrumental in having two field hospitals sent to the Central American nation less than a week after the tragedy and was responsible for promoting a statewide relief campaign that resulted in a $55,000 fund.

He served as president of Alabama Partners of the Americas, an organization which supports health, education, and cultural development in Guatemala. Under his leadership, 12 Alabama cities established special ties with sister cities in Guatemala.

Concerned about preserving Alabama's environment in the face of continued economic development, Bloomer helped organize the Alabama Environmental Quality Association and served as its chairman.

The Montgomery-based organization published a quarterly magazine called Enviro-South devoted to regional environmental issues.

[From the Birmingham Post-Herald, Mar. 22, 1985]

FORMER EDITOR OF NEWS DIES

MOBILE.—John W. Bloomer, a former editor of The Birmingham News who helped guide a Georgia newspaper to a Pulitzer Prize, died yesterday in a Mobile hospital after becoming ill while on a business trip.

Graveside service for Bloomer, 72, will be 11 a.m. tomorrow, Elmwood, Johns-Ridout's Southside directing.

Bloomer, a native of Wabash, Ind., had an extensive career in journalism. He served as managing editor of the Columbus (Ga.) Ledger in the 1950s when the newspaper won the Pulitzer Prize for meritorious public service in exposing crime and corruption in Phenix City, across the Chattahoochee River from Columbus.

"John Bloomer was a great newspaper editor who gave years of important service to The Birmingham News and to the community," said Victor Hanson II, publisher of The News. "He was a man whose sound judgement could always be depended on."

"John Bloomer was a tough editor and a strong-willed one, and a dear friend," said James E. Jacobson, editor of The Birmingham News. "He believed in himself, in his newspaper, in Birmingham and Alabama, and he gave of himself unselfishly in literally uncountable ways to make our community and state better.

"He was involved in just about every civic endeavor that came along, and his interests ranged across the spectrum, from downtown Birmingham to remote villages in Guatemala, from the Alabama Symphony to Alabama farmers.

"He never stopped caring or contributing. Even after his retirement from The News, he continued to be actively interested and involved in issues and events."

Survivors include his wife, Mrs. Margaret S. Bloomer, and a brother, Robert Bloomer, Los Angeles.

The family suggests memorials be made to the Birmingham Symphony, the Red Mountain Museum or a favorite charity.

SCIENCE, TECHNOLOGY, AND SPACE DURING THE PAST 6 YEARS

Mr. HEFLIN. Mr. President, a few weeks ago, I made the difficult decision to give up my seat on the Commerce, Science, and Transportation Committee in keeping with the new rules limiting each Senator to only two major, classified as "A," committee assignments. It has been a privilege to serve on the committee and it was with great reluctance that I made my decision. I will continue to be extremely interested in the work of this committee. I intend to watch closely the activities of the committee, particularly the areas of space, science, and technology.

During my 6 years on the Commerce Committee, I served as a member of the Subcommittee on Science, Technology, and Space and for the past 2 years, I have been that subcommittee's ranking Democrat. I have enjoyed the work of the subcommittee and will continue to concentrate my attention and energies on the programs and issues within its jurisdiction.

I am deeply appreciative to Senator SLADE GORTON, for his cooperation and for the excellent job he has done as chairman of the subcommittee. I also thank the subcommittee's fine staff, particularly Marty Kress and Pat Windham of the minority and Pete Perkins of the majority for the fine work they have done. Also, I want to express my appreciation to the Commerce Committee's ranking Democrat, Senator ERNEST HOLLINGS, for his leadership and his willingness to work with me on the many issues which are of interest to me. I hope to continue the close relationships I enjoyed with the members and the staff during my 6 years on the committee.

As a member of the Commerce Committee, I took an active interest in many issues which are crucial to our country's technological leadership in the world. I am proud of the many contributions to our Nation's space and technology programs made by the committee in the past several years. Many exciting and innovative projects and programs have been undertaken during this period, but much more remains to be done.

Last year, Congress approved the administration's request to go forward with the development of a permanently manned space station. As the first Senator to call for the development of the space station, I was greatly pleased when the President issued his directive to go forward with the program. Thus far, progress in the program has been substantial with the contracts for definition analysis having been announced.

A permanently manned space based facility will ensure U.S. leadership in space for many years to come. Not only will this facility enhance our country's science and application programs, it will also encourage development of capabilities for further commercialization of space and stimulate advanced technologies. The space station, highlighted by a combination of a manned station and unmanned research platforms in lower orbit, will be the key element in the commercial development of space. Because of the unique qualities of space, particularly zero gravity, many processes can be performed which are either too difficult or too expensive to do on the ground. The space station will also play a major role in the new space fields of material science, biotechnology, electronics, and chemical engineering.

I will continue to work with NASA to see that the development of the manned space station goes forward in as timely and efficient a manner as possible. It is unfortunate that NASA has had to lengthen the phase B stage of the program by 3 months, from 18 months to 21 months, due to a reduction in the fiscal year 1986 space station budget. However, we must ensure that further cuts in the program are avoided in this year's budget so that we can reach the goal of the initial operating capability of the space station by the mid-1990's.

The space station is only one of the many ongoing activities at NASA which I strongly support. While going forward with the development of the space station NASA must also continue its more traditional space science and applications programs along with such new initiatives as the advanced x-ray astrophysics facility and the orbital maneuvering vehicle. I will continue to closely follow and take an active interest in these and other NASA programs.

For the past 6 years, I have endeavored to do all that I can to ensure and enhance the technological leadership of our Nation in the world. To remain competitive in the world market our country must invest in such frontier, high technology areas as materials

processing in space, lasers, computers, biotechnology, and many others.

There is no doubt but that technological innovation is a major contributor to the economic well-being of our society. However, the worldwide competitive advantage the U.S. once enjoyed in many high technology areas is being eroded as other countries push ahead. An example of this is the Japanese lead in the development of a fifth-generation computer. In its brief history the computer has affected virtually every facet of modern society. The nation that dominates the computer field will possess one of the major keys to world leadership in science and technology. The strategic defense initiative calls for a new undeveloped advanced computer system. At the present time, the United States has no coordinated effort to address the educational, economic, scientific, and social issues arising from the rapid development of computer technology. In the past, I have proposed legislation to establish a national computer institute to provide the United States with a centralized focal point to encourage increased cooperation in computer technology among large companies, between large and small companies and among industry, academia, and Government. Direct Federal support and coordination is necessary to foster growth in targeted areas, ensure trained personnel, reduce needless duplication, reduce the cost of capital for this key industry and bring about widespread dissemation of computer developments.

In order to ensure our Nation's technological leadership in the future, there will have to be strong cooperative efforts between Government, academia, and industry at all levels. Last year, Senator GORTON and I introduced legislation, which passed the Congress, suggesting a number of cooperative programs to improve the development and utilization of manufacturing technologies. Promoting innovation and progress in emerging technologies need not involve a large investment by the Government. What it does involve, however, is a partnership among industry, Government and universities in research, development and utilization of emerging technologies. All three parties are essential—Government must provide the incentives for basic research, universities are the source of America's greatest research potential, and industry must ultimately translate that research into productive innovative and utilization.

One of the most dramatic contributions to technological innovation in recent years has been made by research parks which enhance Government, university, and industry interaction in research and developing new technologies. In hearings held last year in Huntsville and Birmingham, before the Science, Technology and Space Subcommittee, it was evident that there is great interest on the part of private enterprise and academia for pursuing high technology initiatives in these types of cooperative arrangements.

This cooperative relationship is also important if we are to ensure expanded private sector involvement in the commercial development of space. The Government must increase private sector awareness of commercial space opportunities and encourage industrial investment in high technology, space-based research and development. Progress in this area has been made in the past year with the establishment by NASA of centers for the commercial development of space. These centers are designed to encourage joint endeavors by universities, industry, and Government in research and development activities.

Another area in which I have been particularly interested and which has great potential for commercial payoff is materials processing in space. I have advocated for many years the need for our Government to increase its efforts in this important area. Materials processing in space emphasizes the science and technology of processing materials in a gravity free environment. The knowledge gained from doing materials processing experiments in space will contribute significantly to our understanding and application of ground based processes in such important processing areas as metals and alloys, glass and ceramics, biotechnology, combustion, electronic material, and fluid dynamics. For example, a program being managed by Marshall Space Flight Center in Huntsville, AL, in conjunction with the University of Alabama in Birmingham will conduct crystalography experiments aboard the shuttle that could eventually result in powerful new drugs to fight cancer. And last year experiments were held aboard the shuttle to isolate insulin—producing beta cells from pancreatic tissue that could lead to a new diabetes treatment. The potential technological, medical, and economic benefits from producing products in space is unlimited.

During the past years, I have also been interested in the research and development of laser technology. At my urging in 1979 and 1980 the subcommittee held hearings to examine the Federal efforts in laser research and technology development. The purpose of those hearings was to provide a broad overview of the current and potential applications of lasers, including construction, textiles, medicine, space propulsion, Earth, and space sensing, isotope separation, fusion and directed energy weapons for national defense.

Since the initial discovery of the laser in 1960, practical applications of laser technology have already proved to be a great benefit in manufacturing, retailing, medicine, and advanced communication fields. However, the potential for laser application in space exploration and in the crucial areas of national defense and energy production has yet to be realized. In my judgment, this potential makes laser technology one of the most exciting and important scientific fields of research being conducted in this century.

During our hearings, noted scientists testified on the various potential applications of laser technology, stating that many of our Nation's problems could be solved through its use. For example, there is great potential for lasers to be used in the production of electricity through clean and safe nuclear fusion—as opposed to the current method of nuclear fusion. This application of laser technology can provide our Nation with an inexhaustible supply of cheap and clean electric power without the dangers of nuclear reactor accidents or the problems caused by radio active nuclear wastes.

The committee also received testimony on the great potential for laser application in space exploration particularly through the use of laser propulsion.

One very important and revealing aspect of our hearings dealt with the potential for using laser systems in our national defense. Our committee found that high energy lasers offer the potential for directed energy weapons in which hostile targets could be disabled or killed by the energy of the laser beam. Scientists from the Army's missile laboratory testified that laser weapons could be used against both air and ground threats, selectively attacking and destroying single enemy targets in the midst of a host of friendly vehicles. More importantly, experts from the Ballistic Missile Defense Organization in Huntsville, AL testified that a space-based laser weapons system could be developed to potentially provide an umbrella of protection over our Nation from enemy missile-delivered nuclear weapons. The roles for such a laser weapons system could include engagement of a reentry vehicle during boost phase; engagement of the deployed reentry vehicle in flight and engagement of the vehicle during reentry into the atmosphere.

Although many of our witnesses concluded that the potential of laser devices for use in our national defense is unlimited, it was nonetheless the policy of the Department of Defense at that time to go forward with the research and development of high energy lasers at a very moderate pace. This strategy was based, in part, on a conclusion that it was premature for high energy laser weapon system development programs. However, our committee found that the Soviets were out spending the United States by 3-

to-4 times in the field of high energy lasers. In the report to Congress issued by the Commerce Committee on our findings, the following recommendations were made:

Current experimental laser devices and associated technology appear to be approaching levels of maturity to support some potential near term applications, such as antisensor systems, and appear to be scaleable to support other potential applications such as antisatellite and low-altitude air defense for ships and ground-based targets. Much additional research and experimentation must be done to support the most difficult applications, such a defense against tactical, submarines launched, and intercontinental-range ballistic missiles.

The committee further concluded that laser research and development was fragmented and highly compartmentalized with a number of Federal agencies and civilian institutions working more or less independently. We found a serious lack of coordination among those departments and agencies involved in laser research and a great deal of duplication of effort. We also concluded that a stronger Government initiative was needed to maximize the many potential applications of laser technology, including those of national defense. In its report the committee concluded:

The DOD high-energy laser budget is spread among four separate organizations: DARPA, the Air Force, Navy, and the Army. While there is coordination among the programs, each program is directed toward technology objectives of primary or unique interest to the sponsoring organization. The individual funding levels do not permit the accumulation of the critical mass funding necessary to undertake weapon system development. There is a compelling need to revise the DOD high-energy laser research and development program and funding to achieve a balance between technology development and weapon systems develoment. Achievement of this objective could be enhanced by the Secretary of Defense designating an office to manage and direct the overall DOD High-Energy Laser Program.

As a result to the laser hearings, I proposed legislation to establish a National Laser Institute to improve the coordination of the various laser programs and increase the efficiency and effectiveness of the overall Fedeal effort. In March 1983 President Reagan directed the Department of Defense to go forward with his plan for a strategic defense initiative which established the proper institutional mechanism to improve the coordination of our national laser research and development efforts by pulling many of the various programs under one umbrella organization.

The hearings brought out the potential for military usage of laser and related technology, as well as the fact that Russia was vigorously pursuing the development of military use of lasers in space.

I had an opportunity to tell President Reagan about the hearings and to explain in some detail the findings at a small stag dinner the President hosted for six Members of Congress on February 19, 1983, in his private dining room at the White House. When I brought up the subject of lasers he evidenced great interest and considerable time was spent discussing lasers and related technology, as well as the hearings.

It is interesting to note the timeliness of this conversation. In an article appearing in Time magazine on March 11, 1985, reflecting on the role that Robert McFarlane played in directing the President to a study of what is now known as the strategic defense initiative, it is recited that McFarlane and the Joint Chiefs of Staff made the first presentation on the strategic defense initiative to the President on February 11, 1983, which was just 8 days before the dinner. Of course, it is an established historic fact that the President made his star wars televised speech on March 23, 1983, announcing his strategic defense initiative plans.

Another area which has held great interest to me during my service on the Commerce Committee has been developing the technology to improve the Federal Government's ability to predict storm weather and to more quickly alert citizens to the danger of storms. The weather radar system in use today by this country was installed in 1958. Since that time, we have come a long way in computer and radar technology. We now have the technology available to pinpoint storm-scale weather down to less than 1 square mile.

Last year I joined Senator HOLLINGS in proposing legislation to increase the U.S. capabilities to predict storm scale weather through a national storm program. Under the leadership of the National Oceanic and Atmospheric Administration, the Federal Aviation Administration, and the Department of Defense, the United States has made a commitment to replace our obsolete weather radar with a long-overdue new technology—Nexrad—ideally sited to pinpoint storm scale weather. The development and deployment of this new system, however, is not slated until the late 1990's.

The storm program consists of the final development or deployment of the following new technologies: A modern radar network [Nexrad]; additional remote sensors for our existing weather satellites; ground-based remote sensors to measure wind motions; automated surface weather stations; refined communications systems that yield rapid forecast and warnings; and refined digital computer systems necessary for rapid analysis and prediction. It is important that the Government make the storm program a high priority and speed up its deployment of the storm system. I will certainly continue to pursue this goal.

Mr. President, the programs I have mentioned are only a few of the space and technology areas which must be vigorously pursued by the United States if we are to remain strong economically and technologically. Our investment in these areas is an investment in a future of limitless possibilities. We must continue to push the frontiers of space and technology, expanding humanity's horizon for the benefit of all.

A TRIBUTE TO J.O. SENTELL, JR.

Mr. HEFLIN. Mr. President, it is with a great deal of sadness that I note the death of J.O. Sentell of Montgomery, AL. Mr. Sentell was one of Alabama's truly great citizens, and made immeasurable contributions to the State's judicial system during his many years as clerk of the Supreme Court of Alabama.

J.O. Sentell was a rare and unique character, as well as being a great public servant. He had a fine and keen analytical mind. He possessed a perceptive insight that was almost unbelievable. His wit was well known, his memory superb, and his integrity beyond reproach. In addition, he was a devoted family man and a dear and trusted friend.

Mr. President, prior to coming to this body, it was my privilege to serve for 6 years as chief justice of the Supreme Court of Alabama. During those years, on a daily basis, I witnessed just how crucial a role J.O. Sentell played in the operation of the Alabama State court system.

James Oscar Sentell, Jr., was born in Luverne, AL, on July 3, 1909, the son of a lawyer. After receiving his undergraduate and law degrees from the University of Alabama, he returned to Luverne to practice law from 1932 to 1943. Then, for 4 years, he served as price attorney for the Office of Price Administration in Montgomery, along with being a member of the board of bar commissioners.

After returning to his practice in Luverne until 1951, Mr. Sentell returned to Montgomery, where he would remain until his death. He served as counsel of the Office of Price Stabilization until 1953, when he again entered private practice, this time in Montgomery. From 1962 until 1967, he held the post of first assistant U.S. attorney for Alabama's middle district.

In 1967, J.O. Sentell was named deputy clerk of the Alabama Supreme Court. One year later, he became clerk, and would remain until 1982. Then, in 1969, Mr. Sentell was also named as the first clerk of the new court of civil appeals, a post he would hold until 1975.

In addition to his duties as clerk of the supreme court, Mr. Sentell was also editor of the State bar publica-

tion, The Alabama Lawyer from 1967-82, and was ex officio secretary of the Alabama Court of the Judiciary from its founding until 1976.

Mr. Sentell was one of the founders and the first president of the National Conference of Appellate Court Clerks. In 1976, he received the State bar association's Award of Merit. In 1982, he was the first recipient of the Walter P. Gerwin CLE Award from the Alabama Bar Institute of Continuing Legal Education. He also was chosen by the National Conference of Appellate Court Clerks to receive their first annual Distinguished Service Award.

In 1982, J.O. Sentell stepped down as clerk of the supreme court. He was only the fifth clerk since 1880, but, during his tenure alone, he served with 3 chief justices and 18 associate justices.

J.O. Sentell was an outstanding citizen in every respect. His uncompromising dedication was reflected in his service to his profession and by his unyielding devotion to his family. I extend my most sincere sympathy to his wife, Dr. Jane Jones Sentell, and to their children—James C. Sentell, Charles Edgar Sentell, and Jane Sentell Preiss. He will be missed by all who knew him.

Mr. President, I ask unanimous consent that an article from the March 1985 issue of The Alabama Lawyer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN MEMORIAM

At 22 years of age, an applicant for admission to the Alabama State Bar was asked why he wished to pursue law as a profession. He responded:

"I am interested in law and its various phases and enjoy its study. I consider it as one of the most honorable professions and one worthy of diligent application and pursuit. I believe the profession affords a splendid opportunity for service to the state and its people."

That statement, penned some 53 years ago in a character and fitness affidavit, bears the now familiar signature of J.O. Sentell. Treating Mr. Sentell's reasons for choosing law as covenants for future performance, it can be stated emphatically he discharged his promises fully. Throughout his career he kept his interest in the law keen and always was its avid student. The profession was honorable when he chose it, and his conduct only added to its lustre. He took full advantage of the "splendid opportunity for service to the state and its people."

James Oscar Sentell, Jr., was born at Luverne, Alabama, July 3, 1909, to J.O. Sentell, Sr., a lawyer, and Ida S. Sentell. Upon earning undergraduate and law degrees from the University of Alabama he entered the private practice of law in Luverne from 1932-1943. He served as a member of the board of bar commissioners from 1943-1946 while he was price attorney for the Office of Price Administration in Montgomery. Mr. Sentell returned to Luverne and private practice in 1946. Montgomery claimed him permanently in 1951 when he assumed the post, until 1953, of counsel for the Office of Price Stabilization. Thereafter he commenced private practice in Montgomery. In 1962 he became first assistant United States attorney for the middle district of Alabama, a post he held until his career as a clerk began in 1967 when he was named deputy clerk of the Supreme Court of Alabama. In January 1968, he became clerk of the supreme court. Upon creation of the court of civil appeals in 1969, Mr. Sentell assumed the additional responsibility of serving as its first clerk, a position he held until 1975. Mr. Sentell also was editor of The Alabama Lawyer from 1967-1982 and ex officio secretary of the Alabama Court of the Judiciary from its inception until 1976.

Also in 1976 Mr. Sentell received the Alabama State Bar's Award of Merit at the bar's annual meeting, held that year in Huntsville. At the 1982 annual meeting, he was named first recipient of the Walter P. Gewin CLE Award by the Alabama Bar Institute for Continuing Legal Education; in addition, the bar presented him and his wife with a travel certificate as a retirement gift.

Mr. Sentell was one of the founders and the first president of the National Conference of Appellate Court Clerks; he also was the first recipient of its Distinghished Service Award in 1979.

Mr. Sentell retired as clerk of the supreme court in 1982. He was only the fifth clerk to serve the Alabama Supreme Court since 1880, but during his tenure, three chief justices and 18 associate justices served in the Supreme Court of Alabama.

Mr. Sentell long will be remembered for his loyal friendship, his keen intellect, his impeccable integrity, his elegant charm and his gentle wit. His presence and bearing was so dignified his very appearance had an uplifting effect upon the proceedings. Practitioners before the supreme court will recall with a shudder the solemnity with which he could sound the docket to a tense assemblage of advocates waiting for their precious minutes at the lectern. We also recall how remarkably accessible he was when we needed quick and sound advice on procedural niceties. His competence was universally recognized by all. He was said to possess a photographic memory.

As a frequent practitioner in the supreme court and as board member of The Alabama Lawyer, I shared many experiences with him. Through this proximity I came to appreciate a keen sense of humor, and I recount here simply one such instance. At a bar convention in Huntsville several years ago, Mr. Sentell and I were visiting with a sizable group of fellow lawyers. In the conviviality of the moment, I kidded Mr. Sentell by making the wholly groundless charge that when the court announced its decisions, he claimed the privilege of telephoning only the prevailing attorneys to announce the result. Thus the deputy clerks were left with the distasteful chore of telephoning the losers. A hearty laugh followed during which Mr. Sentell protested his innocence in a good-natured way. The following Friday at precisely 10 a.m., when both the pendency of an appeal in Montgomery and the joke I had told on him the preceding week were both very far from my mind, my phone rang and Mr. Sentell announced in his best ceremonial tone, "Champ, I regret I must so quickly disabuse you of your theory as to my practice of calling only prevailing counsel but it is nonetheless my unpleasant duty to advise you. . . ." The rest of his remarks were lost in our laughter as the sting of defeat was not sufficient to suppress my admiration for this clever rebuttal to my earlier joke on him. I will miss him.

Our bar lost one of its pillars when J.O. Sentell died peacefully in his sleep on the night of January 19, 1985. His picture hangs as a permanent memorial at Alabama State Bar headquarters, and his occasional visits to the bar building with his young grandchildren will be missed by the staff. A member of the First United Methodist Church, he is survived by his widow, Dr. Jane Jones Sentell of Montgomery, Alabama; two sons, James C. Sentell of Huntsville, Alabama, and Charles Edgar Sentell of Jackson, Mississippi, a third generation member of the Alabama State Bar; one daughter, Jane Sentell (Mrs. George, III) Preiss of Little Rock, Arkansas; and several grandchildren.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 29, 1985, during the recess of the Senate, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on March 29, 1985, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

ENROLLED JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on March 28, 1985, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 181. Joint resolution to approve the obligation and availability of prior year unobligated balances made available for fiscal year 1985 for the procurement of additional operational MX missiles.

Under the authority of the order of the Senate of January 3, 1985, the enrolled joint resolution was signed on March 28, 1985, during the recess of

the Senate by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 12:17 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week";

H.J. Res. 186. Joint resolution designating April 2, 1985, as "Education Day U.S.A."; and

H.J. Res. 188. Joint resolution to designate April 1985 as "Fair Housing Month".

The message also announced that pursuant to section 136 of Public Law 98-473, the Speaker appoints as majority members of the Commission on the Ukraine Famine the following Members on the part of the House: Mr. MICA, Chairman and Mr. HERTEL of Michigan.

ENROLLED JOINT RESOLUTIONS SIGNED

At 1:07 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

H.J. Res. 121. Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month";

H.J. Res. 134. Joint resolution authorizing and requesting the President to designate the week of March 10 through 16, 1985, as "National Employ-the-Older-Worker Week"; and

H.J. Res. 160. Joint resolution designating March 22, 1985, as "National Energy Education Day."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES PLACED ON THE CALENDAR

The following joint resolutions were read the first and second times, and placed on the calendar:

H.J. Res. 74. Joint resolution to designate the week of September 8, 1985, as "National Independent Retail Grocer Week"; and

H.R. Res. 188. Joint resolution to designate April 1985 as "Fair Housing Month."

REPORTS OF COMMITTEES SUBMITTED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the following reports of committee were submitted on March 29, 1985, during the recess of the Senate:

By Mr. WEICKER, from the Committee on Small Business, with amendments:

S. 408. A bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes (with minority views) (Rept. No. 99-20).

By Mr. THURMOND, from the Committee on the Judiciary:

Special report on the Legislative Oversight Activities During the 98th Congress of the Committee on the Judiciary (Rept. No. 99-21).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 115. An original resolution authorizing expenditures by the Committee on the Budget; referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN (for himself and Mr. LEVIN):

S. 819. A bill to extend the Federal Supplemental Compensation Act of 1982; to the Committee on Finance.

By. Mr. HEINZ:

S. 820. A bill to amend the Internal Revenue Code of 1954 to eliminate the reduction in the rate of tax imposed on cigarettes that will occur on October 1, 1985, under current law and to amend title XVIII of the Social Security Act to provide that the revenues attributable to the elimination of such reduction be deposited into the Federal Hospital Insurance Trust Fund; to the Committee on Finance.

By. Mr. HEFLIN:

S. 821. A bill to authorize the replacement of the Oliver lock at the Black Warrior-Tombigbee Rivers, Alabama; to the Committee on Environment and Public Works.

By Mr. ZORINSKY (for himself, Mr. COCHRAN, Mr. MELCHER, Mr. LEAHY, Mr. ABDNOR and Mr. EXON):

S. 822. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHILES (for himself and Mrs. HAWKINS):

S. 823. A bill to amend the Act of July 1948 to make less restrictive an avigation easement reserved to the United States on a portion of land conveyed under such Act to Okaloosa County, Florida; to the Committee on Armed Services.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 824. A bill to reauthorize and amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972, to ban ocean dumping at the 12-mile site, to develop a plan for the revitalization of the New York Bight Apex and the Hudson-Raritan Estuary, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PRESSLER (for himself, Mr. WARNER, Mr. SASSER, Mr. INOUYE, Mr. GLENN, Mr. MURKOWSKI, and Mr. HATCH):

S. 825. A bill to amend the Immigration and Nationality Act to provide for a program for the waiver of the visa requirement in the case of nonimmigrant tourists from certain countries; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI:

S. Res. 115. An original resolution authorizing expenditures by the Committee on the Budget; from the Committee on the Budget; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN (for himself and Mr. LEVIN):

S. 819. A bill to extend the Federal Supplemental Compensation Act of 1982; to the Committee on Finance.

FEDERAL SUPPLEMENTAL COMPENSATION AMENDMENTS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce important and timely legislation. On March 31, 1985, the Federal Supplemental Compensation Program, which provides an additional 8 to 14 weeks of unemployment benefits to workers who have exhausted their regular unemployment benefits, expired. The legislation I am introducing today would extend the FSC Program and make fundamental reforms to make it more efficient and more affordable.

In his televised press conference on Tuesday, March 21, 1985, President Reagan said FSC should be allowed to expire. Even when told that 340,000 unemployed Americans would lose their benefits, President Reagan insisted that FSC was unworthy of extension. As always, the President argued that his administration has created an unequaled number of jobs. Therefore, he posited, there is no need for unemployment compensation for the long-term unemployed. The President seems to think that his administration has cured unemployment—that somehow the problem of unemployment has gone away.

It has not gone away in Erie County and Niagra County, NY, where 474,000 workers were unemployed in March and the unemployment rate reached almost 8 percent. While the national unemployment rate is much lower, the fact remains that in February 8.4 million Americans were out of work.

Long-term unemployment is a problem, and the expiration of FSC would have harsh effects on the 340,000 workers and their families who receive FSC benefits. During an average week in February, 22,400 unemployed workers in my State of New York received some $3.3 million of benefits; 22,400 workers and their families lost this support on Sunday, when FSC was permitted to expire at the urging of

the President. FSC benefits are not great—indeed, they equal only 55 percent of regular unemployment benefits—when considered in terms of the workers and their families that receive them. The average FSC recipient in New York, for example received only $147 per week—$147 per week to feed, clothe, and house a family.

Mr. President, the administration claims that the program costs too much, particularly in this time of budget deficits—deficits caused in large part by the administration's economic program.

The administration's response to the cost of FSC is to excise the program completely, ending all aid to workers who have exhausted their 26 weeks of regular unemployment benefits.

My response is to make the program work better, so that it costs less, while targeting assistance to those who need it most. This legislation extends the FSC Program for 18 months, until September 30, 1986, and reforms the program in a number of ways.

First, the legislation I am introducing would remedy a problem which emerged under prior law in measuring the rate of unemployment in the States. FSC benefits of between 8 and 14 weeks were made available to unemployed workers in a State based on the insured unemployment rate [IUR]. For a variety of reasons, IUR is not an accurate measure of unemployment. Under my legislation, the States would have the option of using either the IUR, the total unemployment rate [TUR], or the longterm unemployment rate [LIUR], to improve the accuracy of measuring unemployment for purposes of determining the appropriate number of weeks of benefits made available to workers. This reform is similar to one I introduced in the 98th Congress.

Second, the legislation I am introducing today would eliminate the 8 weeks of minimum benefits at the State level. Under prior law, workers in a State were eligible for a minimum of 8 weeks of FSC benefits, regardless of the rate of unemployment in the State. This provision alone accounts for the greatest proportion of the cost of the FSC Program, and inefficiently allocates FSC benefits to States without regard to the unemployment situation in a State. Under my bill, States would become eligible for FSC, when IUR equals at least 3 percent, TUR equals at least 7 percent, or LIUR equals at least 2.5 percent. FSC benefits would be distributed according to the following formulae:

If LIUR is used in the case of a:	The applicable range is a long-term rate of insured unemployment:
14-week benefit period	Equal to or exceeding 5.5 percent.
12-week benefit period	Equal to or exceeding 4.5 percent, but less than 5.5 percent.
10-week benefit period	Equal to or exceeding 3.5 percent, but less than 4.5 percent.
8-week benefit period	Equal to or exceeding 2.5 percent, but less than 3.5 percent.
0-week benefit period	Less than 2.5 percent.
If TUR is used in the case of a:	The applicable range is a seasonally, adjusted total civilian rate of unemployment:
14-week benefit period	Equal to or exceeding 10 percent.
12-week benefit period	Equal to or exceeding 9 percent, but less than 10 percent.
10-week benefit period	Equal to or exceeding 8 percent, but less than 9 percent.
8-week benefit period	Equal to or exceeding 7 percent, but less than 8 percent.
0-week benefit period	Less than 7 percent.
If IUR is used in the case of a:	The applicable range is a rate of insured unemployment:
14-week benefit period	Equal to or exceeding 6 percent.
12-week benefit period	Equal to or exceeding 5 percent, but less than 6 percent.
10-week benefit period	Equal to or exceeding 4 percent, but less than 5 percent.
8-week benefit period	Equal to or exceeding 3 percent, but less than 4 percent.
0-week benefit period	Less than 3 percent.

Third, my legislation provides that when a State's unemployment rate—however, measured—falls below the level necessary to qualify for FSC benefits, the State may opt to measure unemployment and administer the FSC Program on a substate basis. A State would be permitted to establish 10 substate areas, consisting of contiguous counties or independent cities, in which to administer the FSC Program. In States with fewer than 10 counties, the program would be run on a county-by-county basis. The same option of using the IUR, TUR, or LIUR measures of unemployment would be available at the substate level. Thus, under my legislation, if a State fails to qualify for FSC benefits, areas of high unemployment within the State will still be eligible to receive between 8 and 14 weeks of FSC benefits, based on the same triggers used at the State level. Eligibility of FSC on a substate basis would be based on the substate area in which an unemployed worker was last employed. The best available data we have is based on such a measure. The substate program would remain in effect until the State qualifies again for a benefit period.

The substate FSC Program would greatly reduce the cost of the total FSC Program, and, more importantly will direct FSC benefits to the areas of greatest need. Thus, this legislation reduces the FSC Program, not by eliminating it, but by economizing and improving it.

Finally, the bill directs the Department of Labor to study—and report back within a year so that we will have the information well in advance of when the program expires—on the feasibility of administering FSC solely on a substate basis as well as whether other substate areas might be more appropriate.

Mr. President, the reforms I have introduced will streamline the FSC Program, and make it affordable to provide the long-term unemployed Americans with the greatest need the benefits upon which they rely.●

By Mr. HEINZ:

S. 820. A bill to amend the Internal Revenue Code of 1954 to eliminate the reduction in the rate of tax imposed on cigarettes that will occur on October 1, 1985, under current law and to amend title XVIII of the Social Security Act to provide that the revenues attributable to the elimination of such reduction be deposited into the Feder-

al Hospital Insurance Trust Fund; to the Committee on Finance.

TOBACCO USERS HEALTH FEE ACT

● Mr. HEINZ. Mr. President, the threatened financial crisis in our Nation's $61 billion health care program for senior citizens is of deep concern to us all. Some recent proposals to brake Medicare's plunge into the red by increasing premiums or copayments, or delaying coverage, would only compound the problem. These proposals simply deflect sky-rocketing health care costs onto Medicare beneficiaries already struggling to make ends meet.

What must be done, and done soon, involves much more than this kind of myopic cost shifting. Congress must undertake a comprehensive, long-term overhaul of America's total health care system, not just nickle and dime away at Medicare. In a few weeks, I intend to reintroduce the Medicare Incentives Reform Act [MIRA] as a viable vehicle for cutting health care costs while protecting the quality of care for all Americans.

Today, I am introducing legislation to help stabilize the Medicare hospital insurance trust fund until Congress can achieve this greater reform goal. The Tobacco Users Health Fee Act of 1985, TUHF for short, will protect the all too fragile budgets of 30 million Medicare beneficiaries while generating an estimated $22 billion for the hospital insurance trust fund over the next 10 years.

TUHF dollars would come from a Federal excise tax on cigarettes. The bill would hold the current tobacco excise tax at 16 cents by repealing that provision of the Tax Equity and Fiscal Responsibility Act of 1982 which returns the tax to 8 cents effective October 1, 1985. In addition, TUHF would provide that 50 percent of the excise tax revenues are earmarked for the Medicare hospital insurance trust fund.

By taxing directly tobacco consumers, TUHF shields other taxpayers from at least some of the burden of the bills generated by smoker's diseases.

According to the Surgeon General of the United States, smoking is responsible for more disability and premature deaths than any other known agent. Smoking accounts for 80 to 90 percent of all lung disease, 33 percent of all coronary heart disease, and 30 percent of all cancer. It is a leading cause of cancer of the lung, larynx, esophagus, bladder, kidney and pancreas. Smoking adds at least $13 billion a year to America's health care bill, including approximately $4.9 billion in Medicare and Medicaid expenditures.

The human costs of smoking are incalculable. Most of these illnesses are characterized by long periods of increasing debilitation and suffering. The emotional and financial drain on the victim, his or her family and friends can be as devastating as the illness itself.

Yet Federal policy has indirectly stimulated cigarette consumption and contributed to the rise in smoking-related health care costs. Until 1982, when the Federal excise tax was increased from 8 to 16 cents a pack, Federal tax rates on tobacco products had not been increased for 30 years.

According to the Coalition on Smoking or Health, the doubling of the cigarette tax under TEFRA from 8 to 16 cents caused one and a quarter million adult Americans to stop smoking and one-half million teenagers to stop or not start smoking. In addition, teenage smoking decreased by 14 percent and adult smoking went down by 4 percent. Allowing the tax to return to 8 cents at this time would signal a retreat from these achievements in health promotion and would result in the loss to the Federal Treasury of over $1.7 billion in fiscal year 1986 alone. Holding the tax at 16 cents is a fair and responsible measure.

The Federal Government must develop strategies that not only preserve resources for vital health care programs, but lead to a reduction in health care costs and a shift in emphasis to the prevention of costly and devastating chronic illness. Because most older Americans live on fixed incomes, they are especially vulnerable to the rising costs of health care. In addition, they hear of the future insolvency of the Medicare Program and fear that it will not be there when the need for its benefits are greatest.

The Tobacco Users Health Fee Act of 1985 would substantially delay the Medicare financing crisis through a reasonable tax on a product that contributes substantially to our Nation's health care costs.

I urge my colleagues to join me in affirming our commitment to reducing the costs of health care, preserving the Medicare Program, and promoting the health of our Nation's people.●

By Mr. HEFLIN:

S. 821. A bill to authorize the replacement of the Oliver lock at the Black Warrior-Tombigbee Rivers, AL; to the Committee on Environment and Public Works.

REPLACEMENT OF OLIVER LOCK

● Mr. HEFLIN. Mr. President, I am today introducing legislation to authorize the construction of a new lock and dam to replace the existing William Bacon Oliver lock and dam on the Black Warrior River in the vicinity of Tuscaloosa, AL. This project is envisioned in the provisions of the Water Resource Development Act of 1985, S. 366, introduced January 31 of this year by the distinguished Senator from South Dakota, Mr. ABDNOR.

With the construction of this project, Mr. President, the structural modernization of the Warrior-Tombigbee Waterway should be substantially complete. Ironically, the existing Oliver lock and dam was the first modern structure built under the remodernization program which began in 1937. Time and progress, however, have passed the lock and dam by. This project is urgently needed for the efficient operation of the Black Warrior-Tombigbee River system.

Immediately after the construction of the William Bacon Oliver lock in the late 1930's, a larger chamber size was adopted for new locks being built on the waterway. Therefore, Oliver lock has the smallest chamber of the six locks on the waterway. Traffic through the lock has increased threefold since it was first opened, and is predicted to near double in the next 20 years.

The six-barge tow which is now being used on the waterway cannot be accommodated in the Oliver lock, hence a significant delay occurs since it is forced to double lock. The use of six-barge tows has caused the Oliver lock to become incompatible with the five other locks in the waterway.

William Bacon Oliver lock has been identified in the national waterways studies as one of the five national locks which are controlling constraints to traffic. These are locks for which replacement is needed immediately. The National Coal Association has identified Oliver lock as one of the six of which replacements are required to meet the needs for waterborne movement of coal.

The study concerning the lock and dam replacement for Oliver began in 1950 pursuant to the provisions of a resolution adopted by the Committee on Public Works of the House of Representatives which directed the Army Corps of Engineers to examine the entire Warrior-Tombigbee system for possible modification.

The final report on the Oliver lock replacement study was submitted to Congress by the Chief of Engineers last year. The final report reveals that it is economically feasible to replace the existing Oliver lock. The benefit-cost ratio is, I might emphasize, 3 to 1.

Mr. President, 2 years ago, or more specifically April 12, 1983, the district engineers at Mobile conducted a public hearing on the findings and recommendations contain in the interim feasibility report and the environmental impact statement for the replacement of the Oliver lock. At this hearing, the district engineer obtained the views and sentiments of all effected and interested parties. I am gratified to report that the response was overwhelming in support of a new, full sized replacement for the Oliver lock. I would also commend the district engineer at Mobile in his very capable staff for their outstanding work in connection with this study.

Mr. President, in this time of economic transition and recovery, we cannot afford to ignore any feasible opportunity for economic growth. The complete modernization of the great Warrior-Tombigbee Waterway offers such an opportunity. With a replacement of the Oliver lock, we shall have moved an important step closer to the fulfillment of this important objective.

For these reasons, I urge my colleagues to join me in supporting this bill.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

Their being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 821

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to proceed expeditiously with the planning, design, engineering, and construction of the replacement of Oliver Lock at the Black Warrior-Tombigbee Rivers, Alabama, substantially in accordance with the plans recommended in the report of the Board of Engineers for Rivers and Harbors, dated December 1, 1983, at an estimated cost of $109,300,000, with such modifications as the Chief of Engineers determines are advisable.●

By Mr. ZORINSKY (for himself, Mr. COCHRAN, Mr. MELCHER, Mr. LEAHY, Mr. ABDNOR, and Mr. EXON):

S. 822. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986; to the Committee on Agriculture, Nutrition, and Forestry.

DELAY OF WHEAT PROGRAM REFERENDUM

Mr. ZORINSKY. Mr. President, I am introducing legislation that will permit the wheat marketing quota referendum for the 1986 crop to be deferred until up to 30 days after the adjournment sine die of the first session of the 99th Congress. Without this legislation, the Department of Agriculture plans to conduct a referendum that—under the circumstances—will be unnecessary and expensive.

The law currently in effect with respect to the Department of Agriculture's Wheat Program, enacted as part of the 1981 farm bill, applies only to the 1982 through 1985 crops of wheat. Without enactment of new legislation or an extension of the 1981 farm bill, the program for the 1986 crop of wheat will be governed by the Agricultural Adjustment Act of 1938.

Under the 1938 act, the Secretary of Agriculture can proclaim a wheat quota applicable to the 1986 crop not later than April 15, 1985. If a quota is proclaimed, a referendum on the quota must be held by August 1, 1985.

Since 1965, the provisions of the Agricultural Adjustment Act of 1938 have been suspended and supplanted by periodic omnibus farm legislation. Congress presently has before it legislation that, if enacted, would either suspend or repeal those provisions. In any case, the legislation likely to be enacted will implement a program significantly different from that provided under the 1938 act, thereby obviating the need for a referendum in August.

In 1977, the Department of Agriculture estimated the cost of a referendum at $1 million. This amount would not be excessive if expended to implement a key component of a comprehensive program. However, the referendum presently contemplated would not accomplish that objective. It would not offer a clear choice of viable programs for producers; it would divert attention and resources from the serious issues facing agriculture; and, it is a waste of money.

I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill and a short explanation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty days after adjournment sine die of the first session of the Ninety-ninth Congress.".

WHEAT REFERENDUM BILL—SHORT EXPLANATION

The bill will extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The law currently in effect with respect to the Department of Agriculture's wheat program, enacted as part of the 1981 farm bill, applies only to the 1982 through 1985 crops of wheat. Without enactment of new legislation or an extension of the 1981 farm bill, the program for the 1986 crop of wheat will be governed by the Agricultural Adjustment Act of 1938. Under the 1938 Act, the Secretary of Agriculture can proclaim a wheat quota applicable to the 1986 crop not later than April 15, 1985. If a quota is proclaimed, a referendum on the quota must be held by August 1, 1985.

Congress is now considering new legislation to govern the 1986 and succeeding crops of wheat. This bill will allow the Secretary of Agriculture to defer conducting the 1986 wheat referendum under the 1938 Act until Congress has completed action on that legislation. Specifically, the bill will allow the Secretary to postpone the referendum until up to 30 days after the adjournment sine die of the first session of the 99th Congress.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 824. A bill to reauthorize and amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972, to ban ocean dumping at the 12-mile site, to develop a plan for the revitalization of the New York Bight Apex and the Hudson-Raritan Estuary, and for other purposes; to the Committee on Environment and Public Works.

OCEAN REVITALIZATION ACT

● Mr. LAUTENBERG. Mr. President, I am introducing legislation today to end the degradation of New Jersey's coastal waters and contamination of our fisheries by the ocean dumping of sewage sludge close in to New Jersey's shores. My bill, the Ocean Revitalization Act, would permanently ban sewage sludge dumping at the so-called 12-mile site. It would also direct the Environmental Protection Agency to develop an action plan for revitalizing the New York Bight Apex and Hudson-Raritan Estuary.

EPA announced a very important decision for New Jersey and the entire New York-New Jersey metropolitan area today. After years of regulatory delay and litigation, the EPA is taking final action to help protect New Jersey's shore and fisheries, and improve the condition of our surrounding waters. This morning, EPA announced its final decision to close the site 12 miles off New Jersey's shores, which is currently used as a dump site for sewage sludge, and move dumping further out to sea at a 106-mile site, until a permanent alternative can be found to accommodate these wastes.

EPA's decision to close the 12-mile site is good news for New Jersey and the entire New York-New Jersey metropolitan area. The Ocean Dumping Act was enacted over a decade ago. It was intended by Congress to put an end, once and for all, to continued degradation of our oceans. This intent was reaffirmed in 1977 when the Congress adopted an amendment to the act to halt harmful dumping of sewage sludge.

However, in the last decade, sludge dumping at the 12-mile site has increased from 4.7 million tons per year in 1973 to 8.3 million tons in 1983. Some projections indicate that sludge dumping will double or triple in the coming years, if these practices are not stopped. This is because mammoth, new secondary wastewater treatment plants will come on line in New York City and New Jersey, and other coastal municipalities may consider reentering the ocean with their wastes.

Mr. President, frustration in New Jersey with these practices is running at an all time high. The stress placed on the waters washing our shore by ocean dumping is worsened by the unconscionable dumping of 230 million

gallons of raw sewage a day by the city of New York into the Hudson and East Rivers. New Jersey's economy is heavily dependent on keeping our coastal waters healthy. Our tourist industry, along with a more than $1 billion per year commercial and recreational marine fishing industry, cannot tolerate continued degradation of our coastal resources.

EPA has noted that 40 to 50 years of dumping in shallow waters within 12 miles of New Jersey's beaches has spread the official 6.6 square mile site for sludge dumping to an area of 20 to 30 square miles. This area is a major commercial fishing zone and concentrations of heavy metals and organic bacteria there have reached levels warranting immediate action. The degradation has moved inland, to about 5 miles off New Jersey's beaches.

EPA has developed a solid basis for its proposal to close the 12-mile site. The major obstacle, in my judgment, to a halt to sludge dumping at the 12-mile site lies in renewed litigation on the part of New York City, and perhaps others, to overturn the Agency's decision.

I have been unable to secure assurances from the city of New York that it will not sue. On March 21, 1985, I again wrote Mayor Ed Koch asking him to accept EPA's final decision so that this matter can be finally resolved. Litigation would further delay clean up actions in the region and clearly thwart EPA and congressional efforts to halt sewage sludge dumping that degrades the environment and threatens the public health.

I introduce my legislation to send a clear signal to those who would seek to overturn EPA's decision in court, that the Congress will not stand for continued delay. Our nearby ocean waters must not continue to serve as an unregulated waste dump.

Mr. President, closure of the 12-mile site will not be without cost to the six New Jersey sewage authorities which continue to dispose of wastes there. However, the New Jersey Department of Environmental Protection estimates that when the costs of moving to the 106-mile site are spread out over the large number of people served by these plants, the cost to each household would be $3 to $4 per year. Similar modest costs would apply to New York City households. These costs will be insignificant for the individuals involved, while the benefits to our region will be substantial.

Mr. President, this legislation is consistent with efforts actively underway in New Jersey to develop alternatives to current ocean-dumping practices. The State of New Jersey has an active Ocean Waste Management Committee which is dedicated to improving the quality of our coastal waters. Both Governor Kean of New Jersey, and the New Jersey Department of Environmental Protection, support moving the sludge dump site out to 106 miles, and ultimately putting an end to all sludge dumping. My State is committed to revitalizing the New York Bight.

I urge my neighbors across the river in New York to turn away from confrontation and litigation, and to join in regional effort to revitalize our common waters. If we would just all turn our best scientists and engineers to work on solving this problem, I am confident we can find the answers we we need.

The Ocean Revitalization Act would reauthorize title I of the Marine Protection, Research and Sancturaries Act. Dumping at the 12-mile dumpsite would be banned permanently. EPA would be required to prepare an action plan for revitalizing the New York Bight Apex and the Hudson-Raritan Estuary. EPA also would be required to prepare a comprehensive assessment of land-based alternatives for disposing of municipal sludge generated by those now dumping sludge at the 12-mile dumpsite. The act also would:

Prohibit anyone from ocean dumping sewage sludge after 1986 unless the sewage authority generating the sludge is in compliance with pretreatment requirements;

Require EPA to designate dumpsites;

Require EPA to periodically monitor dumpsites;

Require EPA and the Corps of Engineers to establish and maintain quality assurance programs and;

Establish criminal penalties for anyone falsifying monitoring data.

Mr.y President, the resolution of waste disposal issues is not simple. I do not mean to imply that it is. In deciding how to dispose of sludges, the by-product of secondary treatment facilities, we must be mindful that our environment is a fragile system. None of the potential methods of disposal are without problems. Disposal of toxic sludges on land, untreated, can contaminate groundwater and soils. Incineration of toxic sludges can spread dangerous pollutants through the air. But, Mr. President, our nearby ocean waters must not continue to serve as an unregulated waste dump just because the ocean is a cheap place to dump; just because dumpers have resisted alternatives; or just because it has been that way for years. It must change.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD along with EPA's announcement of its decision.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ocean Revitalization Act of 1985".

SEC. 2. DUMPING PERMIT PROGRAM.

(a) Section 102 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1412) is amended as follows:

(1) Subsection (a) is amended by inserting at the end thereof the following:

No permit may be issued or renewed under this title that authorizes the dumping, or the transportation for purposes of dumping, after December 31, 1986, of municipal sludge, whether or not the sludge is subject to section 104A, unless the sewerage authority or other unit of State or local government operating the plant at which the municipal sludge is generated is in compliance with all requirements of sections 307(b) and 402(b)(8) of the Federal Water Pollution Control Act (33 U.S.C. 1317(b) and 1342(b)(8), relating to requirements for an effective and comprehensive pretreatment program).".

(2) Subsection (c) is amended to read as follows:

"(c)(1) The Administrator shall designate sites at which materials may be dumped pursuant to this section and, after consultation with the Secretary, at which materials may be dumped pursuant to section 103; except that no site may be designated by the Administrator under this subsection until the Administrator undertakes and completes an analysis of the characteristics of the site and its suitability for dumping and of the environmental effects which will likely result from dumping. In undertaking such an analysis of each site, the Administrator shall take into consideration the criteria established pursuant to subsection (a) and shall specifically take into account the following factors:

"(A) The types and quantities of wastes and pollutants projected to be deposited in, and adjacent to, the site from dumping and other sources.

"(B) The ability of the waters at the site to disperse, detoxify, or neutralize the materials.

"(C) The importance of the site to the surrounding biological community, including the presence of breeding, spawning, nursery or foraging areas, migratory pathways, or areas necessary for other functions or critical stages in the life cycle of marine organisms.

"(D) The immediate and cumulative effects on human health and on the ecosystem adjacent to the site and the persistent effects on the ecosystem within the site.

"(2) The Administrator shall—

"(A) periodically monitor, or cause to be monitored, the effects of the dumping of materials at or adjacent to each site for which the Administrator determines, on the basis of the characteristics of the site and the materials to be dumped, that such monitoring is necessary to accomplish the purposes of this title; and

"(B) at the close of the third year after the site designation and at every three-year interval thereafter until such time as the designation is terminated, estimate the extent of the dumping and other waste inputs that will occur in and adjacent to each site during the next three-year period.

"(3) If at any time the Administrator, on the basis of the factors taken into account under subparagraphs (A) through (D) of paragraph (1), or on the basis of the monitoring or estimates, or both, required under paragraph (2), determines that the site is no longer suitable for such dumping, the Administrator shall—

"(A) limit dumping at the site to certain materials or at certain times or both; or

"(B) suspend or terminate the designation of the site under paragraph (1).

In making a determination under the preceding sentence that a site is no longer suitable for dumping pursuant to section 103, the Administrator shall consult with the Secretary.".

(b) Section 103(b) of the Marine Protection Research, and Sanctuaries Act of 1972 (33 U.S.C. 1413(b)) is amended by striking out "recommended" in the last sentence.

SEC. 3. PERMIT CONDITIONS.

Section 104 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1414) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a) Permits issued under this title shall designate and include—

"(1) the type of material authorized to be transported for dumping or to be dumped;

"(2) the amount of material authorized to be transported for dumping or to be dumped;

"(3) the location where such transport for dumping will be terminated or where such dumping will occur;

"(4) the length of time for which the permits are valid and their expiration date;

"(5) any special provisions deemed necessary by the Administrator or the Secretary, as the case may be, to minimize the harm from dumping, which may include measures that the permittee must take to plan, develop, acquire, or implement, as appropriate—

"(A) alternatives for the disposal of the material,

"(B) processes for reducing or eliminating any contaminants in the material, or

"(C) processes for recycling the material;

"(6) after consultation with the Secretary of the Department in which the Coast Guard is operating, any special provisions deemed necessary by the Administrator or the Secretary, as the case may be, for the monitoring and surveillance of the transportation or dumping; and

"(7) such other matters as the Administrator or the Secretary, as the case may be, deems appropriate.".

(2) Subsection (e) is redesignated as subsection (e)(1) and after it the following new subsection is inserted:

"(2) The Administrator and the Secretary shall establish and maintain quality assurance programs to ensure the validity, accuracy, and sufficiency of information submitted to or used by the Administrator or the Secretary in connection with applications for permits or other activities undertaken pursuant to this title. Such quality assurance programs shall encompass, but not be limited to, the design, implementation, and analysis of sampling, testing, and monitoring procedures and results.

(3) The following new subsection is added at the end thereof:

"(j) The Administrator or Secretary, as the case may be, may prescribe such reporting requirements as he or she deems appropriate with regard to actions taken by permittees pursuant to permits issued under this title.".

SEC. 4. TRANSITIONAL PROVISIONS.

Until completion of the site designation or denial of site designation by the Administrator of the Environmental Protection Agency with respect to any areas of ocean waters approved for dumping on an interim basis before July 1, 1982, the amendments made by this Act to the Marine Protection, Research, and Sanctuaries Act of 1972 (other than section 102(a) as amended by section (2)(a)(1), other than subsections (c) (2) and (3) of section 102 as amended by section (2)(a)(2), and other than those made by sections 2(b), 3, 5, 6, 8, and 9 of this Act) shall not be applicable to those areas of ocean water.

SEC. 5. DEFINITIONS.

Section 3 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1402) is amended—

(1) by striking out "sewage sludge," in subsection (c) and inserting in lieu thereof "municipal sludge,"; and

(2) by adding at the end thereof the following new subsections:

"(m) 'Municipal sludge' means solid, semisolid, or liquid waste generated by a waste water treatment plant of a sewerage authority or other unit of State or local government or a privately owned or operated waste water treatment plant which treats predominately domestic sewage.".

SEC. 6. PENALTIES.

Subsection 105(b) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1415) is redesignated as section 105(b)(1), and the following new paragraph is inserted thereafter:

"(2) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this title or who falsifies, tampers with, or knowingly renders inaccurate any monitoring, sampling, or testing device or method required to be maintained or implemented under this title, shall upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or by both. For purposes of this section, the term 'person' shall mean, in addition to the definition contained in section 3(e) of this title, any responsible corporate officer.".

SEC. 7. SCHEDULE FOR COMPLETION.

The Administrator of the Environmental Protection Agency shall establish a schedule for expeditiously completing the study and designation or denial of designation of all areas of ocean waters approved before July 1, 1982, for dumping on an interim basis. The Administrator shall submit this schedule to Congress not later than the one hundred and eightieth day after the date of enactment of this Act.

SEC. 8. NEW YORK BIGHT APEX.

Title I of the Marine Protection, Research, and Sanctuaries Act is amended by adding the following new section:

"NEW YORK BIGHT APEX

"SEC. 113. (a) The Congress finds and declares that the New York Bight Apex is not a suitable location for the ocean dumping of municipal sludge.

"(b) The Administrator may not issue, or renew any permit under this title that authorizes the dumping of, or the transportation for purposes of dumping, municipal sludge at the Apex site or anywhere within the Apex after the day determined by the Administrator to be the first day on which municipal sludge can reasonably be dumped at a site designated under section 102 other than a site within the Apex but no later than eighteen months from the date of enactment of the Ocean Revitalization Act.

"(c)(1) Not later than three years after the date of enactment of the Ocean Revitalization Act, the Administrator, in consultation with Federal, State and interstate agencies, shall prepare, and submit to the Congress a New York Bight Apex, Hudson-Raritan Estuary Restoration Plan. In preparing such plan, the Administrator shall hold public hearings in the affected States to obtain the views and comments of interested persons.

"(2) Such plan shall—

"(A) identify and assess the impact of pollutant inputs, such as treated and untreated sewage discharge, industrial outfalls, agricultural and urban runoff, storm sewer overflow, upstream contaminant sources, and dumping that are affecting the water quality and marine resources of the Apex and the Estuary;

"(B) identify those uses in the Apex, the Estuary or on nearby shore areas that are being inhibited because of those inputs;

"(C) determine the fate of the contaminants from those inputs and their effect on the marine environment;

"(D) identify technologies and management practices, and determine the costs necessary to control those inputs;

"(E) identify impediments to the use of such technologies and management practices and to the cleanup of those inputs;

"(F) devise a schedule of economically feasible projects to implement the controls identified under subparagraph (D) and to remove the impediments identified under subparagraph (E); and

"(G) develop recommendations for funding and coordinating the various Federal, State, and local government programs necessary to implement the projects devised under subparagraph (F).

"(3) Not later than six months after the date of enactment of the Ocean Revitalization Act, the Administrator shall submit to the Congress a detailed schedule (and any associated funding requirements) for completing the restoration plan required by this subsection.

"(4) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency, for purposes of preparing the New York Bight Apex Restoration Plan required under this subsection, not to exceed $2,000,000 for fiscal year 1985, $2,000,000 for fiscal year 1986, and $1,000,000 for fiscal year 1987.

"(d) Within eighteen months after the date of enactment of the Ocean Revitalization Act, the Administrator shall prepare, and submit to the Congress, a comprehensive assessment of the land-based disposal options for municipal sludge generated by those dumping municipal sludge within the Apex on January 1, 1985.

"(e) For the purposes of this section—

"(1) The term 'Apex' means the New York Bight Apex consisting of the ocean waters of the Atlantic Ocean westward of 73 degrees 30 minutes west longitude and northward of 40 degrees 10 minutes north latitude.

"(2) The term 'Apex site' means that site within the Apex at which the dumping of municipal sludge occurred before October 1, 1983.".

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

Section 111 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1420) is amended—

(1) by striking out "title," and inserting in lieu thereof "title (other than section 104A(d)(1)),";

(2) by striking out "and" immediately following "fiscal year 1981,"; and

(3) by inserting "and not to exceed $4,250,000 for each of fiscal years 1985, 1986, 1987, and 1988," immediately after "fiscal year 1982,".

EPA DENIES 12-MILE SITE FOR OCEAN DUMPING

The U.S. Environmental Protection Agency today announced its final determination to deny petitions to redesignate the 12-Mile Sewage Sludge Dump Site in the New York Bight Apex.

Jack E. Ravan, EPA Assistant Administrator for Water, said, "Today's action was taken after careful consideration and review of public comments and is designed to protect the coastal waters and shores from adverse environmental impacts. It has been generally acknowledged that the New York Bight Apex is heavily degraded, and that municipal sludge dumping at the 12-Mile Site has contributed to this. We believe that this final determination, along with other EPA actions, is vital to protect these waters."

The decision means that several current municipal sludge dumpers will no longer be allowed to dispose of municipal sludge within 12 miles of the New Jersey and Long Island, N.Y., shores.

Instead, they must relocate their dumping operations to the designated Deepwater Municipal Sludge Dump Site (formerly known as the 106-Mile Site), which occupies an area of 100 square miles. This site is located approximately 120 nautical miles southeast of Ambrose Light, N.Y., and 115 nautical miles from Atlantic City, N.J., the nearest coastline. The site is in water depths ranging from 7,380 to more than 9,000 feet.

EPA determined that the deepwater site is environmentally preferable since living resources there are more sparse and less valuable. Because of its great depth and the dispersion of dumped material by currents, disposal of municipal sludge there will result in relatively low concentrations of contaminants and reduced environmental impacts. Its greater distance from the coastline will also reduce the potential for any impact on shorelines, beaches, and near-shore recreational activities.

The 12-Mile Site has been used since 1924 for ocean dumping of municipal sludge.

Designation of the 12-Mile Site, located east of Highlands, N.J., and south of Long Island, expired on Dec. 31, 1981. Since that time the ocean dumping of municipal sludges has been continued under court order. EPA announced in May 1984 that it had tentatively decided to deny petitions by several municipal sludge dumpers requesting redesignation of the site.

The decision announced today was based on EPA's analysis of the petitions and supporting documents, Environmental Impact Statements, public comments and hearing records, and studies by EPA and the National Oceanic and Atmospheric Administration of the effects of dumping at the 12-Mile Site. EPA concluded that redesignation of this site would not be in compliance with statutory and regulatory criteria for ocean dump site designation.

The fact that the most severly degraded area in the New York Bight Apex is adjacent to the municipal sludge dump site indicated that such disposal contributed significantly to the environmental degradation, EPA concluded.

Evidence of environmental degradation includes elevated levels of bacteria due to municipal sludge dumping, which has resulted in closing of the area surrounding the site for shellfishing; increased levels of toxic metals and organohalogens in bottom sediments over ambient levels in areas near the site; chances in relative abundance and diversity of species of aquatic life in areas affected by municipal sludge dumping; shifts in marine organisms to pollution-tolerant species, and the disappearance of pollution-sensitive crustaceans. While these impacts cannot be exclusively attributed to the ocean dumping of municipal sludge at the 12-Mile Site, the dumping has been a contributing factor to the overall degradation of the New York Bight.

"Ending disposal of municipal sludge in the New York Bight, along with a series of other EPA activities, will help improve the overall quality of these waters, which are a source of food, provide recreation for millions of people, and are vital to the economic well-being of the entire New York and New Jersey metropolitan area," Ravan said.

"Other EPA actions include financing for construction of improved sewage treatment facilities and critical evaluation of marine discharge waivers under the Clean Water Act," he said.

FACTSHEET

Denial of Petitions To Redesignate 12-Mile Site:

The 12-Mile Site is located in the New York Bight Apex and is approximately 10.3 nautical miles east of Highlands, New Jersey, and 9.9 nautical miles south of Long Island. The site occupies and area of about 6.6 square nautical miles and water depth is approximately 27 meters (88 feet).

The 12-Mile Site has been used since 1924 for the ocean dumping of municipal sludge. In 1973, 4.5 million wet tons were dumped. This increased in 1983 to more than 8.3 million wet tons.

On May 18, 1979, EPA designated the 12-Mile Site as an approved municipal sewage sludge disposal site.

This designation was based on information presented in an EPA Environmental Impact Statement (EIS) published in October 1978, in addition to the assumption that ocean dumping would end on December 31, 1981.

The designation of the 12-Mile Site expired on December 31, 1981.

Since that date, the ocean dumping of municipal sludge has been permitted as a direct result of court orders while EPA took action on petitions to redesignate the 12-Mile Site.

On December 20, 1982, EPA requested comments on the possible redesignation of the 12-Mile Site since the designation expired.

Nine municipal sewerage authorities are currently using the 12-Mile Site for municipal sludge disposal under Federal court orders.

On May 4, 1984 (49 FR 19042), EPA proposed the tentative denial of petition to redesignate the 12-Mile Sewage Sludge Dump Site.

Public hearings on the tentative denial of the petitions (49 FR 21770) were conducted in June 1984, at three locations in the New York/New Jersey area. The public comment period closed on July 3, 1984.

EPA's final determination to deny petitions to redesignate the 12-Mile Site is based upon a finding that designation of the site would not be in compliance with the statutory and regulatory criteria used for ocean dump site designation. Furthermore, continued use of this site for municipal sludge disposal would result in further degradation to the area, including both ecological and public health impacts.●

By Mr. PRESSLER (for himself, Mr. WARNER, Mr. SASSER, Mr. INOUYE, Mr. GLENN, Mr. MURKOWSKI, and Mr. HATCH):

S. 825. A bill to amend the Immigration and Nationality Act to provide for a program for the waiver of the visa requirement in the case of nonimmigrant tourists from certain countries; to the Committee on the Judiciary.

WAIVER OF CERTAIN VISA REQUIREMENTS

● Mr. PRESSLER. Mr. President, today I am introducing, along with six of my colleagues, legislation to provide a limited waiver of the U.S. nonimmigrant visa requirement. Visa waiver legislation was passed by both the Senate and the House of Representatives in the 98th Congress and is supported by the administration, yet our stringent visa requirement remains unchanged. This bill is very similar to the original visa waiver amendment which I added to the Immigration Reform and Control Act in 1982.

Our current visa system requires virtually all foreign travelers—the major exception is Canadians—to obtain visas from U.S. embassies in their countries before entering the United States. This requirement causes delays of up to 6 weeks for visa applications to be processed, and the disruptive effect on travel plans has undoubtedly resulted in a substantial loss in foreign visitors to this country. Testimony before the Commerce Committee's Subcommittee on Business, Trade, and Tourism, which I chair, has indicated that the losses resulting from our visa policy are in the order of hundreds of millions of dollars per year and thousands of jobs.

As a strong supporter of the travel and tourism industry, I want to stress both the importance of the industry to this Nation and the significant impact that this legislation would have on international travel. The industry generates over $200 billion per year in the United States and employs more than 4.6 million Americans. I am concerned that our share of international travel revenues has dwindled during the past decade, and I feel that this legislation, combined with vigorous Federal promotion by the U.S. Travel and Tourism Administration [USTTA], can reverse this decline. I have, incidentally, also introduced legislation (S. 374) to continue and strengthen the USTTA's world-wide promotional programs.

I am hopeful that this legislation and a strengthened USTTA will result in an increased number of foreign visitors to my home State of South Dakota. Approximately 100,000 foreign visitors travel to South Dakota each year, and the State's economy would be bolstered significantly by the facilitation of a freer flow of foreign travelers. The same can be said of all 50 States.

I recognize, Mr. President, that national security concerns justify certain restrictions on the entry of foreign

visitors, and I want to clarify that this legislation is in no way intended to compromise national security imperatives. The visa waiver program created by this bill would apply only to individuals who:

First, are from nations which do not require U.S. visitors to obtain visas;

Second, are from nations with historically low rates of refusal on applications for U.S. nonimmigrant visas and low rates of violation of nonimmigrant status among their nationals;

Third, will remain in the United States no more than 90 days; and

Fourth, have round-trip, nonrefundable, nontransferable transportation tickets.

The nations whose citizens would be eligible for visa waiver would be designated by the Attorney General and the Secretary of State.

I ask my colleagues to view international travel to the United States as an export—it is, after all, our largest service export—and to view our current policy as a trade barrier. This policy, which is not reciprocated by the nations to which this legislation applies, inhibits economic growth, employment, and international goodwill. It is no wonder that visa waiver legislation has been supported by the Senate, the House of Representatives, and the administration.

I hope that my colleagues agree that this legislation balances national security concerns with the objective of encouraging the free and welcome entry of foreign visitors. We must recognize that the vast majority of visitors to this Nation pose no threat to our security, and further, that these low-risk visitors can be identified and treated as such.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) the travel and tourism industry is vital to the United States' economy, accounting for more than $200 billion in annual revenues and directly employing more than 4.6 million Americans;

(2) international travel contributes to personal growth, health, education, and to the worldwide appreciation of the geography, history, and people of various cultures and nations;

(3) foreign visitors to the United States contribute substantially to the United States' economy by creating jobs, increasing tax revenues, and improving the Nation's international balance of trade;

(4) facilitating a freer flow of foreign visitors to the United States would provide significant economic and social benefits; and

(5) while national security concerns necessitate certain restrictions on the entry into the United States of foreign visitors, the United States' current policy regarding entry of foreign visitors does not properly balance these concerns with the potential benefits associated with international travel to the United States.

(b) PURPOSE.—It is the purpose of this Act to establish visa waiver procedures to encourage international travel to and within the United States in a manner consistent with national security concerns and the objective of strengthening the United States' travel and tourism industry.

SEC. 2. VISA WAIVER PROGRAM.

(a) ESTABLISHMENT OF VISA WAIVER PROGRAM.—Section 212 of the Immigration and Nationality Act (8 U.S.C. 1182) is amended by adding at the end thereof the following new subsection:

"(l)(1) The Attorney General and the Secretary of State are authorized to establish a pilot program (hereafter in this subsection referred to as the 'program') under which the requirement of paragraph (26)(B) of subsection (a) may be waived by the Attorney General and the Secretary of State, acting jointly and in accordance with this subsection, in the case of an alien who—

"(A) is applying for admission during the pilot program period (as defined in paragraph (5)) as a nonimmigrant visitor (described in section 101(a)(15)(B)) for a period not exceeding 90 days;

(B) is a national of a country which—

"(i) extends (or agrees to extend) reciprocal privileges to citizens and nationals of the United States, and

"(ii) is designated as a pilot country under paragraph (3);

"(C) before such admission completes such immigration form as the Attorney General shall establish under paragraph (2)(C) and executes a waiver of review and appeal described in paragraph (2)(D);

"(D) has a round-trip, nonrefundable, nontransferable, open-dated transportation ticket which—

"(i) is issued by a carrier which has entered into an agreement described in paragraph (4), and

"(ii) guarantees transport of the alien out of the United States at the end of the alien's visit; and

"(E) has been determined not to represent a threat to the welfare, health, safety, or security of the United States;

except that no such alien may be admitted without a visa pursuant to this subsection if the alien failed to comply with the conditions of any previous admission as a nonimmigrant.

"(2)(A) The program may not be put into operation until the end of the 30-day period beginning on the date that the Attorney General submits to the Congress a certification that the screening and monitoring systems described in subparagraph (B) is operational and that the form described in subparagraph (C) has been produced.

"(B) The Attorney General in cooperation with the Secetary of State shall develop and establish an automated data arrival and departure control system to screen and monitor the arrival into and departure from the United States of nonimmigrant visitors receiving a visa waiver under the program.

"(C) The Attorney Genereal shall develop a form for use under the program. Such form shall be consistent and compatible with the control system developed under subparagraph (B). Such form shall provide for, among other items—

"(i) a summary description of the conditions for excluding nonimmigrant visitors from the United States under subsection (a) and this subsection,

"(ii) a description of the conditions of entry with a waiver under this subsection, including the limitation of such entry to ninety days and the consequences of failure to abide by such conditions, and

"(iii) questions for the alien to answer concerning any previous denial of the alien's application for a visa.

"(D) An alien may not be provided a waiver under this subsection unless the alien has waived any right (i) to review or appeal under the Act of an immigration officer's determination as to the admissibility of the alien at the port of entry into the United States or (ii) to contest, other than on the basis of an application for asylum, any action for deportation against the alien.

"(3)(A) The Attorney General and the Secretary of State acting jointly may designate up to eight countries as pilot countries for purposes of this subsection.

"(B) For the period beginning after the 30-day period described in paragraph (2)(A) and ending on the last day of the first fiscal year which begins after such 30-day period, a country may not be designated as a pilot country unless—

"(i) the average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2.0 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years, and

"(ii) the average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(C) For each fiscal year (within the pilot program period) after the period specified in subparagraph (B)—

"(i) in the case of a country which was a pilot country in the previous fiscal year, a country may not be designated as a pilot country unless the sum of—

"(I) the total of the number of nationals of that country who were excluded from admission or withdrew their application for admission during such previous fiscal year as a nonimmigrant visitor, and

"(II) the total number of nationals of that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission, was less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year, or

"(ii) in the case of another country, the country may not be designated as a pilot country unless—

"(I) the average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years, and

"(II) the average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.

"(4) The agreement referred to in paragraph (1)(D)(i) is an agreement between a

carrier and the Attorney General under which the carrier agrees, in consideration of the waiver of the visa requirement with respect to a nonimmigrant visitor under this subsection—

"(A) to indemnify the United States against any costs for the transportation of the alien from the United States if the visitor is refused admission to the United States or remains in the United States unlawfully after the ninety-day period described in paragraph (1)(A)(i), and

"(B) to submit daily to immigration officers any immigration forms received with respect to nonimmigrant visitors provided a waiver under this subsection.

The Attorney General may terminate such an agreement with five days' notice to the carrier for the carrier's failure to meet the terms of such agreement.

"(5) For purposes of this subsection, the term 'pilot program period' means the period beginning at the end of the 30-day period referred to in paragraph (2)(A) and ending on the last day of the third fiscal year which begins after such thirty-day period.".

(b) LIMITATION ON PERIOD OF STAY IN THE UNITED STATES.—Section 214(a) of such Act (8 U.S.C. 1184(a)) is amended by adding at the end the following new sentence: "No alien admitted to the United States without a visa pursuant to section 212(l) may be authorized to remain in the United States as a nonimmigrant visitor for a period exceeding 90 days from the date of admission.".

(c) PROHIBITION OF ADJUSTMENT TO PERMANENT RESIDENT STATUS.—Section 245(c) of such Act (8 U.S.C. 1255(c)) is amended by striking out "or" before "(3)" and by inserting before the period at the end the following: ", or (4) an alien (other than an immediate relative specified in section 201(b)) who was admitted as a nonimmigrant visitor without a visa under section 212(l).".

(d) PROHIBITION OF ADJUSTMENT OF NONIMMIGRANT STATUS.—Section 248 of such Act (8 U.S.C. 1258) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and" and by adding at the end thereof the following new paragraph:

"(4) an alien admitted as a nonimmigrant visitor without a visa under section 212(l).".●

● Mr. WARNER. Mr. President, I am pleased to join with the Senator from South Dakota [Mr. PRESSLER] and the Senator from Tennessee [Mr. SASSER] to introduce the Visa Waiver Act of 1985, a bill providing limited waiver of the U.S. nonimmigrant visa requirements.

As cochairmen of the Senate tourism caucus, Senator SASSER and I have urged for many years now the enactment of this legislation, and we have eagerly joined with Senator PRESSLER in his capacity as chairman of the Subcommittee on Business, Trade, and Tourism, to obtain for America's travel and tourism industry the important benefits this legislation holds.

ECONOMIC IMPACT

Mr. President, international travel to the United States in 1983:

Accounted for 21.7 million total foreign arrivals and receipts of $13.9 billion—including international transportation payments to U.S. carriers;

Netted this Nation 7.6 percent of total world international arrivals—286.5 million—and 11.9 percent of global foreign tourism expenditures—$96.2 billion;

Resulted in Federal, State, and local tax revenues of more than $1.1 billion;

Directly and indirectly generated over 600,000 U.S. jobs; and

Accounted for one-third of business services exports.

Based on one study, adjusted to reflect current data and assumptions under last year's bill, it is estimated that the proposed legislation will add as many as 400,000 visitors from abroad.

These visitors will produce $300 million in tourism receipts.

Based on these receipts, an estimated 7,000 to 8,000 travel-related jobs would be created and more than $16 million in tax receipts would be realized.

The State Department in 1980 estimated that 70 percent of the nonimmigrant visas are related to tourism and 3 percent related to business activities.

The American embassies and consulates are frequently overwhelmed by the processing of these visas.

In some countries, backlogs are so bad that applicants get angry and cancel their plans to travel to the United States.

The State Department has determined that, if the new law had been in operation in 1982, over $3 million in resources and over 120 positions abroad could have been used for other purposes.

POLICY AND THE NATIONAL INTEREST

Studies conducted in 1977 for the U.S. Travel Service, predecessor to the U.S. Travel and Tourism Administration, determined that "difficult entry procedures and/or difficulty in obtaining a visa" inhibited some foreign nationals from visiting the United States.

An average of 13.6 percent of potential visitors from five of the countries eligible under legislation pending that year anticipated these difficulties.

The percent of actual visitors reporting such difficulties ranged from 25 percent—France—to 4 percent—Netherlands.

Most Western European countries eliminated visa requriments of Americans and other visitors during the post-World War II era.

At least 35 countries have eliminated this requirement.

The present law requires that all foreign nationals, except those from Canada and the Bahamas, possess a visa to enter the United States as a visitor.

But U.S. laws concerning tourism support a visa waiver program.

Under the International Travel Act of 1961, the Secretary of Commerce is directed to "* * * encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally," and "to stimulate and encourage travel to the United States by residents of foreign countries * * *."

Further, the National Tourism Policy Act of 1981 establishes a national tourism policy whose principal objective is to "* * * encourage the free and welcome entry of individuals traveling to the United States in order to enhance international understanding and good will * * *."

CONCLUSION

The nonimmigrant visa requirements of the United States are among the most restrictive in the world.

The restrictions serve as a trade barrier, retarding economic growth and inhibiting good will.

The proposed legislation is in the national interest and will promote inbound travel.

Making travel to the United States less restrictive will increase the number of visitors, add to our foreign exchange earnings, encourage economic growth and break down another barrier to trade in tourism.

Visa waiver legislation like this bill is aggressively supported by the administration.

It passed in both the House of Representatives and the Senate in the last Congress, and it is endorsed by virtually all segments of the travel and tourism industry.

Mr. President, I urge the support of my colleagues for this measure, and I am hopeful it will receive swift and early consideration in this body as well as in the House of Representatives, where Congressman BILL BONER has introduced identical legislation.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from Louisiana [Mr. JOHNSTON] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 84

At the request of Mr. INOUYE, the names of the Senator from Nevada [Mr. LAXALT], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mr. DOLE], the Senator from Arizona [Mr. GOLDWATER], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 84, a bill to incorporate the Pearl Harbor Survivors Association.

S. 231

At the request of Mr. DOLE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 231, a bill to establish a National Commission or Neurofibromatosis.

S. 425

At the request of Mr. BUMPERS, his name was added as a cosponsor of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 426

At the request of Mr. WALLOP, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 447

At the request of Mr. DECONCINI, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 447, a bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track of a competing railroad or the destination of shipment and to apply Clayton Act penalties to monopolizing by rail carriers.

S. 509

At the request of Mr. LEVIN, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 509, a bill to extend the Federal Supplemental Compensation Act of 1982.

S. 518

At the request of Mr. BUMPERS, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 518, a bill to amend the Internal Revenue Code of 1954 to repeal the so-called contemporaneous recordkeeping requirements for vehicle and to provide greater protections and incentives for investment in small businesses.

S. 531

At the request of Mr. DECONCINI, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 531, a bill to authorize the appropriation of funds for the operation and maintenance of a Special Operations Wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Enforcement, and to require certain reports.

S. 599

At the request of Mr. ZORINSKY, his name was added as a cosponsor of S. 599, a bill to amend title 31, United States Code, to authorize 1 ounce, one-half ounce, one-fourth ounce, and one-tenth ounce gold coins.

S. 664

At the request of Mr. NICKLES, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from North Carolina [Mr. EAST], the Senator from Oklahoma [Mr. BOREN], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as a cosponsor of S. 664, a bill to facilitate the competitiveness of exports of U.S. agricultural commodities.

S. 725

At the request of Mr. BENTSEN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 725, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, 1988, 1989, and 1990.

S. 808

At the request of Mr. KENNEDY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 808, a bill to provide grants for school-based child care and early childhood education demonstration projects.

S. 809

At the request of Mr. KENNEDY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 809, a bill to provide financial assistance to expand the availability of child care services for college students, particularly low-income students, in order to increase the access of such students to institutions of higher education, and for other purposes.

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 47

At the request of Mr. CRANSTON, the names of the Senator from Virginia [Mr. WARNER], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 47, a joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week."

SENATE JOINT RESOLUTION 56

At the request of Mr. DECONCINI, the names of the Senator from Michigan [Mr. RIEGLE], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 56, a joint resolution to designate April 1985 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 60, a joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE JOINT RESOLUTION 74

At the request of Mr. THURMOND, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to provide for the designation of the month of February, 1986, as "National Black (Afro-American) History Month."

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 88

At the request of Mr. LEVIN, the names of the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 88, a joint resolution to designate the week beginning September 8, 1985, as "National Osteopathic Medicine Week."

SENATE JOINT RESOLUTION 89

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Maine [Mr. MITCHELL], the Senator from Georgia [Mr. NUNN], the Senator from Mississippi [Mr. STENNIS], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of Senate Joint Resolution 89, a joint resolution directing that the National Institute of Health and the Alcohol, Drug Abuse and Mental Health Administration receive full funding in fiscal year 1985 for grants for individual investigator-initiated research.

SENATE JOINT RESOLUTION 91

At the request of Mr. HUMPHREY, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Ohio [Mr. GLENN], were added as cosponsors of Senate Joint Resolution 91, a joint resolution to designate March 21, 1985, as "Afghanistan Day."

SENATE CONCURRENT RESOLUTION 18

At the request of Mr. DECONCINI, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Concurrent Resolution 18, a concurrent resolution expressing the sense of Congress that the provisions of the Internal Revenue Code of 1954 relating to installment sales and regulations prescribed by the Secretary under such provisions, should not be modified or amended in any way that will alter the manner in which mortgage-backed homeowner bond transactions are currently taxed.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Mississippi [Mr. COCHRAN], were added as cosponsors of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans'

Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. MATTINGLY, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Pennsylvania [Mr. SPECTER], were added as cosponsors of Senate Concurrent Resolution 24, a concurrent resolution to direct the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan outlining the steps which might be taken to correct the Social Security benefit disparity known as the notch problem.

SENATE RESOLUTION 115—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE BUDGET

Mr. DOMENICI, from the Committee on the Budget, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 115

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $3,320,972 of which amount not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

AMENDMENTS SUBMITTED

IMPROVEMENT IN VETERANS HEALTH CARE PROGRAMS

CRANSTON AMENDMENT NO. 22

(Ordered referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON submitted an amendment intended to be proposed by him to the bill (S. 6) to amend title 38, United States Code, to make certain improvements in Veterans' Administration health-care programs, and for other purposes; as follows:

At the end of the bill, add the following new section:

TECHNICAL, CONFORMING AMENDMENT RELATING TO THE CONTINUING AVAILABILITY OF READJUSTMENT COUNSELING

SEC. 11. Section 612A(g)(1)(B) is amended by striking out "who requested such counseling before such date" and inserting in lieu thereof "who request such counseling".

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am today submitting for printing amendment No. 22, an amendment to S. 6, the proposed Veterans' Administration Health-Care Amendments of 1985. S. 6 is presently pending in the Veterans' Affairs Committee.

Mr. President, this amendment is a technical, conforming amendment to section 612A(g)(1)(B) of title 38, United States Code, relating to the continuing eligibility of Veterans' Administration readjustment counseling services for Vietnam-era veterans. This amendment conforms subsection (g)(1)(B) to subsection (a) of section 612A, as subsection (a) was amended in 1983 by section 101 of Public Law 98-160.

Mr. President, section 612A of title 38, United States Code, provides for a VA program of readjustment counseling services for Vietnam-era veterans. Subsection (a) of section 612A sets forth the basic eligibility criteria. As originally enacted in Public Law 96-22 which I authored, this section provided that veterans who requested readjustment counseling within 2 years of their date of discharge from the service or by September 30, 1981, as to those already discharged by October 1, 1979—the situation for the vast majority of Vietnam-era veterans—would be furnished such counseling by the VA.

In 1981, in recognition of a continuing need for the VA's readjustment counseling program, I proposed in S. 458, 97th Congress, and Public Law 97-72 enacted, an extension of the September 30, 1981, end-of-new eligibility date by 3 years, until September 30, 1984. In addition to the extension of the eligibility period, Public Law 97-72 also mandated that the VA study how to meet Vietnam-era veterans' readjustment needs after the September 30, 1984, eligibility expiration date and to submit a report to Congress by April 1, 1984, on its plans in that regard.

In 1983, because of my concerns that the VA would not be able, prior to the 1984 eligibility expiration date, to complete a comprehensive evaluation, as contemplated by Public Law 97-72, of the continuing needs of Vietnam-era veterans for readjustment counseling assistance, I introduced legislation, S. 11, 98th Congress, which included in section 301 a provision for a further, short-term extension of the period of eligibility. Legislation providing such an extension was passed by the Senate as was similar legislation by the House. During our efforts with our counterpart committee in the House to develop a compromise agreement, it became clear both that the VA could not conduct the type of evaluation the Congress desired in the timeframe contemplated by the extensions passed by either House and that there was a need to send an unequivocal message to veterans served by the radjustment counseling program as well as to those working in it that the Congress had a continuing commitment to the program.

Thus, the committees included in the measure enacted as Public Law 98-160 a provision that totally eliminated any expiration date on the eligibility for readjustment counseling, thereby providing Vietnam-era veterans with ongoing eligibility to request readjustment counseling at any time. In addition, that law postponed for 4 years, from fiscal years 1984 to 1988, the period during which the Administrator is required in section 612A(g), first, to plan for the transition of the readjustment counseling program from a program run primarily through storefront vet centers to a program run primarily through VA hospitals and clinics; and, second, to ensure "the continued availability * * * of readjustment counseling and related health services under this section."

By inadvertence, subsection (g)(1)(B) when amended was not conformed in its language to delete a reference to the expiration date for eligibility to request readjustment counseling which was being repealed in subsection (a). On its face, then, subsection (g)(1)(B) now limits the Administrator's responsibility during fiscal year 1988 to plan for ensuring "the continued availability" after fiscal year 1988 of readjustment counseling and related services so that that responsibility pertains only to Vietnam-era veterans who request counseling by the end of fiscal year 1988. The amendment I am proposing today will correct this oversight and conform subsection (g)(1)(B) to subsection (a) by explicitly requiring the Administrator during fiscal year 1988 to plan for

the continued availability of such services thereafter for all Vietnam-era veterans, regardless of when they initially request counseling.

Mr. President, I ask unanimous consent that a paper showing the changes that the amendment would make in existing law be printed at this point in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

CHANGES IN EXISTING LAW MADE BY AMENDMENT NO. 22

(Existing law proposed to be omitted is enclosed in brackets, and existing law in which no change is proposed is shown in Roman.)

§ 612A. Eligibility for readjustment counseling and related mental health services

(a) Upon the request of any veteran who served on active duty during the Vietnam-era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in readjusting to civilian life.

* * * * *

(g)(1) During the twelve-month period ending on September 30, 1988, the Administrator shall take appropriate steps to ensure—

* * * * *

(B) the continued availability after such date of readjustment counseling and related mental health services under this section to veterans eligible for the provision of such counseling and services who request[ed] such counseling [before such date].

NOTICES OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. DURENBERGER. Mr. President, I wish to announce that the Senate Subcommittee on Intergovernmental Relations will hold a hearing on S. 483 Intergovernmental Regulatory Relief Act on Tuesday, April 2, at 10 a.m. in room 342 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON STRATEGIC THEATER NUCLEAR FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Theater Nuclear Forces, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Monday, April 1, in closed session, to markup S. 674, the Department of Defense fiscal year 1986 authorization, and the Department of Energy, fiscal year 1986 authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Monday, April 1, to hold a hearing on rice issues relating to 1985 farm legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Intelligence be authorized to meet during the session of the Senate on Monday, April 1, in closed session, to conduct a hearing on the fiscal year 1986 intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1985 pursuant to section 311 of the Congressional Budget Act.

Since my last report the Congress has cleared House Joint Resolution 181, appropriations for the MX missile, for the President's signature.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 280—REFLECTING COMPLETED ACTION AS OF MAR. 28, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Budget resolution level	1,021,350	932,050	750,900
Current level	1,015,029	932,915	750,739
Amount remaining	6,321	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $6,321 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 280 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 280 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 280.●

CHILEAN DESTINY

● Mr. MURKOWSKI. Mr. President, I am pleased to see the continued interest in Chile expressed on the Senate floor by my colleague from Massachusetts, Senator KENNEDY, on March 5. As a member of the Foreign Relations Committee, I well appreciate the complexity of the Chilean situation and know that the Senator from Massachusetts wants to ensure that the Senate have the benefit of the full story on this and every issue.

To this end, I was surprised and disappointed to see that, on March 5, my colleague from Massachusetts inserted a February 25 editorial from the New York Times into the CONGRESSIONAL RECORD without also inserting the qualifying comments printed in the Times on February 28. This correction on the part of the Times appeared under the title of "Editors' Note" well before the Senator from Massachusetts' floor speech. As we know, this is the Times' way of rectifying or amplifying editorials. It is interesting to note that the Times' comment said that "by omitting the context of Mr. Motley's remarks, the dispatch may have left a misleading impression about the 'Chilean hands' to which he referred."

I am sure that the Senator from Massachusetts will agree with me that a full transcript of Ambassador Motley's remarks as printed in the Times will be useful to our colleagues as they seek a more complete debate on this vital subject. I request that the full text of the "Editors' Note" be printed in the RECORD.

"The Editors' Note" follows:

EDITORS' NOTE

Under this heading, The Times amplifies articles or rectifies what the editors consider significant lapses of fairness, balance or perspective.

A dispatch from Santiago in late editions last Thursday reported on a visit to Chile by a high-ranking official of the Reagan Administration.

The official, Langhorne A. Motley, Assistant Secretary of State for Inter-American Affairs, was quoted as saying in his departure statement, "My impression is this destiny of Chile, in Chilean hands, is in good hands." (An editorial on Monday, based partly on that report, also cited the quotation.)

By omitting the context of Mr. Motley's remarks, the dispatch may have left a misleading impression about the "Chilean hands" to which he referred.

Mr. Motley's full comment was: "From my perspective, I think that Chile has faced challenges and come a long way and, I think, still has a way to go. But the important thing, I think, for me to take back to the leaders of my Government is that the destiny of Chile is in Chilean hands—and by that I mean all Chileans: people in the Government, people that want to participate in the political process, people in the economic and social arena. And the impression that I take back to the leaders of my Government is that this destiny of Chile, in Chilean hands, is in good hands."●

YURIY SHUKHEVYCH

● Mr. LEVIN. Mr. President, on Friday, March 29, members of the Ukrainian Student Association gath-

ered in Washington to protest the fate of prisoners of conscience in the Soviet Union, particularly Ukrainian political prisoner Yuriy Shukhevych. I would like to draw attention to the brutal and unfair imprisonment of Yuriy Shukhevych, as well as to the severe treatment of the Ukrainian people by the Soviet Government.

Yuriy Shukhevych has spent over 30 of his 50 years in prison, primarily because of his refusal to renounce the ideals of his father, Roman Shukhevych, a well-known Ukrainian activist who fought against both Soviet and Nazi domination. First arrested when he was only 15, Yuriy Shukhevych has spent years in concentration camps because of his unflagging dedication to what his father stood for. His most recent arrest was in 1972. He was sentenced to 10 years of prison and 5 of internal exile for possessing anti-Soviet propaganda, a charge frequently levied against human rights activists who have committed no real crime.

Yuriy Shukhevych is currently serving his internal exile in the Tomsk region of Siberia. There is reason to be gravely concerned about his health. There are reports that he suffers from several serious ailments, including malnutrition, and may be blind as the result of an unsuccessful eye operation.

The plight of Yuriy Shukhevych is representative not only of the fate of many believers of human rights in the Soviet Union, but also of the inhumane treatment the Ukrainian people have received from the Soviet Government.

Sixty-seven years ago, the Ukraine declared itself an independent nation. Unfortunately, the Ukrainian people enjoyed only a brief period of freedom and autonomy before their country was taken over by the Soviet Government. The subsequent imposition of Soviet collectivization policies resulted in a devastating famine, which claimed between 5 and 10 million lives. This devastation of the Ukrainian people marked the most tragic event in their troubled history, but not the last. Since that time, the Soviet Government has attempted to crush Ukrainian culture and tradition, curtail scholarly activities, eliminate the Ukrainian Catholic Church, and persecute activists who will not let the dream of a better life for their people die.

There are many people like Yuriy Shukhevych in the Ukraine and all over the Soviet Union—people who are unwilling to give up the fight for freedom and basic human dignity. They remind us of our continuing responsibility to press the U.S.S.R. to adhere to the international human rights accords it has signed. We must never forget the history of the Ukrainian people, the tragedy they have suffered through, and people of ideals and courage such as Yuriy Shukhevych.●

RULES OF COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. HELMS. Mr. President, pursuant to paragraph 2 of rule XXVI of the Standing Rules of the Senate, I submit for the RECORD the rules of the Committee on Agriculture, Nutrition, and Forestry. The rules, which remain the same for the 99th Congress as they were in the 98th Congress, are as follows:

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.

3. To assure the equitable assignment of members to subcommittees, no member of the committee will receive assignment to a second subcommittee until, in order of seniority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

4. Six members shall constitute a quorum for the purpose of transacting committee business: *Provided*, That for the purpose of receiving sworn testimony, a quorum of the committee and each subcommittee thereof shall consist of one member.[1]

CALL TO CONSCIENCE

● Mr. BAUCUS. Mr. President, I rise today to participate in the 1985 call-to-conscience vigil for Soviet Jewry. I would like to thank my colleague, Senator RUDY BOSCHWITZ, for organizing this fine effort this year, and also the many organizations and individuals who work tirelessly on behalf of all oppressed minorities in the Soviet Union.

The recent stepped-up arrest and imprisonment of Hebrew teachers and Jewish cultural activists, and the decline in Jewish emigration from the Soviet Union, does not bode well for the nearly 3 million Jews who live in the U.S.S.R. As my colleagues know well, the Soviets have not lived up to international agreements they have signed, most important of which are the Helsinki accords, which guarantee an individual's right to religious expression, cultural practices, and free emigration.

I feel that it is of paramount importance that we, in the West, do all we can to supply, at the very least, moral support to victims of Soviet oppression.

I would like to bring to the attention of my colleagues the case of Stanislav Zubko of Kiev. He was involved in Jewish cultural activities and Hebrew studies. He was arrested after a KGB search of his apartment revealed drugs and a gun. He was tried and convicted and is serving 4 years in a strict labor camp.

In 1981, when Zubko was arrested, he told the court that he was innocent and that the KGB had planted those objects in his apartment. When Zubko's flat was searched on May 15, 1981—ostensibly in connection with a theft committed in the flat next door—Hebrew books were confiscated, an old sweet found in a cupboard was termed "hashish," and then the searchers went straight to the kitchen and pulled out a revolver from beneath the refrigerator. The planting of drugs and weapons by Soviet authorities is not new. For the "crime" of being involved in Hebrew studies and Jewish cultural activities, Zubko now is forced to remain in a labor camp where sanitary conditions are nonexistent, where he is provided with insufficient clothing to endure cold winters, and where he is treated with contempt merely for wanting to worship God in the way he chooses.

I ask all my colleagues, in any contact, both official and informal, with Soviet officials, to inquire about the well-being of Stanislav Zubko and the prisoners and refuseniks in the Soviet Union denied the freedom to practice their religion and be settled in their rightful homeland, Israel.●

FARMING

● Mr. SIMON. Mr. President, I recently received a copy of a letter an Illinois farmer sent to President Reagan. It is an eloquent and moving letter, outlining how a good, young farmer sees himself and the role of agriculture in our country. Although he says he has not made living expenses in the last 5 years, he does not ask for handouts. What he asks for is a government that understands the importance of our agricultural system and a government that acts with compassion and sound judgment in establishing policies that will allow farmers to continue to operate and produce.

We have recently worked hard in this body to push for legislation that will make credit available to farmers to plant their crops this spring. That fight in not yet over. But beyond short-term proposals, we need to pass a farm bill this year that will bring some long-term stability back to agriculture.

I urge my colleagues to read this letter, and I ask that it be printed in the RECORD.

The letter follows:

[1] For further restrictions with respect to proxies and quorums in the reporting of measures and recommendations, see rule XXVI, paragraph 7, of the Standing Rules of the Senate.

CARTHAGE, IL,
February 15, 1985.

DEAR MR. PRESIDENT: Please allow me to introduce myself. I am Steven Brokaw, a 35 year old farmer in southern Hancock County, Illinois. I have a wife Mary and three small boys, Jason 9 years, Jared 5 years, and Jonathan 9 months. With the help of one employee, Joe Pence, we farm 840 acres of rented ground raising corn, beans, wheat, alfalfa, cattle and hogs. We do most of the construction and all of the remodeling and maintenance of buildings and soil conservation structures. 95% of all mechanical work is performed by Joe or myself without the benefit of a heated shop. We cut wood to supplement the heat in our house and neither Joe's family nor mine have taken a vacation for two years. We have not purchased land nor do we own a four wheel drive tractor or other large machinery. The newest tractor we own was manufactured in 1977. Much of our equipment is getting to the age and use it needs to be replaced, but we must make do with what we have.

During 1984 we produced 126,272 pounds of live beef that at 62% dressed meat yield equal 78,289 pounds of retail beef, which is enough to supply the average consumption for 990 people for a whole year. We also produced 155,285 pounds of live pork, which was less than half of our usual production due to the short corn crop of 1983 and at 70% dressed meat yield that equals 108,700 pounds of retail pork or a years supply of meat for 1,782 people based on the U.S.D.A.'s average annual consumption figures. Wheat production totaled 3,900 bushels or approximately 195,000 loaves of bread, which is enough for well over 2,000 people for a year. We also produced 8,500 bushels of soybeans and 15,000 bushels of corn in a rather adverse year in our part of the country. Joe and I put up over 600 tons of hay and 1,000 tons of corn silage and with some part time help, we put up over 5,000 bales of straw for bedding our livestock which, of course, must be hauled back out and spread after they are done with it.

That is a lot of work, sir, but I don't mind, in fact, I love to produce. But I have not made living expenses for five years now. That coupled with depreciating machinery values leads down the road to insolvency. We have reached a point where cutting more production expenditures no longer improves efficiency, it hurts it. Working harder can only go so far and I think you will agree sir that given our production we work very steady.

The production listed doesn't tell the whole story. As you know we provide income for the meat packer, baker, fuel man, fertilizer, seed and chemical companies, machinery and hardware dealers among others and everything we buy or produce is transported more than once in its various stages.

Unfortunately Mr. Stockman and apparently many others feel that we farmers want agriculture to prosper only to maintain a way of life. I must take exception to this thinking. It is because we love farming or ranching and get so personally involved that this country enjoys such easy access to food. After all, the only thing that separates us from Angola or Ethiopia or any number of other countries troubled with wide spread starvation, strife and political unrest are our soils, our climate and our farmers and ranchers. Take away any one of these three and we can be no better than they.

Should we allow our present efficient agribusiness infra-structures to crumble and look to corporate mega-farms with strictly hired labor and its related problems of strikes, ever higher wages and overall lower worker productivity? Even more perilous are there those who feel that we can be a service oriented society and rely on other nations to produce food to sustain us? If so one only need to mention OPEC and recall the gas lines and other fuel shortages to see the danger of this thinking. There are those who would feel I am being dramatic about the current situation of agriculture, but truely this country is perilously close to losing its generation of young farmers as well as many who have been producing for many years now. Once a family leaves production agriculture very few return to face those risks again. Most farmers and ranchers are born and raised on the land, very, very, few venture forth from our towns and cities. It is not a nine to five job, you must have it in your heart.

Sir, I do understand in my own naive way the situation of your high office. You must consider all the people and their varied and complex problems, not just the needs of a few. I understand that just because a person is a farmer or rancher, that alone should not ensure success. We must be good businessmen as well as good producers. But sir, I respectfully submit that we must have a reasonable business climate in which to operate. Constant policy changes by our government over the years leads to chaos in agriculture. Ours is an industry of long term planning and implementation of those plans sometimes take years to complete. It is difficult enough to try to position oneself for normal cyclical changes in our markets without the aberrations created by governmental policy, at times changed practically overnight, as with embargoes, trade sanctions, imports and yes farm programs.

I watched with keen interest your State of the Union speech. We do bear a tremendous burden from interest costs as ours is a very capital intensive business. Not only do we pay interest on capital borrowed but the costs of our many expensive inputs inflates because of interest considerations by our suppliers and their manufactures. Then, when we have a product to sell, we cannot pass on our costs by establishing price according to cost of production, plus profit. We must accept or reject a bid given by a potential buyer who deflates his bid because of interest costs incurred through his part of the food chain.

As to our exports, we cannot count on them as long as the dollar remains a haven for foreign investors, driving the cost of our beans in Rotterdam, for example, to a cost roughly equal to when we were receiving $10 a bushel at the farm a few years back. Also, why do our grain exporters operate under a different set of Grade criteria than we must comply with at our local elevators? We can produce an excellent product at a competitive price but our foreign customers do not receive it. The exchange rate also makes it cheaper for packers to buy Canadian hogs for slaughter, than those produced by their countrymen. Whom, may I add, cannot use the drug cholremphenocol but our Canadian brothers can. Is it less carcinogenic when used in Canada?

While our red meat industry struggles in a sea of red ink, grass fed beef is shipped in from foreign countries. I cannot understand how it could be cost effective to ship beef thousands of miles over the ocean when it should be produced at home on fragile land that should not be cropped but in grassland.

Livestock producers must also compete with the tax-shelter "farmers" who invests in livestock, feed, and facilities, not really worried about producing a product at a profit because the tax benefits received will pay for the investment. Meanwhile the farmer down the road struggles to provide for his family by supplying food to the nation as efficiently as possible. We should re-examine the dietary guidelines initiated by the infamous Carol Tucker Forman during President Carter's administration to make sure that they are based on sound, truly unbiased scientific facts and not just hypothesis and fad. After all, the people who are now extending the average active life span spent most of those years consuming red meats which we now produce leaner and more wholesome.

Mr. President, I support your efforts to obtain a constitutional amendment to allow the government to spend no more than it takes in as I support many of the reductions in the current budget. But I must oppose those who advise to dismantle the SCS. The Soil Conservation Service is the nucleus of an effort to conserve an irreplacable resource, our soil. While providing engineering assistance and advice on soil conservation practices it reduces water pollution and sedimentation. The nation really owns all the land within its borders, individual landowners have only purchased the right to use it. Therefore the government of the nation should look after its property to ensure it remains in the best possible condition for future generations.

In closing I humbly offer my service to you for whatever purpose it may serve, as I am deeply grateful for the good you are trying to do for this country. If my operation must perish in these times I pray that it will be a sacrifice that will advance this nation in some measure to a more stable, secure, and happier future.

Sincerely,

STEVEN D. BROKAW.●

THE WAR IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, recent articles in the Washington Post and the New York Times on the war in Afghanistan indicate that both sides are digging in for a long and bloody engagement. If this is true, and I believe it is, than we in the United States—and in other freedom-loving nations around the world—must be prepared for the difficult task of providing assistance to the Afghan people who are the victims of flagrant Soviet aggression.

The March 21 edition of the Washington Post carried an article by columnist Philip Geyelin which suggests that, despite the many costs of the war to the U.S.S.R., Afghanistan has become a high-priority concern of the Soviets. As evidence, Mr. Geyelin cites the menacingly blunt warning which Soviet leader Gorbachev delivered to Pakistani President Zia Al-Haq recently on collaboration with the Afghan rebels. Mr. Geyelin also notes that coverage of the war in the Soviet press has been transformed from bland superficialities about weapons-cleaning contests and life in the field bakery to dramatic accounts of heroic sacrifice. Much of the coverage includes analo-

gies to World War II, suggesting that the Soviet authorities are preparing the people for a long and costly struggle in Afghanistan.

While the Soviets continue to demonstrate the utter bankruptcy of their political system and their ideology—particularly in the brutal, genocidal enforcement of the so-called Brezhnev doctrine—the Afghan resistance demonstrates time and again how powerful a force is the desire for freedom. The March 28 New York Times carries a report by Arthur Bonner from inside Afghanistan which examines the zeal with which the courageous freedom fighters continue their lonely bedraggled struggle against the Soviet invaders. That the Afghan freedom fighters have waged this war of resistance for fully half a decade indicates that they are just as determined to liberate their homeland as the Soviets, pursuing a strategy of pulverization or "rubbleization," are to subjugate it. In this context, the Afghan people deserve not just our sympathy, not merely our words, but our active assistance in fulfilling their humanitarian, their medical, and their defensive needs.

Mr. President, I ask that the two aforementioned articles may be printed in the RECORD.

The articles follow:

[From the Washington Post, Mar. 27, 1985]

SOVIET SOLDIERS, COMING HOME

(By Philip Geyelin)

The experts here are not sure exactly what Mikhail Gorbachev had in mind when he told Pakistan's president at the Chernenko funeral that continued collaboration with the rebels in Afghanistan would affect Soviet-Pakistani relations in "the most negative way." But when the Soviet news agency Tass is at pains to report such blunt language, American authorities take it seriously. One thing that is clear here is that Afghanistan is increasingly a high-priority Soviet concern.

Most of the costs of Afghanistan to the Soviets are obvious: the combat casualties; the weapons destroyed; the strain on Soviet resources; the open-endedness of it all. But one cost has gone largely unnoted, except by U.S. authorities who monitor such matters: the demoralizing effect the war is beginning to have on the Soviet public.

The evidence is in the way the tightly managed Soviet "press" has apparently been forced to face up to a growing man-on-the-street awareness that much more than a modest, peace-keeping mission is involved, with the Afghan government's army doing the fighting. The word is getting around there's a war on. The Soviet public is still not being told anything remotely close to the facts about the extent of the involvement.

But increasingly, over the past year, the Soviet press's war coverage has changed from articles on weapons-cleaning contests and daily life in the field bakery to celebrations of heroes and sacrifice and increasing analogies to the Great Patriotic War (World War II). "They are playing it recently much more as a long and glorious struggle against the Afghanistan counterrevolution," says one U.S. government analyst.

The reason is that even in a closed society, the wounds of war—more precisely, the wounded—can no longer be concealed or explained away. So great are their numbers that Soviet news managers have been obliged, in their own crude way, to develop a new public-relations approach.

With increasing frequency, Soviet newspaper readers are being treated to stirring vignettes about Soviet soldiers grievously maimed in performances of great gallantry. The accounts have simple, one word headings: "Courage," "Fidelity," "Duty." The language is almost childishly romantic.

Efforts to minimize the war's home-front impact are considerable. Soldiers rotated home from Afghanistan, I am told, are posted in remote and underpopulated parts of the country, away from the big cities, where they would come into contact with the most sophisticated segment of Soviet society. The killed-in-action are taken note of publicly with no reference to Afghanistan: "So-and-so died fulfilling his international duty for socialism." The next of kin must sign an oath, under penalties, not to disclose that their relatives died in Afghanistan.

But the demobilized amputees and paraplegics, appearing in growing numbers, cannot escape notice. That would be reason enough to present them in positive, patriotic terms. But the accompanying effort to identify them with the veterans of the Great Patriotic War suggests something else—a way of preparing Soviet opinion for a protracted Soviet engagement in Afghanistan.

[From the New York Times, Mar. 28, 1985]

WITH AFGHAN REBELS: "FOR GOD AND COUNTRY"

(By Arthur Bonner)

JEGDALEK, AFGHANISTAN.—"History tells me," said the Afghan rebel commander, surveying the ruins of a string of villages from his command post here, "that when the Russians come to a country they don't go back."

"Only if we fight them will they leave," he said, adding, "Our sons will fight them until Afghanistan is free."

The rebel commander, who identified himself as Mohammad Daoud, is a 21-year-old with long black hair who has been fighting the Soviet-backed Afghan Army for five years. He is leader to a band of about 50 men who are entrenched in the caves and ravines overlooking the area, once home to about 5,000 people. His group is one of 10 in the area that call themselves Mujahedeen, or "holy warriors"; almost all of the men in the bands were born in this desert-like valley.

Nearly three months of interviews in Afghanistan and across the border in Pakistan—the West's listening post for the war—make it clear that the ruins of Jegdalek and the men in the hills are a miniature of the situation throughout this country.

More than five years after Soviet forces swept over the border in December 1979 to shore up a crumbling Communist Government, the struggle for Afghanistan is deadlocked, according to Western diplomats and Western European medical volunteers who have traveled extensively within the country.

The Russians, these analysts say, have shown they can bring destruction but so far seem to have failed in the more crucial task of developing either a surrogate army or civilian party officials to seize and hold the ground to which they lay waste.

Jegdalek is about 27 miles southeast of Kabul, the Afghan capital, and a two-day journey by foot and pack horse from the Pakistan border. The trail leads up and down steep slopes and, at one point, crosses a pass about 6,000 feet high, where the horses' legs sink deep into snow.

TEA AND SWEET MULBERRIES

On a cliffside at the valley's western end, a visitor is served tea and sweet dried mulberries as one rebel fighter, Sayad Hassan, 24, points down to empty houses and terraced fields.

"The middle house was built by my father," he said. "My family lived on the right and by brother on the left. In about a month we'll plant some potatoes and other vegetables to help feed the Mujahedeen. But we can't plant all our land because there is no fertilizer."

As an armed guide escorts the visitor eastward down the rock-strewn valley, the drone of a Soviet spotter plane is heard. The guide halts in the shade of some trees. Those on board the plane, he said, "are taking pictures." He added: "They come over every morning to see what we are doing. If they notice too much activity, they send their bombers."

What was once the center of Jedgdgalek, with municipal buildings, a school and a mosque, is now toppled stone walls and jagged columns of adobe like giant anthills.

The villages were destroyed about five years ago, the rebels said, and the population moved to Pakistan. The ground is pockmarked with bomb craters, including some 20 feet in diameter and 15 feet deep. It is littered with the debris of war, from large containers that held cluster bombs to fragments of missiles and antipersonnel mines.

The visitor trudges up a slope to talk with a rebel who identified himself as Akhtar and several others as they enlarge a cave in the side of ravine, using a tiny donkey to carry away the debris. Akhtar, who appeared to be in his early 40's, pointed down to three terraces, about 5 feet wide and 30 feet long, planted with trees.

"That's my garden," he said. "I planted apple, pomegranate, almond and mulberry trees. We all know where our farms and gardens are and our children know too."

DESTROYED BY BOMBS

"I had trees down there," said his cousin, who identified himself as Yassin. He pointed to the left. "But they were all destroyed by the bombs." He pointed across the ravine to a circle of green distinguishable from the dull brown of the opposite hillside.

"That's a bomb that didn't go off," he said.

"Last week a helicopter came and fired flares to mark our location. Then a plane dropped four bombs. Three exploded far away but the fourth went right over our heads and landed there without exploding. We decided we needed a deeper hole to be more safe."

The raids, the rebels said, come once or twice a week.

"If they want our land," said Yassin, "they will have to meet us here on the ground. If they try we will defeat them."

The war in Jegdalek has fallen into a pattern, the rebels said. The full roster of guerrillas is about 400. At any one time, they said, half of them are in Pakistan visiting their families in the refugee camps for periods of two or three months.

Why, the men are asked, do they not remain in Pakistan?

"We want our country to be free," Akhtar replied. "Our wives, our children, our parents would say to us: 'Go to Afghanistan. Fight the holy war against the Russians.'"

COUNTRY AND RELIGION

For the Afghans the concepts of country and religion seem intertwined. Opposition to the Communists, the rebels said, first arose from the conviction that the Communists are atheists; it took root, they said, long before the actual seizure of power by Nur Mohammad Taraki, chairman of the Communist Party, in April 1978, the first of a succession of Communist leaders in Afghanistan. By the end of 1979 a Soviet backed coup had installed the country's present ruler, Babrak Karmal.

A man who identified himself as Sadullah, 28, is the commander of a band of about 20 men. He was once a student at a school in Sarobi, about 12 miles from Jegdalek, he said.

They sent Communist teachers to our school. Ten out of every hundred students became Communists. They were all sons of rich families. The middle-class families were good Moslems. Six months after Taraki came the teachers told us we should not go to the mosque. They burned a Koran. So we attacked and burned the school as a "Communist center."

"I was 14 when Taraki came," said Mr. Daoud, the young leader of the largest band. "A priest said to me that Taraki would bring more Russian specialists and that would not be good for our country. I went with my family to Pakistan. There I got a weapon and came back. When I was 16 I helped blow up a bridge on the Kabul-Jalalabad road."

WILL ZEAL BE ENOUGH?

The rebels exhibit unflagging zeal, but Western and Pakistani military analysts say enthusiasm is hardly enough to overcome their shortcomings. They lack heavy weapons and adequate rations; the analysis also point to the disunity of command in Peshawar, the Pakistani city that is the traditional gateway to Afghanistan.

In addition, the rebels are spread throughout the country in pockets—like the men in Jegdalek—each defending its own farms, villages and tribal or ethnic territories. They stage nuisance attacks on the nearest Soviet base or supply line but are unable to combine for attacks on more distant and more important targets, rebel spokesmen in Pakistan concede.

The men of Jegdalek say they believe they are working toward a more unified opposition. The 10 bands in the region receive supplies from five different political groups but, under the inspiration of Muhammad Anwar, a 31-year-old former teacher of literature at Kabul University, they have agreed to pool their resources and take part in joint attacks. The rebels of Jegdalek say Mr. Anwar is trying to extend this unity to other groups in adjacent provinces.

The rebels here are proud of their unity. When they are gathered at night in a room filled with smoke from a wood fire for a talk about politics and the future, a young man interrupts the discussion:

"We don't fight for the Peshawar leaders," he said. "We fight for God and country and our freedom."

The Afghans accept as an article of faith that God plays an active role in the daily life of those who believe in Him. This belief is reflected whenever doubts are expressed about their methods or their prospects.

"Our God will help us," said one man in the smoky room. "God likes honest and good people and does not like the Russians. We will keep on fighting.

"If only one Mujahadeen is left alive," he said, "he will fight the Russians."●

LET MY PEOPLE GO

● Mr. CHILES. Mr. President, Jews all over the world will begin celebrating the Passover holiday this Friday at sundown. Passover or Pesach is a celebration of freedom for the Jewish people. At the seder, a traditional festival meal, Jewish families will proclaim, "Let my people go."

This phrase is as appropriate today for more than 400,000 Jews who desperately want to leave the Soviet Union as it was for the Jewish slaves in Egypt several thousand years ago. While Jewish families worldwide will gather at the seder, Soviet Jews continue to be regularly harassed, intimidated, prohibited from most religious practices, and even imprisoned on trumped up charges.

Since 1979, when emigration levels from the U.S.S.R. peaked at 51,320, the numbers have declined alarmingly. With the recent change of leadership in the Kremlin and renewed arms negotiations the opportunity for positive change may again be in the air. It is, therefore, imperative that we let the Soviet Government and the Jewish refuseniks know that we continue to care.

Recently, I have become gravely concerned with one particular case which has received little publicity in this country. The case of Ilya and Inna Vaisblit was first brought to my attention by the Student Coalition for Soviet Jewry during their annual visit to Congress earlier this year. In December 1973, Ilya Vaisblit, who calls himself by his Hebrew name, Elijah, applied for an exit visa to rejoin his relatives in Israel. His appeal was denied on the pretext of "state reasons" and all of his succeeding pleas have gone unanswered. Elijah, now aged 66, is a war veteran and completely disabled. His wife, Inna, is a doctor and hopes to resume her medical profession in Israel. They have two sons—Alexander and Eugene. The older, Alexander, is now married, lives in Israel and has a grandson while Eugene, a student, lives with his parents in Moscow.

Elijah retired from his job as a radio electronic engineer in 1973 because of his deteriorating health condition. His visa application was denied on the grounds that he had previous access to classified material that had some defense significance. This is completely unreasonable—Ilya is surely quite harmless to Soviet security. He has written in an appeal for help:

I am desperately ill. My disease is called multiple sclerosis. I am nearly blind now, speak and hear with great difficulty, suffer constant headaches . . . I have been confined to bed for years. I am afraid there is not much time left for me to live. I have never in my life dealt with any secrets. . . . I hope that you may kindly grant me your support in convincing the Soviet Government that I don't present any danger to the state.

Today I am adopting this family and will be writing to let them know that we continue to care for their welfare and basic human rights. In the next few days, I shall be writing to the Soviet Government in behalf of the Vaisblit family, urging them to let these people emigrate on humanitarian grounds and as guaranteed by certain international accords signed by their Government. The Helsinki Final Act, the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights all guarantee this freedom.

I have previously noted that a record low of only 896 Jews were released in 1984. However, in January and February of 1985, only 149 Soviet Jews were granted visas to emigrate. If these numbers continue, 1985 will set another record low. I call upon the Soviet Government to reverse this trend and once again to "Let my people go."●

PONY EXPRESS

● Mr. DANFORTH. Mr. President, 125 years ago, on April 3, 1860, Pony Express riders began carrying mail across nearly 2,000 miles of the Nation's rugged frontier between St. Joseph, MO, and Sacramento, CA. Today, Senator EAGLETON and I honor the Pony Express and recognize its prominent place in our Nation's history.

The Pony Express grew out of a frustrated need to carry news more quickly to half a million Americans then living west of the Rocky Mountains. While a packet from Missouri could take weeks to arrive in California, Pony Express riders could deliver the packet in 8 to 10 days.

William Russell, a freight magnate, and Senator William Givin of California devised the plan to transport mail across the Western Plains through a system of horsemen riding in relays. They solicited the cooperation of Mr. Russell's business partner, William Waddell, and the three men financed the project. They named the new business Pony Express. A mere 3 weeks after the idea was first conceived by Mr. Russell and Senator Givin, the Pony Express began operation. That first trip from St. Joseph to Sacramento took 10 days.

Pony Express riders rode at top speed from one station to the next along the 2,000-mile route. When a rider reached a new station, he would leap onto a fresh horse with mail bags in tow. Each man usually rode 75 miles, but if the next rider could not ride, the first rider would continue. Pony Express riders carried the news of Abraham Lincoln's election as President from Fort Kearney, NE, to Fort Churchill, NV, in a record time of 6 days.

Pony Express riders rode day and night through the scorching heat and freezing cold. They usually carried two revolvers and a knife to fend off attacks by Indians and bandits. Despite these many obstacles, the mail was lost only once during the time the Pony Express was in service.

Completion of the telegraph system, which stretched from coast-to-coast, obviated the need for the Pony Express, and it ceased operation on October 24, 1861.

On this 125th anniversary of the Pony Express, we want to take this opportunity to pay tribute to the city of St. Joseph—where it all began.●

THE POOR AND OUR NATIONAL BUDGET

● Mr. SIMON. Mr. President, the Lutheran Bishops have adopted a resolution calling on Congress and the President to provide adequate budgets for those programs providing income maintenance and support services to those in greatest need. The Bishops' statement offers an important focus in the upcoming debate in Congress on budget priorities as we begin reducing the Federal deficit.

Reduction of the deficit cannot be achieved by focusing solely on those programs which provide some necessary level of support to those who cannot make it on their own. The poor have borne a disproportionate share of the burden of controlling Federal spending. I urge my colleagues to read the Bishops' resolution, which I am inserting into the RECORD and I ask that the resolution be printed in full.

THE POOR AND OUR NATIONAL BUDGET

The nation's fundamental priorities are reflected in the budget choices it makes. This year, the soaring federal deficit makes paticularly difficult the decisions on how much revenue our nation must raise and how that revenue is to be spent. Amid the clamor of various groups seeking to protect their own interests, the church must speak clearly on behalf of those at home and abroad whose pressing human needs require not only private charity but also government action.

Our deficit dilemma has no painless solutions. However, the sacrifice required must be distributed in accordance with the ability of individuals and groups to bear it. The allocation of limited resources should be based on a thorough evaluation of the utility and effectiveness of tax breaks, military spending and social programs.

In working for a fair "distribution of sacrifice," budget cuts and tax changes proposed for the 1986 fiscal year should be viewed in their broader context. Programs for the poor, which comprise approximately one-tenth of the federal budget, have been cut proportionately deeper than other programs benefitting all Americans. In addition, while the 1981 tax cut decreased the tax burden of many affluent Americans, persons at or below the poverty line have found themselves paying a greater percentage of their income in taxes. Due to these changes and to the effects of the recent recession, the standard of living of many poor Americans has deteriorated significantly and their numbers have grown. While voluntary organizations have responded to this increase in poverty, they have not been able to ensure that the needs of the poor—many of them children—are adequately met.

Given the high rate of both unemployment and poverty, we believe that a top budgetary priority should be securing adequate funding for human needs and income maintenance programs, with federal standards ensuring that such funds are targeted to persons in greatest need. We would assert that:

No one in this prosperous country should be forced by economic conditions to go hungry or homeless or lack adequate medical care. Even with current funding levels, federal benefits to poor families are often insufficient to provide adequately for their basic needs. We therefore oppose any further reductions in the programs—the so-called "social safety net"—which provide for the immediate needs of low-income Americans: Food Stamps, Aid to Families With Dependent Children, Medicaid, Supplemental Security Income for the elderly poor, and low-income housing and energy assistance programs. Eliminating cost-of-living adjustments or "freezing" funding levels for these programs will further depress the overall standard of living of low-income families. Given the cuts which have already been made in these programs in recent years, we cannot support such a strategy.

Targeting special assistance to persons with special needs is good short- and long-term public policy. A dollar saved in programs cuts today may result tomorrow in extended health care costs, disruptions in earnings, unemployment and other drains on our economy. For example, the WIC program provides special foods to certain low-income pregnant and nursing women, infants and children. However, even at current funding levels, many persons certified to be at nutritional risk are already being turned away, increasing the possibility of long-term damage to their health. Further cuts would exacerbate this situation. Social services to keep families intact, child nutrition efforts, and health programs addressing the specific needs of low-income children are a crucial investment in our nation's welfare.

Persons with earnings at or below the poverty line should not pay federal income taxes. The 1981 cut in tax rates did little to address the specific needs of the working poor. Failure to adjust for inflation the earned income tax credit and other tax provisions means that the government is taxing away a greater and greater percentage of the dollars which the poor desperately need to provide a minimal living standard. This makes little social sense and should be changed.

Programs which address some of the root causes of poverty should be strengthened and improved. These programs include education assistance for disadvantaged students and communities, job training and legal services. Efforts to reduce the unacceptably high level of unemployment, which is devastating to individuals and families, must be a major commitment of government.

The needs of the poor abroad cannot be ignored. The African tragedy highlights the need for both direct food aid and development assistance in less developed areas throughout the world. The outpouring of donations to deal with famine indicates deep concern over the plight of the hungry abroad. However, the work of our voluntary agencies complements but cannot replace intentional government action in areas of aid, trade and development.

Our churches assert that the responsibility for addressing the needs of the poor is shared among individuals and institutions at every level of society. Private charity certainly plays an important role in this endeavor, and we encourage our own members to continue responding generously to the growing problems of poverty, both at home and abroad. But in our complex and highly mobile society, meeting the needs of the poor in all localities is beyond the capacity of charitable institutions. The federal government has an appropriate role in meeting immediate needs, as well as addressing the systemic causes of poverty. We value partnership between the voluntary and the government sectors in attempting to assist the poor to participate more fully in our economic life—but we strongly resist cuts in funding which undermine that partnership and seriously reduce the government's role in meeting pressing human needs.

LUTHERAN CHURCH IN AMERICA

(The Reverend James R. Crumley, Jr., Bishop, Lutheran Church in America.)

The Reverend John Adams, Bishop, Slovak Zion Synod.

The Reverend Thomas L. Blevins, Bishop, Pacific Northwest Synod.

The Reverend Herbert W. Chilstrom, Bishop, Minnesota Synod.

The Reverend Paul E. Erickson, Bishop, Illinois Synod.

The Reverend James A. Graefe, Bishop, Metropolitan New York Synod.

The Reverend Franklin C. Heglund, Bishop, Rocky Mountain Synod.

The Reverend Herluf M. Jensen, Bishop, New Jersey Synod.

The Reverend Harold R. Lohr, Bishop, Red River Valley Synod.

The Reverend Howard J. McCarney, Bishop, Central Pennsylvania Synod.

The Reverend Virgil A. Moyer, Jr., Bishop, Virginia Synod.

The Reverend Edward K. Perry, Bishop, Upper New York Synod.

The Reverend Gerald S. Troutman, Bishop, Southeastern Synod.

The Reverend Harold S. Weiss, Bishop, Northeastern Pennsylvania Synod.

The Reverend Robert S. Wilch, Bishop, Wisconsin—Upper Michigan Synod.

The Reverend Royall A. Yount, Bishop, Florida Synod.

The Reverend Dennis A. Anderson, Bishop, Nebraska Synod.

The Reverend Herman W. Cauble, Bishop, South Carolina Synod.

The Reverend Edelmiro Cortes, Bishop, Caribbean Synod.

The Reverend Roger J. Gieschen, Bishop, Central States Synod.

The Reverend Lawrence L. Hand, Bishop, Southeastern Pennsylvania Synod.

The Reverend Raymond A. Heine, Bishop, Michigan Synod.

The Reverend Ralph A. Kemski, Bishop, Indiana-Kentucky Synod.

The Reverend Kenneth R. May, Bishop, Western Pennsylvania-West Virginia Synod.

The Reverend Michael C.D. McDaniel, Bishop, North Carolina Synod.

The Reverend Stanley E. Olson, Bishop, Pacific Southwest Synod.

The Reverend Kenneth H. Sauer, Bishop, Ohio Synod.

The Reverend Philip L. Wahlberg, Bishop, Texas-Louisiana Synod.

The Reverend Paul M. Werger, Bishop, Iowa Synod.
The Reverend Harold R. Wimmer, Bishop, New England Synod.
The Reverend Morris G. Zumbrun, Bishop, Maryland Synod.

THE AMERICAN LUTHERAN CHURCH

(The Reverend David W. Preus, Presiding Bishop, The American Lutheran Church)

The Reverend Darold H. Beekmann, Bishop, Southwestern Minnesota District.
The Reverend L. David Brown, Bishop, Iowa District.
The Reverend Lowell O. Erdahl, Bishop, Southeastern Minnesota District.
The Reverend Robert H. Herder, Bishop, Northern Wisconsin District.
The Reverend E. Harold Jansen, Bishop, Eastern District.
The Reverend Clifford R. Lunde, Bishop, North Pacific District.
The Reverend A.C. Schumacher, Bishop, Southern Wisconsin District.
The Reverend Nelson W. Trout, Bishop, South Pacific District.
The Reverend August E. Wenzel, Bishop, Southern District.
The Reverend David A. Wolber, Bishop, Southeastern District.
The Reverend Bernell L. Boehm, Bishop, Ohio District.
The Reverend Norman D. Eitrheim, Bishop, South Dakota District.
The Reverend Wesley N. Haugen, Bishop, Eastern North Dakota District.
The Reverend Reginald H. Holle, Bishop, Michigan District.
The Reverend Gilbert M. Lee, Bishop, Northern Minnesota District.
The Reverend Ehme R. Osterbur, Bishop, Illinois District.
The Reverend Marvin J. Schumacher, Bishop, Western North Dakota District.
The Reverend Wayne E. Weissenbuehler, Bishop, Central District.
The Reverend Norman G. Wick, Bishop, Rocky Mountain District.

ASSOCIATION OF EVANGELICAL LUTHERAN CHURCHES

(Will L. Herzfeld, Bishop, Association of Evangelical Lutheran Churches)

The Reverend Walter W. Grumm, Bishop, Pacific Regional Synod.
The Reverend Rudolph P. F. Ressmeyer, Bishop, East Coast Synod.
The Reverend Harold L. Hecht, Bishop, English Synod.
The Reverend Robert H. Studtmann, Bishop, Southwest Regional Synod.●

THE UNITED STATES AND THE WORLD COURT

● Mr. MOYNIHAN. Mr. President, last month, two articles appeared on the subject of the U.S. actions in Central America and the use of international law: one written by Richard N. Gardner, professor of law and international organization at Columbia University; and the other, by Alfred P. Rubin, professor of international law at the Fletcher School of Law and Diplomacy at Tufts University.

Professor Gardner notes that our Government, by walking out of the proceedings of the World Court, acted in an "un-American" way, flouting our long tradition of advancing the rule of law among nations. The United States not only lost an opportunity to argue its case for supporting the Nicaraguan insurgents but, perhaps more importantly, impugned the integrity of the Court by imagining it to be politically biased against the United States.

Professor Rubin correctly observes that it is in the best interests of the United States to consult with international lawyers as part of the decision-making process, rather than using lawyers to justify policies that make little legal or moral sense.

I commend the articles by Professors Gardner and Rubin to my colleagues, and ask that they be printed in full in the RECORD at this point.

The two articles follow:

[From the Wall Street Journal, Feb. 22, 1985]

IT WAS WRONG TO DUCK THE WORLD COURT

(By Richard N. Gardner)

"Realists" as well as "jurisprudes" have reason to question the Reagan administration's refusal to participate further in the case Nicaragua has brought against us in the International Court of Justice. Our national security is best served by strengthening, not weakening, those few international institutions that can promote stability and order in international relations.

Walking out of a proceeding before an international tribunal that finds it has valid jurisdiction over us is also profoundly un-American behavior. Our founding fathers and leading statesmen throughout our history have believed the U.S. has had moral as well as practical reasons for advancing the rule of law among nations.

In 1946, with the overwhelming support of both political parties, including such conservative Republicans as Arthur Vandenberg and John Foster Dulles, we accepted the compulsory jurisdiction of the World Court. Since then every Republican and Democratic administration until this one has seen a strengthened World Court as a useful vehicle for developing sensible rules of international behavior.

The "covert" aid to Nicaragua insurgents that the Reagan administration began in 1981 was a questionable operation on both legal and practical grounds. Having started down this road, however, the administration might have limited its international liability by terminating our acceptance of the World Court's compulsory jurisdiction or adding a reservation to it for cases involving armed conflict or national security. Whether by design or by inadvertence, it failed to do so.

It was thus in the awkward position of filing a modification of our acceptance of compulsory jurisdiction just three days before Nicaragua brought its case against us last spring. It did this in the face of a requirement of six months' notice, which the Senate approved in 1946 in order, as it said, to ensure that we would not change the nature of our obligation "in the face of a threatened legal proceeding."

The U.S. did raise some legally significant objections to the court's jurisdiction. But the fact is that every one of the court's judges except the American judge found some basis for jurisdiction. Among them were distinguished jurists from Britain, West Germany, France, Italy, Japan, Brazil and Argentina, none of whom can by any stretch of the imagination be regarded as politically biased against us.

It is therefore both unconvincing and unfortunate for the administration to impugn the integrity of the court by charging that it was "determined to find in favor of Nicaragua" and that it is in danger of becoming "more and more politicized against the interests of the Western democracies." While the politicical independence of some of the court's judges is open to question, the court's composition is essentially the same today as it was in 1962 and 1980 when our country successfully invoked its support in the peacekeeping-expenses disputed with the Soviet Union and the hostage case with Iran.

Nor is it convincing for the administration to argue that the court overstepped its powers because our controversy with Nicaragua is "political," involves armed conflict, and touches the inherent right of self-defense. Article 33 of the United Nations Charter clearly specifies that the court may deal with the legal aspects of political controversies, as it did in the hostage and peacekeeping-expenses case. The U.S. has brought seven cases before the court involving armed attacks on American military aircraft. And our country has repeatedly and properly argued that national claims of self-defense raise issues of international law that can be reviewed by international bodies.

If we have a really convincing factual and legal basis for our support of Nicaraguan insurgents on the ground of collective self-defense, as the administration believes, we should have been prepared to present it to the court, and our failure to do so cannot be justified on the ground that our evidence is "of a highly sensitive intelligence character." We did, after all, show satellite photographs of Soviet missile sites to the Security Council in 1962 when it was necessary to mobilize world support for the Cuban quarantine.

In short, we should have proceeded to argue the merits of our case, joined by El Salvador and Honduras, which have the right to intervene now and be heard, as the court itself has confirmed. The factual and legal complexities would have been so great as to delay a final court judgment for many months, perhaps a year or more. We could have used that time to negotiate through the Contadora process an end to both our intervention in Nicaragua and Nicaragua's intervention in El Salvador and Honduras.

The administration's walkout from the court signals, instead a determination to continue our support for the Nicaraguan insurgents despite the formidable legal and political consequences. In the process we will have undermined both the World Court and the reputation of the U.S as a law-abiding nation.

[The Boston Herald, Mar. 5, 1985]

U.S. AID TO CONTRAS VIOLATES LAW

REAGAN ADMINISTRATION HEADED ON DANGEROUS COURSE IN CENTRAL AMERICA

(By Alfred P. Rubin)

For several years the United States has been supporting military efforts by the so-called "contras," to disrupt efforts of the increasingly repressive Sandinista government of Nicaragua to consolidate its power. The contra effort has been successful to the extent that it has greatly increased Sandinista reliance on support from Cuba and other countries, Communist or not, like Libya, and has virtually united the general population of Nicaragua against us as the intermeddling outsiders.

The United States has been asserting that increased reliance on countries with whose

policies we generally disagree has increased the threat from Nicaragua, and justifies further action by the U.S.

This line of logic has not seemed very convincing to the Congress, which must authorize the expenditure of taxpayers' money. After attempts to avoid turning the Nicaraguan population against us by making our aid covert failed, a search began for moral and legal rationales for overt intervention.

The administration's original assumption that covert operations can be carried out without regard to legalities, while false in the long run, had some support in the Congress. But overt operations need a rationale that can satisfy taxpayers and other constituent groups. Thus the law and morality have suddenly become important issues.

Legally, the situation seems clear. Our military involvement, even if only to give assistance to others is illegal unless there is a self-defense emergency. Even then, we are pledged by our adherence to the United Nations Charter, which is a treaty as solemn as any, to report to the UN Security Council immediately on taking any such self defense measures. We have not made any such report.

Other possible legal justifications for the use of force, as in wartime, are ruled out legally by commitments to collective action through the United Nations or the Organization of American States, which we have ignored. President Reagan has asserted that our support for the contras is consistent with the UN Charter and the Charter of the Organization of American States, but has not, in fact, addressed the legal questions.

Normally, the rules of law already incorporate the elements of morality that lawmakers think ought to be included in the rules. But occasionally it might appear that the rules of law are too rigid for realistic application and that a higher set of moral rules ought to apply instead. The administration seems to be arguing now that our assistance to the contras would be consistent with those higher rules.

One basis for this argument is that the contras represent "freedom" while the Sandinistas represent repression. Since nobody knows what the contras actually represent at this time other than opposition to the Sandinistas, this is a difficult argument to follow. Some contra leaders seem open to democratic evolution; they are sure to be challenged for the leadership of Nicaragua, if the Sandinistas are overthrown. In any case, given the history of Nicaragua, it is doubtful that a sudden change of governmental elites would bring about a quick shift to an ideal constitution.

Another argument is somewhat more subtle. It depends on analogies between the contras today and the Free French under General de Gaulle, or the United States under the Second Continental Congress assisted in its fight for independence by France and by individuals from many European countries, such as Lafayette, Baron von Steuben (Prussia), and Thaddeus Kosciuszko (Poland). The analogies seem wholly misplaced.

In fact, we did not support General de Gaulle against the Vichy Government of France; a fact that caused de Gaulle considerable difficulty and which he resented to the end of his days. We did support him against Germany, our common enemy. But who is our common enemy with the contras in Nicaragua? As far as I know we are not at war with Nicaragua, Cuba or any other country playing games there. In retrospect, our careful refusal to meddle in internal French affairs was probably correct legally, morally and politically despite de Gaulle's resentment.

In fact, the legal and political result for French activities in support of the fledgling United States was war with Great Britain. Spain also joined the war. By 1780 Russia, the Netherlands, Sweden, Austria, Denmark and Prussia had aligned themselves against the British, and there were skirmishes at sea. At the end of the war in 1783, France got Senegambia in Africa and Tobago in the West Indies for its trouble, and Spain received Minorca and British recognition of her rights to Florida. None of them was fighting for "freedom" for us or anybody else. All had been willing to risk political and legal complications with Great Britain as the result of their medding in our Revolutionary War, including the risk that their ships would be sunk when carrying arms or other assistance to us. Are we willing to bear similar risks to assist the contras in Nicaragua?

Assuming, was we must, that freedom for ourselves is worth fighting for, would we be fighting for "freedom" for Nicaragua if the result of the fight is that we, not they, determine who becomes their government? We would surely have resented any French or Spanish attempts to dictate our Constitution to us after we achieved independence.

As to individual volunteers, like Kosciuszko, the concepts of neutrality have changed since the 18th century, largely as a result of our own resentment of Confederate raiders getting private help from British firms during our Civil War. Now, our export control regulations entangle the whole country in private ventures however well intentioned, and we held China to the same measure when Chinese "volunteers" fought against us in Korea.

In sum, the administration seems headed in a dangerous direction and its arguments, both legal and moral, seem to lead to a result the opposite of what is being pushed. It might be useful somewhere along the line for the administration to consult a competent international lawyer or two as part of the political decision-making process, instead of asking its lawyers to justify politics that make no legal or moral sense.●

RULES AND SUBCOMMITTEE ASSIGNMENTS ON COMMITTEE ON SMALL BUSINESS

● Mr. WEICKER. Mr. President, pursuant to rule 26, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on Small Business. These were unanimously adopted by the committee members. The only rule change from the previous Congress is that the chairman and ranking member will no longer be ex officio members of all subcommittees.

Mr. President, I also submit for the RECORD the subcommittee assignments for the Committee on Small Business. The number of subcommittees were reduced from nine to seven. The Capital Formation and Retention Subcommittee and the Government Regulation and Paperwork Subcommittee have been eliminated.

Due to the strong interest of the committee members on the tax simplification proposals and their impact on small business, all small business tax-related issues will be elevated to the full committee. The Government Regulation and Paperwork Subcommittee will be folded into the Government Procurement Subcommittee.

The material follows:

COMMITTEE RULES

(Adopted on March 28, 1985)

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other meetings may be called by the Chairman as he deems necessary, on three days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the Office of the Committee a written request therefor, addressed to the Chairman. Immediately thereafter, the Clerk of the Committee shall notify the Chairman of such request. If, within three calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

(b)(1) Ten Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) Seven Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony, shall consist of one Member of the Committee or Subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his approval of a request by any Member of the Committee. The Chairman of any subcommittee may, after approval of the Chairman, initiate a hearing of the subcommittee on his authority or at the request of any member of the subcommittee. Written notice of all hear-

ings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any subcommittee and question witnesses testifying before any subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 24 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.

SUBCOMMITTEES

URBAN AND RURAL ECONOMIC DEVELOPMENT (2:1)

Mr. D'Amato, Chairman.
Mr. Weicker.
Mr. Dixon.

GOVERNMENT PROCUREMENT (3:2)

Mr. Nickles, Chairman.
Mr. Goldwater.
Mr. Rudman.
Mr. Levin.
Mr. Sasser.

PRODUCTIVITY AND COMPETITION (2:1)

Mr. Gorton, Chairman.
Mr. Weicker.
Mr. Bumpers.

INNOVATION AND TECHNOLOGY (3:2)

Mr. Rudman, Chairman.
Mr. Trible.
Mr. Gorton.
Mr. Boren.
Mr. Kerry.

EXPORT PROMOTION AND MARKET DEVELOPMENT (4:3)

Mr. Boschwitz, Chairman.
Mr. Kasten.
Mr. Pressler.
Mr. Trible.
Mr. Baucus.
Mr. Nunn.
Mr. Harkin.

SMALL BUSINESS: FAMILY FARM (3:2)

Mr. Pressler, Chairman.
Mr. Nickles.
Mr. D'Amato.
Mr. Nunn.
Mr. Levin.

ENTREPRENEURSHIP AND SPECIAL PROBLEMS FACING SMALL BUSINESS (3:2)

Mr. Kasten, Chairman.
Mr. Boschwitz.
Mr. Goldwater.
Mr. Sasser.
Mr. Baucus.●

JAMES T. HICKEY

● Mr. SIMON. Mr. President, I would like to bring to the attention of my fellow Senators and to the rest of the country the work of James T. Hickey, a Lincoln scholar from the good State of Illinois.

In November of last year, Jim Hickey retired from his post as the curator of the Lincoln Collection of the Illinois Historical Library where he had served with distinction for 26 years.

During those years Jim's work has added immeasurably to our Nation's understandng of the life and times of Abraham Lincoln.

So as to share the story of Jim Hickey's contributions to the understanding of our Nation's history, I ask unanimous consent to enter into the CONGRESSIONAL RECORD this article about him which appeared in the Winter, 1985 issue of the Lincoln Newsletter. I ask that the article be printed in full.

The article follows:

[From the Lincoln Newsletter, Winter 1985]

HICKEY RETIRES

(By Paul Beaver)

James T. Hickey—James T. Hickey, Curator of the Lincoln Collection of the Illinois Historical Library, retired from his post on November 27. His tenure as curator spanned 26 years from 1958 until his retirement on Nov. 27.

Your author has often said that in his opinion, "no one in the Lincoln field knows more about the day-to-day life and activities of Abraham Lincoln than does Jim Hickey."

James T. Hickey was born in Elkhart, Illinois at Pine Lodge Farm where he and his wife Betty still reside. Jim's great-grandfather William came to America just prior to the American Civil War. This Hickey was an overseer of sorts for William Scully, the owner of more farmland in the 19th century than any other man (28,000 acres in Logan County and over 200,000 acres in the midwest).

Historic Elkhart Hill with reminders of Governor Ogelsby, early Logan County settlers and Indians, was Jim's favorite haunt while a boy. His love of history was kindled on this place.

Jim Hickey graduated from Elkhart High School in 1941 with a strong, well developed interest in history in general and Abraham Lincoln in particular.

A college career at Western Illinois University was cut short by Pearl Harbor. Early in 1942, James T. Hickey became a member of the Air Force. He was assigned to the 20th Division Photographic Squadron. This group photographed the Atomic Bomb attacks on Japan.

Jim was also on duty and received the telegram (to be passed on to the bomber command) from President Truman to "Drop Bomb."

Back from service in 1946, Jim entered Lincoln College and graduated in June 1947.

For the next decade Jim and Betty farmed the home farm while be began to pursue his quest for Abraham Lincoln during the winter months.

Few County Courthouses in Central Illinois escaped his scrutiny. "Jim Hickey the Farmer Turned Detective," a 1955 *Life Magazine* article would label him. Jim always credited his relationship with Logan County Judge Lawrence B. Stringer for help and encouragement in his Lincoln study.

In 1911 Judge Stringer published his "History of Logan County." This work related many of the stories told him by early Logan County settlers concerning Lincoln's activities in the county. These were the stories discussed by the Judge and young Jim Hickey.

In 1953, Lincoln, Illinois celebrated its Centennial year. Jim Hickey and Dr. Raymond Dooley, President of Lincoln College were historians for the event. Highlights of the occasion was the restoration of the postville courthouse on its original site.

In 1954, Jim Hickey made a major Lincoln discovery in the attic of the Marine Bank in Springfield, he found the dusty records of the Bunn Capitol Grocery; the Robert Irwin Ledger (Irwin General Store in Springfield) which contained Lincoln's personal household accounts and bank accounts for the years 1840–1850. (This discovery was the basis of the *Life Magazine* story.)

In the late 1950's early 1960's, Jim assisted then Lincoln College President, Raymond Dooley (a Lincoln scholar in his own right) in reorganizing the Lincoln Museum in the basement of the ill-fated administration building. (The building was destroyed by fire in January, 1969 with only the museum surviving.)

Jim taught the Life of Lincoln course at the college while serving as museum curator.

In 1958 Jim's life and career began to change. In that year the Illinois State Historical Library was reorganized. The Lincoln Collection, started by Gov. Henry Horner in the 1930's was set up as a separate department and in 1958 James T. Hickey became its first, and to date, only curator.

In 1959, Jim was named Historical Consultant to the enormous task of restoring the Old State Capitol in Springfield, Illinois. The historical accuracy to which the building was restored is a tribute to work done by Jim Hickey. Many have said that if Lincoln were to return today he would feel very much at home in the building.

The Capitol project led to the restoration of the Lincoln-Herndon law offices across the street from the capitol, the Great Western Railroad Station in Springfield (The site of Lincoln's farewell address), the Governor's Mansion in Springfield and finally the boyhood home of President Reagan in Dixon, Illinois.

All of the above and more found Jim Hickey in charge as historical consultant or as an adviser. These restored works stand as masterpieces to Jim Hickey's quest for historical accuracy, style and grace.

Today Jim Hickey still devotes time to his alma mater, Lincoln College. His is Vice-Chairman of the Lincoln College board of trustees and chairman of the Heritage Committee for the board.

While Jim Hickey is leaving his job as curator in Springfield he is far from "retiring." As Jim has said, "there is a long list of things that I want to do now that I will have a little more time." One has the feeling that he will be as busy as ever.

Jim Hickey stands as an outstanding example of what may be accomplished by setting a goal and with great interest and hard work—bring all that to pass and more. Jim's position among the foremost rank of Lincoln scholars is firmly established. All that lies ahead will only add luster to that shining accomplishment.●

RULES OF THE COMMITTEE ON THE BUDGET

● Mr. DOMENICI. Mr. President, pursuant to rule XXVI(2) of the Standing Rules of the Senate, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on the Budget for the 99th Congress as adopted by the committee on March 29, 1985.

The rules of the committee follow:

RULES OF THE COMMITTEE ON THE BUDGET—NINETY-NINTH CONGRESS

I. MEETINGS

(1) The committee shall hold its regular meeting on the first Thursday of each month. Additional meetings may be called by the chairman as he deems necessary to expedite committee business.

(2) Each meeting of the Committee on the Budget of the Senate, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee determines by record vote in open session of a majority of the members of the committee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of the committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

II. QUORUMS

(1) Except as provided in paragraphs (2) and (3) of this section, a quorum for the transaction of committee business shall consist of not less than one third of the membership of the entire committee: Provided, that proxies shall not be counted in making a quorum.

(2) A majority of the committee shall constitute a quorum for reporting budget resolutions, legislative measures or recommendations: Provided, that proxies shall not be counted in making a quorum.

(3) For the purpose of taking sworn or unsworn testimony, a quorum of the committee shall consist of one Senator.

III. PROXIES

When a record vote is taken in the committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may vote by proxy if the absent member has been informed of the matter on which the vote is being recorded and has affirmatively requested to be so recorded; except that no member may vote by proxy during the deliberations on Budget Resolutions.

IV. HEARINGS AND HEARING PROCEDURES

(1) The committee shall make public announcement of the date, place, time, and subject matter of any hearing to be conducted on any measure or matter at least 1 week in advance of such hearing, unless the chairman and ranking minority member determine that there is good cause to begin such hearing at an earlier date.

(2) A witness appearing before the committee shall file a written statement of his proposed testimony at least 1 day prior to his appearance, unless the requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for the failure of compliance.

V. COMMITTEE REPORTS

(1) When the committee has ordered a measure or recommendation reported, following final action, the report thereon shall be filed in the Senate at the earliest practicable time.

(2) A member of the committee who gives notice of his intention to file supplemental, minority, or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusions shall be noted on the cover of the report. In the absence of time notice, the committee report may be filed and printed immediately without such views.●

SAVE OUR SOIL

● Mr. ARMSTRONG. Mr. President, Patrick Henry's statement 200 years ago that, "He is the greatest patriot who stops the most gullies," foretold not only the magnitude of soil erosion problems, but the difficulty of dealing with them effectively.

Mr. Henry was writing about farms in Virginia that were being washed away by the swift action of rain on soil unsuited to cultivation. Dense forests had flourished in these soils and so had crops for awhile, but extended use for crops eventually brought ruin to the land and the farmer.

Today, we continue to plow land that should never be plowed, but the types of erosion and the variety of problems we experience from erosion vary greatly from his day. I doubt, for example, that Mr. Henry could have ever envisioned soil erosion being the cause of dark clouds that would one day envelop half a continent or the clogging of mighty waterways running the length of the country.

The solutions remain intractible as ever. Soil erosion is both a natural occurrence and one accelerated by man. At the same time, it is the source of the Nation's food and much of its wealth, so its cultivation has often been encouraged over its conservation.

Yet, though we can probably never eliminate all soil erosion and all its harmful affects, there are ways to lessen the damage. We can save our soil and eat, too. We can separate those lands whose soils are least able to sustain corps and most susceptible to damage from those that are suited to cultivation.

That is why I recently reintroduced legislation I have sponsored in each of the last 5 years to adjust our Federal farm programs so they no longer provide an incentive for the cultivation of our most fragile lands.

I believe the need for this legislation is just as important today as the day I first proposed it. In just the last 4 months over 4 million acres in the Great Plains have been damaged by wind erosion. On another 200,000 acres where the land was not damaged, the crops were damaged by windblown particles.

Patrick Henry's quote appears in a September 1984 National Geographic article, entitled "Do We Treat Our Soil Like Dirt?" that I would like to submit for the RECORD. I believe this article provides a good overview of the diversity of soil erosion problems existing in the Nation depending on a particular region's soils, crops, and farming practices, climate, and geography.

The article follows:

[From the National Geographic, September 1984]

DO WE TREAT OUR SOIL LIKE DIRT?

(By Boyd Gibbons)

In 1931, as the Depression strangled the economy, drought began baking the Great Plains. On April 14, 1935—Black Sunday—a clear, warm day suddenly grew chill as a dark curtain of rolling dust advanced across the plains. Behind it came Robert Geiger, an Associated Press reporter, whose story about the "dust bowl" would forever brand the southern High Plains. For almost a decade, the longest drought in memory, the plains cooked and blew, dusting ships 300 miles out in the Atlantic.

Harold Hogue returned from a visit in Oklahoma to his wheat farm at Dalhart, Texas. "It looked like a desert. That wheat was dead. I climbed over the fence and got one hell of a shock, there was so much electricity in the air from the dust storms."

Hogue lived in a shack wallpapered with cardboard, its window a truck windshield. "The first norther come right through the one-by-twelves. My quilt was covered. If I was on the tractor, my eyes would ball up with mud until I couldn't see the furrows."

When Hogue told me this, I was sitting in the living room of his spacious home looking out at his tennis court. From everything I had read of what the 1930s had done to the upper Panhandle of Texas, I expected Dalhart to be tumbleweeds and steer skulls. But Hogue's neighborhood of wealthy farmers could have been lifted out of Beverly Hills.

He had hung on through the drought, plowing for others and putting his earnings back into land no one else wanted. He dragged railroad rails over the dunes and moved dirt for 20 years, gradually leveling his fields. Wary about dryland farming, he drilled down to water trapped in the vast Ogallala aquifer during the Pleistocene. He now irrigates 20 verdant square miles of wheat, sorghum, and pheasants. His pumps run on natural gas. He winters in Palm Springs. His pickup is a Coupe de Ville.

Roughly half the irrigated land in the United States is in the Great Plains, most of it watered from the Ogallala. The Sand Hills of Nebraska lie over its deepest part, though shallow beds of the acquifer reach far down the Texas Panhandle Irrigation grows lush plants, giving organic matter to soils that once got it from shortgrass prairie. As long as the Ogallala holds out, the soil will be enriched. But Hogue is not sanguine about the Texas end of the aquifer and the costs of pumping.

"A lot of people say we'll never have another Dust Bowl. The hell we can't. With the price of natural gas, we could be back to dryland farming soon. A lot of farmers already are. You have to have moisture to tie this soil together. If not, it's just like White Sands. It'll blow."

From all the soil erosion stories I had read recently, it seemed that the corn belt was pouring into the Gulf of Mexico and the Great Plains were blowing away. Reporters would troop down to the delta, peer into the muddy Mississippi, do some quick calculations, and announce how much of Iowa or Illinois had just been sent to the sea by farmers. As Bob Ruhe drove me across the corn belt, I asked him what he thought of this man-made disaster.

"That's bull!" he shouted, pounding the steering wheel. "Most of the stuff is still in the watershed, at the bottom of the hill." Bob Ruhe is geologist, a geomorphologist, and the acerbic Yahweh of soils and landscape evolution in the Midwest. He is a lean man, tightly wound, his hair short and white, and his assertions vehement. He sets his alarm by geologic time. "I *wirthe* when I hear 'man-caused erosion,' " he said. "That's dogmatic and misleading. Erosion in the Midwest during the past 10,000 years has been incredible—far higher than anything man caused. Sure you can see bad examples of guys mistreating the land. But to generalize from that is false."

Erosion may seem a rather straightforward problem, but soils are complicated, and between the apocalypse and Ruhe lies much conflicting opinion. With some exceptions, erosion gradually depletes soils, and eroding cropland may be costing the country nearly a billion dollars each year in polluted and sedimented rivers and lakes. Soil erosion is serious, but not everywhere and not for the same reasons.

Not until 40 years after the Dust Bowl did the U.S. Soil Conservation Service (SCS) begin to determine systematically how much soil is eroding in the United States. The SCS estimated that in 1977 we "lost" about three billion tons of soil from fields under the plow; roughly two-thirds of it washed, the rest blew. But where it goes and how much its departure damages soil productivity, no one knows with much confidence.

I asked M. Gordon Wolman, an eminent geomorphologist at the Johns Hopkins University in Baltimore, how much we should care. "It depends on where in the U.S. you are and whether your time scale is long or short," he said. "Agriculture has perhaps doubled the rate of geologic erosion, but, as Ruhe indicates, you have to be careful what area of the country you talk about. In places we have made a mess of it, but for the U.S. as a whole, erosion is not killing us. Could it? Probably not. Is it important? In some places absolutely."

The 1977 SCS estimates showed that erosion in this country was patchy. Texas alone accounted for one-fifth of all cropland erosion. Rates well beyond what the SCS believes soils can tolerate were confined to about 10 percent of the landscape: the High Plains of Texas, the Palouse Hills of eastern Washington, and the silty hills bordering the Missouri and Mississippi Rivers from western Iowa almost to the Gulf.

On the Great Plains, speculators and hard-pressed ranchers have been plowing up hundreds of thousands of acres of fragile grasslands to grow wheat—more than half a million acres recently in eastern Colorado alone. These soils easily blow when it's dry, and prolonged drought on the plains, like the one that led to the Dust Bowl, is only a matter of time.

Farmers helped aggravate erosion when they leaped suddenly into the export business. In 1972 massive sales of American grain to the Soviet Union sent prices soaring, and by the end of the decade the value of U.S. farm exports had jumped more than fivefold. A third of our croplands now produce for markets overseas. Chasing the price of grain, farmers plowed up an additional 60 million acres in the 1970s, much of it once protected beneath grass, some of it steep and erodible.

Few farmers still kept livestock, so they stopped rotating their fields in pasture and hay and grew erosive soybeans and corn year after year. And from the factories had come big iron: 16-row cultivators and moldboard plows, and monster discs. No longer a modest red tractor with a coil spring under the seat, the wind up your shirt, and the manure spreader flinging chunks past your ears, but a four-wheel-drive behemoth with a wraparound cab, Loretta Lynn on the tape, and enough horsepower to plow straight up hills. Big gear didn't run easily on contours, and terraces built to slow erosion got in the way. Earl Butz, then secretary of agriculture, urged farmers to plow "fencerow to fencerow," but they even plowed out the fencerows, the terraces, almost everything but silos. So-called clean farming set a lot more soil on the move.

But where did it go? "We soil scientists ought to hide our heads in shame," William Larson, head of the soils department at the University of Minnesota told me. "We had all this data on erosion losses, but we didn't know what it meant. I'm trying to get that word 'loss' out of my vocabulary. Soil isn't lost as such. Very little of it leaves the immediate landscape."

Erosion has been lowering the mountains and cutting and filling the valleys since the first raindrop hit the ground and the wind began to blow. When erosion gets spectacular, as in the Grand Canyon, we enshrine it as a national park and go downstream to farm the sediments. The Mississippi River pours more than a quarter of a billion tons of sediment each year into the Gulf of Mexico. Undoubtedly, some of Iowa's topsoil is in that cocoa, but it's difficult to trace sediment to its source. Luna Leopold, former chief hydrologist of the U.S. Geological Survey, says that much of that sediment comes from easily erodible shales that the muddy Missouri has been hauling off the Great Plains since the Rockies came up.

"It's really the geology and climate that count," he says. "One of the largest sediment producers in the country is the Eel River of California. It's not clear why, because the Eel is covered with redwood forest. Clearcuts don't explain all that sediment, much of which comes from landslides."

You view soil erosion differently depending on where you are in the country. What may be a crisis to an Ozark family only inches from limestone may be only an inconvenience to a farmer in western Iowa on 80 feet of fertile silt. There are upwards of 30,000 different soils in the United States, which give identity to Black Earth, Wisconsin; Redlands, California. Soils thin as crackers, organic mucks that wrinkle the nose, soils of sand, rich alluvial soils, young soils, buried soils, shrinking and swelling clays that tilt telephone poles toward the road like sabers at a naval wedding.

Without soils there would be no grass, no cows, no bread, no us. When we think that man runs the show on earth, we might recall that earth is mostly rock and life only a veneer on it, sustained largely by a sheet of soils derived from and covering the rock. According to physicist J.D. Bernal, life might have fizzled at sea, where it began, had not the first organic molecules found clay crystals to fasten on to, washed there from weathered rock.

"Nature beats up the landscape," says Dick Arnold, director of the soil survey division for the SCS. "But man accelerates it. Soils are important to survival. Let's not beat them up if we don't have to."

Soil begins as rock. Pikes Peak, Half Dome, the bedrock beneath my yard in Maryland, all are soils in embryo. Water is the agent, exfoliating boulders like shell off a hard-boiled egg, running over rock, under it, reducing it to sand, silt, and microscopic particles of clay. Water bathes the rubble in carbonic acid, rearranging the chemistry of

the rock. This releases minerals to be held by cay and organic particles as nutrients for plants.

Most soils are about half mineral, the rest air and water mixed with a little organic matter—the remains of dead animals and plants. At a roadcut a soil shows its profile of A, B, and C, horizons, or what farmers call topsoil, subsoil, and the stuff below (page 371). Organic matter usually accumulates in the A horizon, where seeds germinate. It may not. Below that, B horizon collects clay, iron, and aluminum. The C horizon is weathered rock, the parent material from which soil forms. There are soils that stand this little lecture on its head, for soils are as varied as the rocks, climate, topography, organisms, and length of time that create them.

Bacteria—and rain and lightning—pull nitrogen from the air. Plants take roots, suck up nitrogen and the minerals leached from rock, throw seeds, and die. Worms, ants, gophers move in and rearrange the soil, opening it up and giving it air. Multiplying beyond count, microbes help release nutrients from dead plants for use by live ones by decomposing organic matter into humus, a dark adhesive embracing clay particles, giving topsoil the feel of bread crumbs and the function of a sponge. Roots can now more easily get water and grow. A soil evolves.

Except for mucks like the Sacamento Delta, most soils have little humus, maybe 6 percent under prairie and almost none in the deserts. But humus is far more important than its proportion in soils indicates. By manuring or plowing under a cover crop like clover, a farmer can return nutrients to the soil for his next rotation of corn.

Plants are nourished by inorganic minerals, so the corn doesn't care if nitrogen is converted by bacteria from manure or scattered from a bag of commercial inorganic fertilizer, but the farmer may see the difference in his cash flow. About half our 8.6 billion dollar fertilizer bill is for nitrogen, most of it in the form of ammonia made from air and natural gas, making farmers all the more vulnerable to the volatile prices and politics of oil and gas.

More important, humus helps topsoil hold water against a dry spell, and by absorbing runoff it slows erosion. But left unprotected on a hillslope, topsoil gradually gives up its organic glue to a thin sheet of moving water. "As slopes erode," Klaus Flach, an SCS scientist, told me, "you get more runoff and less water infiltrating the soil. Out in those areas of the country where water is critical, the crops get starved. We really saw it in the 1983 drought."

The deserts are fertile because there is little rain to leach away the mineral nutrients. That's why Arizona's Salt River Valley bloomed when it was irrigated, and why salts still plague it. The glaciated Midwest is productive because its soils are young, from rich sedimentary rock, and its climate favored prairie grasses whose mats of roots made deep humus.

Pity the Pilgrims, who stepped ashore to confront a wall of forest and a cruel joke beneath the trees. New England stands on granite. Except for the silted beaver meadows and alluvial valleys like the Connecticut, the glaciers left the colonists only a thin mantle of hilly, stony soil. The Southwest also was of mineral-poor rock, and it had weathered too long in the rain. Save for the river deltas and the limestone valleys, its old soils were largely pooped out before the first ax rang in the forest.

My yard on the rolling Maryland Piedmont of suburban Washington, D.C., is of that tired soil. The rock came up a quarter of a billion years ago, as the Appalachian Mountains rose into the rain and were reduced to hill, the debris washing onto the coastal plain.

For millions of years rain leached minerals from soils of the southeastern U.S. making them acidic and salting the sea. The rain reacted with carbon dioxide to release hydrogenions—the source of acid—that replaced nutrients in the soil. In the arid West, with little rain to leach the minerals, salt crusted on alkaline fields as on the rim of a margarita glass. My azaleas prefer acidic Maryland, but most plants like neither extreme. They seek neutrality.

The colonists opened the Piedmont forest and dropped seeds in the sunlight. Crops did well for a few years, then thinned. Trees could exploit these poor soils by recycling nurients from dropped leaves back through the roots, but fertility was all in the humus and not in these tired kaolinitic clays. With the trees gone, the humus lost its fuel. Stored fertility went up shoots of tobacco, and, so to speak, up in smoke. Deep gullies crawled up hillsides to tobacco and cotton, subdividing farms. Sediment went downhill like melting sugar, filling streams and swamping bottomlands, provoking Patrick Henry to write: "He is the greatest patriot who stops the most gullies." It is no wonder the settlers had an itch to head west.

By the 1930s the Piedmont was eviscerated from Virginia to Alabama, and terraces and contour plowing on clay subsoil seemed like surgery on a red cadaver. Much of the Piedmont has since reverted to forest, and the gullies are difficult to find in the shadows of the pines. "It's not much of a forest yet," said Dick Arnold of the SCS. "It's just holding that landscape together. The Piedmont was unstable and ready to go. We just gave it the nudge and phhhsst! It went."

Unlike Piedmont soils that often from out of the rotted bedrock below them, many soils evolve from rock moved from elsewhere, eroded by wind, by glaciers, by running water. The first soils, formed maybe 400 million years ago, are no more. Other soils have come and gone, eroded from hillslopes and rearranged with new personalities on fields and river bottoms, only to be coverd again by the rising sea or buried beneath new sediment on which yet other soils have taken shape. Louisiana is essentially sediment hauled by the Mississippi from as far away as Montana. Winter lettuce gets its head on the flat Imperial Valley of southern California in soils composed of bits of the Grand Canyon, Monument Valley, and God knows what else the Colorado River dug out of the Rockies and the Colorado Plateau and dumped on the Imperial in layers of sediment three miles deep.

But for moving earth, nothing rivaled the ice sheets and winds of the Pleistocene. For more than a million years, North America bent under the frozen weight of four major glaciations—the Nebraskan, Kansan, Illinoian, and Wisconsin. Each advance of the ice deep into the Midwest pulverized its soft landscape, scattering chunks of Canada in new terrain of accumulated glacial till, making good stuff for soil.

Rivers of gray mud poured from the melting ice. In winter the rivers fell, exposing vast bars of sediment to the wind. Clouds of wind-blown silt fell all over the Midwest as loess, piling up in hundred-foot bluffs near the Missouri and Mississippi. Successive soils of loess and till weathered during the millennia between the glaciers and were buried with the next advance of the ice. The frosting on the cake is the young Wisconsin till and loess, little weathered in the brief 10,000 years since the ice melted.

These silty uplands are the source of our worst erosion. Naked on a rainy hillside any soil will move, but loess pours off like cream.

It was May, and Bob Ruhe was driving a Chevy Suburban across Illinois on one of his many traverses, examining loess from Mississippi to Minnesota and out to western Kansas. Two of his students from Indiana University followed us in a pickup, a hydraulic soil-coring rig bolted to the bed. Ruhe occasionally wheeled off the wrong interchange, absorbed in what he was saying.

"Everybody ought to thank God for loess! he shouted. "The breadbasket of the world sits in the middle of the Wisconsin loess and glacial drifts—corn, soybeans, wheat. The most productive soils in the world. If we didn't have this recent glaciation and the loess to bury that old stuff, like the Yarmouth, which is what they're doing in parts of southern Iowa where the loess has thinned. The Yarmouth weathered all the way through most of the Pleistocene. It's shot to hell. Its B horizon is heavy clay up to 12 feet thick. Water perches right on it. And that stuff would be on the ground today if it weren't for the Wisconsin loess.

"See that rise up ahead? That's the border of the Wisconsin drift. Beautiful, just like a layer of cake. It goes all the way to Canada." We drove up the leading edge of the last glaciation, past a shack and cattle pastures. North of Champaign-Urbana on U.S. 74 we were vibrating. The country was flat to the eye but the roadbed was corduroy. An old clay lake bed lay under the loess. Water perched on the clay saturates the loess so that ice heaves up the highway, and our Su-bur-bur-bur-bur-ban.

Loess also covers the Snake River plain in southern Idaho and the wheat fields of the Palouse. Loess laid down on the plateaus of China is hundreds of feet deep. At the end of the Long March, Mao Zedong hid in caves dug in loess.

More than 4,000 years ago the Chinese devised a system of land taxation based on soils, but pedology, the science of soils, is still very young. It was not until late in the 19th century that V. V. Dokuchayev looked out on the A, B, and C horizons of Mother Russia and pronounced that soil formation was strongly influenced by climate. In the U.S., Eugene Hilgard was independently arriving at similar conclusions, relating native plants to soils in the South: beeswax hummocks, buckshot clay, hog-wallow prairies. He showed why soils of the arid West were fertile and how to control alkalinity and salts with gypsum and heavy-flood irrigation.

"In many ways, soils are still a mystery," Dick Arnold told me. "We know some basic physics and chemistry, but we still have a lot to learn about how soils form."

In 1926 Hans Jenny arrived here from Switzerland. For years he occupied Hilgard's chair at the University of California at Berkeley—Jenny is professor emeritus of soils—trying to quantify the factors of soil formation. He might be excused were he to rest on his worldwide scientific reputation and put his feet up on an ottoman. He is not so inclined. Believing that soils highest in organic matter would exist at high altitude near the Equator, he recently climbed up

Mount Kilimanjaro and filled his plastic bags with black soil. The Tanzanians were astonished to see this wisp of a man at 14,000 feet. Hans Jenny was 82.

As with most sciences, pedology is full of pigeonholes and considerable fluttering to specialized roosts. The roosts have been shifting from the field to the blackboard, with a growing use of computers and mathematical models. "Modeling is a sort of fashion," Dr. Jenny said. "We need a lot more conceptual work."

If one of Ruhe's students shies from the mud of fieldwork and begins relying on equations, Ruhe will plop a can of Play-Doh on his desk and tell him to make his model of that. Ruhe would rather be out on the landscape, like a wildcatter, clattering across the Midwest in his truck full of drill pipes, punching the country full of holes.

At a farm in northeastern Iowa, Ruhe's students backed their pickup into a field. The temperature was in the 40s and the wind put an edge on the rain. The first core came out of the hole. Standing at the tailgate, Ruhe laid the plug of mud on a sheet of white butcher paper. He pinched off a gob, smelled it for humus, and rubbed it between forefinger and thumb like a bank teller checking cash, feeling for the grit of sand and the flour of silt, squeezing out a ribbon of clay. As more cores came out, Ruhe wrapped them like salamis, rubbing ribbons of soil, assaying texture in the rain.

Soils have their own internal construction—from silts like flour to clays as tight as sausage—which determines the pore space for roots and water. A sandy soil can be droughty even in the rain. A heavy clay subsoil or impenetrable hardpan will cramp roots or drown them. Farmers prefer a loam—about equal parts sand, silt, and clay and enough humus for a friable texture of crumbs. Loam is soft underfoot. After a day on clay your feet hurt.

Ruhe wiped his hands. "I've preached heresy—the best thing they could do in western Iowa is let those steep slopes eroded down on the valleys where the stuff can be farmed. This doesn't meant I wouldn't be scared if I had to farm a heavy clay B horizon."

Landscapes alternate between cycles of erosion and stability. Sediments gradually build up, then the climate changes, the earth uplifts, or man clears the land, and on this unstable landscape the soil begins to move. The Mississippi Valley has had a number of such cycles.

In a big storm, clay and organic particles may go hundreds of miles, yet there are coarse sediments that eroded into the Mississippi Valley 15,000 years ago that still haven't reached the Gulf. The entire Mississippi watershed is storing and moving sediment in obscure stages from a hayfield ditch in eastern Montana to New Orleans.

Arroyos in the Southwest are usually blamed on overgrazing, since shortly after big herds hit the range in the late 1800s gullies began debouching from the foothills like spaces between the toes. The cow was probably the trigger, but the valleys were full of sediment poised to go, just as they had gullied dramatically thousands of years ago when climatic shifts removed vegetation, exposing soil to summer cloudbursts.

Landscapes do not evolve gradually, according to Ray Daniels, former director of soil survey investigations for the SCS. "I think you get them steady by jerks. Most people have no idea how fast landscapes can change. In some cases man-made erosion may be faster, in others slower, than geologic erosion. Our landscapes are largely shaped by erosion.

"A lot of people want to hold those loess hills in western Iowa forever. You can't. There's been tremendous cutting the past 1,500 years. Sediment helps dissipate the energy of a river. Take sediment out, and the river starts cutting like hell, as the Missouri has done below its dams. In the tropics some of the most fertile soils are from fresh material exposed by erosion. I'm not advocating we erode everything, but I'm also not saying that all erosion is irreversible damage. I don't know of any such thing in soils."

John Peterson, former head of agronomy at Purdue University, is less sure. "No ordinary farmer could afford to reclaim large areas of subsoil," he said. "Even discounting extravagant claims of the doomsayers, we can't afford to lose productive topsoil."

In 1955 a family on the loess hills of western Tennessee hoed 30 acres of cotton. Ten years later one man with big equipment could handle a thousand acres.

"In about 1974 soybeans went up to $12, and people just went wild clearing land," said Bruce Calhoun, an SCS technician at Union City. "After a few years there isn't enough humus to hold the loess, and the soil just goes. Farmers say, 'I've got to pay for the combine.' I can understand their reasoning, but they're shortsighted."

We drove past eroding fields where farmers had ignored contours and driven their big rigs uphill and down. Road culverts were filling up, and a small dam built in 1963 to trap sediment for 50 years was already choked with silt and box elders.

We parked on a high loess bluff above the Mississippi. Below was Reelfoot Lake, shaped in 1811 and 1812 by the powerful New Madrid earthquakes and silting in from these hills ever since. In 50 years Reelfoot could again be a marsh.

Maury Headden farms near Newbern, Tennessee. He is in his 70s. He breathes life into the dry language of soils classification. Eroded rills are "shoestrings," steep land is "all rolled up." He pointed to a rise in a plowed field—a Typic Hapludalf according to the SCS—and said, "That's good land, yellow poplar ridge ground." A damp depression: "That's buckshot—white gum ground, and it's sticky way down."

We walked down his terraced pasture to a cattle pond by the woods, where silt from neighboring fields had almost buried his fence. "The land back when we was younger grew red clover and made a lot of humus," Maury Headden said. "You don't see that any more. My daddy's farm was level land. He said I'd lose this up here in five years to erosion, and I darn near did. It started to leave as soon as we worked it for cotton. I didn't like terraces, but you've got to have them on this steep ground. I want to leave this ground as good as I found it."

What is excessive erosion? According to the SCS, it is anything over five tons per acre per year on most soils, down to two tons on others. The maximum soil tolerance, or "T-value," apparently evolved from SCS estimates from the 1930s that topsoils deepen an inch in 30 years—five tons an acre each year. Keeping erosion below the T-value supposedly would enable farmers to grow high yields economically and indefinitely. But the scientific basis for T-values remains controversial.

"We just came up with a figure," said Bill Brune, former SCS state conservationist for Iowa. "I don't think any scientist knows how long it takes to generate soil." Research is spotty, but it shows some topsoils deepening an inch in only 15, not 30 years. Yet soils aren't likely to be created at the bottom from unconsolidated material any faster than an inch in 300 years, and a lot slower from hard rock. No farmer is likely to get his erosion rates that low. The five-ton T-value may be too low if it is meant to approximate the formation of topsoil, but it is too high to keep the rooting depth of soils from gradually shrinking. Nor does it take into account the damage done by eroded sediments to streams and lakes.

To Klaus Flach, an SCS scientist responsible for reexamining T-values, "It's a pretty good expression of averages. But I can't prove it. It's intuitive. A lot of loess soils probably aren't hurt all that much by some erosion, but if there's a clay pan exposed, you've got real trouble."

Walter Wischmeier, who developed the equation for measuring water erosion, told me, "A soil tolerance has to be low enough to protect productivity, but it has to be attainable by farmers. A good sod will prevent erosion, but we can't eat grass." To many scientists like Tom Dunne, a hydrologist at the University of Washington, there is little scientific basis for the five-ton T-value. "The mistake," he says, "is to try to give people a warm feeling that preserving soil is good. You've got to find out how erosion is damaging production, if it is."

Unfortunately, it is difficult to isolate what erosion does to soil productivity from all the other variables—weather, fertilizers, the farmer's skill—that influence crop yields. Neil Sampson, a former official with the National Association of Conservation Districts, says, "In my judgment the economics of erosion on soil productivity is serious. The thinner that topsoil gets, the higher the productivity loss for each additional inch that erodes. But you can't prove it with much intellectual rigor. We can't always tell you if the deposited soil is damaging or beneficial, although it is damaging in some cases."

Despite erosion, crop yields have been increasing for years. Scientists believe erosion damage has been masked by technolgy, particularly the tenfold increase in commercial fertilizer use since World War II.

In shallow soils or in those where erosion has cut the capacity of topsoil to hold water, crops can't be helped by more fertilizer. That's why William Larson, at the University of Minnesota, pays less attention to high erosion rates—and T-values—than to the vulnerability of the soils that remain.

He has compared eroding loess soils of western Iowa with similar ones of western Tennessee and Mississippi. Unlike Iowa, those in Tennessee and Mississippi are often underlain with dense pans that block roots and water. At current erosion rates, Larson estimates that productivity losses in a hundred years could be minimal in western Iowa, but substantial in Tennessee and Mississippi, while the drop in yields nationwide may be no more than 5 to 10 percent.

Farmers know how to control erosion, but soil conservation is still dictated more by economics than by good intentions. In recent years, when fuel, fertilizer, and interest rates headed for the stratosphere, farmers began thinking twice about exercising their big tractors. Instead of burying weeds and crop residues with heavy moldboard plows—and burning a lot of fuel—they could kill weeds with herbicides and drill through mulch with a "no-till" planter behind a smaller tractor.

No-till farming has its drawbacks on colder and poorly drained soils—such as diseases and some lower fertility—so many farmers mulch-till instead with a chisel plow or disc. A wet spring won't delay their planting as much, and the mulch of dead weeds and crop residues holds the soil, and moisture should drought occur. Roughly one-third of all U.S. cropland is now in some form of conservation tillage, and half could be by the turn of the century. During recent years Tennessee's annual erosion rate has dropped from 14 tons an acre to about 10, probably because of reduced fall plowing. Mulch on the fields and less plowing means less runoff and erosion, but farmers are having to lay on more herbicides.

But on those steep loess hills, farmers can't hold soil with only mulch. They also need grassed drainageways and terraces, and that takes bulldozers and a lot more money than most farmers can justify. Unfortunately, such conservation doesn't usually repay a farmer in improved yields what he spent to save soil, at least maybe not for 20 years, and that's a good part of a farmer's productive life. "The farmers around here want to control erosion," an SCS man told me in western Iowa. "They come in and ask for help, but it's a matter of costs."

Iowa puts up conservation funds along with those from the U.S. Department of Agriculture. The money never goes far enough, in part because until recently half the federal effort had been spread on soil with low erosion rates. Yet in 1983, with erosion control at a billion dollars, the President's Council of Economic Advisers estimated that federal subsidies to farmers blew right off the chart: from 7 billion to 28 billion dollars in two years. Taxpayers were forking over $12,000 per farm to subsidize production, and $400 to hold the soil.

The Reagan Administration and Congress have agreed to target some erosion control where it is needed most—not only where erosion rates are high, but also where shallow soils and hardpans can affect productivity. Peter Myers, chief of the SCS and a grain and hog farmer from southeastern Missouri, told me: "Targeting is causing people to concentrate on erosion where it is worst. Politically it isn't easy. They'd like the money spread around as it always was. We know how to control erosion. But cost effectively? Most soils yes, others no. We need a lot of answers, particularly to show the farmer what he's losing in terms of productivity. The trick is to crack the big-equipment syndrome and get the farmer off that big breaking plow. He's been doing things for years that his father did. When I started conservation tillage, my neighbors scratched their heads. They thought I was being sloppy.

"We've always gone at erosion as a moral issue, but now we also want to appeal to the farmer in dollars and cents. We have to be careful not to paint a distorted picture. Soil erosion is not a today problem; it's a tomorrow problem, but you have to work on it today. Why squander what we have?"

The high plains of Texas appear to have been ironed. When the Rockies first wore down, a slurry of broken mountain washed onto the plains. Winds sifted the fine stuff around and dusted the plains to make soil. The soils still blow. During droughts, sand blows across the fields, shredding crops to confetti and piling up in dunes. The dust of fertile silts, clays, and humus winnows into the sky and moves east.

Water erodes more soil in the U.S. than wind, but one bad High Plains storm can crater a field. A third of American cotton comes off the dryland fields between Big Spring and Amarillo, Texas, and with it maybe a quarter of U.S. soil eroded by wind. Cotton farmers plow often and deep to bring up clods of silt and clay to hold moisture, but winds suck up the fine particles. Yields keep dropping as the soil gets sandier.

R.C. Thomas, a farmer near Big Spring, told me, "We're cutting our own throats by going cotton all the time, but it's simply survival. A lot of range has been put in cultivation that shouldn't have been. There's no body to our soil. They have all those cornstalks up on the prairie. What I wouldn't give for some of that organic stuff here."

Driving to Seminole with Bill Fryrear, head of the USDA Agricultural Research Service station at Big Spring, I passed fields littered with white rock, where plows had clipped caliche. In dry country, lime leaches down only a few feet, where it hardens like concrete. Hit caliche with a shovel and your elbows ring. In the Central Valley of California—the national grocery—D-9 Cats drag huge breaking plows to fracture similar hardpans of silica. Growers used to blast holes in it with dynamite and plant fig trees. Much of the High Plains of Texas sits on a caprock of caliche as thick as 30 feet. When the soil blows down near that, your next rotation better be oil.

We walked into a cotton field that resembled the Sinai desert. Dunes 15 feet figh buried the fences. Farmers have built as many as three fences, one on top the other, as sand covers them up.

"The potential for erosion now is worse than in the 1930's," Bill said, "If it gets as dry as it was in the 1930s, we're in for some real trouble. You're in country now that man in his infinite wisdom did not improve upon."

As a hungry world keeps crowding onto worn-out soils, Americans are fortunate to possess so many good ones. Although we pave fewer than a million acreas of farmland each year—not a rate suggesting a national shortage in even the foreseeable future—California continues putting a lot of soil under macadam and Mr. Taco. In a few decades the orange groves of southern California have approached a memory, and the sprawl of Silicon Valley has chased 80,000 acres of prune and walnut orchards east to the Central Valley, where the cost of water continues to rise with the salts.

Soil scientist Roy Simonson suggests that on the whole our better soils have lost some fertility as we have improved the poor ones with fertilizers, so that the weathered coastal plain of the southeastern U.S. now competes with the corn belt.

High costs of labor and land have caused farmers to turn more to science and technology for their high yields, using soils to prop up crops in the sun. In trying to reduce the risks of weather and disease, science and economic pressures have helped encourage a riskier way of farming: away from rotations that hold and restore soil and toward erosive beans and grain for unstable export markets. Although half of America's farmers have almost no debt, many are in serious trouble, heavily mortgaged. These are the guys who lean hardest on their soil.

For all its Byzantine subsidies and distorted markets, American agriculture is no small success, but to maintain high yields will require scientific advances—better plant breeding, maybe perennial grains—and more sophisticated farming. Erosion may not gouge big holes out of soil productivity nationally in the next hundred years, but a century is a short time in the life of a nation. Eventually our descendants may wish we had taken a longer view.

But that doesn't make today's choices obvious. We still know too little about how much erosion is too much. How much money should we spend, and where should it go? Should we continue subsidizing conservation tillage when fuel bills already give farmers incentive to leave the plow in the shed? Is our goal to protect soil productivity, or keep silt and pollutants from getting in reservoirs—and if both, what is an economic use of scarce tax money?

Sodbuster bills now before Congress would deny certain crop subsidies to landowners who plow up erodible range. It makes sense not to pay for dust storms, but some economists doubt that this will stop the plows, when cattle ranchers are desperate and speculators can transform $100-an-acre rangeland into $300 wheat fields and walk away with a killing.

There is a nostalgia for the family farm with Pa in the barn milking the brindled cow, and an uneasiness about the trend toward big corporate farms. On the other hand the Piedmont was gullied by thousands of desperate families, and more profitable farms may be better able to afford costly soil conservation. Maybe our nostalgia is for the family, not the farm or its hard life few of us ever led and many willingly fled.

Economics, not nostalgia, governs the plow. The world's appetite drives our production of grain and soybeans; consequently, if exports and prices soar again, another big plow-up of erodible soils of the Middle West is inevitable. Those men on the plows churning up High Plains range are hoping for rain and a few bumper wheat crops to pay off a gamble in country where grass returns slowly and drought holds the cards. "I'm not opposed to people making money," Peter Myers told me, "but I am opposed to another Dust Bowl."●

EAST SIDE BANK

● Mr. SIMON. Mr. President, on March 24 the East Side Bank & Trust of Chicago will celebrate a milestone in its history. It was 25 years ago on that date that the East Side Bank put down roots in one of Chicago's distinctive far southeast-side communities.

During those intervening years the East Side Bank, under the direction of its president and chairman, Joseph J. Olivieri, has grown through service to its customers and the community from having assets of $500,000 to more than $77 million today.

At this time, like those in the community, I congratulate the board of directors of the East Side Bank & Trust Co., President Joseph Olivieri, and the staff on this significant anniversary and I wish them the best in their continued service to their community.●

NATIONAL DAY OF REMEMBRANCE OF MAN'S INHUMANITY TO MAN

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 101, introduced by my good

friend and distinguished colleague from Michigan, and to voice my outrage over an event which resulted in the slaughter of more than 1 million innocent men, women, and children—the Armenian genocide of 1915. Even though there exists an impressive collection of documents substantiating the Turkish attempt to systematically obliterate the Armenian race, considerable ignorance still clouds this tragic episode.

The Armenian people, who trace their roots back to Noah, settled in the territory around the Caucasus Mountains and the Mediterranean coastal area of present-day Syria. In the fourth century, they became the first country to embrace the Christian religion. Because of its strategic location, Armenia was frequently invaded and its people were forced to comply with the repressive policies of the Turkish Empire. During a single year of the regime of Sultan Abdul Hamid II, more than 300,000 Armenians perished. As tragic as this may seem, it was just the beginning.

In June 1915, the Turks announced a deportation policy to relocate the Armenian people. Armenians were forced to march from the Anatolian highlands to the desert region of eastern Syria.

The decision to undertake this genocide was a conscious one. In 1915, the Turkish Interior Minister Talaat Pasha stated that the Turkish Government was embarking on a conquest to "destroy completely all Armenians living in Turkey." He added, "An end must be put to their existence, however criminal the measures taken may be, and no regard must be paid to age, or sex, or to scruples of conscience."

In their policy of genocide, the Turks gathered entire communities aboard sea vessels, and then drowned them. Live babies were thrown into pits and then covered with stones. Confronted with the threat of death, more than 1 million Armenians were forced to leave their homes and march hundreds of miles, while being denied food and water for the duration of this journey. Hundreds of thousands died from the exhaustion of the march, and hundreds of thousands more from starvation. In all, more than 2 million Armenians were affected by the deportation policy.

Those who survived the genocide fled throughout the world. Many emigrated to parts of the Middle East, Western Europe, and the United States. Others joined Armenians in the Soviet Union, where they founded an independent Armenian Republic in 1918. Unfortunately, the Armenian people were soon subjected to the tyranny of the Soviet regime as well. Today, there are more than 675,000 Armenians living in the United States, many of whom had family members perish in the Armenian genocide. For the over 1 million innocent men, women, and children who were exterminated by the Turks from 1915-17, we owe a remembrance of this shameful event. The book is not yet closed on the Armenian genocide, one of the greatest crimes against humanity in the history of civilization. This resolution is tantamount to that fact.●

HEALTH CARE COORDINATION ACT

● Mr. D'AMATO. Mr. President, I rise today to cosponsor the Health Care Coordination Act introduced by my good friend, the senior Senator from Pennsylvania. Although similar legislation was introduced in the last session of Congress, there was not enough time to work out its passage. I hope we will act on this legislation during the 99th Congress.

Over the last several years, health care costs have risen dramatically. Some of the legislative proposals designed to arrest this rapid cost increase have neglected both the beneficiary and the quality of health care. I support S. 780 because it not only addresses the problem of the high and increasing cost of health care, but also because it helps those most adversely affected by these costs, the elderly poor.

The Health Care Coordination Act takes the responsible step of allowing States to implement coordinated programs of acute and long-term care for beneficiaries who qualify for both medicaid and medicare. By allowing a combination of medicaid and medicare for the first time, the program will be able to provide more services for those elderly who qualify.

The most common complaint about the medicare program is that it does not cover long-term care. Medicaid accounts for 90 percent of all public spending for long-term care. The Health Care Coordination Act would combine the advantages of Medicaid and Medicare and would remove the perverse incentives that shift costs between the two programs. This will be possible because the States will administer the program. The State or a designated health care provider will be able to offer additional services and, if necessary, require enrollment fees, cost sharing, or premiums with approval of the Secretary of Health and Human Services [HHS]. Neither the States nor any of the 4 million eligible enrollees would be obligated to join this program.

Most importantly, this program will be, at worst, budget neutral. Medicare payments for eligible enrollees would be capped and the States, as administrators, would be required to assure the Secretary of HHS that the Federal Government will not exceed the total costs which would have been incurred by the State and Federal Government if the program were not in effect. Significant savings will be made by avoiding unnecessary hospitalization. Whereas the average home care or community care stay will cost $50 to $60 a day on average, the average cost for a day in a hospital is well over $200. Billions have been spent on needless hospital stays. This legislation is a rational initiative toward correcting such unnecessary spending.

Mr. President, I urge my colleagues to join me as cosponsors of S. 780.●

THE VIEWS OF FUTURE FARMERS OF AMERICA

● Mr. ARMSTRONG. Mr. President, a recent article in the Rocky Mountain News reflects what several young people in Weld County, CO, who would like to pursue careers in agriculture, believe is the proper course for the future of American agriculture. The following are a few sample remarks:

What we need is a system where supply and demand is allowed to work.

The government should pull out. Just pull out. Nullify all the loans and get out. * * * We should be thinking of future generations.

* * * When the economy improves, maybe some of those people can get back into farming. We've got to, it's our way of life.

It's (farming) in our hearts, some of us will be farming regardless of the government, the banks, going broke, come hell or high water. I'll be a farmer until the first shovelful of dirt is thrown on my grave.

There has been a lot of talk about farm policy this session of Congress, and for the good reason that our farmers are facing such difficult financial problems today. But, while some of us are calling for more subsidies for agriculture, some of the young people who want to spend their lives in farming are calling for Government to get out of agriculture.

I hope Senators will take a moment to review this article entitled, "Young Farmers Critical of U.S. Bailout," from the March 6 Rocky Mountain News.

The article follows:

YOUNG FARMERS CRITICAL OF U.S. BAILOUT

GREELEY.—They are members of Future Farmers of America. In times such as these, the name carries a touch of irony.

Seven members of the future farmers organization at Greeley West High School sit informally around a classroom in the agriculture building. These youths grew up on or around farms and, if the family farm is going to survive, they believe they know what it's going to take.

The things they say might surprise the farmers petitioning for increased federal aid. As the students discuss their future, the debate over federal subsidies for the family farm rages in Washington, D.C., and around the country.

Some of what the students say has been said before . . . at farmers' meetings . . . "Anybody who eats has a vested interest in the future of the American farm."

Says 17-year-old senior Bill Schneider: "All those government people have their ham 'n eggs in the morning." Schneider sees red—as red as the Coors jacket he is wearing—when he talks about money he says the government is wasting on missiles and foreign aid.

But they don't believe a monetary bailout for the farmers is the answer, either.

The students say the sooner government gets out of the farming business the better. They also see good management as an issue farmers must address.

Farmers are caught in the most severe credit crunch since the Great Depression. Their financial problems are highlighted by protests and foreclosure auctions in the Farm Belt and by escalating pressure and rhetoric in Washington.

Bankers say low commodity prices and slow demand for exports have devastated farm income and made it difficult or impossible for some farmers to pay back the high-interest loans they took out during the boom years of the late 1970s.

"Colorado agricultural producers are facing the most severe economic conditions in half a century," John Stencel, president of the Rocky Mountain Farmers Union, says. "We have one generation of farmers moving into retirement, while the next generation may not be able to take up the reins because of the debt crisis."

Nationally, farm income is at its lowest level in equivalent dollars since 1933, yet, according to White House Budget Director David Stockman, the nation is spending more for farm subsidies than for all welfare programs combined.

In the 1930s, at the birth of farm subsidies, almost 30 percent of the U.S. population lived on farms. Today the figure is 3 percent and slipping. Nearly half the people classified as farmers (because they sell more than $1,000 worth of products a year) have another occupation.

Shawn Beck's great-grandparents moved to Iowa from Germany to find land to farm. When he talks about farming problems, the 18-year-old senior speaks from experience. He talks about President Reagan's pledge to veto a farm-relief bill that Congress has sent to him. "There's a good chance Reagan may be too late. (President) Carter should have done it," he says.

"What we need is a system where the law of supply and demand is allowed to work," says senior Wayne Weber, 17, who is quieter than the others, a listener.

"Another failure was the PIK (payment in kind) program," says senior Ken Wagner, 17. "The farmer set aside the land that wasn't so good anyway and concentrated on the land that was good. He ended up growing even more."

The PIK program was meant to hold down crop surpluses by giving government-owned grain and cotton to farmers in return for their planting fewer acres, as a price-propping measure. A criticism of the program was that PIK paid farmers and corporations for idling "junk land" that produced poor crops in the first place, gave away $13 billion worth of grain at the taxpayers' expense in the process and did nothing to reduce record grain stores. Much of the money went to large corporations.

In Colorado, wheat planting increased by more than 500,000 acres in 1983 over 1982. A total of 710,637 acres of wheat land was idled by PIK participants, but non-participants increased Colorado's total wheat acreage from 3.35 million acres in 1982 to 3.86 million in 1983.

Quint Karre is a 17-year-old senior with the largest FFA project in the Greeley Agriculture Departure. "Under PIK," he says, "the diary where I worked last summer went from 70 to 40 cows, but they culled out all the low producers. They produced even more milk."

"That's why the Canadians are plowing up range land around here," Weber says. "We don't need more wheat land."

Beck agrees, saying the government has set aside a huge supply of grain, and the demand isn't that high.

"Sure, and in 30 years that land they plowed up will be just starting to get back," says senior Geoff Cobb, 18, who talks with rock-hard determination about being a farmer.

Schneider says, "And then add another 30 years because at first that land will only grow weeds, not anything something would eat." Adds Beck: "The gentleman farmer does it as a tax write-off."

Cobb points out it is an investor's game, that investors are buying up land from farmers who are going under.

Karre, who admits the investors' game is killing the farmer, points out there is one good feature—"It helps the livestock industry. They do it as a tax write-off, but it allows them to raise some good stock."

While all of this is happening, junior Lori Hoecher, 16, whose FFA project is raising corn and feeding steers and who also is firm in her commitment to remain in farming, says: "The farmer looks at loans, loans, all their lives, loans. That's where they go broke. All the profits are always used to pay off those loans."

Farmers, the students agree, farm because it is a way of life, but they say every farmer who has made it has paid a "fearful price in hardship."

"I went to Kansas City for a livestock show, and I can't handle being in town," Karre says. "All the constant noise. Most farmers don't even go on vacation, they like the farm." And, they say, they couldn't afford a vacation even if they had the time.

"They've grown up on the farm, spent all their lives there," Hoecher says. "It's all they know."

"What are they going to do when they lose their farm?" Karre says. "They go on welfare."

The bank did foreclose on Beck's uncle. "He was too old, too sick, couldn't make the payments anymore," he says. "But in truth there was bad management, too. He had new tractors and the old ones were still sitting around."

Good management, these students say, is the second biggest issue facing farming, next to getting the government out of farming.

They say the reason they are in FFA is to learn good management. At one point in the discussion Wagner brings out a workbook he is keeping on a hog-raising project, to show how it's done. Computers, they say, are also good management tools, "except they won't go out and put in fence posts for you."

"The only time the government should become involved in farming is in the case of a real emergency, like the Great Depression—and then only until the emergency is over," Beck says. He points out that most of the "emergency" legislation, drafted by President Franklin D. Roosevelt 52 years ago, remains in effect.

"The dust bowl back then was an emergency, but poor farming caused a lot of the problems," Schneider says.

How should the government extricate itself from the farm problem? Beck sums up their thinking:

"The government should pull out. Just pull out. Nullify all the loans out and get out. Sure, they'd lose money on the loans, but they would make it up by not making future loans and subsidies."

The students would throw out price supports and the federal land bank and subsidies and any other form of government aid.

"Write it off, get out," Beck says. "It may hurt us when we pay taxes in the immediate future, but we should be thinking of future generations."

After talking about it, the students say 30 percent to 35 percent of the farmers, the ones with poor management, but luck and marginal farms, would not survive if their plan was adopted and free enterprise took over.

(Even as they talk, in Denver Sen. Alan Simpson, R-Wyo., is telling members of the Denver Forum that the wretched fate of farmers who don't survive "is called capitalism," which allows you to make it or allows you to go broke.)

The students acknowledge their proposed government pullout will be hard, but farming is hard, they say. They know of only one other profession where the work is as hard and the money as scarce. They laugh, and say, "Rodeoing."

These Future Farmers of America believe a free market will reduce the federal deficit and improve the whole economy.

"Then, when the economy improves, maybe some of those people can get back into farming," one says. They believe farmers will survive. "We've got to," Hoecher says, "it's our way of life."

"It's in our hearts," Cobb adds. "Some of us will be farming regardless of the government, the banks, going broke, come hell or high water.

"I'll be a farmer until the first shovel full of dirt is thrown on my grave."●

RESEARCH GRANTS

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 89, introduced by my distinguished colleague, the senior Senator from Massachusetts. This resolution is in response to action taken by the Office of Management and Budget to direct the National Institutes of Health [NIH] to reduce the number of research grants mandated by Congress for this fiscal year. This unwarranted action would have the effect of decreasing the amount of grants from 7,083 to 5,462. Similarly, the Alcohol, Drug Abuse, and Mental Health Administration has been directed by OMB to reduce their research grants.

Although the directive is not a deferral, it does require NIH to forward fund enough grantees to use up the money appropriated for fiscal year 1985 while keeping the number of grants awarded at 5,462. This amount is even lower than the 5,493 grants awarded in fiscal year 1984.

During consideration of this fiscal year's budget, the administration agreed to increase spending on biomedical research. I believe research conducted by NIH is one of the most

cost-effective programs we fund. The cost to society of the many disorders that affect our citizens is in the many billions of dollars annually. To eradicate a disease is to wipe away the associated medical expenditures and to increase the productivity of Americans. The United States has the most advanced medical care in the world. This is directly attributed to the fine work of the National Institutes of Health. It is imperative that we continue our strong financial support for this research.

The target of 7,083 new grants was based on independent studies of biomedical research needs. We are making great strides to finding the causes and cures for major debilitating diseases such as diabetes and Alzheimer's disease. To check our progress now will have unfortunate implications in the future. It should also be pointed out that the administration's work to control high health costs are greatly benefited by biomedical research. I fear OMB's directives will undermine our longrun efforts on this problem as well.

For these reasons, I strongly support adoption of this resolution. Congressional support for biomedical research is clear. I urge quick action on Senate Joint Resolution 89.●

FAMILY CARE ACT

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 779, the Family Care Act of 1985, introduced by my good friend, the senior Senator from Pennsylvania.

S. 779 would amend the Internal Revenue Code of 1954 to allow a tax credit for expenses incurred in the care of elderly family members. The Family Care Act is necessary for both humanitarian and fiscal reasons.

Financially, institutionalized care for the elderly is a drain on Government sponsored assistance programs. It is estimated, however, that up to 40 percent of nursing home residents could live at home. In all too many instances, families are forced to institutionalize their elderly relatives because of financial reasons. This bill would provide tax credits for a portion of expenses incurred for services that the chronically ill elderly and their families require. Such services include home health aide services, adult day care, respite care, nursing care, and medical or health related supplies and equipment.

This assistance will not only provide much needed emotional and financial relief for the families of the elderly ill, it will also save money for the Government. One of the highest expenses in medicare is institutionalized care. Nationwide, such care costs over $20,000 annually per patient. I believe the savings in medicare costs will far exceed the revenue loss from these tax credits.

S. 779 is designed to target the greatest relief to those families most in need. The credit will be determined on a sliding scale based on annual income. Families who have incomes under $10,000 annually can claim a tax credit for 30 percent of allowable expenses, up to a maximum credit of $1,050. Families with adjusted gross incomes in excess of $50,000 will be ineligible for the credit, as will the elderly whose income exceeds $15,000.

Perhaps the most important part of this legislation is the attention paid to the special problems of those afflicted with Alzheimer's disease. Although this credit can only be used for those elderly 75 years or older, it is allowed for elderly family members who are younger if they are diagnosed to have senile dementia of the Alzheimer's type. Because Alzheimer's disease is a long-term care disorder, medicare reimburses little for the care of an Alzheimer's patient. Most of the care of an Alzheimer's patient is administered by the family, which shoulders a tremendous financial, as well as emotional, burden. This tax credit will be a much welcomed relief for these families. It is this disease and many like it that makes the Family Care Act so important to the fastest growing segment of our population, the elderly. I urge its speedy adoption.●

ORDER OF BUSINESS

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(During the call of the roll Mr. STEVENS occupied the chair.)

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Madam President, I ask unanimous consent that the Senate go into executive session to consider all nominations under new reports, those being Calendar Nos. 74, 75, and 76, and all nominations placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. There is no objection to those nominations. They have been cleared on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Lincoln D. Faurer, [redacted], U.S. Air Force.

IN THE NAVY

The following-named commodores of the line of the Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

UNRESTRICTED LINE OFFICER

To be rear admiral

Dennis Matthew Brooks.
Dudley Louis Carlson.
Jack Neal Darby.
John Stephen Disher.
James Francis Dorsey, Jr.
Leon Albert Edney.
Ronald Marvin Eytchison.
William Miley Fogarty.
Diego Edyl Hernandez.
David Elmer Jeremiah.
Stewart Andrew Ring.
Robert Harper Shumaker.
Richard Coghlan Ustick.
Daniel Joseph Wolkensdorfer.

RESTRICTED LINE—ENGINEERING DUTY OFFICER

To be rear admiral

David Patrick Donohue.
Myron Vernon Ricketts.

AERONAUTICAL ENGINEERING DUTY OFFICER

To be rear admiral

William John Finneran.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Daniel H. Carter, of Texas, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1989.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, NAVY

Air Force nominations beginning John T. Abbott, Jr., and ending Steven J. Zollman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1985.

Navy nominations beginning Philip Richard Albert, and ending Andrew Anthony Kannegieser, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 20, 1985.

Mr. DOLE. Madam President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Madam President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Madam President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EDUCATION DAY, U.S.A.

Mr. DOLE. Madam President, I ask unanimous consent that the Senate now turn to the consideration of House Joint Resolution 186, Education Day, U.S.A.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 186) designating April 2, 1985, as "Education Day, U.S.A."

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 186) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

RECORD OPEN UNTIL 4 P.M. TODAY

Mr. DOLE. Madam President, I ask unanimous consent that the RECORD remain open until the hour of 4 p.m. today for the introduction of bills, resolutions, and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 2 P.M.

Mr. DOLE. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 2 p.m. on Tuesday, April 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. I further ask unanimous consent that following the two leaders under the standing order, there be a special order for not to exceed 15 minutes for the following Senator: the Senator from Wisconsin [Mr. PROXMIRE].

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Madam President, following the special order just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 3 p.m., with statements limited therein to not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Madam President, I indicate that following the conclusion of morning business, it will be the intention of the majority leader to turn to the conference report to accompany H.R. 1239, African relief appropriations, and I said my intention—if we can work out some time agreement to provide no amendments be in order to amendments in disagreement, there is a possibility of rollcall votes to occur on that measure. And we still have pending the war insurance, the export control extension, and I doubt that we will have the Federal supplemental measure from the House tomorrow.

Mr. BYRD. Madam President, will the distinguished majority leader pardon my interruption? Did the Chair respond to the unanimous-consent request by the distinguished majority leader?

The PRESIDING OFFICER. I believe that I did.

Mr. BYRD. All three paragraphs?

The PRESIDING OFFICER. Yes.

Mr. BYRD. The final one was the statement only of the intention of the distinguished majority leader.

Mr. DOLE. That is right.

Mr. BYRD. Madam President, may I say at this point for the benefit of other Senators, particularly those on my side of the aisle, with reference to the conference report on the African relief appropriations measure that the distinguished majority leader can go to that matter, and that it is not a debatable motion in the event the majority leader has to resort to a motion.

I thank the distinguished majority leader. I thank the Chair.

RECESS UNTIL TOMORROW AT 2 P.M.

Mr. DOLE. Madam President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 2 p.m., Tuesday, April 2, 1985.

The motion was agreed to; and at 3:12 p.m., the Senate recessed until Tuesday, April 2, 1985, at 2 p.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 29, 1985, under authority of the order of the Senate of January 3, 1985:

EXECUTIVE OFFICE OF THE PRESIDENT

Beryl Wayne Sprinkel, of Virginia, to be a Member of the Council of Economic Advisers, vice Martin S. Feldstein, resigned.

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the following officers be appointed in a grade higher than that indicated.

DENTAL CORPS

To be lieutenant colonel

Donald D. Fate, xxx-xx-xxxx
James S. Knight, xxx-xx-xxxx
William T. Teuton, xxx-xx-xxxx
James J. Vogel, xxx-xx-xxxx

To be major

Travis P. Barham, xxx-xx-xxxx
Carl D. Foster, xxx-xx-xxxx
Brock C. Miller, xxx-xx-xxxx
Bruce T. Sallen, xxx-xx-xxxx
Thomas L. Sutton, xxx-xx-xxxx

To be captain

Deborah L. Brock, xxx-xx-xxxx
Michael R. Brown, xxx-xx-xxxx
Charles F. Defreest, xxx-xx-xxxx
Guy A. Delgadillo, xxx-xx-xxxx
Melvin L. Ford, xxx-xx-xxxx
Martha L. Garito, xxx-xx-xxxx
Robert J. Gillen, xxx-xx-xxxx
Andrew R. Kious, xxx-xx-xxxx
Nicholas J. Miniotis, xxx-xx-xxxx
Bert H. Orck, xxx-xx-xxxx
Phillip L. Parham, xxx-xx-xxxx
Gerald M. Schneider, xxx-xx-xxxx
Emil W. Tetzner, xxx-xx-xxxx
Terence C. Toft, xxx-xx-xxxx
Steven J. Whitney, xxx-xx-xxxx
Ronald G. Van Tramp, xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Rudolf G. Cantu, xxx-xx-xxxx
George T. Fabian, xxx-xx-xxxx

To be major

Jack H. Baghdassartan, xxx-xx-xxxx
Timothy C. Moore, xxx-xx-xxxx

To be captain

Donald S. Geeze, xxx-xx-xxxx
Charles E. Lowrey, xxx-xx-xxxx

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force, provided that in no case shall any of the following officers be appointed in a grade higher than that indicated.

LINE OF THE AIR FORCE

To be lieutenant colonel

Richard J. Moline, xxx-xx-xxxx

To be major

Duane C. Andersen, xxx-xx-xxxx
Walter K. Bruner, xxx-xx-xxxx
George B. Clark, xxx-xx-xxxx
Earl E. Turner, xxx-xx-xxxx

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions on section 8067, title 10, United States Code, to perform the duties indicated.

LINE OF THE AIR FORCE

To be lieutenant colonel

Victor H. Rippe, xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Timothy G. Herbert, xxx-x...
Christopher V. Horn, xxx-xx-xxxx
Dennis P. Mong, xxx-xx-xx...
Anders T. Netland, xxx-xx-xxxx
Narayan V. Nimbkar, xxx-x...
Otis E. Payne, xxx-x...
John K. Reiman, xxx-xx-xxxx

The following individual for appointment as reserve of the Air Force [ANGUS], in the grade indicated under the provisions of sections 593 and 8351, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties as indicated.

MEDICAL CORPS

To be lieutenant colonel

John S. Ford, xxx-xx-xxxx

The following individuals for appointment as reserve of the Air Force [ANGUS], in the grade indicated under the provisions of sections 593, 8351 and 8392, title 10, United States Code.

LINE OF THE AIR FORCE

To be lieutenant colonel

Elmer H. Green, xxx-x...

To be colonel

Harry Lee, xxx-x...

The following Air Force officer for permanent promotion in the U.S. Air Force, in accordance with the provisions of section 624, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force.

MEDICAL CORPS

To be major

Forrest C. Yancey, Jr., xxx-x...

IN THE AIR FORCE

The following students of the uniformed Services university of the Health Sciences class of 1985, for appointment in the regular Air Force, effective upon their graduation under the provisions of section 2114, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force.

Raymond L. Brewer, xxx-xx...
Matthew A. Coatsworth, xxx-xx-xxxx
Timothy J. Drehmer, xxx-xx-xxxx
Daniel M. Duffy, xxx-xx-xxxx
Diego M. Freitas, xxx-xx-xxxx
Bryan J. Funke, xxx-xx-xxxx
Thomas F. George, xxx-xx-xxxx
Ben A. Gomez, xxx-xx-xxxx
Bradley R. Gudath, xxx-xx-xxxx
Stephen R. Holt, xxx-x...
Eugene Huang, xxx-x...
William L. Ives, xxx-xx-xxxx
Lisa M. Judge, xxx-x...
Howard L. Katz, xxx-x...
Chrisopher J. Knapp, xxx-xx-xxxx
Kathy A. Lacivita, xxx-xx-xxxx
Timothy J. Ladner, xxx-xx-xxxx
Aimee L. Lauer, xxx-xx-xxxx
Shirley R. Lockie, xxx-xx-xxxx
Gael J. Lonergan, xxx-xx-xxxx
Andrew C. Marchiando, xxx-xx-xxxx
Donald M. Meduna, xxx-xx-xxxx
Sean L. Murphy, xxx-xx-xxxx
Jeffrey A. Niezgoda, xxx-xx-xxxx
Jonathan F. O'Neal, xxx-xx-xxxx
Robert A. Panico, xxx-xx-xxxx
Michael W. Peterson, xxx-xx-xxxx
Arnyce R. Pock, xxx-xx-xxxx
Steven M. Princiotta, xxx-xx-xxxx
Robert M. Saad, xxx-xx-xxxx
Eric J. Simko, xxx-xx-xxxx
Randall W. Smart, xxx-xx-xxxx
Howard L. Suls, xxx-xx-xxxx
Horace Tsu, xxx-xx-xxxx
David F. Vanderburgh, xxx-xx-xxxx
Robert P. Vogt, xxx-xx-xxxx
Gregory M. Wickern, xxx-xx-xxxx
Paul E. Wright, xxx-xx-xxxx

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, Sections 624 and 628:

MEDICAL SERVICE CORPS

To be colonel

Ricardo Alba, xxx-xx-xxxx
Charles H. Anderson, xxx-xx-xxxx
Jerald D. Clark, xxx-xx-xxxx
Frank H. Gilliam, Jr., xxx-xx-xxxx
Matthew P. Gustat III, xxx-xx-xxxx
Walter R. Hays, Sr., xxx-xx-xxxx
Darlow L. Inberg, xxx-xx-xxxx
Malachi B. Jones, xxx-xx-xxxx
Thomas W. Murphy, xxx-xx-xxxx
Jacob H. Perkins, xxx-xx-xxxx
Rex S. Roper, xxx-xx-xxxx
Charles E. Thomas, xxx-xx-xxxx
Karl A. Tibbetts, xxx-xx-xxxx
Lawrence R. Woods, xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Carlos B.G. Campbell, xxx-xx-xxxx
Wolfgang K. Werner, xxx-xx-xxxx

VETERINARY CORPS

To be lieutenant colonel

William S. Johnson, xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Cynthia L. Murray, xxx-xx-xxxx

MEDICAL CORPS

To be major

Robert T. Anderson, xxx-xx-xxxx

IN THE ARMY

The following-named Reserve Officers' Training Corps, cadets for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531, 532, 533:

Abbenhaus, Harald K., xxx-x...
Abbott, David L., xxx-x...
Abdill, Peter H., xxx-xx-xx...
Acklin, Steven W., xxx-xx-xxxx
Adams, Michael J., xxx-xx-xxxx
Adams, Reed M., xxx-xx-xx...
Adams, Robert L., xxx-xx-xxxx
Adkins, Mark A., xxx-xx-xxxx
Agathos, Spiros N., xxx-xx-xxxx
Agrafiotis, Lisa A., xxx-xx-xxxx
Ahsam, Joseph J., xxx-xx-xxxx
Aikman, Cynthia, xxx-xx-xxxx
Akam, Robert B., xxx-xx-xxxx
Alexander, Jeffery R., xxx-xx-xxxx
Alexander, Pamela, xxx-xx-xxxx
Alicea, Israel, xxx-xx-xxxx
Allen, Michael J., xxx-xx-xxxx
Allen, Reginald E., xxx-xx-xxxx
Allen, Samuel W., xxx-xx-xxxx
Allert, Mark A., xxx-xx-xxxx
Allison, Dana A., xxx-xx-xxxx
Alston, Randal C., xxx-xx-xxxx
Altheide, Robert W., xxx-xx-xxxx
Amann, Franz J., xxx-xx-xxxx
Amitrano, Robert, xxx-xx-xxxx
Ammerman, Franklin W., xxx-xx-xxxx
Amos, Robert P., Jr., xxx-xx-xxxx
Anderson, Cynthia L., xxx-xx-xxxx
Anderson, Holly B., xxx-xx-xxxx
Anderson, Ralph H., xxx-xx-xxxx
Anderson, Randall G., xxx-xx-xxxx
Anderson, Rexford G., xxx-xx-xxxx
Anderson, Richard J., xxx-xx-xxxx
Anderson, Robert W., xxx-xx-xxxx
Ando, Tobin, K., xxx-xx-xxxx
Andrews, Chris L., xxx-xx-xxxx
Anninos, Dionysios, xxx-xx-xxxx
Annis, David P., xxx-xx-xxxx
Anthony, Arturo, xxx-xx-xxxx
Aragon, Antonio, xxx-xx-xxxx
Archuleta, Denise A., xxx-xx-xxxx
Are, David C., xxx-xx-xxxx
Armbruster, Lance A., xxx-xx-xxxx
Armstead, Michael A., xxx-xx-xxxx
Armstrong, Timothy C., xxx-xx-xxxx
Arnold, John K., IV, xxx-x...
Arroyo, Jose L., xxx-xx-xxxx
Ashbaugh, John C., xxx-x...
Ashburn, Margaret E., xxx-xx-xxxx
Asher, David W., xxx-xx-xxxx
Ashley, Donald D., xxx-x...
Atwood, Susan, xxx-x...
Auen, Gary L., xxx-xx-xxxx
Aunan, Robert B., xxx-xx-xxxx
Austin, Jeffrey P., xxx-xx-xxxx
Auvil, Timothy P., xxx-xx-xxxx
Avant, Don R., xxx-xx-xxxx
Averyt, Lauren C., xxx-xx-xxxx
Ayala, Miguel A., xxx-xx-xxxx
Babb, Jeffery G., Jr., xxx-xx-x...
Babich, Robert J., II, xxx-xx-xxxx
Babine, Stephen M., xxx-xx-xxxx
Bacay, Alex A., xxx-xx-xxxx
Baer, Robert A., xxx-xx-xxxx
Baez, Juan A., xxx-xx-xxxx
Bagley, Marine R., xxx-xx-xxxx
Bailey, Anthony J., xxx-xx-xxxx
Bailey, Jeffrey D., xxx-xx-xxxx
Bailey, Tony, xxx-xx-xxxx
Bain, Stan D., xxx-xx-xxxx
Baker, Gregory P., xxx-xx-xxxx
Baker, Sandra L., xxx-xx-x...
Bakum, Borys, xxx-xx-xxxx
Ball, James F., xxx-xx-xxxx
Barber, Michael D., xxx-xx-xxxx
Barinoswki, Robert E., III, xxx-xx-xxxx
Barker, Michael R., xxx-xx-xxxx
Barkley, Ronald B., xxx-xx-xxxx
Barnes, Leslie D., xxx-xx-xxxx
Barnes, Melody M., xxx-xx-xxxx
Barnes, Paul N., xxx-xx-xxxx
Barnes, Warren R., Jr., xxx-xx-xxxx
Barnett, Thomas J., xxx-xx-xxxx
Barnhill, Rex A., xxx... xxx-xx-x...
Barone, Alexander, xxx-xx-xxxx
Barr, Barry A., xxx-xx-xxxx
Barrett, Randy R., xxx-xx-xxxx
Bass, Margaret A., xxx-xx-xxxx
Bastian, Jerold D., xxx-xx-xxxx
Bauer, Robert M., II, xxx-xx-xxxx
Baumann, John A., xxx-xx-xxxx
Baumann, Michael A., xxx-xx-xxxx
Baxter, William T., xxx-xx-xxxx
Bayer, Hayden W., xxx-xx-xxxx
Beaudoin, Jill A., xxx-xx-xxxx
Beaulieu, Henry H., xxx-xx-xxxx
Beck, Lawrence J., xxx-xx-xxxx
Beckman, Ann M., xxx-xx-xxxx
Beckwith, Mary R., xxx-xx-xxxx
Bedell, Christopher J., xxx-xx-xxxx
Beekman, Roger L., xxx-xx-xxxx
Beers, Randall J., xxx-xx-xxxx
Beery, Gina L., xxx-xx-xxxx
Belcher, James B., xxx-xx-xxxx
Bell, Lori L., xxx-xx-xxxx
Bella, Timothy A., xxx-xx-xxxx
Belt, Paul E., xxx-xx-xxxx
Bender, Christopher S., xxx-xx-xxxx
Benedict, Leith A., xxx-xx-xxxx
Benedict, Mark J., xxx-xx-xxxx
Benjamin, Randall S., xxx-xx-xxxx
Bennis, John G., xxx-xx-xxxx
Benson, Mark A., xxx-xx-xxxx
Bentley, Ernest L., III, xxx-xx-xxxx
Benton, Gus II, xxx-xx-xxxx
Berg, Stephen J., xxx-xx-xxxx
Bernstein, Timothy B., xxx-xx-xxxx

Beron, Thomas E., xxx-x...
Berrier, Grey D., II, xxx-xx-xxxx
Bessler, John E., xxx-xx-xx...
Betz, Cynthia A., xxx-xx-xxxx
Beyer, Kay C., xxx-xx-xxxx
Bibb, Robert B., Jr., xxx-xx-xxxx
Bibbs, Hastie D., xxx-x...
Biel, Lee E., xxx-xx-xxxx
Bier, Gregory L., xxx-x...
Bird, Allen E., xxx-xx-xxxx
Bird, Carl D., III, xxx-xx-xxxx
Bird, John J., xxx-xx-xxxx
Bird, Steven T., xxx-xx-x...
Bitterman, David A., xxx-x...
Bivona, Ralph F., Jr., xxx-xx-xxxx
Bjerk, Bradley M., xxx-xx-xxxx
Black, Ricky G., xxx-x...
Black, Wayne L., xxx-x...
Blackwell, Dana K., xxx-xx-x...
Blackwell, Jennifer A., xxx-xx-xx...
Blair, Mark A., xxx-x...
Blaise, Judith C., xxx-x...
Blake, Michael E., xxx-x...
Blevins, Beverly R., xxx-xx-x...
Blevins, Robert N., xxx-xx-xxxx
Blocker, Marion D., xxx-xx-x...
Blockhus, Christopher L., xxx-x...
Bly, John S., xxx-x...
Boaz, Mark B., xxx-x...
Bobo, Christopher S., xxx-xx-xx...
Bogusz, Kenneth M., xxx-xx...
Bolze, Lorelei F., xxx-x...
Booth, Edwin R., xxx-x...
Boozell, James H., III, xxx-xx-x...
Bouch, Young A., xxx-xx-xxxx
Boulton, Letha C., xxx-xx-xx...
Bowden, Edward M., xxx-xx-xxxx
Bowens, Lori E., xxx-xx-xxxx
Bowling, Timothy S., xxx-xx-xx...
Bowman, Patrick S., xxx-xx-xxxx
Bowman, Quint A., xxx-xx-xxxx
Boyd, Kimberly D., xxx-xx-xxxx
Bradley, Charles A., II, xxx-xx-xxxx
Bradshaw, Carl J., xxx-xx-xxxx
Bradtmueller, Kurt A., xxx-xx-xxxx
Bragdon, Brain N., xxx-xx-xxxx
Brandon, James H., xxx-xx-x...
Brandsma, Douglas A., xxx-xx-xxxx
Brannan, Derick J., xxx-xx-xxxx
Branscom, David D., xxx-xx-x...
Bray, Laura A., xxx-xx-x...
Brendler, Joseph A., xxx-xx-x...
Bressie, Robin M., xxx-xx-x...
Brewer, William A., xxx-xx-xxxx
Briggs, David D., xxx-xx-xxxx
Brindley, Brian P., xxx-xx-xxxx
Brischke, Karla J., xxx-x...
Broaddus, Matthew W., xxx-xx-xxxx
Bromon, Isaiah W., Jr., xxx-xx-xxxx
Bronner, Scott W., xxx-xx-xxxx
Brostrand, Carl H., IV, xxx-x...
Brown, Barton L., xxx-x...
Brown, Brenda L., xxx-x...
Brown, Harry S., xxx-x...
Brown, Joane K., xxx-x...
Brown, Veronica D., xxx-x...
Browning, Judy A., xxx-x...
Bruno, Cynthia, xxx-x...
Bruno, Mark T., xxx-xx-xxxx
Bryant, John D., xxx-xx-xxxx
Bryant, Sherman E., xxx-xx-xxxx
Bryant, Weylan A., xxx-xx-xxxx
Bryn, David R., xxx-xx-xxxx
Buck, Christopher S., xxx-xx-xxxx
Buckley, John N., xxx-xx-xxxx
Buennemeyer, Timothy K., xxx-xx-xxxx
Bumbarger, Johnna L., xxx-xx-xxxx
Bundy, Wayne J., Jr., xxx-xx-xxxx
Buonerba, Jon K., xxx-xx-x...
Burg, Steven W., xxx-xx-xxxx
Burkhart, Shane R., xxx-xx-xxxx
Burmeister, Michael T., xxx-xx-xxxx
Burnette, Anthony W., xxx-xx-xxxx
Burnia, Marc A., xxx-xx-xxxx
Burns, Robert C., xxx-xx-xx...
Burns, Robert H., Jr., xxx-x...
Burns, Stephen T., xxx-xx-xxxx
Burrell, David W., xxx-x...
Busch, Gregory J., xxx-x...
Butler, Brian O., xxx-x...
Butler, Ret D., xxx-x...
Byrd, Charles T., xxx-x...
Caccamo, Samuel M., xxx-x...
Cade, Kenneth B., xxx-x...
Cadwallader, Gretchen A., xxx-x...
Cady, Kenneth R., xxx-x...
Caffee, Ronald D., xxx-x...
Cahalane, Daniel J., xxx-x...
Cain, Gordon R., xxx-x...
Cairns, Andrew H., xxx-x...
Calder, Michael L., xxx-x...
Calhoun, David A., xxx-x...
Callan, William M., xxx-xx-xxxx
Calvo, Lynn D., xxx-xx-xxxx
Campbell, Scott A., xxx-xx-xxxx
Cantrall, Miles, xxx-xx-xxxx
Cantwell, Thomas V., xxx-xx-xxxx
Caporicci, Rita, xxx-xx-xxxx
Caraballo, Rafael, xxx-x...
Card, Dennis A., xxx-x...
Caringer, David A., xxx-x...
Carlson, Mark K., xxx-xx-xxxx
Carlson, Randall W., xxx-x...
Carlson, Scott M., xxx-xx-xxxx
Carlucci, Carty G., xxx-xx-xxxx
Carmody, Martin T., xxx-xx-xxxx
Carnazza, Vincent C., xxx-xx-xxxx
Carpenter, William R., xxx-xx-xxxx
Carr, Jeffrey M., xxx-xx-xxxx
Carraway, James F., xxx-xx-xxxx
Carrigan, Steven E., xxx-xx-xxxx
Caruso, Mark A., xxx-xx-xxxx
Cary, Matthew G., xxx-xx-xx...
Cashion, Jerry, xxx-xx-...
Caskey, Perry N., xxx-xx-xxxx
Cason, Charles S., xxx-xx-xxxx
Cassella, James P., xxx-xx-xxxx
Cassidy, Paul C., xxx-xx-xxxx
Cassot, Robert W., xxx-xx-xx...
Castello, Gregory R., xxx-xx-xxxx
Castle, Christopher M., xxx-xx-xxxx
Castlemann, Byron T., xxx-xx-xxxx
Castro, Luis, xxx-xx-xxxx
Caudle, Justin W., xxx-xx-xx...
Causey, Mary R., xxx-x...
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Tubbs, Steven O., xxx-xx-xxxx
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Vlahos, George S., xxx-xx-xxxx
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Wallace, John R., xxx-xx-xxxx
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White, Linda S., xxx-xx-xxxx
White, Stephen W., xxx-xx-xxxx
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Whitesitt, Melody J., xxx-xx-xxxx
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Whitten, Jason J., xxx-xx-xxxx
Wical, Steven C., xxx-xx-xxxx
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Wilcher, Anthony D., xxx-xx-xxxx
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Williams, Joel C., xxx-xx-xxxx
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Williams, Theodore C., IV, xxx-xx-xxxx
Williams, Veronica E., xxx-xx-xxxx
Williamson, Jeffrey D., xxx-xx-xxxx
Willis, Twylla D., xxx-xx-xxxx
Willmuth, Thomas J., xxx-xx-xxxx
Wilsey, Donald G., xxx-xx-xxxx
Wilson, Belford S., xxx-xx-xxxx
Wilson, Christopher J., xxx-xx-xxxx
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Wilson, Leroy R., Jr., xxx-xx-xxxx
Wilson, Melvin A., xxx-xx-xxxx
Wilson, Paul T., xxx-xx-xxxx
Wilson, Walter C., III, xxx-xx-xxxx
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Wirt, Paul G., xxx-xx-xxxx
Wirth, Julie L., xxx-xx-xxxx
Wise, Barry D., xxx-xx-xxxx
Wisecarver, David A., xxx-xx-xxxx
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Wolf, Wilbur E., III, xxx-xx-xxxx
Wood, Charles E., xxx-xx-xxxx
Wood, James T., xxx-xx-xxxx
Wood, Jerry L., xxx-xx-xxxx
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Wood, Paul W., Jr., xxx-xx-xxxx
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Wozencraft, Robert, xxx-xx-xxxx
Wright, Michael A., xxx-xx-xxxx
Yoch, Casper R., xxx-xx-xxxx
York, Elizabeth J., xxx-xx-xxxx

Young, Robert G., xxx-x...
Zabel, Valerie J., xxx-x...
Zachry, David S., xxx-xx-xxxx
Zaremba, Susan L., xxx-xx-xxxx
Ziegler, Adam C., xxx-xx-x...
Zimmerman, Edward W., xxx-xx-xxxx
Zimmerman, Randal J., xxx-xx-xxxx

Executive nominations received by the Senate April 1, 1985:

DEPARTMENT OF STATE

Robert Dean Blackwill, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during the tenure of his service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

THE JUDICIARY

Kenneth F. Ripple, of Indiana, to be U.S. circuit judge for the seventh circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Paul A. Adams, of Maryland, to be inspector general, Department of Housing and Urban Development, vice Charles L. Dempsey, resigned.

RAILROAD RETIREMENT BOARD

John D. Crawford, of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1983, vice Earl Oliver, term expired.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. Steven A. White, xxx-xx-xxxx/1120, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. George W. Davis, Jr., xxx-... xxx-.../1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. James E. Service, xxx-xx-xxxx/1310, U.S. Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 1, 1985:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Daniel H. Carter, of Texas, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1989.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE NAVY

The following-named commodores of the line of the Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

To be rear admiral

Dennis Matthew Brooks.
Dudley Louis Carlson.
Jack Neal Darby.
John Stephen Disher.
James Francis Dorsey, Jr.
Leon Albert Edney.
Ronald Marvin Eytchison.
William Miley Fogarty.
Diego Edyl Hernandez.
David Elmer Jeremiah.
Stewart Andrew Ring.
Robert Harper Shumaker.
Richard Coghlan Ustick.
Daniel Joseph Wolkensdorfer.

RESTRICTED LINE—ENGINEERING DUTY OFFICER

To be rear admiral

David Patrick Donohue.
Myron Vernon Ricketts.

AERONAUTICAL ENGINEERING DUTY OFFICER

To be rear admiral

William John Finneran.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Lincoln D. Faurer, xxx-xx-xxxx U.S. Air Force.

IN THE AIR FORCE

Air Force nominations beginning John T. Abbott, Jr., and ending Steven J. Zollmann, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1985.

IN THE NAVY

Navy nominations beginning Philip Richard Albert, and ending Andrew Anthony Kannegieser, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1985.

EXTENSIONS OF REMARKS

JEANE KIRKPATRICK ON SEX DISCRIMINATION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FRANK. Mr. Speaker, last December, then U.N. Ambassador Jeane Kirkpatrick gave a very interesting speech in which she talked candidly about the problems of sexism she had encountered in her appointed position as a major figure in the national security apparatus of the country. The point she makes transcends partisanship and particular administrations. Sadly, discrimination against women continues to be a serious problem in our society, and equally sadly, there are those in this society who seek to deny that fact. The experiences of Jeane Kirkpatrick speak powerfully in contradiction to those who would deny that sex discrimination is an ongoing problem in America.

After reading of Ambassador Kirkpatrick's speech, the gentlelady from Colorado [Mrs. SCHROEDER] and I jointly wrote to Ambassador Kirkpatrick asking her to submit to us a copy of her remarks so we could insert them in the CONGRESSIONAL RECORD so that they could get the wide attention they deserve. I hope Dr. Kirkpatrick will continue her crusade against sexual discrimination—and perhaps she will even succeed, now that she has become a Republican, in getting that party's platform in 1988 to be more responsive to the needs of women in our society.

I ask that Ambassador Kirkpatrick's speech be printed here.

REMARKS BY AMBASSADOR JEANE J. KIRKPATRICK

When I undertook the research on Political Woman in 1972 and wrote that book, which was published in 1974, I had not the slightest—repeat, slightest—premonition that I would one day find myself in public life in an active political role. I was a professor of political science and, by that time, my sons were all in junior high school or high school, busy with their own lives. I was moving into high gear, professionally—not only teaching, but doing research and writing as well, and was very happy doing it. Indeed, I continued to be very happy with that life right down to the point that I came to the United Nations.

But, as lawyers say, there came a day when I was sitting in the Situation Room at the White House—the Situation Room is a small room, underground, in the basement of the White House West Wing. There's a small table in the Situation Room around which eight or nine people gather fairly regularly to discuss major questions of foreign policy: the President, the Vice President, the Secretaries of State and Defense, the Chief of the Joint Chiefs, the National Security Advisor, the Director of the CIA, Ed Meese and me. In the course of a meeting, I looked across the room and saw a mouse, making its way slowly with composure across the room. Someone else noticed it about the same time: "It's a mouse." They said: "A mouse? In the Situation Room?" And there he was: a mouse in the Situation Room. I thought to myself later: It might be that that mouse was no more surprising a creature to see in the Situation Room than I am—no stranger a presence, really, in the Situation Room, than I am.

I don't know whether I'm the only woman who has ever regularly sat around the table in the Situation Room. Certainly I'm the only woman who has regularly sat at the table in this Administration; but I have thought back to previous Administrations, and I suppose that I may be the only woman who has ever regularly sat at the table in the Situation Room. There are people who come and go in the room and among them is almost invariably a woman or two, fetching and carrying papers to the people who are sitting at the table. Has there ever been a woman, even as near to the center decision-making in U.S. foreign policy, as I am? I rather doubt it. Not under Carter, not under Ford or Nixon, not in the Johnson administration.

What's my point? My point is simply that the arenas of foreign affairs—diplomacy, defense—have been at its top levels a very peculiarly, particularly male bastion—more so than I had focused on until I found myself in it. On reflection it seems clear that the upper levels of foreign policy in all countries have been male redoubts. And it matters. This is where the very biggest decisions are made, the decisions that shape the destiny of the world. Mrs. Thatcher is, of course, inside that arena, and there have been a few others—Mrs. Gandhi, Mrs. Bandaranake, plus a few queens like Elizabeth I and Isabella. But women have been present only when they were heads of state. Generally speaking, diplomacy, defense, international affairs, war and peace have been very exclusive male preserves.

It came as something of a shock to me to discover after being appointed to the United Nations that I was not only the first woman ever to head a United States Mission to the United Nations, but that I was the first woman ever to be a chief of mission of a country that falls in the category of Western civilization. (When I say Western, I mean Eastern Europe as well as Western Europe; the Soviet bloc as well as the NATO and ANZUS powers.) There had been a very few Third World missions headed by women for relatively brief periods, from Sri Lanka and Ghana for example; indeed, when I arrived at the U.N. there was another mission headed by a woman, Ambassador Jones of Liberia. But I discovered that I was also the first woman who had ever headed the mission of a major nation.

These facts alone make clear that the United Nations, like the Situation Room, has been a heavily male preserve. This, too, is not usually noticed nor commented upon. It's not even considered constructive to mention it. The reason the literature on women in politics and women in power has not focused specifically on international affairs, on diplomacy and defense as distinctively male domains is that male preemption of these fields is so ubiquitous, so "normal," so taken for granted that it is virtually invisible, even to most women accustomed to thinking unthinkable thoughts about sex roles. But as someone who has read and written about women and power, I have become convinced that this pattern of sex role distributions is distinctive and important, conceivably even to the future of the world.

Of course, serving as U.S. Permanent Representative was not the first time I had found myself living in a largely male world. It was not the first time I had the experience of being the only woman at the table, so to speak. When I went to Georgetown University, it was still an overwhelmingly male college. I was not the first woman to become a tenured professor in my department, but I was the second. And I was the first woman to serve on the Rank and Tenure Committee, which is where the biggest academic decisions are made, decisions about the promotion and retention of academics—decisions that make and break careers. I served as the first and only woman on that committee for about seven years. Like Donna, I took part in a good many professional meetings and, again and again, had the experience of being the only woman on X or Y program, or at X or Y conference. I was the first woman appointed as a Resident Scholar at the American Enterprise Institute, which, as you doubtless know, is one of Washington's major think tanks in the public policy field. I am also the mother of sons, and so I had had lots of experience of living in a heavily male environment—and surviving.

But let me say as clearly as I can that my experience at the upper levels of American government, of our foreign policy decision-making process, at the upper levels of the United Nations, proves to me that it is much tougher there—much, much tougher there—than any experiences that I had ever encountered. There are a lot of jokes about academic politics, about how the reason that academic politics is so bitter is that the stakes are so low. The university is often said to be one of the meanest political arenas in the world. I say, "Don't believe it." Don't believe academic politics are the toughest politics in the world. The toughest politics in the world is politics.

To be sure, it's always difficult to know what, in one's experience, is idiosyncratic and what is generic. It's hard to know what part of what has happened to me has happened because of my particular character and personality, or because I serve with the Reagan Administration, and what part of what has happened to me has happened to me because I'm a woman. I understand very well the difficulties of making those kinds of judgments. I have studied those difficulties, thought about them and written about them. I can't quite prove it by the standards that I would like to be able to meet as a social scientist, I am nevertheless certain that a significant portion of my experience

is indeed sex-based, has happened to me because I am a woman.

I want to emphasize that I know I was something of an outsider for reasons other than sex. I was, after all, appointed to an Administration which deliberately sought a break from the past. The Reagan Administration was new; generally speaking it was not welcomed in the international field. I do not doubt that being a member of that Administration had some bearing on my experiences and my reception. Being a political appointee in the diplomatic field had some bearing on my experience. Being a lifelong Democrat serving in a Republican Administration surely had a bearing on my experiences, in our government and even in the United Nations. In the bureaucracy, being an intellectual in a government of lawyers, bureaucrats, businessmen mattered, too. In spite of it all, however, I feel quite sure that a significant portion of my experience has been shaped just by the fact of being a woman in those areas, where women are so very rare.

I would like to turn now to some special sex-related problems that I think I encountered; and if time permits I may work my way around to some special strengths that have been available by virtue of being a woman. But first, the special problems. They came as something of a surprise to me, most were almost wholly unanticipated. Obviously, if you, a woman, have lived in the professional world, qualified yourself and succeeded sufficiently to be appointed to a top-level job in politics, you've demonstrated not only professional skills, but some survivor skills as well. You've had some experience dealing with obstacles. I saw no reason to suppose that the quality of my experiences in this job should have been different. I was wrong.

One of the first big surprises I encountered was what, for what of a better word, I might call the process of de-qualification, by which I mean a sort of systematic inattention to my substantial academic background and success. This inattention stands in rather sharp contrast to the substantial attention that is routinely paid to the background of new appointees in new Administrations. I have thought, for example, about the fact that my research on women went almost wholly unnoticed, even though I wrote one whole book, a large part of another and a dozen monographs and essays on the subject. Indeed, that writing remains largely unnoticed to this day. That's interesting.

Also, largely unnoticed in public comments about me was the fact that I had spent much of my adult life studying and teaching the politics of foreign governments—Europe and the developing areas—or that I had special admiration for the British tradition, and special fascination with French politics, and deep concern for democratic institutions generally. None of these interests were esoteric. All were reflected in the courses I taught, the aritcles and books I wrote, the conferences I took part in. All were well known to my colleagues. Yet, again and again, I was described as a specialist on Latin American politics, which is not really accurate. I have a strong interest in the politics of some Latin nations, including Argentina, on whose political development I wrote a book, but I have no academic specialization in the region. I am not what is called in my profession, a "Latin Americanist." I explained that I was (and hope I still am) a specialist in the field of comparative politics. But almost no one took note.

A related manifestation of de-qualification occurred at a symbolic level, in such things as never being called either "Doctor" or "Professor," but always being called "Mrs." Now, I think "Mrs." is an honorable title; certainly it's an earned title, like "Doctor" and "Professor." But it's a non-differentiating, non-professional title. It simply remains a fact that titles are regularly attributed to the likes of Henry Kissinger, Zbigniew Brzezinski, Richard Gardner, or any one of a dozen men we could name, who come from universities to occupy significant posts at the upper levels of U.S. politics and are continually linked by title and by identifying description to academic expertise. The reverse happened with me and, as a matter of fact, happens to this very day. Instead of "Dr. Gardner, Columbia University professor of international law and former Ambassador to Italy," I am more likely to be described as "Mrs. Kirkpatrick, ideological hard-liner, favorite of conservatives." Who is Richard Gardner of the favorite of? Where was he a Professor, and of what?

There is another variety of sex-related, symbolic denigration, which I notice repeatedly, and about which I do not think I'm hypersensitive. I have been continually described as "schoolmarmish" or "a teacher," rather than "professorial" or a professor." I have almost never been described as a scholar, a term regularly applied to males with similar vitae. It was even suggested that my concern with speaking clearly is a boorish voice. In fact, it has more than once been implied that my speaking at all proves me a hopeless bore.

Now, the United Nations is an institution which specializes in talking: It's a place where people make speeches and listen to speeches. But if I make a speech, particularly a substantial speech, it has been frequently described in the media as "lecturing my colleagues," as though it were somehow peculiarly inappropriate, like an ill-tempered schoolmarm might scold her children. When I have replied to criticisms of the United States (which is an important part of my job), I have frequently been described as "confrontational": This is an interesting experience for me, since I had never been described as "confrontational" in my life before I went to the United Nations. I reflected a good deal on this "confrontational" label, and on what behavior is described as "confrontational," and whether it is more likely that a woman will be described as "confrontational" than a man. In the beginning I thought that I was described as "confrontational" because we adopted a policy inside the United Nations that, when the United States was publicly attacked, we would defend ourselves. we would address the charge and examine the record. That was a policy of the U.S. government. Interestingly enough, it was attributed to me, as a personal characteristic, as demonstrating that I was a confrontational person. It was a while before I noticed that none of my male colleagues, who often delivered more "confrontational" speeches than I, were labelled as "confrontational."

In thinking about this "confrontational" label, I have concluded that it is extremely *unlikely* that *any* woman who arrives at a very high level in any public activity is confrontational. If they were, they would have long since been eliminated. To achieve a significant level of recognition in our society, it is necessary to pass through numerous doors in which males are the gatekeepers. It is highly unlikely that any woman with a confrontational style would make it through more than one of those doors.

In fact, most successful women have become expert at avoiding confrontations. At Georgetown, for example, I managed to stay out of the most incredible faculty-administration "Star Wars," because I had learned to side-step conflicts.

I now think that being tagged as "confrontational" and being a woman in a high position are very closely related. There is a certain level of office the very occupancy of which constitutes a confrontation with conventional expectations. Similarly, I think being described as "tough" and being a woman in public life are very closely related. Again, this is an adjective that was *never* applied to me before I entered into high politics. Yet, it was not long before the French were calling me the "Femme de Fer," and our own papers were describing me repeatedly as "Reagan's Iron Woman," and most frequently as "tough." I've thought about that, too, and I've come to see here a double-bind: if a woman seems strong, she is called "tough;" and if she doesn't seem strong, she's found not strong enough to occupy a high level job in a crunch.

Terms like "tough" and "confrontational" express a certain very general surprise and disapproval at the presence of a woman in arenas in which it is necessary to be—what for males would be considered—normally assertive. Stereotyping has endless variations.

I have recently had a whole new set of adjectives applied to me. They also come as a surprise; they also are clearly sex-related. The key new term is "temperamental." Now, being called "temperamental" is a classically Victorian sexist charge against women. Noting that some six stories had appeared in which White House aides described me as "temperamental," too temperamental to occupy responsible office, one male colleague queried, "What do they mean? Too temperamental once a month?" Who is not familiar with the notion that women are a bit erratic, a bit unstable, hormonally disabled . . .? I found this one downright amusing. Not only is it anachronistic, it utterly ignores the fact that I have led the most extraordinarily stable life; I have lived in the same house for twenty-eight years, with the same husband, and had the same jobs. Even Dr. Edgar Berman has approved my performance.

Well, it's all very interesting. I also noticed, as I've watched the media treatment of Geraldine Ferraro or Ann Gorsuch-Burford, that there are some identifiable regularities in media response, although they were very different people and in very different roles, different from each other and from me.

What do I want to say about it all, finally? I want to say that I think that sexism is alive; it's alive in the United Nations, in the Secretariat; it's alive in the U.S. government; it's alive in American politics—I've seen enough, by the way, of Democratic politics at high levels to know that it's bipartisan. And I also want to say that sexism is not unconquerable, if one can avoid getting and staying angry and wasting one's energies on rage. I don't know how many of you have recently read A Room of One's Own, which remains my own favorite feminist classic. In that beautiful essay, Virginia Woolf talks about the pitfalls of anger for women, of wasting one's energy, one's self, on rage. I think that's very important, because if one is angry much of the time, that anger unbalances one's judgment, consumes one's energy. If you can avoid the pitfalls of rage and paranoia and can hang in long enough to prove seriousness and compe-

tence, then I find, in the diplomatic world and in American high politics, too, then you can develop good relations based on mutual respect with almost all your colleagues. In the U.N. that applies to representatives of countries that don't even grant legal equality to women.

But that is not the end of the inquiry. I still think, even more clearly than when I wrote Political Women or The New Presidential Elites, that the life-style in high politics and government may be peculiarly unattractive to women. I find myself thinking of the number of women, the relatively high percentage of women, who withdraw from high politics and government by personal decision—not because they can't hack it, but because they don't choose to. High politics involves a weirdly unbalanced kind of lifestyle, which requires continuous involvement with power. It is not only necessary to work eighty or ninety-hour weeks; that is true of many vocations. It is that the whole enterprise resembles that described by Thomas Hobbes: you know, the "restless striving after power which [one suspects] ceaseth only in death."

I don't know what styles of interaction would be like in politics and government if there were enough women there to affect the way in which business is conducted. Today, any one woman present, whether it's in the UN Security Council, or in our National Security Council, or in the decision arenas of any major power process in our society today, adapts to a male pattern of interaction. To do that for long, you have to like it a lot. You have to need it a lot.

We are back here with the ultimate questions of whether there are identifiable male and female sensibilities and social styles. I tend to think there are; and I tend to think that the patterns of interaction in high politics are peculiarly unattractive to women, that is, to most women I have known (and to me, I might add), as I think these social processes as unattractive to most women as they are inhospitable to them. Neither of these tendencies—if they exist—portend a rapid influx of women into top positions in government, least of all foreign policy.

Why don't I just stop there? If anybody would like to put a question to me, I will do my best to answer it.

Question: I thought that was an extraordinary analysis. Let me ask you whether it makes any substantive difference that women are in high politics, and foreign policy in particular, in your observations?

Amb. KIRKPATRICK. I don't know, Donna; I think this is where one confronts the fact there are so few women that it's hard to know whether any differences that are made by their presence are attributable to idiosyncratic or to sexual factors. In my own research on women and politics, I found—I don't know whether that was a particular period either—that the only identifiable substantive differences between women and men on issues tended to involve the use of force, with a particular reluctance of a marginal sort among women; not a statistically significant difference, but still a discernible difference with regard to attitudes about the use of force. I don't know whether this would apply at the decision-making levels or not. Let me say, I have never personally advocated, suggested or even accepted for that matter the use of force as a solution to a foreign-policy problem in my life. And it's a very interesting fact, because I had a reputation to the contrary. This whole business of image and substance has been very, very strange in my case. Some of it, I'm sure, is due to being a woman, but I don't know whether that's sex-specific or whether its idiosyncratic. I just think we have to wait until there are more women in top decision posts to determine with any kind of reliability whether women will in fact behave significantly different substantively than their male colleagues. I think we just have to say, we don't know yet.

Question. Either in academe or in political life, do you have any experience or evidence of any changes in the general sexes and for the younger generation coming along; the kids now in their late twenties, early thirties—perhaps even in your staff, people saying that this . . .?

Amb. KIRKPATRICK. Well, certainly in the academic world, yes. But let me say that the resistances to women are much greater in what I would call high politics and diplimacy than in the academic world. I've been interested in the experiences of young women in the Foreign Service, of course. For example, I've had an unusual number of professional women from the Foreign Service at U.S.U.N.—one of whom is here today; Sally Grooms, stand up. Another woman here today, Irene Payne, is also on my staff at U.S.U.N. By the way, at U.S.U.N., you don't have to have very many women for it to be an unusual number. My sense is that there are lots of resistances still for young women in our diplomatic service. The U.N. is such an overwhelmingly male place that I don't think there is any opportunity to observe any trends there. But in the academic world, surely, yes.

Question. Dr. KIRKPATRICK, I'm sure when you are mentioning women world leaders, you didn't mean to leave out Golda Meir.

Amb. KIRKPATRICK. Oh, I certainly didn't.

Question. My question is this: do you think some of the terms that have been used to describe you emanated from the media or emanated from some other place, such as the White House, and the media picked them up.

Amb. KIRKPATRICK. I don't know. Journalists themselves make decisions like titles; and journalists themselves make decisions about what they include in how they characterize people. What I would say about journalism is that it is—like most other power processes in our society, and in all other societies, I hate to say—overwhelmingly male as you get near the top, the top being prestige papers like the New York Times, the Washington Post and so forth. I'm sure it's the result of an interaction process and, in any case, is not ultimately disabling. Let me just say again that in my experience none of it is ultimately disabling. What it does is make difficult jobs somewhat more difficult, but it doesn't make them impossible. I'm sure that Alexander Haig thought he was going to wipe me out in the first nine months in the job, and he didn't, if I may say so, and it's important to me that he did not do it.

Question. I would like you to talk about positives.

Amb. KIRKPATRICK. I would be very happy to do that; I was just afraid I was talking too long. I expected and experienced some positive things, too. I think that particularly with foreign political leaders, like foreign ministers and heads of state, and with some of our own as well, I think that a woman is less threatening and perceived as less competitive; and that it is therefore easier, perhaps, to have long conversations. It is easier, maybe, because it creates a more hospitable environment for them to talk freely. I have developed, really, quite a lot of quite close personal relationships with foreign leaders—this, by the way, is something else that is not generally ever noted—on the basis of long sessions, in which I listened an hour-and-a-half, two hours, three hours, six hours in some cases. And I think I learned extraordinarily interesting and useful things, too, and acquired insights about the foreign policy processes, or the diplomatic process and goals, in their countries. Something about being a woman expedites that process.

I think, for example, with Africans, Latin Americans and Asians, very frequently it's easier to establish easy, warm, non-competitive kinds of relations for me than for a male in the same position. There's a quality of warmth that women can frequently more easily establish with male colleagues, particularly in arenas like the U.N. I'm sure Gillian [Sorenson] feels the same thing, don't you, Gillian? I certainly do; it's been my experience—it's part of the first quality I mentioned. I can't think of any advantages to being a woman in U.S. politics, frankly, except that maybe one gets special kinds of looks from one's—can one say—fellow women? That's about it. There aren't really equal advantages. The advantages don't equal the disadvantages, I think.

Question. I wonder if you could contrast your experiences a bit with those of latecomers like Margaret Heckler and Elizabeth Dole. I'm specifically wondering how much of what you've experienced could be the negative perception that the post of U.N. Ambassador generally has had. I know that Daniel Patrick Moynihan was considered confrontational and temperamental; Andy Young was considered a loudmouth, and Arthur Goldberg said many times that he considered it the worst career move he ever made, to leave the Supreme Court, because it was—

Amb. KIRKPATRICK. It's a bad job, there's no doubt it. It's a very bad job. It's a difficult job; there is a lot of rivalry and resentment felt by the State Department about U.N. ambassadors generally, and that makes the difficult job more difficult to do, too. I think you'd have to ask Liddy Dole and Margaret Heckler, though, about their experiences. I don't think we've ever had the kind of conversation that would quite provide a basis. Liddy Dole's situation is very particular because of her husband, if I may say so. Her husband and his position in the Republican ranks in the Senate is a powerful source of strength to her—no doubt about that at all. Margaret Heckler's position would be more comparable to mine, because she's there by herself, so to speak. And she and I someday almost surely ought to join with Gerry Ferraro and a couple of others, maybe in a panel, in which we talk about those experiences. But we haven't done it yet.

Question. [Certainly?], given the quality that you've just talked about in terms of cultivating relationships, and listening, and the rapport that you've established. We also recognize that information is power, and I think I overheard you, or participated at a cocktail party where you said informally that one of the blocks that you had to deal with, and I think in the context of your talk today it's apropos, is the proverbial men's room, where that bit of information that may be critical to decision-making, is just not imparted to you. Do you therefore have to deploy your staff somewhat differently as a woman, to fill in those kinds of voids and gaps?

Amb. KIRKPATRICK. I don't know. Let me just say, there are still places like Burning Tree and the Bohemian Grove and so forth, where guys go together and relax and that sort of thing. And Washington is a men's club town. I don't feel that so strongly, though, at the U.N. I have good friends today at top levels of our government, and I think, in a general kind of way, I get the information I need. Information isn't enough, I may tell you; but I get the information I need. At the U.N., there are five U.S. Ambassadors, and the other four are male; they depoly themselves all over the system. I couldn't function without them.

Question. So many of us who appreciate your contribution to this country are naturally wondering, do you know what your next assignment will be?

Amb. KIRKPATRICK. I'll tell you, with what is called my "characteristic candor," two things. One is, I never intended to be in public life; I began these remarks by saying that. I consider myself fundamentally an intellectual and a private person; I enjoy private life a lot. For a political scientist to have sat long enough in the Cabinet room to grow bored there sometimes—that's interesting. But for a political scientist, and I'm a serious political scientist, to have access to the levels of decision-making at which I have been able to participate and observe, is an absolutely fascinating and unexampled kind of experience.

But I would like to be very clear that I like private life a lot. And my fundamental life commitments have not really changed as a consequence of the last four years. That said, I would also say that I made a commitment to the President, in my last conversation with him two or three weeks ago, that I was not going to make any public comments about my plans, or my future, as we call it; and he was not going to make any public comments; and that anything anybody read, they would know came from somebody besides either of us, who happen to be the only two people that are really involved in those decisions. Okay? Thank you very much.●

PHIL SCHWARTZ: A VERY SPECIAL MAN

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. EDWARDS of Oklahoma. Mr. Speaker, there's a city in my State, a very unique city. It's a city of small-town men with big-city dreams and an awesome sense of perspective.

The city is Bartlesville, OK, and I love it because it loves itself. And because I have found in that city men and women of a very special make.

Bartlesville is known for the Phillips Petroleum Co. But it is not its companies which are Bartlesville's strength. Bartlesville is populated by a unique kind of person. One wonders how, in the future, this small city can replace the sort of men and women who live there now.

That thought came to me when Bryan Whitworth called me from Bartlesville to tell me that Phil Schwartz had died.

Bryan is one of Phillip's executives. We had worked together closely, and almost daily, in the fight to save Phillips—and Bartlesville—from a hostile corporate takeover, and in the midst of that very real crisis for Phillips and its thousands of employees, what we often talked about—Bryan and I, and Marty Garber, and others—what we talked about was Phil Schwartz.

Bryan called that day because he knew I loved Phil Schwartz, and when he told me that Phil had died, I was stunned and I felt a sudden deep emptiness.

How could one be so shocked at the death of a man whose death had been expected on a daily basis for many months? Because Phil Schwartz had defied death for so long, through so many heart attacks, that we had begun to think him incapable of dying. He had resisted death not with stubborness and clenched teeth but with a gentle grace, not iron fists pounding at the doors that threatened to close on him, but a soft, bouncing ball that simply kept bouncing.

Who was this Phil Schwartz, that his death meant so much to me? Was this an uncle, a friend since high school, a foxhole buddy from some distant war? The truth is, I hadn't even known Phil until some 4 years ago, when the Oklahoma Legislature, by some imaginative gerrymandering, had stretched my congressional district beyond any reasonable shape and put Bartlesville—and Phil Schwartz—into the Fifth District. Before that, the people of Bartlesville had been closer to the Fifth District of Kansas, than that of Oklahoma.

Phil Schwartz was one of the first people I came to know in Bartlesville; one of the first to befriend, and take under his wing, a stranger from the distant city. Phil was always there. He drove for 3 hours to get to Oklahoma City—and for 3 hours more to get back home—to attend fundraising dinners. He got up early to ride a bus to another city to help with a whistlestop campaign trip through central Oklahoma. When I hired a new chief of staff, I took her to Bartlesville, and the first place we stopped was in Phil and Lynn Schwartz' living room.

Is this, then, what made Phil so special? That he helped with my campaigns? That he opened his house to me?

What made Phil Schwartz so special was that through all this he was fighting daily against death, working in his community, being a strong husband to Lynn—who suffered both her own illness and her fear for Phil—and being a gentle and loving father to an exceptional son.

Phil's great heart was worn out from overuse. Again and again it collapsed. Doctors operated until there was nothing left to operate on. He was in Houston, waiting to receive a new heart, when he died. I had called him at the hospital in Houston, but what I remember as our last conversation was a visit we had before that while he was in a hospital in Bartlesville. Phil had been afraid to have a heart transplant—partly, I suspect, because his mind was more on Lynn and Justin, and what the cost of the operation would do to them. He joked that he was afraid to get a new heart because he'd heard that such operations changed one's personality. I joked that that would be a good enough reason for us to urge him to do it as soon as possible.

In the end, I suspect that Phil died because it would have been unthinkable for any other heart to be in this gentle man's body. Phil's great heart was Phil.

Phil was not a part of my daily life, and it seems trite to say "we'll miss you, Phil," but I know that I will never again drive into Bartlesville without seeing Phil Schwartz at every place we had ever been together, and feeling a bit empty. The world is diminished by the loss of Phil Schwartz. And so am I.●

THE REAGAN TAX CUTS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. COURTER. Mr. Speaker, I commend to the attention of my colleagues the following article from the Sunday, March 31 edition of the New York Times. This article clearly demonstrates that the Reagan tax reductions have actually increased the taxes received from upper income earners:

AS REAGAN PROMISED, THE RICH PAY MORE

(By James D. Gwartney and Richard L. Stroup)

Some people still consider the 1981 Reagan tax cut as welfare for the rich—or, to quote the Rev. Jesse Jackson, a "reverse Robin Hood process, taking from the poor and giving to the rich." But newly released figures from the Internal Revenue Service on 1983 tax returns show that the tax cut had just the opposite effect. After the cut, the rich paid more and carried a larger share of the total, while the poor paid less. Lower taxes encouraged the rich to earn more taxable income and shelter less—that is, to spend more time with engineers, clients and market researchers and less time with tax attorneys and accountants.

This picture emerges when we look at the changes in tax payments for those earning more than $75,000 in 1981—the top 1.36 percent of taxpayers. Assuming normal personal deductions, these taxpayers faced marginal tax rates above 50 percent, before the 1981 legislation. Not only did they get an across-the-board tax cut, as did all taxpayers, but they also benefited dramatically from the reduction in the top bracket to 50 percent from 70 percent.

With such a big cut, many people would expect this group to pay much less tax. In fact, the top 1.36 percent paid 10.9 percent more in taxes in 1983 than in 1981. Moreover, they paid a greater share of total taxes than at any time in the past 15 years—23.3 percent of the total tax in 1983, compared with 20.4 percent in 1981. In contrast, the bottom half of income recipients paid 7.1 percent in 1983, down from 7.5 percent in 1981.

Why did the rich end up paying more despite the lowered tax rates? The major reason is that taxes change incentives. Consider the change in incentives for someone in the top bracket. At the 70 percent marginal tax rate, an added dollar gains only 30 cents for the earner. But after the tax cut, the earner keeps 50 cents of each additional dollar—a whopping 67 percent increase in the incentive to earn. Hiding income in tax shelters yields less, while finding ways to cut business costs and increase sales yields a higher return.

With this greater incentive, executives spend less on plush offices and Hawaii conferences—both tax-deductible business expenses—and more on the business of satisfying customers. Surgeons, lawyers and other professionals spend more time in the office and less on the golf course. In each case, the driving force is a greater incentive to earn, since each additional dollar is worth 50 cents, rather than 30 cents. As a result, their taxable incomes rise.

When the I.R.S. data for 1982 showed that the rich were paying a greater share of taxes, many critics resisted the incentives explanation. Some argued that the tax burden shifted to the rich because the 1982 recession cut income growth among lower- and middle-income groupings. However, since we now see that the same pattern was present during the economic boom of 1983, the "recession-caused-it" explanation has lost its credibility.

Critics also argued that the rapid growth of the upper-income tax base was a "bubble" effect, reflecting temporary capital gains from the boom in the stock market. The problem with the "bubble" theory is that capital gains are too small—only about 10 percent of gross income for the top 1.36 percent of taxpayers—to bring about major changes in the distribution of income.

Instead, employment and business income—drove the growth of taxable income in the top brackets. The wages and salaries of the top 1.36 percent of earners were 20.7 percent higher in 1983 than in 1981.

Income changes in the categories of businesses and partnerships are particularly important, since they often provide tax shelter opportunities. The taxable income of the top 1.36 percent of taxpayers from business and professional practices, partnerships and small-business corporations rose from $13.7 billion in 1981 to $20.6 billion in 1983, an astounding gain of 50 percent in two years.

It is true that lower tax rates reduced the value of tax shelter investments and increased the value of assets that yielded taxable income, such as stocks and bonds. This pushed up stock and bond prices, reflecting the movement of resources away from tax-favored investments toward those generating high real returns. Was this bad?

The "bubble" theory is also inconsistent with the time dimension of decision-making. Few taxpayers sell their old tax-shelter investments as soon as rates go down. But they make fewer new shelter investments. It takes time to move resources into more productive, unsheltered investments. Thus, the expansion of taxable income from the 1981 tax cut will continue for some years.

A larger economic pie can mean a larger slice for everyone. The 1981 tax cuts increased the incentive of those in high tax brackets to earn income. These taxpayers applied less of their scarce time, energy and money to low-return tax shelters and more to projects yielding higher returns. They increased productivity and expanded G.N.P. We all benefit from a better-supplied marketplace and, on April 15, we benefit again because the rich pay more.●

MY PLEDGE TO AMERICA

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. PENNY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the Voice of Democracy scriptwriting contest. This year more than 300,000 secondary school students participated in the contest competing for the six national scholarships which are awarded as top prizes. The contest theme this year was "My Pledge to America."

I am pleased to submit for the RECORD the winning script from the State of Minnesota as delivered by Maria Deonne Haack who lives on Rural Route 1, Box 87, Oronoco, MN. Maria is the 17-year-old daughter of Marvin and Ginger Haack and is a senior at Pine Island High School where she participates in many school activities, including the National Honor Society. Maria also serves as the Minnesota State president of the Future Homemakers of America. The residents of Minnesota's First Congressional District and I are justifiably proud of this accomplished young woman.

The script follows:

MY PLEDGE TO AMERICA

(By Maria D. Haack)

Ladies and Gentlemen, welcome to the American Theatre. This evening's performance will be "An American Pledge". Our cast consists of one player in the role of . . . well, in the role of all characters. Curtain time will be from this day forward.

I am a student and my pledge to America is this: I will take advantage of my opportunities in quality education. I may not discover a miracle cure, I may not write the great American novel, I may not negotiate a major peace plan. However, I will keep my mind open to new and innovative thoughts and insights, I will expand my horizons, I will strive to reach my academic potential as is the American privilege. I am only one, but in America, I can make a difference.

I am a Christian. The windows of stained glass in my house of worship are lit warmly on any given Sunday morning, and not only there am I free to practice my faith, I pray in my home, give thanks in my day to day living, share my beliefs with those who are lost or need comfort. All of this I shall continue as a pledge and promise to this country. I am only one, but in America, I can make a difference.

I am a daughter. Within that simple title I carry many responsibilities. For example, my ancestors founded what is known today as the greatest nation on earth—The United States of America. I pledge to those great minds and hearts a continuing reverence and upkeep of their accomplishments. My parents have instilled in me appreciation for this country. Therefore, I pledge to do the same for my children so that they may not blindly take advantage of what this country is and what it has to offer. I am only one, but in America, I can make a difference.

I am a citizen. What a beautiful phrase really, it can be used in many different contexts. I am a citizen: honor and gratitude. I may pledge my loyalty. Let me give in return for all I have received.

And then you may say: "I am a citizen." Pride and a bit of boastfulness. In wartime and peace I pledge to defend old glory and the land she waves freely over. You know the song. When it is played I place my hand over my heart and join in the singing. Do you get misty-eyed, too? That is one of the great benefits of patriotism.

Finally, I am a citizen. I, as in an individual. I, as in a part of the whole. I am only one, but in America I can make a difference.

I am a teenager. What sort of pledge would a mere teenager take on? I answer you in all sincerity. I, along with millions of my fellow teenagers symbolize the future. We are tomorrow's leaders, tomorrow's privileged voters, farmers, business people, industrial workers, members of congress, the government. I pledge to aid in restoration of America's past. I pledge to strive, along with my peers, for continued peace and prosperity in an often chaotic and unstable world. "I pledge allegiance . . ." a familiar pledge, but no less meaningful or sincere because of its familiarity. I am a teenager—only one teenager—but in America I can make a difference.

As the curtain closes and the house lights come up, ladies and gentlemen, pay close attention to our cast member. She has no make-up to remove, no costume to change from. And she has no character to step out of. Instead, she returns home as a continuance of this evening's performance. You see, "An American Pledge" is no fictional play. It is, indeed a true commitment and a real life drama.●

SOUTH AFRICA: WHY IT'S "A BAD INVESTMENT"

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FRANK. Mr. Speaker, increasingly, an overwhelming majority of Americans agree that we should do all that we can to bring an end to the oppressive, racist system by which a small minority of white South Africans tyrannizes over the nonwhite majority in that country.

But we continue to have major differences over how best to shape our policies—toward this end. Some have argued that, while they too abhor apartheid, calls for an end to Ameri-

can investment in that country are impractical and show too little economic sophistication. So it was particularly interesting to me to read an article in Sunday's Boston Globe by one of the most thoughtful, sophisticated, and successful businessmen in New England, Jerry Dunfey, in which he makes the case for disinvestment on both moral and economic grounds.

This eloquent and reasoned statement, coming as it does from a person of Jerry Dunfey's credentials as a creative business developer and manager greatly bolsters the case for strong sanctions against the inhumane South African regime. It is wholly consistent with the work that Jerry Dunfey and his family have done for years to show that the successful practice of capitalism is enhanced by strong moral sense. I insert his letter to 46 American corporations explaining why the Dunfey family has decided not to hold stock in any company investing in South Africa here:

SOUTH AFRICA: WHY IT'S "A BAD INVESTMENT"

I am writing to explain why the Dunfey family will no longer hold stocks in [your corporation] or in any other company which invests in South Africa.

I was in that country in January and saw for myself the twisted face of apartheid. I saw the single-sex hostels outside Johannesburg where fathers and husbands are forced to live 11 months a year separated from their wives and children, condemned to exist in squalor and isolation, because apartheid denies their families even the most elementary rights of citizenship and free movement inside their own country. I saw the resettlement camp at Onverwacht, a treeless, desolate desert where hundreds of people have been forced to move simply because their skin is black. When I hear about "progress" in South Africa, I think of the fastest-growing part of Onverwacht—the cemeteries filled with the bodies of young children who have died in infancy due to the conditions of the camp and the lack of medical care. (The government official in charge of the camp at first said seven doctors lived there, then retracted that claim, then took us to a medical clinic where no doctor was on duty.)

So it was across South Africa. I will never forget, for example, the proud, gentle people I encountered during my visit to Crossroads, an unauthorized settlement near Cape Town, who asked only that they be allowed to live in peace and human dignity. Just a month later, some of them were shot down by South African police, and many more were injured, during a protest against the government's plan for their forced removal.

I also heard what is often referred to as "the other side" of the story in meetings with business leaders and government officials. Yet the so-called political "reforms" which they cited have in fact only deepened the rift between the minority white community and the vast majority of South Africans who are black. I was told of economic progress, yet in many respects the disparities between whites and blacks are becoming greater. Corporations which portray themselves as a force for change are, in many cases, the same companies which are enforcing the notorious 3 percent rule, under which only 3 percent of black miners can bring their families with them to the mine-site, while all white miners can. These companies are, in effect, active partners in an intolerable racsim.

Token steps and half measures are an increasingly transparent mask which cannot conceal the true face of apartheid. Real progress, I am convinced, depends on three changes: an end to the denationalization of black South Africans; movement toward full political rights for all South Africans; and the repeal of apartheid in all its forms.

I heard the excuse that disinvestment or economic sanctions will hurt only blacks, or that it will not work. The argument, curiously, came from whites, who seemed remarkably exercised about something which, in the next breath, they dismissed as "ineffective." As black people repeatedly said to me, this was one of the few times they had ever seen such solicitude for their conditions from the very forces which were profiting from it. And as one black father in his mid-30s said. "It was 15 years ago when I first got the explanation that sanctions would hurt blacks. I wish they had hurt me then, so my son wouldn't be hurting so much now."

I do not deny that business has done some good in South Africa. But now, finally, the fundamental issue must be faced. They relate to the very nature of the South African system—which is the only explicitly racist system still openly, even proudly, proclaimed to the world. For my family and for me, given the suffering I saw, this is a basic moral question. As a businessman, I also think it involves economic good sense. Some day, all South Africans will have their rightful say in the running of their country. Is it really prudent for American business to invest on the side of the present regime, under its rules and in complicity with it? Is it really prudent to identify ourselves with the apartheid system at the very moment when black South Africans are beginning to look—in my view, mistakenly but understandably—to Marxism and the Soviet Union as a source of hope, primarily because they regard capitalism and American as helpmates of their oppressors?

I believe it is vitally important to reverse that trend and to put both our country and our companies on the side of freedom. In any accounting that calculates beyond the short-term, both principle and profit should move us in that direction. In any case, as individuals, the members of my family cannot continue to invest in corporations which making wrong investments from a moral perspective—and bad investments from a business perspective.

We intend to urge others to make the same decision we have made.●

THE TRAGEDY OF AFGHANISTAN

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. BROOMFIELD. Mr. Speaker, the Soviet Union is slowly turning Afghanistan into a satellite state. I am deeply concerned about the rape of that once peaceful country, and I want to recommend an excellent article describing the most recent Soviet strategy for subduing that land.

The initial Soviet strategy of fighting the Afghani Freedom Fighters failed. Now, the Soviets are trying to depopulate the countryside. Villages are being bombed out of existence, and their inhabitants are being slaughtered. Agricultural land and farm animals are also being eliminated and new waves of refugees are flooding into neighboring Pakistan. Already, Pakistan has over 3 million Afghani refugees.

A model Soviet state is being set up with all the trappings of communism. The Government of Afghanistan is essentially being managed by Soviets and the state-controlled Afghani media tell of the great accomplishments of their Soviet saviors. Young Afghani children are being sent to the Soviet Union for long-term indoctrination and training, and the Afghani intelligence service is now a classic model of the KGB. The history of Afghanistan is being rewritten by Soviet historians who will tell how Afghanistan was rescued by Soviet soldiers.

As we watch this sad chapter in history unfold before our very eyes, I have real reason to doubt the often acclaimed peaceful intentions of the Kremlin. When and where possible, the Soviets will continue to absorb neighboring states. The Kremlin will also project its power into distant regions of the world by assisting and using surrogates. Struggling democracies will be destabilized by so-called guerrillas for national liberation.

Let us hope that the brave freedom fighters in Afghanistan will continue to make the Soviet invaders pay a high price for their most recent effort to expand the Soviet empire.

With these concerns in mind, I suggest that my colleagues in the Congress read the following excerpts from the New York Times article on Afghanistan.

[From the New York Times, Mar. 24, 1985]

REMAKING AFGHANISTAN IN THE SOVIET IMAGE

(By Richard Bernstein)

PESHAWAR—A dusty, frontier city in northern Pakistan, lying just down the road from the Khyber Pass, is a place full of terrible stories these days. There is, for example, the tale of Mohammed Qasim Yusufi, a soft spoken, 33-year-old former professor of agriculture at Kabul University, in neighboring Afghanistan, whose experience aptly sums up the disastrous events in his country since the Soviet Union invaded it on Dec. 27, 1979.

Mr. Yusufi felt, after several years of life under what the Afghans officially called the *Saur*, or April, Revolution that life had become untenable, so he decided to get out. Shortly before he left, he saw on Afghanistan's state-run television a news program about his native village, a place called Behsoud, once a collection of mud-brick houses with about 100 farming families. The television program showed Behsoud as a happy place: land reform was progressing, feudalism was being wiped out, support for the Communist revolution was growing among the villagers. Behsoud lies, it happens, near

the route from the capital, Kabul, to the Pakistan border. Because the village was his birthplace, Mr. Yusufi paid a final visit to it on his way into exile.

"If you go to my village," he said, evoking the difference between reality and the propaganda image, "you will see that it has been destroyed. You won't find more than five families there. The village has been terribly bombed."

Behsoud's condition is shared by many, perhaps most, villages in Afghanistan; Mr. Yusufi and other Afghan refugees contend. The Soviet Union, in its efforts to weaken support for the mujahedeen, the anti-Soviet resistance fighters, has started intense aerial bombardments of rural areas. The United Nations Human Rights Commission said in a recent report that the Soviet strategy is aimed apparently at forcibly evacuating large stretches of countryside. Refugees say that entire areas, such as the Panjshir Valley, northwest of Kabul, have been virtually abandoned. The policy has left an unknown number dead or displaced and created havoc in Afghan agriculture. A study prepared by Azam Gul, like Mr. Yusufi a former professor of agriculture at Kabul University, found that the output of wheat, corn and rice fell by 1982 to roughly one-quarter the levels of 1978. A study by some British doctors, based on information collected by Afghan refugees dispatched secretly to all parts of the country, concluded that malnutrition among children is prevalent and that famine threatens thousands of people. Yet, the Soviet-inspired news media, reporting on Behsoud and other villages in Afghanistan, routinely profess land reform and rural progress.

"In Behsoud village there is land and there is water, but there is no agriculture," Mr. Yusufi said. "The irrigation system has been destroyed. There are no farmers to cultivate the land."

Taken individually, perhaps, stories like that of Mohammed Qasim Yusufi are not of staggering dimensions, not by the standards of our bloody century. Taken together, however, and added to the information that has leaked from an Afghanistan that the Soviet Union has attempted to seal off from independent outside observation, the stories suggest that Soviet policy in Afghanistan is as audacious and ruthless as any the Russians have ever carried out in their satellite states. The Afghanistan that emerges in the refugees' accounts is a country not simply being subdued militarily by the Soviet Union but being remade in the Russians' own totalitarian image.

Several years ago, the way Afghan refugees tell it, the country's pro-Soviet leaders said that there only needed to be one million Afghans left in the country. They were quoted by refugees as saying that a revolutionary society could be constructed on that slender basis, even if the rest of the prewar population of 16 million were to flee or be destroyed. In fact, there is no absolute proof available in the West that the Afghan leaders made precisely that grim, bleak formulation. But the statement is consistent with what seems to be the guiding principle of the two complementary sides of the Soviet and Afghan Communist undertaking.

The first element is to strip away those who are troublesome, to sweep away the old and the inconvenient—and, in Afghanistan's crusty, feudal society, there is much that is old and inconvenient. The vast depopulation that has already occurred—one of history's great migrations—seems to be a result of this effort. One-third of the prewar population has already fled to Pakistan, Iran and other countries. Many others—nobody knows exactly how many—have left their homes in the countryside for the relatively safe cities, fleeing the bombardments that have become a regular part of the Soviet strategy.

The second, and less conspicuous, element suggested by Mr. Yusufi's evocation of the propaganda machinery now operating in Afghanistan, is an attempt to transfer onto Afghan soil the methods and institutions of the Soviet Union itself. This, as the Russians are finding out, will take some doing outside the urban areas. The people of the Afghan countryside, fiercely traditional, deeply religious, have always resisted control by any kind of central government, particularly any foreign government. Nonetheless, the Russians are striving to create, from a kind of ground zero if necessary, a new and more malleable society, one whose basic character harks back to the structures invented by Lenin and which have been implanted in such places as Eastern Europe and Indochina. "They are not that much concerned with the amount of territory controlled by the mujahedeen," Abdul Majid Mangal, a former diplomat in the Afghan Communist government and now a refugee in Peshawar, said. "Their strategy is to create nuclei of Sovietized society in the cities they control and to spread outward from them to the rest of the country."

There has been much speculation on why the Soviet Union is persisting in these policies in Afghanistan in the face of the huge financial burden an occupation force of 115,000 troops entails, not to mention the 10,000 Soviet soldiers killed in the war so far and the enormous propaganda loss Moscow has suffered elsewhere in the world. For its part, the Soviet Union says its aim is to protect the balance of power on its own borders by supporting Afghanistan's socialist revolution against "imperialist" countries, by which it means the United States, Pakistan and China. The Russians also stress that they are promoting "progressive" changes, providing scientific education, bringing about the equality of women and ending the reign of the old "exploiting classes."

The most widespread view in the West of the Soviet objectives is that the Russians are pushing southward, as they have throughout their history, seeking strategic advantage in South Asia and in the area of the Persian Gulf. Some commentators in the United States have argued that the Russians, in seeking this objective will try to absorb Afghanistan as a new republic of the Soviet Union in much the same fashion as it absorbed Kazakhstan, Tadzhikistan and the other Central Asian domains after the 1917 Revolution.

Abdul Majid Mangal is a former career diplomat in the Kabul Government whose last post was as the second-ranking official in the Afghan Embassy in the Soviet Union. Like Mr. Yusufi, he left for Pakistan in 1983. He said that in Kabul, Jalalabad, Herat, Kandahar and the other major urban areas of the country, Soviet-style institutions are already well established. He has a long list of them: the propaganda machinery, the state-controlled newspapers, the professional associations, the branches of the Communist Party in every neighborhood, office and school. There is also, of course, the secret police, or, as it is called after its Afghan initials, Khad, modeled on the K.G.B., the Soviet Union's own tentacular security apparatus. Soviet advisers have been placed at every level of government, where they control even the routine exercises of administration. The school system, from kindergartens to universities, has been revamped. Thousands of young people are sent to the Soviet Union for their educations, including children as young as 5 or 6 years old who are destined to stay for a decade. It is estimated that some 12,000 Afghans are now studying at various universities and training institutes in the Soviet Union.●

ABUSES IN JOB TRAINING ACT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. DYMALLY. Mr. Speaker, my State senator, Bill Greene, chairman of the California Senate Committee on Industrial Relations, recently circulated a letter to his colleagues about abuses in the Job Partnership Training Act [JTPA].

My senator was referring to two articles which appeared in fall 1984 issue of Personnel Consultant—Job Training Partnership Act [JTPA]—a "New Source of Income" and "The Job Service—Your Involvement Now Will Affect Its Future."

Senator Greene's letter raises some serious concerns about possible abuse of JPTA that compelled me to bring this issue to our attention.

Senator Greene should be commended for bringing this matter to our attention.

Attached hereto is a copy of the letter in question:

CALIFORNIA LEGISLATURE, SENATE COMMITTEE ON INDUSTRIAL RELATIONS,

Sacramento, CA, February 11, 1985.

DEAR COLLEAGUE: This is to invite your attention to the accompanying presentations of two officials of the National Association of Personnel Consultants, which were printed in the final program of the association's annual conference in Atlanta this past November 1984, relating to the nation's, states' and local entities' process for training citizens for employment in the work force under the still virgin Job Training and Partnership Act.

There is not sufficient evidence at this time to indicate how prevalent this "repeat of history" or "re-run of an old movie" might be; however, identical past actions of this nature earned the description of "poverty pimp."

It can be argued this could be the opening salvo of a new menace to training California citizens and moving them into employment in the work force, which could appropriately be tagged the tactics of "private sector jobs pimps."

On the other side of the coin, a question must reasonably be posed as to what are some of the Private Industry Councils and Service Delivery Areas organizations (training agencies), using as basis for approving training contracts. How much do they look into the nature of their contracts? How much do they look into the reasonable cost of the service for which they contract? How

much do they examine the outcome to be expected from such services?

It is clear from the accompanying presentations of these NAPC officials we would be amazed to see what JTPA contracts pay $100,000 for; especially in California, which receives special billing. And to think, under CETA and earlier training efforts the identical services were available at the cost of a civil service salary, or that of an employee of a government financed, community-based organization.

I urge you to join in assuring this type of business is not permitted to take hold in California under JTPA.

Respectfully,

BILL GREENE,
Chairman.●

TEENAGE DRUG ABUSE: RECENT NATIONAL TRENDS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FEIGHAN. Mr. Speaker, drug abuse is a poison that threatens the well-being of thousands of our Nation's young people. As the original chairman of the House Task Force on International Narcotics Control, I worked to stem the flow of drugs across our borders. But the struggle against drugs is a war with many fronts. The war at home—in our high schools and junior highs, on the streets of our towns and cities and in our families—is just as critical, if not more so, than the interdiction efforts taking place at or outside our borders. The targets of our international struggle against drugs—producers, traffickers, smugglers—are often difficult to identify and locate. But the principal object of our domestic war against drugs can be an even more elusive entity: the minds of our young people.

In order to give us a clearer picture of the attitudes and habits of teenagers regarding drugs, the National Institute on Drug Abuse each year conducts a survey of high school seniors. The results of the latest survey, based on the responses of 16,000 members of the class of 1984, offer us reason for guarded hope that we are beginning to make progress in this arduous fight, but also for concern about the growing strength of an emerging enemy.

Rates of use of marijuana, sedatives, stimulants, alcohol, and cigarettes all declined in 1984; 25.2 percent of the seniors interviewed reported having used marijuana at least once in the previous 30 days, compared to 27 percent last year and more than 37 percent just 6 years ago. The rate of use of stimulants dropped from 10.7 percent 2 years ago to 8.3 percent. Sedative use, at 2.3 percent, was less than half the level for 1980. Two-thirds of the seniors interviewed reported having used alcohol during the previous month, but that figure actually represented a decline of about 5 percent from the 1978 high of more than 72 percent. Cigarette use dropped below the 30 percent mark for the first time since the survey was started, down significantly from the 1976 rate of 38.8 percent.

These figures for current use were bolstered by the results for rates of daily use. At 5 percent, the level of daily use of marijuana was less than half the rate reported in 1978; 4.8 percent of the seniors reported using alcohol daily, compared to 6.9 percent in 1979. Daily cigarette use fell from 21.2 percent last year to 18.7 percent, a level more than 10 percent below the levels of 6 and 7 years ago.

Overall, the rate of current use of illicit drugs among seniors dropped to 29 percent in 1984, down from 33 percent in 1983 and 39 percent in 1978 and 1979.

In addition to revealing changes in behavior, the survey demonstrated encouraging trends in teenagers' attitudes toward drug use. Asked whether there was "great risk" involved in taking cocaine, smoking marijuana, smoking cigarettes, and drinking alcohol, the percentage of seniors responding positively rose for each type of drug use; 78 percent of those interviewed considered regular cocaine use dangerous, an increase of 5 percent. Two-thirds of the seniors regarded regular marijuana use to be risky. The percentage recognizing the dangers of cigarette smoking was just slightly below that for marijuana, and the percentage expressing concern about heavy drinking was up 5 percent from last year to 42 percent.

While many of these trends in drug use and attitude toward drug use are encouraging, the absolute levels of these types of behavior and attitude remain distressingly high. In addition, at least two drugs, cocaine and PCP—phencyclidine—show no decline, and perhaps a slight increase, in popularity. The level of current use of PCP, though still below the high of 2.4 percent recorded in 1979, rose for the second year in a row to 1.6 percent. The rate of regular cocaine use jumped even more dramatically, from 4.9 percent to 5.8 percent. While the cocaine use figure was comparable to the level 5 years ago, it remained substantially higher than the levels found during the late 1970's.

If we are to maintain some of the momentum we seem to have gained in the fight against drugs over the last several years, we must increase our commitment to that fight—a commitment expressed not merely in amounts of taxpayers' money spent on drug abuse prevention, but a commitment expressed in time and effort and creativity contributed by educators and parents and legislators and young peers. A commitment expressed in the examples we set and the lessons we share.

The fight against drugs is a fight we can win. But we must renew the struggle through a process of collective education and inspiration.●

THOUGHTS ON THE MX AND DEFENSE SPENDING

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. MILLER of Washington. Mr. Speaker, with our national economy and security faced by both $200 billion a year deficits and a Soviet military threat, we must draw carefully the line between wise and unwise defense spending.

THE MX IS NOT SMART DEFENSE SPENDING

I believe the $40 billion MX Program is not smart defense spending because it offers little deterrence for lots of bucks. The U.S. nuclear weapons strategy is properly built around deterrence. We have designed and are designing nuclear weapons that can survive a Soviet attack and hit the Soviets so hard that they will not dare to launch a nuclear attack. Our Trident submarines, our airborne bombers, our mobile Midgetman missile program satisfy this requirement. The MX does not.

The MX, while powerful, is very vulnerable. Most, if not all, MX's would be wiped out in their stationary silos by a Soviet attack. The original MX plan was to design an invulnerable missile—one that moved around by rail and could not be targeted. But what was planned to be mobile and invulnerable has ended up stationary and very vulnerable. The MX thus has little value as a defensive weapon.

While few MX's, if any, can survive a Soviet attack, they can be used to launch a nuclear attack. The MX therefore is primarily a first strike weapon rather than a second strike weapon. Hence the MX not only does not deter the Soviets but tempts them to strike first.

THE MX IS NOT A BARGAINING CHIP

For the MX to be a credible bargaining chip, the Soviets must believe we will use it. And since the MX is so vulnerable, the Soviets must believe we will use it to strike first, that is, start a nuclear attack on the Soviet Union. I don't believe the United States will start a nuclear attack on the Soviet Union, I don't think many Americans believe this, and I don't think the Soviet Union believes this. There are nations in this world, including the Soviet Union, who may start an all out

nuclear war, but the United States is not one of them.

Even if the MX is a bargaining chip, logic dictates not that we build it, but that we continue to threaten to do so. Last summer Congress said it would make no decision on MX until this spring, in order to see if the Soviets would come back to the negotiating table. They have. If MX really is a bargaining chip, Congress should say it will make no decision on MX until it sees what the Soviets offer at the negotiating table. Threatening to build a weapon may be a bargaining chip. But I believe once the money is spent and the weapon is built, it is an accomplished fact—not a bargaining chip.

THE MX SHOULD NOT BE BUILT JUST BECAUSE OF THE GENEVA NEGOTIATIONS

During the last campaign I opposed the MX. One factor has changed since then: negotiations at Geneva.

I believe all Americans want the negotiations to succeed. Consistent with U.S. security, we must strive for arms stability and reductions. I don't believe, however, that it makes any more sense to approve the MX just because we are in negotiations, than it would make sense to reject the MX if tomorrow the Soviets walk out of the negotiations. We are now in negotiations that may last 2, 3, or 5 years. And that's just this round. We may well be in arms negotiations with the Soviets for 14 of the next 30 years. During that time we will have to make scores and scores of defense spending decisions. I don't believe we can approve every Pentagon spending request because we are in or out of negotiations. I believe we must base our decisions on whether it is smart defense spending. And smart defense spending the MX is not.●

LEGISLATION TO AMEND THE OCEAN DUMPING ACT

HON. WILLIAM J. HUGHES
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. HUGHES. Mr. Speaker, as you know, the ocean dumping of more than 8 million tons of sewage sludge each year just off the coast of New York and New Jersey has created considerable controversy in the mid-Atlantic region. Sludge dumping at the 12-mile site has continued to degrade the area's water since 1924. The New York Bight Apex has become one of this country's most seriously degraded coastal areas.

I am today introducing legislation to close the 12-mile site and to address the serious problems associated with the ocean dumping of municipal wastes. I am pleased to have the support of a number of members of the House Merchant Marine and Fisheries Committee, including Congressman NORMAN LENT, the committee's ranking minority member. I am also pleased that Congressman JAMES HOWARD, chairman of the Public Works and Transportation Committee, has joined in cosponsoring this legislation.

The legislation is similar to a proposal I developed with the late Congressman Forsythe during the 98th Congress. Most of its provisions were included in H.R. 4829, which passed the House of Representatives last October. The legislation is the result of several years of work by members of the Merchant Marine and Fisheries Committee and the New Jersey delegation who have been concerned over the impact of ocean dumping on the region's coastal waters and marine resources.

In addition to closing the 12-mile sludge dumpsite within 18 months after the date of enactment, the bill requires the Environmental Protection Agency to develop a comprehensive plan to improve the coastal water quality in the New York Bight Apex. The plan is designed to address the broad range of pollutant inputs to the area, including the disposal of dredged materials and industrial wastes, the discharge of untreated wastes, and urban and agricultural runoff.

The legislation is also designed to assure better coordination between State and Federal environmental programs. The bill requires that municipalities which ocean dump after December 31, 1986, be in compliance with the Clean Water Act's pretreatment requirements. The bill also requires EPA to consult with the States to determine whether appropriate land-based alternatives are available.

The bill includes several important provisions authored by Congressman CARPER which were included in the ocean dumping reauthorization legislation in the 98th Congress. The first of these would allow the EPA to recover costs associated with activities directly associated with the issuance of permits, including site designation, monitoring, and enforcement activities. The second provision requires the Agency to end the ocean dumping of all harmful municipal sludge within 18 months after the date of enactment. Harmful municipal sludges are defined as those which fail EPA's environmental impact criteria under the Agency's ocean dumping regulations.

In reintroducing this legislation, I have also included a new provision designed to assure that the ocean dumping of sewage sludge does not become a long-term disposal alternative after dumping is moved from the 12-mile site to a deeper water location. The bill provides for the assessment of a special disposal fee on sludge dumped in the oceans. Money from the fees would be made available to the municipalities and EPA to develop suitable land-based alternatives to ocean dumping including resource recovery, recycling, incineration, and composting projects.

The 12-mile site must be closed before we can begin the task of cleaning up the coastal waters in the New York Bight apex. Almost 8 years ago Congress overwhelmingly approved legislation which I sponsored to end the ocean dumping of harmful sewage sludge by December 31, 1981. Although we are nearly 4 years past that deadline, a handful of municipalities dumped 8.3 million tons of sludge last year alone. That's almost double the amount that was ocean dumped when the Marine Protection, Research, and Sanctuaries Act was signed into law in 1972.

There is no doubt that the New York Bight apex is one of our most severely degraded coastal areas. The ocean dumping of sewage sludge and dredge material along with the discharge of 220 million gallons of raw sewage every day into the Hudson and East Rivers has caused serious water pollution problems. Runoff from agricultural and urban areas, storm sewer overflows, and industrial waste from outfalls up and down the Hudson River and the Raritan Estuary also contribute to the problem.

The cumulative effects of waste disposal in the New York Bight apex has resulted in elevated levels of bacteria, viruses, pathogens, toxic metals, and organohalogens in the water column and sediments around the 12-mile site. A large portion of the area has been closed to fishing and shellfishing due to severe pollution problems. Commercial and recreational fishery resources in adjacent waters have also been seriously impacted, causing economic harm to the region's multimillion dollar fishing industry. New Jersey officials have repeatedly expressed concern over the high levels of PCB's that have been found in several species of fish taken from coastal and estuarine waters in the area, including popular commercial and recreational species such as striped bass and bluefish.

There is little doubt that the New York Bight apex has reached its capacity to assimilate this waste material. A number of diseases and developmental abnormalities are found in fish and shellfish in the region. Public concern over the extent of degradation in the area is high. Scientists have reported indications of serious sublethal effects, including bioaccumulation and changes in community structure. Sewage material has spread beyond the boundaries of the dumpsite and is found several miles from the shoreline in certain areas.

I am pleased to note that the Environmental Protection Agency today announced its plans to close the 12-

mile dumpsite. It is not clear, however, whether the Agency's actions will be challenged in court by those municipalities who want to continue to use the site as a cheap disposal alternative. This legislation will preclude long and drawn out litigation over the use of the 12-mile site and will assure that ocean dumping in the New York Bight apex is phased out in a reasonable period of time.

Mr. Speaker, the New York Bight apex is our country's last great dumping ground. It is one of the most degraded coastal areas in the country. To my mind, this alone is cause for alarm. I am hopeful that we can address this problem before it is too late.

Thank you.●

CREEPING CAPITALISM

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. COURTER. Mr. Speaker, I would like to talk about some of the progress we have made in the area of defense procurement reform, and give a pitch for legislation I am sponsoring, dubbed the "creeping capitalism" bill.

The House Armed Services Committee successfully led the last Congress in passing important procurement reform legislation that is improving the way the Pentagon does business. I commend Representatives DICKINSON and PRICE in particular for shepherding through the House the most extensive and constructive changes in procurement law in recent memory.

We all recognize the major problem we face: The eroding consensus for a strong defense due to the horror stories spanning from the revelations about $7,000 coffee machines and $600 toilet seats to the entertainment expenses and cost overruns of General Dynamics to the quality control problems that pervade all sectors of the defense industry.

Some believe that the way to impose discipline on the Pentagon and gain greater efficiency is to arbitrarily cut the defense budget.

The members of the Subcommittee on Procurement and Military Nuclear Systems understand that blindly slashing the budget is no solution. Focusing solely on input to solve procurement abuses is wrong—and an abdication of responsibility. To be constructive, changes in structure and process must be proposed—in Congress as well as at the Pentagon—that would improve the way the Pentagon buys its weapons.

We have had some successes in proposing and passing constructive responses to the problems that exist. We had Representatives PRICE and DICKINSON's Defense Procurement Reform Act (H.R. 5167) from last year that enhanced competition and improved acquisition planning. The military reform caucus was also instrumental in supporting successful, constructive legislation that created an independent office of operational testing and evaluation in the Pentagon—ensuring objective, impartial operational testing of our weapons—and a flexible law requiring warranties from the manufacturers of our weapons. I am happy to report that the Pentagon is now successfully implementing these laws. Another clear sign of the success of these measures was that both the Democratic and Republican Party platforms endorsed these reforms.

The revised creeping capitalism bill (H.R. 1552) builds upon and endorses the procurement reform legislation sponsored by my colleagues Representatives PRICE and DICKINSON last year. It is a moderate, realistic approach to increasing competition in Pentagon procurement, using the definitions of competition contained in the new laws. Creeping capitalism's main thrust is to increase the percentage of competitive contracts by 5 percent per year until 70 percent is reached.

The Pentagon objected to last year's version of creeping capitalism because the feeling was that the conception of competition was somewhat rigid, not recognizing the competition that is sometimes involved in contracts that are negotiated between the Pentagon and several contractors. The new statutes blur the distinction between competition by formal advertising and competitive negotiation, and now focus on the real issue of defense contracts: Whether all potential offerers were given a real opportunity to compete.

The revised creeping capitalism bill endorses the new definition by requiring the Pentagon to ensure that an increasing percentage of contracts follow these competitive procedures. In short, H.R. 1552 builds upon the work done by this committee to expand competition.

As the House Armed Services Committee recognizes, the benefits of a competitive approach to contract awards are numerous. Competition will, above all, reduce costs and add to the value of each defense dollar we spend. Competition, when put into practice, has spawned some of the most creative and innovative achievements of our Nation's defense industry. For the United States, which depends on technological superiority to maintain the military balance with the Soviets, the creative pressure fostered by the competitive process is a great asset.

The advantages of competition are numerous:

Competition can reduce unit prices.

It can increase the size of the defense industrial base by bringing new companies into competition for the Pentagon's procurement dollar.

Companies under competitive pressures are more innovative and cost conscious than those that are given the safe monopoly of a sole source contract.

Creeping capitalism also encourages multiyear procurements and dual-sourcing—we have witnessed the enormous benefits of dual-sourcing in particular recently. The Pentagon should be applauded for these efforts.

A good example of the benefits of splitting contracts is what has become known as "the great engine war" over the Air Force's purchase of engines for its fighter aircraft. Bids are resubmitted each year by the two competitors, and the low bidder gets the lion's share of the contract. Initial Air Force estimates of savings due to this dual sourcing between Pratt-Whitney and General Electric were $2 to $3 billion. The Air Force, 1 year later, now has doubled this estimate, upping the amount saved by taxpayers to $5 billion the lesson: Free enterprise works in slashing costs, and sometimes even better than expected.

Another example of the value of dual-sourcing comes from a company in my home State of New Jersey. The Navy's Aegis cruisers—the most complex weapon system in the world today—is a model for enlightened competition. It has progressed through the full sequence of competition reforms that we have been advocating—from prime contractor competition, to fixed price contracts, to breakout, and now to second sourcing of the components. The Navy has approved a plan to have RCA—the prime contractor—qualify second sources, and when they have finished, 90 percent of the Aegis will be completed. These are just several of many such examples.

Creeping capitalism supports these positive efforts that both the Pentagon and Congress have made to expand competition. H.R. 1552 takes a moderate, realistic approach to the problem of competition in defense procurement. It will help bring down costs, and rebuild the consensus for a strong defense. It is a constructive, bipartisan effort, and I urge the Members of this body to give it their strong support.

Thank you, and I look forward to your questions.●

NEW YORK BIGHT APEX RESTORATION

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. LENT. Mr. Speaker, the Administrator of the Environmental Protection Agency, Lee Thomas, announced today that he is denying the request for a redesignation of the so-called "12-Mile Site" used for municipal sewage sludge dumping in the New York Bight. Administrator Thomas plans to enter into negotiations with those municipalities which are now dumping sewage sludge into the New York Bight, to achieve a rapid phase-out of their activities at that site.

I applaud Administrator Thomas' actions. However, I am concerned that implementation of these decisions may be subject to lengthy delays due either to litigation or protracted negotiations. Therefore, Mr. Speaker, I am pleased to join with the Honorable WILLIAM J. HUGHES, and others, in the introduction of amendments to the Marine Protection, Research and Sanctuaries Act, which will reinforce Administrator Thomas' decision to close the 12-mile site, and provide additional measures to address the severe problems of pollution in the New York Bight. This legislation is very similar to legislation introduced in the 98th Congress by Congressman HUGHES, and the late Congressman Edwin B. Forsythe, my former colleague on the House Merchant Marine and Fisheries Committee. I also was a cosponsor of that legislation, which passed the House of Representatives by an overwhelming margin in October of last year.

The New York Bight apex is a 1,100-square-nautical-mile area of the Atlantic Ocean adjacent to the entrance of New York Harbor and bordered on the north by Long Island, and on the west by New Jersey. The apex is recognized as one of the most heavily contaminated coastal areas of the United States due to multiple sources, including municipal and industrial waste water discharges, combined sewer overflows, ocean dumping, and urban and rural nonpoint source runoff. The land adjacent to the New York Bight apex contains not only New York City, but the heavily populated urban centers of western Long Island and northern New Jersey. This area serves as a major center of commercial and recreational activity. In addition to providing a major path of access for international trade, the waters of the New York Bight support an important fisheries industry and provide a focal point for some of our Nation's most beautiful and widely used beaches. Among these beaches are Jones Beach and the Robert Moses State Park on the south shore of Long Island; this is one of the most heavily used recreational beach areas in the United States.

The Committee on Merchant Marine and Fisheries has held numerous hearings over the past 13 years since the passage of the Marine Protection, Research and Sanctuaries Act, to address the specific problems of contamination at the existing municipal sludge dumpsite in the New York Bight apex (commonly known as the "12-Mile Site"). Federal officials from the Environmental Protection Agency [EPA] and the National Oceanic and Atmospheric Administration [NOAA] have confirmed that the 12-mile site is heavily contaminated and that a deepwater dumpsite would provide a number of important advantages:

First, the "12-Mile Site" is located in the heavily trafficked entrance to New York Harbor. Maritime interests have expressed serious concern over potential hazards to navigation resulting from dumping activities in these busy traffic lanes. A deepwater dumpsite could be located away from major shipping lanes.

Second, valuable living marine resources are associated with the "12-Mile Site" and nearby areas. These resources are used by commercial and recreational fishing industries and the public. Living marine resources associated with a deepwater dumpsite are reported by NOAA to be far less valuable.

Third, the currents, depth, and other water conditions at the "12-Mile Site" result in less dispersion than at sites located further offshore, resulting in elevated levels of bacteria and viruses in the water column and bottom sediments, and increases in normal ambient levels of toxic metals and organohalogens in the bottom sediments. Changes in relative abundance and diversity of species in areas affected by the existing sludge discharges have been observed. The much greater depth of a deepwater dumpsite would provide for greater dispersion and dilution of the wastes, and present low probabilities of any permanent harm to marine resources, including bottom organisms.

Fourth, the Marine Protection, Research and Sanctuaries Act expresses a preference for sites located off of the Continental Shelf where feasible.

Fifth, the "12-Mile Site" is located considerably closer to coastal beaches and resorts of Long Island and New Jersey. Concern for potential impact exists because identifiable waste constituents have been observed at above normal levels in bottom sediments within five nautical miles of the Long Island coastline. Available technical information indicates that no waste would be transported from a deepwater dumpsite to impact upon the coastal beaches of New York, New Jersey, Delaware, Maryland, or Virginia.

The cumulative effects of current and previous discharges and dumping in the New York Bight apex have resulted in increased occurrences of fish and shellfish disease, decreases in catches of fish, and increases in the prevalence of phytoplankton blooms, periods of depressed oxygen, levels, and fish and shellfish kills. Similar cumulative impacts would not be expected at a deepwater dumpsite.

EPA witnesses also indicated that, had the 12-mile site not been historically used for ocean disposal, it probably would never been designated as an ocean disposal site based on the criteria in the Ocean Dumping Act.

The bill which we introduced today takes a number of steps in addressing the problems of the New York Bight apex.

First, we have included several general provisions which will improve the operation of EPA's Ocean Dumping Permit Program.

Anyone wishing to use the ocean to dispose of municipal sludge after December 31, 1986, will be required to be in compliance with the Clean Water Act regarding effective and comprehensive pretreatment programs for industrial waste discharged into the municipal waste treatment facility. The Administrator of EPA will not be authorized to issue a municipal sludge dumping permit until after he has consulted with the Governor of the State in which the sewage treatment plant is located and has determined that no suitable land-based alternative to the ocean disposal is currently available. This requirement will encourage the States to become more actively involved in the review and development of alternative disposal technologies.

In order to support EPA's Ocean Dumping Program in a fair and equitable manner, the Administrator will be required to collect user fees at levels sufficient to recover the reasonable costs that the Agency will need for the processing activities directly associated with the issuance of the permits, the costs of site designation, the costs of compliance monitoring, surveillance and enforcement, and the assessment of the direct effects of the ocean dumping on the marine environment. We believe that those who use the ocean for disposal of their waste should at least pay for the reasonable costs associated with regulating that activity.

This bill has two major provisions which deal directly with the problems of contamination of the New York Bight apex.

First, municipal sludge dumping in the apex is prohibited 18 months after enactment of the bill, or at the earliest reasonable time, whichever is sooner.

Second, the legislation which we have introduced today requires the Administrator to prepare, within 3 years, a "New York Bight Apex Restoration Plan."

Testimony at our hearings has made it absolutely clear that the problems of the apex cannot be laid entirely at the feet of ocean dumping. While ocean dumping is a significant source of contamination, especially in the areas immediately impacted by ocean activities, it is readily apparent that

the apex cannot be restored to anywhere near its former levels of water and marine resources quality unless the other sources of contaminants are also addressed. Unfortunately, the various sources of pollutants, which end up either directly or indirectly in the apex, are controlled by a number of different environmental statutes, making a coordinated effort to address the overall problem difficult to implement.

The purpose of the New York Bight apex restoration plan will be to:

(a) Identify and assess the impact of all types and sources of pollutants, such as treated and untreated sewage discharges, industrial outfalls, agricultural and urban runoff, storm sewer overflow, upstream contaminant sources, and ocean dumping, that are affecting the water quality and marine resources of the Apex;

(b) Identify those uses in the Apex that are being inhibited because of these pollutants;

(c) Determine the fate of contaminants and their effects on the marine environment;

(d) Identify technologies and management practices, and determine the costs necessary to control these pollutants;

(e) Identify impediments (technical, fiscal, and administrative) to the control of these pollutants;

(f) Devise a schedule of economically feasible projects to implement the controls identified under the plan and to remove the impediments; and

(g) Develop recommendations for funding and coordinating the various Federal, state, and local government programs necessary to implement the projects.

The legislation authorizes $2 million for each of fiscal year 1986 and 1987, and $1 million for fiscal year 1988 to accomplish this ambitious planning program.

Mr. Speaker, the Hughes-Lent bill offers a reasonable but ambitious path for this country to take in solving the pollution problems of this highly stressed portion of the Atlantic Ocean's marine environment. The scientific data conclusively support a move of ocean dumping of municipal sludge, out of the 12-mile site to a deepwater dumpsite. A complete and comprehenisve review of all alternatives for the disposal of municipal sludge generated in the New York metropolitan region is necessary and long overdue. And finally, I believe that we must make a comprehensive assessment of the causes of the high levels of marine contamination in the New York Bight apex, and develop reasoned solutions which can be efficiently implemented. We can no longer afford to wait before taking action. I urge my colleagues to carefully review the legislation which we have introduced today and to support the passage of these much needed programs. Thank you.●

AMERICA'S VETERANS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FEIGHAN. Mr. Speaker, America's 28 million veterans answered the call to duty and served their nation proudly and well. They have done their part, often during periods of great peril and unimaginable personal danger, to help ensure the freedom and the liberty enjoyed by their fellow Americans and by our democratic allies. Since the end of the Civil War, Americans have recognized the special responsibility that we owe to the men and women who have sacrificed so much for the rest of us. Following the advice of Lincoln, we have made a commitment to "care for him who shall have borne the battle, and for his widow and orphans."

Over half a century ago, Congress created the Veterans' Administration to bring under one roof the various Federal agencies devoted to caring for the special needs of veterans and their dependents. Today, the VA is the largest independent Federal Government agency, administering 172 hospitals nationwide. Its 226 outpatient clinics have over 18 million visits each year. In addition, the VA provides nursing home and specialized care to over 29,000 veterans each year.

Congress has continued to address the pressing needs of many of our veterans. Last year, we passed a variety of landmark legislation in areas ranging from agent orange and post traumatic stress disorder to job training and education bills. The Emergency Veterans' Job Training Act created a program to directly assist employers in training veterans for long-term job opportunities, an especially important need for Vietnam and Korean war veterans whose rate of chronic unemployment is considerably above the national average. Prior to the program's expiration in February, it helped to place over 26,000 veterans in stable, productive jobs.

During the past several years, Congress has taken a responsible look at programs that could be cut back, and savings that could be made in various veterans' programs. I know that Chairman MONTGOMERY and other members of the Veterans' Affairs Committee have made every effort to cut costs where they were excessive. Indeed, the committee has saved more than $1 billion during the last 4 years by terminating certain benefits and services. At the same time, however, they have taken the lead in fighting efforts to gut our national commitment to the American veteran. Their leadership enabled Congress to defeat the administration's misguided efforts to balance the Federal budget on the backs of our veterans. We were able to turn down a $390 million cut in the VA medical budget; the elimination of 1,800 hospital beds; a 17-percent cut in staffing for vocational rehabilitation; and a cruel proposal to cut $234 million in needed veterans programs—70 percent of which were to come from veterans suffering disability from service related injuries.

Now, the administration is again proposing drastic cuts that will dangerously alter America's ability to meet its obligations to our veterans. At a time when World War II veterans are reaching age 65 in greater and greater numbers—7.2 million veterans will be 65 or older within 4 years—the President is calling for sharp reductions in VA services and a slowdown in the construction of needed hospital projects. In addition, he would raise the eligibility rates for many services, cut salaries, and drastically reduce the staffing needed to effectively run current programs.

Chairman MONTGOMERY has described what these proposals foretell:

Shutting down the VA Home Loan Guaranty Program; encouraging the most highly motivated and qualified of the VA's employees to seek employment outside of Government; shifting health care costs to an already heavily taxed Medicare system or, worse yet, denying health care altogether to individuals who served in the Armed Forces; and consolidating most of the functions of our 58 VA regional offices to 3 centralized locations.

These alternatives are simply unacceptable. Congress must ensure that our veterans are treated equitably as efforts are made to reduce spending and bring the budget into balance. I believe we need to immediately enact an across-the-board freeze on all spending, and then proceed on a pay-as-you-go basis for each spending proposal. Rather than cutting into important and vital programs that meet our veterans health, education, and living needs, Congress must fashion reasonable proposals that require shared sacrifices from every element of American society.

Thomas Jefferson said, "Whensoever hostile aggressions * * * require a resort to war, we must meet our duty and convince the world that we are just friends and brave enemies." In peacetime and during war, with courage and determination, America's veterans have done just that. They have made their contribution to America and its progress. Now, as we face the challenge of reducing the massive deficit we have a responsibility to ensure that our veterans are not required to carry a greater burden than any other group in our country. Congress should reject the administration proposals and protect the real needs of our veterans.●

WAITING FOR THE OLDER STUDENT

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. GUNDERSON. Mr. Speaker, in the next few months the Congress will be undertaking the reauthorization of the Higher Education Act in order to update the law in accordance with current trends in higher education and to prepare the Federal role in higher education for the changes of the 1990's. One trend which is quite apparent already is the shift of our college population toward the older student. Already, studies indicate that adult learners may comprise nearly 50 percent of our student body by 1991. They are nontraditional students who are attending college for the first time, or they are adults who are returning to higher education to seek further training, retraining, or skill improvement.

Yet our current law, and to a certain extent our colleges and universities, has not come to grips with these trends. Already this session I have introduced legislation which would revise title I of the HEA to focus that portion of the act on institutional development and change to serve the adult learner. In addition, we must also examine our student aid programs to ensure that they serve the older student fairly.

In this regard, I would like to share with my colleagues an article by William F. Brazziel which was recently published in the American Association of Higher Education Bulletin. William Brazziel is professor of higher education and coordinator of higher education programs at the University of Connecticut. His article, "Waiting for the Older Student," pointedly presents some the changes both our law and educational institutions must undertake to properly and successfully serve the nontraditional student:

[From the American Association of Higher Education Bulletin, February 1985]

WAITING FOR THE OLDER STUDENT

(By William F. Brazziel)

The president finally called Ratchley in to talk about the problem. The older student strategy simply was not working. Lord knows, there were plenty of older students on campus; you could see them everywhere. But earlier promises that their numbers would make up for shortfalls in the enrollment of younger students were dimming in the face of discouraging reports on FTE enrollment and tuition revenues.

Ratchley had come aboard two years ago to head the new lifelong learning program. He came highly recommended; the search committee had marveled at his interview presence. What had gone wrong? It was best to have it out now.

Ratchley, for his part, was braced for the moment. He could count as well as the next person. Although the programs he initiated had brought in many older students, he knew that, all-in-all, it was not enough. For the past several months he had found himself mentally retooling his resume. But he'd go into this meeting with some concrete suggestions for the president; if accepted, they could boost the older student strategy into orbit. If not, then goodbye Crystal Lake and hello Allentown Tech, or wherever. It was best to have this out now.

After inquiring into the health of the family and expressing gratitude at being able to slow two busy schedules enough to interface, the president quickly got down to brass tacks. He commanded Ratchley to talk to him about the failing strategy.

Ratchley was just as brisk. He began with a recitation of the new programs he had been able to get department heads to start: a business program for women who wanted to return to the workforce. A bachelor of general studies program for students who left college early and now wanted to finish, a Learn-Over-Lunch program for business people in the downtown area, plus a dozen or so similar efforts. He then recited chapter and verse of the rises in enrollment of older students on campus, keeping his statistics short and simple. (The president was a history major and often raised his voice at overdrawn statistical presentations.)

Before the president could get a "so what" look on his face, Ratchley wheeled into his analysis of the crux of the problem. "We are waiting for the older student, Mr. President," Ratchley intoned, "but we can't seem to get ready for them." Pausing to let the president ponder over this profundity, Ratchley produced a chart showing that while older students now accounted for fully a third of the headcount at Crystal Lake, they accounted for only about ten percent of the credit hours generated.

The president assimilated charted statistics slowly; Ratchley gave him time. At the appropriate moment, Ratchley continued gently: "So, you see Mr. President, to really get ready for the older student, we must conceptualize differently and this is a point you will have to help me get across to everybody on campus. We must have more older students, although we now have many, and we must somehow get them to take more courses." Ratchley brought closure as skillfully as his instructor had done in demonstrations in his graduate course in adult education. He cited the latest national figures showing that younger students enrolled for about eight courses a year, while older students only signed up for two. He pointed out that for a shortfall of one full-time student, Crystal Lake would have to enroll four older students. He also pointed out that increasing the number of courses older students took would lower the number of older students needed to make up the shortfall. If older students were taking four courses a year at Crystal Lake, for example, we would only require the enrollment of two older students to make up for a shortfall of one regular student.

PROJECTED NUMBER OF ADULT STUDENTS IN COLLEGES AND UNIVERSITIES

	Age			
	25–29	30–34	35 and over	Total
1980	1,974,500	1,058,280	750,000	3,782,780
1984	2,117,700	1,151,700	844,131	4,113,531
1988	2,108,902	1,257,420	950,075	4,316,397
1994	1,796,000	1,249,000	1,134,443	4,179,443
1998	1,724,100	1,108,900	1,276,823	4,109,823

"More older students taking more courses," the president said to no one in particular as he gazed out the window. Ratchley had made his point.

The prexy swung around in his chair and asked Ratchley if he had thought about how to bring about such a scenario. Ratchey had come prepared. Daycare centers and plastic money should be put in place at once, he said, noting that all of their evaluation studies had shown that women wanted to be able to leave their children at daycare centers on the campus, and that if daycare was available, they would increase their course loads. Both men and women had noted that they had read or heard about colleges where credit cards could be used to pay for registration and wondered why Crystal Lake had yet to "go plastic."

Striking while the iron was hot, Ratchley moved on to the desirability of registration by telephone, wondering to himself what the registrar's reaction would be. He produced some brochures from other colleges to illustrate the option and quickly moved on to the prospects of developing an adult career development center. He noted that large numbers of adults attend college to reenter the workforce, upgrade themselves in their jobs, change careers, and the like, and that career development centers got to the core of their concerns directly, and thereby helped generate enrollments and credit hours.

Ratchley leaned forward for emphasis and told the president that a single most important strategy in the drive would be to convince department heads and faculty members to offer older students the courses they wanted instead of courses that department heads and faculty felt they needed. This was vitally important, Ratchley said, in planning non-credit and non-degree offerings. Cloning regular offerings for evening and satellite schedules simply would not do. He noted that he was having difficulty convincing academic units to find out what older students wanted to study; some of them had told him that the low-level market research his department had mounted had no place in an academic institution. Fast food corporations, perhaps, but not in academe.

The president took Ratchley's side in this matter. He noted that while he had four degrees in history, an honorary degree, and had studied at the Sorbonne, he could see the logic in at least attempting to find out what adults wanted in the way of course offerings and in shaping offerings within reason to meet these needs.

The president rose, shook Ratchley's hand and led him to the door. He placed a hand on Ratchley's shoulder and said he felt they had a handle on the problem and could work it out. "More older students enrolling for more courses," he said, as he guided Ratchley out the door. And as the door closed, Ratchley could hear, ever so slightly "plastic money," "telephone registration," "daycare," "wants not needs," "career development" . . .

Ratchley took Mrs. Ratchley and the little Ratchleys out to dinner that evening and, while lining up for the salad bar, he suggested to Mrs. Ratchley that it might be a good time to go ahead with plans for new drapes in the living room. Maybe a new carpeting job, too. If things worked out.●

FOR THE RELIEF OF O. EDMUND CLUBB

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FRANK. Mr. Speaker, today I introduced a bill for the relief of O. Edmund Clubb. Mr. Clubb had a distinguished career from 1928 until his retirement in 1952 as a U.S. Foreign Service officer. He spent 18 years of service in China, and from 1947 to 1950 he served as U.S. Counsel General in Peiping (Peking), China. After Mr. Clubb left China in 1950, his personal possessions consisting of valuable objects of d'art and rare manuscripts were removed and detained by local Chinese authorities and became unaccounted for in the departure. Since 1950, Mr. Clubb has pursued every possible administrative remedy for the recovery of his possessions without success. A private bill is now his only recourse.

I think it is appropriate when considering this claim to recognize the course of events that forced Mr. Clubb and his colleagues from Government service in 1952. Although he is now recognized as a respected scholar of Chinese political and social history, he and his contemporaries in the Foreign Service were blamed for the "loss of China" during the McCarthy era. In fact they became the scapegoats for a failure of policy that he sought to prevent. For many years, Mr. Clubb suffered losses far beyond what this bill would restore to him.

As to Mr. Clubb's actual losses, there is no dispute. The U.S. State Department has provided documents attesting to the items claimed and the circumstances of the loss. The State Department has suggested a private bill to make restitution to Mr. Clubb for property that is basically irreplaceable.●

PERSONAL EXPLANATION

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. WISE. Mr. Speaker, I was unable to be present and voting for rollcall No. 35, final passage of House Resolution 100, to authorize funding for House committees, fiscal year 1986, which occurred on Tuesday morning, March 26. Unfortunately, the flight that I usually catch from my district back to Washington was fogged in at Charleston, WV, and I could not arrive in time to cast my vote. Had I been able to vote, I would have voted "nay."●

THE STEEL-JAW LEGHOLD TRAP: AN INHUMANE DEVICE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. ACKERMAN. Mr. Speaker, it is with much concern that I call to the attention of my colleagues one of the most inhumane trapping techniques practiced against animals—the steel-jaw leghold trap.

This device, although simple in design, is extremely hazardous for any animal that trips its powerful jaws. Since the trap rarely kills, the animal is crippled, and remains caught for an average of 15 hours before the trapper makes his rounds. There are endless stories about the horrors faced by the innocent creatures caught in the grasp of these traps. They are left unable to defend themselves against predatory animals; in desperation, they often gnaw off their own trapped limbs to gain freedom. All too frequently, they die in agony before the trapper returns.

Mr. Speaker, the steel-jaw leghold is indiscriminate. The trap will close upon any fauna that strays across it. Three nontarget animals—such as dogs, cats, and birds—are caught and killed for every fur bearing animal snared by a trapper. These nontargets are considered to be trash, and are commonly thrown aside before the trapper resets for another catch.

Because of the cruelty of the steel-jaw leghold trap, I would like to encourage my colleagues to join me in supporting legislation, H.R. 1809, which would ban the use of this instrument. Over 60 nations and several States have already acknowledged the inhumane nature of the trap, and have acted to limit or outlaw its use. Mr. Speaker, I recommend that we follow their example and end the brutality of the steel-jaw leghold trap.●

SANTA CLARA COUNTY SIXTH ANNUAL CHILD ABUSE SYMPOSIUM COINCIDES WITH CHILD ABUSE PREVENTION MONTH

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. EDWARDS of California. Mr. Speaker, children are our most precious resource, and, appropriately, April has been proclaimed "Child Abuse Prevention Month" by the Congress in recognition of this serious problem.

In Santa Clara County, CA, there were 9,151 referrals and reports of child abuse and neglect in 1984 alone. These incidents included nonaccidential physical injury, sexual assault, willful cruelty, unjustifiable punishment, and negligent treatment of children.

As many of my colleagues know, abused children are prone to developmental and educational disabilities, and at adolescence are more likely to drop out of school, become substance abusers or runaways, suicidal or engage in violent, or antisocial behavior.

Fortunately, Santa Clara County has implemented effective prevention and intervention programs to help children and their parents to lead healthier family lives. Dedicated professionals in social work, probation, public health, and law enforcement, together with volunteer groups and private agencies, have devoted many hours of personal time to develop training programs that make child abuse prevention and treatment available in the community at a minimum cost.

This year, the county is holding its Sixth Annual Child Abuse Symposium April 11-12. The symposium attracts close to 300 professionals and volunteers from throughout the San Francisco Bay area and provides participants with a new perspective on the prevention and treatment of child abuse.

I would like to take this opportunity to recognize the organizers of the Sixth Annual Child Abuse Symposium. They are: Dave Bartholomew, Bob Carroll, Terri Locke-Carroll, Barbara Davis, Lynn Fossum, Martha Frank, Hortencia Garces, Bruce Hult, Marv Lewis, Bob Masterson, Lorrie Moore, and Evelyn Schreck.

These fine individuals are to be commended for their deep concern and unselfish dedication to the cause of preventing child abuse. It is truly an honor to bring their accomplishments to the attention of my colleagues in the House of Represenatives.●

A TRIBUTE TO PASCUA FLORIDA WEEK

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. CHAPPELL. Mr. Speaker, I proudly rise today to pay tribute to Pascua Florida Week, an annual observance from March 27 through April 2 of the State of Florida's long and colorful heritage. At Easter, 472 years ago, three Spanish caravels sailed up the coast of Florida and anchored in 8 fathoms of water. Awed by the lush greenery and gay spring blossoms, the commander knelt down on the ground once ashore and gave his discovery a name—"Pascua Florida," meaning a feast of flowers at Easter time. That

commander was Ponce de Leon. He planted a red and gold banner claiming the turf for Ferdinand V, though it would be only the first of five flags to eventually fly over the beautiful territory.

Thanks to the persistent efforts of journalist and historian Cherie Gardner of Daytona Beach, Pascua Florida Week has been since 1977 a time when we Floridians pause to reflect upon and commemorate our great State's history, traditions, and role in the growth and development of this country. The editor of Reflections, a magazine dedicated to keeping Florida's history alive, Mrs. Gardner has obtained proclamations from the Governor; the mayors of Daytona Beach, New Smyrna Beach, Ormond Beach, Port Orange, and others that declare this Pascua Florida Week.

Cherie Gardner is to be commended for arranging this opportunity for us to celebrate our rich and diverse history as a State.●

CATHOLIC SOCIAL TEACHING AND THE U.S. ECONOMY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. LaFALCE. Mr. Speaker, as we continue our often heated debates about economic policy, I would like to suggest that we step back for a moment to recall the moral underpinnings of our arguments.

Last November, we received a moral challenge from the National Conference of Catholic Bishops. In their pastoral letter, "Catholic Social Teaching and the U.S. Economy," the bishops examined the state of our economy and found it wanting. I call upon my colleagues to take note of the observations of the bishops. Their letter is a strong reminder that the glow of health of our economy glosses over deep pockets of poverty, unemployment, and social alienation.

In the midst of a recovery from our worst recession in years, the poverty level is at 15 percent, the highest level in 20 years. Thus, approximately one out of every seven people is excluded from our American birthright of justice and equal opportunity. When faced with the gritty task of daily survival, what is the meaning of "opportunity" if the opportunity to escape such a condition is not available? How many families, communities, and sad solitary lives will be devastated by the awful reality of poverty in America and in the world before we recognize the moral obligation that should serve as the foundation of our economic policy? The current recovery is a rising tide that only lifts some boats, leaving the rest to sink or float adrift as best they can. The bishops recognize that selectivity in an economic recovery should not be condoned; our continued toleration of this condition signifies both a poor understanding of economics and a pitiful sense of morality.

We have set another record with this "recovery": Unemployment is at a historically high level of 7.3 percent—as compared with previous recoveries. But like all statistics, this number can be misleading. Sectors of our society are suffering from inexcusably high unemployment; just last month, the unemployment level of blacks rose from 14.9 to 16.3 percent. How much longer can we allow such inequity?

The unevenness of the recovery is also demonstrated by the effects on our industrial sectors. Aggregate unemployment did fall last month from 7.4 to 7.3 percent, and 119,000 new jobs were created. However, those jobs were the result of an increase of 255,000 jobs in the service sector, less a decrease of 75,000 in the manufacturing sector. It is time to address the structural problems indicated by these numbers; the mounting seriousness of the changes in our economy demands a response. The "pastoral letter" makes the simple request that our response show an awareness that each number in our statistics is a person with needs, rights, and dignity.

Recently, the Subcommittee on Economic Stabilization, which I chair, held a hearing during which two Nobel laureates in economics, as well as other prominent economists, testified on the feasibility of the bishops' recommendations for a moral economic policy. Nobel laureates James Tobin of Yale and Lawrence Klein of the University of Pennsylvania strongly endorsed the economic policy recommendations of the bishops' letter, arguing that it is well within our ability to lower substantially the levels of poverty and unemployment in our economy without increasing inflation.

The bishops know that beneath every good parable lies a grain of truth. Yet many of us with the power and obligation to help persist in deluding ourselves with false tales of growth and prosperity. Let us now meet the challenge of the bishops with concrete actions to alleviate the severe economic hardship endured by many of our fellow citizens.●

JUNIOR DAVID MARTIN RETIRES AS CHIEF

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. LEWIS of California. Mr. Speaker, as you are aware, the California Highway Patrol is one of the most respected law enforcement organizations in the United States today. Without the dedication, talent, and commitment of the very special men and women who are part of the CHP, the citizens of California could not enjoy the safety and peace of mind that they do on and around their highways. The California Highway Patrol is an efficient organization, able and willing to work hard to protect the citizens, and to promote law and order. Each individual in the organization is a vital link in an extremely vital chain. When one of those links is broken, the effects are felt within the CHP as well as within the community. Such a link is about to be broken.

This year, Chief Junior David Martin will retire from the force, after 29 years of extraordinary service. He will be sorely missed. A graduate of San Luis Obispo Junior College, Chief Martin began his career with CHP in March of 1956. His superiors took note of his abilities and talents, and Junior was steadily promoted. Martin realized the importance of education and continued to attend school when he was able, specializing in law enforcement and supervisory training. In 1970, he was promoted to captain, and then in 1973, inspector.

Chief Martin is a caring man, one who values human life and has dedicated his career to protecting it. One of his special concerns is the drunk driver. With help from a friend, Martin was instrumental in organizing a television campaign aimed at potential drunk drivers. This amazing venture featured Bob "Highway Patrol" Hope and reached countless citizens. All this was done at no cost to the California Highway Patrol. Chief Martin was also extremely active in other television spots on driver safety. Clearly, we have all benefited from the concern and actions of people like Junior Martin.

Junior currently resides in Redlands, CA, with his wife of 32 years, Betty Mae. They are the proud parents of three children: Cynthia, Sandra, and Robert, and also have four grandchildren. Junior is the president of the Uptown Kiwanis Mason Order, and he takes an active interest in cultural programs throughout neighboring communities. His hobbies include golf, fishing, hunting, and wood working.

Mr. Speaker, it is with great pride that I ask you and my colleagues here in the House of Representatives, to join me, along with family, friends, and fellow officers of the California Highway Patrol, in honoring a truly remarkable man on his retirement. Chief Junior David Martin's selfless contributions to the safety and well being of his fellow citizens will cause him to be remembered dearly as one of California's, indeed, one of our Nation's finest.●

WASTE AND ABUSE IN DEFENSE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mrs. BOXER. Mr. Speaker, In January of this year, The International Association of Machinist and Aerospace Workers published a story in their trade magazine, The Machinist (p. 3, number 9, vol. XXXIX), about the billions of dollars of taxpayer's funds wasted each year in Defense procurement. They raised a number of excellent examples of how this rip-off occurs. I would like to share these examples with my distinguished colleagues in order to emphasize the need to continually monitor rampant defense waste.

One of the biggest areas of waste in the defense procurement area is in the salaries paid to top management personnel in the aerospace industry.

Twelve leading aerospace firms were studied by the Government Accounting Office. Their study revealed that executive pay, defined as a salary and a bonus, averaged 42 percent more than the average salary and bonus at comparably sized firms in other businesses. The study also revealed that the union employees and other hourly workers are earning just slightly over the national average.

In 1983, for instance, Boeing Chairman T.A. Wilson earned $873,000 just in salary and bonus. This compares with 475,000 for Chrysler's Lee Iacocca and Eastern Airlines Frank Borman who earned $282,000 in salary and bonus.

Representative JACK BROOKS, Chair of the House Government Operations Committee, concluded that executive pay in the aerospace industry is bloated.

BROOKS noted the study also found that executives "also receive noncash prerequisites, including stock options, use of automobiles, social club memberships, and free travel for spouses. Most of these benefits are paid for by the taxpayer as they are charged as part of the cost of doing defense business."●

JOE SWANNER, SERVANT OF THE PEOPLE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. ALEXANDER. Mr. Speaker, it's a mighty big bureaucracy we try to keep track of on this Hill. At last count, 2,909,899 people worked for the gargantuan enterprise known as the Federal Government.

The overwhelming majority of our Federal workers are dedicated and we should be proud of all of them. But there are some among these multitudes who stand out. Joe Swanner is one such man.

Joe retired recently after more than half a lifetime in Federal service. That service began on the floor of this body when he was a clerk assisting with the House Journal. Joe ended his career in Austin, TX, after a 12-year stint as Regional Administrator for the Economic Development Administration.

The plain fact about Joe Swanner is that he was a professional servant of the people, and, Mr. Speaker, there just aren't many nobler things to be.

He didn't stay in Government that long for the money: Lord knows he could have made more in the private sector.

He didn't stay in for fame, for he is not a household word.

He didn't stay in because he was on a power trip; on the contrary, he was there to help.

Joe realized that Government, when done well, has a tremendous ability to do good for ordinary people. For that reason, he loved and cherished Government, and spent his career in it.

He realized that it was Government that could help the businesses, the communities and the people of the five States in the Southwestern region of EDA leave behind a history of poverty, ignorance, and underdevelopment and enter an era of prosperity, education, and employment. Not through handouts, you understand, but through programs which helped businesses get on their feet, stay there, and create jobs.

I guess the best thing you can say about Joe Swanner is that he reached the goal all of us in Federal service should always aspire to—he truly cared.●

TRIBUTE TO LELAND C. AYERS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of the community of Burbank, CA. Mr. Leland C. Ayers will be concluding his last term on the Burbank City Council in April of this year. Leland is the only councilman ever to be elected to three terms in Burbank. He has also served as mayor.

We have not always agreed on the issues of the day, but I have always found Leland Ayers to be a man of strength, leadership and the highest integrity. Above all he has had a single-minded determination to fight for what he thought was right for Burbank.

Throughout his career on the Burbank City Council he has always shown a willingness to give freely of his time to aid important community organizations. While serving as mayor or council member, from 1976 to the present, and running his own business, he has also found time to serve as commissioner on the Los Angeles County Emergency Care Commission. In 1973, Mr. Ayers served as the chairman of the Burbank Chapter of the American Red Cross. He currently serves on the board of directors of St. Joseph Medical Center.

It has been my pleasure and honor to work with Leland Ayers. His commitment to public service has helped to make Burbank the fine city it is today.●

A TRIBUTE TO RUTH FISHER FOUNDER, CANCER VOLUNTEERS OF AMERICA

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. LENT. Mr. Speaker, I take great pleasure in paying tribute today to an upstanding citizen and community leader, Ruth Fisher of Great Neck, NY. On April 13, 1985, Ruth's many family, friends, and colleagues will honor her at a dinner dance to be held at the Swan Club, in Glenwood Landing, NY.

On May 31, 1979, Ruth Fisher founded the Cancer Volunteers of America [CVA]. CVA is an independent, nonprofit, charitable organization operated completely by volunteers. The organization was formed for the sole purpose of providing financial assistance and services to cancer patients, many of whom are children, and their families. All donated funds are distributed directly to the patients and their families. The CVA also contributes financial aid to numerous cancer patient service programs throughout the local community.

The CVA proudly offers many free services to cancer patients, including a 24-hour emergency hotline, aid in the purchase of modern home-hospital equipment, counseling, blood banks, and donor programs, group and individual therapy, drug assistance, health guidance, referrals. The list of programs and services CVA offers is almost endless.

As an honorary member of the CVA, I can personally attest to the commitment and dedicated work of the CVA volunteers. These volunteers are reaching out to help others in their time of need because they care.

The fight against cancer can be a long and difficult struggle. But with advanced medical technology, real progress in the battle against cancer is being made. With proper care and treatment, many cancer patients are

beating the odds and are able to return to living normal, healthy lives.

Still, for many cancer patients and their families, the financial and emotional strain of a long-term illness can become overwhelming at times. The CVA lends financial assistance, guidance, and emotional support to help patients and their loved ones through these difficult periods. The CVA and its volunteers provide an important service of inestimable value. We owe Ruth Fisher our deepest gratitude and appreciation for all her hard work and dedication to serving others through the CVA.

The Ruth Fisher Cancer Scholarship Fund of the CVA has recently been established in her honor as the organization's founder. The scholarship fund is awarded annually to a deserving student pursuing a medical career and in need of financial assistance.

Ruth's volunteer work spans a career of over 25 years of public service. She is president of the Ladies of Charity for the Sisters of Mercy; an advisory board member of the Kline School, Huntingdon, CA; and a member of the Children to Children Foundation, Washington, DC.

Ruth Fisher is an outstanding American who has dedicated her life to helping others. Her commitment to public and community service and her many years of noteworthy achievements are worthy of the highest commendation.

I know I speak for Ruth's many friends and colleagues in extending my heartfelt appreciation and best wishes for continued success.●

THE LITTLE HOOVER COMMISSION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. WOLF. Mr. Speaker, I am introducing legislation today which would establish a commission to review the civil service—a so-called Little Hoover Commission. This legislation is identical to an initiative I sponsored in the 98th Congress which I believe is even more critical today.

We marked the 100th anniversary of the creation of today's civil service in 1983. With over a century of history and experience in the course and direction of government and with the overwhelming number of proposals which continue to face the Congress in a piecemeal fashion which would significantly alter the structure of the civil service, I believe we must establish a commission to formulate recommendations for the future course of the civil service system.

My legislation would establish a commission to investigate, study, and make recommendations on changes in the U.S. civil service system. The panel would be organized in a similar fashion as the Truman-appointed Hoover Commissions of 1947 and 1952 which included appointees by the House and Senate leadership and President Truman who studied the organization and functions of the executive branch of government.

Just in the past few months, Congress has received budget proposals from the administration, which, if adopted would have far-reaching effects on the quality of government services rendered to the American taxpayer. Before such radical changes in the direction of the Federal Government are accepted within the limited timeframe of the congressional budget cycle, I am proposing that a Little Hoover Commission be established to provide a broad, objective perspective on current budget issues and to review the pending initiatives and cost effectiveness of current personnel practices. Among the issues to be addressed would be civil service retirement and its funding, Federal employees personnel policies, appropriate levels of pay and benefits, and other vital issues which go to the heart of Federal employment and the civil service's ability to render quality services to the American people. While this should not be viewed as an attempt to avoid dealing with the problems at hand, this Commission would provide an opportunity to assemble the necessary data and material to examine those proposals which could have such far-reaching impact on an effective civil service.

In order to make the long-term realistic proposals for the civil service and the future of our country, this Commission must be composed of men and women who are leaders in their fields and whose records in private and public sector employment would provide the necessary objectivity and experience. All appointments would be the prerogative of the appointing Members of the congressional leadership and the President of the United States.

Only by working in a bipartisan manner can we hope to address and solve these issues equitably and effectively. This Commission would be strictly bipartisan in makeup and comprised of individuals who can make recommendations to the Congress and President in a timely manner.

I urge my colleagues to join me in supporting the establishment of this Commission.●

GROUP LIFE INSURANCE OPTIONS FOR FEDERAL RETIREES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. FRANK. Mr. Speaker, today I introduced legislation that would allow retired Federal employees who retired before December 9, 1980, to elect to resume coverage under the Federal employees' group life insurance program [FEGLI]. In 1980 the Congress approved major reforms for Federal employees covered by group life insurance, but employees who retired before these reforms were enacted do not have these necessary options available to them.

I have met with constitutents who made me aware of the problems they have experienced with the current law. It is very difficult and costly for a 65- to 70-year-old person to obtain life insurance. In some cases, retirees have found that their life insurance decreased in value by $6,000 in 1 year. Unfortunately, Federal retirees, who left Government service before the 1980 reforms, did not have the opportunity to maintain their life insurance at full value.

My bill would allow pre-1980 Federal retirees the following options now available to all Federal retirees: One, pay no premiums after retirement and allow their policy to be reduced to 25 percent; two, pay premiums that will allow their policy to be reduced to 50 percent; three, pay premiums to maintain their life insurance at 100 percent of its full value. The mandatory reduction formula used before 1980 leaves many retirees with very inadequate life insurance protection.●

A TRIBUTE TO THE DEL BIANCO FAMILY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 1, 1985

● Mr. COELHO. Mr. Speaker, this great country of ours means many things to many people. It is a land of freedom and opportunity representing the hopes of countless people. It is the home of the American dream.

For centuries now, people of different ancestries have come to this Nation. They arrive with dreams of success and the boundless ambition necessary to realize these dreams. The combination of these hard-working, determined people and the opportunities that this country offers them have resulted in many success stories.

Today, I would like to take this opportunity to acknowledge the 50th anniversary of Lucca's Restaurant in Madera, CA. This event reflects one such success story.

Georgio Del Bianco arrived in the United States in 1906. He went to work in the San Joaquin Valley and then returned to Italy to get married. He and his wife, Lela, returned together to start their new life in this land.

After working for a time as a foreman on a ranch, Georgio purchased some land as an investment. On April 11, 1935, he opened an Italian food dining room on this land.

The Del Biancos had two sons and as soon as they could clear tables, they became a part of the business. In 1948, the two brothers, Sirio and Elmo, and their wives, Vickie and Anna, bought the restaurant from the elder Del Biancos.

The restaurant underwent expansion and improvement throughout the years. Then, in 1973, an unfortunate fire gutted the building.

The family handled this hardship like they handled others, they pulled together and overcame the tragedy. In less than 16 months, they had reopened Lucca's Restaurant.

The family has worked hard and long to make Lucca's what it is today. The restaurant is an institution in Madera and throughout the San Joaquin Valley. It is a meeting place for good food and good company.

On April 11, 1985, the Del Bianco family will have owned and operated the Lucca's Restaurant for 50 years. This is indeed a noteworthy accomplishment. Georgio and Lela Del Bianco, starting out as Italian immigrants with nothing but a desire to succeed, came to this country and fulfilled their American dream. I would like to join in offering my congratulations to them.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, April 2, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 3

9:00 a.m.

Armed Services
Closed business meeting, to continue markup of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-222

Governmental Affairs
To hold hearings on the nominations of Henrietta F. Guiton, of California, to be a Commissioner of the Postal Rate Commission, and John N. Griesemer, of Missouri, to be a Governor of the U.S. Postal Service.
SD-342

9:30 a.m.

Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the peanut industry.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue joint hearings with the Committee on Labor and Human Resources' Subcommittee on the Handicapped on the care and advocacy for mentally disabled persons in institutions.
SR-428A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
SD-116

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SD-G50

Finance
International Trade Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. International Trade Commission, U.S. Customs Service, and the Office of the U.S. Trade Representative.
SD-215

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on activities of the Federal Bureau of Investigation, Department of Justice.
SD-226

Labor and Human Resources
Handicapped Subcommittee
To continue joint hearings with the Committee on Appropriations' Subcommittee on Labor, Health and Human Services, Education, and Related Agencies on the care and advocacy for mentally disabled persons in institutions.
SR-428A

10:00 a.m.

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on defense manpower programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Environment and Public Works
To hold hearings on the availability of environmental impairment insurance and its relation to the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (P.L. 96-510), and the Resource Conservation Recovery Act (P.L. 98-616).
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

11:00 a.m.

Foreign Relations
Business meeting, to continue markup of S. 659, authorizing funds for fiscal years 1986 and 1987 for the Department of State.
SD-419

2:00 p.m.

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury.
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

2:30 p.m.

Governmental Affairs
Business meeting, to consider the nomination of Donald J. Devine, of Maryland, to be Director of the Office of Personnel Management.
SD-342

3:00 p.m.

Judiciary
Business meeting, to consider pending committee business.
SD-226

APRIL 4

9:00 a.m.
Armed Services
Closed business meeting, to continue markup of S. 674, authorizing funds for fiscal year 1986 for the Department of Defense.
SR-222

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for the food for peace program and export industry.
SR-328A

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To continue oversight hearings to examine corporate takeovers.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
Business meeting, to mark up S. 53 and S. 652, bills authorizing funds for programs of the Clean Water Act.
SD-406

Governmental Affairs
To hold hearings on nomination of Herbert B. Dixon, to be an Associate Judge of the Superior Court of the District of Columbia.
SD-342

Judiciary
Business meeting, to consider pending committee business.
SD-226

Joint Economic
To hold hearings to review public attitudes on the Federal budget deficit and Federal tax reform proposals.
2359 Rayburn Building

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

1:30 p.m.
Commerce, Science, and Transportation
To resume hearings on the proposed sale by the Department of Transportation of Conrail.
SR-253

APRIL 5

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for March.
SD-538

APRIL 15

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for conservation programs.
SR-328A

1:30 p.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings on S. 667, authorizing funds for certain programs of the Department of Housing and Urban Development.
SD-538

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for research and extension programs.
SR-328A

APRIL 16

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on the effect of new technologies in industrial competitiveness.
SR-253

Rules and Administration
To hold hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for certain defense programs, focusing on Navy shipbuilding and conversion.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 725, authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the status of the U.S. Government personnel security system.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, special institutions, including Howard University, bilingual education, and adult and vocational education programs.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on the effect of new technologies in industrial competitiveness.
SR-253

Finance
To hold hearings to review an Administration report on prospective payment for skilled nursing facilities under the Medicare program.
SD-215

Labor and Human Resources
To hold oversight hearings on activities of the International Labor Organization.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S. Government personnel security system.
SD-342

APRIL 18

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on agribusiness.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 725, authorizing funds for fiscal years 1986 through 1990 for programs of the Endangered Species Act.
SD-406

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on the status of the U.S. Government personnel security system.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 19

10:30 a.m.
Finance
Health Subcommittee
To hold oversight hearings of the Peer Review organizations.
SD-215

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, impact aid, research and statistics, and libraries.
SD-116

Rules and Administration
To resume hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

Rules and Administration
To continue hearings on Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

APRIL 24

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, focusing on commodity assistance for rural credit programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on the consolidation of certain trade routes.
SR-232

APRIL 25

9:30 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on S. 501 and S. 616, bills to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs.
SR-328A

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Fisheries Conservation and Management Act and fishery programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

10:30 a.m.
Rules and Administration
Business meeting, to consider Senate committee resolutions requesting funds for operating expenses for 1985.
SR-301

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 26

9:30 a.m.
Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings to review options for conducting a pay equity study of the Federal pay and classification systems.
SD-342

APRIL 29

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for Amtrak.
SR-253

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to review the health prevention/promotion for Medicare beneficiaries.
SD-215

APRIL 30

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

Environment and Public Works
To hold joint hearings with the Committee on Governmental Affairs' Subcommittee on Governmental Efficiency and the District of Columbia on global forecasting capability.
SD-342

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold joint hearings with the Committee on Environment and Public Works on global forecasting capability.
SD-342

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
Room to be announced

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the Consumer Product Safety Commission.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation and related agencies.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 3

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the Coastal Zone Management Act and ocean programs of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

MAY 6

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs of the Department of Transportation.
SR-253

MAY 7

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the

Indian Health Service, Department of Health and Human Services.
SD-138

Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To resume hearings on S. 483, to ensure that the Federal Government assume the full cost of legislating and regulating Federal purposes and mandates.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

APRIL 2

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

9:30 a.m.
Veterans' Affairs
To hold hearings on S. 6, to clarify and improve certain health-care programs and services provided and administered by the Veterans' Administration, and related proposals.
SR-418